Supplemental Listing Document

If you are in any doubt as to any aspect of this document, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, accountant or other professional adviser.

Application has been made to the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for permission to deal in and for quotation of the Certificates (as defined below). The SGX-ST assumes no responsibility for the correctness of any statements made or opinions or reports expressed in this document, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this document. Admission to the Official List of the SGX-ST is not to be taken as an indication of the merits of SG Issuer, Société Générale, the Certificates, or the Company (as defined below).

11,500,000 European Style Cash Settled Long Certificates relating to

the ordinary H shares of PetroChina Company Limited

with a Daily Leverage of 5x

issued by

SG Issuer

(Incorporated in Luxembourg with limited liability)

unconditionally and irrevocably guaranteed by

Société Générale

Issue Price: S$0.70 per Certificate

This document is published for the purpose of obtaining a listing of all the above certificates (the "**Certificates**") to be issued by SG Issuer (the "**Issuer**") unconditionally and irrevocably guaranteed by Société Générale (the "**Guarantor**"), and is supplemental to and should be read in conjunction with a base listing document dated 14 June 2024 including such further base listing documents as may be issued from time to time, as supplemented by an addendum dated 30 September 2024 (the "**Base Listing Document**"), for the purpose of giving information with regard to the Issuer, the Guarantor and the Certificates. Information relating to the Company (as defined below) is contained in this document.

This document does not constitute or form part of any offer, or invitation, to subscribe for or to sell, or solicitation of any offer to subscribe for or to purchase, Certificates or other securities of the Issuer, nor is it calculated to invite, nor does it permit the making of, offers by the public to subscribe for or purchase for cash or other consideration the Certificates or other securities of the Issuer.

Restrictions have been imposed on offers and sales of the Certificates and on distributions of documents relating thereto in Singapore, Hong Kong, the European Economic Area, the United Kingdom and the United States (see "Placing and Sale" contained herein).

The Certificates are complex products. You should exercise caution in relation to them. Investors are warned that the price of the Certificates may fall in value as rapidly as it may rise and holders may sustain a total loss of their investment. The price of the Certificates also depends on the supply and demand for the Certificates in the market and the price at which the Certificates is trading at any time may differ from the underlying valuation of the Certificates because of market inefficiencies. It is not possible to predict the secondary market for the Certificates. Although the Issuer, the Guarantor and/or any of their affiliates may from time to time purchase the Certificates or sell additional Certificates on the market, the Issuer, the Guarantor and/or any of their affiliates are not obliged to do so. Investors should also note that there are leveraged risks because the Certificates integrate a leverage mechanism and the Certificates will amplify the movements in the increase, and in the decrease, of the value of the Underlying Stock (as defined below) and if the investment results in a loss, any such loss will be increased by the leverage factor of the Certificates. As such, investors could lose more than they would if they had invested directly in the Underlying Stock.

The Certificates are classified as capital markets products other than prescribed capital markets products[1] and Specified Investment Products (SIPs)[2], and may only be sold to retail investors with enhanced safeguards, including an assessment of such investors' investment knowledge or experience.

The Certificates constitute general unsecured obligations of the Issuer (in the case of any substitution of the Issuer in accordance with the Conditions of the Certificates, the Substituted Obligor as defined in the Conditions of the Certificates) and of no other person, and the guarantee dated 14 June 2024 (the "**Guarantee**") and entered into by the Guarantor constitutes direct unconditional unsecured senior preferred obligations of the Guarantor and of no other person, and if you purchase the Certificates, you are relying upon the creditworthiness of the Issuer and the Guarantor and have no rights under the Certificates against any other person.

Application has been made to the SGX-ST for permission to deal in and for quotation of the Certificates and the SGX-ST has agreed in principle to grant permission to deal in and for quotation of the Certificates. It is expected that dealings in the Certificates will commence on or about 29 April 2025.

As of the date hereof, the Guarantor's long term credit rating by S&P Global Ratings is A, and by Moody's Investors Service, Inc. is A1.

The Issuer is regulated by the Luxembourg Commission de Surveillance du Secteur Financier on a consolidated basis and the Guarantor is regulated by, *inter alia*, the Autorité des Marchés Financiers, the Autorité de Contrôle Prudentiel et de Résolution and the European Central Bank.

28 April 2025

[1] As defined in the Securities and Futures (Capital Markets Products) Regulations 2018.
[2] As defined in the MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products.

Subject as set out below, the Issuer and the Guarantor accept full responsibility for the accuracy of the information contained in this document and the Base Listing Document in relation to themselves and the Certificates. To the best of the knowledge and belief of the Issuer and the Guarantor (each of which has taken all reasonable care to ensure that such is the case), the information contained in this document and the Base Listing Document for which they accept responsibility (subject as set out below in respect of the information contained herein with regard to the Company) is in accordance with the facts and does not omit anything likely to affect the import of such information. The information with regard to the Company as set out herein is extracted from publicly available information. The Issuer and the Guarantor accept responsibility only for the accurate reproduction of such information. No further or other responsibility or liability in respect of such information is accepted by the Issuer and the Guarantor.

No person has been authorised to give any information or to make any representation other than those contained in this document in connection with the offering of the Certificates, and, if given or made, such information or representations must not be relied upon as having been authorised by the Issuer or the Guarantor. Neither the delivery of this document nor any sale made hereunder shall under any circumstances create any implication that there has been no change in the affairs of the Issuer, the Guarantor or their respective subsidiaries and associates since the date hereof.

This document does not constitute an offer or invitation by or on behalf of the Issuer or the Guarantor to purchase or subscribe for any of the Certificates. The distribution of this document and the offering of the Certificates may, in certain jurisdictions, be restricted by law. The Issuer and the Guarantor require persons into whose possession this document comes to inform themselves of and observe all such restrictions. In particular, the Certificates and the Guarantee have not been and will not be registered under the United States Securities Act of 1933, as amended or any state securities law, and trading in the Certificates has not been approved by the United States Commodity Futures Trading Commission (the "**CFTC**") under the United States Commodity Exchange Act of 1936, as amended and the Issuer has not been and will not be registered as an investment company under the United States Investment Company Act of 1940, as amended, and the rules and regulations thereunder. None of the Securities and Exchange Commission, any state securities commission or regulatory authority or any other United States, French or other regulatory authority has approved or disapproved of the Certificates or the Guarantee or passed upon the accuracy or adequacy of this document. Accordingly, Certificates, or interests therein, may not at any time be offered, sold, resold, traded, pledged, exercised, redeemed, transferred or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, U.S. persons, nor may any U.S. person at any time trade, own, hold or maintain a position in the Certificates or any interests therein. In addition, in the absence of relief from the CFTC, offers, sales, re-sales, trades, pledges, exercises, redemptions, transfers or deliveries of Certificates, or interests therein, directly or indirectly, in the United States or to, or for the account or benefit of, U.S. persons, may constitute a violation of United States law governing commodities trading and commodity pools. Consequently, any offer, sale, resale, trade, pledge, exercise, redemption, transfer or delivery made, directly or indirectly, within the United States or to, or for the account or benefit of, a U.S. person will not be recognised. A further description of certain restrictions on offering and sale of the Certificates and distribution of this document is given in the section headed "Placing and Sale" contained herein.

The SGX-ST has made no assessment of, nor taken any responsibility for, the financial soundness of the Issuer or the Guarantor or the merits of investing in the Certificates, nor have they verified the accuracy or the truthfulness of statements made or opinions expressed in this document.

The Issuer, the Guarantor and/or any of their affiliates may repurchase Certificates at any time on or after the date of issue and any Certificates so repurchased may be offered from time to time in one or more transactions in the over-the-counter market or otherwise at prevailing market prices or in negotiated transactions, at the discretion of the Issuer, the Guarantor and/or any of their affiliates. Investors should not therefore make any assumption as to the number of Certificates in issue at any time.

References in this document to the "**Conditions**" shall mean references to the Terms and Conditions of the European Style Cash Settled Long/Short Certificates on Single Equities contained in the Base Listing Document. Terms not defined herein shall have the meanings ascribed thereto in the Conditions.

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RISK FACTORS

The following are risk factors relating to the Certificates:

(a) in respect of certain corporate adjustment events on the Underlying Stock, trading in the Certificates may be suspended on the relevant ex-date of the Underlying Stock and trading in the Certificates will resume on the next immediate trading day on the SGX-ST. Please note that trading in the Certificates on the SGX-ST may be suspended for more than one trading day in certain circumstances;

(b) investment in Certificates involves substantial risks including market risk, liquidity risk, and the risk that the Issuer and/or the Guarantor will be unable to satisfy its/their obligations under the Certificates. Investors should ensure that they understand the nature of all these risks before making a decision to invest in the Certificates. You should consider carefully whether Certificates are suitable for you in light of your experience, objectives, financial position and other relevant circumstances. Certificates are not suitable for inexperienced investors;

(c) the Certificates constitute general unsecured obligations of the Issuer (in the case of any substitution of the Issuer in accordance with the Conditions of the Certificates, the Substituted Obligor as defined in the Conditions of the Certificates) and of no other person, and the Guarantee constitutes direct unconditional unsecured senior preferred obligations of the Guarantor and of no other person. In particular, it should be noted that the Issuer issues a large number of financial instruments, including Certificates, on a global basis and, at any given time, the financial instruments outstanding may be substantial. If you purchase the Certificates, you are relying upon the creditworthiness of the Issuer and the Guarantor and have no rights under the Certificates against any other person;

(d) since the Certificates relate to the price of the Underlying Stock, certain events relating to the Underlying Stock may cause adverse movements in the value and the price of the Underlying Stock, as a result of which, the Certificate Holders (as defined in the Conditions of the Certificates) may, in extreme circumstances, sustain a significant loss of their investment if the price of the Underlying Stock has fallen sharply;

(e) in the event that the Company is subject to any sanction by governmental authorities, (i) such sanction may impact general investor interest in the Underlying Stock, which may in turn affect the liquidity and market price of the Underlying Stock, and (ii) investors should consult their own legal advisers to check whether and to what extent investing in the Certificates will be in violation of applicable laws and regulations;

(f) in the event that the Company is controlled through weighted voting rights, certain individuals who own shares of a class which is being given more votes per share may have the ability to determine the outcome of most matters, and depending on the action taken by the Company, the market price of the Certificates could be adversely affected;

(g) due to their nature, the Certificates can be volatile instruments and may be subject to considerable fluctuations in value. The price of the Certificates may fall in value as rapidly as it may rise due to, including but not limited to, variations in the frequency and magnitude of the changes in the price of the Underlying Stock, the time remaining to expiry, the currency exchange rates and the creditworthiness of the Issuer and the Guarantor;

(h) if, whilst any of the Certificates remain unexercised, trading in the Underlying Stock is suspended or halted on the relevant stock exchange, trading in the Certificates may be suspended for a similar period;

(i) as indicated in the Conditions of the Certificates and herein, a Certificate Holder must tender a specified number of Certificates at any one time in order to exercise. Thus, Certificate Holders with fewer than the specified minimum number of Certificates in a particular series will either have to sell their Certificates or purchase additional Certificates, incurring transactions costs in each case, in order to realise their investment;

(j) investors should note that in the event of there being a Market Disruption Event (as defined in the Conditions) determination or payment of the Cash Settlement Amount (as defined in the Conditions) may be delayed, all as more fully described in the Conditions;

(k) certain events relating to the Underlying Stock require or, as the case may be, permit the Issuer to make certain adjustments or amendments to the Conditions. Investors may refer to the Conditions 4 and 6 on pages 32 to 37 and the examples and illustrations of adjustments set out in the "Information relating to the European Style Cash Settled Long Certificates on Single Equities" section of this document for more information;

(l) the Certificates are only exercisable on the Expiry Date and may not be exercised by Certificate Holders prior to such Expiry Date. Accordingly, if on the Expiry Date the Cash Settlement Amount is zero, a Certificate Holder will lose the value of his investment;

(m) the total return on an investment in any Certificate may be affected by the Hedging Fee Factor (as defined below), Management Fee (as defined below) and Gap Premium (as defined below);

(n) investors holding their position overnight should note that they would be required to bear the annualised cost which consists of the Management Fee and Gap Premium, which are calculated daily and applied to the value of the Certificates, as well as certain costs embedded within the Leverage Strategy (as described below) including the Funding Cost (as defined below) and Rebalancing Cost (as defined below);

(o) investors should note that there may be an exchange rate risk relating to the Certificates where the Cash Settlement Amount is converted from a foreign currency into Singapore dollars.

Exchange rates between currencies are determined by forces of supply and demand in the foreign exchange markets. These forces are, in turn, affected by factors such as international balances of payments and other economic and financial conditions, government intervention in currency markets and currency trading speculation. Fluctuations in foreign exchange rates, foreign political and economic developments, and the imposition of exchange controls or other foreign governmental laws or restrictions applicable to such investments may affect the foreign currency market price and the exchange rate-adjusted equivalent price of the Certificates. Fluctuations in the exchange rate of any one currency may be offset by fluctuations in the exchange rate of other relevant currencies;

(p) investors should note that there are leveraged risks because the Certificates integrate a leverage mechanism and the Certificates will amplify the movements in the increase, and in the decrease, of the value of the Underlying Stock and if the investment results in a loss, any such loss will be increased by the leverage factor of the Certificates. As such, investors could lose more than they would if they had invested directly in the Underlying Stock;

(q) when held for longer than a day, the performance of the Certificates could be more or less than the leverage factor that is embedded within the Certificates. The performance of the Certificates each day is locked in, and any subsequent returns are based on what was achieved the previous trading day. This process, referred to as compounding, may lead to a performance difference from 5 times the performance of the Underlying Stock over a period longer than one day. This difference may be amplified in a volatile market with a sideway trend, where market movements are not clear in direction, whereby investors may sustain substantial losses;

(r) the Air Bag Mechanism (as defined below) is triggered only when the Underlying Stock is calculated or traded, which may not be during the trading hours of the Relevant Stock Exchange for the Certificates (as defined below);

(s) investors should note that the Air Bag Mechanism reduces the impact on the Leverage Strategy if the Underlying Stock falls further, but will also maintain a reduced exposure to the Underlying Stock in the event the Underlying Stock starts to rise after the Air Bag Mechanism is triggered, thereby reducing its ability to recoup losses;

(t) there is no assurance that the Air Bag Mechanism will prevent investors from losing the entire value of their investment, in the event of (i) an overnight fall in the Underlying Stock, where there is a 20% or greater gap between the previous trading day closing price and the opening price of the Underlying Stock the following trading day, as the Air Bag Mechanism will only be triggered when market opens (including pre-opening session or opening auction, as the case may be) the following trading day or (ii) a sharp intraday fall in the price of the Underlying Stock of 20% or greater within the 15 minutes Observation Period compared to the reference price, being: (1) if air bag has not been previously triggered on the same day, the previous closing price of the Underlying Stock, or (2) if one or more air bag have been previously triggered on the same day, the latest New Observed Price. Investors may refer to pages 53 to 54 of this document for more information;

(u) certain events may, pursuant to the terms and conditions of the Certificates, trigger (i) the implementation of methods of adjustment or (ii) the early termination of the Certificates. The Certificates may be terminated prior to its Expiry Date for the following reasons which are not exhaustive: Illegality and force majeure, occurrence of a Holding Limit Event (as defined in the Conditions of the Certificates) or Hedging Disruption (as defined in the Conditions of the Certificates). For more detailed examples of when early termination may occur, please refer to the FAQ section under the “Education” tab on the website at dlc.socgen.com.

The Issuer will give the investors reasonable notice of any early termination. If the Issuer terminates the Certificates early, the Issuer will, if and to the extent permitted by applicable law, pay an amount to each Certificate Holder in respect of each Certificate held by such holder equal to the fair market value of the Certificate less the cost to the Issuer of unwinding any underlying related hedging arrangements, all as determined by the Issuer in its sole and absolute discretion. The performance of this commitment shall depend on (i) general market conditions and (ii) the liquidity conditions of the underlying instrument(s) and, as the case may be, of any other hedging transactions. Investors should note that the amount repaid by the Issuer may be substantially less than the amount initially invested, and at the worst case, be zero. Investors may refer to the Condition 13 on pages 39 to 42 of this document for more information;

(v) there is no assurance that an active trading market for the Certificates will sustain throughout the life of the Certificates, or if it does sustain, it may be due to market making on the part of the Designated Market Maker. The Issuer acting through its Designated Market Maker may be the only market participant buying and selling the Certificates. Therefore, the secondary market for the Certificates may be limited and you may not be able to realise the value of the Certificates. Do note that the bid-ask spread increases with illiquidity;

(w) in the ordinary course of their business, including without limitation, in connection with the Issuer or its appointed designated market maker’s market making activities, the Issuer, the

Guarantor and any of their respective subsidiaries and affiliates may effect transactions for their own account or for the account of their customers and hold long or short positions in the Underlying Stock. In addition, in connection with the offering of any Certificates, the Issuer, the Guarantor and any of their respective subsidiaries and affiliates may enter into one or more hedging transactions with respect to the Underlying Stock. In connection with such hedging or market-making activities or with respect to proprietary or other trading activities by the Issuer, the Guarantor and any of their respective subsidiaries and affiliates, the Issuer, the Guarantor and any of their respective subsidiaries and affiliates may enter into transactions in the Underlying Stock which may affect the market price, liquidity or value of the Certificates and which may affect the interests of Certificate Holders;

(x) various potential and actual conflicts of interest may arise from the overall activities of the Issuer, the Guarantor and/or any of their subsidiaries and affiliates.

The Issuer, the Guarantor and any of their subsidiaries and affiliates are diversified financial institutions with relationships in countries around the world. These entities engage in a wide range of commercial and investment banking, brokerage, funds management, hedging transactions and investment and other activities for their own account or the account of others. In addition, the Issuer, the Guarantor and any of their subsidiaries and affiliates, in connection with their other business activities, may possess or acquire material information about the Underlying Stock. Such activities and information may involve or otherwise affect issuers of the Underlying Stock in a manner that may cause consequences adverse to the Certificate Holders or otherwise create conflicts of interests in connection with the issue of Certificates by the Issuer. Such actions and conflicts may include, without limitation, the exercise of voting power, the purchase and sale of securities, financial advisory relationships and exercise of creditor rights. The Issuer, the Guarantor and any of their subsidiaries and affiliates have no obligation to disclose such information about the Underlying Stock or such activities. The Issuer, the Guarantor and any of their subsidiaries and affiliates and their officers and directors may engage in any such activities without regard to the issue of Certificates by the Issuer or the effect that such activities may directly or indirectly have on any Certificate;

(y) legal considerations which may restrict the possibility of certain investments:

Some investors' investment activities are subject to specific laws and regulations or laws and regulations currently being considered by various authorities. All potential investors must consult their own legal advisers to check whether and to what extent (i) they can legally purchase the Certificates (ii) the Certificates can be used as collateral security for various forms of borrowing (iii) if other restrictions apply to the purchase of Certificates or their use as collateral security. Financial institutions must consult their legal advisers or regulators to determine the appropriate treatment of the Certificates under any applicable risk-based capital or similar rules;

(z) the credit rating of the Guarantor is an assessment of its ability to pay obligations, including those on the Certificates. Consequently, actual or anticipated declines in the credit rating of the Guarantor may affect the market value of the Certificates;

(aa) the Certificates are linked to the Underlying Stock and subject to the risk that the price of the Underlying Stock may decline. The following is a list of some of the significant risks associated with the Underlying Stock:

– Historical performance of the Underlying Stock does not give an indication of future performance of the Underlying Stock. It is impossible to predict whether the price of the Underlying Stock will fall or rise over the term of the Certificates; and

– The price of the Underlying Stock may be affected by the economic, financial and political events in one or more jurisdictions, including the stock exchange(s) or quotation system(s) on which the Underlying Stock may be traded;

(bb) the value of the Certificates depends on the Leverage Strategy performance built in the Certificate. The Calculation Agent will make the Leverage Strategy last closing level and a calculation tool available to the investors on a website;

(cc) two or more risk factors may simultaneously have an effect on the value of a Certificate such that the effect of any individual risk factor may not be predicted. No assurance can be given as to the effect any combination of risk factors may have on the value of a Certificate;

(dd) as the Certificates are represented by a global warrant certificate which will be deposited with The Central Depository (Pte) Limited ("**CDP**"):

(i) investors should note that no definitive certificate will be issued in relation to the Certificates;

(ii) there will be no register of Certificate Holders and each person who is for the time being shown in the records maintained by CDP as entitled to a particular number of Certificates by way of interest (to the extent of such number) in the global warrant certificate in respect of those Certificates represented thereby shall be treated as the holder of such number of Certificates;

(iii) investors will need to rely on any statements received from their brokers/custodians as evidence of their interest in the Certificates; and

(iv) notices to such Certificate Holders will be published on the web-site of the SGX-ST. Investors will need to check the web-site of the SGX-ST regularly and/or rely on their brokers/custodians to obtain such notices;

(ee) the reform of HIBOR may adversely affect the value of the Certificates

The Hong Kong Inter-bank Offered Rate ("**HIBOR**") benchmark is referenced in the Leverage Strategy.

It is not possible to predict with certainty whether, and to what extent, HIBOR will continue to be supported going forwards. This may cause HIBOR to perform differently than they have done in the past, and may have other consequences which cannot be predicted. Such factors may have (without limitation) the following effects: (i) discouraging market participants from continuing to administer or contribute to a benchmark; (ii) triggering changes in the rules or methodologies used in the benchmark and/or (iii) leading to the disappearance of the benchmark. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on the Certificates.

In addition, the occurrence of a modification or cessation of HIBOR may cause adjustment of the Certificates which may include selecting one or more successor benchmarks and making related adjustments to the Certificates, including if applicable to reflect increased costs.

The Calculation Agent may make adjustments as it may determine appropriate if any of the following circumstances occurs or may occur: (1) HIBOR is materially changed or cancelled or (2)(i) the relevant authorisation, registration, recognition, endorsement, equivalence decision or approval in respect of the benchmark or the administrator or sponsor of the benchmark is not obtained, (ii) an application for authorisation, registration, recognition, endorsement, equivalence decision, approval or inclusion in any official register is rejected or (iii) any authorisation, registration, recognition, endorsement, equivalence decision or approval is suspended or inclusion in any official register is withdrawn.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by any of the international or national reforms in making any investment decision with respect to any Certificate;

(ff) the US Foreign Account Tax Compliance Act ("**FATCA**") withholding risk:

FATCA generally imposes a 30 per cent. withholding tax on certain U.S.-source payments to certain non-US persons that do provide certification of their compliance with IRS rules to disclose the identity of their US owners and account holders (if any) or establish a basis for exemption for such disclosure. The Issuer or an investor's broker or custodian may be subject to FATCA and, as a result, may be required to obtain certification from investors that they have complied with FATCA disclosure requirements or have established a basis for exemption from FATCA. If an investor does not provide the Issuer or the relevant broker or custodian with such certification, the Issuer and the Guarantor or other withholding agent could be required to withhold U.S. tax on U.S.-source income (if any) paid pursuant to the Certificates. In certain cases, the Issuer or the relevant broker or custodian could be required to close an account of an investor who does not comply with the FATCA certification procedures.

FATCA IS PARTICULARLY COMPLEX. EACH INVESTOR SHOULD CONSULT ITS OWN TAX ADVISER TO OBTAIN A MORE DETAILED EXPLANATION OF FATCA AND TO DETERMINE HOW THIS LEGISLATION MIGHT AFFECT EACH INVESTOR IN ITS PARTICULAR CIRCUMSTANCES;

(gg) U.S. withholding tax

The Issuer has determined that this Certificate is not linked to U.S. Underlying Equities within the meaning of applicable regulations under Section 871(m) of the United States Internal Revenue Code, as discussed in the accompanying Base Listing Document under "TAXATION—TAXATION IN THE UNITED STATES OF AMERICA—Section 871(m) of the U.S. Internal Revenue Code of 1986." Accordingly, the Issuer expects that Section 871(m) will not apply to the Certificates. Such determination is not binding on the IRS, and the IRS may disagree with this determination. Section 871(m) is complex and its application may depend on a Certificate Holder's particular circumstances. Certificate Holders should consult with their own tax advisers regarding the potential application of Section 871(m) to the Certificates;

(hh) risks arising from the taxation of securities

Tax law and practice are subject to change, possibly with retroactive effect. This may have a negative impact on the value of the Certificates and/or the market price of the Certificates. For example, the specific tax assessment of the Certificates may change compared to its assessment at the time of purchase of the Certificates. This is especially true with regard to derivative Certificates and their tax treatment. Holders of Certificates therefore bear the risk that they may misjudge the taxation of the income from the purchase of the Certificates. However, there is also the possibility that the taxation of the income from the purchase of the Certificates will change to the detriment of the holders.

Holders of the Certificates bear the risk that the specific tax assessment of the Certificates will change. This can have a negative impact on the value of the Certificates and the investor may incur a corresponding loss. The stronger this negative effect, the greater the loss may be; and

(ii) risk factors relating to the BRRD

French and Luxembourg law and European legislation regarding the resolution of financial institutions may require the write-down or conversion to equity of the Certificates or other resolution measures if the Issuer or the Guarantor is deemed to meet the conditions for resolution.

Directive 2014/59/EU of the European Parliament and of the Council of the European Union dated 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms (the "**BRRD**") entered into force on 2 July 2014. The BRRD, as amended, has been implemented into Luxembourg law by, among others, the Luxembourg act dated 18 December 2015 on the failure of credit institutions and certain investment firms, as amended (the "**BRR Act 2015**"). Under the BRR Act 2015, the competent authority is the Luxembourg financial sector supervisory authority (*Commission de surveillance du secteur financier*, the CSSF) and the resolution authority is the CSSF acting as resolution council (*conseil de résolution*).

In April 2023, the EU Commission released a proposal to amend, in particular, the BRRD according to which senior preferred debt instruments would no longer rank pari passu with any non covered non preferred deposits of the Issuer; instead, senior preferred debt instruments would rank junior in right of payment to the claims of all depositors.

This proposal has been discussed and amended by the European Parliament and the European Council. Council and Parliament reached agreement on 6 December 2023 to make the proposal final and applicable. If the final agreement was adopted as is, there may be an increased risk of an investor in senior preferred debt instruments losing all or some of their investment in the context of the exercise of the Bail-in Power. The final agreement may also lead to a rating downgrade for senior preferred debt instruments.

Moreover, Regulation (EU) No. 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism ("**SRM**") and a Single Resolution Framework (the "**SRM Regulation**") has established a centralised power of resolution entrusted to a Single Resolution Board (the "**SRB**") in cooperation with the national resolution authorities.

Since November 2014, the European Central Bank ("**ECB**") has taken over the prudential supervision of significant credit institutions in the member states of the Eurozone under the Single Supervisory Mechanism ("**SSM**"). In addition, the SRM has been put in place to ensure that the resolution of credit institutions and certain investment firms across the Eurozone is harmonised. As mentioned above, the SRM is managed by the SRB. Under Article 5(1) of the SRM Regulation, the SRM has been granted those responsibilities and powers granted to the EU Member States' resolution authorities under the BRRD for those credit institutions and certain investment firms subject to direct supervision by the ECB. The ability of the SRB to exercise these powers came into force at the beginning of 2016.

Societe Generale has been, and continues to be, designated as a significant supervised entity for the purposes of Article 49(1) of Regulation (EU) No 468/2014 of the ECB of 16 April 2014 establishing the framework for cooperation within the SSM between the ECB and national competent authorities and with national designated authorities (the "**SSM Regulation**") and is consequently subject to the direct supervision of the ECB in the context of the SSM. This means that Societe Generale and SG Issuer (being covered by the consolidated prudential supervision of Societe Generale) are also subject to the SRM which came into force in 2015. The SRM

Regulation mirrors the BRRD and, to a large part, refers to the BRRD so that the SRB is able to apply the same powers that would otherwise be available to the relevant national resolution authority.

The stated aim of the BRRD and the SRM Regulation is to provide for the establishment of an EU-wide framework for the recovery and resolution of credit institutions and certain investment firms. The regime provided for by the BRRD is, among other things, stated to be needed to provide the resolution authority designated by each EU Member State (the "**Resolution Authority**") with a credible set of tools to intervene sufficiently early and quickly in an unsound or failing institution so as to ensure the continuity of the institution's critical financial and economic functions while minimising the impact of an institution's failure on the economy and financial system (including taxpayers' exposure to losses).

In accordance with the provisions of the SRM Regulation, when applicable, the SRB, has replaced the national resolution authorities designated under the BRRD with respect to all aspects relating to the decision-making process and the national resolution authorities designated under the BRRD continue to carry out activities relating to the implementation of resolution schemes adopted by the SRB. The provisions relating to the cooperation between the SRB and the national resolution authorities for the preparation of the institutions' resolution plans have applied since 1 January 2015 and the SRM has been fully operational since 1 January 2016.

The SRB is the Resolution Authority for the Issuer and the Guarantor.

The powers provided to the Resolution Authority in the BRRD and the SRM Regulation include write-down/conversion powers to ensure that capital instruments (including subordinated debt instruments) and eligible liabilities (including senior debt instruments if junior instruments prove insufficient to absorb all losses) absorb losses of the issuing institution that is subject to resolution in accordance with a set order of priority (the "**Bail-in Power**"). The conditions for resolution under the SRM Regulation are deemed to be met when: (i) the Resolution Authority determines that the institution is failing or is likely to fail, (ii) there is no reasonable prospect that any measure other than a resolution measure would prevent the failure within a reasonable timeframe, and (iii) a resolution measure is necessary for the achievement of the resolution objectives (in particular, ensuring the continuity of critical functions, avoiding a significant adverse effect on the financial system, protecting public funds by minimizing reliance on extraordinary public financial support, and protecting client funds and assets) and winding up of the institution under normal insolvency proceedings would not meet those resolution objectives to the same extent.

The Resolution Authority could also, independently of a resolution measure or in combination with a resolution measure, fully or partially write-down or convert capital instruments (including subordinated debt instruments) into equity when it determines that the institution or its group will no longer be viable unless such write-down or conversion power is exercised or when the institution requires extraordinary public financial support (except when extraordinary public financial support is provided in Article 10 of the SRM Regulation). The terms and conditions of the Certificates contain provisions giving effect to the Bail-in Power in the context of resolution and write-down or conversion of capital instruments at the point of non-viability.

The Bail-in Power could result in the full (i.e., to zero) or partial write-down or conversion of the Certificates into ordinary shares or other instruments of ownership, or the variation of the terms of the Certificates (for example, the maturity and/or interest payable may be altered and/or a temporary suspension of payments may be ordered). Extraordinary public financial support should only be used as a last resort after having assessed and applied, to the maximum extent practicable, the resolution measures. No support will be available until a minimum amount of contribution to loss absorption and recapitalization of 8% of total liabilities including own funds has been made by shareholders, holders of capital instruments and other eligible liabilities through write-down, conversion or otherwise.

In addition to the Bail-in Power, the BRRD and the SRM Regulation provide the Resolution Authority with broader powers to implement other resolution measures with respect to institutions that meet the conditions for resolution, which may include (without limitation) the sale of the institution's business, the creation of 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), removing management, appointing an interim administrator, and discontinuing the listing and admission to trading of financial instruments. The BRRD, the BRR Act 2015 and the SRM Regulation however also state that, under exceptional circumstances, if the bail-in instrument is applied, the SRB, in cooperation with the CSSF, may completely or partially exclude certain liabilities from the application of the impairment or conversion powers under certain conditions.

Since 1 January 2016, EU credit institutions (such as Societe Generale) and certain investment firms have to meet, at all times, a minimum requirement for own funds and eligible liabilities ("**MREL**") pursuant to Article 12 of the SRM Regulation. The MREL, which is expressed as a percentage of the total liabilities and own funds of the institution, aims at preventing institutions from structuring their liabilities in a manner that impedes the effectiveness of the Bail-in Power in order to facilitate resolution.

The regime has evolved as a result of the changes adopted by the EU legislators. On 7 June 2019, as part of the contemplated amendments to the so-called "EU Banking Package", the following legislative texts were published in the Official Journal of the EU 14 May 2019:

- Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 amending the BRRD as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms ("**BRRD II**"); and
- Regulation (EU) 2019/877 of the European Parliament and of the Council of 20 May 2019 amending the SRM Regulation as regards the loss-absorbing and recapitalisation capacity ("**TLAC**") of credit institutions and investment firms (the "**SRM II Regulation**" and, together with the BRRD II, the "**EU Banking Package Reforms**").

The EU Banking Package Reforms introduced, among other things, the TLAC standard as implemented by the Financial Stability Board's TLAC Term Sheet ("**FSB TLAC Term Sheet**"), by adapting, among other things, the existing regime relating to the specific MREL with aim of reducing risks in the banking sector and further reinforcing institutions' ability to withstand potential shocks will strengthen the banking union and reduce risks in the financial system.

The TLAC has been implemented in accordance with the FSB TLAC Term Sheet, which impose a level of "Minimum TLAC" that will be determined individually for each global systemically important bank ("**G-SIB**"), such as Societe Generale, in an amount at least equal to (i) 16%, plus applicable buffers, of risk weight assets since January 1, 2022 and 18%, plus applicable buffers, thereafter and (ii) 6% of the Basel III leverage ratio denominator since January 1, 2022 and 6.75% thereafter (each of which could be extended by additional firm-specific requirements).

Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms (the "**CRR**"), as amended notably by Regulation (EU) 2019/876 as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements (the "**CRR II**") and Regulation (EU) 2022/2036 of the European Parliament and of the Council of 19 October 2022 amending Regulation (EU) No 575/2013 and Directive 2014/59/EU as regards the prudential treatment of global systemically important institutions with a multiple-point-of-entry resolution strategy and methods for the indirect subscription of instruments eligible for meeting the minimum requirement for own funds and eligible liabilities, EU G-SIBs, such as Societe Generale, have to comply with TLAC requirements, on top of the MREL requirements, since the entry into force of the CRR II. As such, G-SIBs, such as Societe Generale have to comply with both the TLAC and MREL requirements.

Consequently, the criteria for MREL-eligible liabilities have been closely aligned with the criteria for TLAC-eligible liabilities under CRR II, but subject to the complementary adjustments and requirements introduced in the BRRD II. In particular, certain debt instruments with an embedded derivative component, such as certain structured notes, will be eligible, subject to certain conditions, to meet MREL requirements to the extent that they have a fixed or increasing principal amount repayable at maturity that is known in advance with only an additional return permitted to be linked to that derivative component and dependent on the performance of a reference asset.

The level of capital and eligible liabilities required under MREL is set by the SRB for Societe Generale on an individual and/or consolidated basis based on certain criteria including systemic importance and may also be set for SG Issuer. Eligible liabilities may be senior or subordinated, provided, among other requirements, that they have a remaining term of at least one year and, they recognise contractually the Resolution Authority's power to write down or convert the liabilities governed by non-EU law.

The scope of liabilities used to meet MREL includes, in principle, all liabilities resulting from claims arising from ordinary unsecured creditors (non-subordinated liabilities) unless they do not meet specific eligibility criteria set out in BRRD, as amended notably by BRRD II. To enhance the resolvability of institutions and entities through an effective use of the bail-in tool, the SRB should be able to require that MREL be met with own funds and other subordinated liabilities, in particular where there are clear indications that bailed-in creditors are likely to bear losses in resolution that would exceed the losses that they would incur under normal insolvency proceedings. Moreover the SRB should assess the need to require institutions and entities to meet the MREL with own funds and other subordinated liabilities where the amount of liabilities excluded from the application of the bail- in tool reaches a certain threshold within a class of liabilities that includes MREL-eligible liabilities. Any subordination of debt instruments requested by the SRB for the MREL shall be without prejudice to the possibility to partly meet the TLAC requirements with non-subordinated debt instruments in accordance with the CRR, as amended by the CRR II, as permitted by the TLAC standard. Specific requirements apply to resolution groups with assets above EUR 100 billion (top-tier banks, including Societe Generale).

TERMS AND CONDITIONS OF THE CERTIFICATES

The following are the terms and conditions of the Certificates and should be read in conjunction with, and are qualified by reference to, the other information set out in this document and the Base Listing Document.

The Conditions are set out in the section headed "Terms and Conditions of the European Style Cash Settled Long/Short Certificates on Single Equities" in the Base Listing Document. For the purposes of the Conditions, the following terms shall have the following meanings:

Certificates:	11,500,000 European Style Cash Settled Long Certificates relating to the ordinary H shares of PetroChina Company Limited traded in HKD (the "**Underlying Stock**")
ISIN:	LU2517569963
Company:	PetroChina Company Limited (RIC: 0857.HK)
Underlying Price[3] and Source:	HK$5.83 (Reuters)
Calculation Agent:	Société Générale
Strike Level:	Zero
Daily Leverage:	5x (within the Leverage Strategy as described below)
Notional Amount per Certificate:	SGD 0.70
Management Fee (p.a.)[4]:	0.40%
Gap Premium (p.a.)[5]:	16.00%, is a hedging cost against extreme market movements overnight.
Funding Cost[6]:	The annualised costs of funding, referencing a publicly published interbank offered rate plus spread.
Rebalancing Cost[6]:	The transaction costs (if applicable), computed as a function of leverage and daily performance of the Underlying Stock.
Launch Date:	22 April 2025
Closing Date:	28 April 2025
Expected Listing Date:	29 April 2025

[3] These figures are calculated as at, and based on information available to the Issuer on or about 28 April 2025. The Issuer is not obliged, and undertakes no responsibility to any person, to update or inform any person of any changes to the figures after 28 April 2025.
[4] Please note that the Management Fee is calculated on a 360-day basis and may be increased up to a maximum of 3% p.a. on giving one month's notice to investors. Any increase in the Management Fee will be announced on the SGXNET. Please refer to "Fees and Charges" below for further details of the fees and charges payable and the maximum of such fees as well as other ongoing expenses that may be borne by the Certificates.
[5] Please note that the Gap Premium is calculated on a 360-day basis.
[6] These costs are embedded within the Leverage Strategy.

Last Trading Date:	The date falling 5 Business Days immediately preceding the Expiry Date, currently being 20 April 2027
Expiry Date:	27 April 2027 (if the Expiry Date is not a Business Day, then the Expiry Date shall fall on the preceding Business Day and subject to adjustment of the Valuation Date upon the occurrence of Market Disruption Events as set out in the Conditions of the Certificates)
Board Lot:	100 Certificates
Valuation Date:	26 April 2027 or if such day is not an Exchange Business Day, the immediately preceding Exchange Business Day.
Exercise:	The Certificates may only be exercised on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day, in a Board Lot or integral multiples thereof. Certificate Holders shall not be required to deliver an exercise notice. Exercise of Certificates shall be determined by whether the Cash Settlement Amount (less any Exercise Expenses) is positive. If the Cash Settlement Amount (less any Exercise Expenses) is positive, all Certificates shall be deemed to have been automatically exercised at 10:00 a.m. (Singapore time) on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day. The Cash Settlement Amount less the Exercise Expenses in respect of the Certificates shall be paid in the manner set out in Condition 4(c) of the Conditions. In the event the Cash Settlement Amount (less any Exercise Expenses) is zero, all Certificates shall be deemed to have expired at 10:00 a.m. (Singapore time) on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day, and Certificate Holders shall not be entitled to receive any payment from the Issuer in respect of the Certificates.
Cash Settlement Amount:	In respect of each Certificate, shall be an amount payable in the Settlement Currency equal to: Closing Level multiplied by the Notional Amount per Certificate Please refer to the "Information relating to the European Style Cash Settled Long Certificates on Single Equities" section on pages 45 to 59 of this document for examples and illustrations of the calculation of the Cash Settlement Amount.
Hedging Fee Factor:	In respect of each Certificate, shall be an amount calculated as: Product (for t from 2 to Valuation Date) of (1 – Management Fee x (ACT (t-1;t) ÷ 360)) x (1 – Gap Premium (t-1) x (ACT (t-1;t) ÷ 360)), where: "**t**" refers to "**Observation Date**" which means each Underlying Stock Business Day (subject to Market Disruption Event) from (and including) the Underlying Stock Business Day immediately preceding the Expected Listing Date to the Valuation Date; and

ACT (t-1;t) means the number of calendar days between the Underlying Stock Business Day immediately preceding the Observation Date (which is "t-1") (included) and the Observation Date (which is "t") (excluded).

If the Issuer determines, in its sole discretion, that on any Observation Date a Market Disruption Event has occurred, then that Observation Date shall be postponed until the first succeeding Underlying Stock Business Day on which there is no Market Disruption Event, unless there is a Market Disruption Event on each of the five Underlying Stock Business Days immediately following the original date that, but for the Market Disruption Event, would have been an Observation Date. In that case, that fifth Underlying Stock Business Day shall be deemed to be the Observation Date notwithstanding the Market Disruption Event and the Issuer shall determine, its good faith estimate of the level of the Leverage Strategy and the value of the Certificate on that fifth Underlying Stock Business Day in accordance with the formula for and method of calculation last in effect prior to the occurrence of the first Market Disruption Event taking into account, inter alia, the exchange traded or quoted price of the Underlying Stock and the potential increased cost of hedging by the Issuer as a result of the occurrence of the Market Disruption Event.

An "**Underlying Stock Business Day**" is a day on which The Stock Exchange of Hong Kong Limited (the "**HKEX**") is open for dealings in Hong Kong during its normal trading hours and banks are open for business in Hong Kong.

Please refer to the "Information relating to the European Style Cash Settled Long Certificates on Single Equities" section on pages 45 to 59 of this document for examples and illustrations of the calculation of the Hedging Fee Factor.

Closing Level: In respect of each Certificate, shall be an amount payable in the Settlement Currency equal to:

$$\left(\frac{\text{Final Reference Level} \times \text{Final Exchange Rate}}{\text{Initial Reference Level} \times \text{Initial Exchange Rate}} - \text{Strike Level}\right) \times \text{Hedging Fee Factor}$$

Initial Reference Level: 1,000

Final Reference Level: The closing level of the Leverage Strategy (as described below) on the Valuation Date

The calculation of the closing level of the Leverage Strategy is set out in the "Specific Definitions relating to the Leverage Strategy" section on pages 20 to 26 below.

Initial Exchange Rate[3]: 0.1695

Final Exchange Rate: The rate for the conversion of HKD to SGD as at 5:00pm (Singapore Time) on the Valuation Date as shown on Reuters, provided that if the Reuters service ceases to display such information, as determined by

	the Issuer by reference to such source(s) as the Issuer may reasonably determine to be appropriate at such a time.
Air Bag Mechanism:	The "**Air Bag Mechanism**" refers to the mechanism built in the Leverage Strategy and which is designed to reduce the Leverage Strategy exposure to the Underlying Stock during extreme market conditions. If the Underlying Stock falls by 15% or more ("**Air Bag Trigger Price**") during the trading day (which represents an approximately 75% loss after a 5 times leverage), the Air Bag Mechanism is triggered and the Leverage Strategy is adjusted intra-day. The Air Bag Mechanism reduces the impact on the Leverage Strategy if the Underlying Stock falls further, but will also maintain a reduced exposure to the Underlying Stock in the event the Underlying Stock starts to rise after the Air Bag Mechanism is triggered, thereby reducing its ability to recoup losses. Trading of Certificates is suspended for at least 30 minutes of continuous trading after the Air Bag is triggered. The resumption of trading is subject to the SGX-ST's requirements of at least 15 minutes after the SGX-ST approves the request from the Issuer to resume trading on the Certificates, rounded to the next quarter of an hour. The Leverage Strategy is floored at 0 and the Certificates cannot be valued below zero. Please refer to the "Extraordinary Strategy Adjustment for Performance Reasons ("Air Bag Mechanism")" section on pages 24 to 26 below and the "Description of Air Bag Mechanism" section on pages 51 to 52 of this document for further information of the Air Bag Mechanism.
Adjustments and Extraordinary Events:	The Issuer has the right to make adjustments to the terms of the Certificates if certain events, including any capitalisation issue, rights issue, extraordinary distributions, merger, delisting, insolvency (as more specifically set out in the terms and conditions of the Certificates) occur in respect of the Underlying Stock. For the avoidance of doubt, no notice will be given if the Issuer determines that adjustments will not be made.
Underlying Stock Currency:	Hong Kong Dollar ("**HKD**")
Settlement Currency:	Singapore Dollar ("**SGD**")
Exercise Expenses:	Certificate Holders will be required to pay all charges which are incurred in respect of the exercise of the Certificates.
Relevant Stock Exchange for the Certificates:	The Singapore Exchange Securities Trading Limited (the "**SGX-ST**")
Relevant Stock Exchange for the Underlying Stock:	HKEX

Business Day, Settlement Business Day and Exchange Business Day:	A "**Business Day**" or a "**Settlement Business Day**" is a day on which the SGX-ST is open for dealings in Singapore during its normal trading hours and banks are open for business in Singapore. An "**Exchange Business Day**" is a day on which the SGX-ST and the HKEX are open for dealings in Singapore and Hong Kong respectively during its normal trading hours and banks are open for business in Singapore and Hong Kong.
Warrant Agent:	The Central Depository (Pte) Limited ("**CDP**")
Clearing System:	CDP
Fees and Charges:	Normal transaction and brokerage fees shall apply to the trading of the Certificates on the SGX-ST. Investors should note that they may be required to pay stamp taxes or other documentary charges in accordance with the laws and practices of the country where the Certificates are transferred. Investors who are in any doubt as to their tax position should consult their own independent tax advisers. In addition, investors should be aware that tax regulations and their application by the relevant taxation authorities change from time to time. Accordingly, it is not possible to predict the precise tax treatment which will apply at any given time. Investors holding position overnight would also be required to bear the Management Fee and Gap Premium, which are calculated daily and applied to the value of the Certificates, as well as certain costs embedded within the Leverage Strategy including the Funding Cost and Rebalancing Cost. The Management Fee may be increased up to a maximum of 3% p.a. on giving one month's notice to investors in accordance with the terms and conditions of the Certificates. Any increase in the Management Fee will be announced on the SGXNET.
Further Information:	Please refer to the website at dlc.socgen.com for more information on the theoretical closing price of the Certificates on the previous trading day, the closing price of the Underlying Stock on the previous trading day, the Air Bag Trigger Price for each trading day and the Management Fee and Gap Premium.

<u>Specific Definitions relating to the Leverage Strategy</u>

<u>Description of the Leverage Strategy</u>

The Leverage Strategy is designed to track a 5 times daily leveraged exposure to the Underlying Stock.

At the end of each trading day of the Underlying Stock, the exposure of the Leverage Strategy to the Underlying Stock is reset within the Leverage Strategy in order to retain a daily leverage of 5 times the performance of the Underlying Stock (excluding costs) regardless of the performance of the Underlying Stock on the preceding day. This mechanism is referred to as the Daily Reset.

The Leverage Strategy incorporates an air bag mechanism which is designed to reduce exposure to the Underlying Stock during extreme market conditions, as further described below.

Leverage Strategy Formula

$\mathbf{LSL_t}$ means, for any Observation Date(t), the Leverage Strategy Closing Level as of such day (t).

Subject to the occurrence of an Intraday Restrike Event, the Leverage Strategy Closing Level as of such Observation Date(t) is calculated in accordance with the following formulae:

On Observation Date(1):

$$\mathrm{LSL_1} = 1000$$

On each subsequent Observation Date(t):

$$\mathrm{LSL_t} = \mathrm{Max}\left[\mathrm{LSL_{t-1}} \times \left(1 + \mathrm{LR_{t-1,t}} - \mathrm{FC_{t-1,t}} - \mathrm{RC_{t-1,t}}\right), 0\right]$$

$\mathbf{LR_{t-1,t}}$ means the Leveraged Return of the Underlying Stock between Observation Date(t-1) and Observation Date(t) closing prices, calculated as follows:

$$\mathrm{LR_{t-1,t}} = \mathrm{Leverage} \times \left(\frac{\mathrm{S_t}}{\mathrm{S_{t-1}} \times Rfactor_t} - 1\right)$$

$\mathbf{FC_{t-1,t}}$ means, the Funding Cost between Observation Date(t-1) (included) and Observation Date(t) (excluded) calculated as follows:

$$\mathrm{FC_{t-1,t}} = (\mathrm{Leverage} - 1) \times \frac{\mathrm{Rate_{t-1}} \times \mathrm{ACT(t-1,t)}}{\mathrm{DayCountBasisRate}}$$

$\mathbf{RC_{t-1,t}}$ means the Rebalancing Cost of the Leverage Strategy on Observation Date (t), calculated as follows:

$$\mathrm{RC_{t-1,t}} = \mathrm{Leverage} \times (\mathrm{Leverage} - 1) \times \left(\left|\frac{\mathrm{S_t}}{\mathrm{S_{t-1}} \times Rfactor_t} - 1\right|\right) \times \mathrm{TC}$$

TC means the Transaction Costs applicable (including Stamp Duty and any other applicable taxes, levies and costs which may be levied on the stock transactions on the Relevant Stock Exchange for the Underlying Stock by the applicable regulatory authorities from time to time) that are currently equal to:

0.11%

"Stamp Duty" refers to the applicable rate of stamp duty on the stock transactions in the jurisdiction of the Relevant Stock Exchange for the Underlying Stock, which may be changed by the applicable regulatory authorities from time to time.

Leverage 5

$\mathbf{S_t}$ means, in respect of each Observation Date(t), the Closing Price of the Underlying Stock as of such Observation Date(t), subject to the adjustments and provisions of the Conditions.

$\mathbf{Rate_t}$ means, in respect of each Observation Date(t), a rate calculated as of such day in accordance with the following formula:

$$\mathrm{Rate_t} = \mathrm{CashRate_t} + \ \%\mathrm{SpreadLevel_t}$$

$\mathbf{Rfactor_t}$ means, in the event Observation Date (t) is an ex-dividend date of the Underlying Stock, an amount determined by the Calculation Agent, subject to the adjustments and provisions of the Conditions, according to the following formula:

$$Rfactor_t = \ 1 - \frac{Div_t}{\mathbf{S_{t-1}}}$$

where

Div_t is the dividend to be paid out in respect of the Underlying Stock and the relevant ex-dividend date which shall be considered net of any applicable withholding taxes.

$\mathbf{CashRate_t}$ means, in respect of each Observation Date(t), the Overnight HKD Hong Kong Interbank Offered Rate (HIBOR) Fixing, as published on Reuters RIC HIHKDOND= or any successor page, being the rate as of day (t), provided that if any of such rate is not available, then that rate shall be determined by reference to the latest available rate that was published on the relevant Reuters page. Upon the occurrence or likely occurrence, as determined by the Calculation Agent, of modification, the permanent or indefinite cancellation or cessation in the provision of HIBOR, or a regulator or other official sector entity prohibits the use of HIBOR, the Calculation Agent may make adjustments as it may determine appropriate to account for the relevant event or circumstance, including but not limited to using any alternative rates from such date, with or without retroactive effect as the Calculation Agent may in its sole and absolute discretion determine.

$\%\mathbf{SpreadLevel_t}$ means, in respect of each Observation Date(t), a rate which shall be determined with respect to such Valuation Date(t) by the Calculation Agent as the difference between (1) the 12-month HKD Hong Kong Interbank Offered Rate (HIBOR) Fixing, as published on Reuters RIC HIHKD1YD= and (2) Overnight HKD Hong Kong Interbank Offered Rate (HIBOR) Fixing, as published on Reuters RIC HIHKDOND= or any successor page, each being the rate as of day (t), provided that if any of such rates is not available, then that rate shall be determined by reference to the latest available rate that was published on the relevant Reuters page. Upon the occurrence or likely occurrence, as determined by the Calculation Agent, of modification, the permanent or indefinite cancellation or cessation in the provision of HIBOR, or a regulator or other official sector entity prohibits the use of HIBOR, the Calculation Agent may make adjustments as it may determine appropriate to account for the relevant event or circumstance, including but not limited to using any alternative rates from such date, with or without retroactive effect as the Calculation Agent may in its sole and absolute discretion determine.

Provided that if such difference is negative, $\%\mathbf{SpreadLevel_t}$ should be 0%.

ACT(t-1,t) ACT (t-1;t) means the number of calendar days between the Underlying Stock Business Day immediately preceding the Observation Date (which is “t-1”) (included) and the Observation Date (which is “t”) (excluded).

DayCountBasisRate 365

Benchmark Fallback upon the occurrence or likely occurrence, as determined by the Calculation Agent, of a Reference Rate Event, the Calculation Agent may make adjustments as it may determine appropriate to account for the relevant event or circumstance, including but not limited to using any alternative rates from such date, with or without retroactive effect as the Calculation Agent may in its sole and absolute discretion determine.

Reference Rate Event means, in respect of the Reference Rate any of the following has occurred or will occur:

(i) a Reference Rate Cessation;

(ii) an Administrator/Benchmark Event; or

(iii) a Reference Rate is, with respect to over-the-counter derivatives transactions which reference such Reference Rate, the subject of any market-wide development formally agreed upon by the International Swaps and Derivative Association (ISDA) or the Asia Securities Industry & Financial Markets Association (ASIFMA), pursuant to which such Reference Rate is, on a specified date, replaced with a risk-free rate (or near risk-free rate) established in order to comply with the recommendations in the Financial Stability Board’s paper titled “Reforming Major Interest Rate Benchmarks” dated 22 July 2014.

Reference Rate Cessation means, for a Reference Rate, the occurrence of one or more of the following events:

(i) a public statement or publication of information by or on behalf of the administrator of the Reference Rate announcing that it has ceased or will cease to provide the Reference Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the Reference Rate;

(ii) a public statement or publication of information by the regulatory supervisor for the administrator of the Reference Rate, the central bank for the currency of the Reference Rate, an insolvency official with jurisdiction over the administrator for the Reference Rate, a resolution authority with jurisdiction over the administrator for the Reference Rate or a court or an entity with similar insolvency or resolution authority over the administrator for the Reference Rate, which states that the administrator of the Reference Rate has ceased or will cease to provide the Reference Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the Reference Rate; or

(iii) in respect of a Reference Rate, a public statement or publication of information by the regulatory supervisor for the administrator of such Reference Rate announcing that (a) the regulatory supervisor has determined that such Reference Rate is no longer, or as of a specified future date will no longer be, representative of the underlying market and economic reality that such Reference Rate is intended to measure and that representativeness will not be restored and (b) it is being made in the awareness that the statement or publication will engage certain contractual triggers for fallbacks activated by pre-cessation announcements by such supervisor (howsoever described) in contracts;

Administrator/ Benchmark Event means, for a Reference Rate, any authorisation, registration, recognition, endorsement, equivalence decision, approval or inclusion in any official register in respect of the Reference Rate or the administrator or sponsor of the Benchmark has not been, or will not be, obtained or has been, or will be, rejected, refused, suspended or withdrawn by the relevant competent authority or other relevant official body, in each case with the effect that either the Issuer, the Calculation Agent or any other entity is not, or will not be, permitted under any applicable law or regulation to use the Reference Rate to perform its or their respective obligations under the Certificates.

Reference Rate(s) means the rate(s) used in the Leverage Strategy Formula, for example SORA, SOFR and US Federal Funds Effective Rate.

Extraordinary Strategy Adjustment for Performance Reasons ("Air Bag Mechanism")

Extraordinary Strategy Adjustment for Performance Reasons If the Calculation Agent determines that an Intraday Restrike Event has occurred during an Observation Date(t) (the **Intraday Restrike Date,** noted hereafter **IRD**), an adjustment (an **Extraordinary Strategy Adjustment for Performance Reasons**) shall take place during such Observation Date(t) in accordance with the following provisions.

(1) Provided the last Intraday Restrike Observation Period as of such Intraday Restrike Date does not end on the TimeReferenceClosing, the Leverage Strategy Closing Level on the Intraday Restrike Date ($\mathrm{LSL}_{\mathrm{IRD}}$) should be computed as follows:

$$\mathrm{LSL}_{\mathrm{IRD}} = \mathrm{Max}\left[\mathrm{ILSL}_{\mathrm{IR(n)}} \times \left(1 + \mathrm{ILR}_{\mathrm{IR(n),IR(C)}} - \mathrm{IRC}_{\mathrm{IR(n),IR(C)}}\right), 0\right]$$

(2) If the last Intraday Restrike Event Observation Period on the relevant Intraday Restrike Date ends on the TimeReferenceClosing:

$$\mathrm{LSL}_{\mathrm{IRD}} = \mathrm{Max}\left[\mathrm{ILSL}_{\mathrm{IR(n)}}, 0\right]$$

$\mathbf{ILSL}_{\mathbf{IR(k)}}$ means, in respect of IR(k), the Intraday Leverage Strategy Level in accordance with the following provisions:

(1) for k = 1:

$$\mathrm{ILSL}_{\mathrm{IR(1)}} = \mathrm{Max}\left[\mathrm{LSL}_{\mathrm{IRD-1}} \times \left(1 + \mathrm{ILR}_{\mathrm{IR(0),IR(1)}} - \mathrm{FC}_{\mathrm{IRD-1,IRD}} - \mathrm{IRC}_{\mathrm{IR(0),IR(1)}}\right), 0\right]$$

(2) for k > 1:

$$\mathrm{ILSL}_{\mathrm{IR(k)}} = \mathrm{Max}\left[\mathrm{ILSL}_{\mathrm{IR(k-1)}} \times \left(1 + \mathrm{ILR}_{\mathrm{IR(k-1),IR(k)}} - \mathrm{IRC}_{\mathrm{IR(k-1),IR(k)}}\right), 0\right]$$

$\mathbf{ILR}_{\mathbf{IR(k-1),IR(k)}}$ means the Intraday Leveraged Return between IR(k-1) and IR(k), calculated as follows:

$$\mathrm{ILR}_{\mathrm{IR(k-1),IR(k)}} = \mathrm{Leverage} \times \left(\frac{\mathrm{IS}_{\mathrm{IR(k)}}}{\mathrm{IS}_{\mathrm{IR(k-1)}}} - 1\right)$$

$\mathbf{IRC_{IR(k-1),IR(k)}}$ means the Intraday Rebalancing Cost of the Leverage Strategy in respect of IR(k) on a given Intraday Restrike Date, calculated as follows:

$$\mathrm{IRC_{IR(k-1),IR(k)}} = \text{Leverage} \times (\text{Leverage} - 1) \times \left(\left|\frac{\mathrm{IS_{IR(k)}}}{\mathrm{IS_{IR(k-1)}}} - 1\right|\right) \times \mathrm{TC}$$

$\mathbf{IS_{IR(k)}}$ means the Underlying Stock Price in respect of IR(k) computed as follows:

(1) for k=0

$$\mathrm{IS_{IR(0)}} = \mathrm{S_{IRD-1}} \times \mathrm{Rfactor_{IRD}}$$

(2) for k=1 to n

means in respect of IR(k), the lowest price of the Underlying Stock during the respective Intraday Restrike Observation Period

(3) with respect to IR(C)

$$\mathrm{IS_{IR(C)}} = \mathrm{S_{IRD}}$$

In each case, subject to the adjustments and provisions of the Conditions.

IR(k) For k=0, means the scheduled close for the Relevant Stock Exchange for the Underlying Stock (or any successor thereto) on the Observation Date immediately preceding the relevant Intraday Restrike Date;

For k=1 to n, means the k^{th} Intraday Restrike Event on the relevant Intraday Restrike Date.

IR(C) means the scheduled close for the Relevant Stock Exchange for the Underlying Stock (or any successor thereto) on the relevant Intraday Restrike Date.

n means the number of Intraday Restrike Events that occurred on the relevant Intraday Restrike Date.

Intraday Restrike Event means in respect of an Observation Date(t):

(1) provided no Intraday Restrike Event has previously occurred on such Observation Date (t), the decrease at any Calculation Time of the Underlying Stock price by 15% or more compared with the relevant Underlying Stock Price $\mathbf{IS_{IR(0)}}$ as of such Calculation Time.

(2) if k Intraday Restrike Events have occurred on the relevant Intraday Restrike Date, the decrease at any Calculation Time of the Underlying Stock price by 15% or more compared with the relevant Underlying Stock Price $\mathbf{IS_{IR(k)}}$ as of such Calculation Time.

Calculation Time means any time between the TimeReferenceOpening and the TimeReferenceClosing, provided that the relevant data is available to enable the Calculation Agent to determine the Leverage Strategy Level.

TimeReferenceOpening means the scheduled opening time (including pre-opening session or opening auction, as the case may be) for the Relevant Stock Exchange for the Underlying Stock (or any successor thereto).

TimeReferenceClosing means the scheduled closing time (including closing auction session) for the Relevant Stock Exchange for the Underlying Stock (or any successor thereto).

Intraday Restrike Event Observation Period means in respect of an Intraday Restrike Event, the period starting on and excluding the Intraday Restrike Event Time and finishing on and including the sooner between (1) the time falling 15 minutes of continuous trading after the Intraday Restrike Event Time and (2) the TimeReferenceClosing.

Where, during such period, the Calculation Agent determines that (1) the trading in the Underlying Stock is disrupted or subject to suspension or limitation or (2) the Relevant Stock Exchange for the Underlying Stock is not open for continuous trading, the Intraday Restrike Event Observation Period will be extended to the extent necessary until (1) the trading in the Underlying Stock is no longer disrupted, suspended or limited and (2) the Relevant Stock Exchange for the Underlying Stock is open for continuous trading.

Intraday Restrike Event Time means in respect of an Intraday Restrike Event, the Calculation Time on which such event occurs.

The Conditions set out in the section headed "Terms and Conditions of the European Style Cash Settled Long/Short Certificates on Single Equities" in the Base Listing Document are set out below. This section is qualified in its entirety by reference to the detailed information appearing elsewhere in this document which shall, to the extent so specified or to the extent inconsistent with the relevant Conditions set out below, replace or modify the relevant Conditions for the purpose of the Certificates.

TERMS AND CONDITIONS OF

THE EUROPEAN STYLE CASH SETTLED LONG/SHORT CERTIFICATES ON SINGLE EQUITIES

1. Form, Status and Guarantee, Transfer and Title

(a) *Form*. The Certificates (which expression shall, unless the context otherwise requires, include any further certificates issued pursuant to Condition 11) are issued subject to and with the benefit of: -

(i) a master instrument by way of deed poll (the "**Master Instrument**") dated 14 June 2024, made by SG Issuer (the "**Issuer**") and Société Générale (the "**Guarantor**"); and

(ii) a warrant agent agreement (the "**Master Warrant Agent Agreement**" or "**Warrant Agent Agreement**") dated any time before or on the Closing Date, made between the Issuer and the Warrant Agent for the Certificates.

Copies of the Master Instrument and the Master Warrant Agent Agreement or Warrant Agent Agreement are available for inspection at the specified office of the Warrant Agent.

The holders of the Certificates (the "**Certificate Holders**") are entitled to the benefit of, are bound by and are deemed to have notice of all the provisions of the Master Instrument and the Master Warrant Agent Agreement or Warrant Agent Agreement.

(b) *Status and Guarantee*. The Certificates constitute direct, general and unsecured obligations of the Issuer and rank, and will rank, equally among themselves and *pari passu* with all other present and future unsecured and unsubordinated obligations of the Issuer (save for statutorily preferred exceptions). The Certificates provide for cash settlement on exercise. The Certificates do not entitle Certificate Holders to the delivery of any Underlying Stock, are not secured by the Underlying Stock and do not entitle Certificate Holders to any interest in any Underlying Stock.

The due and punctual payment of any amounts due by the Issuer in respect of the Certificates issued by the Issuer is unconditionally and irrevocably guaranteed by the Guarantor as provided in the Guarantee (each such amount payable under the Guarantee, a "**Guarantee Obligation**").

The Guarantee Obligations will constitute direct, unconditional, unsecured and unsubordinated obligations of the Guarantor ranking as senior preferred obligations as provided for in Article L. 613-30-3 I 3° of the French Code *Monétaire et Financier* (the "**Code**").

Such Guarantee Obligations rank and will rank equally and rateably without any preference or priority among themselves and:

(i) *pari passu* with all other direct, unconditional, unsecured and unsubordinated obligations of the Guarantor outstanding as of the date of the entry into force of the law no. 2016-1691 (the "**Law**") on 11 December 2016;

(ii) *pari passu* with all other present or future direct, unconditional, unsecured and senior preferred obligations (as provided for in Article L. 613-30-3 I 3° of the Code) of the Guarantor issued after the date of the entry into force of the Law on 11 December 2016;

(iii) junior to all present or future claims of the Guarantor benefiting from the statutorily preferred exceptions; and

(iv) senior to all present and future senior non-preferred obligations (as provided for in Article L.613-30-3 I 4° of the Code) of the Guarantor.

In the event of the failure of the Issuer to promptly perform its obligations to any Certificate Holder under the terms of the Certificates, such Certificate Holder may, but is not obliged to, give written notice to the Guarantor at Société Générale, Tour Société Générale, 75886 Paris Cedex 18, France marked for the attention of SEGL/JUR/OMF - Market Transactions & Financing.

(c) Transfer. The Certificates are represented by a global warrant certificate ("**Global Warrant**") which will be deposited with The Central Depository (Pte) Limited ("**CDP**"). Certificates in definitive form will not be issued. Transfers of Certificates may be effected only in Board Lots or integral multiples thereof. All transactions in (including transfers of) Certificates, in the open market or otherwise, must be effected through a securities account with CDP. Title will pass upon registration of the transfer in the records maintained by CDP.

(d) *Title*. Each person who is for the time being shown in the records maintained by CDP as entitled to a particular number of Certificates shall be treated by the Issuer, the Guarantor and the Warrant Agent as the holder and absolute owner of such number of Certificates, notwithstanding any notice to the contrary. The expression "**Certificate Holder**" shall be construed accordingly.

(e) *Bail-In*. By the acquisition of Certificates, each Certificate Holder (which, for the purposes of this Condition, includes any current or future holder of a beneficial interest in the Certificates) acknowledges, accepts, consents and agrees:

(i) to be bound by the effect of the exercise of the Bail-In Power (as defined below) by the Relevant Resolution Authority (as defined below) on the Issuer's liabilities under the Certificates, which may include and result in any of the following, or some combination thereof:

(A) the reduction of all, or a portion, of the Amounts Due (as defined below), on a permanent basis;

(B) the conversion of all, or a portion, of the Amounts Due into shares, other securities or other obligations of the Issuer or the Guarantor or another person (and the issue to the Certificate Holder of such shares, securities or obligations), including by means of an amendment, modification or variation of the Conditions of the Certificates, in which case the Certificate Holder agrees to accept in lieu of its rights under the Certificates any such shares, other securities or other obligations of the Issuer or the Guarantor or another person;

(C) the cancellation of the Certificates; and/or

(D) the amendment or alteration of the expiration of the Certificates or amendment of the amounts payable on the Certificates, or the date on which the amounts become payable, including by suspending payment for a temporary period; and

that terms of the Certificates are subject to, and may be varied, if necessary, to give effect to the exercise of the Bail-In Power by the Relevant Resolution Authority or the regulator,

(the "**Statutory Bail-In**");

(ii) if the Relevant Resolution Authority exercises its Bail-In Power on liabilities of the Guarantor, pursuant to Article L.613-30-3-I-3 of the French Monetary and Financial Code (the "**Code**"):

(A) ranking:

(1) junior to liabilities of the Guarantor benefitting from statutorily preferred exceptions pursuant to Article L.613-30-3-I 1° and 2 of the Code;

(2) *pari passu* with liabilities of the Guarantor as defined in Article L.613-30-3-I-3 of the Code; and

(3) senior to liabilities of the Guarantor as defined in Article L.613-30-3-I-4 of the Code; and

(B) which are not *titres non structurés* as defined under Article R.613-28 of the Code, and

(C) which are not or are no longer eligible to be taken into account for the purposes of the MREL (as defined below) ratio of the Guarantor

and such exercise of the Bail-In Power results in the write-down or cancellation of all, or a portion of, the principal amount of, or the outstanding amount payable in respect of, and/or interest on, such liabilities, and/or the conversion of all, or a portion, of the principal amount of, or the outstanding amount payable in respect of, or interest on, such liabilities into shares or other securities or other obligations of the Guarantor or another person, including by means of variation to their terms and conditions in order to give effect to such exercise of Bail-In Power, then the Issuer's obligations under the Certificates will be limited to (i) payment of the amount as reduced or cancelled that would be recoverable by the Certificate Holders and/or (ii) the delivery or the payment of value of the shares or other securities or other obligations of the Guarantor or another person that would be paid or delivered to the Certificate Holders as if, in either case, the Certificates had been directly issued by the Guarantor itself and any Amount Due under the Certificates had accordingly been directly subject to the exercise of the Bail-In Power (the "**Contractual Bail-in**").

No repayment or payment of the Amounts Due will become due and payable or be paid after the exercise of the Statutory Bail-In with respect to the Issuer or the Guarantor unless, at the time such repayment or payment, respectively, is scheduled to become due, such repayment or payment would be permitted to be made by the Issuer or the Guarantor under the applicable laws and regulations in effect in France or Luxembourg and the European Union applicable to the Issuer or the Guarantor or other members of its group.

No repayment or payment of the Amounts Due will become due and payable or be paid under the Certificates issued by SG Issuer after implementation of the Contractual Bail-in.

Upon the exercise of the Statutory Bail-in or upon implementation of the Contractual Bail-in with respect to the Certificates, the Issuer or the Guarantor will provide a written notice to the Certificate Holders in accordance with Condition 9 as soon as practicable regarding such exercise of the Statutory Bail-in or implementation of the Contractual Bail-in. Any delay or failure by the Issuer or the Guarantor to give notice shall not affect the validity and enforceability of the Statutory Bail-in or Contractual Bail-in nor the effects on the Certificates described above.

Neither a cancellation of the Certificates, a reduction, in part or in full, of the Amounts Due, the conversion thereof into another security or obligation of the Issuer or the Guarantor or another person, as a result of the exercise of the Statutory Bail-in or the implementation of the Contractual Bail-in with respect to the Certificates will be an event of default or otherwise constitute non-performance of a contractual obligation, or entitle the Certificate Holder to any remedies (including equitable remedies) which are hereby expressly waived.

The matters set forth in this Condition shall be exhaustive on the foregoing matters to the exclusion of any other agreements, arrangements or understandings between the Issuer, the Guarantor and each Certificate Holder. No expenses necessary for the procedures under this Condition, including, but not limited to, those incurred by the Issuer and the Guarantor, shall be borne by any Certificate Holder.

For the purposes of this Condition:

"**Amounts Due**" means any amounts due by the Issuer under the Certificates.

"**Bail-In Power**" means any statutory cancellation, write-down and/or conversion power existing from time to time under any laws, regulations, rules or requirements relating to the resolution of banks, banking group companies, credit institutions and/or investment firms, including but not limited to any such laws, regulations, rules or requirements that are implemented, adopted or enacted within the context of a European Union directive or regulation of the European Parliament and of the Council establishing a framework for the recovery and resolution of credit institutions and investment firms, or any other applicable laws or regulations, as amended, or otherwise, pursuant to which obligations of a bank, banking group company, credit institution or investment firm or any of its affiliates can be reduced, cancelled, varied or otherwise modified in any way and/or converted into shares or other securities or obligations of the obligor or any other person.

"**MREL**" means the Minimum Requirement for own funds and Eligible Liabilities as defined in Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms (as amended from time to time).

"**Relevant Resolution Authority**" means any authority with the ability to exercise the Bail-in Power on Societe Generale or SG Issuer as the case may be.

2. Certificate Rights and Exercise Expenses

(a) *Certificate Rights*. Every Certificate entitles each Certificate Holder, upon due exercise and on compliance with Condition 4, to payment by the Issuer of the Cash Settlement Amount (as defined below) (if any) in the manner set out in Condition 4.

The "**Cash Settlement Amount**", in respect of each Certificate, shall be an amount payable in the Settlement Currency equal to the Closing Level multiplied by the Notional Amount per Certificate.

The "**Closing Level**", in respect of each Certificate, shall be an amount payable in the Settlement Currency equal to:

$$\left(\frac{\text{Final Reference Level} \times \text{Final Exchange Rate}}{\text{Initial Reference Level} \times \text{Initial Exchange Rate}} - \text{Strike Level}\right) \times \text{Hedging Fee Factor}$$

If the Issuer determines, in its sole discretion, that on the Valuation Date or any Observation Date a Market Disruption Event has occurred, then that Valuation Date or Observation Date shall be postponed until the first succeeding Exchange Business Day or Underlying Stock Business Day, as the case may be, on which there is no Market Disruption Event, unless there is a Market Disruption Event on each of the five Exchange Business Days or Underlying Stock Business Days, as the case may be, immediately following the original date that, but for the Market Disruption Event, would have been a Valuation Date or an Observation Date. In that case: -

(i) that fifth Exchange Business Day or Underlying Stock Business Day, as the case may be, shall be deemed to be the Valuation Date or the Observation Date notwithstanding the Market Disruption Event; and

(ii) the Issuer shall determine the Final Reference Level or the relevant closing level on the basis of its good faith estimate of the Final Reference Level or the relevant closing level that would have prevailed on that fifth Exchange Business Day or Underlying Stock Business Day, as the case may be, but for the Market Disruption Event.

"**Market Disruption Event**" means the occurrence or existence of (i) any suspension of trading on the Relevant Stock Exchange of the Underlying Stock requested by the Company if that suspension is, in the determination of the Issuer, material, (ii) any suspension of or limitation imposed on trading (including but not limited to unforeseen circumstances such as by reason of movements in price exceeding limits permitted by the Relevant Stock Exchange or any act of God, war, riot, public disorder, explosion, terrorism or otherwise) on the Relevant Stock Exchange in the Underlying Stock if that suspension or limitation is, in the determination of the Issuer, material, or (iii) the closing of the Relevant Stock Exchange or a disruption to trading on the Relevant Stock Exchange if that disruption is, in the determination of the Issuer, material as a result of the occurrence of any act of God, war, riot, public disorder, explosion or terrorism.

(b) *Exercise Expenses*. Certificate Holders will be required to pay all charges which are incurred in respect of the exercise of the Certificates (the "**Exercise Expenses**"). An amount equivalent to the Exercise Expenses will be deducted by the Issuer from the Cash Settlement Amount in accordance with Condition 4. Notwithstanding the foregoing, the Certificate Holders shall account to the Issuer on demand for any Exercise Expenses to the extent that they were not or could not be deducted from the Cash Settlement Amount prior to the date of payment of the Cash Settlement Amount to the Certificate Holders in accordance with Condition 4.

(c) No Rights. The purchase of Certificates does not confer on the Certificate Holders any right (whether in respect of voting, dividend or other distributions in respect of the Underlying Stock or otherwise) which the holder of an Underlying Stock may have.

3. Expiry Date

Unless automatically exercised in accordance with Condition 4(b), the Certificates shall be deemed to expire at 10:00 a.m. (Singapore time) on the Expiry Date or if the Expiry Date is not a Business Day (as defined below), the immediately preceding Business Day.

4. Exercise of Certificates

(a) *Exercise*. Certificates may only be exercised on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day, in accordance with Condition 4(b).

(b) *Automatic Exercise*. Certificate Holders shall not be required to deliver an exercise notice. Exercise of Certificates shall be determined by whether the Cash Settlement Amount (less any Exercise Expenses) is positive. If the Cash Settlement Amount (less any Exercise Expenses) is positive, all Certificates shall be deemed to have been automatically exercised at 10:00 a.m. (Singapore time) on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day. The Cash Settlement Amount less the Exercise Expenses in respect of the Certificates shall be paid in the manner set out in Condition 4(c) below. In the event the Cash Settlement Amount (less any Exercise Expenses) is zero, all Certificates shall be deemed to have expired at 10:00 a.m. (Singapore time) on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day, and Certificate Holders shall not be entitled to receive any payment from the Issuer in respect of the Certificates.

(c) *Settlement*. In respect of Certificates which are automatically exercised in accordance with Condition 4(b), the Issuer will pay to the relevant Certificate Holder the Cash Settlement Amount (if any) in the Settlement Currency. The aggregate Cash Settlement Amount (less any Exercise Expenses) shall be despatched as soon as practicable and no later than five Settlement Business Days (as defined in the relevant Supplemental Listing Document and subject to extension upon the occurrence of a Settlement Disruption Event (as defined below)) following the Expiry Date by way of crossed cheque or other payment in immediately available funds drawn in favour of the Certificate Holder only (or, in the case of joint Certificate Holders, the first-named Certificate Holder) appearing in the records maintained by CDP. Any payment made pursuant to this Condition 4(c) shall be delivered at the risk and expense of the Certificate Holder and posted to the Certificate Holder's address appearing in the records maintained by CDP (or, in the case of joint Certificate Holders, to the address of the first-named Certificate Holder appearing in the records maintained by CDP). If the Cash Settlement Amount is equal to or less than the determined Exercise Expenses, no amount is payable.

If the Issuer determines, in its sole discretion, that on any Settlement Business Day during the period of five Settlement Business Days following the Expiry Date a Settlement Disruption Event has occurred, such Settlement Business Day shall be postponed to the next Settlement Business Day on which the Issuer determines that the Settlement Disruption Event is no longer subsisting and such period shall be extended accordingly, provided that the Issuer and/or the Guarantor shall make their best endeavours to implement remedies as soon as reasonably practicable to eliminate the impact of the Settlement Disruption Event on its/their payment obligations under the Certificates and/or the Guarantee.

"**Settlement Disruption Event**" means the occurrence or existence of any malicious action or attempt initiated to steal, expose, alter, disable or destroy information through unauthorised access to, or maintenance or use of, the Computer Systems of the Issuer, the Guarantor, the Calculation Agent, their respective affiliates (the "SG Group"), their IT service providers, by (and without limitation) the use of malware, ransomware, phishing, denial or disruption of service or cryptojacking or any unauthorized entry, removal, reproduction, transmission, deletion, disclosure or modification preventing the Issuer, the Guarantor and/or the Calculation Agent to perform their obligations under the Certificates, and notwithstanding the implementation of processes, required, as the case may be, by the laws and regulations applicable to the Issuer, the Guarantor, the Calculation Agent and their affiliates, or their IT service providers to improve their resilience to these actions and attempts.

"**Computer System**" means all the computer resources including, in particular: hardware, software packages, software, databases and peripherals, equipment, networks, electronic installations for storing computer data, including Data. The Computer System shall be understood to be that which (i) belongs to the SG Group and/or (ii) is rented, operated or legally held by the SG Group under a contract with the holder of the rights to the said system and/or (iii) is operated on behalf of the SG Group by a third party within the scope of a contractual relationship and/or (iv) is made available to the SG Group under a contract within the framework of a shared system (in particular cloud computing).

"**Data**" means any digital information, stored or used by the Computer System, including confidential data.

(d) *CDP not liable*. CDP shall not be liable to any Certificate Holder with respect to any action taken or omitted to be taken by the Issuer or the Warrant Agent in connection with the exercise of the Certificates or otherwise pursuant to or in connection with these Conditions.

(e) *Business Day*. In these Conditions, a "**Business Day**" shall be a day on which the SGX-ST is open for dealings in Singapore during its normal trading hours and banks are open for business in Singapore.

5. Warrant Agent

(a) *Warrant Agent*. The Issuer reserves the right, subject to the appointment of a successor, at any time to vary or terminate the appointment of the Warrant Agent and to appoint another Warrant Agent provided that it will at all times maintain a Warrant Agent which, so long as the Certificates are listed on the SGX-ST, shall be in Singapore. Notice of any such termination or appointment and of any change in the specified office of the Warrant Agent will be given to the Certificate Holders in accordance with Condition 9.

(b) *Agent of Issuer*. The Warrant Agent will be acting as agent of the Issuer and will not assume any obligation or duty to or any relationship of agency or trust for the Certificate Holders. All determinations and calculations by the Warrant Agent under these Conditions shall (save in the case of manifest error) be final and binding on the Issuer and the Certificate Holders.

6. Adjustments

(a) *Potential Adjustment Event*. Following the declaration by a Company of the terms of any Potential Adjustment Event (as defined below), the Issuer will determine whether such Potential Adjustment Event has a dilutive or concentrative or other effect on the theoretical value of the Underlying Stock and, if so, will (i) make the corresponding adjustment, if any, to any one or more of the Conditions as the Issuer determines appropriate to account for that dilutive or concentrative or other effect, and (ii) determine the effective date of that adjustment. The Issuer may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event made by an exchange on which options or futures contracts on the Underlying Stock are traded.

(b) *Definitions*. "**Potential Adjustment Event**" means any of the following:

(i) a subdivision, consolidation, reclassification or other restructuring of the Underlying Stock (excluding a Merger Event) or a free distribution or dividend of any such Underlying Stock to existing holders by way of bonus, capitalisation or similar issue;

(ii) a distribution or dividend to existing holders of the Underlying Stock of (1) such Underlying Stock, or (2) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Company equally or proportionately with such payments to holders of such Underlying Stock, or (3) share capital or other securities of another issuer acquired by the Company as a result of a "spin-off" or other similar transaction, or (4) any other type of securities, rights or warrants or other assets, in any case for payment (in cash or otherwise) at less than the prevailing market price as determined by the Issuer;

(iii) an extraordinary dividend;

(iv) a call by the Company in respect of the Underlying Stock that is not fully paid;

(v) a repurchase by the Company of the Underlying Stock whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;

(vi) with respect to a Company an event that results in any shareholder rights pursuant to a shareholder rights agreement or other plan or arrangement of the type commonly referred to as a "poison pill" being distributed, or becoming separated from shares of common stock or other shares of the capital stock of such Company (provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights); or

(vii) any other event that may have, in the opinion of the Issuer, a dilutive or concentrative or other effect on the theoretical value of the Underlying Stock.

(c) *Merger Event, Tender Offer, Nationalisation and Insolvency*. If a Merger Event, Tender Offer, Nationalisation or Insolvency occurs in relation to the Underlying Stock, the Issuer may take any action described below:

(i) determine the appropriate adjustment, if any, to be made to any one or more of the Conditions to account for the Merger Event, Tender Offer, Nationalisation or Insolvency, as the case may be, and determine the effective date of that adjustment. The Issuer may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of the Merger Event, Tender Offer, Nationalisation or Insolvency made by an options exchange to options on the Underlying Stock traded on that options exchange;

(ii) cancel the Certificates by giving notice to the Certificate Holders in accordance with Condition 9. If the Certificates are so cancelled, the Issuer will pay an amount to each Certificate Holder in respect of each Certificate held by such Certificate Holder which amount shall be the fair market value of a Certificate taking into account the Merger Event, Tender Offer, Nationalisation or Insolvency, as the case may be, less the cost to the Issuer and/or any of its affiliates of unwinding any underlying related hedging arrangements, all as determined by the Issuer in its reasonable discretion. Payment will be made in such manner as shall be notified to the Certificate Holders in accordance with Condition 9; or

(iii) following any adjustment to the settlement terms of options on the Underlying Stock on such exchange(s) or trading system(s) or quotation system(s) as the Issuer in its reasonable discretion shall select (the "**Option Reference Source**") make a corresponding adjustment to any one or more of the Conditions, which adjustment will be effective as of the date determined by the Issuer to be the effective date of the corresponding adjustment made by the Option Reference Source. If options on the Underlying Stock are not traded on the Option Reference Source, the Issuer will make such adjustment, if any, to any one or more of the Conditions as the Issuer determines appropriate, with reference to the rules and precedents (if any) set by the Option Reference Source, to account for the Merger Event, Tender Offer, Nationalisation or Insolvency, as the case may be, that in the determination of the Issuer would have given rise to an adjustment by the Option Reference Source if such options were so traded.

Once the Issuer determines that its proposed course of action in connection with a Merger Event, Tender Offer, Nationalisation or Insolvency, it shall give notice to the Certificate Holders in accordance with Condition 9 stating the occurrence of the Merger Event, Tender Offer, Nationalisation or Insolvency, as the case may be, giving details thereof and the action proposed to be taken in relation thereto. Certificate Holders should be aware that due to the nature of such events, the Issuer will not make an immediate determination of its proposed course of action or adjustment upon the announcement or occurrence of a Merger Event, Tender Offer, Nationalisation or Insolvency.

(d) *Definitions*. "**Insolvency**" means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting a Company (i) all the Underlying Stock of that Company is required to be transferred to a trustee, liquidator or other similar official or (ii) holders of the Underlying Stock of that Company become legally prohibited from transferring them. "**Merger Date**" means the closing date of a Merger Event or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Issuer. "**Merger Event**" means, in respect of the Underlying Stock, any (i) reclassification or change of such Underlying Stock that results in a transfer of or an irrevocable commitment to transfer all of such Underlying

Stock outstanding to another entity or person, (ii) consolidation, amalgamation, merger or binding share exchange of a Company with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Company is the continuing entity and which does not result in reclassification or change of all of such Underlying Stock outstanding), (iii) takeover offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Underlying Stock of the Company that results in a transfer of or an irrevocable commitment to transfer all such Underlying Stock (other than such Underlying Stock owned or controlled by such other entity or person), or (iv) consolidation, amalgamation, merger or binding share exchange of the Company or its subsidiaries with or into another entity in which the Company is the continuing entity and which does not result in a reclassification or change of all such Underlying Stock outstanding but results in the outstanding Underlying Stock (other than Underlying Stock owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Underlying Stock immediately following such event, in each case if the Merger Date is on or before the Valuation Date. "**Nationalisation**" means that all the Underlying Stock or all or substantially all of the assets of a Company are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof. "**Tender Offer**" means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 10 per cent. and less than 100 per cent. of the outstanding voting shares of the Company, as determined by the Issuer, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Issuer deems relevant.

(e) *Subdivision or Consolidation of the Certificates*. The Issuer reserves the right to subdivide or consolidate the Certificates, provided that such adjustment is considered by the Issuer not to be materially prejudicial to the Certificate Holders generally (without considering the circumstances of any individual Certificate Holder or the tax or other consequences of such adjustment or amendment in any particular jurisdiction) and subject to the approval of the SGX-ST.

(f) *Other Adjustments*. Except as provided in this Condition 6 and Conditions 10 and 12, adjustments will not be made in any other circumstances, subject to the right reserved by the Issuer (such right to be exercised in the Issuer's sole discretion and without any obligation whatsoever) to make such adjustments and amendments as it believes appropriate in circumstances where an event or events occur which it believes in its sole discretion (and notwithstanding any prior adjustment made pursuant to the above) should, in the context of the issue of the Certificates and the obligations of the Issuer, give rise to such adjustment or, as the case may be, amendment provided that such adjustment or, as the case may be, amendment is considered by the Issuer not to be materially prejudicial to the Certificate Holders generally (without considering the circumstances of any individual Certificate Holder or the tax or other consequences of such adjustment or amendment in any particular jurisdiction).

(g) *Notice of Adjustments*. All determinations made by the Issuer pursuant hereto will be conclusive and binding on the Certificate Holders. The Issuer will give, or procure that there is given, notice as soon as practicable of any adjustment and of the date from which such adjustment is effective by publication in accordance with Condition 9. For the avoidance of doubt, no notice will be given if the Issuer determines that adjustments will not be made.

6A. US withholding tax implications on the Payment

Notwithstanding any other provision of these Conditions, in no event will the Issuer or the Guarantor be required to pay any additional amounts in respect of the Certificates for, or on account of, any withholding or deduction (i) required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the "**US Code**"), or otherwise imposed pursuant to Sections 1471 through 1474 of the US Code, any regulations or agreements thereunder, or any official interpretations thereof, or any law implementing an intergovernmental approach thereto, (ii) imposed pursuant to the Section 871(m) Regulations ("**Section 871(m) Withholding**") or (iii) imposed by any other law of the United States. In addition, in determining the amount of Section 871(m) Withholding imposed on any payments on the Certificates, the Issuer shall be entitled to withhold on any "dividend equivalent" (as defined for purposes of Section 871(m) of the US Code) at the highest rate applicable to such payments regardless of any exemption from, or reduction in, such withholding otherwise available under applicable law.

With respect to Specified Warrants that provide for net dividend reinvestment in respect of either an underlying U.S. security (i.e. a security that pays U.S. source dividends) or an index that includes U.S. securities, all payments on Certificates that reference such U.S. securities or an index that includes U.S. securities may be calculated by reference to dividends on such U.S. securities that are reinvested at a rate of 70%. In such case, in calculating the relevant payment amount, the holder will be deemed to receive, and the Issuer or the Guarantor will be deemed to withhold, 30% of any dividend equivalent payments (as defined in Section 871(m) of the Code) in respect of the relevant U.S. securities. The Issuer or the Guarantor will not pay any additional amounts to the holder on account of the Section 871(m) amount deemed withheld.

For the purpose of this Condition:

"**Section 871(m) Regulations**" means the U.S. Treasury regulations issued under Section 871(m) of the Code.

"**Specified Warrants**" means, subject to special rules from 2017 through 2026 set out in Notice 2024-44 (the **Notice**), Warrants issued on or after 1 January 2017 that substantially replicate the economic performance of one or more U.S. underlying equities as determined by the Issuer on the date for such Warrants as of which the expected delta of the product is determined by the Issuer, based on tests set out in the applicable Section 871(m) Regulations, such that the Warrants are subject to withholding under the Section 871(m) Regulations.

7. Purchases

The Issuer, the Guarantor or any of their respective subsidiaries may at any time purchase Certificates at any price in the open market or by tender or by private treaty. Any Certificates so purchased may be held or resold or surrendered for cancellation.

8. Meetings of Certificate Holders; Modification

(a) *Meetings of Certificate Holders*. The Master Warrant Agent Agreement or Warrant Agent Agreement contains provisions for convening meetings of the Certificate Holders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Master Warrant Agent Agreement or Warrant Agent Agreement) of a modification of the provisions of the Certificates or of the Master Warrant Agent Agreement or Warrant Agent Agreement.

At least 21 days' notice (exclusive of the day on which the notice is given and of the day on which the meeting is held) specifying the date, time and place of the meeting shall be given to the Certificate Holders.

Such a meeting may be convened by the Issuer or by Certificate Holders holding not less than ten per cent. of the Certificates for the time being remaining unexercised. The quorum at any such meeting for passing an Extraordinary Resolution will be two or more persons holding or representing not less than 25 per cent. of the Certificates for the time being remaining unexercised, or at any adjourned meeting, two or more persons being or representing Certificate Holders whatever the number of Certificates so held or represented.

A resolution will be an Extraordinary Resolution when it has been passed at a duly convened meeting by not less than three-quarters of the votes cast by such Certificate Holders who, being entitled to do so, vote in person or by proxy.

An Extraordinary Resolution passed at any meeting of the Certificate Holders shall be binding on all the Certificate Holders whether or not they are present at the meeting. Resolutions can be passed in writing if passed unanimously.

(b) *Modification*. The Issuer may, without the consent of the Certificate Holders, effect (i) any modification of the provisions of the Certificates or the Master Instrument which is not materially prejudicial to the interests of the Certificate Holders or (ii) any modification of the provisions of the Certificates or the Master Instrument which is of a formal, minor or technical nature, which is made to correct an obvious error or which is necessary in order to comply with mandatory provisions of Singapore law. Any such modification shall be binding on the Certificate Holders and shall be notified to them by the Warrant Agent before the date such modification becomes effective or as soon as practicable thereafter in accordance with Condition 9.

9. Notices

(a) *Documents.* All cheques and other documents required or permitted by these Conditions to be sent to a Certificate Holder or to which a Certificate Holder is entitled or which the Issuer shall have agreed to deliver to a Certificate Holder may be delivered by hand or sent by post addressed to the Certificate Holder at his address appearing in the records maintained by CDP or, in the case of joint Certificate Holders, addressed to the joint holder first named at his address appearing in the records maintained by CDP, and airmail post shall be used if that address is not in Singapore. All documents delivered or sent in accordance with this paragraph shall be delivered or sent at the risk of the relevant Certificate Holder.

(b) *Notices.* All notices to Certificate Holders will be validly given if published in English on the web-site of the SGX-ST. Such notices shall be deemed to have been given on the date of the first such publication. If publication on the web-site of the SGX-ST is not practicable, notice will be given in such other manner as the Issuer may determine. The Issuer shall, at least one month prior to the expiry of any Certificate, give notice of the date of expiry of such Certificate in the manner prescribed above.

10. Liquidation

In the event of a liquidation or dissolution of the Company or the appointment of a liquidator (including a provisional liquidator) or receiver or judicial manager or trustee or administrator or analogous person under Singapore or other applicable law in respect of the whole or substantially the whole of its undertaking, property or assets, all unexercised Certificates will lapse and shall cease to be valid for any purpose, in the case of voluntary liquidation, on the effective date of the relevant resolution and, in the case of an involuntary liquidation or dissolution, on the date of the relevant court order or, in the case of the appointment of a liquidator (including a provisional liquidator) or receiver or judicial manager or trustee or administrator or analogous person under Singapore or other applicable law in respect of the whole or substantially the whole of its undertaking, property or assets, on the date when such appointment is effective but subject (in any such case) to any contrary mandatory requirement of law. In the event of the voluntary liquidation of the Company, the Issuer shall make such adjustments or amendments as it reasonably believes are appropriate in the circumstances.

11. Further Issues

The Issuer shall be at liberty from time to time, without the consent of the Certificate Holders, to create and issue further certificates so as to form a single series with the Certificates, subject to the approval of the SGX-ST.

12. Delisting

(a) Delisting. If at any time, the Underlying Stock ceases to be listed on the Relevant Stock Exchange, the Issuer shall give effect to these Conditions in such manner and make such adjustments and amendments to the rights attaching to the Certificates as it shall, in its absolute discretion, consider appropriate to ensure, so far as it is reasonably able to do so, that the interests of the Certificate Holders generally are not materially prejudiced as a consequence of such delisting (without considering the individual circumstances of any Certificate Holder or the tax or other consequences that may result in any particular jurisdiction).

(b) Issuer's Determination. The Issuer shall determine, in its absolute discretion, any adjustment or amendment and its determination shall be conclusive and binding on the Certificate Holders save in the case of manifest error. Notice of any adjustments or amendments shall be given to the Certificate Holders in accordance with Condition 9 as soon as practicable after they are determined.

13. Early Termination

(a) *Early Termination for Illegality and Force Majeure, etc.* If the Issuer determines that a Regulatory Event (as defined below) has occurred and, for reasons beyond its control, the performance of its obligations under the Certificates has become illegal or impractical in whole or in part for any reason, or the Issuer determines that, for reasons beyond its control, it is no longer legal or practical for it to maintain its hedging arrangements with respect to the Certificates for any reason, the Issuer may in its discretion and without obligation terminate the Certificates early in accordance with Condition 13(e).

Should any one or more of the provisions contained in the Conditions be or become invalid, the validity of the remaining provisions shall not in any way be affected thereby.

For the purposes of this Condition:

"**Regulatory Event**" means, following the occurrence of a Change in Law (as defined below) with respect to the Issuer and/or Société Générale as Guarantor or in any other capacity (including without limitation as hedging counterparty of the Issuer, market maker of the Certificates or direct or indirect shareholder or sponsor of the Issuer) or any of its affiliates involved in the issuer of the Certificates (hereafter the "**Relevant Affiliates**" and each of the Issuer, Société Générale and the Relevant Affiliates, a

"**Relevant Entity**") that, after the Certificates have been issued, (i) any Relevant Entity would incur a materially increased (as compared with circumstances existing prior to such event) amount of tax, duty, liability, penalty, expense, fee, cost or regulatory capital charge however defined or collateral requirements for performing its obligations under the Certificates or hedging the Issuer's obligations under the Certificates, including, without limitation, due to clearing requirements of, or the absence of, clearing of the transactions entered into in connection with the issue of, or hedging the Issuer's obligation under, the Certificates, (ii) it is or will become for any Relevant Entity impracticable, impossible (in each case, after using commercially reasonable efforts), unlawful, illegal or otherwise prohibited or contrary, in whole or in part, under any law, regulation, rule, judgement, order or directive of any governmental, administrative or judicial authority, or power, applicable to such Relevant Entity (a) to hold, acquire, issue, reissue, substitute, maintain, settle, or as the case may be, guarantee, the Certificates, (b) to acquire, hold, sponsor or dispose of any asset(s) (or any interest thereof) of any other transaction(s) such Relevant Entity may use in connection with the issue of the Certificates or to hedge the Issuer's obligations under the Certificates, (c) to perform obligations in connection with, the Certificates or any contractual arrangement entered into between the Issuer and Société Générale or any Relevant Affiliate (including without limitation to hedge the Issuer's obligations under the Certificates) or (d) to hold, acquire, maintain, increase, substitute or redeem all or a substantial part of its direct or indirect shareholding in the Issuer's capital or the capital of any Relevant Affiliate or to directly or indirectly sponsor the Issuer or any Relevant Affiliate, or (iii) there is or may be a material adverse effect on a Relevant Entity in connection with the issue of the Certificates.

"**Change in law**" means (i) the adoption, enactment, promulgation, execution or ratification of any applicable new law, regulation or rule (including, without limitation, any applicable tax law, regulation or rule) after the Certificates have been issued, (ii) the implementation or application of any applicable law, regulation or rule (including, without limitation, any applicable tax law, regulation or rule) already in force when the Certificates have been issued but in respect of which the manner of its implementation or application was not known or unclear at the time, or (iii) the change of any applicable law, regulation or rule existing when the Certificates are issued, or the change in the interpretation or application or practice relating thereto, existing when the Certificates are issued of any applicable law, regulation or rule, by any competent court, tribunal, regulatory authority or any other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any additional or alternative court, tribunal, authority or entity, to that existing when the Certificates are issued).

(b) *Early Termination for Holding Limit Event*. The Issuer may in its discretion and without obligation terminate the Certificates early in accordance with Condition 13(e) where a Holding Limit Event (as defined below) occurs.

For the purposes of this Condition:

"**Holding Limit Event**" means, assuming the investor is the Issuer and/or any of its affiliates, the Issuer together with its affiliates, in aggregate hold, an interest in the Underlying Stock, constituting or likely to constitute (directly or indirectly) ownership, control or the power to vote a percentage of any class of voting securities of the Underlying Stock, of the Underlying Stock in excess of a percentage permitted or advisable, as determined by the Issuer, for the purpose of its compliance with the Bank

Holding Company Act of 1956 as amended by Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the Volcker Rule), including any requests, regulations, rules, guidelines or directives made by the relevant governmental authority under, or issued by the relevant governmental authority in connection with, such statutes.

(c) *Early Termination for Hedging Disruption*. If the Issuer or any of its affiliates is, following commercially reasonable efforts, not in the position (i) to enter, re-enter, replace, maintain, liquidate, acquire or dispose of any Hedge Positions (as defined below) or (ii) to freely realize, recover, receive, repatriate, remit, regain or transfer the proceeds of any Hedge Position (where either (i) or (ii) shall constitute a "**Hedging Disruption**"), the Issuer may terminate the Certificates early in accordance with Condition 13(e) provided that the intrinsic value on the previous trading day of the relevant Certificate is at or above the Issue Price. The Issuer's decision on whether a Hedging Disruption has occurred is final and conclusive. For the avoidance of doubt, Hedging Disruptions shall include the scenario where any Hedge Position cannot be maintained up to the amount necessary to cover all of the Issuer's obligations under the Certificates.

For the purposes hereof, "**Hedge Positions**" means any one or more commercially reasonable (i) positions (including long or short positions) or contracts in, or relating to, securities, options, futures, other derivatives contracts or foreign exchange, (ii) stock loan or borrowing transactions or (iii) other instruments, contracts, transactions or arrangements (howsoever described) that the Issuer or any of its affiliates determines necessary to hedge, individually or on a portfolio basis, any risk (including, without limitation, market risk, price risk, foreign exchange risk and interest rate risk) in relation to the assumption and fulfilment of the Issuer's obligations under the Certificates.

(d) *Early Termination for other reasons.* The Issuer reserves the right (such right to be exercised in the Issuer's sole and unfettered discretion and without any obligation whatsoever) to terminate the Certificates in accordance with Condition 13(e) where an event or events occur which it believes in its sole discretion should, in the context of the issue of the Certificates and the obligations of the Issuer, give rise to such termination provided that such termination (i) is considered by the Issuer not to be materially prejudicial to the interests of Certificate Holders generally (without considering the circumstances of any individual Certificate Holder or the tax or other consequences of such termination in any particular jurisdiction); or (ii) is otherwise considered by the Issuer to be appropriate and such termination is approved by the SGX-ST.

(e) *Termination*. If the Issuer terminates the Certificates early, the Issuer will give notice to the Certificate Holders in accordance with Condition 9. The Issuer will, if and to the extent permitted by applicable law, pay an amount to each Certificate Holder in respect of each Certificate held by such holder equal to the fair market value of a Certificate notwithstanding such illegality, impracticality or the relevant event less the cost to the Issuer of unwinding any underlying related hedging arrangements, all as determined by the Issuer in its sole and absolute discretion. The determination of the fair market value may deviate from the determination of the Cash Settlement Amount under different scenarios, including but not limited to, where (i) the Daily Reset (as defined in the relevant Supplemental Listing Document) mechanism is suspended and/or (ii) the Final Reference Level is determined based on the closing price of the Underlying Stock on multiple Underlying Stock Business Days or Exchange Business Days, as the case may be. Payment will be made in such manner as shall be notified to the Certificate Holders in accordance with Condition 9.

14. Substitution of the Issuer

The Issuer may be replaced by the Guarantor or any subsidiary of the Guarantor as principal obligor in respect of the Certificates without the consent of the relevant Certificate Holders. If the Issuer determines that it shall be replaced by the Guarantor or any subsidiary of the Guarantor (the "**Substituted Obligor**"), it shall give at least 90 days' notice (exclusive of the day on which the notice is given and of the day on which the substitution is effected) specifying the date of the substitution, in accordance with Condition 9, to the Certificate Holders of such event and, immediately on the expiry of such notice, the Substituted Obligor shall become the principal obligor in place of the Issuer and the Certificate Holders shall thereupon cease to have any rights or claims whatsoever against the Issuer.

Upon any such substitution, all references to the Issuer in the Conditions and all agreements relating to the Certificates will be to the Substituted Obligor and the Certificates will be modified as required, and the Certificate Holders will be notified of the modified terms and conditions of such Certificates in accordance with Condition 9.

For the purposes of this Condition, it is expressly agreed that by subscribing to, acquiring or otherwise purchasing or holding the Certificates, the Certificate Holders are expressly deemed to have consented to the substitution of the Issuer by the Substituted Obligor and to the release of the Issuer from any and all obligations in respect of the Certificates and all agreements relating thereto and are expressly deemed to have accepted such substitution and the consequences thereof.

15. Governing Law

The Certificates, the Master Instrument and the Master Warrant Agent Agreement or Warrant Agent Agreement will be governed by and construed in accordance with Singapore law. The Issuer and the Guarantor and each Certificate Holder (by its purchase of the Certificates) shall be deemed to have submitted for all purposes in connection with the Certificates, the Master Instrument and the Master Warrant Agent Agreement or Warrant Agent Agreement to the non-exclusive jurisdiction of the courts of Singapore. The Guarantee shall be governed by and construed in accordance with Singapore law.

16. Prescription

Claims against the Issuer for payment of any amount in respect of the Certificates will become void unless made within six years of the Expiry Date and, thereafter, any sums payable in respect of such Certificates shall be forfeited and shall revert to the Issuer.

17. Contracts (Rights of Third Parties) Act 2001 of Singapore

Unless otherwise provided in the Global Warrant, the Master Instrument and the Master Warrant Agent Agreement or Warrant Agent Agreement, a person who is not a party to any contracts made pursuant to the Global Warrant, the Master Instrument and the Master Warrant Agent Agreement or Warrant Agent Agreement has no rights under the Contracts (Rights of Third Parties) Act 2001 of Singapore to enforce any terms of such contracts. Except as expressly provided herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts.

SUMMARY OF THE ISSUE

The following is a summary of the issue and should be read in conjunction with, and is qualified by reference to, the other information set out in this document and the Base Listing Document. Terms used in this Summary are defined in the Conditions.

Issuer:	SG Issuer
Company:	PetroChina Company Limited
The Certificates:	European Style Cash Settled Long Certificates relating to the Underlying Stock
Number:	11,500,000 Certificates
Form:	The Certificates will be issued subject to, and with the benefit of, a master instrument by way of deed poll dated 14 June 2024 (the "**Master Instrument**") and executed by the Issuer and the Guarantor and a master warrant agent agreement dated 29 May 2017 (the "**Master Warrant Agent Agreement**") and made between the Issuer, the Guarantor and the Warrant Agent (as amended and/or supplemented from time to time).
Cash Settlement Amount:	In respect of each Certificate, is the amount (if positive) equal to: Notional Amount per Certificate x Closing Level
Denominations:	Certificates are represented by a global warrant in respect of all the Certificates.
Exercise:	The Certificates may only be exercised on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day, in a Board Lot or integral multiples thereof. Certificate Holders will not be required to deliver an exercise notice. If the Cash Settlement Amount (less any Exercise Expenses) is positive, all Certificates will be deemed to have been automatically exercised at 10:00 a.m. (Singapore time) on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day. The Cash Settlement Amount less the Exercise Expenses in respect of the Certificates shall be paid in the manner set out in Condition 4(c) of the Conditions. In the event the Cash Settlement Amount (less any Exercise Expenses) is zero, all Certificates shall be deemed to have expired at 10:00 a.m. (Singapore time) on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day, and Certificate Holders shall not be entitled to receive any payment from the Issuer in respect of the Certificates.
Exercise and Trading Currency:	SGD
Board Lot:	100 Certificates

Transfers of Certificates:	Certificates may only be transferred in Board Lots (or integral multiples thereof). All transfers in Certificates, in the open market or otherwise, must be effected through a securities account with CDP. Title will pass upon registration of the transfer in the records of CDP.
Listing:	Application has been made to the SGX-ST for permission to deal in and for quotation of the Certificates and the SGX-ST has agreed in principle to grant permission to deal in and for quotation of the Certificates. Issue of the Certificates is conditional on such listing being granted. It is expected that dealings in the Certificates on the SGX-ST will commence on or about 29 April 2025.
Governing Law:	The laws of Singapore
Warrant Agent:	The Central Depository (Pte) Limited 4 Shenton Way #02-01 SGX Centre 2 Singapore 068807
Further Issues:	Further issues which will form a single series with the Certificates will be permitted, subject to the approval of the SGX-ST.

The above summary is qualified in its entirety by reference to the detailed information appearing elsewhere in this document and the Base Listing Document.

INFORMATION RELATING TO THE EUROPEAN STYLE CASH SETTLED LONG CERTIFICATES ON SINGLE EQUITIES

What are European Style Cash Settled Long Certificates on Single Equities?

European style cash settled long certificates on single equities (the "**Certificates**") are structured products relating to the Underlying Stock and the return on a Certificate is linked to the performance of the Leverage Strategy.

A) Cash Settlement Amount Payable upon the Exercise of the Certificates at Expiry

Upon the exercise of the Certificates at expiry, the Certificate Holders would be paid a Cash Settlement Amount in respect of each Certificate.

The Cash Settlement Amount, in respect of each Certificate, shall be an amount payable in the Settlement Currency equal to the Closing Level multiplied by the Notional Amount per Certificate.

The Closing Level, in respect of each Certificate, shall be an amount payable in the Settlement Currency equal to (1) divided by (2) less (3) subject to any adjustments such as (4), where:

(1) is the Final Reference Level multiplied by the Final Exchange Rate;

(2) is the Initial Reference Level multiplied by the Initial Exchange Rate;

(3) is the Strike Level; and

(4) is the Hedging Fee Factor.

If the Cash Settlement Amount (less any Exercise Expenses) is positive, all Certificates shall be deemed to have been automatically exercised and investors will receive a Cash Settlement Amount. If the Cash Settlement Amount (less any Exercise Expenses) is zero, all Certificates shall be deemed to have expired. Please refer to the section headed "Terms and Conditions of the European Style Cash Settled Long/Short Certificates on Single Equities" for further details on the calculation of the Cash Settlement Amount.

The Certificates are only suitable for investors who believe that the price of the Underlying Stock will increase and are seeking short-term leveraged exposure to the Underlying Stock.

B) Trading the Certificates before Expiry

If the Certificate Holders want to cash out their investments in the Certificates before the expiry of the Certificates, they may sell the Certificates in the secondary market during the life of the Certificates, and would be subject to the following fees and charges:

(i) For Certificate Holders who trade the Certificates intraday: shall pay normal transaction and brokerage fees for the trading of the Certificates on the SGX-ST, and may be required to pay stamp taxes or other documentary charges in accordance with the laws and practices of the country where the Certificates are transferred; and

(ii) For Certificate Holders who hold the Certificates overnight: in addition to the normal transaction and brokerage fees and applicable stamp taxes, would also be required to bear the Management Fee and Gap Premium as well as certain costs embedded within the Leverage Strategy including the Funding Cost and Rebalancing Cost.

Illustration of the Calculation of Hedging Fee Factor

Hedging Fee Factor	=	Product of the Daily Fees

Daily Fees	=	**Daily Management Fee Adjustment** 1 – Management Fee x ACT (t-1;t) / 360 x **Daily Gap Premium Adjustment** 1 – Gap Premium (t-1) x ACT (t-1;t) / 360

Illustration of the Calculation of Cash Settlement Amount

Cash Settlement Amount = Final Value of Certificates – Strike Level (zero)

		t[7]=0		t=1		t=2		t=i
Value of Certificates	=	Notional Amount	x	Leverage Strategy daily performance[8] x Daily Fees	x	Leverage Strategy daily performance x Daily Fees	x …	Leverage Strategy Daily performance x Daily Fees

		t=0		Product of the daily Leverage Strategy Performance		Product of the Daily Fees (Hedging Fee Factor)
Value of Certificates	=	Notional Amount	x	Leverage Strategy daily performance x Leverage Strategy daily performance	x	Daily Fees x Daily Fees

		t=0				
Final Value of Certificates	=	Notional Amount	x	Final Reference Level x Final Exchange Rate ÷ Initial Reference Level x Initial Exchange Rate	x	Hedging Fee Factor

Illustration of the applicable fees and charges for an intraday trading scenario

Hedging Fee is implemented overnight in the price of the Certificate. As a consequence, when trading intraday, investors will not bear any Hedging Fee.

Investors will only support bid/ask costs, which are the difference between the price at which the Designated Market Maker purchases (bid) and sells (ask) the Certificate at any point of time.

[7] "t" refers to "**Observation Date**" which means each Underlying Stock Business Day (subject to Market Disruption Event) from (and including) the Underlying Stock Business Day immediately preceding the Expected Listing Date to the Valuation Date.
[8] Leverage Strategy daily performance is computed as the Leverage Strategy Closing Level on Business Day (t) divided by the Leverage Strategy Closing Level on Business Day (t-1).

Example of Calculation of Hedging Fee Factor and Cash Settlement Amount

The example is purely hypothetical. We include the example to illustrate how the Certificates work, and you MUST NOT rely on them as any indication of the actual return or what the payout on the Certificates might actually be. The example also assumes a product which expires 16 days after listing date, to illustrate the daily calculation of price, costs and fees from listing date to expiry date.

Assuming an investor purchases the following Certificates at the Issue Price:

Underlying Stock:	Ordinary H shares of PetroChina Company Limited traded in HKD
Expected Listing Date:	**03/07/2018**
Expiry Date:	**18/07/2018**
Initial Reference Level:	**1,000**
Initial Exchange Rate:	**1**
Final Reference Level:	**1,200**
Final Exchange Rate:	**1**
Issue Price:	**0.70 SGD**
Notional Amount per Certificate:	**0.70 SGD**
Management Fee (p.a.):	**0.40%**
Gap Premium (p.a.):	**16.00%**
Strike Level:	Zero

Hedging Fee Factor

Hedging Fee Factor on the n$^{\text{th}}$ Underlying Stock Business Day after issuance of Certificate ("HFF (n)") is calculated as follows:

HFF(0) = 100%

On Next Calendar Day (assuming it is an Underlying Stock Business Day):

$$\mathrm{HFF}\ (1)\ =\ \mathrm{HFF}\ (0)\ \times\left(1 - \text{Management Fee}\ \times\frac{\mathrm{ACT}\ (\mathrm{t}-1;\mathrm{t})}{360}\right)\times\left(1 - \text{Gap Premium}\ \times\frac{\mathrm{ACT}\ (\mathrm{t}-1;\mathrm{t})}{360}\right)$$

$$\mathrm{HFF}\ (1) =\ 100\%\ \times\left(1 -\ 0.40\%\ \times\frac{1}{360}\right)\times\left(1 -\ 16.00\%\ \times\frac{1}{360}\right)$$

$$\mathrm{HFF}\ (1) =\ 100\%\ \mathrm{x}\ 99.9989\%\ \mathrm{x}\ \ 99.9556\%\ \approx\ 99.9544\%$$

Assuming 2$^{\text{nd}}$ Underlying Stock Business Day falls 3 Calendar Days after 1$^{\text{st}}$ Underlying Stock Business Day:

$$\mathrm{HFF}\ (2) = \mathrm{HFF}\ (1) \times\left(1 - \text{Management Fee}\ \times\frac{\mathrm{ACT}\ (\mathrm{t}-1;\mathrm{t})}{360}\right)\times\left(1 - \text{Gap Premium}\ \times\frac{\mathrm{ACT}\ (\mathrm{t}-1;\mathrm{t})}{360}\right)$$

$$\text{HFF}(2) = \ 99.9544\% \times \left(1 - 0.40\% \times \frac{3}{360}\right) \times \left(1 - 16.00\% \times \frac{3}{360}\right)$$

HFF (2) = 99.9544% x 99.9967% x 99.8667% ≈ 99.8178%

The same principle applies to the following Underlying Stock Business Days:

$$\text{HFF}(n) = \text{HFF}(n-1) \times \left(1 - \text{Management Fee} \times \frac{\text{ACT}(t-1;t)}{360}\right) \times \left(1 - \text{Gap Premium} \times \frac{\text{ACT}(t-1;t)}{360}\right)$$

In this example, the Hedging Fee Factor as of the Valuation Date would be equal to 99.3187% as illustrated below:

Date	HFF
3/7/2018	100.0000%
4/7/2018	99.9544%
5/7/2018	99.9089%
6/7/2018	99.8634%
9/7/2018	99.7269%
10/7/2018	99.6815%
11/7/2018	99.6361%
12/7/2018	99.5907%
13/7/2018	99.5453%
16/7/2018	99.4093%
17/7/2018	99.3640%
18/7/2018	99.3187%

Cash Settlement Amount

In this example, the Closing Level and the Cash Settlement Amount would be computed as follows:

Closing Level = [(Final Reference Level x Final Exchange Rate) / (Initial Reference Level x Initial Exchange Rate) – Strike Level] x Hedging Fee Factor

= [(1200 x 1) / (1000 x 1) – 0] x 99.3187%

= 119.18%

Cash Settlement Amount = Closing Level x Notional Amount per Certificate

= 119.18% x 0.70 SGD

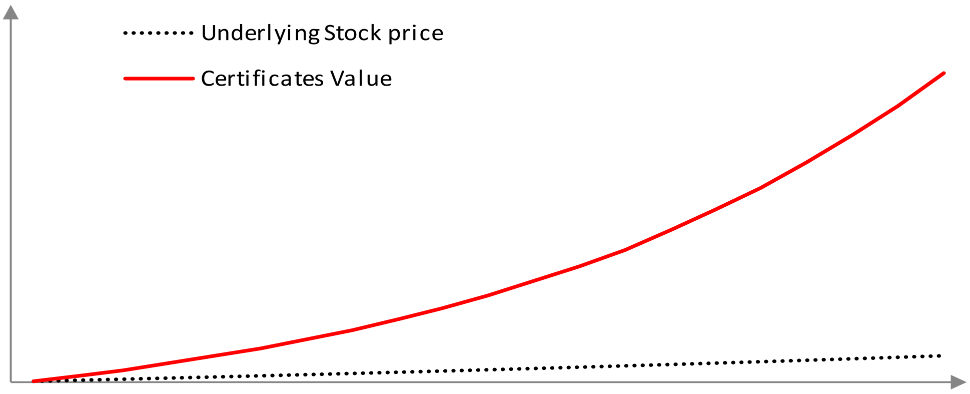
= 0.834 SGD

Illustration on how returns and losses can occur under different scenarios

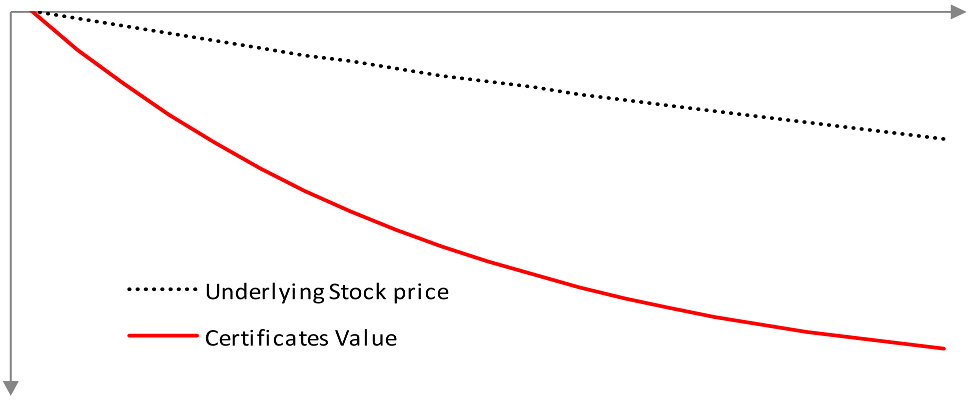
The examples are purely hypothetical and do not take fees and charges payable by investors into consideration. The examples highlight the effect of the Underlying Stock performance on the value of the Certificates and do not take into account the possible influence of fees, exchange rates, dividends, or any other market parameters.

1. Illustrative examples

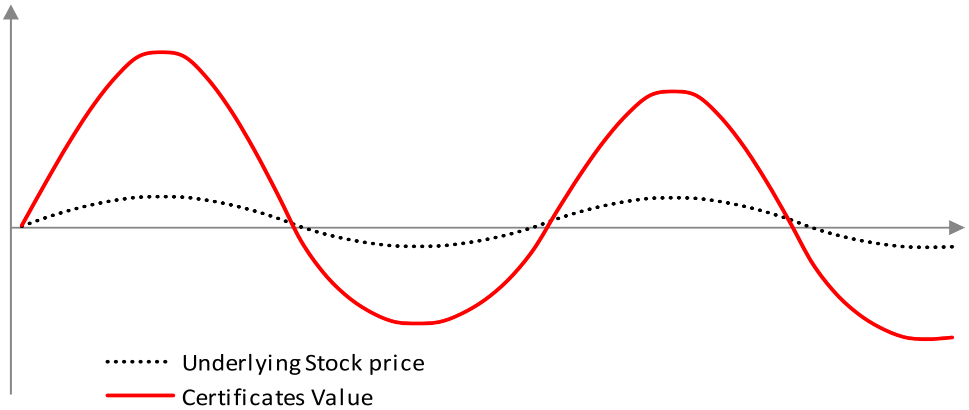
Scenario 1 – Upward Trend



Scenario 2 – Downward Trend



Scenario 3 – Volatile Market



2. Numerical Examples

Scenario 1 – Upward Trend

Underlying Stock						
	Day 0	Day 1	Day 2	Day 3	Day 4	Day 5
Daily return		2.0%	2.0%	2.0%	2.0%	2.0%
Value at end of day	10,000.0	10,200.0	10,404.0	10,612.1	10,824.3	11,040.8
Accumulated Return		2.00%	4.04%	6.12%	8.24%	10.41%

Value of the Certificates						
	Day 0	Day 1	Day 2	Day 3	Day 4	Day 5
Daily return		10.0%	10.0%	10.0%	10.0%	10.0%
Price at end of day	0.70	0.77	0.85	0.93	1.02	1.13
Accumulated Return		10.00%	21.00%	33.10%	46.41%	61.05%

Scenario 2 – Downward Trend

Underlying Stock						
	Day 0	Day 1	Day 2	Day 3	Day 4	Day 5
Daily return		-2.0%	-2.0%	-2.0%	-2.0%	-2.0%
Value at end of day	10,000.0	9,800.0	9,604.0	9,411.9	9,223.7	9,039.2
Accumulated Return		-2.00%	-3.96%	-5.88%	-7.76%	-9.61%

Value of the Certificates						
	Day 0	Day 1	Day 2	Day 3	Day 4	Day 5
Daily return		-10.0%	-10.0%	-10.0%	-10.0%	-10.0%
Price at end of day	0.70	0.63	0.57	0.51	0.46	0.41
Accumulated Return		-10.00%	-19.00%	-27.10%	-34.39%	-40.95%

Scenario 3 – Volatile Market

Underlying Stock						
	Day 0	Day 1	Day 2	Day 3	Day 4	Day 5
Daily return		2.0%	-2.0%	2.0%	-2.0%	2.0%
Value at end of day	10,000.0	10,200.0	9,996.0	10,195.9	9,992.0	10,191.8
Accumulated Return		2.00%	-0.04%	1.96%	-0.08%	1.92%

Value of the Certificates						
	Day 0	Day 1	Day 2	Day 3	Day 4	Day 5
Daily return		10.0%	-10.0%	10.0%	-10.0%	10.0%
Price at end of day	0.70	0.77	0.69	0.76	0.69	0.75
Accumulated Return		10.00%	-1.00%	8.90%	-1.99%	7.81%

Description of Air Bag Mechanism

The Certificates integrate an "Air Bag Mechanism" which is designed to reduce exposure to the Underlying Stock during extreme market conditions.

When the Air Bag triggers, this is followed by a period which is divided into two sub-periods:

- Observation Period: the price of the Underlying Stock is observed and its minimum price is recorded (i) during 15 minutes of continuous trading after the Air Bag is triggered, or (ii) until Market Close if there is less than 15 minutes of continuous trading until Market Close when the Air Bag Mechanism is triggered; and

- Reset Period: the Leverage Strategy is then reset using the minimum price of the Underlying Stock during the Observation Period as the New Observed Price. The New Observed Price replaces the last closing price of the Underlying Stock in order to compute the performance of the Leverage Strategy.

During the Observation Period and Reset Period, trading of Certificates is suspended for a period of at least 30 minutes of continuous trading after the Air Bag is triggered, and such suspension will be based on instructions provided by the Issuer to the SGX-ST for suspension of trading. Investors cannot sell or purchase any Certificates during this period.

For the avoidance of doubt, if the Air Bag Mechanism was triggered more than 60 minutes of continuous trading before Market Close, trading of Certificates will resume the same trading day after the Reset Period has elapsed, subject to the SGX-ST's approval to resume trading. If the Air Bag Mechanism was triggered between 45 minutes and 60 minutes of continuous trading before Market Close, trading of Certificates may or may not resume the same trading day after the Reset Period has elapsed. If the Air Bag Mechanism was triggered with only 45 minutes or less of continuous trading before Market Close, trading of Certificates resumes on the next trading day.

The resumption of trading is subject to the SGX-ST's requirements of at least 15 minutes after the SGX-ST approves the request from the Issuer to resume trading on the Certificates, rounded to the next quarter of an hour. The Issuer will provide at least 15 minutes' notice of the resumption of trading by making an SGXNET announcement.

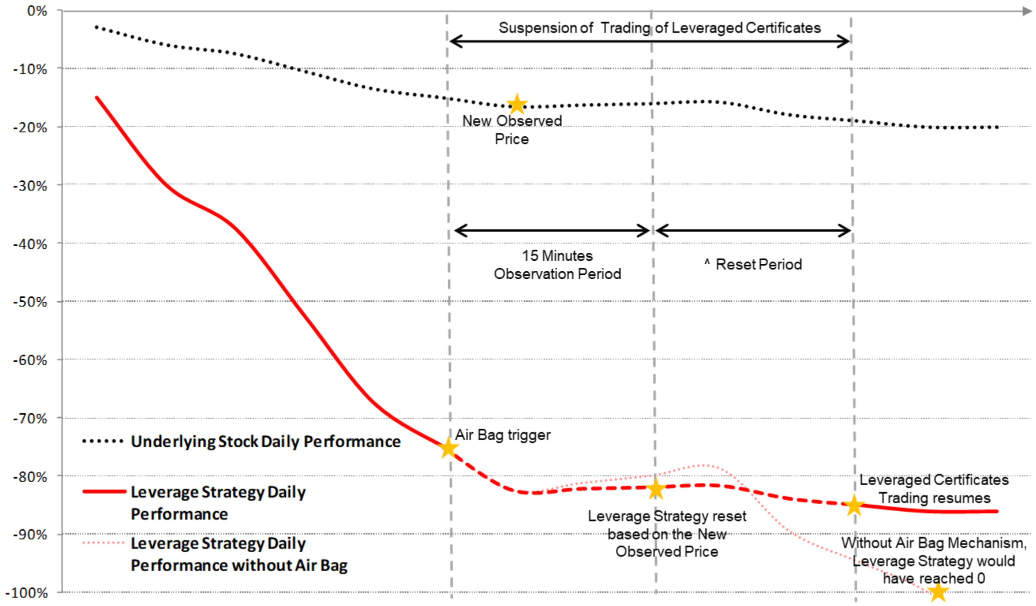
With **Market Close** defined as:

- the Underlying Stock closing time, including the closing auction session, with respect to the Observation Period; and

- the sooner of (i) the Underlying Stock closing time for continuous trading and (ii) the SGX-ST closing time, with respect to the Resumption of Trading

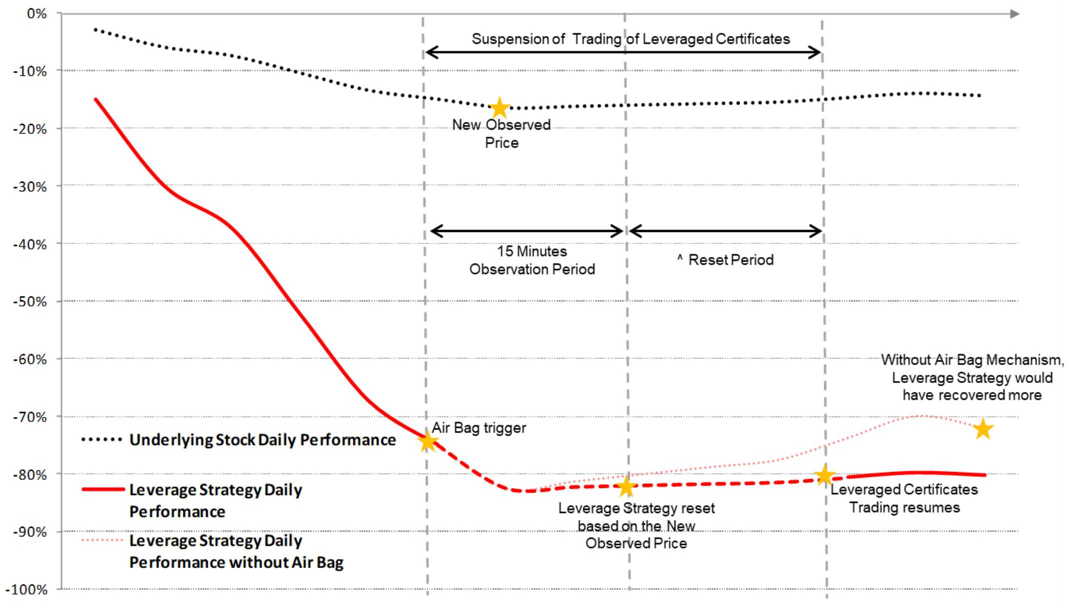
Illustrative examples of the Air Bag Mechanism[9]

Scenario 1 – Downward Trend after Air Bag trigger



^ The resumption of trading is subject to the SGX-ST's requirements of at least 15 minutes after the SGX-ST approves the request from the Issuer to resume trading on the Certificates, rounded to the next quarter of an hour.

Scenario 2 – Upward Trend after Air Bag trigger



^ The resumption of trading is subject to the SGX-ST's requirements of at least 15 minutes after the SGX-ST approves the request from the Issuer to resume trading on the Certificates, rounded to the next quarter of an hour.

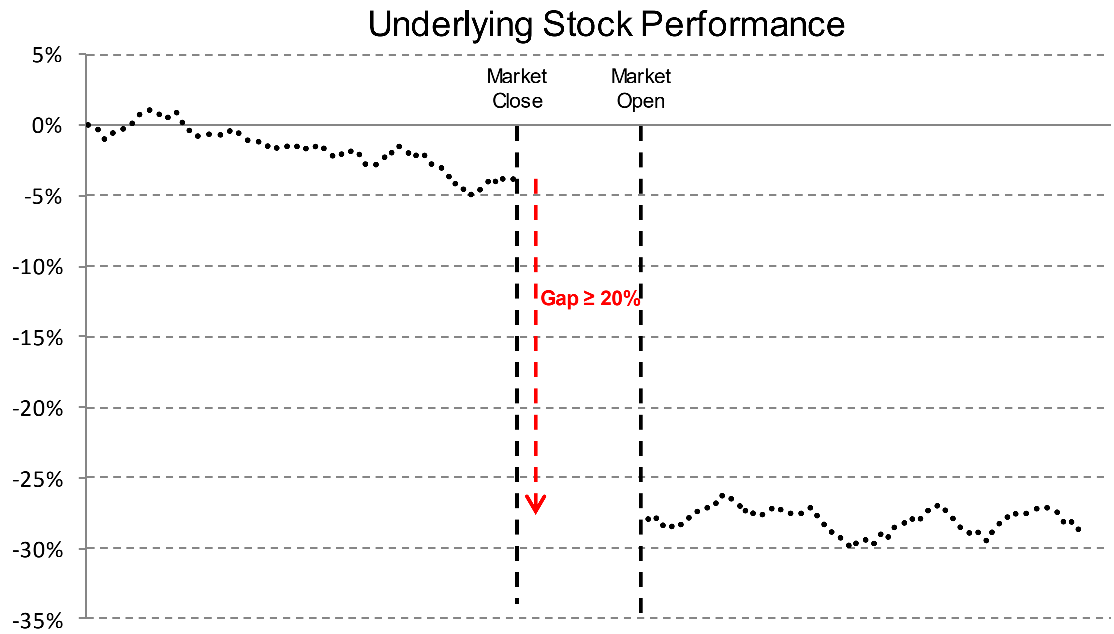
[9] The illustrative examples are not exhaustive.

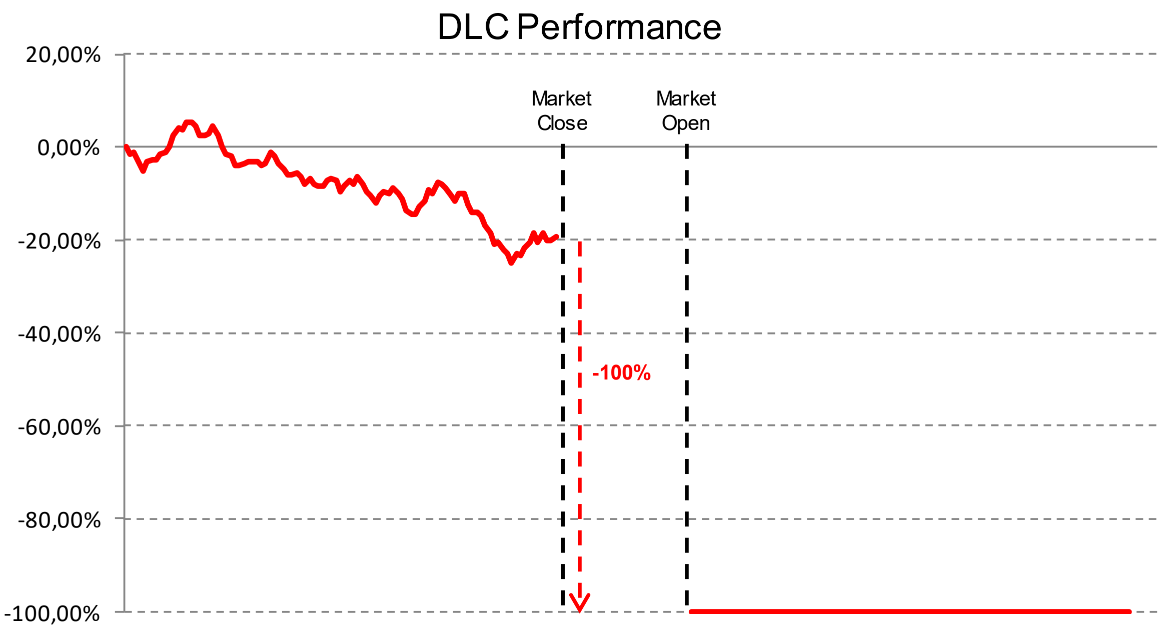
Scenarios where the investor may lose the entire value of the investment

The scenarios below are purely hypothetical and do not take fees and charges payable by investors into consideration. The scenarios highlight cases where the Certificates may lose 100% of their value.

<u>Scenario 1 – Overnight fall of the Underlying Stock</u>

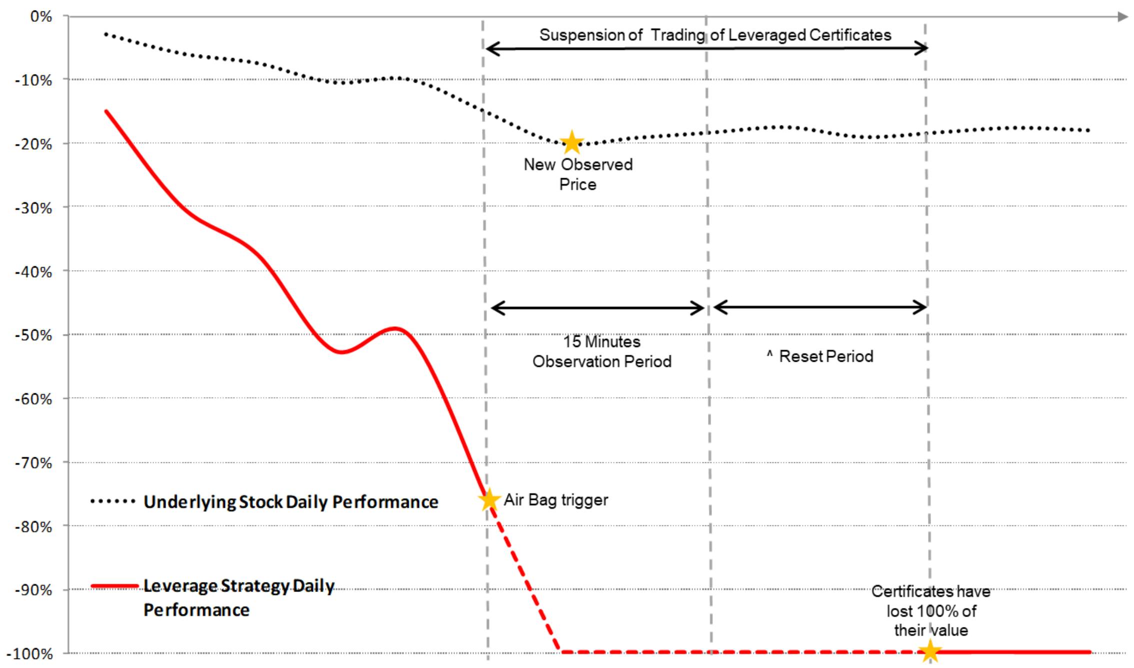
On any Underlying Stock Business Day, the opening price of the Underlying Stock may be higher or lower than the closing price on the previous trading day. The difference between the previous closing price and the opening price of the Underlying Stock is termed a "gap". If the opening price of the Underlying Stock is 20% or more below the previous trading day closing price, the Air Bag Mechanism would only be triggered when the market opens (including pre-opening session or opening auction, as the case may be) the following trading day, and the Certificates would lose their entire value in such event.





Scenario 2 – Sharp intraday fall of the Underlying Stock

Although the Air Bag Mechanism is designed to reduce the exposure to the Underlying Stock during extreme market conditions, the Certificate can lose 100% of its value in the event the price of the Underlying Stock falls by 20% or more within the 15 minutes Observation Period compared to the reference price, being: (i) if air bag has not been previously triggered on the same day, the previous closing price of the Underlying Stock, or (ii) if one or more air bag have been previously triggered on the same day, the latest New Observed Price. The Certificates would lose their entire value in such event.



Examples and illustrations of adjustments due to certain corporate actions

The examples are purely hypothetical and do not take fees and charges payable by investors into consideration. The examples highlight the effect of corporate actions on the value of the Certificates and do not take into account the possible influence of fees, exchange rates, or any other market parameters.

In the case of any corporate action on the Underlying Stock, the Calculation Agent will, as soon as reasonably practical after it becomes aware of such event, determine whether such corporate action has a dilutive or concentrative effect on the theoretical value of the Underlying Stock, and if so, will (a) calculate the corresponding adjustment, if any, to be made to the elements relating to the Underlying Stock which are used to determine any settlement or payment terms under the Certificates and/or adjust at its discretion any other terms of the Certificates as it determines appropriate to preserve the economic equivalent of the obligations of the Issuer under the Certificates and (b) determine the effective date of such adjustment.

Notwithstanding the foregoing, in the event Observation Date (t) is an ex-date with respect to a corporate action related to the Underlying Stock, the Calculation Agent may, in its sole and absolute discretion, replace the $Rfactor_t$ with respect to such Observation Date (t) by an amount computed according to the following generic formula:

$$Rfactor_t = \left[1 - \frac{Div_t + DivExc_t - M \times R}{\mathrm{S}_{t-1}}\right] \times \frac{1}{1+M}$$

This formula is provided for indicative purposes and the Calculation Agent may determine that this formula is not appropriate for certain corporate actions and may apply a different formula instead.

Such adjustment of $Rfactor_t$ would affect the Leveraged Return, the Rebalancing Cost, and the Underlying Reference Price used to determine the Intraday Restrike Event. The Air Bag Mechanism would not be triggered if the stock price falls by 15% exclusively because of the dilutive effect of a corporate action.

Where:

$\mathrm{DivExc_t}$ is the amount received as an Extraordinary Dividend by a holder of existing Shares for each Share held prior to the Extraordinary Dividend, net of any applicable withholding taxes.

M is the number of new Share(s) (whether a whole or a fraction) per existing Share each holder thereof is entitled to subscribe or to receive (positive amount) or the number of existing Shares redeemed or canceled per existing Share (negative amount), as the case may be, resulting from the corporate action.

R is the subscription price per Share (positive amount) or the redemption price per Share (negative amount) including any dividends or other benefits forgone to be subscribe to or to receive (as applicable), or to redeem a Share.

1. <u>Stock split</u>

Assuming the Underlying Stock is subject to a 1 to 2 stock split (i.e. 1 new Share for every 1 existing share):

$\mathrm{S_{t-1}}$ = \$100

$\mathrm{S_t}$ = \$51

$\mathrm{Div_t} = \$0$

$\mathrm{DivExc_t} = \$0$

M = 1 (i.e. 1 new Shares for 1 existing Share)

R = $0 (no subscription price / redemption price)

$$Rfactor_t = \left[1 - \frac{0 + 0 - 2 \times 0)}{100}\right] \times \frac{1}{1+1} = 50\%$$

As a consequence:

$$\mathrm{LR}_{t-1,t} = \text{Leverage} \times \left(\frac{S_t}{S_{t-1} \times Rfactor_t} - 1\right) = 5 \times \left(\frac{51}{100 \times 50\%} - 1\right) = 10\%$$

S_{t-1}	$S_{t-1} \times Rfactor_t$	S_t	Adjusted Underlying Stock Performance
100	50	51	2%

Value of the Certificate (t-1)	Value of the Certificate (t)	Certificates' performance (excluding any cost and fees)
0.70	0.77	10%

In such case an Intraday Restrike Event would occur if the Underlying Stock price falls to $42.5, which is 15% below $50, the Underlying Stock Reference Price.

2. <u>Share Consolidation</u>

Assuming the Underlying Stock is subject to a 2 to 1 share consolidation (i.e. 1 Share canceled for every 2 existing Shares):

S_{t-1} = $100

S_t = $202

$\mathrm{Div}_t = \$0$

$\mathrm{DivExc}_t = \$0$

M = -0.5 (i.e. 0.5 Shares canceled for each 1 existing Share)

R = $0 (no subscription price / redemption price)

$$Rfactor_t = \left[1 - \frac{0 + 0 - (-0.5) \times 0)}{100}\right] \times \frac{1}{1 + (-0.5)} = 200\%$$

As a consequence:

$$\mathrm{LR}_{t-1,t} = \text{Leverage} \times \left(\frac{S_t}{S_{t-1} \times Rfactor_t} - 1\right) = 5 \times \left(\frac{202}{100 \times 200\%} - 1\right) = 5\%$$

S_{t-1}	$S_{t-1} \times Rfactor_t$	S_t	Adjusted Underlying Stock Performance
100	200	202	1%

Value of the Certificate (t-1)	Value of the Certificate (t)	Certificates' performance (excluding any cost and fees)
0.70	0.735	5%

In such case an Intraday Restrike Event would occur if the Underlying Stock price falls to $170, which is 15% below $200, the Underlying Stock Reference Price.

3. Rights Issues

Assuming there is a rights issue with respect to the Underlying Stock, with a right to receive 1 new Share for every 2 existing Shares, for a subscription price of $40.

S_{t-1} = $100

S_t = $84

$Div_t = \$0$

$DivExc_t = \$0$

R = $40 (i.e. subscription price of $40)

M = 0.5 (i.e. 1 new share for every 2 existing shares)

$$Rfactor_t = \left[1 - \frac{0 + 0 - 0.5 \times 40}{100}\right] \times \frac{1}{1 + 0.5} = 80\%$$

As a consequence:

$$LR_{t-1,t} = \text{Leverage} \times \left(\frac{S_t}{S_{t-1} \times Rfactor_t} - 1\right) = 5 \times \left(\frac{84}{100 \times 80\%} - 1\right) = 25\%$$

S_{t-1}	$S_{t-1} \times Rfactor_t$	S_t	Adjusted Underlying Stock Performance
100	80	84	5%

Value of the Certificate (t-1)	Value of the Certificate (t)	Certificates' performance (excluding any cost and fees)
0.70	0.875	25%

In such case an Intraday Restrike Event would occur if the Underlying Stock price falls to $68, which is 15% below $80, the Underlying Stock Reference Price.

4. <u>Bonus Issues</u>

Assuming there is a bonus issue with respect to the Underlying Stock, where shareholders receive 1 bonus share for 5 existing shares:

S_{t-1} = \$100

S_t = \$85

$Div_t = \$0$

$DivExc_t = \$0$

R = \$0

M = 0.2 (i.e. 1 new share for 5 existing shares)

$$Rfactor_t = \left[1 - \frac{0 + 0 - 0.2 \times 0}{100}\right] \times \frac{1}{1 + 0.2} = 83.33\%$$

As a consequence:

$$LR_{t-1,t} = \text{Leverage} \times \left(\frac{S_t}{S_{t-1} \times Rfactor_t} - 1\right) = 5 \times \left(\frac{85}{100 \times 83.33\%} - 1\right) = 10\%$$

S_{t-1}	$S_{t-1} \times Rfactor_t$	S_t	Adjusted Underlying Stock Performance
100	83.33	85	2%

Value of the Certificate (t-1)	Value of the Certificate (t)	Certificates' performance (excluding any cost and fees)
0.70	0.77	10%

In such case an Intraday Restrike Event would occur if the Underlying Stock price falls to \$70.83, which is 15% below \$83.33, the Underlying Stock Reference Price.

5. <u>Extraordinary Dividend</u>

Assuming there is an extraordinary dividend of \$20 (net of taxes) paid in respect of each stock.

S_{t-1} = \$100

S_t = \$84

$Div_t = \$0$

$DivExc_t = \$20$

R = \$0

M = 0

$$Rfactor_t = \left[1 - \frac{0 + 20 - 0 \times 0}{100}\right] \times \frac{1}{1 + 0} = 80\%$$

As a consequence:

$$\mathrm{LR}_{t-1,t} = \text{Leverage} \times \left(\frac{\mathrm{S_t}}{\mathrm{S_{t-1}} \times Rfactor_t} - 1\right) = 5 \times \left(\frac{84}{100 \times 80\%} - 1\right) = 25\%$$

$\mathrm{S_{t-1}}$	$\mathrm{S_{t-1}} \times Rfactor_t$	$\mathrm{S_t}$	Adjusted Underlying Stock Performance
100	80	84	5%

Value of the Certificate (t-1)	Value of the Certificate (t)	Certificates' performance (excluding any cost and fees)
0.70	0.875	25%

In such case an Intraday Restrike Event would occur if the Underlying Stock price falls to \$68, which is 15% below \$80, the Underlying Stock Reference Price.

INFORMATION RELATING TO THE COMPANY

*All information contained in this document regarding the Company, including, without limitation, its financial information, is derived from publicly available information which appears on the web-site of Hong Kong Exchanges and Clearing Limited (the "**HKExCL**") at http://www.hkex.com.hk and/or the Company's web-site at http://www.petrochina.com.cn. The Issuer has not independently verified any of such information.*

PetroChina Company Limited (the "**Company**") is a China-based company principally engaged in the production and distribution of oil and natural gas. The Company primarily operates businesses through five segments. The Oil, Gas and New Energy segment is engaged in the exploration, development, production, transportation and marketing of crude oil and natural gas and new energy business. The Refining, Chemicals and New Materials segment is engaged in the refining of crude oil and petroleum products, the production and marketing of primary petrochemical products, derivative petrochemical products, other chemical products and new materials business. The Marketing segment is engaged in the marketing of refined products and non-oil products, and the trading business. The Natural Gas Sales segment is engaged in the transportation and sales of natural gas. The Head Office and Other segment is engaged in cash management and financing activities, the corporate center, research and development, and other business services.

The information set out in Appendix I of this document relates to the audited financial statements of the Company and its subsidiaries for the year ended 31 December 2024 and has been extracted and reproduced from an announcement by the Company released on 23 April 2025 in relation to the same. Further information relating to the Company may be located on the web-site of the HKExCL at http://www.hkex.com.hk.

INFORMATION RELATING TO THE DESIGNATED MARKET MAKER

Société Générale has been appointed the designated market maker ("**DMM**") for the Certificates. The DMM will provide competitive buy and sell quotes for the Certificates continuously during the trading hours of the SGX-ST on the following basis:

(a)	Maximum bid and offer spread	:	(i) when the best bid price of the Certificate is S$10 and below: 10 ticks or S$0.20 whichever is greater; and (ii) when the best bid price of the Certificate is above S$10: 5% of the best bid price of the Certificate.
(b)	Minimum quantity subject to bid and offer spread	:	10,000 Certificates
(c)	Last Trading Day for Market Making	:	The date falling 5 Exchange Business Days immediately preceding the Expiry Date

In addition, the DMM may not provide a quotation in the following circumstances:

(i) during the pre-market opening and five minutes following the opening of the SGX-ST on any trading day;

(ii) if the Certificates are valueless (where the Issuer's bid price is below the minimum bid size for such securities as prescribed by the SGX-ST);

(iii) before the Relevant Stock Exchange for the Underlying Stock has opened and after the Relevant Stock Exchange for the Underlying Stock has closed on any trading day;

(iv) when trading in the Underlying Stock is suspended or limited in a material way for any reason, for the avoidance of doubt, the DMM is not obliged to provide quotations for the Certificates at any time when the Underlying Stock is not negotiated/traded for any reason;

(v) where the Certificates are suspended from trading for any reason;

(vi) market disruption events, including, without limitation, any suspension of or limitation imposed on trading (including but not limited to unforeseen circumstances such as by reason of movements in price exceeding limits permitted by the SGX-ST or any act of God, war, riot, public disorder, explosion, terrorism or otherwise) in the Underlying Stock;

(vii) where the Issuer or the DMM faces technical problems affecting the ability of the DMM to provide bids and offer quotations;

(viii) where the ability of the Issuer to source a hedge or unwind an existing hedge, as determined by the Issuer in good faith, is materially affected by the prevailing market conditions, and the Issuer informs the SGX-ST of its inability to do so as soon as practicable;

(ix) in cases where the Issuer has no Certificates to sell, then the DMM will only provide bid quotations. The DMM may provide intermittent offer quotations when it has inventory of the Certificates;

(x) if the stock market experiences exceptional price movement and volatility;

(xi) when it is a public holiday in Singapore and/or Hong Kong and the SGX-ST and/or the HKEX are not open for dealings; and

(xii) during the suspension of trading of Certificates after an Air Bag Mechanism has been triggered.

The last trading day on which the DMM will provide competitive quotations for the Certificates would be the fifth Exchange Business Day immediately preceding the Expiry Date.

SUPPLEMENTAL INFORMATION RELATING TO THE GUARANTOR

The information set out in Appendix II of this document is a reproduction of the Guarantor's audited consolidated financial statements for the year ended 31 December 2024.

On 23 September 2024, the share capital of Société Générale stands at EUR 1,000,395,971.25 and comprises 800,316,777 shares with a nominal value of EUR 1.25 per share.

SUPPLEMENTAL GENERAL INFORMATION

The information set out herein is supplemental to, and should be read in conjunction with the information set out in the Base Listing Document.

1. Save as disclosed in this document and the Base Listing Document, neither the Issuer nor the Guarantor is involved in any legal or arbitration proceedings (including any proceedings which are pending or threatened of which the Issuer or the Guarantor is aware) which may have or have had in the previous 12 months a significant effect on the financial position of the Issuer or the Guarantor in the context of the issuance of the Certificates.

2. Settlement of trades done on a normal "ready basis" on the SGX-ST generally take place on the second Business Day following the transaction. Dealing in the Certificates will take place in Board Lots in Singapore dollars. For further details on the transfer of Certificates and their exercise, please refer to the section headed "Summary of the Issue" above.

3. It is not the current intention of the Issuer to apply for a listing of the Certificates on any stock exchange other than the SGX-ST.

4. Save as disclosed in the Base Listing Document and herein, there has been no material adverse change in the financial position or prospects of the Issuer since 30 June 2024 or the Guarantor since 31 December 2024, in the context of the issuance of Certificates hereunder.

5. The following contracts, relating to the issue of the Certificates, have been or will be entered into by the Issuer and/or the Guarantor and may be material to the issue of the Certificates:

   (a) the Guarantee;

   (b) the Master Instrument; and

   (c) the Master Warrant Agent Agreement.

   None of the directors of the Issuer and the Guarantor has any direct or indirect interest in any of the above contracts.

6. The reports of the Auditors of the Issuer and the Guarantor were not prepared exclusively for incorporation into this document.

   The Auditors of the Issuer and the Guarantor have no shareholding in the Issuer or the Guarantor or any of its subsidiaries, nor do they have the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities of the Issuer or the Guarantor or any of its subsidiaries.

7. The Certificates are not fully covered by the Underlying Stock held by Issuer or a trustee for and on behalf of the Issuer. The Issuer has appropriate risk management capabilities to manage the issue of the Certificates.

8. Société Générale, Singapore Branch, currently of 8 Marina Boulevard, #12-01 Marina Bay Financial Centre Tower 1, Singapore 018981, has been authorised to accept, on behalf of the Issuer and the Guarantor, service of process and any other notices required to be served on the Issuer or the Guarantor. Any notices required to be served on the Issuer or the Guarantor should be sent to Société Générale at the above address for the attention of Société Générale Legal Department.

9. Copies of the following documents may be inspected during usual business hours on any weekday (Saturdays, Sundays and holidays excepted) at the offices of Société Générale,

Singapore Branch at 8 Marina Boulevard, #12-01 Marina Bay Financial Centre Tower 1, Singapore 018981, during the period of 14 days from the date of this document:

(a) the Memorandum and Articles of Association of the Issuer and the Constitutional Documents of the Guarantor;

(b) the latest financial reports (including the notes thereto) of the Issuer;

(c) the latest financial reports (including the notes thereto) of the Guarantor;

(d) the Base Listing Document (which can also be viewed at: https://www.sgx.com/securities/prospectus-circulars-offer-documents);

(e) this document; and

(f) the Guarantee.

PLACING AND SALE

General

No action has been or will be taken by the Issuer that would permit a public offering of the Certificates or possession or distribution of any offering material in relation to the Certificates in any jurisdiction where action for that purpose is required. No offers, sales or deliveries of any Certificates, or distribution of any offering material relating to the Certificates may be made in or from any jurisdiction except in circumstances which will result in compliance with any applicable laws or regulations and will not impose any obligation on the Issuer. In the event that the Issuer contemplates a placing, placing fees may be payable in connection with the issue and the Issuer may at its discretion allow discounts to placees.

Each Certificate Holder undertakes that it will inform any subsequent purchaser of the terms and conditions of the Certificates and all such subsequent purchasers as may purchase such securities from time to time shall deemed to be a Certificate Holder for the purposes of the Certificates and shall be bound by the terms and conditions of the Certificates.

Singapore

This document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Certificates may not be circulated or distributed, nor may Certificates be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than pursuant to, and in accordance with the conditions of, any applicable provision of the Securities and Futures Act 2001 of Singapore.

Hong Kong

Each dealer has represented and agreed, and each further dealer appointed in respect of the Certificates and each other purchaser will be required to represent and agree, that:

(a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Certificates (except for Certificates which are a "structured product" as defined in the Securities and Futures Ordinance (Cap.571) of Hong Kong ("**SFO**")) other than (i) to "professional investors" as defined in the SFO and any rules made under the SFO; or (ii) in other circumstances which do not result in the document being a "prospectus", as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong ("**CWUMPO**") or which do not constitute an offer to the public within the meaning of the CWUMPO; and

(b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Certificates, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Certificates which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

European Economic Area

Each dealer represents and agrees, and each further dealer appointed in respect of the Certificates will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell, or otherwise make available any Certificates which are the subject of the offering as contemplated by this document to any retail investor in the European Economic Area. For the purposes of this provision:

(a) the expression "**retail investor**" means a person who is one (or more) of the following:

   (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or

   (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the Insurance Distribution Directive), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

   (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended and superseded, the Prospectus Regulation); and

(b) the expression "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Certificates to be offered so as to enable an investor to decide to purchase or subscribe for the Certificates.

United Kingdom

Each dealer represents and agrees, and each further dealer appointed in respect of the Certificates will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Certificates which are the subject of the offering as contemplated by this document to any retail investor in the United Kingdom. For the purposes of this provision:

(a) the expression "**retail investor**" means a person who is one (or more) of the following:

   (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); or

   (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act, as amended (the "**FSMA**") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or

   (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA; and

(b) the expression an "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Certificates to be offered so as to enable an investor to decide to purchase or subscribe for the Certificates.

Each dealer further represents and agrees, and each further dealer appointed in respect of the Certificates will be required to further represent and agree, that:

(a) in respect to Certificates having a maturity of less than one year: (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and (ii) it has not offered or sold and will not offer or sell any Certificates other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Certificates would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;

(b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Certificates in circumstances in which section 21(1) of the FSMA does not apply to the Issuer or the Guarantor; and

(c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Certificates in, from or otherwise involving the United Kingdom.

United States

The Certificates and the Guarantee have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or any state securities law, and trading in the Certificates has not been approved by the United States Commodity Futures Trading Commission (the "**CFTC**") under the United States Commodity Exchange Act of 1936, as amended (the "**Commodity Exchange Act**") and the Issuer has not been and will not be registered as an investment company under the United States Investment Company Act of 1940, as amended, and the rules and regulations thereunder. None of the Securities and Exchange Commission, any state securities commission or regulatory authority or any other United States, French or other regulatory authority has approved or disapproved of the Certificates or the Guarantee or passed upon the accuracy or adequacy of this document. Accordingly, Certificates, or interests therein, may not at any time be offered, sold, resold, traded, pledged, exercised, redeemed, transferred or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, U.S. persons, nor may any U.S. person at any time trade, own, hold or maintain a position in the Certificates or any interests therein. In addition, in the absence of relief from the CFTC, offers, sales, re-sales, trades, pledges, exercises, redemptions, transfers or deliveries of Certificates, or interests therein, directly or indirectly, in the United States or to, or for the account or benefit of, U.S. persons, may constitute a violation of United States law governing commodities trading and commodity pools. Consequently, any offer, sale, resale, trade, pledge, exercise, redemption, transfer or delivery made, directly or indirectly, within the United States or to, or for the account or benefit of, a U.S. person will not be recognised.

Each dealer has represented and agreed, and each further dealer will be required to represent and agree, that it has not and will not at any time offer, sell, resell, trade, pledge, exercise, redeem, transfer or deliver, directly or indirectly, Certificates in the United States or to, or for the account or benefit of, any U.S. person or to others for offer, sale, resale, trade, pledge, exercise, redeem, transfer or delivery, directly or indirectly, in the United States or to, or for the account or benefit of, any such U.S. person. Any person purchasing Certificates of any tranches must agree with the relevant dealer or the seller of such Certificates that (i) it is not a U.S. Person, (ii) it will not at any time offer, sell, resell, trade, pledge, exercise, redeem, transfer or deliver, directly or indirectly, any Certificates in the United States or to, or for the account or benefit of, any U.S. person or to others for offer, sale, resale, trade, pledge, exercise, redemption, transfer or delivery, directly or indirectly, in the United States or to, or for the account or benefit of, any U.S. person, and (iii) it is not purchasing any Certificates, directly or indirectly, in the United States or for the account or benefit of any U.S. person.

Exercise or otherwise redemption of Certificates will be conditional upon certification that each person exercising or otherwise redeeming a Certificate is not a U.S. person or in the United States and that the Certificate is not being exercised or otherwise redeemed on behalf of a U.S. person. No payment will be made to accounts of holders of the Certificates located in the United States.

As used in the preceding paragraphs, the term “**United States**” includes the territories, the possessions and all other areas subject to the jurisdiction of the United States of America, and the term “**U.S. person**” means any person who is (i) a U.S. person as defined under Regulation S under the Securities Act, (ii) a U.S. person as defined in paragraph 7701(a)(30) of the Internal Revenue Code of 1986, (iii) a person who comes within any definition of U.S. person for the purposes of the United States Commodity Exchange Act of 1936, as amended (the “**CEA**”) or any rules thereunder of the CFTC (the “**CFTC Rules**”), guidance or order proposed or issued under the CEA (for the avoidance of doubt, any person who is not a “Non-United States person” defined under CFTC Rule 4.7(a)(1)(iv), but excluding, for purposes of subsection (D) thereof, the exception for qualified eligible persons who are not “Non-United States persons”, shall be considered a U.S. person), or (iv) a U.S. Person for purposes of the final rules implementing the credit risk retention requirements of Section 15G of the U.S. Securities Exchange Act of 1934, as amended.

APPENDIX I

REPRODUCTION OF THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 OF PETROCHINA COMPANY LIMITED AND ITS SUBSIDIARIES

The information set out below is a reproduction of the audited financial statements of the Company and its subsidiaries for the year ended 31 December 2024 and has been extracted and reproduced from an announcement by the Company released on 23 April 2025 in relation to the same.

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AUDITOR'S REPORT

畢馬威華振審字第 2507227 號

All Shareholders of PetroChina Company Limited:

Opinion

We have audited the accompanying financial statements of PetroChina Company Limited ("PetroChina"), which comprise the consolidated and company balance sheets as at 31 December 2024, the consolidated and company income statements, the consolidated and company cash flow statements, the consolidated and company statements of changes in shareholders' equity for the year then ended, and notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated and company financial position of PetroChina as at 31 December 2024, and the consolidated and company financial performance and the consolidated and company cash flows of PetroChina for the year then ended in accordance with the requirements of Accounting Standards for Business Enterprises issued by the Ministry of Finance of the People's Republic of China.

Basis for Opinion

We conducted our audit in accordance with China Standards on Auditing for Certified Public Accountants("CSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of PetroChina in accordance with the China Code of Ethics for Certified Public Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

AUDITOR'S REPORT (continued)

畢馬威華振審字第 2507227 號

<table>
<tr><td colspan="2">Assessment of impairment of oil and gas properties</td></tr>
<tr><td colspan="2">Refer to Note 4 (11) Oil and gas properties, (16) Impairment of non-current assets and (31)(b)Estimation of impairment of fixed assets and oil and gas properties of Principal accounting policies and accounting estimates and Note 17 Oil and gas properties to the financial statements</td></tr>
<tr><td>The Key Audit Matter</td><td>How the matter was addressed in our audit</td></tr>
<tr><td>Oil and gas properties included in PetroChina's consolidated balance sheet amounted to Renminbi ("RMB")875,436 million as at December 31, 2024 and the impairment losses recognized for oil and gas properties for the year ended December 31, 2024 were RMB7,575 million.

PetroChina allocates oil and gas properties to separately identifiable cash-generating units ("CGUs") and reviews these CGUs for possible impairment by considering events or changes in circumstances indicating that their carrying amounts may not be recoverable. Such events and changes in circumstances include the economic impact on these CGUs resulting from lower oil and gas prices, higher production costs and decline in oil and gas reserve volumes as estimated by the reserves specialists in accordance with recognized industry standards.

For those CGUs where an impairment indicator is identified, PetroChina compares the carrying amount of individual CGU with its recoverable amount, which is estimated by calculating the value in use using a discounted cash flow forecast, to determine the impairment loss to be recognized, if any.</td><td>The audit procedures related to this key audit matter included the following:
• evaluated the design and tested the operating effectiveness of certain internal controls related to the process for impairment assessment of oil and gas properties;
• evaluated PetroChina's identification of CGUs, allocation of assets to those CGUs and identification of impairment indicators;
• assessed the competence, capabilities and objectivity of PetroChina 's reserves specialists and evaluated the methodology adopted by them in estimating the oil and gas reserves against the recognized industry standards;
• evaluated the future selling prices for crude oil and natural gas used in the discounted cash flow forecasts by comparing them with PetroChina 's business plans and forecasts by external analysts;
• evaluated the future production costs and future production profiles used in the discounted cash flow forecasts by comparing them with oil and gas reserves reports issued by the reserves specialists;</td></tr>
</table>

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AUDITOR'S REPORT (continued)

畢馬威華振審字第 2507227 號

Assessment of impairment of oil and gas properties (continued)	
Refer to Note 4 (11) Oil and gas properties, (16) Impairment of non-current assets and (31)(b)Estimation of impairment of fixed assets and oil and gas properties of Principal accounting policies and accounting estimates and Note 17 Oil and gas properties to the financial statements	
The Key Audit Matter	**How the matter was addressed in our audit**
We identified assessment of impairment of oil and gas properties as a key audit matter because the recoverable amounts of these CGUs are sensitive to the changes to future selling prices and production costs for crude oil and natural gas; future production profiles; and discount rates and therefore involved significant management judgment and estimates when determining its recoverable amount.	• involved our internal professionals with skills and knowledge on valuation to assist us in assessing the discount rates applied in the discounted cash flow forecasts against a discount rate range that was independently developed using publicly available market data for comparable companies in the same industry; • compared the actual results for the current year with PetroChina's forecasts prepared in the prior year to assess the historical accuracy of PetroChina's forecasting process; and • assessed the relevant disclosures in the consolidated financial statements in respect of management's impairment assessment of oil and gas properties with reference to the requirements of the prevailing accounting standards.

Other Information

PetroChina's management is responsible for the other information. The other information comprises all the information included in 2024 annual report of PetroChina, other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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AUDITOR'S REPORT (continued)

畢馬威華振審字第 2507227 號

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Accounting Standards for Business Enterprises, and for the design, implementation and maintenance of such internal control necessary to enable that the financial statements are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing PetroChina's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate PetroChina or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing PetroChina's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the CSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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AUDITOR'S REPORT (continued)

畢馬威華振審字第 2507227 號

As part of an audit in accordance with the CSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on PetroChina's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause PetroChina to cease to continue as a going concern.

- Evaluate the overall presentation, including the disclosures, structure and content of the financial statements, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within PetroChina to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of group audit. We remain solely responsible for our audit opinion.

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AUDITOR’S REPORT (continued)

畢馬威華振審字第 2507227 號

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

KPMG Huazhen LLP

Certified Public Accountants
Registered in the People’s Republic of
China

Duan Yu Hua (Engagement Partner)

Beijing, China

Zou Jun
March 28, 2025

PETROCHINA COMPANY LIMITED
CONSOLIDATED AND COMPANY BALANCE SHEETS
AS OF DECEMBER 31, 2024

(All amounts in RMB millions unless otherwise stated)

ASSETS	Notes	December 31, 2024 The Group	December 31, 2023 The Group	December 31, 2024 The Company	December 31, 2023 The Company
Current assets					
Cash at bank and on hand	7	216,246	269,873	25,199	62,807
Financial assets held for trading		2,816	7,404	-	-
Derivative financial assets	8	9,020	16,939	15	33
Accounts receivable	9	71,610	69,006	7,219	8,474
Receivables financing	10	8,868	10,661	7,556	10,031
Advances to suppliers	11	14,192	13,915	8,734	6,266
Other receivables	12	34,387	32,163	8,454	15,235
Inventories	13	168,338	180,639	97,297	110,386
Other current assets	14	65,367	62,498	47,551	45,565
Total current assets		590,844	663,098	202,025	258,797
Non-current assets					
Investments in other equity instruments		707	839	181	173
Long-term equity investments	15	290,077	280,972	541,146	510,328
Fixed assets	16	480,407	470,058	262,146	254,065
Oil and gas properties	17	875,436	856,256	669,677	652,256
Construction in progress	18	214,967	197,488	129,145	115,035
Right-of-use assets	19	120,865	125,436	49,817	53,675
Intangible assets	20	92,790	92,745	66,006	66,760
Goodwill	21	7,436	7,442	77	77
Long-term prepaid expenses	22	14,018	14,089	8,607	8,585
Deferred tax assets	36	26,765	18,127	5,045	-
Other non-current assets	23	38,695	32,687	65,944	61,323
Total non-current assets		2,162,163	2,096,139	1,797,791	1,722,277
TOTAL ASSETS		2,753,007	2,759,237	1,999,816	1,981,074

The accompanying notes form an integral part of these financial statements.

Chairman	Director and President	Chief Financial Officer
Dai Houliang	Huang Yongzhang	Wang Hua

PETROCHINA COMPANY LIMITED
CONSOLIDATED AND COMPANY BALANCE SHEETS
AS OF DECEMBER 31, 2024 (CONTINUED)

(All amounts in RMB millions unless otherwise stated)

LIABILITIES AND SHAREHOLDERS' EQUITY	Notes	December 31, 2024 The Group	December 31, 2023 The Group	December 31, 2024 The Company	December 31, 2023 The Company
Current liabilities					
Short-term borrowings	25	45,955	38,979	49,315	17,445
Financial liabilities held for trading		3,808	1,727	-	-
Derivative financial liabilities	8	7,051	10,729	-	33
Notes payable	26	14,895	20,731	13,785	20,006
Accounts payable	27	272,785	289,934	99,068	101,615
Contract liabilities	28	80,266	83,940	59,194	62,178
Employee compensation payable	29	8,095	8,592	5,884	6,159
Taxes payable	30	60,245	73,991	34,857	46,717
Other payables	31	24,198	28,585	133,888	119,258
Current portion of non-current liabilities	32	101,757	117,823	18,458	111,672
Other current liabilities		18,262	15,566	8,501	8,962
Total current liabilities		637,317	690,597	422,950	494,045
Non-current liabilities					
Long-term borrowings	33	74,072	126,165	33,641	27,947
Debentures payable	34	24,000	17,033	23,300	13,500
Lease liabilities	19	109,968	113,440	38,622	41,795
Provisions	35	162,019	144,299	122,300	107,128
Deferred tax liabilities	36	25,688	23,144	-	325
Other non-current liabilities		10,080	9,015	5,116	4,726
Total non-current liabilities		405,827	433,096	222,979	195,421
Total liabilities		1,043,144	1,123,693	645,929	689,466
Shareholders' equity					
Share capital	37	183,021	183,021	183,021	183,021
Capital surplus	38	121,812	127,678	122,368	122,678
Special reserve		6,747	6,885	3,648	3,945
Other comprehensive income	57	(30,748)	(18,724)	1,347	1,099
Surplus reserves	39	252,305	237,802	241,213	226,710
Undistributed profits	40	982,234	914,671	802,290	754,155
Equity attributable to equity holders of the Company		1,515,371	1,451,333	1,353,887	1,291,608
Non-controlling interests	41	194,492	184,211	-	-
Total shareholders' equity		1,709,863	1,635,544	1,353,887	1,291,608
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		2,753,007	2,759,237	1,999,816	1,981,074

The accompanying notes form an integral part of these financial statements.

Chairman	Director and President	Chief Financial Officer
Dai Houliang	Huang Yongzhang	Wang Hua

PETROCHINA COMPANY LIMITED
CONSOLIDATED AND COMPANY INCOME STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

(All amounts in RMB millions unless otherwise stated)

Items	Notes	2024 The Group	2023 The Group	2024 The Company	2023 The Company
Operating income	42	2,937,981	3,012,812	1,810,603	1,851,487
Less: Cost of sales	42	(2,275,223)	(2,303,005)	(1,370,574)	(1,379,524)
Taxes and surcharges	43	(266,012)	(295,106)	(190,320)	(224,754)
Selling expenses	44	(63,190)	(70,260)	(42,795)	(48,552)
General and administrative expenses	45	(65,026)	(55,634)	(38,713)	(32,879)
Research and development expenses	46	(23,014)	(21,967)	(17,034)	(16,796)
Finance expenses	47	(12,552)	(18,091)	(9,960)	(13,582)
Including: Interest expenses		20,731	24,063	12,359	14,912
Interest income		8,799	8,288	3,007	1,960
Add: Other income	48	20,122	21,704	18,348	19,621
Investment income	49	11,934	9,554	33,638	33,381
Including: Income from investment in associates and joint ventures		18,644	18,538	12,726	12,877
Gains from changes in fair value	50	4,673	2,008	8	(25)
Credit impairment losses	51	(742)	(35)	(114)	(346)
Asset impairment losses	52	(14,278)	(28,956)	(9,839)	(19,979)
Gains on asset disposal	53	613	498	680	1,721
Operating profit		255,286	253,522	183,928	169,773
Add: Non-operating income	54(a)	3,130	3,130	2,479	2,067
Less: Non-operating expenses	54(b)	(16,914)	(18,775)	(13,639)	(15,308)
Profit before taxation		241,502	237,877	172,768	156,532
Less: Taxation	55	(57,755)	(57,316)	(27,741)	(24,138)
Net profit		183,747	180,561	145,027	132,394
Classified by continuity of operations:					
Net profit from continuous operation		183,747	180,561	145,027	132,394
Net profit from discontinued operation		-	-	-	-
Classified by ownership:					
Shareholders of the Company		164,676	161,414	145,027	132,394
Non-controlling interests		19,071	19,147	-	-
Other comprehensive income, net of tax	57	(12,164)	2,014	248	488
Other comprehensive income (net of tax) attributable to equity holders of the Company		(12,024)	480	248	488
(1) Item that will not be reclassified to profit or loss					
Changes in fair value of investments in other equity instruments		(106)	45	(2)	8
(2) Items that may be reclassified to profit or loss					
Other comprehensive income recognised under equity method		212	76	304	327
Cash flow hedges		(8,111)	(1,893)	(54)	153
Currency translation differences		(4,019)	2,252	-	-
Other comprehensive income (net of tax) attributable to non-controlling interests		(140)	1,534	-	-
Total comprehensive income		171,583	182,575	145,275	132,882
Attributable to:					
Equity holders of the Company		152,652	161,894	145,275	132,882
Non-controlling interests		18,931	20,681	-	-
Earnings per share					
Basic earnings per share (RMB Yuan)	56	0.90	0.88	0.79	0.72
Diluted earnings per share (RMB Yuan)	56	0.90	0.88	0.79	0.72

Note: For a business combination involving entities under common control which occurred in 2024, the net profit of the CNPC Electric Energy Co., Ltd. ("CNPC Electric Energy") before being consolidated was RMB222. The net profit in 2023 was RMB270.

The accompanying notes form an integral part of these financial statements.

Chairman	Director and President	Chief Financial Officer
Dai Houliang	Huang Yongzhang	Wang Hua

PETROCHINA COMPANY LIMITED
CONSOLIDATED AND COMPANY CASH FLOW STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

(All amounts in RMB millions unless otherwise stated)

Items	Notes	2024 The Group	2023 The Group	2024 The Company	2023 The Company
Cash flows from operating activities					
Cash received from sales of goods and rendering of services		3,164,290	3,253,194	1,950,242	2,022,444
Cash received relating to other operating activities	59(a)	78,119	83,952	22,157	26,029
Sub-total of cash inflows		3,242,409	3,337,146	1,972,399	2,048,473
Cash paid for goods and services		(2,147,680)	(2,168,065)	(1,177,280)	(1,302,565)
Cash paid to and on behalf of employees		(179,676)	(174,819)	(131,101)	(127,371)
Payments of various taxes		(396,119)	(415,116)	(297,192)	(301,152)
Cash paid relating to other operating activities	59(b)	(112,402)	(122,299)	(44,372)	(40,786)
Sub-total of cash outflows		(2,835,877)	(2,880,299)	(1,649,945)	(1,771,874)
Net cash flows from operating activities	59(f)	406,532	456,847	322,454	276,599
Cash flows from investing activities					
Cash received from disposal of investments	59(c)	51,381	76,068	1,375	5,891
Cash received from returns on investments		21,906	18,762	32,502	46,432
Net cash received from disposal of fixed assets, oil and gas properties, intangible assets and other long-term assets		748	958	540	596
Net cash received from disposal of subsidiaries and other business units		172	171	34	-
Sub-total of cash inflows		74,207	95,959	34,451	52,919
Cash paid to acquire fixed assets, oil and gas properties, intangible assets and other long-term assets		(302,651)	(282,508)	(197,598)	(197,676)
Cash paid to acquire investments	59(d)	(78,892)	(68,426)	(51,704)	(4,269)
Net cash paid for the acquisition of subsidiaries and other business entities		(11)	(775)	-	-
Sub-total of cash outflows		(381,554)	(351,709)	(249,302)	(201,945)
Net cash flows used for investing activities		(307,347)	(255,750)	(214,851)	(149,026)
Cash flows from financing activities					
Cash received from capital contributions		2,393	4,592	-	-
Including: Cash received from non-controlling interests' capital contributions to subsidiaries		2,393	4,592	-	-
Cash received from borrowings		625,936	638,826	117,166	66,711
Sub-total of cash inflows		628,329	643,418	117,166	66,711
Cash repayments of borrowings		(682,824)	(674,641)	(163,247)	(106,747)
Consideration paid for business combinations under common control		(5,979)	-	-	-
Cash payments for interest expenses and distribution of dividends or profits		(106,259)	(106,587)	(89,975)	(89,085)
Including: Subsidiaries' cash payments for distribution of dividends or profits to non-controlling interests		(11,139)	(9,085)	-	-
Cash payments relating to other financing activities	59(e)	(12,143)	(9,052)	(7,060)	(6,608)
Sub-total of cash outflows		(807,205)	(790,280)	(260,282)	(202,440)
Net cash flows used for financing activities		(178,876)	(146,862)	(143,116)	(135,729)
Effect of foreign exchange rate changes on cash and cash equivalents		3,167	3,576	-	-
Net (decrease)/increase in cash and cash equivalents	59(g)	(76,524)	57,811	(35,513)	(8,156)
Add: Cash and cash equivalents at the beginning of the period		249,001	191,190	60,652	68,808
Cash and cash equivalents at the end of the period	59(i)	172,477	249,001	25,139	60,652

The accompanying notes form an integral part of these financial statements.

Chairman	Director and President	Chief Financial Officer
Dai Houliang	Huang Yongzhang	Wang Hua

PETROCHINA COMPANY LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEAR ENDED DECEMBER 31, 2024

(All amounts in RMB millions unless otherwise stated)

Items	Shareholders' equity attributable to the Company								
	Share capital	Capital surplus	Special reserve	Other comprehensive income	Surplus reserves	Undistributed profits	Sub-total	Non-controlling interests	Total shareholders' equity
Balance at December 31, 2022	183,021	123,612	8,490	(19,062)	224,563	845,242	1,365,866	168,550	1,534,416
Adjusted for the acquisition of CNPC Electric Energy (Note 6(2))	-	4,599	7	-	-	309	4,915	-	4,915
Balance at January 1, 2023 (restatement)	183,021	128,211	8,497	(19,062)	224,563	845,551	1,370,781	168,550	1,539,331
Changes in the year ended December 31, 2023									
Total comprehensive income	-	-	-	480	-	161,414	161,894	20,681	182,575
Special reserve - safety fund reserve									
Appropriation	-	-	7,395	-	-	-	7,395	256	7,651
Utilisation	-	-	(9,007)	-	-	-	(9,007)	(213)	(9,220)
Profit distribution									
Appropriation to surplus reserves	-	-	-	-	13,239	(13,239)	-	-	-
Distribution to shareholders	-	-	-	-	-	(78,699)	(78,699)	(8,974)	(87,673)
Other equity movement									
Equity transactions with non-controlling interests	-	503	-	-	-	-	503	(599)	(96)
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	4,592	4,592
Acquisition of subsidiaries	-	-	-	-	-	-	-	62	62
Disposal of subsidiaries	-	-	-	-	-	-	-	(132)	(132)
Others	-	(1,036)	-	(142)	-	(356)	(1,534)	(12)	(1,546)
Balance at December 31, 2023	183,021	127,678	6,885	(18,724)	237,802	914,671	1,451,333	184,211	1,635,544
Balance at January 1, 2024	183,021	127,678	6,885	(18,724)	237,802	914,671	1,451,333	184,211	1,635,544
Changes in the year ended December 31, 2024									
Total comprehensive income	-	-	-	(12,024)	-	164,676	152,652	18,931	171,583
Special reserve - safety fund reserve									
Appropriation	-	-	7,519	-	-	-	7,519	698	8,217
Utilisation	-	-	(7,657)	-	-	-	(7,657)	(455)	(8,112)
Profit distribution									
Appropriation to surplus reserves	-	-	-	-	14,503	(14,503)	-	-	-
Distribution to shareholders	-	-	-	-	-	(82,360)	(82,360)	(10,934)	(93,294)
Other equity movement									
Equity transactions with non-controlling interests	-	-	-	-	-	(196)	(196)	156	(40)
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	2,317	2,317
Acquisition of CNPC Electric Energy	-	(5,979)	-	-	-	-	(5,979)	-	(5,979)
Disposal of subsidiaries	-	-	-	-	-	-	-	(567)	(567)
Others	-	113	-	-	-	(54)	59	135	194
Balance at December 31, 2024	183,021	121,812	6,747	(30,748)	252,305	982,234	1,515,371	194,492	1,709,863

The accompanying notes form an integral part of these financial statements.

Chairman	Director and President	Chief Financial Officer
Dai Houliang	Huang Yongzhang	Wang Hua

PETROCHINA COMPANY LIMITED
COMPANY STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2024

(All amounts in RMB millions unless otherwise stated)

Items	Share capital	Capital surplus	Special reserve	Other comprehensive income	Surplus reserves	Undistributed profits	Total shareholders' equity
Balance at January 1, 2023	183,021	123,486	4,620	720	213,471	713,612	1,238,930
Changes in the year ended December 31, 2023							
Total comprehensive income	-	-	-	488	-	132,394	132,882
Special reserve - safety fund reserve							
Appropriation	-	-	5,393	-	-	-	5,393
Utilisation	-	-	(6,068)	-	-	-	(6,068)
Profit distribution							
Appropriation to surplus reserves	-	-	-	-	13,239	(13,239)	-
Distribution to shareholders	-	-	-	-	-	(78,699)	(78,699)
Others	-	(808)	-	(109)	-	87	(830)
Balance at December 31, 2023	183,021	122,678	3,945	1,099	226,710	754,155	1,291,608
Balance at January 1, 2024	183,021	122,678	3,945	1,099	226,710	754,155	1,291,608
Changes in the year ended December 31, 2024							
Total comprehensive income	-	-	-	248	-	145,027	145,275
Special reserve - safety fund reserve							
Appropriation	-	-	5,115	-	-	-	5,115
Utilisation	-	-	(5,412)	-	-	-	(5,412)
Profit distribution							
Appropriation to surplus reserves	-	-	-	-	14,503	(14,503)	-
Distribution to shareholders	-	-	-	-	-	(82,360)	(82,360)
Others	-	(310)	-	-	-	(29)	(339)
Balance at December 31, 2024	183,021	122,368	3,648	1,347	241,213	802,290	1,353,887

The accompanying notes form an integral part of these financial statements.

Chairman	Director and President	Chief Financial Officer
Dai Houliang	Huang Yongzhang	Wang Hua

1 COMPANY BACKGROUND

PetroChina Company Limited (the "Company") was established as a joint stock company with limited liability on November 5, 1999 by 中國石油天然氣集團公司 (China National Petroleum Corporation ("CNPC")) as the sole proprietor in accordance with the approval Guo Jing Mao Qi Gai [1999] No. 1024 "Reply on the approval of the establishment of PetroChina Company Limited" from the former State Economic and Trade Commission of the People's Republic of China ("China" or "PRC"). CNPC restructured ("the Restructuring") and injected its core business and the related assets and liabilities into the Company. 中國石油天然氣集團公司 was renamed 中國石油天然氣集團有限公司 ("CNPC" before and after the change of name) on December 19, 2017. CNPC is a wholly state-owned company registered in China. The Company and its subsidiaries are collectively referred to as the "Group".

The Group is principally engaged in (i) the exploration, development, production and transportation and marketing of crude oil and natural gas, and new energy business; (ii) the refining of crude oil and petroleum products, production and marketing of primary petrochemical products, derivative petrochemical products and other chemical products, and new materials business; (iii) the marketing of refined products and non-oil products, and trading business; and (iv) the transportation of natural gas and the sale of natural gas. The principal subsidiaries of the Group are listed in Note 6(1).

The financial statements were approved by the Board of Directors on March 28, 2025.

2 BASIS OF PREPARATION

The financial statements of the Group are prepared in accordance with Accounting Standards for Business Enterprises issued by the Ministry of Finance (the "MOF") and other regulations issued thereafter (hereafter referred to as the "Accounting Standard for Business Enterprises", "China Accounting Standards" or "CAS"). The financial statements have been prepared on the going concern basis.

These financial statements also comply with the disclosure requirements of the financial statements and notes of "Regulation on the Preparation of Information Disclosures by Companies Issuing Securities, No.15: General Requirements for Financial Reports" as revised by the China Securities Regulatory Commission ("CSRC").

3 STATEMENT OF COMPLIANCE WITH THE ACCOUNTING STANDARDS FOR BUSINESS ENTERPRISES

The consolidated and the Group's financial statements for the year ended December 31, 2024 truly, accurately and completely present the financial position of the Group as of December 31, 2024 and their financial performance and their cash flows for the year then ended in compliance with the Accounting Standards for Business Enterprises.

4 SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

(1) Accounting Period

The accounting period of the Group starts on January 1 and ends on December 31.

(2) Operating Cycle

The Group takes the period from the exploration or acquisition of the crude oil, natural gas and other assets for exploring, transporting and processing and etc. to their realisation in cash and cash equivalent as a normal operating cycle.

(3) Recording Currency

The recording currency of the Company and most of its subsidiaries is Renminbi ("RMB"). The Group's consolidated financial statements are presented in RMB.

(4) Measurement Properties

Generally are measured at historical cost unless otherwise stated at fair value, net realisable value or present value.

(5) Foreign Currency Translation

(a) Foreign currency transactions

Foreign currency transactions are translated into RMB at the exchange rates prevailing at the date of the transactions.

Monetary items denominated in foreign currencies at the balance sheet date are translated into RMB at the exchange rates prevailing at the balance sheet date. Exchange differences arising from these translations are recognised in profit or loss except for those arising from foreign currency specific borrowings for the acquisition, construction of qualifying assets in connection with capitalisation of borrowing costs. Non-monetary items denominated in foreign currencies measured at historical cost are translated into RMB at the historical exchange rates prevailing at the date of the transactions at the balance sheet date. The effect of exchange rate changes on cash is presented separately in the cash flow statement.

(b) Translation of financial statements represented in foreign currency

Assets and liabilities of each balance sheet of the foreign operations are translated into RMB at the closing rates at the balance sheet date, while the equity items are translated into RMB at the exchange rates at the date of the transactions, except for the undistributed profits and the translation differences in other comprehensive income. Income and expenses for each income statement of the foreign operations are translated into RMB at the exchange rates or the approximate exchange rates at the date of the transactions. The currency translation differences resulted from the above-mentioned translations are recognised as other comprehensive income. The cash flows of overseas operations are translated into RMB at the approximate exchange rates at the date of the transactions. The effect of exchange rate changes on cash is presented separately in the cash flow statement.

(6) Cash and Cash Equivalents

Cash and cash equivalents refer to all cash on hand and deposit held at call with banks, short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(7) Financial Instrument

Financial instruments include cash at bank and on hand, financial assets held for trading, derivative financial instruments, accounts receivables, equity securities other than those classified as long-term equity investments, accounts payables, financial liabilities held for trading, borrowings, debentures payable and share capital, etc.

(a) Recognition and initial measurement of financial assets and financial liabilities

A financial asset or financial liability is recognised in the balance sheet when the Group becomes a party to the contractual provisions of a financial instrument.

A financial asset (unless it is an accounts receivable without a significant financing component) and financial liability is measured initially at fair value. For financial assets and financial liabilities at fair value through profit or loss, any related directly attributable transaction costs are charged to profit or loss; for other categories of financial assets and financial liabilities, any related directly attributable transaction costs are included in their initial costs. A trade receivable, without significant financing component or practical expedient applied for one year or less contracts is initially measured at the transaction price according to Note 4(23).

(b) Classification and subsequent measurement of financial assets

(i) Classification of the financial assets held by the Group

The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. On initial recognition, a financial asset is classified as measured at amortised cost, at fair value through other comprehensive income ("FVOCI"), or at fair value through profit or loss ("FVTPL").

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to collect contractual cash flows;
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets;
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to designate it as a financial assets at FVOCI. This election is made on an investment-by-investment basis, and from the perspective of the issuer, related investment is in line with the definition of equity instruments.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL.

The business model in which a financial asset is managed refers to how the Group manages its financial assets in order to generate cash flows. That is, the Group's business model determines whether cash flows will result from collecting contractual cash flows, selling financial assets, or both. The Group determines the business model for managing financial assets according to the facts and based on the specific business objectives for the managing the financial assets determined by the Group's key management personnel.

In assessing whether the contractual cash flows are solely payments of principal and interest on the principal amount outstanding, the Group considers the contractual cash flow characteristics of the instrument. For the purposes of this assessment, "principal" is defined as the fair value of the financial assets at initial recognition. "Interest" is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin. The Group also assesses whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

(ii) Subsequent measurement of the financial assets

- Financial assets at FVTPL:

These financial assets are subsequently measured at fair value. Gains and losses, including any interest or dividend income, are recognised in profit or loss, unless the financial assets are a part of hedging relationship.

- Financial assets measured at amortised cost:

These assets are subsequently measured at amortised cost using the effective interest method. Gains or losses on financial assets that are measured at amortised cost and are not a part of any hedging relationship shall be recognised in profit or loss when the financial asset is derecognised, through the amortisation process or in order to recognise impairment gains or losses.

- Debt investments at FVOCI:

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, impairment and foreign exchange gains and losses are recognised in profit or loss. Other gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

- Equity investments at FVOCI:

These assets are subsequently measured at fair value. Dividends are recognised in profit or loss. Other gains or losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to retained earnings.

(c) Classification and subsequent measurement of financial liabilities

Financial liabilities are classified as measured at FVTPL or amortised cost.

- Financial liabilities at FVTPL:

A financial liability is classified as at FVTPL if it is classified as held-for-trading (including derivative financial liability) or it is designated as such on initial recognition.

Financial liabilities at FVTPL are subsequently measured at fair value. Gains and losses, including any interest expense, are recognised in profit or loss, unless the financial liabilities are part of a hedging relationship.

- Financial liabilities at amortised cost:

Other financial liabilities are subsequently measured at amortised cost using the effective interest method.

(d) Offsetting

Financial assets and financial liabilities are generally presented separately in the balance sheet, and are not offset. However, a financial asset and a financial liability are offset and the net amount is presented in the balance sheet when both of the following conditions are satisfied:

- the Group currently has a legally enforceable right to set off the recognised amounts;
- the Group intends either to settle on a net basis, or to realise the financial asset and settle the financial liability simultaneously.

(e) Derecognition of financial assets and financial liabilities

Financial asset is derecognised when one of the following conditions is met:

- the Group's contractual rights to the cash flows from the financial asset expire;
- the financial asset has been transferred and the Group transfers substantially all of the risks and rewards of ownership of the financial asset; or
- the financial asset has been transferred, although the Group neither transfers nor retains substantially all of the risks and rewards of ownership of the financial asset, it does not retain control over the transferred asset.

Where a transfer of a financial asset in its entirety meets the criteria for derecognition, the difference between the two amounts below is recognised in profit or loss:

- the carrying amount of the financial asset transferred measured at the date of derecognition;
- the sum of the consideration received from the transfer and, when the transferred financial asset is a debt investment at FVOCI, any cumulative gain or loss that has been recognised directly in other comprehensive income for the part derecognised.

The Group derecognises a financial liability (or part of it) only when its contractual obligation (or part of it) is extinguished, the difference between the carrying amount extinguished and the consideration paid is recognised in profit or loss.

(f) Impairment

The Group recognises loss allowances for expected credit loss ("ECL") on financial assets measured at amortised cost, contract assets and debt investments measured at FVOCI.

Financial assets measured at fair value, including debt investments or equity investments at FVTPL, equity investments designated at FVOCI and derivative financial assets, are not subject to the ECL assessment.

(i) Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

The maximum period considered when estimating ECLs is the maximum contractual period (including extension options) over which the Group is exposed to credit risk.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the balance sheet date (or a shorter period if the expected life of the instrument is less than 12 months).

Loss allowances for accounts receivable, contract assets and receivables financing at fair value through other comprehensive income are always measured at an amount equal to lifetime ECL. ECLs on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the balance sheet date.

Except for accounts receivable, contract assets and receivables financing at fair value through other comprehensive income, the Group measures loss allowance at an amount equal to 12-month ECL for the following financial instruments that have low credit risk for which credit risk has not increased significantly since initial recognition, and at an amount equal to lifetime ECL for accounts receivable, contract assets and receivables financing at fair value through other comprehensive income.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort, including forward-looking information.

(ii) Provisions for bad and doubtful debts arising from receivables

Categories of groups for collective assessment based on credit risk characteristics and basis for determination

Categories	Basis for determination
Accounts receivable	Historically, there is significant difference in terms of occurrence of losses among different operating segment and geography. Therefore, the Group makes provisions for bad and doubtful debts arising from accounts receivable on the basis of different operating segment and geography.
Receivables under financing	The Group's receivables under financing are bank acceptance bills held for dual purposes. As the accepting banks have high credit ratings, the Group considers all receivables under financing as a single group.
Other receivables	The Group's other receivables mainly include cash pledges and deposits receivable, interest receivables, dividends receivable, etc. Based on the credit risk, the Group classifies other receivables with different aging as a group to calculate bad debt provision.

Criteria for individual assessment

Accounts receivable, other receivables, and receivables under financing are usually assessed collectively as a group based on credit risk characteristics to make provisions. When a counterparty is significantly different from other counterparties in the group in terms of credit risk characteristics, or if there has been a significant change in its credit risk characteristics, the individual approach is adopted for receivables due from this counterparty.

(iii) Financial instruments that have low credit risk

The credit risk on a financial instrument is considered low if the financial instrument has a low risk of default, the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

(iv) Significant increases in credit risk

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial instrument assessed at the balance sheet date with that assessed at the date of initial recognition.

(v) Credit-impaired financial assets

At each balance sheet date, the Group assesses whether financial assets carried at amortised cost and debt investments at FVOCI are credit-impaired. A financial asset is ‘credit-impaired’ when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- for economic or contractual reasons relating to the borrower’s financial difficulty, the Group having granted to the borrower a concession that would not otherwise consider;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

(vi) Presentation of allowance for ECL

ECLs are remeasured at each balance sheet date to reflect changes in the financial instrument’s credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for debt investments that are measured at FVOCI, for which the loss allowance is recognised in other comprehensive income.

(vii) Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. A write-off constitutes a derecognition event. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, according to the Group’s procedures for recovery of amounts due, financial assets that are written off could still be subject to enforcement activities.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(g) Determination of financial instruments’ fair value

Regarding financial instruments, for which there is an active market, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. If there is no active market for a financial instrument, valuation techniques shall be adopted to determine the fair value.

When measuring fair value, the Group takes into account the characteristics of the particular asset or liability (including the condition and location of the asset and restrictions, if any, on the sale or use of the asset) that market participants would consider when pricing the asset or liability at the measurement date, and uses valuation techniques that are appropriate in the circumstances and for which sufficient data and other information are available to measure fair value. Valuation techniques mainly include the market approach, the income approach and the cost approach.

(h) Derivative financial instruments and hedge accounting

Derivative financial instruments are recognised initially at fair value. At each balance sheet date, the fair value is remeasured. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss, except where the derivatives qualify for hedge accounting.

Hedge accounting is a method which recognises in profit or loss (or other comprehensive income) the gain or loss on the hedging instrument and the hedged item in the same accounting period, to represent the effect of risk management activities.

Hedged items are the items that expose the Group to risks of changes in future fair value or future cash flows and that are designated as being hedged and that must be reliably measurable. The Group's hedged items include the purchase or sale transactions that expose the Group to the risk of variability in cash flows at an undetermined future market price.

A hedging instrument is a designated derivative whose changes in future fair value or cash flows are expected to offset changes in the fair value or the cash flows of the hedged item. The hedging relationship meets all of the following hedge effectiveness requirements:

(i) There is an economic relationship between the hedged item and the hedging instrument, which share a risk and that gives rise to opposite changes in fair value that tend to offset each other.

(ii) The effect of credit risk does not dominate the value changes that result from that economic relationship.

(iii) The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the entity actually hedges and the quantity of the hedging instrument that the entity actually uses to hedge that quantity of hedged item. However, that designation shall not reflect an imbalance between the weightings of the hedged item and the hedging instrument.

- Cash flow hedges

Cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with all, or a component of, a recognised asset or liability or a highly probable forecast transaction, and could affect profit or loss. As long as a cash flow hedge meets the qualifying criteria for hedge accounting, the amount of cash flow hedges reserve is the lower of the following two absolute amounts:

- The cumulative gain or loss on the hedging instrument from inception of the hedge;

- The cumulative change in present value of the expected future cash flows on the hedged item from inception of the hedge.

The change in the amount of the cash flow hedge reserve is recognised in other comprehensive income in each period.

The portion of the gain or loss on the hedging instrument that is determined to be an ineffective hedge is recognised in profit or loss.

The amount of cash flow hedge reserve shall be accounted for as follows:

- If a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability, or a hedged forecast transaction for a non-financial asset or a non-financial liability becomes a firm commitment for which fair value hedge accounting is applied, the entity shall remove that amount from the cash flow hedge reserve and include it directly in the initial cost or other carrying amount of the asset or the liability;

- For cash flow hedges, other than those covered by the preceding two policy statements, that amount shall be reclassified from the cash flow hedge reserve to profit or loss as a reclassification adjustment in the same period or periods during which the hedged expected future cash flows affect profit or loss;

- If the amount that has been accumulated in the cash flow hedge reserve is a loss and the Group expects that all or a portion of that loss will not be recovered in one or more future periods, the Group reclassify the amount that is not expected to be recovered into profit or loss.

In case of the following circumstances, the Group discontinues the use of hedge accounting:

- when the hedging relationship no longer meets the risk management objective on the basis of which it qualified for hedge accounting (ie. the entity no longer pursues that risk management objective);

- or when a hedging instrument expires or is sold, terminated, exercised;

- or there is no longer an economic relationship between the hedged item and the hedging instrument or the effect of credit risk starts to dominate the value changes that result from that economic relationship;

- or no longer meets the other criteria for applying hedge accounting.

When the Group discontinues hedge accounting for a cash flow hedge, the amount of the accumulated cash flow hedge reserve recognised in other comprehensive income is accounted for as follows:

- If the hedged future cash flows are still expected to occur, that amount shall remain in the cash flow hedge reserve and be accounted for in accordance with the above policy.

- If the hedged future cash flows are no longer expected to occur, the amount is immediately reclassified from the cash flow hedge reserve to profit or loss as a reclassification adjustment. A hedged future cash flow that is no longer highly probable to occur may still be expected to occur, if the hedged future cash flows are still expected to occur, that amount shall remain in the cash flow hedge reserve and be accounted for in accordance with the above policy.

(8) Inventories

Inventories include crude oil and other raw materials, work in progress, finished goods and spare parts and consumables, and are measured at the lower of cost and net realisable value.

Inventories are initially measured at cost. Cost of inventories comprises all costs of purchase, costs of conversion and other expenditure incurred in bringing the inventories to their present location and condition. In addition to the purchase cost of raw materials, work in progress and finished goods include direct labour costs and an appropriate allocation of production overheads.

Cost of inventories is determined primarily using the weighted average method. The cost of finished goods and work in progress comprises cost of crude oil, other raw materials, direct labour and production overheads allocated based on normal operating capacity. Spare parts and low cost consumables include low cost consumables and packaging materials. Low cost consumables are amortised with graded amortisation method and packaging materials are expensed off in full.

Provision for decline in the value of inventories is measured as the excess of the carrying value of the inventories over their net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion, the costs to fulfil a contract with a customer and the estimated costs necessary to make the sale and relevant taxes. The net realisable value of materials held for use in the production is measured based on the net realisable value of the finished goods in which they will be incorporated. The net realisable value of the inventory held to satisfy sales or service contracts is measured based on the contract price, to the extent of the quantities specified in sales contracts, and the excess portion of inventories is measured based on general selling prices.

The Group adopts perpetual inventory system.

(9) Long-term Equity Investments and Joint Operations

Long-term equity investments comprise the Company's equity investments in subsidiaries, and the Group's equity investments in joint ventures and associates.

Long-term equity investments acquired through business combinations: For a long-term equity investment acquired through a business combination under common control, the proportionate share of the carrying value of equity of the combined entity in the consolidated financial statements of the ultimate controlling party shall be treated as initial cost of the investment on the acquisition date. For a long-term equity investment obtained through a business combination not involving entities under common control, the initial cost comprises the aggregate of the fair value of assets transferred, liabilities incurred or assumed, and equity securities issued by the Company, in exchange for control of the acquiree.

Long-term equity investments acquired through other than business combinations: For an acquisition settled in cash, the initial cost of investment shall be the actual cash consideration paid. For an acquisition settled by the issuance of equity securities, the initial cost of investment shall be the fair value of equity securities issued.

(a) Subsidiaries

Investments in subsidiaries are accounted for at cost in the financial statements of the Company and are consolidated after being adjusted by the equity method accounting in consolidated financial statements.

Long-term equity investments accounted for at cost are measured at the initial investment cost unless the investment is classified as held for sale. The cash dividends or profit distributions declared by the investees are recognised as investment income in the income statement.

A listing of the Group's principal subsidiaries is set out in Note 6(1).

(b) Joint ventures and associates

Joint ventures are arrangements whereby the Group and other parties have joint control and rights to the net assets of the arrangements. Associates are those in which the Group has significant influence over the financial and operating policies.

The term "joint control" refers to the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities (activities with significant impact on the returns of the arrangement) require the unanimous consent of the parties sharing control.

The term "significant influence" refers to the power to participate in the formulation of financial and operating policies of an enterprise, but not the power to control, or jointly control, the formulation of such policies with other parties.

The investments in joint ventures and associates are accounted for using the equity method accounting. The excess of the initial cost of the investment over the share of the fair value of the investee's net identifiable assets is included in the initial cost of the investment. While the excess of the share of the fair value of the investee's net identifiable assets over the cost of investment is instead recognised in profit or loss in the period in which the investment is acquired and the cost of the long-term equity investment is adjusted accordingly.

Under the equity method accounting, the Group's share of its investees' post-acquisition profits or losses and other comprehensive income is recognised as investment income or losses and other comprehensive income respectively. When the Group's share of losses of an investee equals or exceeds the carrying amount of the long-term equity investment and other long-term interests which substantively form the net investment in the investee, the Group does not recognise further losses as provisions, unless it has obligations to bear extra losses which meet the criteria of recognition for liabilities according to the related standards for contingencies. Movements in the investee owner's equity other than profit or loss, other comprehensive income and profit distribution should be proportionately recognised in the Group's equity, provided that the share interest of the investee remained unchanged. The share of the investee's profit distribution or cash dividends declared is accounted for as a reduction of the carrying amount of the investment upon declaration. The profits or losses arising from the intra-Group transactions between the Group and its investees are eliminated to the extent of the Group's interests in the investees, on the basis of which the investment income or losses are recognised. The unrealised loss on the intra-Group transaction between the Group and its investees, of which nature is asset impairment, is recognised in full amount, and the relevant unrealised loss is not allowed to be eliminated. If the Group invests a business to investee as a long-term equity investment but not obtain control, the fair value of the invested business shall be used as the initial investment cost of the long-term equity investment. The difference between the carrying amount of the initial cost of investment and the invested business is recognised in profit or loss.

(c) Impairment of long-term equity investments

For investments in subsidiaries, joint ventures and associates, if the recoverable amount is lower than its carrying amount, the carrying amount shall be written down to the recoverable amount (Note 4(16)). After an impairment loss has been recognised, it shall not be reversed in future accounting periods for the part whose value has been recovered.

(d) Joint Operations

A joint operation is an arrangement whereby the Group and other joint operators have joint control and the Group has rights to the assets and obligation for the liabilities, relating to the arrangement.

The Group recognises items related to its interest in a joint operation as follows:

- its solely-held assets, and its share of any assets held jointly;

- its solely-assumed liabilities, and its share of any liabilities incurred jointly;

(All amounts in RMB millions unless otherwise stated)

- its revenue from the sale of its share of the output arising from the joint operation;
- its share of the revenue from the sale of the output by the joint operation;
- its solely-incurred expenses, and its share of any expenses incurred jointly.

(10) Fixed Assets

Fixed assets comprise buildings, equipment and machinery, motor vehicles and others. Fixed assets purchased or constructed are initially recorded at cost. The fixed assets injected by the state-owned shareholder during the Restructuring were initially recorded at the valuated amount approved by the relevant authorities managing state-owned assets.

Subsequent expenditures for fixed assets are included in the cost of fixed assets only when it is probable that in future economic benefits associated with the items will flow to the Group and the cost of the items can be measured reliably. The carrying amount of the replaced part is derecognised. All other subsequent expenditures are charged to profit or loss during the financial period in which they are incurred.

Fixed assets are depreciated using the straight-line method based on the balance of their costs less estimated residual values over their estimated useful lives. For those fixed assets being provided for impairment loss, the related depreciation charge is determined based on the net value lessening the impairment recognised over their remaining useful lives.

The estimated useful lives, estimated net residual value ratios and annual depreciation rates of the fixed assets are as follows:

	Estimated useful lives	Estimated net residual value ratio %	Annual depreciation rate %
Buildings	8 to 40 years	5	2.4 to 11.9
Equipment and machinery	4 to 30 years	3 to 5	3.2 to 24.3
Motor vehicles	4 to 14 years	5	6.8 to 23.8
Others	5 to 12 years	5	7.9 to 19.0

The estimated useful lives, estimated net residual values and depreciation method of the fixed assets are reviewed, and adjusted if appropriate, at year end.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its recoverable amount (Note 4(16)).

The carrying amounts of fixed assets are derecognised when the fixed assets are disposed or no future economic benefits are expected from their use or disposal. When fixed assets are sold, transferred, disposed or damaged, the amount of disposal gains after deducting its book value and related taxes are recorded in profit or loss.

(11) Oil and Gas Properties

Oil and gas properties include the mineral interests in properties, wells and related facilities arising from oil and gas exploration and production activities.

The costs of obtaining the mineral interests in properties are capitalised when they are incurred and are initially recognised at acquisition costs. Exploration license fee, production license fee, rent and other costs for retaining the mineral interests in properties, subsequent to the acquisition of the mineral interests in properties, are charged to profit or loss.

The Ministry of Natural Resources in China issues production licenses to applicants on the basis of the reserve reports approved by relevant authorities.

The oil and gas properties are accrued depletion based on the unit of production method except for the mineral interests in unproved properties which are not subjected to depletion. Unit of production rates are based on oil and gas reserves estimated to be recoverable from existing facilities based on the current terms of production licenses.

The carrying amount of oil and gas properties is reduced to the recoverable amount when their recoverable amount is lower than their carrying amount. The recoverable amount is the higher of an asset's fair value less costs to sell and the present value of the estimated future cash flow expected to be derived from the asset (or asset group, a set of asset groups, the same below) (Note 4(16)).

(12) Construction in Progress

Construction in progress is recognised at actual cost. The actual cost comprises construction costs, other necessary costs incurred and the borrowing costs eligible for capitalisation to prepare the asset for its intended use. Construction in progress is transferred to fixed assets when the assets are ready for their intended use, and depreciation begins from the following month.

Oil and gas exploration costs include drilling exploration costs and the non-drilling exploration costs, the successful efforts method is used for the capitalisation of the drilling exploration costs. Drilling exploration costs included in the oil and gas exploration costs are capitalised as wells and related facilities when the wells are completed and economically proved reserves are found. Drilling exploration costs related to the wells without economically proved reserves less the net residual value are recorded in profit or loss. The related drilling exploration costs for the sections of wells with economically proved reserves are capitalised as wells and related facilities, and the costs of other sections are recorded in profit or loss. Drilling exploration costs are temporarily capitalised pending the determination of whether economically proved reserves can be found within one year of the completion of the wells. For wells that are still pending determination of whether economically proved reserves can be found after one year of completion, the related drilling exploration costs remain temporarily capitalised only if sufficient reserves are found in those wells and further exploration activities are required to determine whether they are economically proved reserves or not, and further exploration activities are under way or firmly planned and are about to be implemented. Otherwise the related costs are recorded in profit or loss. If proved reserves are discovered in a well, for which the drilling exploration costs have been expensed previously, no adjustment should be made to the drilling exploration costs that were expensed, while the subsequent drilling exploration costs and costs for completion of the well are capitalised. The non-drilling exploration costs are recorded in profit or loss when incurred. Oil and gas development costs are capitalised as the respective costs of wells and related facilities for oil and gas development based on their intended use. The economically proved reserves are the estimated quantities of crude oil and natural gas, which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be economically producible from a given date forward, from known reservoirs, and under existing economic conditions, operating methods, and government supervision regulation before the time at which contracts providing the right to operate expire, unless evidence indicates that renewal is reasonably certain, regardless of whether the estimate is a deterministic estimate or probabilistic estimate.

The Group sells the products or by-products produced before the fixed assets reach the scheduled useable state, or in the research and development process, which be determined as trial operation sales. Related income and cost are present respectively in financial statements according to the daily activities and non-daily activities, which generated from daily activities are shown in "Operating income" and "Cost of sales", and which generated from non-daily activities are shown in "Gains on asset disposal" and other items.

(13) Intangible Assets and Goodwill

Intangible assets include land use rights and patents, etc., and are initially recorded at cost. The intangible assets injected by the state-owned shareholder during the Restructuring were initially recorded at the valued amount approved by the relevant authorities managing the state-owned assets.

Land use rights are amortised using the straight-line method over 30 to 50 years. If it is impracticable to allocate the amount paid for the purchase of land use rights and buildings between the land use rights and the buildings on a reasonable basis, the entire amount is accounted for as fixed assets.

The franchise is initially recorded at actual cost, and amortised using the straight-line method over estimated useful lives of gas station.

Patent and other intangible assets are initially recorded at actual cost, and amortised using the straight-line method over their estimated useful lives.

The carrying amount of intangible assets is written down to its recoverable amount when the recoverable amount is lower than the carrying amount (Note 4(16)). The estimated useful years and amortisation method of the intangible assets with finite useful life are reviewed, and adjusted if appropriate, at each financial year-end.

The initial cost of goodwill represents the excess of cost of acquisition over the acquirer's interest in the fair value of the identifiable net assets of the acquiree under a business combination not involving entities under common control.

Goodwill is not amortised and is stated in the balance sheet at cost less accumulated impairment losses (Note 4(16)). On disposal of an asset group or a set of asset groups, any attributable goodwill is written off and included in the calculation of the profit or loss on disposal.

(14) Research and Development

The Group's expenditures on research and development mainly include expenditures on materials consumed for the implementation of the research and development activities, research and development department employee benefits, depreciation and amortisation of assets such as equipment and software used in research and development, research and development testing, and research and development technical service fees.

Research expenditure incurred is recognised as an expense. Costs incurred on development projects shall not be capitalised unless they satisfy the following conditions simultaneously:

- In respect of the technology, it is feasible to finish the intangible asset for use or sale;
- It is intended by management to finish and use or sell the intangible asset;
- It is able to prove that the intangible asset is to generate economic benefits;
- With the support of sufficient technologies, financial resources and other resources, it is able to finish the development of the intangible asset, and it is able to use or sell the intangible asset; and
- The costs attributable to the development of the intangible asset can be reliably measured.

Costs incurred on development projects not satisfying the above conditions shall be recorded in profit or loss of the current period. Costs incurred on development recorded in profit or loss in previous accounting periods shall not be re-recognised as asset in future accounting periods. Costs incurred on development already capitalised shall be listed as development expenditure in the balance sheet, which shall be transferred to intangible asset from the date when the expected purposes of use are realised.

(15) Long-term Prepaid Expenses

Long-term prepaid expenses are the expenses that should be borne by current and subsequent periods and should be amortised over more than one year. Long-term prepaid expenses are amortised using the straight-line method over the expected beneficial periods and are presented at cost less accumulated amortisation.

(16) Impairment of Non-current Assets

Fixed assets, oil and gas properties except for mineral interests in unproved properties, construction in progress, intangible assets with finite useful life, long-term equity investments, long-term prepaid expenses and right-of-use assets are tested for impairment if there is any indication that an asset may be impaired at the balance sheet date. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount if the impairment test indicates that the recoverable amount is less than its carrying amount. The recoverable amount is the higher of an asset's fair value less costs to sell and the present value of the estimated future cash flow expected to be derived from the asset. Impairment should be assessed and recognised for each individual asset. If it is not possible to estimate the recoverable amount of an individual asset, the recoverable amount of the group of assets to which the asset belongs is determined. A group of assets is the smallest group of assets that is able to generate independent cash flow.

The goodwill, presented separately in financial statements, is allocated to each asset group or set of asset groups, which is expected to benefit from the synergies of the combination for the purpose of impairment testing, and should be subject to impairment assessment at least on an annual basis regardless whether there exists any indicators of impairment. Where the impairment assessment indicates that, for the cash-generating unit (that includes the allocated goodwill), the recoverable amount is lower than the carrying value, then an impairment loss will be recorded.

The mineral interests in unproved properties are tested annually for impairment. If the cost incurred to obtain a single property is significant, the impairment test is performed and the impairment loss is determined on the basis of the single property. If the cost incurred to obtain a single property is not significant and the geological structure features or reserve layer conditions are identical or similar to those of other adjacent properties, impairment tests are performed on the basis of a group of properties that consist of several adjacent mining areas with identical or similar geological structure features or reserve layer conditions.

Once an impairment loss of these assets is recognised, it is not allowed to be reversed even if the value can be recovered in subsequent period.

(17) Borrowing Costs

Borrowing costs incurred that are directly attributable to the acquisition and construction of fixed assets and oil and gas properties, which require a substantial period of time for acquisition and construction activities to get ready for their intended use, are capitalised as part of the cost of the assets when capital expenditures and borrowing costs have already incurred and the activities of acquisition and construction necessary to prepare the assets to be ready for their intended use have commenced. The capitalisation of borrowing costs ceases when the assets are ready for their intended use. Borrowing costs incurred thereafter are recognised as financial expense. Capitalisation of borrowing costs should be suspended during periods in which the acquisition or construction of a fixed asset is interrupted abnormally, and the interruption lasts for more than 3 months, until the acquisition or construction is resumed.

For a borrowing taken specifically for the acquisition or construction activities for preparing fixed asset and oil and gas property eligible for capitalisation, the to-be-capitalised amount of interests shall be determined according to the actual costs incurred less any income earned on the unused borrowing fund as a deposit in the bank or as a temporary investment.

Where a general borrowing is used for the acquisition or construction of fixed asset and oil and gas property eligible for capitalisation, the Group shall calculate and determine the to-be-capitalised amount of interests on the general borrowing by multiplying the part of the accumulative asset disbursements in excess of the weighted average asset disbursement for the specifically borrowed fund by the weighted average actual rate of the general borrowing used. The actual rate is the rate used to discount the future cash flow of the borrowing during the expected existing period or the applicable shorter period to the originally recognised amount of the borrowing.

(18) Employee Compensation

(a) Short-term benefits

Employee wages or salaries, bonuses, social security contributions such as medical insurance, work injury insurance, maternity insurance and housing fund, measured at the amount incurred or at the applicable benchmarks and rates, are recognised as a liability as the employee provides services, with a corresponding charge to profit or loss or included in the cost of assets where appropriate.

(b) Post-employment benefits - Defined Contribution Plans

Pursuant to the relevant laws and regulations of the People's Republic of China, the Group participated in a defined contribution basic pension insurance in the social insurance system established and managed by government organisations. The Group has similar defined contribution plans for its employees in its overseas operations. The Group makes contributions to basic pension insurance plans based on the applicable benchmarks and rates stipulated by the government. Basic pension insurance contributions are recognised as part of the cost of assets or charged to profit or loss as the related services are rendered by the employees.

In addition, the Group joined the corporate annuity plan approved by relevant PRC authorities. Contribution to the annuity plan is charged to expense as incurred.

The Group has no other material obligation for the payment of pension benefits associated with schemes beyond the contributions described above.

(19) Government Grants

Government grants are non-reciprocal transfers of monetary or non-monetary assets from the government to the Group except for capital contributions from the government in the capacity as an investor in the Group.

A government grant is recognised when there is reasonable assurance that the grant will be received and that the Group will comply with the conditions attaching to the grant.

If a government grant is in the form of a transfer of a monetary asset, it is measured at the amount received or receivable. If a government grant is in the form of a transfer of a non-monetary asset, it is measured at fair value.

Government grants related to assets are grants whose primary condition is that the Group qualifying for them should purchase, construct or otherwise acquire long-term assets. Government grants related to income are grants other than those related to assets. A government grant related to an asset is recognised initially as deferred income and amortised to profit or loss in a reasonable and systematic manner within the useful life of the relevant assets. A grant that compensates the Group for expenses or losses to be incurred in the future is recognised initially as deferred income, and recognised in profit or loss or released to relevant cost in the period in which the expenses or losses are recognised. A grant that compensates the Group for expenses or losses already incurred is recognised to profit or loss or released to related cost immediately.

Government grants related to daily activities are recognised in other income or written down the related cost and expenses according to the nature of business activities. Government grants related to non-daily activities are recognised in non-operating income or expenses.

(20) Provisions

Provisions for product quality guarantee, onerous contracts, etc. are recognised when the Group has present obligations, and it is probable that an outflow of economic benefits will be required to settle the obligations, and the amounts can be reliably estimated.

Provisions are measured at the best estimate of the expenditures expected to be required to settle the present obligation. Factors surrounding the contingencies such as the risks, uncertainties and the time value of money shall be taken into account as a whole in reaching the best estimate of provisions. Where the effect of the time value of money is material, the best estimate is determined by discounting the related future cash flows. The increase in the discounted amount of the provision arising from the passage of time is recognised as interest expense.

Asset retirement obligations which meet the criteria of provisions are recognised as provisions and the amount recognised is the present value of the estimated future expenditure determined in accordance with local conditions and requirements, while a corresponding addition to the related oil and gas properties of an amount equivalent to the provision is also created. This is subsequently depleted as part of the costs of the oil and gas properties. Interest expenses from the assets retirement obligations for each period are recognised with the effective interest method during the useful life of the related oil and gas properties. Due to technological progress, legal requirements or changes in the market environment, changes in the provisions caused by changes in the amount of expenditure, estimated time of retirement obligations, discount rate, etc., may occur in fulfilling the retirement obligation. For an increase in provisions, the cost of oil and gas properties will be increased accordingly; for a decrease in provisions, the cost of oil and gas properties will be deducted within the limit of the carrying amount of assets related to decommissioning expenses. If a decrease in the provision exceeds the carrying amount of the oil and gas properties recognised corresponding to the provision, the excess shall be recognised immediately in profit or loss.

If the conditions for the recognition of the provisions are not met, the expenditures for the decommissioning, removal and site cleaning will be expensed in profit or loss when occurred.

(21) Specific reserve

The Group recognises a safety fund in the specific reserve pursuant to relevant government regulations, with a corresponding increase in the costs of the related products or expenses.

When the safety fund is subsequently used for expenditure as expense, the specific reserve is reduced accordingly. When the safety fund is subsequently used for the construction or acquisition of fixed assets, the Group recognises the capitalised expenditure incurred as the cost of the fixed assets when the related assets are ready for their intended use. In such cases, the specific reserve is reduced by the amount that corresponds to the cost of the fixed assets and the credit side is recognised in the accumulated depreciation with respect to the related fixed assets. Consequently, such fixed assets are not depreciated in subsequent periods.

(22) Income Tax

Current and deferred taxes are recognised in profit or loss, except for income tax arising from business combination or transactions or events which are directly included in owners' equity (including other comprehensive income).

Current tax is the expected tax payable on the taxable income for the year, using tax rates stipulated by the tax law, and any adjustment to tax payable in respect of previous years.

At the balance sheet date, current tax assets are offset against current tax liabilities if the Group has a legal right to settle on a net basis and intends to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax assets and deferred tax liabilities are calculated and recognised based on the differences (temporary differences) arising between the tax bases of assets and liabilities and their carrying amounts. The deductible losses, which can be utilised against the future taxable profit in accordance with tax law, are regarded as temporary differences and a deferred tax asset is recognised accordingly. The deferred tax assets and deferred tax liabilities are not accounted for the temporary differences resulting from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profits (or deductible loss) and do not result in an equivalent amount of taxable and deductible temporary differences. At the balance sheet date, deferred tax assets and deferred tax liabilities are determined using tax rates that are expected to apply to the period when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets of the Group are recognised for deductible temporary differences and deductible losses and tax credits to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, deductible losses and tax credits can be utilised.

Deferred tax liabilities are recognised for taxable temporary differences arising from investments in subsidiaries, associates and joint ventures, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets are recognised for deductible temporary differences arising from investments in subsidiaries, associates and joint ventures, to the extent that, and only to the extent that, it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and deferred tax liabilities which meet the following conditions shall be presented on a net basis after offset:

- Deferred tax assets and deferred tax liabilities are related to the income tax of the same entity within the Group levied by the same authority;
- This entity within the Group is legally allowed to settle its current tax assets and liabilities on a net basis.

(23) Revenue Recognition

Revenue is the gross inflow of economic benefits arising in the course of the Group's ordinary activities when the inflows result in increase in shareholders' equity, other than increase relating to contributions from shareholders.

Revenue is recognised when the Group satisfies the performance obligation in the contract by transferring the control over relevant goods or services to the customers.

Where a contract has two or more performance obligations, the Group determines the stand-alone selling price at contract inception of the distinct good or service underlying each performance obligation in the contract and allocates the transaction price in proportion to those stand-alone selling prices. The Group recognises as revenue the amount of the transaction price that is allocated to each performance obligation. The stand-alone selling price is the price at which the Group would sell a promised good or service separately to a customer. If a stand-alone selling price is not directly observable, the Group considers all information that is reasonably available to the entity, maximises the use of observable inputs to estimate the stand-alone selling price.

For the contract which the Group grants a customer the option to acquire additional goods or services (such as loyalty points), the Group assesses whether the option provides a material right to the customer. If the option provides a material right, the Group recognises the option as a performance obligation, and recognises revenue when those future goods or services are transferred or when the option expires. If the stand-alone selling price for a customer's option to acquire additional goods or services is not directly observable, the Group estimates it, taking into account all relevant information, including the difference in the discount that the customer would receive when exercising the option or without exercising the option, and the likelihood that the option will be exercised.

The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties. The Group recognises the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved. To determine the transaction price for contracts in which a customer promises consideration in a form other than cash, the Group measures the non-cash consideration at fair value. If the Group cannot reasonably estimate the fair value of the non-cash consideration, the Group measures the consideration indirectly by reference to the stand-alone selling price of the goods or services promised to the customer in exchange for the consideration. The consideration which the Group expects to refund to the customer is recognised as refund liabilities and excluded from transaction price. Where the contract contains a significant financing component, the Group recognises the transaction price at an amount that reflects the price that a customer would have paid for the promised goods or services if the customer had paid cash for those goods or services when (or as) they transfer to the customer. The difference between the amount of promised consideration and the cash selling price is amortised using an effective interest method over the contract term. The Group does not adjust the consideration for any effects of a significant financing component if it expects, at contract inception, that the period between when the Group transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less.

The Group satisfies a performance obligation over time if one of the following criteria is met; or otherwise, a performance obligation is satisfied at a point in time:

- The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- The customer can control the asset created or enhanced during the Group's performance;
- The Group's performance does not create an asset with an alternative use to it and the Group has an enforceable right to payment for performance completed to date.

For performance obligation satisfied over time, the Group recognises revenue over time by measuring the progress towards complete satisfaction of that performance obligation. When the outcome of that performance obligation cannot be measured reasonably, but the Group expects to recover the costs incurred in satisfying the performance obligation, the Group recognises revenue only to the extent of the costs incurred until such time that it can reasonably measure the outcome of the performance obligation.

For performance obligation satisfied at a point in time, the Group recognises revenue at the point in time at which the customer obtains control of relevant goods or services. To determine whether a customer has obtained control of goods or services, the Group considers the following indicators:

- The Group has a present right to payment for the product or service;
- The Group has transferred physical possession of the goods to the customer;
- The Group has transferred the legal title of the goods or the significant risks and rewards of ownership of the goods to the customer; and
- The customer has accepted the goods or services.

The Group determines whether it is a principal or an agent, depending on whether it obtains control of the specified good or service before that good or service is transferred to a customer. The Group is a principal if it controls the specified good or service before that good or service is transferred to a customer, and recognises revenue in the gross amount of consideration to which it has received (or receivable). Otherwise, the Group is an agent, and recognises revenue in the amount of any fee or commission to which it expects to be entitled. The fee or commission is the net amount of consideration that the Group retains after paying the other party the consideration, or is the established amount or proportion.

A contract asset is the Group's right to consideration in exchange for goods or services that it has transferred to a customer when that right is conditional on something other than the passage of time. The Group recognises loss allowances for expected credit loss on contract assets (Note 4(7)(f)). Accounts receivable is the Group's right to consideration that is unconditional (only the passage of time is required). A contract liability is the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

The following is the description of accounting policies regarding revenue from the Group's principal activities:

(a) Sales of goods

The Group shall recognise revenue when (or as) the customer obtains control of relevant product. Obtaining control of relevant product means that a customer can dominate the use of the product and obtain almost all the economic benefits from it.

(b) Rendering of services

The Group recognises its revenue from rendering of services on performance progress. Customers simultaneously receive the service as the Group performs its obligation over time and consume the benefits arising from the Group's performance. Otherwise, a performance obligation is satisfied at a point in time, the Group shall recognise revenue when (or as) the customer obtains control of revenue service.

(c) Loyalty points

Under its customer loyalty programme, the Group allocates a portion of the transaction price received to loyalty points that are redeemable against any future purchases of the Group's goods or services. This allocation is based on the relative stand-alone selling prices. The amount allocated to the loyalty programme is deferred, and is recognised as revenue when loyalty points are redeemed or expire.

(d) Recognition of sales income under the trade mode

In the trading of crude oil, natural gas, refined oil and chemical products, the Group procures related products according to the supply and demand relationship and the customer order demand. For such business, the Group is responsible for delivering products and ensuring that the specifications and quality meet the customer's requirements. The Group has the right to determine suppliers and purchase pricing, and there are various alternative qualified suppliers. Meanwhile, the Group has the right to determine the products sold and the selling price, and bears the risk of product price fluctuation. As a result, the Group has obtained control of a product before it is sold to a customer, and has recognised the revenue from the sales of the product accordingly on the basis of the gross carrying amount.

(24) Contract Costs

Contract costs are either the incremental costs of obtaining a contract with a customer or the costs to fulfil a contract with a customer.

Incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained. The Group recognises as an asset the incremental costs of obtaining a contract with a customer if it expects to recover those costs, unless the expected amortisation period is one year or less from the date of initial recognition of the asset, in which case the costs are expensed when incurred. Other costs of obtaining a contract are expensed when incurred.

If the costs to fulfil a contract with a customer are not within the scope of inventories or other accounting standards, the Group recognises an asset from the costs incurred to fulfil a contract only if those costs meet all of the following criteria:

- The costs relate directly to an existing contract or to a specifically identifiable anticipated contract, including direct labour, direct materials, allocations of overheads (or similar costs), costs that are explicitly chargeable to the customer and other costs that are incurred only because the Group entered into the contract ;

- The costs generate or enhance resources of the Group that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and

- The costs are expected to be recovered.

Assets recognised for the incremental costs of obtaining a contract and assets recognised for the costs to fulfil a contract (the "assets related to contract costs") are amortised on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the assets relate and recognised in profit or loss for the current period. The Group recognises the incremental costs of obtaining a contract as an expense when incurred if the amortisation period of the asset that the entity otherwise would have recognised is one year or less.

The Group recognises an impairment loss in profit or loss to the extent that the carrying amount of an asset related to contract costs exceeds:

- Remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the asset relates; less

- the costs that relate directly to providing those goods or services that have not yet been recognised as expenses.

(25) Leases

A contract is lease if the lessor conveys the right to control the use of an identified asset to lessee for a period of time in exchange for consideration.

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset. An identified asset may be specified explicitly or implicitly specified in a contract and should be physically distinct, or capacity portion or other portion of an asset that is not physically distinct but it represents substantially all of the capacity of the asset and thereby provides the customer with the right to obtain substantially all of the economic benefits from the use of the asset. If the supplier has a substantive substitution right throughout the period of use, then the asset is not identified;

- the lessee has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use;

- the lessee has the right to direct the use of the asset.

For a contract that contains more separate lease components, the lessee and the lessor separate lease components and account for each lease component as a lease separately. For a contract that contains lease and non-lease components, the lessee and the lessor separate lease components from non-lease components. For a contract that contains lease and non-lease components, the lessee allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components. The lessor allocates the consideration in the contract in accordance with the accounting policy in Note 4(23).

(a) The Group as a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability, any lease payments made at or before the commencement date (less any lease incentives received), any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease.

The right-of-use asset is depreciated using the straight-line method. If the lessee is reasonably certain to exercise a purchase option by the end of the lease term, the right-of-use asset is depreciated over the remaining useful lives of the underlying asset. Otherwise, the right-of-use asset is depreciated from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. Impairment losses of right-of-use assets are accounted for in accordance with the accounting policy described in Note 4(16).

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group’s incremental borrowing rate.

A constant periodic rate is used to calculate the interest on the lease liability in each period during the lease term with a corresponding charge to profit or loss or included in the cost of assets where appropriate. Variable lease payments not included in the measurement of the lease liability is charged to profit or loss or included in the cost of assets where appropriate as incurred.

Under the following circumstances after the commencement date, the Group remeasures lease liabilities based on the present value of revised lease payments:

- There is a change in the amounts expected to be payable under a residual value guarantee;
- There is a change in future lease payments resulting from a change in an index or a rate used to determine those payments;
- There is a change in the assessment of whether the Group will exercise a purchase, extension or termination option, or there is a change in the exercise of the extension or termination option in a different manner from the original assessment.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases in profit or loss or as the cost of the assets where appropriate using the straight-line method over the lease term.

(b) The Group as a lessor

The Group determines at lease inception whether each lease is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset irrespective of whether the legal title to the asset is eventually transferred. An operating lease is a lease other than a finance lease. There are no significant finance leases for the Group.

Lease receipts from operating leases is recognised as income using the straight-line method over the lease term. The initial direct costs incurred in respect of the operating lease are initially capitalised and subsequently amortised in profit or loss over the lease term on the same basis as the lease income. Variable lease payments not included in lease receipts are recognised as income as they are earned.

(26) Dividend Distribution

Dividend distribution is recognised as a liability in the period in which it is approved by a resolution of shareholders' general meeting.

(27) Business Combination

The accounting treatment of business combinations involving enterprises under common control and business combinations not involving enterprises under common control.

A transaction constitutes a business combination when the Group obtains control of one or more entities (or a group of assets or net assets). Business combination is classified as either business combinations involving enterprises under common control or business combinations not involving enterprises under common control.

For a transaction not involving enterprises under common control, the acquirer determines whether acquired set of assets constitute a business. The Group may elect to apply the simplified assessment method, the concentration test, to determine whether an acquired set of assets is not a business. If the concentration test is met and the set of assets is determined not to be a business, no further assessment is needed. If the concentration test is not met, the Group shall perform the assessment according to the guidance on the determination of a business.

When the set of assets the group acquired does not constitute a business, acquisition costs should be allocated to each identifiable assets and liabilities at their acquisition-date fair values. It is not required to apply the accounting of business combination described as below.

(a) Business combination under common control

A business combination involving entities under common control is a business combination in which all of the combining entities are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory. The net assets obtained by the acquirer are measured based on their carrying value in the consolidated financial statement of the ultimate controlling party at the combination date. The difference between the carrying value of the net assets obtained and the carrying value of the consideration is adjusted against the capital surplus. If the capital surplus is not sufficient to be offset, the remaining balance is adjusted against retained earnings.

Costs incurred directly attributable to the business combination are recorded in profit or loss when incurred. The transaction costs of the equity securities or debt securities issued which are attributable to the business combination are recorded in the initial recognition costs when acquired. The combination date is the date on which one combining entity obtains control of other combining entities.

(b) Business combination not under common control

A business combination involving entities not under common control is a business combination in which all of the combining entities are not ultimately controlled by the same party or parties both before and after the business combination. The acquisition costs paid and the acquiree's identifiable asset, liabilities and contingent liabilities, if the recognition criteria are met, are measured at their fair value at the acquisition date. Where the cost of combination exceeds the acquirer's interest in the fair value of the acquiree's identifiable net assets, the difference is recognised as goodwill. Where the cost of combination is less than the acquirer's interest in the fair value of the acquiree's identifiable net assets, the difference is recognised directly in profit or loss.

Costs which are directly attributable to the business combination are recorded in profit or loss when incurred. The transaction costs of the equity securities or debt securities issued which are attributable to the business combination are recorded in the initial recognition costs when acquired. The acquisition date is the date on which the acquirer obtains control of the acquiree.

(28) Basis of Preparation of Consolidated Financial Statements

The scope of consolidated financial statements includes the Company and its subsidiaries controlled by the Company. Control exists when the Group has all the following: power over the investees; exposure, or rights to variable returns from its involvement with the investees and has the ability to affect those returns through its power over the investee. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Where a subsidiary was acquired, through a business combination involving entities under common control, the financial statements of the subsidiary are included in the consolidated financial statements based on the carrying amounts of the assets and liabilities of the subsidiary in the financial statements of the ultimate controlling party as if the combination had occurred at the date that the ultimate controlling party first obtained control. The opening balances and the comparative figures of the consolidated financial statements are also restated. And their net profit earned before the combination date shall be presented separately in the consolidated income statement.

When the accounting policies and accounting periods of subsidiaries are not consistent with those of the Company, the Company will make necessary adjustments to the financial statements of the subsidiaries in accordance with the Company's accounting policies and accounting periods. Where a subsidiary was acquired during the reporting period, through a business combination involving entities not under common control, the identifiable assets and liabilities of the acquired subsidiaries are included in the scope of consolidation from the date that control commences, based on the fair value of those identifiable assets and liabilities at the acquisition date.

All material intercompany balances, transactions and unrealised gains within the Group are eliminated upon consolidation. The portion of the equity or net profit of the subsidiaries that is not attributable to the Company is treated as non-controlling interests and total comprehensive income and presented separately within equity in the consolidated balance sheet or within net profit and total comprehensive income in the consolidated income statement.

(29) Segment Reporting

The Group determines its operating segments based on its organisational structure, management requirements and internal reporting system. On the basis of these operating segments, the Group determines the reporting and disclosure of segmental information.

An operating segment refers to a component of the Group that simultaneously meet the following criteria: (1) the component can generate revenue and incur expenses in ordinary activities; (2) the component's financial performance can be regularly reviewed by the Group's management to make decisions about resource allocation to the component and assess its performance; (3) the Group can obtain financial information relating to the financial position, financial performance and cash flows, etc. of the component. When two or more operating segments exhibit similar economic characteristics and meet certain requirements, the Group may aggregate these operating segments into a single operating segment.

The Group also discloses total external revenue derived from other regions outside China's mainland and the total non-current assets located in other regions outside China's mainland.

(30) Related Party

If a party has the power to control, jointly control or exercise significant influence over another party, or vice versa, or where two or more parties are subject to common control or joint control from another party, they are considered to be related parties. Related parties may be individuals or enterprises. Enterprises with which the Company is under common control only from the State and that have no other related party relationships are not regarded as related parties.

The Company determines related parties based on the disclosure requirements of Administrative Procedures on the Information Disclosures of Listed Companies issued by the CSRC.

(31) Critical Accounting Estimates and Judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The critical accounting estimates and key assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below:

(a) Estimation of oil and natural gas reserves

Estimates of oil and natural gas reserves are key elements in the Group's investment decision-making process. They are also important elements in testing for impairment related to oil and gas production activities. Changes in proved oil and natural gas reserves, particularly proved developed reserves, will affect unit-of-production depreciation, depletion and amortisation recorded in the income statements for property, plant and equipment related to oil and gas production activities. An increase/decrease in proved developed reserves will decrease/increase depreciation, depletion and amortisation charges. Proved reserve estimates are subject to revision, either upward or downward, based on new information, such as from development drilling and production activities or from changes in economic factors, including product prices, contract terms, evolution of technology or development plans, etc.

(b) Estimation of impairment of fixed assets and oil and gas properties

Fixed assets and oil and gas properties are reviewed for possible impairments when events or changes in circumstances indicate that the carrying amount may not be recoverable. Determination as to whether and how much an asset is impaired involves management estimates and judgements such as future price of crude oil and natural gas, refined and chemical products, the production costs, the product mix, production volumes, production profile and the oil and gas reserves. However, the impairment reviews and calculations are based on assumptions that are consistent with the Group's business plans taking into account current economic conditions. Favourable changes to some assumptions may allow the Group to avoid the need to impair any assets, whereas unfavourable changes may cause the assets to become impaired. For example, when the assumed future price and production profile of crude oil used for the expected future cash flows are different from the actual price and production profile of crude oil respectively experienced in the future, the Group may either over or under recognise the impairment losses for certain assets.

(c) Estimation of asset retirement obligations

Provision is recognised for the future decommissioning and restoration of oil and gas properties. The amounts of the provision recognised are the present values of the estimated future expenditures. The estimation of the future expenditures is based on current local conditions and requirements, including legal requirements, technology, price level, etc. In addition to these factors, the present values of these estimated future expenditures are also impacted by the management plan for the decommissioning of oil and gas properties, the estimation of the economic lives of oil and gas properties and estimates of discount rates. Changes in any of these estimates will impact the financial performance and the financial position of the Group over the remaining economic lives of the oil and gas properties.

According to changes in the internal and external environment, accounting standards and company asset retirement expense measures and other relevant regulations, oil and gas field companies recalculate their asset retirement obligations of oil and gas properties based on the latest parameters to more objectively reflect the actual situation of the Group's asset retirement obligation of oil and gas properties.

(32) Change in significant accounting policy

In 2024, the Group has adopted the following revised accounting requirements and guidance under CAS newly issued by the Ministry of Finance ("MOF").

Classification of Liabilities as Current or Non-current in CAS Bulletin No. 17 (Caikuai [2023] No. 21) ("CAS Bulletin No. 17")

According to CAS Bulletin No. 17, only the Group's substantive right to defer the settlement of liabilities for more than one year after the balance sheet date ("the right to defer the settlement of liabilities") is considered when classifying the liquidity of liabilities; the subjective possibility of exercising the above right is not considered.

For liabilities arising from the Group's loan arrangements, if the Group's right to defer the settlement of liabilities is subject to compliance with covenants specified in the loan arrangements ("covenants"), only the covenants on or before the balance sheet date when classifying the liquidity of liabilities are considered; the effect of covenants after the balance sheet date is not considered.

(All amounts in RMB millions unless otherwise stated)

If the Group settles its liabilities by delivering its own equity instruments at the option of the counterparty and classifies the above options as equity instruments and recognises them separately as the equity component of a compound financial instrument in accordance with CAS 37- Presentation of Financial Instruments, there will be no effect on the classification of the liquidity of the liabilities. However, there will be effects on the classification if the above options cannot be classified as equity instruments.

The adoption of this requirement does not have a significant effect on the financial position and financial performance of the Group.

5 TAXATION

The principal taxes and related tax rates of the Group are presented as below:

Types of taxes	Tax rate	Tax basis and method
Value Added Tax (the "VAT")	13%, 9% or 6%	Based on taxable value added amount. Tax payable is calculated using the taxable sales amount multiplied by the applicable tax rate less current period's deductible VAT input.
Resource Tax	6%	Based on the revenue from sales of crude oil and natural gas.
Consumption Tax	Based on quantities	Based on sales quantities of taxable products. RMB 1.52 per litre for unleaded gasoline, naphtha, solvent oil and lubricant. RMB 1.2 per litre for diesel and fuel oil.
Corporate Income Tax	15% to 82%	Based on taxable income.
Crude Oil Special Gain Levy	20% to 40%	Based on the sales of domestic crude oil at prices higher than a specific level.
Levy for mineral rights concessions	0.3%,0.6% or0.8%	Levy for mineral rights concessions includes the transaction price of exploration rights (mining rights) and the proceeds from the granting of the mining rights to be levied on a year-by-year basis. The transaction price of the exploration rights (mining rights) is recognised and levied at the time of the grant. The proceeds from the granting of the mining rights to be levied on a year-by-year basis is calculated based on the annual revenue of mineral products.
City Maintenance and Construction Tax	1%, 5% or 7%	Based on the actual VAT and consumption tax paid.
Educational surcharge	2% or 3%	Based on the actual VAT and consumption tax paid.
Urban and Township Land Use Tax	RMB 0.9 to30	Based on the actual land area occupied in each provinces, autonomous regions and municipalities.

According to "Notice Concerning Import Tax Policies Related to Exploration, Development and Utilisation of Energy Resources During the 14th Five-Year Plan Period" (Cai Guan Shui [2021] No.17) jointly issued by Ministry of Finance, State Taxation Administration and General Administration of Customs, for the period from January 1, 2021 to December 31, 2025, the import VAT of the import link shall be returned in proportion to the projects of cross-border natural gas pipelines and imported liquefied natural gas (LNG) receiving storage and transportation units approved by National Development and Reform Commission ("NDRC"). This also includes natural gas (Including pipeline natural gas and LNG) imported from the expansion project of the import LNG receiving storage and transportation plant approved by the provincial governments. The import duties of equipment, instruments, spare parts and special tools shall be exempted to the self-employed projects carrying out oil (natural gas) exploration and development operations in particular areas within the territory of China. The import duties and import VAT of equipment, instruments, spare parts and special tools shall be exempted to the Sino-foreign cooperation project carrying out oil (natural gas) exploration and development operations within the winning block of onshore oil (natural gas) approved by the State, projects carrying out oil (natural gas) exploration and development operations in China's oceans, emergency rescue projects for offshore oil and gas pipelines, and projects carrying out coal seam gas exploration and development operations in China.

Ministry of Finance and State Taxation Administration jointly issued the "Notice on Reduction of Resource Tax Assessed on Shale Gas" (Cai Shui [2018] No.26) on March 29, 2018. Pursuant to such notice, in order to promote the development and utilisation of shale gas and effectively increase natural gas supply, from April 1, 2018 to March 31, 2021, a reduction of 30% will apply to the resource tax assessed on shale gas (at the prescribed tax rate of 6%). On March 15, 2021, Ministry of Finance and State Taxation Administration jointly issued "Notice on Extending the Implementation Period of Some Preferential Tax Policies" (Notice 2021 No.6 issued by Ministry of Finance and State Taxation Administration) to announce the implementation period of that preferential tax policies would be extended to December 31, 2023, the original Preferential Tax Policies expires on March 31, 2021. On September 20, 2023, the Ministry of Finance and the State Taxation Administration issued the "Announcement on Extension of the Preferential Resource Tax Reduction Policy for Shale Gas" (Notice No. 46 [2023] issued by the Ministry of Finance and the State Taxation Administration), under which the shale gas resource tax (at the prescribed rate of 6%) would continue to be reduced by 30% until December 31, 2027.

Pursuant to the Notice from Ministry of Finance on the "Increase of the Threshold of the Crude Oil Special Gain Levy" (Cai Shui [2014] No. 115), the threshold of the crude oil special gain levy shall be USD 65 per barrel, which has 5 levels and is calculated and charged according to the progressive and valorem rates on the excess amounts from January 1, 2015.

In accordance with the Circular jointly issued by Ministry of Finance, the General Administration of Customs of the PRC and State Taxation Administration on "Issues Concerning Tax Policies for In-depth Implementation of Western Development Strategy" (Cai Shui [2011] No.58), the corporate income tax for the enterprises engaging in the encouraged industries in the Western China Region is charged at a preferential corporate income tax rate of 15% from January 1, 2011 to December 31, 2020. Certain branches and subsidiaries of the Company in the Western China Region obtained the approval for the use of the preferential corporate income tax rate of 15%. On April 23, 2020, Ministry of Finance, State Taxation Administration and the NDRC issued the "Announcement on Continuing the Income Tax Policy for Western Development" (Notice No.23 of 2020 of the MOF, the SAT, the NDRC), the corporate income tax for the enterprises engaging in the encouraged industries in the Western China Region is charged at a preferential corporate income tax rate of 15% from January 1, 2021 to December 31, 2030.

According to the Circular of the Ministry of Finance, Ministry of Natural Resources and State Taxation Administration on the Issuance of the Measures for the Collection of Levy for Mineral Rights Concessions (Cai Zong [2023] No. 10), levy for mineral rights concessions = the transaction price of the exploration rights (mining rights) + the proceeds from the granting of the mining rights to be levied on a year-by-year basis. The transaction price of exploration rights (mining rights) is determined mainly on the basis of the area of the mining rights, taking into account such factors as mineralization conditions, the degree of exploration, changes in the market and competitive situation for mining rights. The transaction price of the exploration rights (mining rights) is levied at the time of the transfer. The proceeds from the granting of the mining rights to be levied on a year-by-year basis = annual revenue from the sale of mineral commodities × the rate of levy for mineral rights concessions , the rate of levy for mineral rights concessions for oil, natural gas, shale gas and natural gas hydrates in land area is 0.8%. The rate of levy for mineral rights concessions in sea area is 0.6%, and the rate of levy for mineral rights concessions for coalbed methane is 0.3%.

(All amounts in RMB millions unless otherwise stated)

6 BUSINESS COMBINATION AND CONSOLIDATED FINANCIAL STATEMENTS

(1) Principal subsidiaries

Company name	Acquisition method	Country of incorpo-ration	Registered capital	Principal activities	Type of legal entity	Legal repre-sentative	Closing effective invest-ment cost	Attributable equity interest %		Attribu-table voting rights %	Consol-idated or not
								Direct holding	Indirect holding		
Daqing Oilfield Company Limited	Established	PRC	47,500	Exploration, production and sales of crude oil and natural gas	Limited liability company	Zhu Guowen	66,720	100.00	-	100.00	Yes
CNPC Exploration and Development Company Limited (i)	Business combination involving entities under common control	PRC	16,100	Exploration, production and sales of crude oil and natural gas outside the PRC	Limited liability company	Chen Jintao	23,778	50.00	-	100.00	Yes
Guangdong Petrochemical Co., Ltd	Established	PRC	20,000	Engaged in the production and sale of oil refining, petrochemical and chemical products, finished oil storage	Limited liability company	Zhou Jian	25,647	90.00	-	90.00	Yes
PetroChina Hong Kong Limited	Established	HK	HK Dollar ("HKD") 7,592 million	Investment holding. The principal activities of its subsidiaries, associates and joint ventures are the exploration, production and sales of crude oil in and outside the PRC as well as natural gas sales and transmission in the PRC	—	N/A	25,590	100.00	-	100.00	Yes
PetroChina International Investment Company Limited	Established	PRC	31,314	Investment holding. The principal activities of its subsidiaries, associates and joint ventures are the exploration, development and production of crude oil, natural gas, oilsands and coalbed methane outside the PRC	Limited liability company	Chen Jintao	36,042	100.00	-	100.00	Yes
PetroChina International Company Limited	Established	PRC	18,096	Engaged in trading of crude oil, natural gas and petrochemical products, storage, investment in refining, chemical engineering, storage facilities, service station, and transportation facilities and related business in and outside the PRC	Limited liability company	Wu Junli	18,953	100.00	-	100.00	Yes
PetroChina Sichuan Petrochemical Company Limited	Established	PRC	10,000	Engaged in the production and sale of oil refining, petrochemical and chemical products, chemical technology development, technology transfer and technical services	Limited liability company	Wang Qiang	21,600	90.00	-	90.00	Yes
KunLun Energy Company Limited (ii)	Business combination involving entities under common control	Bermuda	HK Dollar ("HKD") 160 million	Investment holding. The principal activities of its principal subsidiaries, associates and joint ventures are the sales of natural gas, sales of liquefied petroleum gas and liquefied natural gas processing and storage and transportation and sales business in the PRC and the exploration and production of crude oil and natural gas in the PRC, the Republic of Kazakhstan, the Sultanate of Oman, the Republic of Peru, the Kingdom of Thailand and the Republic of Azerbaijan	—	Fu Bin	HK Dollar ("HKD") 87 million	-	54.38	54.38	Yes

(All amounts in RMB millions unless otherwise stated)

(i) The Company consolidated the financial statements of the entity because it has obtained 100% of the voting rights through a concerted action declaration executed by the other shareholder, and it is exposed to, or has rights to get variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

(ii) KunLun Energy Company Limited is a company listed on The Stock Exchange of Hong Kong Limited.

(2) Business combination involving entities under common control

Business combination involving entities under common control during the period:

Name of acquiree	Proportion of equity interests acquired in business combination	Basis for business combination under common control	Acquisi-tion Date	Basis for determina-tion of acquisi-tion date	From the beginning of the period to the acquisition date			2023	
					Income	Net profit	Net change in cash and cash equivalents	Income	Net profit
CNPC Electric Energy	100.00%	The Company and CNPC Electric Energy are under the ultimate control of CNPC before and after the business combination and the control is not temporary	October 29, 2024	Acquisition of actual control	9,151	222	-	11,076	270

CNPC Electric Energy was established in October 2017. It principally engages in power production and supply as well as power energy development, investment, construction, operation and management. At the 8th meeting of the 9th session of the Board on August 26, 2024, the Board of Directors passed the resolution regarding Daqing Oilfield's acquisition of 100% Equity Interest in CNPC Electric Energy. Pursuant to the resolution, Daqing Oilfield has consented to acquire, and Daqing Petroleum Administration Bureau Co., Ltd. has agreed to divest, 100% equity interests in CNPC Electric Energy. After the completion of the equity acquisition, the Company holds 100% equity of CNPC Electric Energy in total. The consideration of the transaction amount to RMB5,979 and was recorded as an equity transaction.

The book value of the assets and liabilities of the acquiree on the acquisition date:

	CNPC Electric Energy	
	Acquisition date	December 31, 2023
Total current assets	4,848	4,628
Total assets	6,604	6,578
Total current liabilities	798	1,030
Total liabilities	1,419	1,655
Total equity	5,185	4,923

(3) Exchange rates of foreign operations' major financial statement items

Company name	Assets and liabilities	
	December 31, 2024	December 31,2023
PetroKazakhstan Inc.	1 USD =7.1884 RMB	1 USD =7.0827 RMB
PetroChina Hong Kong Limited	1 HKD =0.9260 RMB	1 HKD =0.9062 RMB
Singapore Petroleum Company Limited	1 USD =7.1884 RMB	1 USD =7.0827 RMB

(All amounts in RMB millions unless otherwise stated)

Owner's equity items, except for "undistributed profit", are using the spot exchange rate at the time of incurrence. Revenue, expense and cash flow items are using the spot rate or an approximate spot exchange rate on the date of the transaction.

7 CASH AT BANK AND ON HAND

	December 31, 2024	December 31, 2023
Cash on hand	15	17
Cash at bank	213,410	265,864
Other monetary funds	2,821	3,992
	216,246	269,873

The Group's cash at bank and on hand included the following foreign currencies as of December 31, 2024:

Foreign Name	Foreign currency	Exchange rate	RMB equivalent
USD	17,661	7.1884	126,954
HKD	9,487	0.9260	8,785
KZT	100,693	0.0139	1,400
Others			2,811
			139,950

The Group's cash at bank and on hand included the following foreign currencies as of December 31, 2023:

Foreign Name	Foreign currency	Exchange rate	RMB equivalent
USD	19,669	7.0827	139,310
HKD	7,052	0.9062	6,391
KZT	43,281	0.0156	675
Others			803
			147,179

The Group's cash at bank and on hand in foreign currencies mainly comprise cash at bank.

The carrying amount of the Group's cash at bank deposited at related finance company was RMB62,843 as of December 31, 2024 (December 31, 2023: RMB46,154).

There were no deposits held in margin accounts were pledged as collateral for USD loans as of December 31, 2024. (December 31, 2023: RMB2,140).

8 DERIVATIVE FINANCIAL ASSETS AND DERIVATIVE FINANCIAL LIABILITIES

Derivative financial assets and derivative financial liabilities of the Group are mainly commodity futures, commodity swaps and commodity forwards contracts. See Note 61.

(All amounts in RMB millions unless otherwise stated)

9 ACCOUNTS RECEIVABLE

	The Group		The Company	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Accounts receivable	74,678	71,763	7,807	8,991
Less: Provision for bad debts	(3,068)	(2,757)	(588)	(517)
	71,610	69,006	7,219	8,474

The aging of accounts receivable and related provision for bad debts are analysed as follows:

	The Group					
	December 31, 2024			December 31, 2023		
	Amount	Percentage %	Provision for bad debts	Amount	Percentage %	Provision for bad debts
Within 1 year	69,615	93	(1,050)	68,143	95	(921)
1 to 2 years	2,332	3	(87)	1,644	2	(148)
2 to 3 years	899	1	(180)	380	1	(230)
Over 3 years	1,832	3	(1,751)	1,596	2	(1,458)
	74,678	100	(3,068)	71,763	100	(2,757)

	The Company					
	December 31, 2024			December 31, 2023		
	Amount	Percentage %	Provision for bad debts	Amount	Percentage %	Provision for bad debts
Within 1 year	6,386	82	(85)	7,345	81	(72)
1 to 2 years	470	6	(15)	1,222	14	(55)
2 to 3 years	570	7	(107)	1	-	-
Over 3 years	381	5	(381)	423	5	(390)
	7,807	100	(588)	8,991	100	(517)

The aging is counted starting from the date when accounts receivable are recognised.

The Group measures loss allowance for accounts receivable at an amount equal to lifetime ECLs. The ECLs were calculated by reference to the historical actual credit loss experience. The rates were considered the differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables. The Group performed the calculation of ECL rates by the operating segment and geography.

(All amounts in RMB millions unless otherwise stated)

The provision for bad debts of accounts receivable is analysed by category as follows:

	December 31, 2024				December 31, 2023			
	Gross carrying amount		Provision for bad debts		Gross carrying amount		Provision for bad debts	
	Amount	Percentage %	Amount	Percentage %	Amount	Percentage %	Amount	Percentage %
Provision for bad debts on an individual basis (i)	4,457	6	(2,014)	45.2	2,343	3	(1,124)	48.0
Provision for bad debts on a collective basis (ii)	70,221	94	(1,054)	1.5	69,420	97	(1,633)	2.4
	74,678	100	(3,068)		71,763	100	(2,757)	

(i) Accounts receivable for which the related provision for bad debts is provided on an individual basis are analysed as follows:

As part of such accounts receivable have a long ageing, the Group estimates the recoverable amount based on the business operation, financial information and other available information of the debtor, and recognises the ECL as the difference between the accounts receivable and the amount that may be recovered under the contract.

(ii) Provision for bad debts made on a collective basis for accounts receivable is analysed as follows:

	December 31, 2024			December 31, 2023		
	Gross carrying amount	Provision for bad debts		Gross carrying amount	Provision for bad debts	
		Lifetime ECL rates	Amount		Lifetime ECL rates	Amount
Current	66,438	0.2%	101	64,668	0.6%	371
Within one year past due	1,732	3.9%	67	2,520	2.8%	70
One-two years past due	589	13.8%	81	934	13.7%	128
Two-three years past due	790	22.8%	180	372	61.6%	229
Over three years past due	672	93.0%	625	926	90.2%	835
	70,221		1,054	69,420		1,633

As of December 31, 2024, the top five debtors of accounts receivable of the Group amounted to RMB23,088, representing 31% of total accounts receivable, and the corresponding balance of provision for bad and doubtful debts was RMB789 (As of December 31, 2023, the top five debtors of accounts receivable of the Group amounted to RMB27,509, representing 38% of total accounts receivable, and the corresponding balance of provision for bad and doubtful debts was RMB645).

During the year ended December 31, 2024 and the year ended December 31, 2023, the Group had no significant write-off of accounts receivable.

(All amounts in RMB millions unless otherwise stated)

10 RECEIVABLES FINANCING

Receivables financing mainly represents bills of acceptance issued by banks for the sale of goods and rendering of services.

The Group's business model of financial assets at fair value through other comprehensive income is achieved both by collecting contractual cash flows and selling of these assets. In 2024, the bank acceptance notes endorsed or discounted by the Group and all the risks and rewards of ownership of the bank acceptance notes were substantially transferred to other parties, the carrying amounts of such bank acceptance notes derecognised amounted to RMB2,512 and RMB26,650 (2023: RMB3,605 and RMB16,533) respectively, with the losses on discount of RMB68 recognised in profit or loss (2023: RMB172).

As of December 31, 2024 and December 31, 2023, all receivables financing of the Group are due within one year.

11 Prepayment

	December 31, 2024	December 31, 2023
Prepayment	14,504	14,270
Less: Provision for impairment	(312)	(355)
	14,192	13,915

As of December 31, 2024 and December 31, 2023, advances to suppliers of the Group were mainly aged within one year.

As of December 31, 2024, the top five debtors of advances to suppliers of the Group amounted to RMB5,639, representing 39% of total advances to suppliers (As of December 31, 2023, the top five debtors of advances to suppliers of the Group amounted to RMB5,533, representing 39% of total advances to suppliers).

12 OTHER RECEIVABLES

	The Group		The Company	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Dividends receivable	1,965	49	21	22
Others (a)	32,422	32,114	8,433	15,213
Total	34,387	32,163	8,454	15,235

(a) The aging of other receivables and the related provision for bad debts are analysed as follows

	The Group					
	December 31, 2024			December 31, 2023		
	Amount	Percentage %	Provision for bad debts	Amount	Percentage %	Provision for bad debts
Within 1 year	26,291	74	(230)	27,906	79	(86)
1 to 2 years	3,529	10	(207)	1,261	4	(87)
2 to 3 years	721	2	(48)	1,200	3	(155)
Over 3 years	5,155	14	(2,789)	4,811	14	(2,736)
	35,696	100	(3,274)	35,178	100	(3,064)

(All amounts in RMB millions unless otherwise stated)

	The Company					
	December 31, 2024			December 31, 2023		
	Amount	Percentage %	Provision for bad debts	Amount	Percentage %	Provision for bad debts
Within 1 year	5,639	56	(33)	12,958	77	(111)
1 to 2 years	981	10	(110)	617	4	(19)
2 to 3 years	398	4	(20)	1,726	10	(914)
Over 3 years	3,074	30	(1,496)	1,590	9	(634)
	10,092	100	(1,659)	16,891	100	(1,678)

The provision for bad debts of other receivables is analysed by category as follows:

	December 31, 2024				December 31, 2023			
	Gross carrying amount		Provision for bad debts		Gross carrying amount		Provision for bad debts	
	Amount	Percentage %	Amount	Percentage %	Amount	Percentage %	Amount	Percentage %
Provision for bad debts on an individual basis	3,474	10	(3,271)	94.2	3,164	9	(3,042)	96.1
Provision for bad debts on a collective basis	32,222	90	(3)	0.0	32,014	91	(22)	0.1
	35,696	100	(3,274)		35,178	100	(3,064)	

The aging is counted starting from the date when other receivables are recognised.

As of December 31, 2024, the top five debtors of other receivables of the Group amounted to RMB14,194, representing 40% of total other receivables, and there were no provision for bad and doubtful debts (As of December 31, 2023, the top five debtors of other receivables of the Group amounted to RMB11,220, representing 32% of total other receivables, and the provision for bad and doubtful debts amounted to RMB2).

As of December 31, 2024 and December 31, 2023, the Group's other receivables are mainly in the first stage, i.e. Credit risk has not increased significantly since initial recognition.

During the year ended December 31, 2024 and the year ended December 31, 2023, the Group had no significant write-off of other receivables.

(All amounts in RMB millions unless otherwise stated)

13 INVENTORIES

	December 31, 2024	December 31, 2023
Cost		
Crude oil and other raw materials	63,516	62,890
Work in progress	16,073	21,386
Finished goods	91,394	102,041
Spare parts and low-value consumables	189	119
	171,172	186,436
Less: Write down in inventories	(2,834)	(5,797)
Net book value	168,338	180,639

14 OTHER CURRENT ASSETS

The balance of other current assets mainly consists of value-added tax recoverable and prepaid income tax.

15 LONG-TERM EQUITY INVESTMENTS

	The Group			
	December 31, 2023	Additions	Reductions	December 31, 2024
Associates and joint ventures (a)	286,663	27,443	(18,427)	295,679
Less: Provision for impairment (b)	(5,691)	(125)	214	(5,602)
	280,972			290,077

	The Company			
	December 31, 2023	Additions	Reductions	December 31, 2024
Subsidiaries (c)	294,934	23,538	(347)	318,125
Associates and joint ventures	215,775	16,562	(8,932)	223,405
Less: Provision for impairment	(381)	(9)	6	(384)
	510,328			541,146

As of December 31, 2024, the above-mentioned investments were not subject to restriction on conversion into cash or remittance of investment income.

(All amounts in RMB millions unless otherwise stated)

(a) Principal associates and joint ventures of the Group

Company name	Country of incorporation	Principal activities	Registered capital	Interest held% Direct	Interest held% Indirect	Voting rights %	Accounting method	Strategic decisions relating to the Group's activities
China Oil & Gas Piping Network Corporation ("PipeChina")	PRC	Pipeline transport, storage service, import of equipment, import and export of techniques, science and technology research, research and application of informatization, technology consulting, technology service, technology transfer, promotion of technology	500,000	29.90	-	29.90	Equity method	Yes
China Petroleum Finance Co., Ltd. ("CP Finance")	PRC	Deposits, loans, settlement, lending, bills acceptance discounting, guarantee and other banking business	16,395	32.00	-	32.00	Equity method	No
CNPC Captive Insurance Co., Ltd.	PRC	Property loss insurance, liability insurance, credit insurance and deposit insurance; as well as the application of the above insurance reinsurance and insurance capital business	6,000	49.00	-	49.00	Equity method	No
China Marine Bunker (PetroChina) Co., Ltd.	PRC	Oil import and export trade and transportation, sale and storage	1,000	-	50.00	50.00	Equity method	No
Mangistau Investment B.V.	Netherlands	Engaged in investment activities, the principal activities of its main subsidiaries are exploration, development and sales of oil and gas	USD131 million	-	50.00	50.00	Equity method	No
Trans-Asia Gas Pipeline Co., Ltd.	PRC	Main contractor, investment holding, investment management, investment consulting, enterprise management advisory, technology development, promotion and technology consulting	5,000	-	50.00	50.00	Equity method	No

Investments in principal associates and joint ventures are listed below:

(All amounts in RMB millions unless otherwise stated)

	Investment cost	December 31, 2023	Investment income recognised under equity method	Other comprehensive income	Cash dividend declared	Others	December 31, 2024
PipeChina	149,500	160,445	8,915	-	(5,452)	89	163,997
CP Finance	10,223	28,259	1,933	306	(2,277)	-	28,221
CNPC Captive Insurance Co., Ltd.	2,450	3,677	116	-	(47)	-	3,746
China Marine Bunker (PetroChina) Co., Ltd.	1,298	1,097	91	3	(37)	-	1,154
Mangistau Investment B.V.	21	4,741	269	(286)	(677)	-	4,047
Trans-Asia Gas Pipeline Co., Ltd.	2,017	25,349	1,982	(859)	(3,350)	-	23,122

Associates

Summarised consolidated balance sheet in respect of the Group's principal associates and reconciliation to carrying amount is as follows:

	PipeChina		CP Finance		CNPC Captive Insurance Co., Ltd.	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Percentage of ownership interest (%)	29.90	29.90	32.00	32.00	49.00	49.00
Current assets	70,803	118,631	392,405	437,359	8,561	10,346
Non-current assets	857,411	821,864	123,326	90,746	2,369	576
Current liabilities	111,879	130,331	422,634	436,116	234	271
Non-current liabilities	218,629	225,296	5,998	4,771	3,052	3,147
Net assets	597,706	584,868	87,099	87,218	7,644	7,504
Net assets attributable to owners of the Company	548,484	536,607	87,099	87,218	7,644	7,504
Group's share of net assets	163,997	160,445	27,872	27,910	3,746	3,677
Goodwill	-	-	349	349	-	-
Carrying amount of interest in associates	163,997	160,445	28,221	28,259	3,746	3,677

Summarised income statement and dividends received by the Group is as follows:

	PipeChina		CP Finance		CNPC Captive Insurance Co., Ltd.	
	2024	2023	2024	2023	2024	2023
Operating income	119,800	120,943	16,729	17,834	1,507	1,289
Net profit	34,010	34,054	6,040	6,625	236	459
Other comprehensive income	-	-	956	996	-	-
Total comprehensive income	34,010	34,054	6,996	7,621	236	459
Total comprehensive income attributable to owners of the Company	29,817	28,823	6,996	7,621	236	459
Group's share of total comprehensive income	8,915	8,618	2,239	2,439	116	225
Dividends received by the Group	5,452	4,925	2,277	842	47	93

(All amounts in RMB millions unless otherwise stated)

Joint ventures

Summarised consolidated balance sheet as included in their own financial statements, adjusted for fair value adjustments and differences in accounting policies in respect of the Group's principal joint ventures and reconciliation to carrying amount is as follows:

	China Marine Bunker (PetroChina) Co., Ltd.		Mangistau Investment B.V.		Trans-Asia Gas Pipeline Co., Ltd.	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Percentage of ownership interest (%)	50.00	50.00	50.00	50.00	50.00	50.00
Non-current assets	1,781	1,755	8,911	10,062	45,436	52,272
Current assets	10,575	10,460	2,925	2,879	6,843	622
Including: cash and cash equivalents	2,491	2,983	1,686	1,592	6,836	611
Non-current liabilities	147	178	2,517	2,164	2,124	2,106
Current liabilities	9,538	9,507	1,225	1,295	3,911	90
Net assets	2,671	2,530	8,094	9,482	46,244	50,698
Net assets attributable to owners of the Company	2,308	2,194	8,094	9,482	46,244	50,698
Group's share of net assets	1,154	1,097	4,047	4,741	23,122	25,349
Carrying amount of interest in joint ventures	1,154	1,097	4,047	4,741	23,122	25,349

Summarised income statement and dividends received by the Group is as follows:

	China Marine Bunker (PetroChina) Co., Ltd.		Mangistau Investment B.V.		Trans-Asia Gas Pipeline Co., Ltd.	
	2024	2023	2024	2023	2024	2023
Operating income	65,524	63,485	13,323	13,684	18	21
Finance expenses	(262)	(261)	17	(229)	219	16
Including: Interest income	116	128	47	17	181	29
Interest expense	(385)	(381)	(270)	(223)	(47)	(47)
Taxation	(80)	(76)	(597)	(742)	(1,000)	(94)
Net profit	236	201	538	816	3,964	4,404
Other comprehensive income	4	11	(572)	234	(1,719)	474
Total comprehensive income	240	212	(34)	1,050	2,245	4,878
Total comprehensive income attributable to owners of the Company	187	170	(34)	1,050	2,245	4,878
Group's share of total comprehensive income	94	85	(17)	525	1,123	2,439
Dividends received by the Group	37	23	677	-	3,350	680

Dividends received and receivable from associates and joint ventures were RMB14,449 in 2024 (2023: RMB8,764).

In 2024, investments in associates and joint ventures of RMB259 (2023: RMB749) were disposed, resulting in a loss of RMB41 (2023: RMB36) which was included in investment income, net .

(All amounts in RMB millions unless otherwise stated)

In 2024, the share of profit and other comprehensive income in all individually immaterial associates and joint ventures accounted for using equity method in aggregate was RMB5,338 (2023: RMB4,361) and RMB1,048 (2023: a loss of RMB601), respectively.

(b) Provision for impairment

	December 31, 2023	Additions	Reductions	December 31, 2024
Associates and joint ventures				
Petrourica S.A.	(3,401)	(51)	-	(3,452)
PetroChina Shouqi Sales Company Limited	(60)	-	-	(60)
PetroChina Beiqi Sales (Beijing) Company Limited	(49)	-	-	(49)
Others	(2,181)	(74)	214	(2,041)
	(5,691)	(125)	214	(5,602)

(c) Subsidiaries

Investment in subsidiaries:

	Investment cost	December 31, 2023	Additions	Reductions	December 31, 2024
Daqing Oilfield Company Limited	66,720	66,720	-	-	66,720
PetroChina International Investment Company Limited	36,042	35,041	1,001	-	36,042
Guangdong Petrochemical Co., Ltd	25,647	25,647	-	-	25,647
PetroChina Hong Kong Limited	25,590	25,590	-	-	25,590
CNPC Exploration and Development Company Limited	23,778	23,778	-	-	23,778
PetroChina Sichuan Petrochemical Company Limited	21,600	21,600	-	-	21,600
PetroChina International Company Limited	18,953	18,953	-	-	18,953
Others		77,605	22,537	(347)	99,795
Total		294,934	23,538	(347)	318,125

(All amounts in RMB millions unless otherwise stated)

Major financial information in respect of the Group's principal subsidiaries with significant non-controlling interest is as follows:

Summarised balance sheet is as follows:

	CNPC Exploration and Development Company Limited		PetroChina Sichuan Petrochemical Company Limited		Guangdong Petrochemical Co., Ltd	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Percentage of ownership interest (%)	50.00	50.00	90.00	90.00	90.00	90.00
Current assets	91,210	49,758	15,662	13,827	9,377	15,458
Non-current assets	133,703	168,939	12,820	14,747	61,605	66,793
Current liabilities	11,840	17,665	2,922	3,736	9,340	17,420
Non-current liabilities	13,432	12,545	79	240	32,428	35,428
Net assets	199,641	188,487	25,481	24,598	29,214	29,403

Summarised income statement is as follows:

	CNPC Exploration and Development Company Limited		PetroChina Sichuan Petrochemical Company Limited		Guangdong Petrochemical Co., Ltd	
	2024	2023	2024	2023	2024	Since August 26, 2023 (the date of incorporation) to December 31, 2023
Revenue	52,221	52,061	58,750	50,066	112,684	19,094
Net profit	16,871	16,253	929	218	19	417
Total comprehensive income	16,484	18,942	929	218	19	417
Profit attributable to non-controlling interests	9,123	8,731	93	22	2	42
Dividends paid to non-controlling interests	3,339	2,916	5	-	21	-

Summarised statement of cash flows is as follows:

	CNPC Exploration and Development Company Limited		PetroChina Sichuan Petrochemical Company Limited		Guangdong Petrochemical Co., Ltd	
	2024	2023	2024	2023	2024	Since August 26, 2023 (the date of incorporation) to December 31, 2023
Net cash flows from operating activities	12,929	10,996	3,503	3,482	10,573	150

(All amounts in RMB millions unless otherwise stated)

16 FIXED ASSETS

	December 31, 2023	Additions	Reductions	December 31, 2024
Cost				
Buildings	284,485	13,946	(4,280)	294,151
Equipment and Machinery	898,249	60,064	(15,270)	943,043
Motor Vehicles	20,609	461	(1,095)	19,975
Others	49,875	3,150	(1,969)	51,056
Total	1,253,218	77,621	(22,614)	1,308,225
Accumulated depreciation				
Buildings	(137,174)	(14,770)	2,175	(149,769)
Equipment and Machinery	(535,378)	(43,636)	12,141	(566,873)
Motor Vehicles	(16,364)	(739)	1,023	(16,080)
Others	(27,410)	(2,601)	1,392	(28,619)
Total	(716,326)	(61,746)	16,731	(761,341)
Fixed assets, net				
Buildings	147,311			144,382
Equipment and Machinery	362,871			376,170
Motor Vehicles	4,245			3,895
Others	22,465			22,437
Total	536,892			546,884
Provision for impairment				
Buildings	(6,752)	(240)	243	(6,749)
Equipment and Machinery	(50,419)	(2,175)	2,140	(50,454)
Motor Vehicles	(127)	(2)	4	(125)
Others	(9,536)	(49)	436	(9,149)
Total	(66,834)	(2,466)	2,823	(66,477)
Net book value				
Buildings	140,559			137,633
Equipment and Machinery	312,452			325,716
Motor Vehicles	4,118			3,770
Others	12,929			13,288
Total	470,058			480,407

Depreciation charged to profit or loss provided on fixed assets for the year ended December 31, 2024 was RMB50,126 (2023: RMB49,750). Cost transferred from construction in progress to fixed assets was RMB58,505 (2023: RMB56,190).

As of December 31, 2024, the Group's fixed assets under operating leases were mainly equipment and machinery, the net book value of which amounted to RMB1,561 (2023: RMB1,683).

As of December 31, 2024, fixed assets with a book value of RMB1,134 (December 31, 2023: RMB836) were used as collateral for long-term borrowings of RMB1,032 (2023: RMB890) (Note 33).

(All amounts in RMB millions unless otherwise stated)

17 OIL AND GAS PROPERTIES

	December 31, 2023	Additions	Reductions	December 31, 2024
Cost				
Mineral interests	75,195	883	(4,114)	71,964
Wells and related facilities	2,765,686	204,124	(58,623)	2,911,187
Total	2,840,881	205,007	(62,737)	2,983,151
Accumulated depletion				
Mineral interests	(27,270)	(1,416)	1,723	(26,963)
Wells and related facilities	(1,832,885)	(161,453)	42,113	(1,952,225)
Total	(1,860,155)	(162,869)	43,836	(1,979,188)
Oil and gas properties, net				
Mineral interests	47,925			45,001
Wells and related facilities	932,801			958,962
Total	980,726			1,003,963
Provision for impairment				
Mineral interests	(36,771)	-	2,268	(34,503)
Wells and related facilities	(87,699)	(7,575)	1,250	(94,024)
Total	(124,470)	(7,575)	3,518	(128,527)
Net book value				
Mineral interests	11,154			10,498
Wells and related facilities	845,102			864,938
Total	856,256			875,436

Depletion charged to profit or loss provided on oil and gas properties for the year ended December 31, 2024 was RMB160,864 (2023: RMB155,756). Cost transferred from construction in progress to oil and gas properties was RMB184,026 (2023: RMB205,739).

The Group's oil, gas and new energy segment determines whether there are any indicators of impairment for the oil and gas fields or blocks according to the guidelines issued by the Group on the identification of impairment signs of oil and gas assets, and performs the impairment tests on those oil and gas fields or blocks with indications of impairment, and reports the results to the Group's internal professional team (including exploration and finance expert) for further overall assessment and evaluation. The results of the impairment tests will be approved by the Group's management. The Group recorded impairment losses amounting to RMB7,575 related to oil and gas properties under the oil, gas and new energy segment for the year ended December 31, 2024 (2023: RMB20,330) due to decline in oil and gas reserves in certain oil and gas fields or blocks or change in business condition. The carrying amount of those impaired oil and gas properties was written down to their respective recoverable amounts, which were primarily determined using the discounted cash flow model. The Group's forecast of crude oil price is based on the prediction of the crude oil market and referring to the crude oil forecast prices published by a series of institutions; the forecast of future oil and gas production is based on the relevant future production in the oil and gas reserves assessment report evaluated by the oil and gas reserves assessment experts and approved by the management.

(All amounts in RMB millions unless otherwise stated)

The discount rates are based on the industry's weighted average cost of capital and adjusted for specific risks for the Group. In 2024, the after-tax discount rates adopted by most oil and gas fields or blocks of the Group ranged from 6.70% to 13.04% (2023: 6.70% to 14.10%) per annum.

As of December 31, 2024, the asset retirement obligations capitalised in the cost of oil and gas properties amounted to RMB151,832 (December 31, 2023: RMB131,124). Related depletion charge for the year ended December 31, 2024 was RMB4,889 (December 31, 2023: RMB4,935).

18 CONSTRUCTION IN PROGRESS

Project Name	Budget	December 31, 2023	Additions	Transferred to fixed assets or oil and gas properties	Other Reductions	December 31, 2024	Proportion of construction compared to budget	Capitalised interest expense	Including: capitalised interest expense for current year	Source of fund
Refining and chemical transformation and upgrading project of Jilin Petrochemical Company	33,945	6,080	12,893	(2,359)	-	16,614	56.4%	187	174	Self & loan
Guangxi Petrochemical Company integration of refining and petrochemical transformation and upgrading project	30,459	1,535	7,186	(2)	-	8,719	43.4%	-	-	Self
Restart and supporting new energy project of Qinghai Oilfield Golmud Gas Turbine Power Station	4,225	-	2,901	-	-	2,901	68.0%	(19)	(19)	Self & loan
Others		198,507	246,802	(240,176)	(7,852)	197,281		1,737	415	
		206,122	269,782	(242,537)	(7,852)	225,515		1,905	570	
Less:										
Provision for impairment		(8,634)	(2,266)	-	352	(10,548)				
		197,488				214,967				

For the year ended December 31, 2024, the capitalised interest expense amounted to RMB570 (2023: RMB478). The average annual interest rates used to determine the capitalised amount for the year ended December 31, 2024 were 2.80% (2023: 3.49%).

(All amounts in RMB millions unless otherwise stated)

19 LEASES

The leases where the Group is a lessee

Right-of-use Assets

	December 31, 2023	Additions	Reductions	December 31, 2024
Cost				
Land use rights	103,119	3,571	(862)	105,828
Buildings	58,262	6,575	(7,625)	57,212
Equipment and Machinery	7,417	3,230	(2,824)	7,823
Others	1,120	261	(515)	866
Total	169,918	13,637	(11,826)	171,729
Accumulated depreciation				
Land use rights	(17,438)	(4,237)	543	(21,132)
Buildings	(22,351)	(6,922)	4,355	(24,918)
Equipment and Machinery	(3,913)	(2,240)	2,006	(4,147)
Others	(704)	(218)	331	(591)
Total	(44,406)	(13,617)	7,235	(50,788)
Provision for impairment				
Buildings	(76)	-	-	(76)
Total	(76)	-	-	(76)
Net book value				
Land use rights	85,681			84,696
Buildings	35,835			32,218
Equipment and Machinery	3,504			3,676
Others	416			275
Total	125,436			120,865

The Group's right-of-use assets mainly include leased land use rights, buildings, equipment and machinery. The leases underlying assets classified as buildings are mainly the leased gas filling stations, oil storages and office buildings. The leases underlying assets classified as equipment and machinery are mainly production equipment and other movable equipment.

Depreciation charged to profit or loss provided on right-of-use assets for the year ended December 31, 2024 was RMB13,617 (December 31, 2023: RMB12,006).

Lease Liabilities

	December 31, 2024	December 31, 2023
Lease liabilities	118,619	121,220
Less: Lease liabilities due within one year (Note 32)	(8,651)	(7,780)
	109,968	113,440

(All amounts in RMB millions unless otherwise stated)

Analysis of the undiscounted cash flow of the lease liabilities is as follows：

	December 31, 2024	December 31, 2023
Within 1 year	9,588	12,355
1 to 2 years	11,458	11,720
2 to 5 years	28,363	29,252
Over 5 years	138,564	140,715
	187,973	194,042

20 INTANGIBLE ASSETS

	December 31, 2023	Additions	Reductions	December 31, 2024
Cost				
Land use rights	103,349	3,713	(973)	106,089
Franchise	24,075	160	(97)	24,138
Patents	6,389	10	-	6,399
Others	20,647	2,006	(1,106)	21,547
Total	154,460	5,889	(2,176)	158,173
Accumulated amortisation				
Land use rights	(31,687)	(3,032)	234	(34,485)
Franchise	(10,607)	(659)	40	(11,226)
Patents	(4,117)	(229)	-	(4,346)
Others	(14,239)	(1,148)	1,089	(14,298)
Total	(60,650)	(5,068)	1,363	(64,355)
Intangible assets, net				
Land use rights	71,662			71,604
Franchise	13,468			12,912
Patents	2,272			2,053
Others	6,408			7,249
Total	93,810			93,818
Provision for impairment	(1,065)	-	37	(1,028)
Net book value	92,745			92,790

Amortisation charged to profit or loss provided on intangible assets for the year ended December 31, 2024 was RMB4,977 (December 31, 2023: RMB5,136).

(All amounts in RMB millions unless otherwise stated)

21 GOODWILL

	December 31, 2024	December 31, 2023
Cost		
Petrolneos Trading Limited	4,862	4,790
Singapore Petroleum Company Limited	3,165	3,119
Others	856	861
Total	8,883	8,770
Provision for impairment	(1,447)	(1,328)
Net book value	7,436	7,442

Goodwill primarily relates to the acquisition of Singapore Petroleum Company Limited and Petrolneos Trading Limited, subsidiaries in the marketing segment, completed in 2009 and 2011, respectively.

The impairment of goodwill shall be tested in combination with its related asset groups. The recoverable amount of all cash-generating units has been determined based on the higher of fair value less costs to sell and value in use. These calculations use post-tax cash flow projections based on financial budgets prepared by the management. The post-tax discount rates reflect specific risks relating to the cash-generating unit.

For impairment test of the goodwill, the post-tax discount rates ranged from 6.90% to 11.60% (2023: 8.90% to 11.75%) were used by the management, and the impairment loss recoginsed for the year ended December 31, 2024 was RMB101 (there was no impairment loss recoginsed for the year ended December 31, 2023).

22 LONG-TERM PREPAID EXPENSES

	December 31, 2023	Additions	Reductions	December 31, 2024
Catalyst	8,547	2,064	(2,121)	8,490
Lease asset improvement expenses	2,532	375	(842)	2,065
Others	3,010	1,262	(809)	3,463
Total	14,089	3,701	(3,772)	14,018

23 OTHER NON-CURRENT ASSETS

Other non-current assets consist primarily of long-term accounts receivables, time deposits over one year, prepayments for construction project and equipment.

(All amounts in RMB millions unless otherwise stated)

24 PROVISION FOR ASSETS

	December 31, 2023	Additions	Reversal	Write-off and others	December 31, 2024
Provision for bad debts	5,821	831	(47)	(263)	6,342
Including:					
Provision for bad debts of accounts receivable	2,757	575	(42)	(222)	3,068
Provision for bad debts of other receivables	3,064	256	(5)	(41)	3,274
Provision for impairment of advances to suppliers	355	1	-	(44)	312
Provision for declines in the value of inventories	5,797	2,680	(313)	(5,330)	2,834
Provision for impairment of long-term equity investments	5,691	42	-	(131)	5,602
Provision for impairment of fixed assets	66,834	1,936	-	(2,293)	66,477
Provision for impairment of oil and gas properties	124,470	7,575	-	(3,518)	128,527
Provision for impairment of construction in progress	8,634	2,266	-	(352)	10,548
Provision for impairment of intangible assets	1,065	-	-	(37)	1,028
Provision for impairment of goodwill	1,328	101	-	18	1,447
Provision for impairment of right-of-use assets	76	-	-	-	76
Provision for impairment of other non-current assets	166	23	(75)	329	443
Total	220,237	15,455	(435)	(11,621)	223,636

25 SHORT-TERM BORROWINGS

	December 31, 2024	December 31, 2023
Guarantee - USD	990	900
Mortgage - RMB	-	553
Unsecured - RMB	20,269	17,510
Unsecured - USD	22,129	16,252
Unsecured - JPY	2,565	3,153
Unsecured - Other	2	611
	45,955	38,979

As of December 31, 2024, the above guaranteed USD borrowings were mainly guaranteed by minority shareholders of relevant non-wholly-owned subsidiaries. There were no USD pledge loans (As of December 31, 2023, the mortgage borrowings were secured by intangible assets with a carrying amount of RMB297).

The weighted average interest rate for short-term borrowings as of December 31, 2024 was 3.23% per annum (December 31, 2023: 3.94%).

26 NOTES PAYABLE

As of December 31, 2024, notes payable mainly represented bank acceptance (As of December 31, 2023, mainly represented commercial acceptance). All notes payable are matured within one year.

(All amounts in RMB millions unless otherwise stated)

27 ACCOUNTS PAYABLE

The aging of accounts payable is analysed as follows:

	The Group			
	December 31, 2024		December 31, 2023	
	Amount	Percentage of total balance %	Amount	Percentage of total balance %
Within 1 year	246,807	91	257,840	89
1 to 2 years	11,582	4	14,275	5
2 to 3 years	3,377	1	4,645	2
Over 3 years	11,019	4	13,174	4
	272,785	100	289,934	100

As of December 31, 2024, accounts payable aged over one year amounted to RMB25,978 (December 31, 2023: RMB32,094), and mainly comprised of unsettled payables to suppliers.

28 CONTRACT LIABILITIES

Contract liabilities mainly represented advances from customers related to the sales of refined oil and natural gas. As of December 31, 2024, the contract liabilities aged over one year amounted to RMB4,793 (December 31, 2023: RMB3,742). The majority of related obligations were expected to be performed with corresponding revenue recognised within one year.

29 EMPLOYEE COMPENSATION PAYABLE

(1) Employee compensation payable listed as below

	December 31, 2023	Additions	Reductions	December 31, 2024
Short-term employee benefits	8,563	156,881	(157,381)	8,063
Post-employment benefits-defined contribution plans	27	24,893	(24,889)	31
Termination benefits	2	90	(91)	1
	8,592	181,864	(182,361)	8,095

The employee compensation payable includes the salary of employees and marketised temporary and seasonal workers, various insurance, housing fund, training expenses and other surcharges.

(All amounts in RMB millions unless otherwise stated)

(2) Short-term employee benefits

	December 31, 2023	Additions	Reductions	December 31, 2024
Wages, salaries and allowances	3,076	119,555	(119,618)	3,013
Staff welfare	-	10,131	(10,131)	-
Social security contributions	492	11,791	(11,806)	477
Including:				
Medical insurance	475	10,857	(10,872)	460
Work-related injury insurance	14	884	(884)	14
Maternity insurance	3	50	(50)	3
Housing provident funds	3	11,705	(11,702)	6
Labour union funds and employee education funds	4,940	3,645	(4,069)	4,516
Others	52	54	(55)	51
	8,563	156,881	(157,381)	8,063

(3) Post-employment benefits-defined contribution plans

	December 31, 2023	Additions	Reductions	December 31, 2024
Basic pension insurance	21	15,912	(15,912)	21
Unemployment insurance	2	568	(568)	2
Annuity	4	8,413	(8,409)	8
	27	24,893	(24,889)	31

As of December 31, 2024, employee benefits payable did not contain any balance in arrears.

30 TAXES PAYABLE

	December 31, 2024	December 31, 2023
Levy for mineral rights concessions payable	17,208	23,626
Income tax payable	15,113	11,174
Consumption tax payable	12,871	15,335
Value added tax payable	3,145	5,231
Crude oil special gain levy payable	1,135	5,557
Others	10,773	13,068
	60,245	73,991

(All amounts in RMB millions unless otherwise stated)

31 OTHER PAYABLES

As of December 31, 2024, other payables mainly comprised construction fee, deposit, earnest money, caution money and insurance payables. Other payables aged over one year amounted to RMB7,294 (December 31, 2023: RMB7,065).

32 CURRENT PORTION OF NON-CURRENT LIABILITIES

	December 31, 2024	December 31, 2023
Long-term borrowings due within one year	86,316	72,532
Debentures payable due within one year	6,512	37,269
Long-term payables due within one year	278	242
Lease liabilities due within one year	8,651	7,780
	101,757	117,823

33 LONG-TERM BORROWINGS

	December 31, 2024	December 31, 2023
Guarantee - RMB	2,875	3,334
Guarantee - USD	92	98
Pledge - RMB	1,906	2,590
Pledge - USD	-	708
Mortgage - RMB	1,032	890
Unsecured - RMB	82,033	115,365
Unsecured - USD	69,468	71,830
Unsecured - Other	2,982	3,882
	160,388	198,697
Less: Long-term borrowings due within one year (Note 32)	(86,316)	(72,532)
	74,072	126,165

As of December 31, 2024, the above-mentioned guaranteed borrowings were mainly guaranteed by CNPC and its subsidiaries. The RMB pledge borrowings totaling RMB1,906 (2023: RMB2,590) were mainly pledged by natural gas charging rights. There were no USD pledge loans and no deposits held in margin accounts were pledged as collateral for USD loans. (December 31, 2023: RMB2,140). And the secured liabilities were secured by fixed assets with a book value of RMB1,134; construction in progress with a book value of RMB149 and intangible assets with a book value of RMB179 (December 31, 2023: fixed assets with a book value of RMB836; construction in progress with a book value of RMB162 and intangible assets with a book value of RMB24).

(All amounts in RMB millions unless otherwise stated)

As at the balance sheet date, the undiscounted contractual cash flows of the Group's long-term borrowings, analysed by their maturity dates, are as below:

	December 31, 2024	December 31, 2023
Within one year	90,484	83,379
Between one and two years	21,170	87,400
Between two and five years	29,352	25,700
After five years	42,580	22,961
	183,586	219,440

The weighted average interest rate for long-term borrowings as of December 31, 2024 was 4.22% (December 31, 2023: 3.52%).

The fair value of long-term borrowings (including long-term borrowings due within one year) amounted to RMB157,129 (December 31, 2023: RMB196,941). The fair value is based on discounted cash flows using applicable discount rates based upon the prevailing market rates as at balance sheet date of the Group's availability of financial instruments (terms and characteristics similar to the above-mentioned borrowings).

(All amounts in RMB millions unless otherwise stated)

34 DEBENTURES PAYABLE

Debentures' Name	Issue date	Term of Debentures	Annual interest rate %	December 31, 2023	Principal Additions	Changes in interest payable	Principal Reductions	December 31, 2024
2012 PetroChina Company Limited Corporate Debentures first tranche - 15 years	November 22, 2012	15 - year	5.04	2,010	-	-	-	2,010
Kunlun Energy Company Limited priority notes - 10 years	May 13, 2015	10 - year	3.75	3,551	60	-	-	3,611
2016 PetroChina Company Limited Corporate Debentures first tranche - 10 years	January 18, 2016	10 - year	3.50	4,856	-	-	-	4,856
2016 PetroChina Company Limited Corporate Debentures second tranche - 10 years	March 1, 2016	10 - year	3.70	2,371	-	-	-	2,371
2016 PetroChina Company Limited Corporate Debentures third tranche - 10 years	March 22, 2016	10 - year	3.60	2,056	-	-	-	2,056
2019 PetroChina Company Limited first tranche medium-term notes - 5 years	January 22, 2019	5 - year	2.70	3,209	-	(79)	(3,130)	-
2019 PetroChina Company Limited second tranche medium-term notes - 5 years	January 22, 2019	5 - year	2.70	2,820	-	(70)	(2,750)	-
2019 PetroChina Company Limited third tranche medium-term notes - 5 years	February 21, 2019	5 - year	3.66	10,314	-	(314)	(10,000)	-
2019 PetroChina Company Limited fourth tranche medium-term notes - 5 years	February 21, 2019	5 - year	3.66	10,314	-	(314)	(10,000)	-
2019 PetroChina Company Limited fifth tranche medium-term notes - 5 years	April 22, 2019	5 - year	3.96	10,274	-	(274)	(10,000)	-
2022 PetroChina Company Limited first tranche medium-term green notes - 3 years	April 27, 2022	3 - year	2.26	508	-	-	-	508
2022 PetroChina Company Limited second tranche medium-term green notes - 3 years	June 15, 2022	3 - year	2.19	2,019	-	-	-	2,019
2024 PetroChina Company Limited first tranche green two-new medium-term notes - 10 years	September 13, 2024	10 - year	2.24	-	3,000	19	-	3,019
2024 PetroChina Company Limited second tranche medium-term notes – 5 years	September 13, 2024	5 - year	2.08	-	10,000	62	-	10,062
				54,302	13,060	(970)	(35,880)	30,512
Less: Debentures Payable due within one year (Note 32)				(37,269)				(6,512)
				17,033				24,000

(All amounts in RMB millions unless otherwise stated)

The above-mentioned debentures were issued at the par value, without premium or discount.

As of December 31, 2024, the above-mentioned debentures which were guaranteed by CNPC amounted to RMB2,000 (December 31, 2023: RMB2,000).

The fair value of the debentures amounted to RMB30,287 (December 31, 2023: RMB53,410). The fair value is based on discounted cash flows using an applicable discount rate based upon the prevailing market rates as at the balance sheet date of the Group's availability of financial instruments (terms and characteristics similar to the above-mentioned debentures payable).

35 PROVISIONS

	December 31, 2023	Additions	Reductions	December 31, 2024
Asset retirement obligations	144,299	23,670	(5,950)	162,019

Asset retirement obligations are related to oil and gas properties.

36 DEFERRED TAX ASSETS AND LIABILITIES

Deferred tax assets and liabilities before offset are listed as below:

(a) Deferred tax assets

	December 31, 2024		December 31, 2023	
	Deferred tax assets	Deductible temporary differences	Deferred tax assets	Deductible temporary differences
Impairment, depreciation and depletion of assets	7,197	30,409	5,228	25,052
Lease liabilities	28,426	116,712	28,690	119,465
Provisions - Asset retirement obligations	40,117	162,019	34,653	144,299
Wages and welfare	1,286	5,566	1,302	5,795
Carry forward of losses	2,825	11,725	2,581	11,607
Others	16,030	72,490	17,042	77,274
	95,881	398,921	89,496	383,492

At December 31, 2024, certain subsidiaries of the Group did not recognise deferred tax asset of deductible tax losses carried forward of RMB135,495, of which RMB6,591 was incurred for the year ended December 31, 2024, because it was not probable that the related tax benefit will be realised. These deductible tax losses carried forward of RMB469, RMB444, RMB323, RMB176 and RMB134,083 will expire in 2025, 2026, 2027, 2028, 2029 and thereafter, respectively.

(All amounts in RMB millions unless otherwise stated)

(b) Deferred tax liabilities

	December 31, 2024		December 31, 2023	
	Deferred tax liabilities	Taxable temporary differences	Deferred tax liabilities	Taxable temporary differences
Depreciation and depletion of assets	25,089	92,025	31,734	111,445
Right-of-use assets	26,093	107,901	26,508	111,007
Oil and gas properties - Asset retirement obligations	9,660	42,368	5,529	23,888
Others	33,962	160,991	30,742	144,379
	94,804	403,285	94,513	390,719

Deferred tax assets and liabilities after offset are listed as below:

	December 31, 2024	December 31, 2023
Deferred tax assets	26,765	18,127
Deferred tax liabilities	25,688	23,144

37 SHARE CAPITAL

	December 31, 2024	December 31, 2023
H shares	21,099	21,099
A shares	161,922	161,922
	183,021	183,021

The assets and liabilities injected by CNPC in 1999 had been valued by China Enterprise Appraisal Co., Ltd.. The net assets injected by CNPC had been exchanged for 160 billion state-owned shares of the Company with a par value of RMB1.00 yuan per share. The excess of the value of the net assets injected over the par value of the state-owned shares had been recorded as capital surplus.

(All amounts in RMB millions unless otherwise stated)

Pursuant to the approval of CSRC, on April 7, 2000, the Company issued 17,582,418,000 foreign capital stock with a par value of RMB1.00 yuan per share, in which 1,758,242,000 shares were converted from the prior state-owned shares of the Company owned by CNPC.

The above-mentioned foreign capital stock represented by 13,447,897,000 H shares and 41,345,210 ADSs (each representing 100 H shares), were listed on the Stock Exchange of Hong Kong Limited and the New York Stock Exchange Inc. on April 7, 2000 and April 6, 2000, respectively.

The Company issued an additional 3,196,801,818 new H shares with a par value of RMB1.00 yuan per share on September 1, 2005. CNPC also converted 319,680,182 state-owned shares it held into H shares and sold them concurrently with PetroChina's issuance of new H shares.

The Company issued 4,000,000,000 A shares with a par value of RMB1.00 yuan per share on October 31, 2007. The A shares were listed on the Shanghai Stock Exchange on November 5, 2007.

Following the issuance of the A shares, all the existing state-owned shares issued before November 5, 2007 held by CNPC have been registered with the China Securities Depository and Clearing Corporation Limited as A shares.

The Company's ADSs were delisted from the NYSE in September 2022.

38 CAPITAL SURPLUS

	December 31, 2023	Additions	Reductions	December 31, 2024
Capital premium	89,431	-	-	89,431
Other capital surplus				
Capital surplus under the old CAS	40,955	-	-	40,955
Acquisition of CNPC Electric Energy	-	-	(5,979)	(5,979)
Others	(2,708)	113	-	(2,595)
	127,678	113	(5,979)	121,812

39 SURPLUS RESERVES

	December 31, 2023	Additions	Reductions	December 31, 2024
Statutory Surplus Reserves	237,762	14,503	-	252,265
Discretionary Surplus Reserves	40	-	-	40
	237,802	14,503	-	252,305

Pursuant to the Company Law of PRC, the Company's Articles of Association and the resolution of Board of Directors, the Company is required to transfer 10% of its net profit to the Statutory Surplus Reserves. Appropriation to the Statutory Surplus Reserves may be ceased when the fund aggregates to 50% of the Company's registered capital. The Statutory Surplus Reserves may be used to make good previous years' losses or to increase the capital of the Company upon approval.

The Discretionary Surplus Reserves is approved by a resolution of shareholders' general meeting after Board of Directors' proposal. The Company may convert its Discretionary Surplus Reserves to make good previous years' losses or to increase the capital of the Company upon approval. The Company has not extracted Discretionary Surplus Reserves for the year ended (2023: Nil).

(All amounts in RMB millions unless otherwise stated)

40 UNDISTRIBUTED PROFITS

	For the year ended December 31, 2024	For the year ended December 31, 2023
Undistributed profits at the beginning of the period	914,671	845,551
Add: Net profit attributable to equity holders of the Company	164,676	161,414
Less: Appropriation to the Statutory Surplus Reserves	(14,503)	(13,239)
Dividends payable to ordinary shares	(82,360)	(78,699)
Others	(250)	(356)
Undistributed profits at the end of the period	982,234	914,671

Final dividends attributable to owners of the Company in respect of 2023 of RMB0.23 yuan (inclusive of applicable tax) per share, amounting to a total of RMB42,095 were approved by the shareholders in the Annual General Meeting on June 5, 2024 and were paid on June 26, 2024 (A shares) and July 29, 2024 (H shares).

Interim dividends attributable to owners of the Company in respect of 2024 of RMB0.22 yuan (inclusive of applicable tax) per share, amounting to a total of RMB40,265 were authorised by the shareholders in the Annual General Meeting on June 5, 2024, approved by the resolution of Board of Directors on August 26, 2023, and were paid on September 19, 2024 (A shares) and October 28, 2024 (H shares).

In accordance with the resolution of the 11th Meeting of the 9th Session of Board of Directors, the Board of Directors proposed to distribute final dividends attributable to owners of the Company in respect of 2024 of RMB0.25 yuan (inclusive of applicable tax) per share amounting to a total of RMB45,755 according to the issued 183,021 million shares. The above proposal is yet to be approved by the shareholders in the Annual General Meeting and is not recognised as a liability as of December 31, 2024.

41 NON-CONTROLLING INTERESTS

Non-controlling interests attributable to non-controlling interests of subsidiaries:

	Percentage of shares held by non-controlling interests %	Profit or loss attributable to non-controlling interests	Dividends declared to non-controlling interests	Balance of non-controlling interests
CNPC Exploration and Development Company Limited	50.00	9,123	3,339	101,410
Kunlun Energy Company Limited	45.62	6,266	4,722	53,407
Guangdong Petrochemical Company Limited	10.00	2	21	2,921
PetroChina Sichuan Petrochemical Company Limited	10.00	93	5	2,548
Others				34,206
				194,492

(All amounts in RMB millions unless otherwise stated)

42 OPERATING INCOME AND COST OF SALES

	The Group			
	2024		2023	
	Income	Cost	Income	Cost
Principal operations (b)	2,870,490	2,199,373	2,939,938	2,225,545
Other operations (c)	67,491	75,850	72,874	77,460
Total	2,937,981	2,275,223	3,012,812	2,303,005
Including: Revenue from contracts with customers (a)	2,936,586		3,011,120	
Other revenue	1,395		1,692	

	The Company			
	2024		2023	
	Income	Cost	Income	Cost
Principal operations (b)	1,759,063	1,316,278	1,787,727	1,320,585
Other operations (c)	51,540	54,296	63,760	58,939
Total	1,810,603	1,370,574	1,851,487	1,379,524
Including: Revenue from contracts with customers (a)	1,809,459		1,850,309	
Other revenue	1,144		1,178	

(a) Revenue from contracts with customers

2024 Type of contract	Oil, Gas and New energy	Refining, Chemicals and New materials	Marketing	Natural Gas Sales	Head Office and Other	Total
Type of goods and services						
Crude oil	601,200	-	729,021	-	-	1,330,221
Natural gas(note)	184,128	-	404,037	559,387	-	1,147,552
Refined products	-	933,691	1,237,064	-	-	2,170,755
Chemical products	-	253,030	54,824	-	-	307,854
Pipeline transportation business	-	-	-	1,060	-	1,060
Non-oil sales in gas stations	-	-	26,447	-	-	26,447
Others	121,208	5,708	2,602	31,855	7,464	168,837
Intersegment elimination	(751,951)	(848,369)	(576,084)	(35,583)	(4,153)	(2,216,140)
Total	154,585	344,060	1,877,911	556,719	3,311	2,936,586
Geographical Region						
China's mainland	74,115	344,060	994,603	556,719	3,311	1,972,808
Others	80,470	-	883,308	-	-	963,778
Total	154,585	344,060	1,877,911	556,719	3,311	2,936,586

(All amounts in RMB millions unless otherwise stated)

2023 Type of contract	Oil, Gas and New energy	Refining, Chemicals and New materials	Marketing	Natural Gas Sales	Head Office and Other	Total
Type of goods and services						
Crude oil	613,779	-	742,113	-	-	1,355,892
Natural gas(note)	175,642	-	394,495	526,391	-	1,096,528
Refined products	-	980,396	1,299,647	-	-	2,280,043
Chemical products	-	233,523	55,942	-	-	289,465
Pipeline transportation business	-	-	-	997	-	997
Non-oil sales in gas stations	-	-	32,265	-	-	32,265
Others	105,120	7,063	1,528	33,690	7,014	154,415
Intersegment elimination	(748,315)	(884,978)	(534,421)	(27,249)	(3,522)	(2,198,485)
Total	146,226	336,004	1,991,569	533,829	3,492	3,011,120
Geographical Region						
China's mainland	73,207	336,004	1,054,084	533,829	3,492	2,000,616
Others	73,019	-	937,485	-	-	1,010,504
Total	146,226	336,004	1,991,569	533,829	3,492	3,011,120

Note: Including conventional and unconventional natural gas.

(All amounts in RMB millions unless otherwise stated)

Type of contract	The Company	
	2024	2023
Type of goods and services		
Crude oil	473,099	488,071
Natural gas	690,642	641,910
Refined products	1,574,784	1,752,649
Chemical products	231,368	215,910
Non-oil sales in gas stations	22,595	28,138
Others	79,840	82,031
Intersegment elimination	(1,262,869)	(1,358,400)
Total	1,809,459	1,850,309

Revenue from contracts with customers is mainly recognised at a point in time.

(b) Income and cost of sales from principal operations

	The Group			
	2024		2023	
	Income	Cost	Income	Cost
Oil, Gas and New energy	884,057	592,607	873,362	557,663
Refining, Chemicals and New materials	1,186,722	936,048	1,213,919	939,270
Marketing	2,425,427	2,344,501	2,492,392	2,404,817
Natural Gas Sales	585,991	536,316	554,593	514,759
Head Office and Other	1,064	381	1,258	833
Intersegment elimination	(2,212,771)	(2,210,480)	(2,195,586)	(2,191,797)
Total	2,870,490	2,199,373	2,939,938	2,225,545

	The Company			
	2024		2023	
	Income	Cost	Income	Cost
Oil, Gas and New energy	681,422	495,065	686,876	495,731
Refining, Chemicals and New materials	923,701	740,009	1,029,615	807,652
Marketing	895,308	854,435	946,566	907,507
Natural Gas Sales	517,770	484,832	481,877	462,143
Head Office and Other	933	381	1,193	778
Intersegment elimination	(1,260,071)	(1,258,444)	(1,358,400)	(1,353,226)
Total	1,759,063	1,316,278	1,787,727	1,320,585

(All amounts in RMB millions unless otherwise stated)

(c) Income and cost of sales from other operations

	The Group			
	2024		2023	
	Income	Cost	Income	Cost
Sales of materials	9,444	8,968	9,572	8,962
Non-oil sales in gas stations	26,447	23,667	32,265	29,642
Others	31,600	43,215	31,037	38,856
Total	67,491	75,850	72,874	77,460

	The Company			
	2024		2023	
	Income	Cost	Income	Cost
Sales of materials	8,309	6,882	8,709	7,387
Non-oil sales in gas stations	22,595	20,340	28,138	25,827
Others	20,636	27,074	26,913	25,725
Total	51,540	54,296	63,760	58,939

43 TAXES AND SURCHARGES

	2024	2023
Consumption tax	177,024	183,360
Resource tax	30,188	29,674
Levy for mineral rights concessions	4,602	23,685
City maintenance and construction tax	17,269	17,844
Crude oil special gain levy	14,318	17,108
Educational surcharge	12,795	13,176
Urban and township land use tax	3,846	3,757
Others	5,970	6,502
	266,012	295,106

44 SELLING EXPENSES

	2024	2023
Employee compensation costs	25,243	25,248
Depreciation, depletion and amortisation	14,424	15,156
Lease, packing, warehouse storage expenses	3,446	3,689
Others	20,077	26,167
	63,190	70,260

(All amounts in RMB millions unless otherwise stated)

45 GENERAL AND ADMINISTRATIVE EXPENSES

	2024	2023
Employee compensation costs	35,089	33,888
Depreciation, depletion and amortisation	6,649	6,595
Technology service expense	1,721	1,712
Property management expense	1,473	1,244
Other taxes	814	765
Others	19,280	11,430
	65,026	55,634

46 RESEARCH AND DEVELOPMENT EXPENSES

	2024	2023
Employee compensation costs	11,162	10,427
Depreciation, depletion and amortisation	1,460	1,461
Fuel and material consumption	1,343	1,310
Others	9,049	8,769
	23,014	21,967

47 FINANCE EXPENSES

	2024	2023
Interest expenses	21,301	24,541
Include: Interest expenditure on lease liabilities	5,165	5,239
Less: Capitalised interest	570	478
Less: Interest income	8,799	8,288
Exchange losses	11,884	20,906
Less: Exchange gains	12,726	20,162
Others	1,462	1,572
	12,552	18,091

48 OTHER INCOME

	2024	2023
Refund of import value-added tax, relating to the import of natural gas	14,622	14,337
Refund of value-added tax, relating to the change from business tax to value-added tax	243	206
Others	5,257	7,161
	20,122	21,704

(All amounts in RMB millions unless otherwise stated)

49 INVESTMENT INCOME

	The Group	
	2024	2023
Share of net profit of associates and joint ventures	18,644	18,538
Gains on disposal of subsidiaries	865	102
Investment loss from disposal of derivative financial instruments	(9,764)	(11,019)
Gains from ineffective portion of cash flow hedges	939	1,226
Dividend income from investments in other equity instruments	30	18
Other investment income	1,220	689
	11,934	9,554

	The Company	
	2024	2023
Dividends declared by subsidiaries	20,585	20,041
Share of net gain or loss of associates and joint ventures	12,726	12,877
(Losses) / Gains on disposal of subsidiaries	(96)	53
Dividend income from investments in other equity instruments	2	7
Other investment income	421	403
	33,638	33,381

50 GAINS ON CHANGES IN FAIR VALUE

	2024	2023
Net fair value gains on financial assets and financial liabilities at fair value through profit or loss	4,946	2,218
Unrealised losses from ineffective portion of cash flow hedges, net	(273)	(210)
	4,673	2,008

51 CREDIT IMPAIRMENT LOSSES

	2024	2023
Accounts receivable	533	(202)
Other receivables	251	244
Others	(42)	(7)
	742	35

(All amounts in RMB millions unless otherwise stated)

52 ASSET IMPAIRMENT LOSSES

	2024	2023
Impairment losses for declines in the value of inventories	2,367	6,411
Impairment losses for fixed assets and oil and gas properties	9,511	21,557
Impairment losses for construction in progress	2,266	721
Impairment losses for goodwill	101	1
Others	33	266
	14,278	28,956

53 GAINS FROM ASSET DISPOSALS

	2024	2023	Amount recognised in non-recurring profit or loss for 2024
Gains from disposal of fixed assets and oil and gas properties	112	190	112
Losses from disposal of construction in progress	(155)	(1)	(155)
Gains from disposal of intangible assets	373	125	373
Gains from disposal of other long-term assets	283	184	283
	613	498	613

54 NON-OPERATING INCOME AND EXPENSES

(a) Non-operating income

	2024	2023	Amount recognised in non-recurring profit or loss for 2024
Government grants	545	887	545
Others	2,585	2,243	2,585
	3,130	3,130	3,130

(All amounts in RMB millions unless otherwise stated)

(b) Non-operating expenses

	2024	2023	Amount recognised in non-recurring profit or loss for 2024
Fines	188	200	188
Donation	567	545	567
Extraordinary loss	849	767	849
Damage or scrapping of non-current assets	10,283	11,822	10,283
Others	5,027	5,441	5,027
	16,914	18,775	16,914

55 TAXATION

	2024	2023
Current income taxes	63,730	57,762
Deferred taxes	(5,975)	(446)
	57,755	57,316

The tax on the Group's profit before taxation differs from the theoretical amount that would arise using the corporate income tax rate in the PRC applicable to the Group as follows:

	2024	2023
Profit before taxation	241,502	237,877
Tax calculated at a tax rate of 25%	60,376	59,469
Tax return true-up	3,392	(196)
Effect of income taxes from international operations different from taxes at the PRC statutory tax rate	4,118	4,560
Effect of preferential tax rate	(10,053)	(10,022)
Tax effect of income not subject to tax	(8,093)	(8,499)
Tax effect of non-deductible costs, expense and losses for tax purposes	8,187	8,721
Tax effect of temporary differences and losses not recognised as deferred tax assets	(172)	3,283
Taxation	57,755	57,316

56 EARNINGS PER SHARE

Basic and diluted earnings per share for the year ended December 31, 2024 and December 31, 2023 have been computed by dividing profit attributable to owners of the Company by the 183,021 million shares issued and outstanding during the period.

There are no potential dilutive ordinary shares of the company, and the diluted earnings per share are equal to the basic earnings per share.

(All amounts in RMB millions unless otherwise stated)

57 OTHER COMPREHENSIVE INCOME

Other comprehensive income attributable to equity holders of the Company	December 31, 2023	Movements during the year	December 31, 2024
Items that will not be reclassified to profit or loss			
Including: Changes in fair value of investments in other equity instruments	273	(106)	167
Items that may be reclassified to profit or loss			
Including: Other comprehensive income recognised under equity method	1,188	212	1,400
Cash flow hedges	9,380	(8,111)	1,269
Translation differences arising from translation of foreign currency financial statements	(29,522)	(4,019)	(33,541)
Others	(43)	-	(43)
Total	(18,724)	(12,024)	(30,748)

58 SUPPLEMENT TO INCOME STATEMENT

Expenses are analysed by nature:

	2024	2023
Operating income	2,937,981	3,012,812
Less: Changes in inventories of finished goods and work in progress	(18,011)	(6,169)
Raw materials and consumables used	(1,919,576)	(1,967,391)
Employee benefits expenses	(179,257)	(174,248)
Depreciation, depletion and amortisation expenses	(231,331)	(225,476)
Investment loss from disposal of derivative financial instruments	(9,764)	(11,019)
Gains from ineffective portion of cash flow hedges	939	1,226
Gains/(Losses) from changes in fair value	4,673	2,008
Credit impairment losses	(742)	(35)
Asset impairment losses	(14,278)	(28,956)
Lease expenses	(2,573)	(2,140)
Finance expenses	(12,552)	(18,091)
Other expenses	(300,223)	(328,999)
Operating profit	255,286	253,522

59 NOTES TO CONSOLIDATED AND COMPANY CASH FLOWS

(a) Cash received relating to other operating activities

Cash received relating to other operating activities mainly comprises caution money received from derivatives. For the year ended December 31, 2024, caution money received from derivatives amounted to RMB52,772 (December 31, 2023: RMB54,456).

(b) Cash paid relating to other operating activities

Cash paid relating to other operating activities mainly comprises caution money paid for derivatives and transportation expenses. For the year ended December 31, 2024, caution money paid for derivatives amounted to RMB66,303 (December 31, 2023: RMB55,632) respectively.

(c) Cash received from disposal of investments

Cash received from disposal of investments mainly comprises cash received from time deposits with maturities over 3 months. For the year ended December 31, 2024, cash received from time deposits with maturities over 3 months amounted to RMB43,944 (December 31, 2023: RMB72,007).

(d) Cash paid to acquire investments

Cash paid to acquire investments mainly comprises cash paid for time deposits with maturities over 3 months. For the year ended December 31, 2024, cash paid for time deposits with maturities over 3 months amounted to RMB68,542 (December 31, 2023: RMB57,747).

(e) Cash payments relating to other financing activities

Cash paid relating to other financing activities mainly comprises cash repayments of lease liabilities. For the year ended December 31, 2024, cash repayments of lease liabilities amounted to RMB11,987 (December 31, 2023: RMB8,955).

(All amounts in RMB millions unless otherwise stated)

(f) Reconciliation from the net profit to the cash flows from operating activities

	The Group		The Company	
	2024	2023	2024	2023
Net profit	183,747	180,561	145,027	132,394
Add: Asset impairment losses	14,278	28,956	9,839	19,979
Credit impairment losses	742	35	114	346
Depreciation and depletion of fixed asset and oil and gas properties	210,990	205,506	133,940	132,053
Depreciation of right-of-use assets	13,617	12,006	6,153	6,049
Amortisation of intangible assets	4,977	5,136	3,859	4,120
Amortisation of long-term prepaid expenses	1,747	2,828	2,040	2,139
Gains on disposal of fixed assets, oil and gas properties, intangible assets and other long-term assets	(613)	(498)	(680)	(1,721)
Damage or scrapping of fixed assets and oil and gas properties	10,283	11,822	8,104	9,637
Exploratory dry holes	7,750	9,437	7,679	6,361
Safety fund reserve	105	(1,569)	(297)	(736)
Finance expenses	12,552	18,091	9,960	13,582
Investment income	(11,934)	(9,554)	(33,638)	(33,381)
(Gains)/Losses from changes in fair value	(4,673)	(2,008)	(8)	25
Changes in deferred taxation	(5,975)	(446)	(5,370)	(31)
Decrease/ (Increase) in inventories	9,934	(19,182)	11,274	(3,378)
(Increase)/Decrease in operating receivables	(12,400)	(15,002)	(3,375)	7,664
(Decrease)/Increase in operating payables	(28,595)	30,728	27,833	(18,503)
Net cash flows from operating activities	406,532	456,847	322,454	276,599

(g) Change in cash and cash equivalents

	The Group		The Company	
	2024	2023	2024	2023
Cash and cash equivalents at the end of the period	172,477	249,001	25,139	60,652
Less: Cash and cash equivalents at the beginning of the period	(249,001)	(191,190)	(60,652)	(68,808)
(Decrease)/Increase in cash and cash equivalents	(76,524)	57,811	(35,513)	(8,156)

(All amounts in RMB millions unless otherwise stated)

(h) Change in liabilities from financing activities

	Bank borrowings (due within one year)	Debentures payable (due within one year)	Lease liabilities (due within one year)	Dividends payable	Total
December 31, 2023	237,676	54,302	121,220	470	413,668
Cash inflows from financing activities	612,427	13,509	-	-	625,936
Cash outflows from financing activities	(645,235)	(38,362)	(11,987)	(93,499)	(789,083)
Interest accrued in the current year	9,179	1,004	5,165	-	15,348
Dividends accrued in the current year	-	-	-	93,294	93,294
Others	(7,704)	59	4,221	-	(3,424)
December 31, 2024	206,343	30,512	118,619	265	355,739

(i) Cash and Cash Equivalents

	The Group		The Company	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Cash and cash equivalents				
—Cash on hand	15	17	-	-
—Demand deposits	116,013	205,559	18,771	58,652
—Time deposits with maturities within three months	56,449	43,425	6,368	2,000
Cash and cash equivalents at the end of the period	172,477	249,001	25,139	60,652

60 SEGMENT REPORTING

The Group is principally engaged in a broad range of petroleum related products, services and activities. The Group's operating segments comprise: Oil, Gas and New energy, Refining, Chemicals and New materials, Marketing, Natural Gas Sales and Head Office and Other. On the basis of these operating segments, the management of the Company assesses the segmental operating results and allocates resources. Sales between operating segments are conducted principally at market price. Additionally, the Group presents geographical information based on entities located in regions with a similar risk profile.

The Oil, Gas and New energy segment is engaged in the exploration, development, production, transportation, marketing of crude oil and natural gas and new energy business.

The Refining, Chemicals and New materials segment is engaged in the refining of crude oil and petroleum products, production and marketing of primary petrochemical products, derivative petrochemical products, other chemical products and new materials business.

The Marketing segment is engaged in the marketing of refined products and non-oil products, and the trading business.

The Natural Gas Sales segment is engaged in the transportation and sale of natural gas.

(All amounts in RMB millions unless otherwise stated)

The Head Office and Other segment relates to cash management and financing activities, the corporate centre, research and development, and other business services supporting the other operating segments of the Group.

The accounting policies of the operating segments are the same as those described in Note 4.

(1) Operating segments

(a) Segment information as of and for the year ended December 31, 2024 is as follows:

	Oil, Gas and New energy	Refining, Chemicals and New materials	Marketing	Natural Gas Sales	Head Office and Other	Total
Revenue	906,813	1,192,589	2,454,546	592,690	7,483	5,154,121
Less: Intersegment revenue	(751,951)	(848,369)	(576,084)	(35,583)	(4,153)	(2,216,140)
Revenue from external customers	154,862	344,220	1,878,462	557,107	3,330	2,937,981
Segment expenses (i)	(549,921)	(434,804)	(1,551,254)	(110,138)	(21,553)	(2,667,670)
Segment profit/(loss)	179,429	25,102	26,688	56,588	(17,496)	270,311
Unallocated income and expenses						(15,025)
Operating profit						255,286
Depreciation, depletion and amortisation	179,064	27,740	17,812	4,858	1,857	231,331
Asset impairment losses	9,027	1,777	679	2,795	-	14,278
Credit losses/(reversal)	379	(9)	(3)	375	-	742
Capital expenditures	227,633	33,489	7,188	4,300	3,239	275,849
December 31, 2024						
Segment assets	1,581,893	495,084	606,864	397,196	1,590,920	4,671,957
Other assets						40,460
Elimination of intersegment balances (ii)						(1,959,410)
Total assets						2,753,007
Segment liabilities	629,134	229,918	341,759	136,282	527,737	1,864,830
Other liabilities						85,933
Elimination of intersegment balances (ii)						(907,619)
Total liabilities						1,043,144

(All amounts in RMB millions unless otherwise stated)

(b) Segment information as of and for the year ended December 31, 2023 is as follows:

	Oil, Gas and New energy	Refining, Chemicals and New materials	Marketing	Natural Gas Sales	Head Office and Other	Total
Revenue	894,847	1,221,161	2,527,059	561,191	7,039	5,211,297
Less: Intersegment revenue	(748,315)	(884,978)	(534,421)	(27,249)	(3,522)	(2,198,485)
Revenue from external customers	146,532	336,183	1,992,638	533,942	3,517	3,012,812
Segment expenses (i)	(536,119)	(473,258)	(1,586,319)	(105,616)	(20,948)	(2,722,260)
Segment profit/(loss)	183,386	40,054	38,503	45,527	(16,918)	290,552
Unallocated income and expenses						(37,030)
Operating profit						253,522
Depreciation, depletion and amortisation	172,581	28,185	17,841	5,071	1,798	225,476
Asset impairment losses	22,006	1,067	3,441	2,442	-	28,956
Credit losses/(reversal)	315	2	(283)	-	1	35
Capital expenditures	248,433	16,383	4,673	4,050	1,854	275,393
December 31, 2023						
Segment assets	1,547,158	520,296	631,629	373,941	1,637,368	4,710,392
Other assets						29,744
Elimination of intersegment balances (ii)						(1,980,899)
Total assets						2,759,237
Segment liabilities	593,068	260,787	375,033	148,957	571,825	1,949,670
Other liabilities						97,135
Elimination of intersegment balances (ii)						(923,112)
Total liabilities						1,123,693

(i) Segment expenses include cost of sales, taxes and surcharges, selling expenses, general and administrative expenses, research and development expenses, and other income, etc.

(ii) Elimination of intersegment balances represents elimination of intersegment accounts and investments.

(All amounts in RMB millions unless otherwise stated)

(2) Geographical information

Revenue from external customers	2024	2023
China's mainland	1,974,200	2,002,281
Others	963,781	1,010,531
	2,937,981	3,012,812

Non-current assets (i)	December 31, 2024	December 31, 2023
China's mainland	1,946,355	1,887,136
Others	181,670	184,104
	2,128,025	2,071,240

(i) Non-current assets mainly include non-current assets other than financial instruments and deferred tax assets.

61 FINANCIAL RISK MANAGEMENT

1. Financial risk

The Group's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk.

(1) Market risk

Market risk is the possibility that changes in foreign exchange rates, interest rates and the prices of crude oil and gas products will adversely affect the value of assets, liabilities and expected future cash flows.

(a) Foreign exchange risk

The Group conducts its domestic business primarily in RMB, but maintains a portion of its assets in other currencies to pay for imported crude oil, natural gas, imported equipment and other materials and to meet foreign currency financial liabilities. The Group is exposed to currency risks arising from fluctuations in various foreign currency exchange rates against the RMB. The RMB is not a freely convertible currency and is regulated by the PRC government. Limitations on foreign exchange transactions imposed by the PRC government could cause future exchange rates to vary significantly from current or historical exchange rates.

Additionally, the Group operates internationally and foreign exchange risk arises from future acquisitions and commercial transactions, recognised assets and liabilities and net investments in foreign operations. Certain entities in the Group might use currency derivatives to manage such foreign exchange risk.

(b) Interest rate risk

The Group has no significant interest rate risk on interest-bearing assets. The Group's exposure to interest rate risk arises from its borrowings (including debentures payable). The Group's borrowings at floating rates expose the Group to cash flow interest rate risk and its borrowings at fixed rates expose the Group to fair value interest rate risk. However, the exposure to interest rate risk is not material to the Group. A detailed analysis of the Group's borrowings and debentures payable, together with their respective interest rates and maturity dates, is included in Notes 33 and 34.

(c) Price risk

The Group is engaged in a wide range of oil and gas products-related activities. Prices of oil and gas products are affected by a wide range of global and domestic factors which are beyond the control of the Group. The fluctuations in such prices may have favourable or unfavourable impacts on the Group.

The Group uses derivative financial instruments, including commodity futures, commodity swaps and commodity options, to hedge some price risks efficiently.

As at December 31, 2024, the Group had certain commodity contracts of crude oil, natural gas, refined oil products and chemical products designated as hedges. As at December 31, 2024, the fair value of such derivative hedging financial instruments is derivative financial assets of RMB8,883 (December 31, 2023: RMB16,816) and derivative financial liabilities of RMB6,834 (December 31, 2023: RMB10,374).

As at 31 December 2024, it is estimated that a general increase/decrease of USD 10 per barrel in basic price of derivative financial instruments, with all other variables held constant, would impact the fair value of derivative financial instruments, which would decrease/increase the Group's profit for the year by approximately RMB481 (December 31, 2023: decrease/increase RMB3,135) ,and resulting in an decrease/increase of approximately RMB2,319 in other comprehensive income of the Group (December 31, 2023: increase/decrease RMB685). This sensitivity analysis has been determined assuming that the change in prices had occurred at the balance sheet date and the change was applied to the Group's derivative financial instruments at that date with exposure to commodity price risk.

(2) Credit risk

Credit risk arises from cash at bank and on hand, accounts receivable of customers and other receivables.

A substantial portion of the Group's cash at bank and on hand are placed with the major state-owned banks and financial institutions in China and management believes that the credit risk of financial assets is low.

The Group performs ongoing assessment of the credit quality of its customers, and sets appropriate credit limits taking into account the financial position and past history of defaults of customers. The aging analysis of accounts receivable and related provision for bad debts are presented in Note 9.

The carrying amounts of cash at bank and on hand, accounts receivable, other receivables and receivables financing included in the consolidated balance sheet represent the Group's maximum exposure to credit risk. No other financial assets carry a significant exposure to credit risk.

In addition, financial guarantees and loan commitments may expose to risks due to counterparty defaults. The Group has established strict application and approval requirements for financial guarantees and loan commitments, taking into account internal and external credit ratings and other information, and continuously monitors credit risk exposure, changes in counterparty credit ratings and other relevant information, to ensure the overall credit risk is limited to a controllable extent.

The Group has no significant concentration of credit risk during the reporting period.

(3) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities.

In managing its liquidity risk, the Group has access to funding at market rates through equity and debt markets, including using undrawn committed borrowing facilities to meet foreseeable borrowing requirements.

Given the low level of gearing ratio and continued access to funding, the Group believes that its liquidity risk is not material.

Analysis of the Group's long-term borrowings, debentures payable and lease liabilities based on the remaining period at the balance sheet date to the contractual maturity dates are presented in Notes 33, 34 and 19.

2. Capital management

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern, optimise returns for equity holders and to minimise its cost of capital. In meeting its objectives of managing capital, the Group may issue new shares, adjust its debt levels or the mix between short-term and long-term borrowings.

The Group monitors capital on the basis of the gearing ratio which is calculated as interest-bearing borrowings/(interest-bearing borrowings + total equity), interest-bearing borrowings include long-term and short-term borrowings and debentures payable. The gearing ratio as at December 31, 2024 was 12.17% (December 31, 2023: 15.15%).

3. Fair value estimation

The methods and assumptions applied in determining the fair value of each class of financial assets and financial liabilities of the Group as at December 31, 2024 and December 31, 2023 are disclosed in the respective accounting policies.

Financial assets and financial liabilities that measured at amortised cost include: cash at bank and on hand, accounts receivable, other receivables, long-term receivables, short-term borrowings, accounts payable, notes payable, long-term borrowings, debentures payable, etc. The fair values of fixed rate long-term borrowings and debentures payable are likely to be different from their respective carrying amounts. Analysis of the fair values and carrying amounts of long-term borrowings and debentures payable are presented in Note 33 and Note 34, respectively. Except for these, the carrying amounts of other financial assets and financial liabilities that are not measured at fair value approximate their fair values.

(All amounts in RMB millions unless otherwise stated)

The Group's investments in financial assets held for trading, financial liabilities held for trading, derivative financial instruments, receivables financing and other equity instruments are measured at fair value on the balance sheet date. The fair value of financial assets at fair value held for trading and financial liabilities held for trading are mainly categorised into Level 1 of the fair value hierarchy, which are based on the unadjusted quoted prices in active markets for identical assets or liabilities as inputs used in the valuation techniques. The fair values of derivative financial instruments are mainly categorised into Level 1 and Level 2 of the fair value hierarchy, which are based on the unadjusted quoted prices in active markets for identical assets or liabilities as inputs used in the valuation techniques, or the inputs other than quoted prices included within Level 1 that are observable either directly or indirectly. Receivables financing are mainly categorised into Level 3 of the fair value hierarchy, which are based on that receivables financing are mainly short-term bills of acceptance issued by banks, their fair values approximate the face values of the bills. The investments in other equity instruments are mainly categorised into Level 1 and Level 3 of the fair value hierarchy, which are based on the unadjusted quoted prices or related assets in active markets for identical assets or liabilities as inputs used in the valuation techniques.

As of December 31, 2024, financial assets continuing to be measured at fair value are listed in three levels as follows:

	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets at fair value through profit or loss	2,585	231	-	2,816
Derivative financial assets	329	8,691	-	9,020
Receivables financing	-	-	8,868	8,868
Investments in other equity instruments	390	-	317	707
Total	3,304	8,922	9,185	21,411

As of December 31, 2024, financial liabilities continuing to be measured at fair value are listed in three levels as follows:

	Level 1	Level 2	Level 3	Total
Financial liabilities				
Financial Liabilities at fair value through profit or loss	-	3,808	-	3,808
Derivative financial liabilities	2,533	4,518	-	7,051
Total	2,533	8,326	-	10,859

(All amounts in RMB millions unless otherwise stated)

As of December 31, 2023, financial assets continuing to be measured at fair value are listed in three levels as follows:

	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets at fair value through profit or loss	6,788	616	-	7,404
Derivative financial assets	2,900	14,039	-	16,939
Receivables financing	-	-	10,661	10,661
Investments in other equity instruments	501	-	338	839
Total	10,189	14,655	10,999	35,843

As of December 31, 2023, financial liabilities continuing to be measured at fair value are listed in three levels as follows:

	Level 1	Level 2	Level 3	Total
Financial liabilities				
Financial Liabilities at fair value through profit or loss	-	1,727	-	1,727
Derivative financial liabilities	1,025	9,704	-	10,729
Total	1,025	11,431	-	12,456

The Group uses discounted cash flow model with inputted interest rate and commodity index, which were influenced by historical fluctuation and the probability of market fluctuation, to evaluate the fair value of the bills receivable classified as Level 3 financial assets.

(All amounts in RMB millions unless otherwise stated)

62 RELATED PARTIES AND RELATED PARTY TRANSACTIONS

(1) Parent company

(a) General information of parent company

CNPC, the immediate parent of the Company, is a limited liability company directly controlled by the PRC government.

	Type of legal entity	Place of incorporation	Legal representative	Principal activities
China National Petroleum Corporation	Limited liability company (wholly state-owned)	PRC	Dai Houliang	Oil and gas exploration and development, refining and petrochemical, oil product marketing, oil and gas storage and transportation, oil trading, construction and technical services and petroleum equipment manufacturing, etc.

(b) Registered capital and changes in registered capital of the parent company

	December 31, 2023	Additions	Reductions	December 31, 2024
China National Petroleum Corporation	486,900	-	-	486,900

(c) Equity interest and voting rights of the parent company

	December 31, 2024		December 31, 2023	
	Equity interest %	Voting rights %	Equity interest %	Voting rights %
China National Petroleum Corporation	82.62	82.62	82.62	82.62

(2) Subsidiaries

Details about subsidiaries and related information are disclosed in Note 6(1).

(All amounts in RMB millions unless otherwise stated)

(3) Nature of related parties that are not controlled by the Company

Names of related parties	Relationship with the Company
China Oil & Gas Piping Network Corporation	Associate
China National Aviation Fuel Co., Ltd.	Associate
China Marine Bunker (PetroChina) Co., Ltd.	Joint venture
Mangistau Investment B.V.	Joint venture
Trans-Asia Gas Pipeline Co., Ltd.	Joint venture
China Petroleum Finance Co., Ltd.	Associate, Fellow subsidiary of CNPC
CNPC Captive Insurance Co., Ltd.	Associate, Fellow subsidiary of CNPC
CNPC Shared Operation Co., Ltd.	Associate, Fellow subsidiary of CNPC
CNPC Bohai Drilling Engineering Co., Ltd.	Fellow subsidiary of CNPC
CNPC Oriental Geophysical Exploration Co., Ltd.	Fellow subsidiary of CNPC
CNPC Chuanqing Drilling Engineering Co., Ltd.	Fellow subsidiary of CNPC
Daqing Petroleum Administrative Bureau Co., Ltd.	Fellow subsidiary of CNPC
Liaohe Petroleum Exploration Bureau Co., Ltd.	Fellow subsidiary of CNPC
China Petroleum Pipeline Bureau Co., Ltd.	Fellow subsidiary of CNPC
CNPC Transportation Co., Ltd.	Fellow subsidiary of CNPC
CNPC Material Company Co., Ltd.	Fellow subsidiary of CNPC
China National Oil and Gas Exploration and Development Corporation Co., Ltd.	Fellow subsidiary of CNPC
China National United Oil Co., Ltd.	Fellow subsidiary of CNPC

(4) Summary of significant related party transactions

(a) Related party transactions with CNPC and its subsidiaries:

The Company and CNPC entered into a Comprehensive Products and Services Agreement on August 27, 2020 for a period of three years effective from January 1, 2021. The Comprehensive Products and Services Agreement provides for a range of products and services which may be required and requested by either party. The products and services to be provided by CNPC and its subsidiaries to the Group under the Comprehensive Products and Services Agreement include construction and technical services, production services, supply of material services, social services, ancillary services and financial services. The products and services required and requested by either party are provided in accordance with (1) government-prescribed prices; or (2) where there is no government-prescribed price, with reference to relevant market prices; or (3) where neither (1) nor (2) is applicable, then the actual cost incurred or the agreed contractual prices are used. On August 30, 2023, the Company and CNPC entered into a new Comprehensive Products and Services Agreement (the "New Comprehensive Agreement") on the basis of the Comprehensive Agreement signed in 2020. The New Comprehensive Agreement is valid for 3 years and took effect from January 1, 2024. In addition, on August 30, 2023, the Company and China Petroleum Finance Co., Ltd. entered into a Financial Services Agreement, which stipulates that China Petroleum Finance Co., Ltd. provides financial services to the Group. The Financial Services Agreement is valid for 3 years and took effect from January 1, 2024.

On August 25, 2011, based on the Land Use Rights Leasing Contract signed for a period of 50 years from 2000, the Company and CNPC entered into a supplemental agreement to the Land Use Rights Leasing Contract which took effect on January 1, 2012. The expiry date of the supplemental agreement is the same as the Land Use Rights Leasing Contract, which is in 2050. The Company and CNPC may adjust area and rental payable for the leased land parcels every three years taking into consideration of production and operations of the Company and the prevailing market price. On August 27, 2020, the Company and CNPC each issued a confirmation letter of the Land Use Rights Leasing Contract, which adjusted the rental payable and the area for the leased land parcels with effect from January 1, 2021. The Company agreed to rent from CNPC and its subsidiaries parcels of land with an aggregate area of approximately 1,142 million square metres with annual rental payable (exclusive of tax and charges) approximately RMB5,673 based on the area of leased land parcels and the current market conditions. On August 30, 2023, the Company and CNPC each issued a confirmation letter to the Land Use Rights Leasing Contract, which adjusted the rental payable and the area for the leased land parcels with effect from January 1, 2024. The Company agreed to rent from CNPC and its fellow subsidiaries parcels of land with an aggregate area of approximately 1,134 million square metres with annual rental payable (exclusive of tax and government charges) approximately RMB5,724 based on the area of leased land parcels and the current market conditions. Apart from the annual rental payable and are for the leased parcels, the other terms in the Land Use Rights Leasing Contract and supplemental agreement remained unchanged.

On August 24, 2017, the Company entered into a Buildings Leasing Contract with CNPC, which took effect on January 1, 2018 for a period of 20 years. On August 27, 2020, the Company and CNPC each issued a confirmation letter of the Buildings Leasing Contract, which adjusted the annual rental payable and the area for the leased which took effect on January 1, 2021. Buildings covering an aggregate area of 1,287.5 thousand square meters were leased at annual rental payable approximately RMB713 in accordance with the confirmed rental area and the current property market conditions. Both parties can make appropriate adjustments to the area of the leased building and rent about every three years, taking into consideration of production and operations of the Company and the prevailing market price. But the adjusted rent shall not exceed the comparable fair price in the market. On August 30, 2023, the Company and CNPC issued a confirmation letter to the Buildings Leasing Contract, which adjusted the annual rental payable and the area for the leased which took effect on January 1, 2024. Buildings covering an aggregate area of 1,613.1 thousand square meters were leased at annual rental payable approximately RMB893 in accordance with the confirmed rental area and the current property market conditions. Apart from the annual rental payable and area of the leased building, the other terms in the Building Leasing Contract remained unchanged.

(All amounts in RMB millions unless otherwise stated)

	Notes	2024	2023
Sales of goods and services rendered to CNPC and its subsidiaries	(1)	47,026	41,699
Purchases of goods and services from CNPC and its subsidiaries:			
Fees paid for construction and technical services	(2)	183,276	179,934
Fees for production services	(3)	153,026	182,977
Social services charges	(4)	1,643	1,641
Ancillary services charges	(5)	1,993	1,815
Material supply services	(6)	30,672	32,358
Interest income	(7)	1,944	1,290
Interest expense	(8)	2,099	3,236
Other financial service expense	(9)	1,729	1,570
Rental and other expenses paid to CNPC and its subsidiaries	(10)	6,148	6,599
Purchases of assets from CNPC and its fellow subsidiaries	(11)	1,584	1,577

Notes:

(1) Primarily crude oil, natural gas, refined products, chemical products and the supply of water, electricity, gas, heat, measurement, quality inspection, and other relevant or similar products or services.

(2) Construction and technical services comprise geophysical survey, drilling, well cementing, logging, well testing, oil testing, oilfield construction, refineries and chemical plants construction, engineering design and supervision, repair of equipment, and other relevant or similar products or services.

(3) Production services comprise the repair of machinery and equipment, supply of water, electricity and gas, provision of services such as communications, transportation, fire fighting, asset leasing, environmental protection and sanitation, maintenance of roads, and manufacture of equipment and machinery and parts.

(4) Social services comprise mainly security system, education, hospitals, and preschool.

(5) Ancillary services comprise mainly property management and provision of training centres, guesthouses, canteens, and public shower rooms.

(6) Material supply services comprise mainly purchases of materials, quality control, storage of materials and delivery of materials.

(7) The bank deposits in CNPC and its fellow subsidiaries as of December 31, 2024 were RMB71,358 (December 31, 2023: RMB54,142).

(8) The loans from CNPC and its fellow subsidiaries including long-term borrowings from related-party borrowings, long-term borrowings due within one year and short-term borrowings as of December 31, 2024 were RMB148,878 (December 31, 2023: RMB148,514).

(9) Other financial service expense primarily refers to expense of insurance and other services.

(10) Rental and other expenses paid to CNPC and its subsidiaries refer to: 1) Rental was calculated and paid in accordance with the Building and Land Use Rights leasing contract between the Group and CNPC. 2) Rental and other payments (including all rentals, leasing service fees and prices for exercising purchase options) were paid according to other lease agreements entered into by the Group and CNPC and its subsidiaries.

(11) Purchases of assets comprise mainly the purchases of manufacturing equipment, office equipment and transportation equipment.

(All amounts in RMB millions unless otherwise stated)

(b) Related party transactions with associates and joint ventures:

The transactions between the Group and its associates and joint ventures are conducted at government-prescribed prices or market prices.

	2024	2023
(a) Sales of goods		
- Crude oil	22,868	20,476
- Refined products	82,052	88,012
- Chemical products	109	121
- Natural gas	17,758	17,676
(b) Sales of services	466	763
(c) Purchases of goods	38,809	38,731
(d) Purchases of services	77,299	62,705

(5) Commissioned loans

The Company with its subsidiaries, CNPC and its subsidiaries with the Group, commissioned CP Finance and other financial institutions to provide loans to each other, charging interest in accordance with the prevailing interest rates. Loans between the Company and its subsidiaries have been eliminated in the consolidated financial statements. As of December 31, 2024, the eliminated commissioned loans include the loans provided by the Company to its subsidiaries amounted to RMB36,043 (December 31, 2023: RMB150) and the loans provided to the Company by its subsidiaries amounted to RMB40,519 (December 31, 2023: RMB29,615).

(6) Guarantees

CNPC and its subsidiaries provided guarantees of part of loans and debentures for the Group, see Note 33 and Note 34.

(7) Receivables and payables with related parties

(a) Receivables from related parties

	December 31, 2024	December 31, 2023
CNPC and its subsidiaries		
Accounts receivable	3,908	3,892
Advances to suppliers	7,594	6,782
Other receivables	4,615	4,209
Other non-current assets	11,160	6,992
Associates and joint ventures		
Accounts receivable	262	873
Advances to suppliers	140	52
Other receivables	2,300	4,078
Other current assets	9,607	9,389
Other non-current assets	8,789	9,276

As of December 31, 2024, the provisions for bad debts of the receivables from related parties amounted to RMB569 (December 31, 2023: RMB565).

As of December 31, 2024, the receivables from related parties represented 29% (December 31, 2023: 28%) of total receivables.

(b) Payables to related parties

	December 31, 2024	December 31, 2023
CNPC and its subsidiaries		
Notes payable	-	257
Accounts payable	46,832	38,700
Other payables	4,332	4,606
Contract liabilities	2,317	1,492
Lease liabilities (including lease liabilities due within one year)	94,398	96,005
Associates and joint ventures		
Accounts payable	5,386	4,734
Other payables	511	184
Contract liabilities	102	16

As of December 31, 2024, the payables to related parties represented 30% (December 31, 2023: 27%) of total payables.

(8) Key management personnel compensation

	2024 RMB'000	2023 RMB'000
Key management personnel compensation	22,654	22,535

63 Contingent Liabilities

(1) Bank and other guarantees

As of December 31, 2024 and December 31, 2023, the Group did not guarantee related parties or third parties any significant borrowings or others.

(2) Environmental liabilities

The PRC has enacted comprehensive environmental laws and regulations that affect the operation of the oil and gas industry. Management believes that there are no probable liabilities under existing legislation, except for the amounts which have already been reflected in the consolidated financial statements, which may have a material adverse effect on the financial position of the Group.

(All amounts in RMB millions unless otherwise stated)

As of December 31, 2024, the amounts of asset retirement obligations which have already been reflected in the consolidated financial statements relating to environmental liabilities were RMB162,019 (December 31, 2023: RMB144,299) (Note 35).

(3) Legal contingencies

During the reporting period, the Group has complied with domestic and overseas laws and regulations and regulatory requirements. Notwithstanding certain insignificant lawsuits as well as other proceedings outstanding of the Group, management believes that any resulting legal liabilities will not have a material adverse effect on the financial position of the Group.

(4) Group insurance

The Group has insurance coverage for certain assets that are subject to significant operating risks, third-party liability insurance against claims relating to personal injury, property and environmental damages that result from accidents, and employer liabilities insurance. The potential effect on the financial position of the Group of any liabilities resulting from future uninsured incidents cannot be estimated by the Group at present.

64 COMMITMENTS

(1) Capital commitments

As of December 31, 2024, the Group's capital commitments contracted but not provided for, were RMB20,878 (December 31, 2023: RMB6,050).

These capital commitments are transactions mainly with CNPC and its fellow subsidiaries.

(2) Exploration and production licenses

The Group is obligated to make annual payments with respect to its exploration and production licenses to the Ministry of Natural Resources. Payments incurred were RMB451 for the year ended December 31, 2024 (2023: RMB516).

According to the current policy, estimated annual payments for the next five years are as follows:

	December 31, 2024	December 31, 2023
Within one year	500	500
Between one and two years	500	500
Between two and three years	500	500
Between three and four years	500	500
Between four and five years	500	170

(All amounts in RMB millions unless otherwise stated)

FINANCIAL STATEMENTS SUPPLEMENTARY INFORMATION

1 NON-RECURRING PROFIT/LOSS ITEMS

	2024	2023
Losses on disposal of non-current assets	(9,670)	(11,325)
Government grants recognised in the income statement	1,630	2,503
Gains/Losses arising from financial assets and financial liabilities not relating to the ordinary course of activities	685	(290)
Reversal of provisions for bad debts against receivables	47	120
Gains from the excess of interest in the fair value of investee's identifiable net assets over investment costs of subsidiaries acquired	-	211
One-off effect on current profit or loss due to laws and regulation adjustment regarding taxation or accounting	-	(19,238)
Other non-operating income and expenses	(4,046)	(4,628)
Other items of profit or loss conforming to the definition of non-recurring profit/loss items	1,201	567
	(10,153)	(32,080)
Tax impact	1,902	6,190
Impact of non-controlling interests	(360)	(85)
Total	(8,611)	(25,975)

2024 and 2023 basis for preparation of statement of non-recurring profit/loss items

In 2023, the China Securities Regulatory Commission promulgated the Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public - Non-recurring Profit or Loss (Revised in 2023) (hereinafter "2023 Explanatory Announcement No. 1") which became effective on the date of issuance. The Group prepared 2023 statement of non-recurring profit/loss items based on the 2024 and 2023 Explanatory Announcement No. 1.

According to the 2023 Explanatory Announcement No. 1, non-recurring profit/loss items refer to those arise from transactions and events that are not directly relevant to ordinary activities, or that are relevant to ordinary activities, but are extraordinary and not expected to happen frequently that would have an influence on the financial statements users' making economic decisions based on the financial performance and profitability of an enterprise.

2 SIGNIFICANT DIFFERENCES BETWEEN IFRS Accounting Standards AND CAS

The consolidated net profit for the year under IFRS Accounting Standards and CAS were RMB183,755 and RMB183,747, respectively, with a difference of RMB8; the consolidated shareholders' equity for the year under IFRS Accounting Standards and CAS were RMB1,709,623 and RMB1,709,863, respectively, with a difference of RMB240. These differences under the different accounting standards were primarily due to the revaluation for assets other than fixed assets and oil and gas properties revalued in 1999.

During the Restructuring in 1999, a valuation was carried out in 1999 for assets and liabilities injected by CNPC. Valuation results other than fixed assets and oil and gas properties were not recognised in the financial statements prepared under IFRS Accounting Standards.

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Independent auditor's report

to the shareholders of PetroChina Company Limited
(established in the People's Republic of China with limited liability)

Opinion

We have audited the consolidated financial statements of PetroChina Company Limited ("the Company") and its subsidiaries ("the Group") set out on pages 223 to 292, which comprise the consolidated statement of financial position as at December 31, 2024, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes, comprising material accounting policy information and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at December 31, 2024 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Basis for opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code") together with any ethical requirements that are relevant to our audit of the consolidated financial statements in the People's Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matter

Key audit matter is the matter that, in our professional judgement, was of most significance in our audit of the consolidated financial statements of the current period. This matter was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

KPMG
毕马威

Independent auditor's report

to the shareholders of PetroChina Company Limited (continued)
(established in the People's Republic of China with limited liability)

Key audit matter (continued)

Assessment of impairment of oil and gas properties	
Refer to notes 3.1(a), 3.1(b), 5(b) and 16 to the consolidated financial statements	
The Key Audit Matter	**How the matter was addressed in our audit**
Oil and gas properties as included in property, plant and equipment amounted to Renminbi ("RMB")875,436 million as at December 31, 2024 and the impairment losses recognized for oil and gas properties for the year ended December 31, 2024 were RMB7,575 million. The Company allocates oil and gas properties to separately identifiable cash-generating units ("CGUs") and reviews these CGUs for possible impairment by considering events or changes in circumstances indicating that their carrying amounts may not be recoverable. Such events and changes in circumstances include the economic impact on these CGUs resulting from lower oil and gas prices, higher production costs and decline in oil and gas reserve volumes as estimated by the reserves specialists in accordance with recognized industry standards. For those CGUs where an impairment indicator is identified, the Company compares the carrying amount of individual CGU with its recoverable amount, which is estimated by calculating the value in use using a discounted cash flow forecast, to determine the impairment loss to be recognized, if any.	The primary procedures we performed to address this key audit matter included the following: • evaluated the design and tested the operating effectiveness of certain internal controls related to the process for impairment assessment of oil and gas properties; • evaluated the Company's identification of CGUs, allocation of assets to those CGUs and identification of impairment indicators; • assessed the competence, capabilities and objectivity of the Company's reserves specialists and evaluated the methodology adopted by them in estimating the oil and gas reserves against the recognized industry standards; • evaluated the future selling prices for crude oil and natural gas used in the discounted cash flow forecasts by comparing them with the Company's business plans and forecasts by external analysts; • evaluated the future production costs and future production profiles used in the discounted cash flow forecasts by comparing them with oil and gas reserves reports issued by the reserves specialists;

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Independent auditor's report

to the shareholders of PetroChina Company Limited (continued)
(established in the People's Republic of China with limited liability)

Key audit matter (continued)

Assessment of impairment of oil and gas properties (continued)	
Refer to notes 3.1(a), 3.1(b), 5(b) and 16 to the consolidated financial statements	
The key audit matter	**How the matter was addressed in our audit**
We identified assessment of impairment of oil and gas properties as a key audit matter because the recoverable amounts of these CGUs are sensitive to the changes to future selling prices and production costs for crude oil and natural gas, future production profiles, and discount rates, and involved significant management judgment and estimates in determining the recoverable amounts.	• involved our internal professionals with skills and knowledge on valuation to assist us in assessing the discount rates applied in the discounted cash flow forecasts against a discount rate range that was independently developed using publicly available market data for comparable companies in the same industry; • compared the actual results for the current year with the Company's forecasts prepared in the prior year to assess the historical accuracy of the Company's forecasting process; and • assessed the relevant disclosures in the consolidated financial statements in respect of management's impairment assessment of oil and gas properties with reference to the requirements of the prevailing accounting standards.

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Independent auditor's report

to the shareholders of PetroChina Company Limited (continued)
(established in the People's Republic of China with limited liability)

Information other than the consolidated financial statements and auditor's report thereon

The directors are responsible for the other information. The other information comprises all the information included in the annual report, other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the consolidated financial statements

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the IASB and the disclosure requirements of the Hong Kong Companies Ordinance and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

APPENDIX II

REPRODUCTION OF
THE GUARANTOR'S AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

The information set out below is a reproduction of the Guarantor's audited consolidated financial statements for the year ended 31 December 2024.

6.1 CONSOLIDATED FINANCIAL STATEMENTS

6.1.1 CONSOLIDATED BALANCE SHEET – ASSETS

(In EURm)		31.12.2024	31.12.2023
Cash, due from central banks		201,680	223,048
Financial assets at fair value through profit or loss	Notes 3.1, 3.2 and 3.4	526,048	495,882
Hedging derivatives	Notes 3.2 and 3.4	9,233	10,585
Financial assets at fair value through other comprehensive income	Notes 3.3 and 3.4	96,024	90,894
Securities at amortised cost	Notes 3.5, 3.8 and 3.9	32,655	28,147
Due from banks at amortised cost	Notes 3.5, 3.8 and 3.9	84,051	77,879
Customer loans at amortised cost	Notes 3.5, 3.8 and 3.9	454,622	485,449
Revaluation differences on portfolios hedged against interest rate risk	Note 3.2	(292)	(433)
Insurance and reinsurance contracts assets	Note 4.3	615	459
Tax assets	Note 6	4,687	4,717
Other assets	Note 4.4	70,903	69,765
Non-current assets held for sale	Note 2.5	26,426	1,763
Investments accounted for using the equity method		398	227
Tangible and intangible fixed assets	Note 8.3	61,409	60,714
Goodwill	Note 2.2	5,086	4,949
TOTAL		**1,573,545**	**1,554,045**

6.1.2 CONSOLIDATED BALANCE SHEET – LIABILITIES

(In EURm)		31.12.2024	31.12.2023
Due to central banks		11,364	9,718
Financial liabilities at fair value through profit or loss	Notes 3.1, 3.2 and 3.4	396,614	375,584
Hedging derivatives	Notes 3.2 and 3.4	15,750	18,708
Debt securities issued	Notes 3.6 and 3.9	162,200	160,506
Due to banks	Notes 3.6 and 3.9	99,744	117,847
Customer deposits	Notes 3.6 and 3.9	531,675	541,677
Revaluation differences on portfolios hedged against interest rate risk	Note 3.2	(5,277)	(5,857)
Tax liabilities	Note 6	2,237	2,402
Other liabilities	Note 4.4	90,786	93,658
Non-current liabilities held for sale	Note 2.5	17,079	1,703
Insurance and reinsurance contracts liabilities	Note 4.3	150,691	141,723
Provisions	Note 8.2	4,085	4,235
Subordinated debts	Note 3.9	17,009	15,894
TOTAL LIABILITIES		**1,493,957**	**1,477,798**
SHAREHOLDER'S EQUITY			
Shareholders' equity, Group share			
Issued common stocks and capital reserves	Note 7.1	21,281	21,186
Other equity instruments		9,873	8,924
Retained earnings		33,863	32,891
Net income		4,200	2,493
SUB-TOTAL		**69,217**	**65,494**
Unrealised or deferred capital gains and losses	Note 7.3	1,039	481
SUB-TOTAL EQUITY, GROUP SHARE		**70,256**	**65,975**
Non-controlling interests		9,332	10,272
TOTAL EQUITY		**79,588**	**76,247**
TOTAL		**1,573,545**	**1,554,045**

6.1.3 CONSOLIDATED INCOME STATEMENT

(In EURm)		2024	2023
Interest and similar income	Note 3.7	55,019	53,087
Interest and similar expense	Note 3.7	(45,127)	(42,777)
Fee income	Note 4.1	10,817	10,063
Fee expense	Note 4.1	(4,591)	(4,475)
Net gains and losses on financial transactions		10,975	10,290
o/w net gains and losses on financial instruments at fair value through profit or loss	*Note 3.1*	*11,149*	*10,327*
o/w net gains and losses on financial instruments at fair value through other comprehensive income		*(89)*	*(9)*
o/w net gains and losses from the derecognition of financial assets at amortised cost		*(85)*	*(28)*
Income from insurance contracts issued	Note 4.3	3,851	3,539
Expenses from insurance services	Note 4.3	(2,058)	(1,978)
Income and expenses from reinsurance contracts held	Note 4.3	(40)	17
Net finance income or expenses from insurance contracts issued	Note 4.3	(5,901)	(6,285)
Net finance income or expenses from reinsurance contracts held	Note 4.3	13	5
Cost of credit risk of financial assets from insurance activities	Note 3.8	0	7
Income from lease activities, mobility and other activities	Note 4.2	27,582	21,005
Expenses from lease activities, mobility and other activities	Note 4.2	(23,752)	(17,394)
Net banking income		**26,788**	**25,104**
Other operating expenses	Note 5	(16,821)	(16,849)
Amortisation, depreciation and impairment of tangible and intangible fixed assets		(1,651)	(1,675)
Gross operating income		**8,316**	**6,580**
Cost of credit risk	Note 3.8	(1,530)	(1,025)
Operating income		**6,786**	**5,555**
Net income from investments accounted for using the equity method		21	24
Net income or expenses from other assets		(77)	(113)
Value adjustments on goodwill		-	(338)
Earnings before tax		**6,730**	**5,128**
Income tax	Note 6	(1,601)	(1,679)
Consolidated net income		**5,129**	**3,449**
Non-controlling interests	Note 2.3	929	956
Net income, Group share		**4,200**	**2,493**
Earnings per ordinary share	Note 7.2	4.38	2.17
Diluted earnings per ordinary share	Note 7.2	4.38	2.17

6.1.4 STATEMENT OF NET INCOME AND UNREALISED OR DEFERRED GAINS AND LOSSES

(In EURm)	2024	2023
Consolidated net income	**5,129**	**3,449**
Unrealised or deferred gains and losses that will be reclassified subsequently into income	**696**	**(166)**
Translation differences	820	(356)
Revaluation differences for the period	*874*	*(429)*
Reclassified into income	*(54)*	*73*
Revaluation of debt instruments at fair value through other comprehensive income	172	2,402
Revaluation differences for the period	*66*	*2,374*
Reclassified into income	*106*	*28*
Revaluation of insurance contracts at fair value through other comprehensive income	(252)	(2,134)
Revaluation of hedging derivatives	(70)	(68)
Revaluation differences of the period	*(35)*	*(36)*
Reclassified into income	*(35)*	*(32)*
Related tax	26	(10)
Unrealised or deferred gains and losses that will not be reclassified subsequently into income	**(173)**	**(177)**
Actuarial gains and losses on defined benefit plans	19	12
Revaluation of own credit risk of financial liabilities at fair value through profit or loss	(254)	(257)
Revaluation of equity instruments at fair value through other comprehensive income	-	1
Related tax	62	67
Total unrealised or deferred gains and losses	**523**	**(343)**
Net income and unrealised or deferred gains and losses	**5,652**	**3,106**
o/w Group share	*4,775*	*2,085*
o/w non-controlling interests	*877*	*1,021*

6.1.5 CHANGES IN SHAREHOLDERS' EQUITY

	Shareholders' equity, Group share							
(In EURm)	Issued common stocks and capital reserves	Other equity instruments	Retained earnings	Net income, Group share	Unrealised and deferred gains and losses	Total	Non-controlling interests	Total consolidated shareholder's equity
At 1 January 2023	**21,248**	**9,136**	**35,697**	**-**	**889**	**66,970**	**6,356**	**73,326**
Increase in common stock and issuance/redemption and remuneration of equity instruments	(1,133)	(212)	(1,143)	-	-	(2,488)	(70)	(2,558)
Elimination of treasury stock	961	-	(62)	-	-	899	-	899
Equity component of share-based payment plans	110	-	-	-	-	110	-	110
2023 Dividends paid (see Note 7.2)	-	-	(1,362)	-	-	(1,362)	(499)	(1,861)
Effect of changes of the consolidation scope	-	-	(34)	-	-	(34)	3,523	3,489
Sub-total of changes linked to relations with shareholders	***(62)***	***(212)***	***(2,601)***	***-***	***-***	***(2,875)***	***2,954***	***79***
2023 Net income	-	-	-	2,493	-	2,493	956	3,449
Change in unrealised or deferred gains and losses	-	-	-	-	(408)	(408)	65	(343)
Other changes	-	-	(205)	-	-	(205)	(59)	(264)
Sub-total	***-***	***-***	***(205)***	***2,493***	***(408)***	***1,880***	***962***	***2,842***
At 31 December 2023	**21,186**	**8,924**	**32,891**	**2,493**	**481**	**65,975**	**10,272**	**76,247**
Allocation to retained earnings	2	-	2,508	(2,493)	(17)	-	-	-
Increase in common stock and issuance/redemption and remuneration of equity instruments (see Note 7.1)	(94)	949	(723)	-	-	132	(551)	(419)
Elimination of treasury stock (see Note 7.1)	119	-	(97)	-	-	22	-	22
Equity component of share-based payment plans (see Note 5.1.3)	68	-	-	-	-	68	1	69
2024 Dividends paid (see Note 7.2)	-	-	(719)	-	-	(719)	(604)	(1,323)
Effect of changes of the consolidation scope (see Note 7.1)	-	-	2	-	-	2	(692)	(690)
Sub-total of changes linked to relations with shareholders	***93***	***949***	***(1,537)***	***-***	***-***	***(495)***	***(1,846)***	***(2,341)***
2024 Net income	-	-	-	4,200	-	4,200	929	5,129
Change in unrealised or deferred gains and losses	-	-	-	-	575	575	(52)	523
Other changes	-	-	1	-	-	1	29	30
Sub-total	***-***	***-***	***1***	***4,200***	***575***	***4,776***	***906***	***5,682***
At 31 December 2024	**21,281**	**9,873**	**33,863**	**4,200**	**1,039**	**70,256**	**9,332**	**79,588**

6.1.6 CASH FLOW STATEMENT

(In EURm)	2024	2023
Consolidated net income (I)	**5,129**	**3,449**
Amortisation expense on tangible and intangible fixed assets (including operational leasing)	10,086	7,710
Depreciation and net allocation to provisions	(492)	(346)
Net income from investments accounted for using the equity method	(21)	(24)
Change in deferred taxes	143	209
Net income from the sale of long-term assets and subsidiaries	(139)	(101)
Other changes	1,700	4,748
Non-cash items included in net income and other adjustments excluding income on financial instruments at fair value through profit or loss (II)	**11,277**	**12,196**
Income on financial instruments at fair value through profit or loss	5,266	(379)
Interbank transactions	(19,026)	(18,239)
Customers transactions	7,014	23,841
Transactions related to other financial assets and liabilities	(24,116)	9,753
Transactions related to other non-financial assets and liabilities	4,358	6,802
Net increase/decrease in cash related to operating assets and liabilities (III)	**(26,504)**	**21,778**
Net cash inflow (outflow) related to operating activities (A) = (I) + (II) + (III)	**(10,098)**	**37,423**
Net cash inflow (outflow) related to acquisition and disposal of financial assets and long term investments	(2,310)	(206)
Net cash inflow (outflow) related to tangible and intangible fixed assets	(11,433)	(11,867)
Net cash inflow (outflow) related to investment activities (B)	**(13,743)**	**(12,073)**
Cash flow from/to shareholders	(1,428)	(3,928)
Other net cash flow arising from financing activities	155	26
Net cash inflow (outflow) related to financing activities (C)	**(1,273)**	**(3,902)**
Effect of changes in foreign exchange rates on cash and cash equivalents (D)	2,236	(2,320)
Net inflow (outflow) in cash and cash equivalents (A) + (B) + (C) + (D)	**(22,878)**	**19,128**
Cash, due from central banks (assets)	223,048	207,013
Due to central banks (liabilities)	(9,718)	(8,361)
Current accounts with banks (see Note 3.5)	39,798	34,672
Demand deposits and current accounts with banks (see Note 3.6)	(11,131)	(10,455)
Cash and cash equivalents at the start of the year	**241,997**	**222,869**
Cash, due from central banks (assets)	201,680	223,048
Due to central banks (liabilities)	(11,364)	(9,718)
Current accounts with banks (see Note 3.5)	44,498	39,798
Demand deposits and current accounts with banks (see Note 3.6)	(15,695)	(11,131)
Cash and cash equivalents at the end of the year	**219,119**	**241,997**
Net inflow (outflow) in cash and cash equivalents	**(22,878)**	**19,128**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

6.2 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Board of Directors on 5 February 2025.

NOTE 1 MAIN ACCOUNTING PRINCIPLES

NOTE 1.1 Introduction

ACCOUNTING STANDARDS

Under EU Regulation 1606/2002 of 19 July 2002 on the application of International Accounting Standards, the Societe Generale group ("the Group") prepared its consolidated financial statements for the year ended 31 December 2024 in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union and in force at that date. The Group includes the Societe Generale parent company (including the Societe Generale foreign branches) and all the entities in France and abroad that it controls either directly or indirectly (subsidiaries and joint arrangements) or on which it exercises significant influence (associates).

These standards are available on the European Commission website.

In accordance with the transitional measures provided by IFRS 9, the Group has elected to continue accounting for hedging transactions under IAS 39 as adopted by the European Union, including the provisions related to macro-fair value hedge accounting (IAS 39 "carve-out").

FINANCIAL STATEMENTS PRESENTATION

As the IFRS framework does not prescribe a standard model, the format used for the primary financial statements is consistent with the format proposed by the French Accounting Standard setter – *Autorité des Normes Comptables* (ANC) – under Recommendation No. 2022-01 of 8 April 2022.

The information provided in the notes to the consolidated financial statements ("Notes") is essentially both relevant and material to the Group's financial statements, businesses and circumstances in which they were carried out during the period under review.

The Group publishes its 2024 Annual Financial Report using the European Single Electronic Format (ESEF) as specified by the amended Delegated Regulation (EU) 2019/815.

PRESENTATION CURRENCY

The presentation currency of the consolidated financial statements is the euro.

The amounts presented in the financial statements and Notes are expressed in millions of euros, unless otherwise specified. The effect of rounding may generate discrepancies between the figures reported in the financial statements and those reported in the Notes.

CONNECTIVITY BETWEEN THE FINANCIAL STATEMENTS AND THE SUSTAINABILITY STATEMENT

Pursuant to French Ordinance n°2023-1142 of 6 December 2023 on the transposition in French law of Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 (Corporate Sustainability Reporting Directive) and of Delegated Regulation (EU) 2023/2772 of 31 July 2023 (European Sustainability Reporting Standards), the Group prepared for the first time a Sustainability statement on the 2024 financial year. Direct or indirect links with the consolidated financial statements are shown in the Sustainability statement wherever the latter includes financial information.

NOTE 1.2 New accounting standards applied by the SG Group as of 1 January 2024

Amendments to IFRS 16 “Lease Liability in a Sale and Leaseback” (available for early adoption in 2023).

AMENDMENTS TO IFRS 16 “LEASE LIABILITY IN A SALE AND LEASEBACK”

These amendments provide clarifications on the subsequent measurement of leaseback transactions when the original sale of the asset meets the criteria of IFRS 15 “Revenue from contract with customers” for recognition as a sale. These amendments specify in particular how to subsequently measure the lease liability arising from these leaseback transactions, made of variable lease payments that do not depend on an index or a rate.

These amendments have no material impact on the Group’s consolidated financial statements.

NOTE 1.3 Accounting standards, amendments or interpretations to be subsequently applied by the SG Group

The IASB published accounting standards and amendments, some of which not yet adopted by the European Union on 31 December 2024. They will enter into force for financial years beginning on or after 1 January 2025 at the earliest or from the date of their adoption. They were not therefore applied by the Group as at 31 December 2024.

The provisional timetable for the application of the standards with the highest impact for the Group is as follows:

2025
- Amendment to IAS 21 “The Effects of Changes in Foreign Exchange Rates”

2026
- Amendments to IFRS 9 “Amendments to the classification and measurement of financial instruments”
- Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity” (PPA and VPPA)

2027
- IFRS 18 “Presentation and Disclosure in Financial Statements”

AMENDMENT TO IAS 21 "THE EFFECTS OF CHANGES IN FOREIGN EXCHANGE RATES"

Published on 15 August 2023.

These amendments specify the circumstances in which a currency is exchangeable (or not) into another currency, and how to determine the exchange rate to apply when a currency is not exchangeable. They also add to the list of supplementary information to be disclosed in the annex to the financial statements when a currency is not exchangeable.

The provisions of these amendments are already applied to the preparation of the Group's financial statements.

AMENDMENTS TO IFRS 9 "AMENDMENTS TO THE CLASSIFICATION AND MEASUREMENT OF FINANCIAL INSTRUMENTS"

Published on 30 May 2024.

These amendments clarify the classification of financial assets, in particular with regard to how to assess whether contractual cash flows of a financial asset are consistent with a basic lending arrangement. They thus clarify the classification of financial assets with environmental, social and governance (ESG)-linked features.

They also include specifications regarding the classification of contractually linked instruments and of financial assets guaranteed solely by security rights.

Furthermore, these amendments also specify how to apply the derecognition of financial assets settled through electronic payment systems.

New disclosures are also required on the investments in equity instruments originally designated at fair value through other comprehensive income, and the financial assets and liabilities with contingent features, such as those with ESG-linked features.

The amendments should have no impact on the Group's consolidated financial statements.

AMENDMENTS TO IFRS 9 AND IFRS 7 "CONTRACTS REFERENCING NATURE-DEPENDENT ELECTRICITY" (PPA AND VPPA)

Published on 18 December 2024.

The IASB issued amendments to IFRS 9 and IFRS 7 relating to contracts referencing nature-dependent electricity the produced quantity of which is subject to hazard and variability.

The contracts concerned can be settled:

- through contracts to buy or sell nature-dependent electricity: Power Purchase Agreements (PPA);
- virtually settled net for the difference between the contractually agreed price and the market price: Virtual Power Purchase Agreements (VPPA).

These amendments clarify the conditions for the application of the own use exemption which allows for the exclusion of the Group-owned PPAs from the application scope of IFRS 9.

These amendments should have no material impact on the Group's financial statements.

IFRS 18 "PRESENTATION AND DISCLOSURE IN FINANCIAL STATEMENTS"

Published on 9 April 2024.

This standard will supersede IAS 1 "Presentation of Financial Statements".

It will not change the rules for recognising assets, liabilities, income and expenses, nor their measurement; it only addresses their presentation in the Primary financial statements and in their related notes.

The main changes introduced by this new standard affect the income statement. The latter will have to be structured by mandatory sub-totals and articulated in three categories of income and expenses: the operating income and expenses, investment income and expenses, and financing income and expenses.

For entities, for which investing in particular types of assets or providing financing to customers is one of their main business activities, such as banking and insurance entities, the standard provides for an appropriate presentation of the income and expenses relating to these activities under the operating income and expenses.

IFRS 18 also requires presenting in the notes management-defined performance measures (MPMs), *i.e.* alternative measures defined by the Management of the entity and used for public communication (justification of the use of these measures, calculation method, reconciliation with the subtotals required by the standard).

Finally, the standard provides guidance on how to aggregate and disaggregate material information in the primary financial statements and in the related notes.

The application of IFRS 18 will be required for annual periods beginning on 1 January 2027; this application will be retrospective with a restatement of comparative information.

The impact of this standard on the Group's financial statements is currently being analysed.

NOTE 1.4 Use of estimates and judgement

With a view to the preparation of the Group's consolidated financial statements, in application of the accounting principles described in the notes, the Management makes assumptions and estimates that may impact the amounts recognised in the income statement or under "Unrealised or deferred capital gains and losses", the valuation of assets and liabilities on the balance sheet, and the information disclosed in the related notes to the consolidated financial statements.

In order to make these estimates and assumptions, the Management uses the information available on the date when the consolidated financial statements are prepared and may exercise its judgment. Valuations based on estimates intrinsically involve risks and uncertainties relating to their materialisation in the future. Consequently, the actual final results may differ from these estimates and have a significant impact on the financial statements at that time.

The assumptions and estimates made for the preparation of these consolidated financial statements take account of the uncertainties regarding the economic consequences of the current geopolitical and macroeconomic context. The effects of these events on the assumptions and estimates used are specified in paragraph 5 of this note.

Estimates and judgment are used in particular with regard to the following items:

- the fair value on the balance sheet of the financial instruments that are not listed on an active market and are recognised as Financial assets and liabilities at fair value through profit or loss, Hedging derivatives, Financial assets at fair value through other comprehensive income (see Notes 3.1, 3.2, 3.3 and 3.4), as well as the fair value of the instruments measured at amortised cost for which this information is disclosed in the Notes to the financial statements (see Note 3.9);
- the impairment and provisions for credit risk related to financial assets measured at amortised cost (including the pricing of real estate guarantees), financial assets at fair value through other comprehensive income and loan commitments and guarantee commitments granted measured using models or internal assumptions based on historical, current and prospective data (see Note 3.8). The use of estimates and judgment relates in particular to the assessment of the deterioration in credit risk observed since the initial recognition of financial assets and the measurement of the amount of expected credit losses on these same financial assets;
- the amortisation assumptions and conventions used to determine the maturities of financial assets and liabilities as part of the measurement and monitoring of structural interest rate risk and of the documentation of the related macro fair value hedge accounting (see Note 3.2);
- the impairment of Goodwill (see Note 2.2);
- the provisions recorded as liabilities on the balance sheet (see Notes 5.1 and 8.2);
- the estimates related to the valuation of insurance contracts assets and liabilities (see Note 4.3);
- the tax assets and liabilities recognised on balance sheet (see Note 6);
- an analysis of the characteristics of the contractual cash flows of financial instruments in order to determine the appropriate accounting classification (see Note 3);
- the assessment of the degree of control for the determination of the scope of consolidated entities, especially in the case of structured entities (see Note 2.1, 2.3 and 2.4);
- the determination of the lease term to be applied for recognising the right-of-use assets and lease liabilities (see Note 8.3).

NOTE 1.5 Geopolitical and macroeconomic environments

2024 was marked by geopolitical uncertainties, with, in particular, the continuing conflict in Ukraine and the situation in the Middle-East. In the United States, economic growth was higher than expected, sustained by strong consumption. In the Eurozone, after a first half-year when business remained resilient especially in the services sector, economic growth slackened in the second half-year, in particular as a result of the weakness of the German economy and the political uncertainties in France. In China, the supporting measures merely prevented economic growth from further decline but without any actual economic upturn.

In this context, the Group updated the macroeconomic scenarios selected for the preparation of the consolidated financial statements.

These macroeconomic scenarios are taken into account in the credit loss measurement models including forward-looking data (see Note 3.8) and are also used to perform goodwill impairment tests (see Note 2.2) and tests assessing the recoverability of deferred tax assets (see Note 6).

NOTE 1.5.1 MACROECONOMIC SCENARIOS

As of 31 December 2024, the Group has opted for three macroeconomic scenarios to better understand the uncertainties related to the current macroeconomic context.

The assumptions selected to build these scenarios are described below:

- the central scenario ("SG Central") predicts a low growth level in the eurozone in a context of more restrictive fiscal policy than in 2024 and of persistent geopolitical concerns. Inflation should converge with the Central banks' targets and the monetary policy is expected to ease. In the USA, a rebound in economic growth is expected in 2025. The economic policy ushered by the new president of the United States should initially benefit American growth but could however have a negative impact later on. It would burden the other areas and increase global uncertainty;
- the favourable scenario ("SG Favourable") describes an accelerated economic growth compared to the trajectory projected in the central scenario; this growth may result from improved supply conditions owing to a positive shock on productivity or from unexpectedly improved demand conditions. In both cases, stronger growth will have a positive impact on employment and the profitability of companies;
- the stressed scenario ("SG Stress") corresponds to a crisis situation leading to a negative deviation in GDP compared to the central scenario. This scenario may result from a financial crisis (2008 crisis, eurozone crisis…), an exogenous crisis (Covid-19-like pandemic) or a combination of both.

These scenarios are developed by the Economic and Sector Research department of Societe Generale for all Group entities, based, in particular, on the information published by statistical institutes in each country.

Forecasts by institutions (IMF, Global Bank, ECB, OECD…) and the consensus among market economists serve as a reference to challenge the Group's forecasts.

NOTE 1.5.2 FINANCIAL INSTRUMENTS: EXPECTED CREDIT LOSSES

The scenarios provided by the Group economists are incorporated into the expected credit loss provisioning models over a three-year horizon, followed by a two-year period to gradually return by the fifth year to the average probability of default observed during the calibration period. The assumptions made by the Group to develop these macroeconomic scenarios have been updated during the fourth quarter 2024.

Variables

In 2024, the Group updated the expected credit loss measurement models. This update resulted in the identification of new economic variables relevant for estimating the expected credit losses. The major variables now used in the models are the GDP growth rates, the disposable income of households, the interest-rate differential between France and Germany, the US imports, the exports from developed countries, the unemployment rates, the inflation rate in France and the yield on France ten-year government bonds.

The variables with the stronger impact on the determination of expected credit losses (GDP growth percentage for the major countries in which the Group operates, and disposable income of households in France) for each scenario are detailed hereinafter:

"SG Favourable" scenario	**2025**	**2026**	**2027**	**2028**	**2029**
France GDP	2.1	2.9	2.3	2.2	1.3
Disposable income of households in France	0.8	1.4	1.1	0.9	0.8
Eurozone GDP	2.3	2.8	2.3	2.1	1.2
United States GDP	2.8	3.6	3.0	2.9	2.0
Developed countries GDP(1)	2.6	3.2	2.6	2.5	1.6

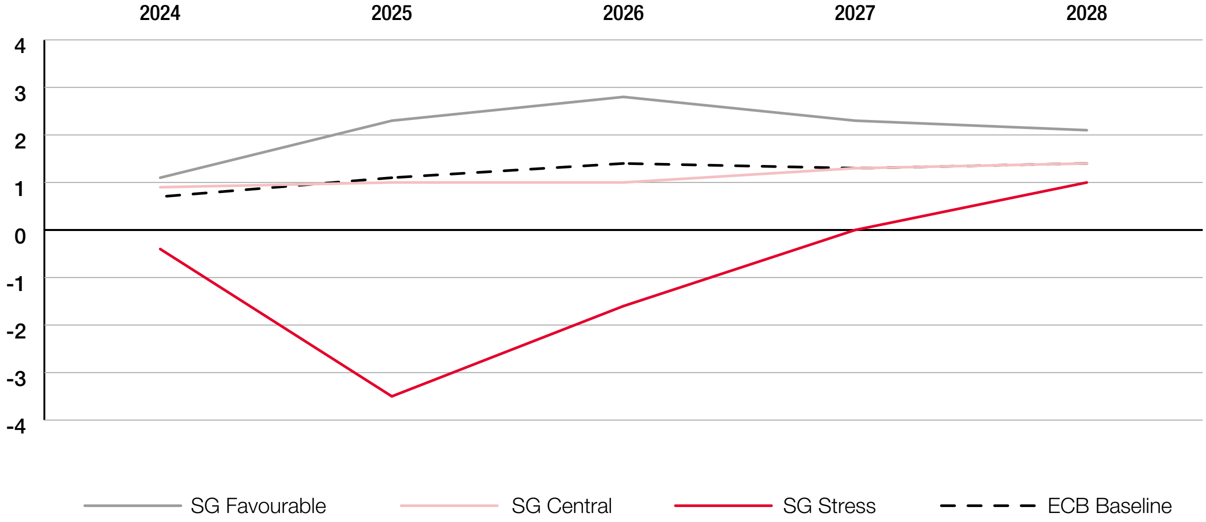
"SG Central" scenario	**2025**	**2026**	**2027**	**2028**	**2029**
France GDP	0.9	1.1	1.3	1.5	1.3
Disposable income of households in France	0.3	0.6	0.6	0.8	0.8
Eurozone GDP	1.0	1.0	1.3	1.4	1.2
United States GDP	1.5	1.8	2.0	2.2	2.0
Developed countries GDP(1)	1.3	1.5	1.6	1.8	1.6

"SG Stress" scenario	**2025**	**2026**	**2027**	**2028**	**2029**
France GDP	(3.6)	(1.5)	0.0	1.1	1.3
Disposable income of households in France	(1.0)	(0.7)	(0.9)	(0.3)	0.8
Eurozone GDP	(3.5)	(1.6)	0.0	1.0	1.2
United States GDP	(3.0)	(0.8)	0.7	1.8	2.0
Developed countries GDP(1)	(3.2)	(1.2)	0.4	1.4	1.6

(1) The Developed countries GDP correspond to the combination of the GDPs of the eurozone, the United States of America and Japan.

These simulations assume that the historical relationships between the key economic variables and the risk parameters remain unchanged. In reality, these correlations may be impacted by geopolitical or climatic events, or by changes in behaviour, legislative environment or credit granting policy.

The graph below shows the GDP projections in the eurozone selected by the Group for each scenario and compares them with the scenarios published by the ECB in December 2024.



	2023	2024	2025	2026	2027	2028
SG Favourable	0.9	1.1	2.3	2.8	2.3	2.1
SG Central	0.9	0.9	1.0	1.0	1.3	1.4
SG Stress	0.9	(0.4)	(3.5)	(1.6)	0.0	1.0
ECB Baseline	0.6	0.7	1.1	1.4	1.3	

WEIGHTING OF MACROECONOMIC SCENARIOS

The probabilities used are based on the differences observed over the past 25 years between the forecasts made by a consensus of economists regarding the US GDP and the actual scenario that occurred (forecast similar to the actual scenario, significantly optimistic or pessimistic).

In order to better account for a possible reversal in the cycle, the Group applies to its scenarios a weighting methodology (mainly based on the observed output gaps for the USA and the eurozone) and assigns a higher weight to the SG Central scenario when the economy is depressed. Conversely, the methodology provides for a higher weight to be assigned to the SG Stress scenario when the economy moves towards the peak of the cycle. Accordingly, the weighting applied to the SG Central scenario is set at 56% as at 31 December 2024.

PRESENTATION OF CHANGES IN WEIGHTS

	31.12.2024	30.06.2024	31.12.2023
SG Central	56%	60%	62%
SG Stress	34%	30%	28%
SG Favourable	10%	10%	10%

CALCULATION OF EXPECTED CREDIT LOSSES AND SENSITIVITY ANALYSIS

Credit risk cost as at 31 December 2024, insurance subsidiaries excluded, amounts to a net expense of EUR 1,530 million, increasing by EUR 505 million (49%) compared to 31 December 2023 (EUR 1,025 million).

Sensitivity tests have been performed to measure the impact of the changes in weights on the models. The sectoral adjustments (see Note 3.8) have been taken into account in these sensitivity tests. The scope of these tests includes the Stage 1 and Stage 2 outstanding loans subject to a statistical modelling of the impacts of the macroeconomic variables (which represents 88% of the expected credit losses as on 31 December 2023).

The results of these tests, taking into account the effect on the classification of the outstanding loans concerned (67% of the total outstanding loans), show that, in the event of a 100% weighting:

- of the SG Stress scenario, the impact would be an additional allocation of EUR 208 million;
- of the SG Favourable scenario, the impact would be a reversal of EUR 219 million;
- of the SG Central scenario, the impact would be a reversal of EUR 149 million.

COVID-19 CRISIS: STATE GUARANTEED LOANS (PGE)

Until 30 June 2022, the Group offered to its crisis-impacted customers (professionals and corporate customers) the allocation of State Guaranteed Loan facilities (PGE), with contractual characteristics equivalent to those of basic loans (SPPI criterion), and held by the Group under a management model aimed at collecting their contractual flows until maturity. Consequently, these loans were recorded on the consolidated balance sheet under “Customer loans at amortised cost”.

As of 31 December 2024, after the first repayments made after the end of the moratorium periods, the amount outstanding corresponding to the State Guaranteed Loans (PGE) granted by the Group is approximately EUR 5.3 billion (including EUR 1 billion classified in Stage 2 and EUR 1 billion in Stage 3). The residual portion of PGE granted by the French Retail networks amounts, as at 31 December 2024, to EUR 4.8 billion (of which EUR 0.9 billion classified in Stage 2 and EUR 0.9 billion in Stage 3); the State guarantee for these loans covers, on average, 90% of their amount.

The expected credit losses recognised as at 31 December 2024 for PGE amount to some EUR 160 million of which EUR 130 million booked by the French retail networks (including EUR 10 million in Stage 2 and EUR 110 million in Stage 3).

CONSEQUENCES OF THE WAR IN UKRAINE

The table below shows the changes in balance-sheet and off balance-sheet residual exposures (measured at amortised cost or at fair value through OCI) booked by the Group’s entities for Russian counterparties or subsidiaries of Russian groups.

	31.12.2024		30.06.2024		31.12.2023	
(In EUR billion)	**Exposure at default**	**Gross outstanding/ commitments**	**Exposure at default**	**Gross outstanding/ commitments**	**Exposure at default**	**Gross outstanding/ commitments**
Onshore exposures on consolidated subsidiaries	-	-	-	-	0	0
Offshore exposures(1)	0.5	0.6	0.6	0.8	0.9	1
Rosbank residual exposures	0.1	0.1	0.1	0.1	0.1	0.1
TOTAL	**0.6**	**0.7**	**0.7**	**0.9**	**1**	**1.1**

(1) Offshore exposures (exc. Private Banking and residual exposures linked to the disposal of Rosbank) correspond to the exposures on Russian counterparties or subsidiaries of Russian groups booked outside Russia.

Exposures in Russia and Ukraine

The Russian subsidiary LeasePlan RUS LLC was sold during the first half of 2024. The Group does not hold any entity in Russia anymore.

The Group remains present in Ukraine through its Ayvens Ukraine Limited Liability Company subsidiary, the total balance sheet of which amounts to EUR 88 million as at 31 December 2024.

Offshore exposures

The Group also holds assets on Russian counterparties; the volume of these assets dropped significantly between 31 December 2023 and 31 December 2024, owing in particular to asset disposals, customer reimbursements completed without incident, and the reception of funds that settle Russian exposures.

These outstanding assets, including residual Rosbank exposure, were classified as “sensitive” from the very beginning of the conflict (see Note 3.8) and declassified to Stage 2 of impairment for credit risk or to Stage 3 when necessary.

The consequences of these classifications, as well as the account taken of the new macroeconomic scenarios to determine expected credit losses as at 31 December 2024, are described in Note 3.8.

Furthermore, to take account of these specific risk exposures, the Group supplemented the expected credit losses through a post-model adjustment, as described in Note 3.8.

Other information

Societe Generale received during 2024 financial year EUR 301 million, linked to exposures in Russia relating to its former local presence *via* Rosbank. These exposures, valued at zero or provisioned in the Group’s accounts, have been recovered in accordance with the laws in force and following approval by the relevant regulatory authorities, generating a positive contribution of some EUR 218 million after tax to the net income, Group share.

NOTE 1.6 Hyperinflation in Turkey and Ghana

The publications by the International Practices Task Force of the Center for Audit Quality, usual reference for identifying the countries in hyperinflation, show that Turkey and Ghana have been considered hyperinflationary economies since 2022 and 2023, respectively.

Accordingly, the Group applies the provisions of IAS 29 ("Financial Reporting in Hyperinflationary Economies") to prepare the individual financial statements presented in Turkish liras of the Ayvens group entities located in Turkey and the individual financial statements in cedis of the Societe Generale Ghana PLC entity located in Ghana (before their conversion to euro as part of the consolidation process), since 1 January 2022 and 1 January 2023, respectively.

The accounts of the SG Istanbul branch have, however, not been restated, their impact being non-material.

Under IAS 29, the accounting value of some balance sheet items measured at cost is adjusted, as at the closing date, for the inflation effects observed over the period. In the financial statements of the entities concerned, these adjustments are mainly applied to tangible assets (including in particular the rented car fleet, buildings), as well as to the different components of equity.

The inflation adjustments for the assets concerned and equity items, as well as for income and expenses for the period, are recognised as income or expenses on foreign exchange transactions under "Net gains and losses on financial transactions".

Thus restated, the financial statements are converted to euro based on the exchange rate applicable on the closing date.

As of 31 December 2024, a gain of EUR 111.6 million was recognised in the Net gains and losses on financial transactions from inflation adjustments for the period. After taking into account the adjustments of the other income and expense lines of the period, the impact of the restatements for hyperinflation on the consolidated pre-tax accounting result is EUR 133.9 million.

NOTE 2 CONSOLIDATION

MAKING IT SIMPLE

The various activities of the Societe Generale group in France and abroad are carried out by Societe Generale – Parent company (which includes the Societe Generale foreign branches) and by all of the entities that it controls either directly or indirectly (subsidiaries and joint arrangements) or on which it exercises significant influence (associates). All of these entities make up the scope of the Group consolidation.

Consolidation is based on a standardised accounting process so as to report in an aggregated format the accounts of Societe Generale's parent company and its subsidiaries, joint arrangements and associates as if they were a single entity.

For this purpoose, the individual accounts of the entities that make up the Group are restated so that they are in accordance with IFRS, as adopted by the European Union, in order to present consistent information in the consolidated financial statements.

In addition, the accounting balances (assets, liabilities, income and expense) generated by transactions between Group entities are eliminated through the consolidation process so that the consolidated financial statements present only the transactions and results made with third parties outside of the Group.

ACCOUNTING PRINCIPLES

The consolidated accounts bring together the accounts of Societe Generale, its foreign branches and the French and foreign entities over which the Group exercises control, joint control or significant influence.

Consolidated entities

SUBSIDIARIES

Subsidiaries are the entities over which the Group has exclusive control. The Group controls an entity if and only if the three following conditions are met:

- the Group has power over the entity (ability to direct its relevant activities, *i.e.* the activities that significantly affect the entity's returns), through the holding of voting rights or other rights; and
- the Group has exposure or rights to variable returns from its involvement with the entity; and
- the Group has the ability to use its power over the entity to affect the amount of the Group's returns.

Power

When determining voting rights for the purpose of establishing the Group's degree of control over an entity and the appropriate consolidation method, potential voting rights are taken into account where they can be freely exercised at the time the assessment is made or at the latest when decisions about the direction of the relevant activities need to be made. Potential voting rights are instruments such as call options on ordinary shares outstanding on the market or rights to convert bonds into new ordinary shares.

Some rights are designed to protect the interests of their holder (protective rights) without giving that party power over the investee to which those rights relate.

If there are several investors, each with substantive rights that give them the unilateral ability to direct different relevant activities, the investor with that has the current ability to direct the activities that most significantly affect the variable returns of the investee is presumed to have power over the investee.

Exposure to variable returns

Control exists only if the Group is significantly exposed to the variability of variable returns generated by its investment or its involvement in the entity. These returns, which could be dividends, interest, fees, etc., can be only positive, only negative or both positive and negative.

Link between power and variable returns

To assess the link between power and variable returns, if the Group has been delegated decision-making rights that it exercises on behalf and for the benefit of third parties (the principals), it is presumed to act as an agent for these principals, and therefore it does not control the entity when it exercises its decision-making power. In asset management activities, an analysis shall be performed in order to determine whether the asset manager is acting as agent or principal when managing the net assets of a fund; the fund is presumed to be controlled by the asset manager if the latter is considered as a principal.

Special case of structured entities

A structured entity is an entity designed so that voting rights are not the determining factor in identifying who controls the entity. Such is the case, for example, when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements.

A structured entity often presents certain characteristics such as a limited business activity, a specific and carefully defined purpose, or insufficient capital to fund its activities without the use of subordinated financing. Structured entities may assume different legal forms: stock companies, partnerships, securitisation vehicles, mutual funds, unincorporated entities, etc.

When assessing the existence of control over a structured entity, all facts and circumstances shall be considered among which:

- the purpose and design of the entity;
- the structuring of the entity;
- risks to which the entity is exposed by way of its design and the Group's exposure to some or all of these risks;
- potential returns and benefits for the Group.

Unconsolidated structured entities are those that are not exclusively controlled by the Group.

JOINT ARRANGEMENTS

Through a joint arrangement (either a joint operation or a joint venture) the Group exercises joint control over an entity if decisions about the direction of its relevant activities require the unanimous consent of the parties that collectively control the entity. Assessing joint control requires an analysis of the rights and obligations of all the parties. In the case of a joint operation, the parties to the arrangement have rights to the assets and obligations for the liabilities.

In the case of a joint venture, the parties have rights to the net assets of the entity.

ASSOCIATES

Associates are companies over which the Group exercises significant influence and are accounted for using the equity method in the Group's consolidated financial statements. Significant influence is the power to participate in the financial and operating policies of an entity without exercising control. In particular, significant influence can result from Societe Generale being represented on the Board of Directors or Supervisory Board, from its involvement in strategic decisions, from the existence of significant intercompany transactions, from the exchange of management staff, or from the Company's technical dependency on Societe Generale. The Group is assumed to exercise significant influence over the financial and operating policies of an entity when it directly or indirectly holds at least 20% of the voting rights in this entity.

Consolidation rules and methods

The consolidated financial statements are built up from the financial statements of the entities that are included in the consolidation scope. Companies with a fiscal year ending more than three months before or after that of Societe Generale prepare *pro forma* statements for a twelve-month period ended 31 December. All significant balances, profits and transactions between Group companies are eliminated.

The results of newly acquired subsidiaries are included in the consolidated financial statements from their effective acquisition date while the results of subsidiaries disposed of during the fiscal year are included up to the date where the Group relinquished control.

CONSOLIDATION METHODS

The subsidiaries, including the structured entities over which the Group has exclusive control, are fully consolidated.

In the consolidated balance sheet, full consolidation consists in replacing the value of the subsidiary's equity securities held by the Group with each of the subsidiary's assets and liabilities, in addition to the goodwill recognised when the Group assumed control over the entity (see Note 2.2). In the income statement and the statement of net income and unrealised or deferred gains and losses, the subsidiary's expense and income items are aggregated with those of the Group.

The portion of non-controlling interests in the subsidiary is presented separately in the consolidated balance sheet and income statement. However, the units of the funds controlled and consolidated by the Group that are held by third-party investors are recognised as Debt under "Other liabilities" provided that they are puttable at fair value.

In the case of a joint operation, the Group distinctly recognises in its consolidated financial statements its share in the assets and liabilities as well as its share in the related revenue and expense.

Associates and joint ventures are accounted for using the equity method in the consolidated financial statements of the Group. Under the equity method, the investment in an associate is recognised, on initial recognition, under "Investments accounted for using the equity method" at the cost of the Group's investment in the joint venture or associate, including goodwill and after the date of acquisition the carrying amount is increased or decreased to recognise the changes in the investor's share in the net asset value of the investee.

These investments are tested for impairment if there is objective evidence of impairment. If the recoverable amount of the investment (value in use or market value net of selling costs, whichever is higher) is lower than its carrying amount, an impairment loss is recorded on the balance sheet at the carrying amount of the investment. Impairment allowances and reversals are recorded under "Net income from investments accounted for using the equity method".

The Group's share in the entity's net income and unrealised or deferred gains and losses is presented on separate lines in the consolidated income statement and the consolidated statement of net income and unrealised or deferred gains and losses. If the Group's share in the losses of an entity consolidated using the equity method becomes greater than or equal to its ownership interest in the Company, the Group ceases to recognise its share in subsequent losses unless it is required to do so by legal or implied obligations, in which case it records a provision for said losses. Capital gains and losses generated on the disposal of companies accounted for using the equity method are recorded under "Net income/expense" from other assets.

CONVERSION OF FOREIGN ENTITY FINANCIAL STATEMENTS

The balance sheet items of consolidated companies reporting in foreign currencies are converted into Euros at the official exchange rates prevailing at the closing date. Income statement items of these companies are translated into euros, at the average month-end exchange rates. Gains and losses arising from the translation of capital, reserves, retained earnings and income are recognised under "Unrealised or deferred gains and losses – Translation differences". Gains and losses arising from the translation of the capital contribution of foreign branches of Group banks are also included in changes in consolidated shareholders' equity under the same heading.

In accordance with the option allowed under IFRS 1, the Group allocated all differences arising on translation of foreign entity financial statements at 1 January 2004 to consolidated reserves. As a result, if any of these entities are sold, the proceeds from the sale will only include write-backs of those translation differences arising since 1 January 2004.

CHANGES IN THE GROUP'S OWNERSHIP INTERESTS IN A CONSOLIDATED ENTITY

In the event of an increase in Group's ownership interest in a subsidiary over which it already exercises control, the differences between the price paid for the additional stake and the assessed fair value of the proportion of net assets acquired at this date is recorded under "Retained earnings", Group share.

Also, in the event of a reduction in the Group's ownership interest in a subsidiary over which it keeps control, the difference between the selling price and the carrying amount of the share of interests sold is recorded under "Retained earnings", Group share.

The costs related to these transactions are recognised directly in equity.

When the Group losses control of a consolidated subsidiary, any investment retained in the former subsidiary is remeasured at fair value through profit or loss, at the same time the capital gain or loss is recorded under "Net income/expense" from assets in the consolidated income statement. The gains or losses on disposals include a share of goodwill previously allocated to the cash-generating units to which the subsidiary belongs. This share's determination is based on a normative capital allocated to the subsidiary that is sold and to the portion of cash-generating unit that is retained.

Commitments to buy out minority shareholders in fully consolidated subsidiaries

In some fully consolidated Group subsidiaries, the Group has awarded minority shareholders commitments to buy out their stakes. For the Group, these buyout commitments are put option sales (put options without transfer of the risks and advantages associated with the ownership interest before the option's exercise). The exercise price for these options can be established using a formula agreed upon at the time of the acquisition of the shares in the subsidiary that takes into account its future performance. It can also be set as the fair value of these shares at the exercise date of the options.

The commitments are recorded as follows:

- in accordance with IAS 32, the Group records a financial liability for the put options granted to minority shareholders of the subsidiaries over which it exercises control. This liability is initially recognised at the present value of the estimated exercise price of the put options under "Other liabilities";
- the obligation to recognise a liability even though the put options have not been exercised means that, in order to be consistent, the Group must use the same accounting treatment as the one applied to transactions in Non-controlling interests. As a result, the counterpart of this liability is a write-down in value of non-controlling interests underlying the options, with any balance deducted from Retained earnings, Group share;
- subsequent variations in this liability (linked to changes in the estimated exercise price of the options and the carrying value of Non-controlling interests) are recorded in full in Retained earnings, Group share;
- if the buy-out takes place, the liability is settled by the cash payment linked to the acquisition of non-controlling interests in the subsidiary. However if, when the commitment reaches its term, the buy-out has not occurred, the liability is written off against Non-controlling interests and Retained earnings, Group share for their respective portions;
- as long as the options have not been exercised, the results linked to Non-controlling interests with a put option are recorded under "Non-controlling interests" on the Group's consolidated income statement.

NOTE 2.1 Consolidation scope

The consolidation scope includes subsidiaries and structured entities under the Group's exclusive control, joint arrangements (joint ventures and joint operations) and associates whose financial statements are significant relative to the Group's consolidated financial statements, notably regarding Group consolidated total assets and gross operating income.

The main changes to the consolidation scope as at 31 December 2024, compared with the scope applicable at the closing date of 31 December 2023, are as follow in chronological order:

SALE OF SOCIETE GENERALE TCHAD

On 31 January 2024, the Group sold the totality of its participation in SG TCHAD, its Chadian subsidiary. This sale led to a reduction of EUR 0.3 billion in the total Group's balance sheet compared to 31 December 2023.

CREATION OF A PARTNERSHIP BETWEEN SOCIETE GENERALE AND ALLIANCEBERNSTEIN

On 1 April 2024, Societe Generale and AllianceBernstein launched Bernstein, a partnership combining their cash equities and equity research businesses.

The partnership is organised under two separate legal vehicles: Sanford C. Bernstein Holdings Limited, covering Europe and Asia activities, with a head office in London, and Bernstein North America Holdings LLC, covering North America activities, with a head office in New York, complemented by major hubs in Paris and Hong Kong, and multiple regional offices.

Since 1 April 2024, the entity Sanford C. Bernstein Holdings Limited, fully controlled by the Group (stake of 51%) is fully consolidated, and the entity Bernstein North America Holdings LLC, over which the Group has significant influence (stake of 33.33%) is consolidated by using equity method.

Options may allow Societe Generale, subject to regulatory approvals, to own 100% of both entities within five years.

SANFORD C. BERNSTEIN HOLDINGS LIMITED (ENTITY FULLY CONSOLIDATED)

On 1 April 2024, Societe Generale acquired 51% of the holding company Sanford C. Bernstein Holdings Limited for a purchase price of EUR 108 million.

As of 31 December 2024, the purchase price allocation exercise is still ongoing: pending this, the Group has recorded the assets and liabilities of its new subsidiary at their carrying amounts in its annual consolidated accounts as at 31 December 2024.

The purchase price allocation will be finalised within one year from the acquisition date: as of 31 December 2024, the Group recognised a goodwill of EUR 26 million (see Note 2.2).

The put option negociated to redeem non-controlling interests (49%) is recognised as a liability representing the present value of the discounted strike price for an amount of EUR 61 million with an impact in equity, Group share, of EUR 17 million as at acquisition date.

(In EURm)	Allocation as at 31 December 2024
Tangible and intangible fixed assets	4
Due from banks	246
Net tax assets	5
Customer deposits	(80)
Net other assets and liabilities	(14)
Fair value of assets and liabilities acquired (C)	161
Non-controlling interests(1) (B)	79
Purchase price (A)	108
GOODWILL (A) + (B) - (C)	**26**

(1) Non-controlling interests are measured based on the proportionate share in the recognised amounts of the revalued identifiable net assets.

BERNSTEIN NORTH AMERICA HOLDINGS LLC (ENTITY CONSOLIDATED BY EQUITY METHOD)

On 1 April 2024, Societe Generale acquired 33.33% of the holding company Bernstein North America Holdings LLC for a purchase price of EUR 180 million. Optional instruments were negotiated with the counterparty, leading to the recognition of a derivative financial liability of EUR 37 million as at 31 December 2024.

DISPOSAE OF SHINE

On 28 November 2024, the Societe Generale group sold Shine to the Danish group Ageras, which took over all of the entity's activities and employees. This sale resulted in a reduction of other liabilities by EUR 0.6 billion compared to 31 December 2023.

DISPOSAL OF SOCIETE GENERALE MAROCAINE DE BANQUES, ITS SUBSIDIARIES, AND OF LA MAROCAINE VIE

On 3 December 2024, the Societe Generale group finalised the sale of SG Marocaine de Banques and its subsidiaries and the entity La Marocaine Vie to Saham group.

The sale resulted in a reduction of the Group's total balance sheet by EUR 12 billion compared to 31 December 2023, mainly including a decrease in Customer loans at amortised cost of EUR 9 billion and a decrease in Customers deposits of EUR 7 billion.

Coincidently, the Group signed put and call agreements on its stake in ALD Automotive SA in Morocco. The signing of these agreements led the Group to remove the subsidiary from the consolidation scope, resulting in a reduction of the Group's total balance sheet by EUR 0.2 billion compared to 31 December 2023.

DISPOSAL OF SOCIETE GENERALE MADAGASCAR

On 20 December 2024, the Group sold its entire participation in BFV – Societe Generale, its Malagasy subsidiary. This sale resulted in a reduction of the Group's balance sheet total of EUR 0.8 billion compared to 31 December 2023.

NOTE 2.2 Goodwill

MAKING IT SIMPLE

When the Group acquires a company, it integrates in its consolidated balance sheet all of the new subsidiary's assets and liabilities at fair value.

But the acquisition price of a company is generally higher than the net revalued amount of its assets and liabilities. The excess value, called goodwill, can represent part of the Company's intangible capital (reputation, quality of its personnel, market shares, etc.) which contributes to its overall value, or the value of the future synergies that the Group hopes to develop by integrating the new subsidiary in its existing activities.

In the consolidated balance sheet, the goodwill is recognised as an intangible asset, the useful life of which is presumed to be unlimited; it is not amortised and therefore does not generate any recurring expense in the Group's future results.

However, every year, the Group assesses whether the value of its goodwill has not depreciated. If it has, an irreversible expense is immediately recognised in the Group results, which indicates that the profitability of the intangible capital of the acquired entity is inferior to initial expectations, or that the anticipated synergies have not been fulfilled.

ACCOUNTING PRINCIPLES

The Group uses the acquisition method to recognise its business combinations in accordance with IFRS 3 “Business Combinations”.

On the acquisition date, the acquisition cost is calculated as the total fair value of all assets given, liabilities incurred or assumed and equity instruments issued in exchange for the control of the acquired entity. The costs directly linked to business combinations are recognised in profit or loss for the period except those related to the issuance of equity or debt instruments.

Any contingent consideration is included in the acquisition cost at its fair value on the acquisition date, even if its occurrence is only potential. It is recognised under equity or debt in the balance sheet depending on the settlement alternatives. If recognised as debt, any subsequent adjustment is recorded under income for financial liabilities in accordance with IFRS 9 and within the scope of the appropriate standards for other debts. If recognised as equity instruments, these subsequent adjustments are not recorded.

On the acquisition date, as required by IFRS 3, all assets, liabilities, off-balance sheet items and contingent liabilities of this new subsidiary (even if they were not recognised before the combination) are measured individually at their fair value regardless of their purpose. At the same time, non-controlling interests are valued according to their share of the fair value of the identifiable assets and liabilities of the acquired entity. However, for each business combination, the Group may also choose to measure non-controlling interests initially at their fair value, in which case a fraction of goodwill is allocated.

Any excess of the price paid over the assessed fair value of the proportion of net assets acquired is recorded on the asset side of the consolidated balance sheet under “Goodwill”. Any deficit is immediately recognised in profit or loss.

On the acquisition date, any stake in this entity already held by the Group is remeasured at fair value through profit or loss. In the case of a step acquisition, goodwill is therefore determined by referring to the fair value on the acquisition date.

The analyses and professional appraisals required for this initial valuation must be carried out within 12 months as from the acquisition date, as must any corrections to the value based on new information related to facts and circumstances existing at the acquisition date. Goodwill and non-controlling interests initially recorded are consequently adjusted. On the acquisition date, each item of goodwill is allocated to one or more cash-generating units expected to derive benefits from the acquisition. When the Group reorganises its reporting structure in a way that changes the composition of one or more cash-generating units, goodwill previously allocated to modified units is reallocated to the units affected (new or existing). This reallocation is generally performed using a relative approach based on the normative capital requirements of each cash-generating unit (CGU) affected.

Goodwill is reviewed regularly by the Group and tested for impairment whenever there is any indication that its value may have diminished, and at least once a year. Any impairment of goodwill is calculated based on the recoverable value of the relevant cash-generating unit(s).

If the recoverable amount of the cash-generating unit(s) is less than its (their) carrying amount, an irreversible impairment is recorded in the consolidated income statement for the period under “Value adjustment on goodwill”.

As of 31 December 2024, goodwill is split into the following nine CGUs:

Pillars	Activities
French Retail, Private Banking and Insurances	
French Retail and Private Banking	Societe Generale's retail banking network, Boursorama online banking activities, wealth Management Solutions
Insurances	Life and non-life insurance activities in France and abroad (including Sogécap, Sogessur, Oradéa Vie and Antarius)
Global Banking and Investor Solutions	
Global Markets and Investor Services	Market solutions for businesses, financial institutions, the public sector, family offices and a full range of securities services, clearing services, execution, prime brokerage and custody
Financing and Advisory	Advisory and financing services for businesses, financial institutions, the public sector and transaction and payment management services
Mobility, International Retail Banking and Financial Services	
Europe	Retail banking in Europe, notably in Czech Republic (KB) and Romania (BRD)
Africa, Mediterranean Basin and Overseas	Retail banking and consumer finance in Africa, the Mediterranean Basin and Overseas, including in Algeria (SGA), Tunisia (UIB), Cameroon (SGBC), Côte d'Ivoire (SGBCI) and Senegal (SGBS)
Equipment and Vendor Finance	Financing of sales and professional equipment by Societe Generale Equipment Finance
Auto Leasing Financial Services	Operational vehicle leasing and fleet management services (Ayvens)
Consumer Finance	Consumer finance services in Europe, in Germany (Hanseatic Bank, BDK), Italy (Fiditalia) and France (CGL)

The table below shows by CGU and by operating segment (Note 8.1) the changes over the year 2024 in the values of goodwill:

(In EURm)	Value as at 31.12.2023	Acquisitionsand other increases(1)	Disposals and other decreases(2)	Impairment	Value as at 31.12.2024
French Retail and Private Banking	**1,149**	**-**	**(30)**	**-**	**1,119**
French Retail and Private Banking	1,149	-	(30)	-	1,119
Insurances	**348**	**-**	**(3)**	**-**	**345**
Insurances	348	-	(3)	-	345
International Banking	**831**	**-**	**-**	**-**	**831**
Europe	831	-	-	-	831
Africa, Mediterranean Basin and Overseas	-	-	-	-	-
Mobility and Financial Services	**2,564**	**152**	**(8)**	**-**	**2,708**
Equipment and Vendor Finance	-	-	-	-	-
Auto Leasing Financial Services	2,019	152	(8)	-	2,163
Consumer finance	545	-	-	-	545
Global Markets and Investor Services	**-**	**26**	**-**	**-**	**26**
Global Markets and Investor Services	-	26	-	-	26
Financing and Advisory	**57**	**-**	**-**	**-**	**57**
Financing and Advisory	57	-	-	-	57
TOTAL	**4,949**	**178**	**(41)**	**-**	**5,086**

(1) The increases in goodwill relate to the acquisition of Sanford C. Bernstein Holdings Limited (see Note 2.1) and the finalisation of the allocation of the acquisition price of LeasePlan (see below).

(2) The other decreases include the reclassification of the entities held for sale's goodwill to Non-current assets held for sale (see Note 2.5).

FINALISATION OF THE GOODWILL CALCULATION RELATED TO THE ACQUISITION OF LEASEPLAN BY ALD

On 22 May 2023, following the approval of ALD's Board of Directors and relevant regulatory authorities' approvals, ALD acquired 100% of LeasePlan for a consideration of EUR 4,969 million.

This purchase price included an earn out consideration initially estimated to EUR 70 million in the consolidated financial statements as at 31 December 2023. The earn-out mechanism lasted until 31 December 2024, subject to an additional 6-month period in some specific circumstances.

As of 30 June 2024, the Group assessment of the earn out consideration at closing date of the transaction was EUR 142 million.

As of 31 December 2024, this amount hasn't been revised. The adjustment of EUR 72 million accounted in the first half of 2024 is the result of additional information brought to the Group's attention on the facts and circumstances that existed at the acquisition date.

As the acquisition price allocation has been finalised in the first half of 2024, any subsequent variations of the earn-out fair value will be accounted through the income statement.

The amount of goodwill, provisionally estimated at EUR 1,396 million in the Group's consolidated financial statements as at 31 December 2023, has been adjusted to reach the final amount of EUR 1,548 million as at 31 December 2024. The table below shows the adjustments of EUR 152 million made in 2024, in addition to the adjustments of EUR -230 million made in 2023.

(In EURm)	Certified balance sheet at acquisition date	Fair value adjustment	Provisional allocation as at 31 December 2023	Fair value adjustment(1)	Final allocation as at 30 June 2024
Cash, due from central banks	3,812	-	3,812	-	3,812
Customer loans at amortised cost	615	-	615	-	615
Net non-current assets and liabilities held for sale(2)	617	33	650	-	650
Tangible and intangible fixed assets	23,891	330	24,221	2	24,223
o/w Assets under operating leases	*20,983*	*429*	*21,412*	*60*	*21,472*
Debts securities issued	(9,327)	7	(9,320)	-	(9,320)
Due to bank	(2,687)	(7)	(2,694)	-	(2,694)
Customer deposits	(11,334)	33	(11,301)	-	(11,301)
Net tax assets/liabilities	(505)	(64)	(569)	35	(534)
Net other assets and liabilities	(1,298)	(102)	(1,400)	(117)	(1,517)
Fair value of assets and liabilities acquired (C)	3,784	230	4,014	(80)	3,934
Non-controlling interests(3) (B)	513	-	513	-	513
Total purchase price (A)	4,897	-	4,897	72	4,969
GOODWILL (A) + (B) - (C)	**1,626**	**(230)**	**1,396**	**152**	**1,548**

(1) The amounts have been restated compared with the published consolidated financial statements as at 30 June 2024 due to an correction of error, see below.
(2) Amount after elimination of intra-group transactions.
(3) Other equity instruments issued.

Main adjustments to LeasePlan's identifiable assets and liabilities fair value in 2024 relate to:

- a net increase of EUR 2 million in tangible and intangible assets, which breaks down into:
  - additional decrease of EUR 63 million in the value of LeasePlan's intangible assets (software) at the date of the acquisition due to a completion rate adjustment for ongoing IT developments, corrections of the scope of the software and confirmation of impairment items already existing at the acquisition date,
  - increase in leased assets of EUR 60 million and customer relationships intangible of EUR 4.6 million;
- a decrease of EUR 117 million in other net assets and liabilities mainly due to:
  - a decrease of EUR 23 million in the stake in the Please entity following an update of the valuation (the activity has been discontinued in 2022) and of the percentage of ownership by the Group,
  - a decrease of EUR 18 million related to allowance for expected credit losses on trade receivables as a result of alignment to the methodology applied by the Group,
  - a decrease of EUR 73 million related to the historical motor finance commission payments (DCA – Discretionary Commission Arrangement) to be accrued for Inula Holding UK Limited. The omission of a provision from the 2023 financial statements has been considered as a prior period error and adjusted against the Goodwill;
- an increase of EUR 35 million in net deferred tax asset arising from the adjustments above.

IMPAIRMENT TEST OF CGU

The Group performed an annual impairment test on 31 December 2024 for each CGU to which goodwill had been allocated.

A CGU is defined as the smallest identifiable group of assets that generates cash inflows, which are largely independent of the cash inflows from the Group's other assets or groups of assets. Impairment tests consist into assessing the recoverable value of each CGU and comparing it with its carrying value. An irreversible impairment loss is recorded in the income statement if the carrying value of a CGU, including goodwill, exceeds its recoverable value. This loss is booked under "Value adjustment on goodwill".

The recoverable amount of a CGU is calculated using the discounted cash flow (DCF) method applied to the entire CGU.

The key principles retained for the implementation of annual tests for the assessment of the recoverable value of CGUs are as follows:

- for each CGU, estimates of future distributable dividends are determined over a five-year period, based on a on a five-year (from 2025 to 2029) budget trajectory (SG Central scenario) extrapolated to 2030, the latter year being used to calculate the terminal value;
- these estimates consider the equity target allocated to each CGU, in increase compared to 31 December 2023 (13% of the risk-weighted assets of each CGU for 2024 *versus* 12% for 2023);
- the growth rates used to calculate the terminal value are determined using forecasts on sustainable long-term economic growth and inflation. These rates are estimated using two main sources, namely the International Monetary Fund and the economic analyses produced by SG Cross Asset Research which provides 2028 or 2029 forecasts;
- the central scenario makes the working assumption that governments and corporates deliver on announced policy pledges in line with a Below 2°C (B2D) scenario but falling short of Net Zero 2050 (1.5°C). The scenario assumes no major public opinion push-back, and envisions that public policies will prioritise efficient green investment, with private sector financing playing a key role. This implies significant sectorial transformations, with some sectors, seeing declining demand;
- the projected dividends are then discounted based on a rate equal to the risk-free rate grossed up by a risk premium based on the CGU's underlying activities. This risk premium, specific to each activity, is calculated from a series of equity risk premiums published by SG Cross Asset Research and from its specific estimated volatility (beta). Where appropriate, the risk-free rate is also grossed up by a sovereign risk premium, representing the difference between the risk-free rate available around monetary assignment (mainly US dollar area or Euro area) and the interest rate observed on liquid long-term treasury bonds issued (mainly US dollar area or Euro area), in proportion with risk-weighted assets for CGUs covering several countries.

As of 31 December 2024, the table below presents discount rates and long-term growth rates specific to the CGUs of the Group's three core businesses:

Assumptions as at 31 December 2024	Discount rate	Long-term growth rate
French Retail and Private Banking	9.3%	2.0%
Insurances	9.9%	2.0%
Global Markets and Investor Services	11.8%	2.5%
Financial Services	10.3%	2.0%
International Banking	11,8% to 13,5%	2,0% to 3,0%
Consumer finance	10.4%	2.0%
Mobility and Financial Services	10.5%	2.0%

These budgets are based on the following main business and macroeconomic assumptions:

Pillars	
French Retail, Private Banking and Insurances	
French Retail and Private Banking	■ Ongoing efforts to migrate operations and relationship banking at Societe Generale towards a digital model and merge the two retail banking networks
	■ Consolidation of commercial and operational efficiency in Wealth Management and continued development of synergies with retail banking network
	■ Confirmation of Boursorama's customer acquisition plan to reach more than 8 millions clients in 2026
Insurances	■ Reinforcement of integrated bank insurance model and continued dynamic growth in France and abroad in synergy with the retail banking network, Private Banking and financial services to businesses
Global Banking and Investor Solutions	
Global Markets and Investor Services	■ Thanks to the restructuring initiated and integration of Bernstein, better balance of the portfolio of businesses securing future revenues and enabling an optimisation of the use of ressources in a standardised market context
	■ Consolidation of market-leading franchises (equities) and growth mainly supported by financing and investment solutions activities
	■ Continued of optimisation measures and investments in information systems
Financing and Advisory	■ Consolidation of origination momentum of financing activities oriented towards capital consumption optimisation
	■ Consolidation of market-leading franchises (commodity and structured financing) and continued RSE business development
Mobility, International Retail Banking and Financial Services[(1)]	
Europe	■ Continued adaptation of our models to capture growth potential in the region and consolidate the competitive positions of our operations
	■ Strict discipline applied to operating expenses and normalisation of cost of risk
Africa, Mediterranean Basin and French Overseas Territories	■ Consolidation of positions in a transforming perimeter
	■ Continued focus on operating efficiency (automatisation, dematerialisation, digitalisation and mutualisation initiatives) and gradual reduction cost of risk
Auto Leasing Financial Services	■ Creation of a leading global player in mobility with the integration of LeasePlan
	■ New strategic plan articulated around four priorities: clients, operational efficiency, responsibility and profitability
Consumer Finance	■ Continued adaptation of our models to capture growth potential in the region and consolidate the competitive positions of our operations
	■ Strict discipline applied to operating expenses and normalisation of cost of risk

(1) As of 31 December 2024, the assets of CGU Equipment and Vendor Finance were reclassified into Non-current Assets held for sale (see Note 2.5).

For CGUs, the tests carried out on 31 December 2024 show that the recoverable amount remains higher than the book value.

Sensitivity tests were performed to measure the impact of the change in the discount rate and in the long-term growth rate on the recoverable amount of each CGU. The results of these tests show that:

- a 50 basis point increase applied to all CGU discount rates shown in the table above would result in a decrease in the total recoverable amount of 6.4% without requiring additional impairment of any CGU;
- a 50 basis point reduction in long-term growth rates would result in a 1.9% decrease in the total recoverable amount without requiring additional depreciation of any CGU;
- by combining these two sensitivity cases, the total recoverable amount would result in a 7.9% decrease without requiring additional depreciation of any CGU.

NOTE 2.3 Additional disclosures for consolidated entities and investments accounted for using the equity method

This note provides additional disclosures for entities included in the consolidation scope.

These disclosures concern entities over which Societe Generale exercises exclusive control, joint control or significant influence, provided these entities have significant impact on the Group's consolidated financial statements. The significance of the impact is considered in particular regarding Group consolidated total assets and gross operating income.

NOTE 2.3.1 CONSOLIDATED STRUCTURED ENTITIES

Consolidated structured entities include:

- collective investment vehicles such as SICAVs (open-ended investment funds) and mutual funds managed by the Group's asset management subsidiaries;
- securitisation funds and conduits issuing financial instruments that can be subscribed for by investors and that generate credit risks inherent in an exposure or basket of exposures which can be divided into tranches; and
- asset financing vehicles (aircraft, rail, shipping or real estate finance facilities).

The Group has entered into contractual agreements with certain consolidated structured entities that may lead to financial support for these entities due to their exposure to credit, market or liquidity risks.

The Group did not provide any financial support to these entities outside of any binding contractual arrangement and, as of 31 December 2024, does not intend to provide such support.

Securities issued by structured debt vehicles carry an irrevocable and unconditional guarantee from Societe Generale for payment of amounts due by the issuer. These issuers also enter into hedging transactions with Societe Generale to enable them to meet their payment obligations. As at 31 December 2024, the amount of outstanding loans thus guaranteed is EUR 53.7 billion.

As part of its securitisation activities on behalf of its clients or investors, Societe Generale grants two liquidity lines to ABCP (Asset Back Commercial Paper) conduits for a total amount for EUR 27.2 billion as at 31 December 2024.

NOTE 2.3.2 NON-CONTROLLING INTERESTS

Non-controlling interests refer to equity holdings in fully consolidated subsidiaries that are neither directly nor indirectly attributable to the Group. They include equity instruments issued by these subsidiaries and not held by the Group, as well as the share of income and accumulated reserves, and of unrecognised or deferred gains and losses attributable to the holders of these instruments.

Non-controlling interests amount to EUR 9,332 million as at 31 December 2024 (EUR 10,272 million as at 31 December 2023) and account for 12% of total shareholders' equity as at 31 December 2024 (13% as at 31 December 2023).

INFORMATION ON SHAREHOLDER'S EQUITY OF NON-CONTROLLING INTERESTS

(In EURm)	31.12.2024	31.12.2023
Capital and reserves	8,704	9,095
Other equity instruments issued by subsidiaries (see Note 7.1)	800	1,300
Unrealised or deferred gains and losses	(172)	(123)
TOTAL	**9,332**	**10,272**

The non-controlling interests, of significant amount in terms of contribution to the total shareholders' equity in the Group's consolidated balance sheet, relate to:

- Ayvens group;
- listed subsidiaries Komerčni Banka AS, BRD – Groupe Societe Generale SA and SG Marocaine de Banques[1];
- Sogécap, fully owned, with the subordinated notes issued in December 2014.

	31.12.2024				
(In EURm)	Group voting interest	Group ownership interest	Net income attributable to non-controlling interests	Total non-controlling interests	Dividends paid during the year to holders of non-controlling interests
Groupe Ayvens	68.97%	52.59%	320	4,934	(205)
Komerčni Banka AS	60.73%	60.73%	262	1,871	(243)
Sogécap	100.00%	100.00%	33	829	(33)
BRD – Groupe Societe Generale SA	60.17%	60.17%	119	729	(64)
SG Marocaine de Banques[1]	-	-	46	-	(13)
Other entities			149	969	(97)
TOTAL			**929**	**9,332**	**(655)**

(1) *The Societe Generale group sold SG Marocaine de Banques to the Saham group on 3 December 2024 (see Note 2.1).*

	31.12.2023				
(In EURm)	Group voting interest	Group ownership interest	Net income attributable to non-controlling interests	Total non-controlling interests	Dividends paid during the year to holders of non-controlling interests
Groupe Ayvens	68.97%	52.59%	353	5,324	(186)
Komerčni Banka AS	60.73%	60.73%	247	1,881	(185)
Sogécap	100.00%	100.00%	33	829	(33)
BRD – Groupe Societe Generale SA	60.17%	60.17%	126	681	(48)
SG Marocaine de Banques	57.67%	57.67%	49	545	(14)
Other entities			148	1,012	(103)
TOTAL			**956**	**10,272**	**(569)**

SUMMARY OF FINANCIAL INFORMATION ON MAIN NON-CONTROLLING INTERESTS

The information below concern entities or subgroups (excluding Sogécap) taken at 100% and before the elimination of intra-group operations.

	31.12.2024			
(In EURm)	Net banking income	Net income	Net income and unrealised or deferred gains and losses	Total balance sheet
Groupe Ayvens	2,940	623	825	172,396
Komerčni Banka AS	1,400	676	585	60,066
BRD – Groupe Societe Generale SA	783	296	277	17,285
SG Marocaine de Banques[1]	464	115	89	-

(1) *The Societe Generale group sold SG Marocaine de Banques to the Saham group on 3 December 2024 (see Note 2.1).*

	31.12.2023			
(In EURm)	Net banking income	Net income	Net income and unrealised or deferred gains and losses	Total balance sheet
Groupe Ayvens[1]	3,046	946	749	113,862
Komerčni Banka AS	1,448	640	489	60,369
BRD – Groupe Societe Generale SA	752	332	502	16,361
SG Marocaine de Banques	475	120	144	10,425

(1) *Amounts restated compared to the published financial statements as at 31 December 2023.*

NOTE 2.3.3 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (ASSOCIATES AND JOINT VENTURES)

SUMMARISED FINANCIAL INFORMATION FOR ASSOCIATES AND JOINT VENTURES

	Joint ventures		Associates		Total investments accounted for using the equity method	
(In EURm)	2024	2023	2024	2023	2024	2023
Group share:						
Net income	-	7	21	16	21	24
Unrealised or deferred gains and losses (net of tax)	-	-	-	-	-	-
NET INCOME AND UNREALISED OR DEFERRED GAINS AND LOSSES	**-**	**7**	**21**	**16**	**21**	**24**

COMMITMENTS TO RELATED PARTIES FOR ASSOCIATES AND JOINT VENTURES

(In EURm)	31.12.2024	31.12.2023
Loan commitments granted	3	-
Guarantee commitments granted	-	-
Forward financial instrument commitments	-	-

NOTE 2.3.4 SIGNIFICANT RESTRICTIONS ON THE ABILITY TO ACCESS OR USE THE ASSETS OF THE GROUP

Legal, regulatory, statutory or contractual constraints or requirements may restrict the ability of the Group to transfer assets freely to or from entities within the Group.

The ability of consolidated entities to distribute dividends or to grant or repay loans and advances to entities within the Group depends on, among other things, local regulatory requirements, statutory reserves and financial and operating performance. Local regulatory requirements may concern regulatory capital, exchange controls or non-convertibility of the local currency (as it is the case in countries belonging to the West African Economic and Monetary Union or to the Economic and Monetary Community of Central Africa), liquidity ratios (as in the United States) or large exposures ratios that aim to cap the entity's exposure in relation to the Group (regulatory requirement to be fulfilled in most countries in Eastern and Central Europe, Maghreb and sub-Saharan Africa). Since May 2022, Russia published legislation providing for temporary restrictions and a special procedure on cash and capital movements initiated by Russian limited companies in favour of their foreign stakeholders related to "unfriendly countries".

The ability of the Group to use assets may also be restricted in the following cases:

- assets pledged as security for liabilities, notably guarantees provided to the central banks, or assets pledged as security for transactions in financial instruments, mainly through guarantee deposits with clearing houses;
- securities that are sold under repurchase agreements or that are lent;
- assets held by insurance subsidiaries in representation of unit-linked liabilities with life-insurance policyholders;
- assets held by consolidated structured entities for the benefit of the third-party investors that have bought the notes or securities issued by the entity;
- mandatory deposits placed with central banks.

NOTE 2.4 Unconsolidated structured entities

The information provided hereafter concerns entities structured but not controlled by the Group. This information is grouped by main type of similar entities, such as Financing activities, Asset management and Others (including Securitisation and Issuing vehicles).

Asset financing includes Economic Interest Groups, partnerships and similar vehicles that provide aircraft, rail, shipping or real estate finance facilities.

Asset management includes mutual funds managed by the Group's asset management subsidiaries.

Securitisation includes securitisation funds or similar vehicles issuing financial instruments that can be subscribed for by investors and that generate credit risks inherent in an exposure or basket of exposures which can be divided into tranches.

The Group's interests in unconsolidated entities that have been structured by third parties are classified among financial instruments in the consolidated balance sheet according to their nature.

NOTE 2.4.1 INTERESTS IN UNCONSOLIDATED STRUCTURED ENTITIES

The Group's interests in an unconsolidated structured entity refer to contractual and non-contractual involvements that expose the Group to the variability of returns from the performance of this structured entity.

Such interests can be evidenced by:

- the holding of equity or debt instruments regardless of their rank of subordination;
- other funding (loans, cash facilities, loan commitments, liquidity facilities);
- credit enhancement (guarantees, subordinated instruments, credit derivatives…);
- issuance of guarantees (guarantee commitments);
- derivatives that absorb all or part of the risk of variability of the structured entity's returns, except Credit Default Swap (CDS) and options purchased by the Group;
- contracts remunerated by fees indexed to the structured entity's performance;
- tax consolidation agreements.

	Asset financing		Asset management		Others	
(In EURm)	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Total balance sheet[1] of the entity	**4,790**	**4,799**	**21,418**	**19,509**	**6,787**	**11,740**
Net carrying amount of Group interests in unconsolidated structured entities						
Assets	**2,593**	**2,664**	**1,321**	**769**	**8,217**	**8,044**
Financial assets at fair value through profit or loss	58	156	1,291	647	534	557
Financial assets at fair value through other comprehensive income	-	-	-	-	-	-
Financial assets at amortised cost	2,526	2,505	20	122	7,682	7,487
Others assets	9	3	10	-	1	-
Liabilities	**1,002**	**1,356**	**1,261**	**784**	**1,861**	**2,147**
Financial liabilities at fair value through profit or loss	32	105	997	422	261	456
Due to banks and customer deposits	960	1,159	257	294	1,600	1,635
Others liabilities	10	92	7	68	-	56

(1) For Asset management: NAV (Net Asset Value) of funds.

The Group may grant to these entities repayable advances related to the establishment of working capital, which remain insignificant.

However, this year, the Group has not provided any financial support to these entities, except if bound to by contract, and, as of 31 December 2024, does not intend to provide such support.

The maximum exposure to loss related to interests in unconsolidated structured entities is measured as:

	Asset financing		Asset management		Others	
(In EURm)	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Amortised cost or fair value (according to the measurement of the financial instrument) of non-derivative financial assets entered into with the structured entity	2,535	2,633	1,970	2,395	487	514
Fair value of derivative financial assets recognised in the balance sheet	58	42	932	484	47	69
Notional amount of CDS sold (maximum amount to be paid)	-	-	-	-	-	-
Notional amount of financing or guarantee commitments granted	201	574	243	734	1,397	1,382
Maximum exposure to loss	**2,794**	**3,249**	**3,145**	**3,613**	**1,931**	**1,965**

The amount of maximum exposure to loss can be mitigated by:

- the notional amount of guarantee commitments received;
- the fair value of collateral received;
- the carrying amount of surety deposits received.

These mitigating amounts must be capped in case of legal or contractual limitation of their realisable or recoverable amounts. They amounted to EUR 3,404 million and mainly concern Asset financing and the others.

NOTE 2.4.2 INFORMATION ON UNCONSOLIDATED STRUCTURED ENTITIES SPONSORED BY THE GROUP

The Group may have no ownership interest in a structured entity, but still be considered as a sponsor of this structured entity if it acts or has acted as:

- a structurer;
- an originator for potential investors;
- an asset manager;
- an implicit or explicit guarantor of the entity's performance (in particular *via* capital or return guarantees granted to mutual fund unit holders).

A structured entity is also considered to be sponsored by the Group if its name includes the name of the Group or the name of one of its subsidiaries.

Conversely, entities that are structured by the Group according to specific needs expressed by one or more customers or investors are considered to be sponsored by said customers or investors.

As of 31 December 2024, the total amount of the balance sheet of these unconsolidated structured entities, sponsored by the Group, and in which the Group does not have any interest, is EUR 10,128 million.

In 2024, no significant revenue has been recognised for theses structured entities.

NOTE 2.5 Non-current assets held for sale and related debt

ACCOUNTING PRINCIPLES

A non-current asset or group of assets and liabilities is deemed to be "held for sale" if its carrying value will primarily be recovered through a sale and not through its continuing use. For this classification to apply, the asset or group of assets and liabilities must then be immediately available-for-sale in its present condition and it must be highly probable that the sale will occur within twelve months.

For this to be the case, the Group must be committed to a plan to sell the asset (or disposal group of assets and liabilities) and have begun actively searching for a buyer. Furthermore, the asset or group of assets and liabilities must be measured at a price that is reasonable in relation to its current fair value.

Assets and liabilities into this category are classified as Non-current assets held for sale and Non-current liabilities held for sale with no netting.

If the fair value less selling costs of non-current assets and groups of assets and liabilities held for sale is less that their net carrying value, an impairment is then recognised in profit or loss. Moreover, Non-current assets held for sale are no longer amortised or depreciated.

As part of the execution of Societe Generale presented its strategic roadmap on 18 September 2023. It aims to develop a simplified, more synergetic and efficient model, while strengthening its capital base. To achieve this, the Group is engaged in a disposal process of several subsidiaries.

The main subsidiaries are:

- Societe Generale Equipment Finance (SGEF)

  On 11 April 2024, Societe Generale signed a memorandum of understanding with the BPCE group for the sale of the activities of Societe Generale Equipment Finance.

  The customer loans at amortised cost covered by the memorandum of understanding amounted to more than EUR 14 billion at end of December 2024. This transaction, which would be priced at EUR 1.1 billion, is expected in the first quarter of 2025.

- Societe Generale Kleinwort Hambros Bank (SGKH) and Societe Generale Private Banking Suisse (SGPBS)

  On 4 August 2024, Societe Generale signed agreements with the *Union Bancaire Privée*, UBP SA (UBP) to sell SG Kleinwort Hambros Bank Limited and Societe Generale Private Banking SA (Suisse) operating from London and Geneva, respectively. The assets under management of the activities concerned by these agreements amounted to approximately EUR 28 billion at end December 2024. The sale of Societe Generale Private Banking SA (Suisse) was finalised on 31 January 2025. The disposal of SG Kleinwort Hambros Bank Limited is expected to be finalised in the first half of 2025.

As of 31 December 2024, the details of the items Non-current assets and liabilities held for sale are as follows:

(In EURm)	31.12.2024	31.12.2023
Non-current assets held for sale	**26,426**	**1,763**
Fixed assets and Goodwill	424	122
Financial assets	23,725	1,335
Financial assets at fair value through profit or loss	*95*	*4*
Financial assets at fair value through equity	*2,904*	*-*
Securities at the amortised cost	*535*	*350*
Due from banks	*199*	*20*
Customer loans	*19,992*	*961*
Other assets	2,277	306
Non-current liabilities held for sale	**17,079**	**1,703**
Allowances	175	44
Financial liabilities	16,372	1,609
Financial liabilities at fair value through profit or loss	*15*	*-*
Due to banks	*3,714*	*42*
Customer deposits	*12,620*	*1,542*
Subordinated debt	*23*	*25*
Other liabilities	532	50

As of 31 December 2024, Non-current assets and liabilities held for sale include the assets and liabilities related to the following consolidated subsidiaries:

Mobility and Financial Services	French retail and Private Banking	International Retail Banking
Gefa Bank GmbH	SG Kleinwort Hambros Bank Limited	Societe Generale de Banques en Guinée Équatoriale(1)
Fraer Leasing SPA	SG Kleinwort Hambros Trust Company (UK) Limited	Societe Generale Mauritanie(1)
Societe Generale Equipment Finance Limited	Kleinwort Benson International Trustees Limited	Societe Generale Burkina Faso(2)
SG Leasing SPA	SG Kleinwort Hambros Bank Limited Guernsey Branch	Societe Generale Bénin
SG Equipment Finance Iberia, EFC, SA	SG Kleinwort Hambros Bank Limited, Jersey Branch	Societe Generale Guinée
SG Equipment Finance USA Corp.	SG Kleinwort Hambros Bank Limited Gibraltar Branch	
SG Equipment Finance Italy SPA	J D Corporate Services Limited	
SG Equipment Finance Schweiz AG	SG Kleinwort Hambros Trust Company (CI) Limited	
SG Equipment Leasing Polska SP Z.O.O.	Hambros (Gibraltar Nominees) Limited	
SG Equipment Finance Benelux BV	Hambros (Guernsey Nominees) Ltd.	
Societe Generale Leasing and Renting Co. Ltd.	Elmford Limited	
SG Equipment Finance Hungary ZRT	Hanom I Limited	
Philips Medical Capital France	CDS International Limited	
Societe Generale Equipment Finance S/A – Arrendamento Mercantil	SGKH Trustees (CI) Limited	
SGEF SA	SG Kleinwort Hambros Nominees Limited	
Philips Medical Capital GmbH	Societe Generale Private Banking (Suisse) SA	
SG Equipment Finance Benelux BV Belgian Branch		
SG Equipment Finance (December) Limited		
GEFA Versicherungsdienst GmbH		

(1) The Group still intends to sell the subsidiaries Societe Generale de Banques in Equatorial Guinea and Societe Generale Mauritanie. The assets and liabilities of these entities are presented in the table of non-current assets and liabilities held for sale since 30 June 2023.

(2) The Group still intends to sell Iitbsidiary Societe Generale Burkina Faso. The assets and liabilities of this entity are presented in the table of non-current assets and liabilities held for sale since 31 December 2023.

NOTE 3 FINANCIAL INSTRUMENTS

MAKING IT SIMPLE

The financial instruments represent the contractual rights or obligations to receive or to pay cash or other financial assets. The Group's banking activities generally take the form of financial instruments covering a broad spectrum of assets and liabilities, such as loans, investment portfolios (equity, bonds, etc.), deposits, regulated savings accounts, debt securities issued and derivative instruments (swaps, options, forward contracts, credit derivatives, etc.).

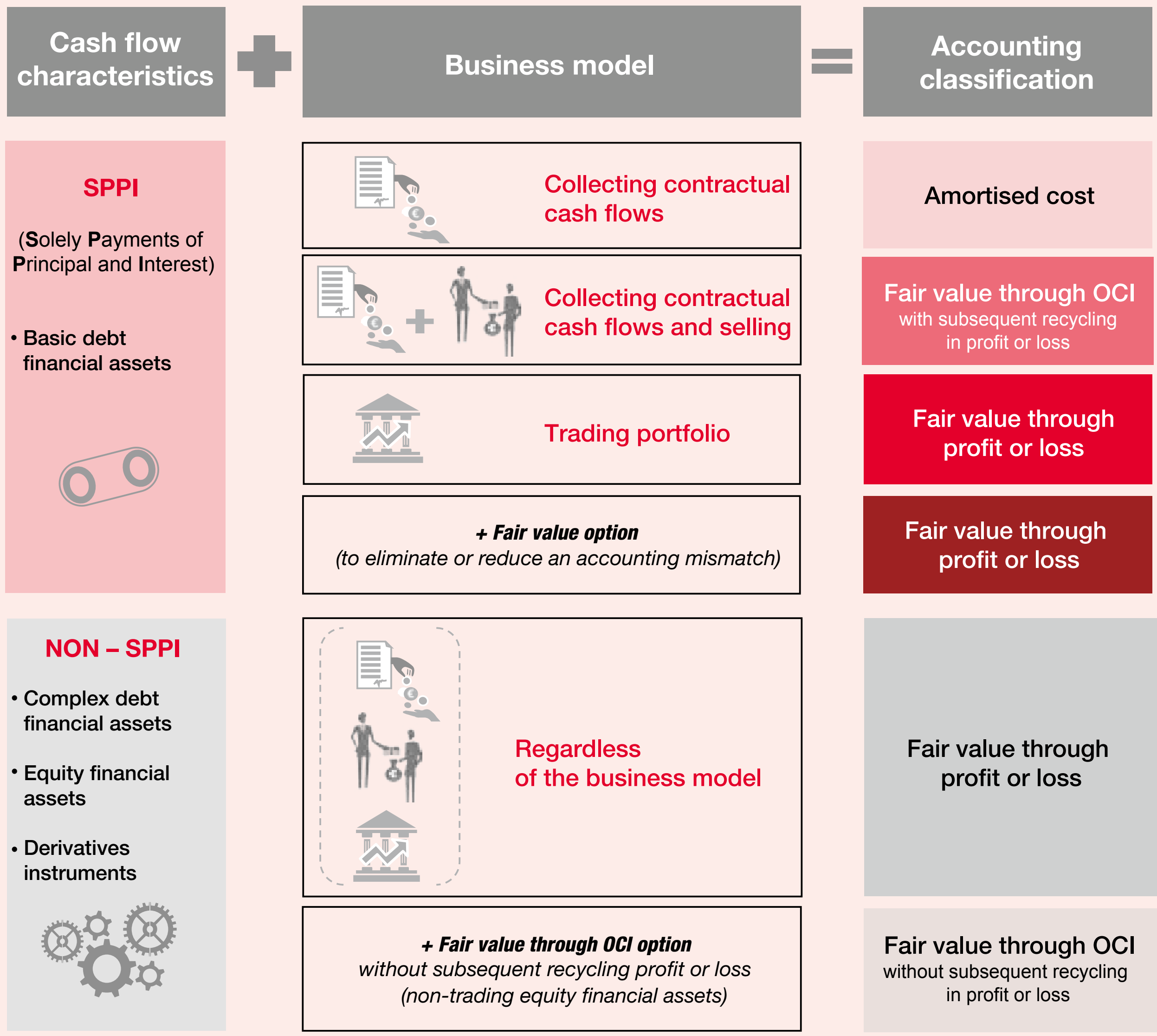
In the financial statements, the classification and valuation of financial assets and liabilities depend on their contractual characteristics and the way the entity manages those financial instruments.

However, this distinction is not applicable to derivative instruments, which are always measured at fair value in the balance sheet, no matter what their purpose is (market activities or hedging transactions).

ACCOUNTING PRINCIPLES

Classification of financial assets

At initial recognition, financial instruments are classified in the Group balance sheet in one of three categories (amortised cost, fair value through profit or loss, and fair value through other comprehensive income) that determine their accounting treatment and subsequent measurement method. Classification is based on their contractual cash flow characteristics and the entity's business model for managing the assets.



The accounting principles for classifying the financial assets require the entity to analyse the contractual cash flows generated by the financial instruments and to analyse the business model for managing the financial instruments.

ANALYSIS OF CONTRACTUAL CASH FLOW CHARACTERISTICS

The aim of the analysis of contractual cash flow characteristics is to limit the option of recognising revenues from financial assets using the effective interest method exclusively to the instruments whose characteristics are similar to those of a basic lending arrangement, meaning their associated cash flows are highly predictable. All other financial instruments that do not share these characteristics are measured at fair value through profit or loss, regardless of the business model used to manage them.

The contractual inflows that represent Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding are consistent with a basic lending arrangement.

In a basic lending arrangement, interest predominantly consists of a consideration for the time value of money and for credit risk. Interest may also include a consideration for liquidity risk, administrative costs, and a commercial profit margin. Negative interest is not inconsistent with this definition.

All financial assets that are not basic will be mandatorily measured at fair value through profit or loss, regardless of the business model for managing them.

Derivatives qualifying as hedging instruments for accounting purposes are recorded on a separate line in the balance sheet (see Note 3.2).

The Group can make the irrevocable decision on a security-by-security basis, to classify and measure any equity instrument (shares and other equity securities) that is not held for trading purposes at fair value through other comprehensive income. Subsequently, the profit or loss accumulated in other comprehensive income will never be reclassified to profit or loss (only dividends on these instruments will be recognised as income).

ANALYSIS OF THE BUSINESS MODEL

The business model represents how the financial instruments are managed in order to generate cash flows and income.

The Group uses several business models in the course of exercising its different business lines. Business models are assessed on how groups of financial instruments are managed together to achieve a particular business objective. The business model is not assessed on an instrument-by-instrument basis, but at a portfolio level, considering relevant evidence such as:

- how the performance of the portfolio is evaluated and reported to the Group's Management;
- how risks related to financial instruments within that business model are managed;
- how managers of the business are compensated;
- sales of assets realised or expected (value, frequency, purpose).

To determine the classification and measurement of financial assets, three different business models shall be distinguished:

- a business model whose objective is to collect contractual cash flows ("Collect" business model);
- a business model whose objective is achieved by both collecting contractual cash flows on financial assets and selling these financial assets ("Collect and Sell" business model);
- a separate business model for other financial assets, especially those that are held for trading purposes, where collecting contractual cash flows is only incidental.

FAIR VALUE OPTION

SPPI financial assets that are not held for trading purposes can be designated, at initial recognition, at fair value through profit or loss if such designation eliminates or significantly reduces discrepancies in the accounting treatment of the related financial assets and liabilities (accounting mismatch).

Classification of financial liabilities

Financial liabilities are classified into one of the following two categories:

- financial liabilities at fair value through profit or loss: these are financial liabilities held for trading purposes, which by default include derivative financial liabilities not qualifying as hedging instruments and non-derivative financial liabilities designated by the Group upon initial recognition to be measured at fair value through profit or loss using the fair value option;
- debts: these include the other non-derivative financial liabilities and are measured at amortised cost.

Derivative financial liabilities qualifying as hedging instruments are presented on separate lines of the balance sheet (see Note 3.2).

Reclassifications of financial assets

Reclassifications of financial assets are only required in the exceptional event that the Group changes the business model used to manage these assets.

These reclassifications are applied prospectively (no restatement of previously recognised profits, losses or interests).

Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The valuation methods used by the Group to establish the fair value of financial instruments are detailed in Note 3.4.

Initial recognition

Financial assets are recognised on the balance sheet:

- as at the settlement/delivery date for securities;
- as at the trade date for derivatives;
- as at the disbursement date for loans.

For instruments measured at fair value, changes in fair value between the trade date and the settlement-delivery date are recorded in net income or in other comprehensive income, depending on the accounting classification of the financial assets in question. The trade date is the date on which the contractual commitment becomes binding and irrevocable for the Group.

Upon initial recognition, the financial assets and liabilities are measured at fair value including the transaction costs directly attributable to their acquisition or issuance, except for the financial instruments recognised at fair value through profit or loss, for which these costs are booked directly to the income statement.

If the initial fair value is exclusively based on observable market data, any difference between the fair value and the transaction price, *i.e.* the sales margin, is immediately recognised in profit or loss. However, if one of the valuation inputs is not observable or if the used valuation model is not recognised by the market, the recognition of the sales margin is then generally deferred in profit or loss. For some instruments, due to their complexity, this margin is recognised at their maturity or upon disposal in the event of an early sale. When valuation inputs become observable, any portion of the sales margin that has not yet been recorded is then recognised in profit or loss (see Note 3.4.7).

Derecognition of financial assets and liabilities

The Group derecognises all or part of a financial asset (or group of similar assets) when the contractual rights to the cash flows on the asset expire or when the Group has transferred the contractual rights to receive the cash flows and substantially all of the risks and rewards linked to ownership of the asset.

The Group also derecognises financial assets over which it has retained the contractual rights to the associated cash flows but is contractually obligated to pass these same cash flows through to a third party ("pass-through agreement") and for which it has transferred substantially all of the risks and rewards.

Where the Group has transferred the cash flows of a financial asset but has neither transferred nor retained substantially all of the risks and rewards of its ownership and has effectively not retained control of the financial asset, the Group derecognises it and, where necessary, recognises a separate asset or liability to cover any rights and obligations created or retained as a result of the transfer of the asset. If the Group has retained control of the asset, it continues to recognise it in the balance sheet to the extent of its continuing involvement in said asset.

When a financial asset is derecognised in its entirety, a gain or loss on disposal is recorded in the income statement for an amount equal to the difference between the carrying value of the asset and the payment received for it, adjusted where necessary for any unrealised profit or loss previously recognised directly in equity and for the value of any servicing asset or servicing liability. Indemnities billed to borrowers following the prepayment of their loan are recorded in profit or loss on the prepayment date in Interest and similar income.

The Group derecognises all or part of a financial liability when it is extinguished, *i.e.* when the obligation specified in the contract is discharged, cancelled or expired.

A financial liability may also be derecognised in the event of a substantial amendment to its contractual conditions or where an exchange is made with the lender for an instrument whose contractual conditions are substantially different.

Foreign exchange transactions

At the balance sheet date, monetary assets and liabilities denominated in foreign currencies are translated into the entity's functional currency at the prevailing spot exchange rate. Realised or unrealised foreign exchange losses or gains are recognised under "Net gains and losses on financial instruments at fair value through profit or loss".

Forward foreign exchange transactions are recognised at fair value based on the forward exchange rate for the remaining maturity. Spot foreign exchange positions are valued using the official spot rates prevailing at the end of the period. Unrealised gains and losses are recognised in the income statement under "Net gains and losses on financial instruments at fair value through profit or loss" (see Note 3.1), except when hedge accounting is applied to a cash-flow hedge transaction or to a hedge of a net investment in a foreign currency operation (see Note 3.2).

At the balance sheet date, non-monetary assets and liabilities denominated in foreign currencies measured at fair value (in particular, shares and other equity instruments) are translated into the entity's functional currency at the prevailing spot exchange rate. Foreign exchanges losses or gains are recognised either in profit or loss under "Net gains and losses on financial instruments at fair value through profit or loss", or under other comprehensive income ("Unrealised and deferred gains and losses"), depending on the accounting of the gains or losses relative to these assets/liabilities.

At the balance sheet date, non-monetary assets and liabilities denominated in foreign currencies measured at historical cost are translated into the entity's functional currency at the historical exchange rate on initial recognition.

METHOD OF ANALYSIS OF CONTRACTUAL CASH FLOWS OF FINANCIAL ASSETS

The Group has established procedures for determining if financial assets pass the SPPI test at initial recognition (loans granting, acquisition of securities, etc.).

All contractual terms shall be analysed, particularly those that could change the timing or amount of contractual cash flows. A contractual term that permits the borrower or the lender to prepay or to return the debt instrument to the issuer before maturity remains consistent with SPPI cash flows, provided the prepayment amount primarily represents the principal remaining due and accrued but unpaid contractual interest, which may include a reasonable compensation. The fact that such compensation can be either positive or negative is not inconsistent with the SPPI nature of cash flows.

The prepayment compensation is considered as reasonable especially when:

- the amount is calculated as a percentage of the outstanding amount of the loan and is capped by regulations (in France, for example, compensation for the prepayment of mortgage loans by individuals is legally capped at an amount equal to six months of interest or 3% of the principal outstanding), or is limited by competitive market practices;
- the amount is equal to the difference between contractual interest that should have been received until the maturity of the loan and the interest that would be obtained by the reinvestment of the prepaid amount at a rate that reflects the relevant benchmark interest rate.

Some loans are prepayable at their current fair value, while others can be prepayable at an amount that includes the fair value cost to terminate an associated hedging swap. It is possible to consider such prepayment amounts as SPPI provided that they reflect the effect of changes in the relevant benchmark interest rate.

Basic financial assets (SPPI) are debt instruments which mainly include:

- fixed-rate loans;
- variable-rate loans that can include caps or floors;
- fixed or variable-rate debt securities (government or corporate bonds, other negotiable debt securities);
- securities purchased under resale agreements (reverse repos);
- guarantee deposits paid;
- trade receivables.

Contractual terms that would introduce exposure to risks or volatility in the contractual cash flows, unrelated to a basic lending arrangement (such as exposure to changes in equity prices or stock indexes for instance, or leverage features), could not be considered as being SPPI, except if their effect on the contractual cash flows remains minimum (*de minimis* character of their variability).

Non-basic financial assets (non-SPPI) mainly include:

- derivative instruments;
- shares and other equity instruments held by the entity;
- equity instruments issued by mutual funds;
- debt financial assets that can be converted or redeemed into a fixed number of shares (convertible bonds, equity-linked securities, etc.);
- structured instruments whose cash flows are indexed, in part or in whole, to a benchmark index.

The Basic financial assets (SPPI) held by the Group include the financing of sustainable development projects (labelled Environment Social and Governance) in the form of Sustainability-linked bonds, social bonds and Green bonds with SPPI-compliant contractual cash flows.

Non-basic financial assets (non-SPPI) include the structured instruments whose cash flows are indexed, in whole or in part, to an index that is not specific to the issuer, such as an ESG market index.

Impact loans have been granted by the Group to support enterprises in their Sustainability approach through an incentive mechanism that reviews the margin according to ESG criteria specific to the borrower or to the achievement by the latter of sustainable development goals (Sustainability-linked loans). At the end of 2024, the outstanding amount of impact loans valued at amortised cost reached approximately EUR 7.5 billion and came jointly with financing commitments of approximately EUR 20.6 billion. The Sustainability objectives set can be, for example, the reduction of greenhouse gas emissions, the development of cultivated areas with alternatives to synthetic plant protection products, the increase in the representation of women in management bodies, the reduction of water use. As a result of their analysis, these loans have been classified as basic financial assets (SPPI) provided that their flows meet the SPPI criteria and the ESG component fulfills the *de minimis* criterion.

During the 2nd quarter 2024, the IASB published amendments to IFRS 9 which clarify the classification of financial assets, in particular the way to assess the consistency of the contractual cash flows of a financial asset with a basic lending arrangement. They thus clarify the classification of the impact loans granted by the Group.

Analysing the contractual cash flows may also necessitate comparing them with those of a benchmark instrument when the "time value of money" component included in the interests is likely to be modified owing to the contractual clauses of the instrument. This is the case, for example, when the interest rate of a financial instrument is periodically revised but the periodicity of revision does not match the term for which the interest rate is set (such as an interest rate revised monthly based on a one-year rate) or when the interest rate of a financial instrument is periodically revised based on an average of short- and long-term interest rates.

If the difference between the undiscounted contractual cash flows and the undiscounted benchmark cash flows is or may become significant, then the instrument is not considered basic.

Depending on the contractual terms, the comparison with benchmark cash flow may be performed through a qualitative assessment; but in other cases, a quantitative test is required. The difference between contractual and benchmark cash flows has to be considered in each reporting period and cumulatively over the life of the instrument. When performing this benchmark test, the entity considers factors that could affect future undiscounted contractual cash flows: using the yield curve at the date of the initial assessment is not enough, and the entity also has to consider whether the curve could change over the life of the instrument according to reasonably possible scenarios.

Within the Group, the financial instruments concerned by a benchmark test include, for instance, variable-rate housing loans for which interest rates are reset every year based on the twelve-month Euribor average observed over the two months previous to the reset. Another example is loans granted to real estate professionals for which interest is revised quarterly based on the one-month Euribor average observed over the three months previous to the reset. Following the benchmark analysis performed by the Group, it has been concluded that these loans are basic.

Furthermore, a specific analysis of contractual cash flow is required when financial assets are instruments issued by a securitisation vehicle or a similar entity that prioritises payments to holders using multiple contractually-linked instruments that create concentrations of credit risk (tranches). When assessing whether contractual cash flows are SPPI or not, the entity must analyse the contractual terms, as well as the credit risk of each tranche and the exposure to credit risk in the underlying pool of financial instruments. To that end, the entity must apply a "look-through approach" to identify the underlying instruments that are creating the cash flows.

The information on the types of risks, the risk management linked to financial instruments as well as the information on capital management and compliance with regulatory ratios, required by IFRS as adopted by the European Union, are disclosed in Chapter 4 of the present Universal Registration Document (Risks and capital adequacy).

NOTE 3.1 Financial assets and liabilities at fair value through profit or loss

OVERVIEW

	31.12.2024		31.12.2023	
(In EURm)	**Assets**	**Liabilities**	**Assets**	**Liabilities**
Trading portfolio	391,379	295,933	366,087	281,335
Financial assets measured mandatorily at fair value through profit or loss	118,928		114,651	
Financial instruments measured at fair value through profit or loss using the fair value option	15,741	100,681	15,144	94,249
TOTAL	**526,048**	**396,614**	**495,882**	**375,584**
o/w securities purchased/sold under resale/repurchase agreements	*148,255*	*139,880*	*159,119*	*139,145*

NOTE 3.1.1 TRADING PORTFOLIO

ACCOUNTING PRINCIPLES

The trading book contains the financial assets and liabilities held or accrued for the purpose of capital markets activities.

This portfolio also includes, among other trading assets, the physical stocks of raw materials that the Group might hold a market-maker on commodity derivatives.

Derivative financial instruments are classified into the trading portfolio, unless they qualify as hedging instruments (see Note 3.2).

The financial instruments recorded in the trading portfolio are measured at fair value as at the closing date and recognised in the balance sheet under "Financial assets or liabilities at fair value through profit or loss". The changes in fair value and revenues associated to those instruments are recorded in profit or loss under "Net gains and losses on financial instruments at fair value through profit or loss".

TRADING ACTIVITIES

Financial assets held for trading are:

- acquired for the purpose of selling or repurchasing it in the near term; or
- held for market-making purposes; or
- acquired for the purposes of the specialised management of a trading portfolio, including derivative financial instruments, securities or other financial instruments that are managed together and for which there is evidence of a recent pattern of short-term profit-taking.

Global market activities

The trading business model is applied by Global Banking and Investor Solutions to manage its global market activities.

It is also applied for managing syndicated loan commitments and loans that are not intended to be kept by the Group and that have been identified since their origination as to be sold in the short term (within 6 to 12 months) on the secondary market, as well as for loans originated by the Group through originate-to-distribute activities and that are expected to be sold shortly.

Financial assets held in run-off portfolios are also monitored based on their fair value. Although those portfolios are not related to market activities, those assets are presented amongst trading portfolio and are measured at fair value through profit or loss.

Trading portfolio includes all the financial assets held for trading purpose regardless of the characteristics of their contractual cash flows. Only non-SPPI financial assets that are not held for trading are classified amongst Financial assets measured mandatorily at fair value through profit or loss (see section 3.1.2).

ASSETS

(In EURm)	31.12.2024	31.12.2023
Bonds and other debt securities	48,226	39,427
Shares and other equity securities	89,995	71,694
Securities purchased under resale agreements	148,207	159,073
Trading derivatives(1)	96,745	83,535
Loans, receivables and other trading assets	8,206	12,358
TOTAL	**391,379**	**366,087**
o/w securities lent	*23,081*	*14,509*

(1) See Note 3.2 Financial derivatives.

LIABILITIES

(In EURm)	31.12.2024	31.12.2023
Amounts payable on borrowed securities	43,076	42,483
Bonds and other debt instruments sold short	5,788	7,306
Shares and other equity instruments sold short	2,468	2,091
Securities sold under repurchase agreements	136,929	137,019
Trading derivatives(1)	105,431	89,803
Borrowings and other trading liabilities	2,241	2,633
TOTAL	**295,933**	**281,335**

(1) See Note 3.2 Financial derivatives.

NOTE 3.1.2 FINANCIAL INSTRUMENTS MANDATORILY AT FAIR VALUE THROUGH PROFIT OR LOSS

ACCOUNTING PRINCIPLES

Financial assets measured mandatorily at fair value through profit or loss include:

- loans, bonds and bond equivalents that are not held for trading purposes and do not pass the SPPI test (non-basic or non-SPPI instruments);
- shares and share equivalents that are not classified in any other sub-category: trading book at fair value through profit or loss, instruments designated by the Group at fair value through other comprehensive income without subsequent reclassification to profit or loss.

These assets are recorded at fair value in the balance sheet under “Financial assets at fair value through profit or loss” and changes in the fair value of these instruments (excluding interest income) are recorded in profit or loss under “Net gains or losses on financial instruments at fair value through profit or loss”.

(In EURm)	31.12.2024	31.12.2023
Bonds and other debt securities	34,449	30,677
Shares and other equity securities	71,020	68,691
Loans, receivables and securities purchased under resale agreements	13,459	15,283
TOTAL	**118,928**	**114,651**

BREAKDOWN OF LOANS, RECEIVABLES AND SECURITIES PURCHASED UNDER RESALE AGREEMENTS

(In EURm)	31.12.2024	31.12.2023
Short-term loans	1,966	1,360
Equipment loans	8,651	10,052
Other loans	2,842	3,871
TOTAL	**13,459**	**15,283**

The loans, receivables and securities purchased under resale agreements recorded in the balance sheet under “Financial assets mandatorily at fair value through profit or loss” are mainly:

- loans that include prepayment features with compensation that do not reflect the effect of changes in the benchmark interest rate;
- loans with indexation clauses that do not qualify them as basic loans (SPPI).

NOTE 3.1.3 FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS USING FAIR VALUE OPTION

ACCOUNTING PRINCIPLES

In addition to the financial assets and liabilities held for trading, and the financial assets measured mandatorily at fair value through profit or loss, the same items in the financial statements include the non-derivative financial assets and liabilities that the Group has designated at fair value through profit or loss. Changes in the fair value of these instruments (including interest) are recorded in profit or loss under "Net gains or losses on financial instruments at fair value through profit or loss", except the share related to the Group's own credit risk on financial liabilities which is booked under "Unrealised or deferred gains and losses".

Furthermore, in case of derecognition of a financial liability at fair value through profit or loss using the fair value option before its contractual maturity, any gains and losses, related to the Group's own credit risk are booked under "Unrealised or deferred gains and losses" and then reclassified under "Retained earnings" at the beginning of the subsequent financial year.

For financial assets, this option may only be used to eliminate or significantly reduce accounting mismatches that would otherwise arise from applying different accounting treatments to certain related financial assets and liabilities.

For financial liabilities, this option may only be used in the following cases:

- to eliminate or reduce discrepancies in the accounting treatment of certain related financial assets and liabilities;
- when it applies to a hybrid financial instrument with one or more embedded derivatives, which should be recognised separately;
- when a group of financial assets and/or liabilities is managed together and its performance is measured at fair value.

ASSETS

(In EURm)	31.12.2024	31.12.2023
Bonds and other debt securities	14,394	13,821
Loans, receivables and securities purchased under resale agreements	57	68
Separate assets for employee benefits plans(1)	1,290	1,255
TOTAL	**15,741**	**15,144**

(1) Including, as at 31 December 2024, EUR 1,092 million of separate assets for defined post-employment benefit plan compared to EUR 1,076 million as at 31 December 2023 (see Note 5.1.2).

LIABILITIES

Financial liabilities measured at fair value through profit or loss in accordance with the fair value option predominantly consist of structured bonds issued by the Societe Generale group.

The Group thus recognises structured bonds issued by Societe Generale Corporate and Investment Banking at fair value through profit or loss. These issuances are purely commercial and the associated risks are hedged on the market using financial instruments managed in trading portfolios. By using the fair value option, the Group can ensure consistency between the accounting treatment of these bonds and that of the derivatives hedging the associated market risks, which have to be carried at fair value.

	31.12.2024		31.12.2023	
(In EURm)	Fair value	Amount redeemable at maturity	Fair value	Amount redeemable at maturity
Financial instruments measured using fair value option through profit or loss	100,681	100,933	94,249	99,500

The revaluation differences attributable to the Group's issuer credit risk are determined using valuation models taking into account the Societe Generale group's most recent financing terms and conditions on the markets and the residual maturity of the related liabilities.

Changes in fair value attributable to own credit risk generated an equity loss of EUR 254 million before tax. As at 31 December 2024, the total amount of changes in fair value attributable to own credit risk represents a total loss of EUR 189 million before tax.

NOTE 3.1.4 NET GAINS AND LOSSES ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

(In EURm)	**2024**	**2023**
Net gain/loss on trading portfolio (excluding derivatives)	17,593	8,844
Net gain/loss on financial instruments at fair value through profit or loss[(1)]	3,636	6,272
Net gain/loss on financial instruments measured using fair value option	(3,055)	(4,793)
Net gain/loss on derivative instruments	(7,849)	(1,310)
Net gains/loss on hedging instruments[(2)]	(119)	169
Net gain/loss on fair value hedging derivatives	*1,495*	*3,141*
Revaluation of hedged items attributable to hedged risks[(3)]	*(1,621)*	*(2,973)*
Ineffective cut of the cash flow hedges	*7*	*1*
Net gain/loss on foreign exchange transactions	943	1,145
TOTAL[(4)]	**11,149**	**10,327**
o/w gains on financial instruments at fair value through other comprehensive income	*1,287*	*1,148*

(1) This item includes realised and unrealised gains and losses on debt and equity instruments, with the exception of the income component of debt instruments representative of an interest rate, which is recorded under net interest margin (see Note 3.7).

(2) This item includes only the net gain/loss on hedging transactions related to financial instruments. For the hedging transactions related to non-financial assets and liabilities, the net gain/loss on hedging transactions is included under the income statement of the hedged item.

(3) This item includes the revaluation of fair value hedged items, including the change in revaluation differences in portfolios hedged against interest rate risk.

(4) Including EUR +5,114 million for insurance subsidiaries in 2024 (EUR +5,638 million in 2023). This amount shall be understood taking into account the financial income and expenses of the insurance contracts (see Note 4.3 Detail of performance of insurance activities).

Insofar as income and expenses recorded in the income statement are classified by nature rather than by purpose, the net income generated by activities in financial instruments at fair value through profit or loss must be assessed as a whole. It should be noted that the income shown here does not include the refinancing cost of these financial instruments, which is shown under interest expense and interest income.

NOTE 3.2 Financial derivatives

MAKING IT SIMPLE

Derivative instruments are financial instruments for which the value changes according to that of an underlying item and can be accompanied by a leverage effect. The items underlying these instruments are various (interest rates, exchange rates, equity, indexes, commodities, credit rating…), as are their forms (forward contracts, swaps, calls and puts…).

The Group may use these derivative instruments for their market activities to provide to its customers solutions to meet their risk management or revenue optimisation needs. In that case, they are accounted for as trading derivatives.

The Group may also use derivative instruments to manage and hedge its own risks. In which case, they are qualified as hedging derivatives. Hedging transactions can concern individual items or transactions (micro-hedging relationships) or portfolios of financial assets and liabilities that can generate a structural interest-rate risk (macro-hedging relationships).

Contrary to other financial instruments, derivative instruments are always measured at fair value in the balance sheet, regardless their purpose (market activities or hedging transactions). The fair value adjustments of trading derivatives are directly recognised in the income statement. However, the hedge accounting method allows for the linking of the fair value adjustment of hedging derivatives with the accounting treatment of the transactions and hedged instruments in order to eliminate or reduce volatility in the income statement.

ACCOUNTING PRINCIPLES

Derivatives are financial instruments meeting the following three criteria:

- their value changes in response to a change in a specified interest rate, foreign exchange rate, share price, index of prices, commodity price, credit rating, etc.;
- they require little to no initial investment;
- they are settled at a future date.

All financial derivatives are recognised at fair value in the balance sheet as financial assets or financial liabilities. They are considered to be trading derivatives, unless they are designated as hedging instruments for accounting purposes.

Special case – derivatives having societe generale shares as their underlying instrument

Financial derivatives having Societe Generale shares as their underlying instrument or shares in Group subsidiaries and whose termination entails the payment of a fixed amount in cash (or another financial asset) against a fixed number of Societe Generale shares (other than derivatives) are equity instruments. These instruments, and any related premiums paid or received, are recognised directly in equity, and any changes in the fair value of these derivatives are not recorded. For sales of put options on Societe Generale shares and forward purchases of Societe Generale shares, a debt is recognised for the value of the notional amount with a contra entry in equity.

Other financial derivatives having Societe Generale shares as their underlying instrument are recorded in the balance sheet at fair value in the same manner as derivatives with other underlying instruments.

Embedded derivatives

An embedded derivative is a component of a hybrid contract that also includes a non-derivative host instrument.

Where the host contract is a financial asset, the entire hybrid contract is measured at fair value through profit or loss because its contractual cash flows do not pass the SPPI test.

Where the host contract is a financial liability and is not measured at fair value through profit or loss, the embedded derivative is separated from the host contract if:

- at acquisition, the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host; and
- it would meet the definition of a derivative.

Once separated, the derivative is recognised at fair value in the balance sheet under “Financial assets” or “Financial liabilities at fair value through profit or loss” under the aforementioned conditions. The host contract is classified under one of the financial liability categories measured at amortised cost.

NOTE 3.2.1 TRADING DERIVATIVES

ACCOUNTING PRINCIPLES

Trading derivatives are recorded in the balance sheet under "Financial assets or liabilities at fair value through profit or loss". Changes in fair value are recorded in the income statement under "Net gains and losses on financial instruments at fair value through profit or loss".

Changes in the fair value of financial derivatives involving counterparties that subsequently proved to be in default are recorded under "Net gains and losses on financial instruments at fair value through profit or loss" until the termination date of these instruments. On this termination date, the receivables and debts on these counterparties are recognised at fair value in the balance sheet. Any further impairment of these receivables is recognised under "Cost of credit risk" in the income statement.

FAIR VALUE

	31.12.2024		31.12.2023	
(In EURm)	**Assets**	**Liabilities**	**Assets**	**Liabilities**
Interest rate instruments	40,255	36,518	42,479	38,681
Foreign exchange instruments	28,123	27,898	18,805	20,025
Equities & index Instruments	27,068	38,564	19,772	28,612
Commodities Instruments	54	112	84	208
Credit derivatives	686	861	1,986	963
Other forward financial instruments	559	1,478	409	1,314
TOTAL	**96,745**	**105,431**	**83,535**	**89,803**

The Group uses credit derivatives in the management of its corporate credit portfolio, primarily to reduce individual, sectorial and geographical concentration and to implement a proactive risk and capital management approach. All credit derivatives, regardless of their purpose, are measured at fair value through profit or loss and cannot be qualified as hedging instruments for accounting purposes. Accordingly, they are recognised at fair value among trading derivatives.

COMMITMENTS (NOTIONAL AMOUNTS)

(In EURm)	31.12.2024	31.12.2023
Interest rate instruments	**11,569,327**	**10,688,510**
Firm instruments	9,772,291	8,733,370
Swaps	*8,093,140*	*6,927,744*
FRAs	*1,679,151*	*1,805,626*
Options	1,797,036	1,955,140
Foreign exchange instruments	**6,113,133**	**4,515,280**
Firm instruments	4,002,611	3,389,444
Options	2,110,522	1,125,836
Equity and index instruments	**982,592**	**924,940**
Firm instruments	142,454	143,886
Options	840,138	781,054
Commodities instruments	**20,824**	**19,471**
Firm instruments	15,105	13,723
Options	5,719	5,748
Credit derivatives	**128,196**	**133,748**
Other forward financial instruments	36,995	25,456
TOTAL	**18,851,067**	**16,307,405**

NOTE 3.2.2 HEDGING DERIVATIVES

According to the transitional provisions of IFRS 9, the Group made the choice to maintain the IAS 39 provisions related to hedge accounting. Consequently, equity instruments held (shares and other equity securities) do not qualify for hedge accounting regardless of their accounting category.

ACCOUNTING PRINCIPLES

In order to be hedged against certain market risks, the Group sets up hedging derivatives. From an accounting standpoint, the Group designates the hedging transaction as a fair value hedge, a cash flow hedge, or a hedge of a net investment in a foreign operation, depending on the risk and on the instruments to be hedged.

To designate an instrument as a hedging derivative, the Group documents the hedging relationship in detail, from inception. This documentation specifies the asset, liability, or future transaction hedged, the risk to be hedged and the associated risk management strategy, the type of financial derivative used and the valuation method that will be used to measure its effectiveness.

The derivative designated as a hedging instrument must be highly effective in offsetting the change in fair value or cash flows arising from the hedged risk. This effectiveness is verified when changes in the fair value or cash flows of the hedged instrument are almost entirely offset by changes in the fair value or cash flows of the hedging instrument, with the expected ratio between the two changes ranging from 80% to 125%. Effectiveness shall be assessed both when the hedge is first set up and throughout its life. Effectiveness is measured each quarter prospectively (expected effectiveness over the future periods) and retrospectively (effectiveness measured on past periods). Where the effectiveness falls outside the range specified above, hedge accounting is discontinued.

Hedging derivatives are recognised in the balance sheet under “Hedging derivatives”.

Fair value hedges

The purpose of these hedges is to protect the Group against an adverse fluctuation in the fair value of an instrument which could affect profit or loss if the instrument were derecognised from the balance sheet.

Changes in the fair value of the hedging derivative are recorded in the income statement under “Net gains and losses on financial instruments at fair value through profit or loss”; for interest rate derivatives, however, accrued interest income and expenses on the derivative are recorded in the income statement under “Interest and similar income/Interest and similar expense” – Hedging derivatives symmetrically to the accrued interest income and expenses related to the hedged item.

In the balance sheet, the carrying value of the hedged item is adjusted for the gains and losses attributable to the hedged risk, which are reported in the income statement under “Net gains and losses on financial instruments at fair value through profit or loss”. To the extent that the hedge is highly effective, changes in the fair value of the hedged item and changes in the fair value of the hedging derivative are accurately offset through profit or loss, the difference corresponding to an ineffectiveness gain or loss.

Prospective effectiveness is assessed *via* a sensitivity analysis based on probable market trends or *via* a regression analysis of the statistical relationship (correlation) between the hedged risk component and the hedging instrument. Retrospective effectiveness is assessed by comparing any changes in the fair value of the hedging instrument with any changes in the fair value of the hedged item.

If it becomes apparent that the derivative has ceased to meet the effectiveness criteria for hedge accounting or if it is terminated or sold, hedge accounting is discontinued prospectively. Thereafter, the carrying amount of the hedged asset or liability ceases to be adjusted for changes in fair value attributable to the hedged risk and the cumulative adjustments previously recognised under hedge accounting are amortised over its remaining life. Hedge accounting is also discontinued if the hedged item is sold prior to maturity or early-redeemed, the valuation adjustments are then immediately recognised in the income statement.

Cash flow hedges

The purpose of interest rate cash flow hedges is to protect against changes in future cash flows associated with a financial instrument on the balance sheet (loans, securities or floating-rate notes) or with a highly probable future transaction (future fixed interest rates, future exchange rates, future prices, etc.). The purpose of these hedges is to protect the Group against adverse fluctuations in the future cash-flows of an instrument or transaction that could affect profit or loss.

The prospective effectiveness of the hedge is assessed *via* a sensitivity analysis based on probable market input trends or *via* a regression analysis of the statistical relationship (correlation) between the hedged risk component and the hedging instrument. The effectiveness of the hedge is assessed using the hypothetical derivative method, which consists in i) creating a hypothetical derivative which bears exactly the same characteristics as the instrument being hedged (in terms of notional amounts, date on which the rates are reset, interest rate, exchange rate, etc.), but moves in the opposite direction and whose fair value is nil when the hedge is set up, then ii) comparing the expected changes in the fair value of the hypothetical derivative with those of the hedging instrument (sensitivity analysis) or performing a regression analysis on the prospective effectiveness of the hedge.

The changes in fair value of the hedging financial instruments are recorded directly as Unrealised or deferred gains and losses for their effective portion, while the ineffective portion is recognised under "Net gains and losses on financial instruments at fair value through profit or loss". With regard to interest rate derivatives, the portion corresponding to the rediscount of the derivative financial instrument is recorded in the income statement under "Interest and similar income/Interest and similar expense" symmetrically to the interest income or expense related to the hedged item.

The gains or losses, realised or unrealised, accumulated directly in equity for the effective portion of these changes in value, are carried in equity to be recycled in the income statement when the expected hedged cash flows impact the income statement. With regard to the hedging flows related to a variable-rate financial instrument recorded on the balance sheet, recycling is done as and when the hedged interest income or expenses are recognised in the income statement. In the case of hedging of future transactions, if it is the future sale of a financial instrument, recycling takes place on the date when the sold instrument is derecognised; if the transaction is settled through the recognition on the balance sheet of a financial instrument, the gains or losses accumulated in equity are carried in it, before being recycled in the income statement at the same pace as the hedged cash flows generated by the instrument then recognised on the balance sheet.

Whenever the hedging derivative ceases to meet the effectiveness criteria for hedge accounting or is terminated or sold or if the future transaction hedged is no more probable, hedge accounting is discontinued prospectively. The amounts previously recognised directly in equity are reclassified in the income statement over the periods during which interest income is affected by the cash flows from the hedged item. If the hedged item is sold or redeemed earlier than expected or if the hedged forecast transaction ceases to be expected, the unrealised gains and losses recognised in equity are immediately reclassified in the income statement.

Hedging of a net investment in a foreign operation

The purpose of a hedging of a net investment in a foreign company is to protect against exchange rate risk.

The hedged item is an investment in a country whose currency differs from the Group's functional currency. The hedge therefore serves to protect the net position of a foreign subsidiary or branch against an exchange rate risk linked to the entity's functional currency.

The hedge of a net investment in a foreign operation follows the same accounting principles as the cashflow hedge relationships. Thus, the effective portion of the changes in fair value of a hedging derivative designated for accounting purposes as the hedge of a net investment is recognised in equity under "Unrealised or deferred gains and losses", while the ineffective portion is recognised in the income statement under "Gains and losses on financial instruments at fair value through profit or loss".

Portfolio hedges (macro-hedge)

In this type of hedge, interest rate derivatives are used to globally hedge the structural interest rate risk resulting mainly from Retail Banking activities. In accounting for these transactions, are either documented as fair value hedges or as cash flow hedges, depending on the Group entities.

Group entities documenting a macro fair value hedge of fixed rate assets and liabilities portfolios, apply the IAS 39 "carve-out" standard as adopted by the European Union, which facilitates:

- the application of fair value hedge accounting to the macro-hedges used for asset-liability management, including customer demand deposits in the fixed-rate positions being hedged;
- the performance of the effectiveness tests.

The accounting treatment of the financial derivatives designated as macro fair value hedges is similar to that of other fair value hedging instruments. Changes in the fair value of the portfolio of macro-hedged instruments measured based on the modelled synthetic instrument are reported on a separate line in the balance sheet under "Revaluation differences on portfolios hedged against interest rate risk" through profit or loss.

Group entities documenting a macro cash flow hedge apply the same accounting principles as those presented above for cash flow hedge. Thus, macro-hedged assets or liabilities portfolios are not measured at fair value for the hedged risk.

In the case of macro cash flow hedge, hedged portfolios include assets or liabilities at variable rate.

Finally, regardless of the documentation used for these macro-hedges, they require the implementation of three tests to measure the effectiveness of the relationship:

- a non-over-coverage test to ensure, prospectively and retrospectively, that the nominal amount of the portfolios covered is higher than the notional amount of the hedged instruments for each future maturity band and each rate generation;
- a test of non-disappearance of the hedged item, which consists in prospectively and retrospectively ensuring that the historically covered maximum position is less than the notional amount of the hedged instruments on the closing date considered for each maturity band and each generation of rates;
- a quantitative test to retrospectively ensure that the fair value changes in the modelled synthetic instrument offset the changes in fair value of the hedged instruments.

The sources of ineffectiveness of the macro-hedges implemented in the Group result from the latest fixing of the variable leg of the hedging swaps, the two-curve valuation of the collateralised hedging instruments, the possible mismatches of interests between the hedged item and the hedging instrument and the consideration of counterparty risk on the hedging instruments.

FAIR VALUE

(In EURm)	31.12.2024		31.12.2023	
	Assets	Liabilities	Assets	Liabilities
Fair value hedge	**8,850**	**15,000**	**10,113**	**18,182**
Interest rate instruments	8,829	14,999	10,112	18,181
Foreign exchange instruments	1	1	1	1
Equity and index Instruments	20	-	-	-
Cash flow hedge	**277**	**551**	**321**	**475**
Interest rate instruments	199	526	309	394
Foreign exchange instruments	56	23	5	56
Equity and index Instruments	22	2	7	25
Net investment hedge	**106**	**199**	**151**	**51**
Foreign exchange instruments	106	199	151	51
TOTAL	**9,233**	**15,750**	**10,585**	**18,708**

The Group sets up hedging relationships recognised for accounting purposes as fair value hedges in order to protect its fixed-rate financial assets and liabilities (primarily loans/borrowings, securities issued and fixed-rate securities) against changes in long-term interest rates. The hedging instruments used mainly consist of interest rate swaps.

Furthermore, through some of its Corporate and Investment Banking operations, the Group is exposed to future cash flow changes in its short and medium-term funding requirements and sets up hedging relationships recognised for accounting purposes as cash flow hedges. Highly probable funding requirements are determined using historic data established for each activity and representative of balance sheet outstanding. These data may be increased or decreased by changes in management methods.

Finally, as part of their management of structural interest rate and exchange rate risks, the Group's entities set up fair value hedge for portfolios of assets or liabilities for interest rate risk as well as cash flow hedge and net investment hedge for foreign exchange risk.

As part of its structural interest rate risk management, the Group has adjusted the level of hedging of the fixed rate liabilities (*i.e.*, customer deposits). While fixed-rate receiver swaps contracted out to hedge the interest rate risk, fixed-rate payer swaps were used into to reduce the hedge. Under IAS 39, these instruments were designated as portfolio hedging instruments (macro hedge accounting). In 2023 and 2024, the Group transferred to a trading portfolio both the swaps taken out to reduce the macro-hedge and the corresponding initial hedging swaps (receiver fix interest rate). The tables in this note include the effect of this reclassification.

As at 31 December 2024, the revaluation differences on macro-hedged fixed-rate assets portfolios and fixed-rate liabilities portfolios are still negative. We however note that the interest rate environment stabilised in 2024 compared to the two previous years. On the asset side of the balance sheet, the revaluation difference on portfolios hedged against interest rate risk amounts to EUR -292 million as at 31 December 2024 (compared to EUR -433 million as at 31 December 2023); and on the liabilities side, the revaluation differences on portfolios hedged against interest rate risk amounts to EUR -5,277 million as at 31 December 2024 (against EUR -5,857 million as at 31 December 2023).

COMMITMENTS (NOTIONAL AMOUNTS)

(In EURm)	31.12.2024	31.12.2023
Interest rate instruments	**613,674**	**668,657**
Firm instruments[(1)]	610,683	665,813
Swaps	*438,681*	*520,808*
FRAs	*172,002*	*145,005*
Options[(1)]	2,991	2,844
Foreign exchange instruments	**11,056**	**8,355**
Firm instruments	11,056	8,355
Equity and index instruments	**338**	**226**
Firm instruments	338	226
TOTAL	**625,068**	**677,238**

(1) Amounts restated compared to the published financial statements as at 31 December 2023.

MATURITIES OF HEDGING FINANCIAL DERIVATIVES (NOTIONAL AMOUNTS)

These items are presented according to the contractual maturity of the financial instruments.

(In EURm)	Up to 3 months	From 3 months to 1 year	From 1 year to 5 years	Over 5 years	31.12.2024
Interest rate instruments	73,886	76,755	328,868	134,165	613,674
Foreign exchange instruments	3,562	6,660	834	-	11,056
Equity and index instruments	82	80	174	2	338
TOTAL	**77,530**	**83,495**	**329,876**	**134,167**	**625,068**

FAIR VALUE HEDGE: BREAKDOWN OF HEDGED ITEMS

	31.12.2024		
(In EURm)	Carrying amount	Cumulative change in the fair value(2)	Change in the fair value booked during the period(3)
Hedge of interest rate risk			**(1,621)**
Hedged assets	118,572	23	551
Due from banks, at amortised cost	*1,466*	*(30)*	*30*
Customer loans, at amortised cost	*11,976*	*(73)*	*104*
Securities at amortised cost	*3,889*	*(106)*	*(47)*
Financial assets at fair value through other comprehensive income	*31,008*	*524*	*(19)*
Customer loans (macro hedged)(1)	*70,233*	*(292)*	*483*
Hedged liabilities	285,247	(9,108)	(2,172)
Debt securities issued	*70,889*	*(1,881)*	*(814)*
Due to banks	*20,749*	*(678)*	*(398)*
Customer deposits	*13,365*	*31*	*(29)*
Subordinated debts	*15,238*	*(1,303)*	*142*
Customer deposits (macro hedged)(1)	*165,006*	*(5,277)*	*(1 073)*
Hedge of currency risk			**(0)**
Hedged liabilities	201	0	(0)
Subordinated debts	*201*	*0*	*(0)*
Hedge of equity risk			**(1)**
Hedged liabilities	47	24	(1)
Other liabilities	*47*	*24*	*(1)*
TOTAL			**(1,622)**

(In EURm)	31.12.2023		
	Carrying amount	Cumulative change in the fair value(2)	Change in the fair value booked during the period(3)
Hedge of interest rate risk			**(2,973)**
Hedged assets	97,107	(189)	3,111
Due from banks, at amortised cost	*1,382*	*(56)*	*45*
Customer loans, at amortised cost	*8,016*	*(145)*	*160*
Securities at amortised cost	*2,391*	*(59)*	*202*
Financial assets at fair value through other comprehensive income	*26,455*	*504*	*971*
Customer loans (macro hedged)(1)	*58,863*	*(433)*	*1,733*
Hedged liabilities	166,359	(10,743)	(6,084)
Debt securities issued	*41,632*	*(2,666)*	*(1,756)*
Due to banks	*20,426*	*(1,082)*	*(850)*
Customer deposits	*13,856*	*(3)*	*(83)*
Subordinated debts	*10,815*	*(1,135)*	*(280)*
Customer deposits (macro hedged)(1)	*79,630*	*(5,857)*	*(3,115)*
Hedge of currency risk			**1**
Hedged liabilities	195	1	1
Subordinated debts	*195*	*1*	*1*
Hedge of equity risk			**(0)**
Hedged liabilities	2	(0)	(0)
Other liabilities	*2*	*(0)*	*(0)*
TOTAL			**(2,972)**

(1) The carrying amount of the macro-hedged items represents the sum of the hedged outstanding and the revaluation differences on portfolios hedged against interest rate risk.

(2) The cumulative change in fair value is taken into account excluding accrued interest for the items hedged against interest rate risk. The amount shown also includes the fair value adjustment remaining to be amortised on the items for which the hedging relationship has been derecognised.

(3) Changes in fair value attributable to the hedged risk only and used to determine the ineffective portion of the fair value of the hedging instrument. This change is excluding accrued interests for the items hedged against interest rate risk.

As at 31 December 2024, EUR 2,180 million of cumulative fair value change remains to be amortised following the termination of hedging relationships.

BREAKDOWN OF HEDGING INSTRUMENTS

	31.12.2024				
	Commitments (notional amounts)	Fair value[2]		Change in fair value booked during the period	Ineffectiveness recognised during the period
(In EURm)		Asset	Liabilities		
Hedge of interest rate risk	**390,913**	**8,829**	**14,999**	**1,495**	**(126)**
Firm instruments – Swaps	390,913	8,829	14,999	1,495	(126)
For hedged assets	*49,625*	*1,766*	*2,083*	*(87)*	*(19)*
For hedged portfolios of assets (macro hedge)[1]	*69,019*	*1,160*	*1,127*	*(472)*	*11*
For hedged liabilities	*101,074*	*1,831*	*5,509*	*964*	*(135)*
For hedged portfolios of liabilities (macro hedge)[1]	*171,195*	*4,072*	*6,280*	*1,090*	*17*
Hedge of currency risk	**201**	**1**	**1**	**1**	**1**
Firm instruments	201	1	1	1	1
For hedged liabilities	*201*	*1*	*1*	*1*	*1*
Hedge of equity risk	**30**	**20**	**-**	**(2)**	**(3)**
Options	30	20	-	(2)	(3)
For hedged liabilities	*30*	*20*	*-*	*(2)*	*(3)*
TOTAL	**391,144**	**8,850**	**15,000**	**1,494**	**(128)**

	31.12.2023				
	Commitments (notional amounts)	Fair value[2]		Change in fair value booked during the period	Ineffectiveness recognised during the period
(In EURm)		Asset	Liabilities		
Hedge of interest rate risk	**274,565**	**10,112**	**18,181**	**3,141**	**168**
Firm instruments – Swaps	274,565	10,112	18,181	3,141	168
For hedged assets	*36,665*	*1,538*	*1,794*	*(1,351)*	*27*
For hedged portfolios of assets (macro hedge)[1]	*56,723*	*1,585*	*1,041*	*(1,807)*	*(75)*
For hedged liabilities	*96,289*	*1,360*	*5,822*	*3,096*	*128*
For hedged portfolios of liabilities (macro hedge)[1]	*84,888*	*5,629*	*9,524*	*3,203*	*88*
Options	-	-	-	-	-
For hedged portfolios of assets (macro hedge)[1]	-	-	-	-	-
Hedge of currency risk	**195**	**1**	**1**	**(1)**	**-**
Firm instruments	195	1	1	(1)	-
For hedged liabilities	*195*	*1*	*1*	*(1)*	-
Hedge of equity risk	**4**	**0**	**0**	**0**	**(0)**
Options	4	0	0	0	(0)
For hedged liabilities	*4*	*0*	*0*	*0*	*(0)*
TOTAL	**274,764**	**10,113**	**18,182**	**3,140**	**168**

(1) *For macro fair value transactions, the commitment described above equals the net hedging derivatives position in order to represent the economic exposure from these instruments. This position should be linked with the carrying amount of the hedged items which represents the hedged exposure.*

(2) *The fair value of interest rate hedging derivatives includes accrued interests.*

CASH FLOW HEDGE: BREAKDOWN OF HEDGED ITEMS

The following table describes the change of fair value of hedged items used to book the ineffective portion of the hedge during the current period. Regarding the cash flow hedges, the change in fair value of hedged items is assessed using the hypothetical derivative method described in the accounting principles above.

	31.12.2024	31.12.2023
(In EURm)	**Change in the fair value**	**Change in the fair value**
Hedge of interest rate risk	**86**	**2**
Hedged assets	56	33
Due from banks, at amortised cost	*11*	*30*
Financial assets at fair value through other comprehensive income	*25*	*(22)*
Customer loans (macro hedged)	*20*	*25*
Hedged liabilities	30	(31)
Debt securities issued	*30*	*80*
Due to banks	*(39)*	*(20)*
Customer deposits	*39*	*(91)*
Hedge of currency risk	**(30)**	**40**
Hedged assets	(5)	(16)
Financial assets at fair value through other comprehensive income	*(5)*	*(16)*
Hedged liabilities	(18)	41
Debt securities issued	*(18)*	*41*
Subordinated debts	-	-
Forecast transactions	(7)	15
Hedge of equity risk	**(36)**	**6**
Forecast transactions	(36)	6
TOTAL	**20**	**48**

BREAKDOWN OF HEDGING INSTRUMENTS

	31.12.2024					
		Fair value		Changes in fair value recorded during the period		
(In EURm)	Commitments (notional amounts)	Asset	Liability	Portion booked in unrealised or deferred gains and losses	Ineffectiveness recorded in the profit or loss	Cumulative change in fair value recorded in unrealised or deferred gains and losses
Hedge of interest rate risk	**15,805**	**199**	**527**	**(86)**	**7**	**(556)**
Firm instruments – Swaps	15,803	199	527	(86)	7	(556)
For hedged assets	*3,214*	*137*	*22*	*(35)*	*11*	*(156)*
For hedged portfolios of assets (macro hedge)[1]	*460*	*18*	*-*	*(21)*	*(16)*	*2*
For hedged liabilities	*12,129*	*44*	*505*	*(30)*	*12*	*(402)*
Firm instruments – FRAs	2	-	-	-	0	-
For hedged liabilities	*2*	*-*	*-*	*-*	*0*	*-*
Hedge of currency risk	**1,672**	**57**	**27**	**30**	**5**	**27**
Firm instruments	1,672	57	23	30	5	27
For hedged assets	*-*	*-*	*-*	*5*	*-*	*(1)*
For hedged liabilities	*840*	*50*	*19*	*18*	*-*	*12*
For hedged future transactions	*832*	*7*	*4*	*7*	*5*	*16*
Hedge of equity risk	**308**	**22**	**2**	**36**	**-**	**10**
Options	308	22	2	36	-	10
For hedged future transactions	*308*	*22*	*2*	*36*	*-*	*10*
TOTAL	**17,785**	**278**	**556**	**(20)**	**12**	**(519)**

	31.12.2023					
		Fair value		Changes in fair value recorded during the period		Cumulative change in fair value recorded in unrealised or deferred gains and losses
(In EURm)	Commitments (notional amounts)	Asset	Liability	Portion booked in unrealised or deferred gains and losses	Ineffectiveness recorded in the profit or loss	
Hedge of interest rate risk	**13,592**	**309**	**394**	**(2)**	**1**	**(432)**
Firm instruments – Swaps	13,587	309	394	(2)	1	(432)
For hedged assets	*1,726*	*156*	*10*	*(9)*	*16*	*(121)*
For hedged portfolios of assets (macro hedge)(1)	*1,120*	*57*	*1*	*(24)*	*(16)*	*24*
For hedged liabilities	*10,741*	*96*	*383*	*31*	*1*	*(335)*
Firm instruments – FRAs	5	-	-	-	-	-
For hedged liabilities	*5*	-	-	-	-	-
Hedge of currency risk	**2,356**	**5**	**56**	**(40)**	**-**	**(3)**
Firm instruments	2,356	5	56	(40)	-	(3)
For hedged assets	-	-	-	-	-	-
For hedged liabilities	*1,602*	*5*	*46*	*(25)*	-	*(5)*
For hedged future transactions	*754*	-	*10*	*(15)*	-	*2*
Non-derivative financial instruments	-	-	-	-	-	-
For hedged future transactions	-	-	-	-	-	-
Hedge of equity risk	**222**	**7**	**25**	**(6)**	**-**	**(8)**
Options	222	7	25	(6)	-	(8)
For hedged future transactions	*222*	*7*	*25*	*(6)*	-	*(8)*
TOTAL	**16,170**	**321**	**475**	**(48)**	**1**	**(443)**

(1) For the macro hedge transactions, the commitment described above equals the net hedging derivatives position in order to represent the economic exposure from these instruments.

NET INVESTMENT HEDGE: BREAKDOWN OF HEDGED ITEMS

	31.12.2024		31.12.2023	
(In EURm)	Change in the fair value of the hedged item during the period(1)	Cumulative translations differences related to the hedged items	Change in the fair value of the hedged item during the period(1)	Cumulative translations differences related to the hedged items
Hedge of currency risk	**175**	**(279)**	**(156)**	**(454)**
Hedged net investment in GBP	151	(57)	60	(208)
Hedged net investment in CZK	(28)	265	(46)	293
Hedged net investment in RUB	-	-	-	-
Hedged net investment in RON	0	(71)	(4)	(71)
Hedged net investment in USD	95	78	(23)	(16)
Hedged net investment (other currencies)	(43)	(494)	(143)	(452)

(1) Changes in fair value attributable to the hedged risk only and used to determine the ineffective portion of the fair value of the hedged instruments. A positive amount corresponds to an unrealised gain recorded directly in shareholders' equity in respect of the foreign exchange variation recorded on the hedged item.

NET INVESTMENT HEDGE: BREAKDOWN OF HEDGE INSTRUMENTS

	31.12.2024					
		Carrying amount[1]		Changes in fair value recorded during the period[2]		
(In EURm)	Commitments (notional amounts)	Asset	Liability	Portion booked in unrealised or deferred gains and losses	Ineffectiveness recorded in the profit or loss[3]	Cumulative change in fair value recorded in unrealised or deferred gains or losses
Hedge of currency risk	**9,183**	**106**	**2,606**	**(175)**	**47**	**279**
Firm instruments	9,183	106	199	(106)	47	163
Hedged net investment in GBP	*2,025*	*16*	*33*	*(64)*	*3*	*(215)*
Hedged net investment in CZK	*1,710*	*7*	*8*	*14*	*17*	*(75)*
Hedged net investment in RUB	*-*	*-*	*-*	*-*	*-*	*-*
Hedged net investment in RON	*700*	*4*	*-*	*-*	*10*	*55*
Hedged net investment in USD	*2,087*	*15*	*115*	*(95)*	*(4)*	*(44)*
Hedged net investment (other currencies)	*2,661*	*64*	*43*	*39*	*21*	*442*
Non derivatives instruments		-	2,407	(69)	-	116
Hedged net investment in GBP		*-*	*1,783*	*(87)*	*-*	*272*
Hedged net investment in CZK		*-*	*478*	*14*	*-*	*(190)*
Hedged net investment in RUB		*-*	*-*	*-*	*-*	*-*
Hedged net investment in RON		*-*	*29*	*-*	*-*	*16*
Hedged net investment in USD		*-*	*-*	*-*	*-*	*(34)*
Hedged net investment (other currencies)		*-*	*117*	*4*	*-*	*52*

	31.12.2023					
		Carrying amount(1)		Changes in fair value recorded during the period(2)		
(In EURm)	Commitments (notional amounts)	Asset	Liability	Portion booked in unrealised or deferred gains and losses	Ineffectiveness recorded in the profit or loss(3)	Cumulative change in fair value recorded in unrealised or deferred gains or losses
Hedge of currency risk	**5,804**	**151**	**2,817**	**156**	**72**	**454**
Firm instruments	5,804	151	51	166	72	265
Hedged net investment in GBP	*1,149*	*18*	*10*	*(21)*	*5*	*(151)*
Hedged net investment in CZK	*1,258*	*43*	*6*	*29*	*30*	*(89)*
Hedged net investment in RUB	*-*	*-*	*-*	*-*	*-*	*-*
Hedged net investment in RON	*599*	*2*	*-*	*4*	*6*	*55*
Hedged net investment in USD	*249*	*14*	*7*	*23*	*11*	*50*
Hedged net investment (other currencies)	*2,549*	*74*	*28*	*131*	*20*	*400*
Non derivatives instruments		-	2,766	(10)	-	189
Hedged net investment in GBP		*-*	*1,867*	*(39)*	*-*	*359*
Hedged net investment in CZK		*-*	*720*	*17*	*-*	*(204)*
Hedged net investment in RUB		*-*	*-*	*-*	*-*	*-*
Hedged net investment in RON		*-*	*34*	*-*	*-*	*16*
Hedged net investment in USD		*-*	*-*	*-*	*-*	*(33)*
Hedged net investment (other currencies)		*-*	*145*	*12*	*-*	*51*

(1) The carrying value equals fair value in the case of derivative instruments and equals amortised cost, translated at the closing date, in the case of loans and borrowings in foreign currencies.

(2) A positive change in value reflects a gain.

(3) In the case of foreign exchange risk hedging using derivative, the change in fair value attributable to the hedged foreign exchange risk is presented under the Portion booked in unrealised or deferred gains and losses heading and perfectly offsets the foreign exchange difference recognised on the hedged item. The amounts presented under Ineffective portion recognised in profit or loss correspond to the effects relating to risks other than foreign exchange risk.

NOTE 3.3 Financial assets at fair value through other comprehensive income

OVERVIEW

(In EURm)	31.12.2024	31.12.2023
Debt instruments	95,750	90,630
Bonds and other debt securities	*95,750*	*90,614*
Loans and receivables and securities purchased under resale agreements	*0*	*16*
Shares and other equity securities	274	264
TOTAL	**96,024**	**90,894**
o/w securities lent	*165*	*228*

NOTE 3.3.1 DEBT INSTRUMENTS

ACCOUNTING PRINCIPLES

Debt instruments (loans and receivables, bonds and bond equivalents) are classified as Financial assets at fair value through other comprehensive income when their contractual cash flows are consistent with basic lending arrangements (SPPI) and they are managed under a Collect and Sell business model. At the time of original recognition, these financial assets are measured at fair value including the costs directly attributable to their acquisition or subscription.

Accrued or earned income on debt instruments is recorded in profit or loss based on the effective interest rate, under "Interest and similar income".

At the reporting date, these instruments are measured at fair value and changes in fair value excluding income, are recorded in equity under "Unrealised or deferred gains and losses", except for foreign exchange differences on money market instruments denominated in local currencies, which are recorded in profit or loss. Furthermore, as these financial assets are subject to impairment for credit risk, the changes in expected credit losses are recorded in profit or loss under "Cost of credit risk" with a corresponding entry under "Unrealised or deferred gains and losses". The applicable impairment rules are described in Note 3.8.

BUSINESS MODEL "HOLD TO COLLECT AND SELL"

The objective of this business model is to realise cash flows by both collecting contractual payments and selling financial assets. In this type of business model, the sales of financial assets are not incidental or exceptional, but they are integral to achieving the business' objectives.

Cash management

Within the Group, except for the insurance activities, the "hold to collect and sell" business model is mainly applied by cash management activities for managing HQLA securities (High Quality Liquid Assets) included in the liquidity reserve.

CHANGES OF THE PERIOD

(In EURm)	2024
Balance as at 1 January	**90,630**
Acquisitions/disbursements	47,354
Disposals/redemptions	(40,126)
Transfers towards (or from) another accounting category	82
Change in scope and others	(3,802)
Changes in fair value during the period	162
Change in related receivables	129
Translation differences	1,321
Balance as at 31 December	**95,750**

CUMULATIVE UNREALISED GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY

(In EURm)	31.12.2024	31.12.2023
Unrealised gains	752	993
Unrealised losses	(3,253)	(3,666)
TOTAL(1)	**(2,501)**	**(2,673)**

(1) Including EUR -2,028 million for insurance sector subsidiaries as at 31 December 2024 (EUR -2,298 million as at 31 December 2023). This amount must be read together with the financial income and expenses recorded directly in equity as part of the measurement of the associated insurance contracts for EUR 2,061 million as at 31 December 2024 (EUR 2,314 million as at 31 December 2023).

NOTE 3.3.2 EQUITY INSTRUMENTS

ACCOUNTING PRINCIPLES

Equity instruments (shares and share equivalents), that are not held for trading purposes, can be initially designated by the Group to be measured at fair value through other comprehensive income. This choice made instrument by instrument, is irrevocable.

These equity instruments are then measured at fair value and the changes in fair value are recognised under "Unrealised or deferred gains and losses" with no subsequent reclassification to profit or loss. If the instruments are sold, the realised gains and losses are reclassified to Retained earnings at the opening of the next financial year. Only dividend income, if it is considered as a return on investment, is recorded in profit or loss under "Net gains or losses on financial assets at fair value through other comprehensive income".

The Group chose only in few rare cases to designate equity instruments to be measured at fair value through other comprehensive income.

NOTE 3.4 Fair value of financial instruments measured at fair value

MAKING IT SIMPLE

The financial assets and liabilities recognised in the Group balance sheet are measured either at fair value or at amortised cost. In the latter case, the fair value of the instruments is disclosed in the notes (see Note 3.9).

If an instrument is quoted on an active market, its fair value is equal to its market price.

But many financial instruments are not listed (for example, most customer loans and deposits, interbank debts and claims, etc.), or are only negotiable on illiquid markets or over-the-counter markets (which is the case for many derivative instruments).

In such situations, the fair value of the instruments is calculated using measurement techniques or valuation models. Market parameters are included in these models and must be observable; otherwise they are determined based on internal estimates. The models and parameters used are subject to independent validations and internal controls.

ACCOUNTING PRINCIPLES

Definition of fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date.

In the absence of observable prices for identical assets or liabilities, the fair value of financial instruments is determined using another measurement technique which maximises the use of observable market input based on assumptions that market operators would use to set the price of the instrument in question.

Fair value hierarchy

For information purposes, in the notes to the consolidated financial statements, the fair value of the financial instruments is classified using a fair value hierarchy that reflects the observability level of the inputs used. The fair value hierarchy is composed of the following levels:

LEVEL 1 (L1): INSTRUMENTS VALUED ON THE BASIS OF QUOTED PRICES (UNADJUSTED) IN ACTIVE MARKETS FOR IDENTICAL ASSETS OR LIABILITIES

Level 1 instruments carried at fair value on the balance sheet include in particular shares listed in an active market, government or corporate bonds priced directly by external brokers/dealers, derivatives traded on organised markets (futures, options), and units of funds (including UCITS) whose net asset value is available on the balance sheet date.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and if they reflect actual and regular market transactions on an arm’s length basis.

Determining whether a market is inactive requires the use of indicators such as a sharp decline in the trading volume and the level of activity in the market, a sharp disparity in prices over time and among the various above-mentioned market participants, or the fact that the latest transactions conducted on an arm’s length basis did not take place recently enough.

Where a financial instrument is traded in several markets to which the Group has immediate access, its fair value is represented by the market price at which volumes and activity levels are highest for the instrument in question. Transactions resulting from involuntary liquidations or distressed sales are usually not taken into account to determine the market price.

LEVEL 2 (L2): INSTRUMENTS VALUED USING INPUTS OTHER THAN THE QUOTED PRICES INCLUDED IN LEVEL 1 AND THAT ARE OBSERVABLE FOR THE ASSET OR LIABILITY CONCERNED, EITHER DIRECTLY (*I.E.* AS PRICES) OR INDIRECTLY (*I.E.* DERIVED FROM PRICES)

These are the instruments measured using a financial model based on market inputs. The inputs used shall be observable in active markets; using some unobservable inputs is possible only if the latter have only a minor impact on the fair value of the instrument. The prices published by an external source, derived from the valuation of similar instruments are considered as data derived from prices.

Level 2 instruments include in particular the non-derivative financial instruments carried at fair value on the balance sheet that are not directly quoted or do not have a quoted price on a sufficiently active market (*e.g.* corporate bonds, repos transactions, mortgage-backed securities, units of funds), and the firm derivatives and options traded over-the-counter: interest rate swaps, caps, floors, swaptions, equity options, index options, foreign exchange options, commodity options and credit derivatives. The maturities of these instruments are linked to ranges of terms commonly traded in the market, and the instruments themselves can be simple or offer a more complex remuneration profile (*e.g.* barrier options, products with multiple underlying instruments), with said complexity remaining however limited. The valuation techniques used in this category are based on common methods shared by the main market participants.

This category also includes the fair value of loans and receivables at amortised cost granted to counterparties whose credit risk is quoted *via* Credit Default Swap (see Note 3.9).

LEVEL 3 (L3): INSTRUMENTS VALUED USING INPUTS A SIGNIFICANT PART OF WHICH ARE NOT BASED ON OBSERVABLE MARKET DATA (REFERRED TO AS UNOBSERVABLE INPUTS)

Level 3 instruments carried at fair value on the balance sheet are valued using financial models based on market inputs among which those which are unobservable or observable on insufficiently active markets, have a significant impact on the fair value of the financial instrument as a whole.

Accordingly, Level 3 financial instruments include derivatives and repo transactions with longer maturities than those usually traded and/or with specifically-tailored return profiles, structured debts including embedded derivatives valued based on a method using unobservable inputs or long-term equity investments valued based on a corporate valuation method, which is the case for unlisted companies or companies listed on an insufficiently liquid market.

The main L3 complex derivatives are:

- equity derivatives: options with long maturities and/or incorporating bespoke remuneration mechanisms. These instruments are sensitive to market inputs (volatility, dividend rates, correlations, etc.). In the absence of market depth and an objective approach made possible by regularly observed prices, their valuation is based on proprietary methods (*e.g.* extrapolation from observable data, historical analysis). Hybrid equity instruments (*i.e.* having at least one non-equity underlying instrument) are also classified as L3 insofar as the correlations between the different underlying assets are generally unobservable;
- interest rate derivatives: long-term and/or exotic options, products sensitive to correlation between different interest rates, different exchange rates, or between interest rates and exchange rates, for example for *quanto* products (in which the instrument is settled in a currency different from the currency of the underlying asset); they are liable to be classified as L3 because the valuation inputs are unobservable due to the liquidity of the correlated pair and the residual maturity of the transactions (*e.g.* exchange rate correlations are deemed unobservable for the USD/JPY);
- credit derivatives: L3 credit derivatives mainly include baskets of instruments exposed to time to default correlation (“N to default” products in which the buyer of the hedge is compensated as of the N^{th} default, which are exposed to the credit quality of the issuers comprising the basket and to their correlation, or CDO Bespoke products, which are Collateralised Debt Obligations created specifically for a group of investors and structured according to their needs), as well as products subject to credit spread volatility;
- commodity derivatives: this category includes products involving unobservable volatility or correlation inputs (*i.e.* options on commodity swaps or instruments based on baskets of underlyings).

NOTE 3.4.1 FINANCIAL ASSETS MEASURED AT FAIR VALUE

	31.12.2024				31.12.2023			
(In EURm)	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Trading portfolio (excluding derivatives)	**123,371**	**166,489**	**4,774**	**294,634**	**104,493**	**171,245**	**6,814**	**282,552**
Bonds and other debt securities	34,537	13,495	194	48,226	32,843	6,275	308	39,426
Shares and other equity securities	88,831	1,164	-	89,995	71,524	170	-	71,694
Securities purchased under resale agreements	-	144,061	4,146	148,207	-	152,944	6,130	159,074
Loans, receivables and other trading assets	3	7,769	434	8,206	126	11,856	376	12,358
Trading derivatives	**3**	**94,012**	**2,730**	**96,745**	**6**	**81,276**	**2,253**	**83,535**
Interest rate instruments	2	38,933	1,320	40,255	5	40,806	1,668	42,479
Foreign exchange instruments	-	26,995	1,128	28,123	-	18,575	230	18,805
Equity and index instruments	1	26,898	169	27,068	1	19,581	189	19,771
Commodity instruments	-	54	-	54	-	84	-	84
Credit derivatives	-	573	113	686	-	1,820	166	1,986
Other forward financial instruments	-	559	-	559	-	410	-	410
Financial assets measured mandatorily at fair value through profit or loss	**79,765**	**21,190**	**17,973**	**118,928**	**72,451**	**23,683**	**18,517**	**114,651**
Bonds and other debt securities	31,266	1,270	1,913	34,449	26,750	2,579	1,347	30,676
Shares and other equity securities	48,499	8,573	13,948	71,020	45,701	9,169	13,822	68,692
Loans, receivables and securities purchased under resale agreements	-	11,347	2,112	13,459	-	11,935	3,348	15,283
Financial assets measured using fair value option through profit or loss	**12,809**	**2,932**	**-**	**15,741**	**13,732**	**1,412**	**-**	**15,144**
Bonds and other debt securities	12,809	1,585	-	14,394	13,732	89	-	13,821
Loans, receivables and securities purchased under resale agreements	-	57	-	57	-	68	-	68
Separate assets for employee benefit plans	-	1,290	-	1,290	-	1,255	-	1,255
Hedging derivatives	**-**	**9,233**	**-**	**9,233**	**-**	**10,585**	**-**	**10,585**
Interest rate instruments	-	9,028	-	9,028	-	10,421	-	10,421
Foreign exchange instruments	-	163	-	163	-	157	-	157
Equity and index instruments	-	42	-	42	-	7	-	7
Financial assets measured at fair value through other comprehensive income	**94,559**	**1,191**	**274**	**96,024**	**88,231**	**2,384**	**279**	**90,894**
Bonds and other debt securities	94,559	1,191	-	95,750	88,231	2,382	-	90,613
Shares and other equity securities	-	-	274	274	-	-	265	265
Loans and receivables	-	-	-	-	-	2	14	16
TOTAL	**310,507**	**295,047**	**25,751**	**631,305**	**278,913**	**290,585**	**27,863**	**597,361**

NOTE 3.4.2 FINANCIAL LIABILITIES MEASURED AT FAIR VALUE

	31.12.2024				31.12.2023			
(In EURm)	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Trading portfolio (excluding derivatives)	**8,636**	**176,222**	**5,644**	**190,502**	**9,396**	**177,622**	**4,514**	**191,532**
Amounts payable on borrowed securities	380	42,640	56	43,076	-	42,461	22	42,483
Bonds and other debt instruments sold short	5,788	-	-	5,788	7,305	1	-	7,306
Shares and other equity instruments sold short	2,467	1	-	2,468	2,091	-	-	2,091
Securities sold under repurchase agreements	-	131,345	5,584	136,929	-	132,532	4,487	137,019
Borrowings and other trading liabilities	1	2,236	4	2,241	-	2,628	5	2,633
Trading derivatives	**3**	**101,553**	**3,875**	**105,431**	**12**	**85,741**	**4,050**	**89,803**
Interest rate instruments	3	34,627	1,888	36,518	11	36,343	2,327	38,681
Foreign exchange instruments	-	27,210	688	27,898	1	19,563	461	20,025
Equity and index instruments	-	37,495	1,069	38,564	-	27,555	1,056	28,611
Commodity instruments	-	112	-	112	-	208	-	208
Credit derivatives	-	670	191	861	-	757	206	963
Other forward financial instruments	-	1,439	39	1,478	-	1,315	-	1,315
Financial liabilities measured using fair value option through profit or loss	**962**	**51,728**	**47,991**	**100,681**	**657**	**56,503**	**37,089**	**94,249**
Hedging derivatives	**-**	**15,750**	**-**	**15,750**	**-**	**18,708**	**-**	**18,708**
Interest rate instruments	-	15,525	-	15,525	-	18,575	-	18,575
Foreign exchange instruments	-	223	-	223	-	108	-	108
Equity and index instruments	-	2	-	2	-	25	-	25
TOTAL	**9,601**	**345,253**	**57,510**	**412,364**	**10,065**	**338,574**	**45,653**	**394,292**

NOTE 3.4.3 VARIATION IN LEVEL 3 FINANCIAL INSTRUMENTS

FINANCIAL ASSETS

(In EURm)	Balance as at 31.12.2023	Acquisitions	Disposals/ redemptions	Transfer to Level 2	Transfer from Level 2	Gains and losses	Translation differences	Change in scope and others	Balance as at 31.12.2024
Trading portfolio (excluding derivatives)	**6,814**	**8,285**	**(5,448)**	**(2,959)**	**33**	**(2,048)**	**97**	**-**	**4,774**
Bonds and other debt securities	308	3,871	(4,084)	(13)	33	69	10	-	194
Securities purchased under resale agreements	6,130	4,058	(1,028)	(2,945)	-	(2,131)	62	-	4,146
Loans, receivables and other trading assets	376	356	(336)	(1)	-	14	25	-	434
Trading derivatives	**2,253**	**58**	**(2)**	**(439)**	**91**	**716**	**53**	**-**	**2,730**
Interest rate instruments	1,668	-	-	(357)	82	(110)	37	-	1,320
Foreign exchange instruments	230	2	(1)	(7)	1	897	6	-	1,128
Equity and index instruments	189	56	(1)	(26)	-	(49)	-	-	169
Credit derivatives	166	-	-	(49)	8	(22)	10	-	113
Financial assets measured mandatorily at fair value through profit or loss	**18,517**	**3,258**	**(3,374)**	**(78)**	**2**	**(71)**	**67**	**(348)**	**17,973**
Bonds and other debt securities	1,347	586	(47)	-	-	23	-	4	1,913
Shares and other equity securities	13,822	2,672	(2,157)	-	-	(254)	22	(157)	13,948
Loans, receivables and securities purchased under resale agreements	3,348	-	(1,170)	(78)	2	160	45	(195)	2,112
Financial assets measured at fair value through other comprehensive income	**279**	**9**	**-**	**-**	**-**	**-**	**-**	**(14)**	**274**
Debt instruments	-	-	-	-	-	-	-	-	-
Equity instruments	265	9	-	-	-	-	-	-	274
Loans and receivables	14	-	-	-	-	-	-	(14)	-
TOTAL	**27,863**	**11,621**	**(8,824)**	**(3,487)**	**126**	**(1,403)**	**217**	**(362)**	**25,751**

FINANCIAL LIABILITIES

(In EURm)	Balance as at 31.12.2023	Issues	Disposals/ redemptions	Transfer to Level 2	Transfer from Level 2	Gains and losses	Translation differences	Change in scope and others	Balance as at 31.12.2024
Trading portfolio (excluding derivatives)	**4,514**	**4,851**	**(1,145)**	**(1,526)**	**16**	**(1,376)**	**310**	**-**	**5,644**
Amounts payable on borrowed securities	22	-	-	-	16	18	-	-	56
Securities sold under repurchase agreements	4,487	4,851	(1,145)	(1,526)	-	(1,393)	310	-	5,584
Borrowings and other trading liabilities	5	-	-	-	-	(1)	-	-	4
Trading derivatives	**4,050**	**486**	**(510)**	**(266)**	**159**	**(166)**	**122**	**-**	**3,875**
Interest rate instruments	2,327	3	-	(209)	144	(455)	78	-	1,888
Foreign exchange instruments	461	133	(383)	-	-	476	1	-	688
Equity and index instruments	1,056	311	(127)	(7)	9	(213)	40	-	1,069
Credit derivatives	206	-	-	(50)	6	26	3	-	191
Other forward financial instruments	-	39	-	-	-	-	-	-	39
Financial liabilities measured using fair value option through profit or loss	**37,089**	**19,569**	**(12,346)**	**(1,623)**	**3,609**	**838**	**855**	**-**	**47,991**
TOTAL FINANCIAL LIABILITIES AT FAIR VALUE	**45,653**	**24,906**	**(14,001)**	**(3,415)**	**3,784**	**(704)**	**1,287**	**-**	**57,510**

NOTE 3.4.4 VALUATION METHODS OF FINANCIAL INSTRUMENTS CARRIED AT FAIR VALUE ON THE BALANCE SHEET

For financial instruments recognised at fair value on the balance sheet, fair value is determined primarily on the basis of the prices quoted in an active market. These prices may be adjusted, if they are not available at the balance sheet date in order to incorporate the events that have an impact on prices and occurred after the closing of the stock markets but before the measurement date or in the event of an inactive market.

However, due notably to the varied characteristics of financial instruments traded over-the-counter on the financial markets, a large number of financial products traded by the Group does not have quoted prices in the markets.

For these products, fair value is determined using models based on valuation techniques commonly used by market participants to measure financial instruments, such as discounted future cash flows for swaps or the Black & Scholes formula for certain options and using valuation parameters that reflect current market conditions at the balance sheet date. These valuation models are validated independently by the experts from the Market Risk Department of the Group's Risk Division.

Furthermore, the inputs used in the valuation models, whether derived from observable market data or not, are checked by the Finance Division of Market Activities, in accordance with the methodologies defined by the Market Risk Department.

If necessary, these valuations are supplemented by additional reserves (such as bid-ask spreads and liquidity) determined reasonably and appropriately after an analysis of available information.

Derivatives and security financing transactions are subject to a Credit Valuation Adjustment (CVA) or Debt Valuation Adjustment (DVA). The Group includes all clients and clearing houses in this adjustment, which also reflects the netting agreements existing for each counterparty.

The CVA is determined based on the Group entity's expected positive exposure to the counterparty, the counterparty's probability of default and the amount of the loss given default. The DVA is determined symmetrically based on the negative expected exposure. These calculations are carried out over the life of the potential exposure, with a focus on the use of relevant and observable market data. Since 2021, a system has been in place to identify the new transactions for which CVA/DVA adjustments are significant. These transactions are then classified in Level 3.

Similarly, an adjustment to take into account the costs or profits linked to the financing of these transactions (FVA, Funding Value Adjustment) is also performed.

Observable data must be: independent, available, publicly distributed, based on a narrow consensus and/or backed up by transaction prices.

For example, consensus data provided by external counterparties are considered observable if the underlying market is liquid and if the prices provided are confirmed by actual transactions. For long maturities, these consensus data are not observable. This is the case for the implied volatility used for the valuation of equity options with maturities of more than five years. However, when the residual maturity of the instrument falls below five years, its fair value becomes sensitive to observable inputs.

In the event of unusual tensions on the markets, leading to a lack of the usual reference data used to measure a financial instrument, the Risk Division may implement a new model in accordance with pertinent available data, similar to methods used by other market players.

SHARES AND OTHER EQUITY SECURITIES

For listed shares, fair value is taken to be the quoted price on the balance sheet date.

The significant unlisted securities and the significant securities listed on an illiquid market will be valued primarily by using a developed valuation method: Discounted Cash Flows (DCF) or Discounted Dividend Model (DDM) and/or Market multiples.

For non-significant unlisted shares, fair value is determined depending on the type of financial instrument and according to one of the following methods:

- proportion of net asset value held;
- valuation based on a recent transaction involving the issuing company (third party buying into the issuing company's capital, appraisal by a professional valuation agent, etc.);
- valuation based on a recent transaction in the same sector as the issuing company (income multiple, asset multiple, etc.).

DEBT INSTRUMENTS HELD IN PORTFOLIO, ISSUES OF STRUCTURED SECURITIES MEASURED AT FAIR VALUE AND FINANCIAL DERIVATIVES INSTRUMENTS

The fair value of these financial instruments is determined based on the quoted price on the balance sheet date or prices provided by brokers on the same date, when available. For unlisted financial instruments, fair value is determined using valuation techniques. Concerning liabilities measured at fair value, the on-balance sheet amounts include changes in the Group's issuer credit risk.

OTHER DEBTS

For listed financial instruments, fair value is taken as their closing quoted price on the balance sheet date. For unlisted financial instruments, fair value is determined by discounting future cash flows to present value at market rates (including counterparty risks, non-performance and liquidity risks).

LOANS AND RECEIVABLES

The fair value of loans and receivables is calculated, in the absence of an actively traded market for these loans, by discounting the expected cash flows to present value at a discount rate based on interest rates prevailing on the market at the reporting date for loans with broadly similar terms and maturities. These discount rates are adjusted for borrower credit risk.

NOTE 3.4.5 ESTIMATES OF MAIN UNOBSERVABLE INPUTS

The following table provides, for Level 3 instruments, the ranges of values of the most significant unobservable inputs by main product type.

(In EURm)

Cash instruments and derivatives	Main products	Valuation techniques used	Significant unobservable inputs	Range of inputs min.	Range of inputs max.
Equities/funds	Simple and complex instruments or derivatives on funds, equities or baskets of stocks	Various option models on funds, equities or baskets of stocks	Equity volatilities	3.00%	166.00%
			Equity dividends	0.00%	11.00%
			Correlations	-200.00%	200.00%
			Hedge fund volatilities	N/A	N/A
			Mutual fund volatilities	1.70%	26.80%
Interest rates and Forex	Hybrid Forex/interest rate or credit/interest rate derivatives	Hybrid Forex interest rate or credit interest rate option pricing models	Correlations	-60.00%	90.00%
	Forex derivatives	Forex option pricing models	Forex volatilities	1.00%	25.00%
	Interest rate derivatives whose notional is indexed to prepayment behaviour in European collateral pools	Prepayment modelling	Constant prepayment rates	0.00%	20.00%
	Inflation instruments and derivatives	Inflation pricing models	Correlations	81.00%	92.00%
Credit	Collateralised Debt Obligations and index tranches	Recovery and base correlation projection models	Time to default correlations	0.00%	100.00%
			Recovery rate variance for single name underlyings	0.00%	100.00%
	Other credit derivatives	Credit default models	Time to default correlations	0.00%	100.00%
			Quanto correlations	0.00%	100.00%
			Credit spreads	0.0 bps	90.78 bps
Commodities	Derivatives on commodities baskets	Option models on commodities	Correlations	NA	NA
Long term equity investments	Securities held for strategic purposes	Net Book Value/Recent transactions	Not applicable	-	-

The table below shows the valuation of cash and derivative instruments on the balance sheet. When it comes to hybrid instruments, they are broken down according to the main unobservable inputs.

(In EURm)	31.12.2024 Assets	31.12.2024 Liabilities
Equities/funds	13,107	22,057
Rates and Forex	10,812	35,262
Credit	113	191
Long term equity investments	1,719	-
TOTAL	**25,751**	**57,510**

NOTE 3.4.6 SENSITIVITY OF FAIR VALUE FOR LEVEL 3 INSTRUMENTS

Unobservable inputs are assessed carefully, particularly in this persistently uncertain economic environment and market. However, by their very nature, unobservable inputs inject a degree of uncertainty into the valuation of Level 3 instruments.

To quantify this, fair value sensitivity was estimated at 31 December 2024 on instruments whose valuation requires certain unobservable inputs. This estimate was based either on a "standardised" variation in unobservable inputs, calculated for each input on a net position, or on assumptions in line with the additional valuation adjustment policies for the financial instruments in question.

The "standardised" variation corresponds to the standard deviation of consensus prices (TOTEM, etc.) used to measure an input nevertheless considered as unobservable. In cases of unavailability of these data, the standard deviation of historical data is then used to assess the input.

SENSITIVITY OF LEVEL 3 FAIR VALUE TO A "STANDARDISED" VARIATION IN UNOBSERVABLE INPUTS

	31.12.2024		31.12.2023	
(In EURm)	**Negative impact**	**Positive impact**	**Negative impact**	**Positive impact**
Shares and other equity instruments and derivatives	**(22)**	**31**	**(31)**	**52**
Equity volatilities	(6)	6	(16)	16
Dividends	(10)	10	(10)	10
Correlations	(6)	14	(5)	25
Hedge Fund volatilities	-	-	-	-
Mutual Fund volatilities	-	1	(0)	1
Rates or Forex instruments and derivatives	**(7)**	**7**	**(13)**	**25**
Correlations between exchange rates and/or interest rates	(7)	7	(13)	24
Forex volatilities	-	-	(0)	0
Constant prepayment rates	-	-	-	-
Inflation/inflation correlations	-	-	-	0
Credit instruments and derivatives	**(2)**	**3**	**(4)**	**4**
Time to default correlations	-	-	(0)	0
Quanto correlations	-	1	(0)	0
Credit spreads	(2)	2	(3)	3
Commodity derivatives	**NA**	**NA**	**NA**	**NA**
Commodities correlations	NA	NA	NA	NA
Long term securities	**NA**	**NA**	**NA**	**NA**

It should be noted that, given the already conservative valuation levels, this sensitivity is higher for a favourable impact on results than for an unfavourable impact. Moreover, the amounts shown above illustrate the uncertainty of the valuation as at the computation date based on a "standardised" variation in inputs. Future variations in fair value cannot be deduced or forecast from these estimates.

NOTE 3.4.7 DEFERRED MARGIN RELATED TO MAIN UNOBSERVABLE INPUTS

At initial recognition, financial assets and liabilities are measured at fair value, that is to say the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

When this fair value differs from transaction price and the instrument's valuation technique uses one or more unobservable inputs, this difference representative of a commercial margin is deferred in time to be recorded in the income statement, from case to case, at maturity of the instrument, at the time of sell or transfer, over time, or when the inputs become observable.

The table below shows the amount remaining to be recognised in the income statement due to this difference, less any amounts recorded in the income statement after initial recognition of the instrument.

(In EURm)	Equity derivatives	Interest rate and foreign exchange derivatives	Credit derivatives	Other instrument
Deferred margin as at 31 December 2023	**(754)**	**(268)**	**(34)**	**(24)**
Deferred margin on new transactions during the period	(251)	(217)	(16)	(2)
Margin recorded in the income statement during the period	540	130	18	3
o/w amortisation	*261*	*72*	*12*	*3*
o/w switch to observable inputs	*9*	*6*	*1*	*-*
o/w disposed, expired or terminated	*270*	*52*	*5*	*-*
Deferred margin as at 31 December 2024	**(465)**	**(355)**	**(32)**	**(23)**

NOTE 3.5 Loans, receivables and securities at amortised cost

ACCOUNTING PRINCIPLES

Loans, receivables and debt securities are measured at amortised cost where their contractual cash flows are consistent with basic lending arrangements (SPPI) and they are managed under a "Hold to Collect" business model.

Subsequent to initial recognition, they are measured at amortised cost using the effective interest method, and their accrued or earned income are recorded in profit or loss under "Interest and similar income". Furthermore, as these financial assets are subject to impairment for credit risk, changes in the expected credit losses are recorded in profit or loss under "Cost of credit risk" with a corresponding impairment of the amortised cost on the asset side of the balance sheet. The applicable impairment rules are described in Note 3.8. When a loan or a receivable is classified in Stage 3 for impairment (doubtful outstanding), the subsequent accrued interest incremented to the carrying amount of the financial asset before impairment is limited to the interest recognised in profit or loss. The amount of such interest is then calculated by applying the effective interest rate to the net carrying amount of the financial asset (see Note 3.7).

Loans granted by the Group may be subject to renegotiations for commercial reasons, while the borrowing customer is not experiencing any financial difficulties or insolvency. Such efforts are undertaken for customers for which the Group agrees to renegotiate their debt at the new market conditions in the interest of preserving or developing a business relationship, in accordance with the credit approval procedures in force and without relinquishing any principal or accrued interest. Except in specific cases where the modification due to the renegotiation would not be considered significant, renegotiated loans are derecognised as at the renegotiation date, and the new loans contracted under the renegotiated terms and conditions replace the previous loans in the balance sheet as at this same date. The new loans are subject to the SPPI test to determine how they are classified in the balance sheet. If a loan qualifies as a basic instrument (SPPI), the handling and implementation fees associated with the new transaction received are included in the effective interest rate of the new instrument.

Customer loans at amortised cost include lease receivables where they are classified as finance leases. Leases granted by the Group are classified as finance leases if they transfer substantially all the risks and rewards incidental to ownership of the leased asset to the lessee. Otherwise, they are classified as operating leases (see Note 4.2).

These finance lease receivables represent the Group's net investment in the lease, calculated as the present value of the minimum payments to be received from the lessee, plus any unguaranteed residual value, discounted at the interest rate implicit in the lease. In the event of a subsequent reduction in the estimated unguaranteed residual value used to calculate the lessor's investment in the finance lease, the present value of this reduction is recognised as a loss under "Expenses from other activities" in the income statement and as a reduction of the finance lease receivables on the asset side of the balance sheet.

BUSINESS MODEL "HOLD TO COLLECT"

Under this model, financial assets are managed to obtain cash flows by collecting contractual payments over the life of the instrument.

To achieve the objective of this business model, it is not necessary for the entity to hold all the instruments until maturity. Selling assets remains consistent with a business model whose objective is to collect contractual cash flows in the following cases:

- the financial asset is sold following an increase in the asset's credit risk; or
- the sale of the financial asset occurs close to its maturity and the proceeds from the sale are similar to the amount to be collected from the remaining contractual cash flows.

Other sales can be consistent with the objective of collecting contractual cash flows, as well, provided they are infrequent (even if significant in value) or insignificant in value, both individually and in aggregate terms (even if frequent). Such other sales include sales made to manage credit concentration risk (without an increase in the asset's credit risk). The Group has set up procedures for reporting and analysing all significant projected sales of financial assets held for collecting contractual cash flows, as well as a periodic review of sales that have occurred.

Financing activities

Within the Group, the "hold to collect" business model is mainly applied by financing activities managed by French Retail Banking, International Retail Banking and Financial Services and by Global Banking and Investor Solutions, except for the part of syndicated loans that is expected to be sold.

OVERVIEW

	31.12.2024		31.12.2023	
(In EURm)	**Carrying amount**	***o/w impairment***	**Carrying amount**	***o/w impairment***
Due from banks	84,051	*(26)*	77,879	*(23)*
Customer loans	454,622	*(8,445)*	485,449	*(10,070)*
Securities	32,655	*(36)*	28,147	*(84)*
TOTAL	**571,328**	***(8,507)***	**591,475**	***(10,177)***

NOTE 3.5.1 DUE FROM BANKS

(In EURm)	31.12.2024	31.12.2023
Current accounts	44,498	39,798
Deposits and loans	20,475	12,939
Securities purchased under resale agreements	18,544	24,622
Subordinated and participating loans	230	200
Related receivables	360	383
Due from banks before impairments(1)	**84,107**	**77,942**
Credit loss impairments	(26)	(23)
Revaluation of hedged items	(30)	(40)
TOTAL	**84,051**	**77,879**

(1) As at 31 December 2024, the amount due from banks classified as Stage 3 impairment (credit impaired) is EUR 15 million compared to EUR 37 million as at 31 December 2023. The accrued interests included in this amount are limited to interests recognised in net income by applying the effective interest rate to the net carrying amount of the financial asset (see Note 3.7).

NOTE 3.5.2 CUSTOMER LOANS

(In EURm)	31.12.2024	31.12.2023
Overdrafts	20,383	21,629
Other customer loans	405,141	428,614
Lease financing agreements	21,477	31,165
Securities purchased under resale agreements	11,515	9,413
Related receivables	4,627	4,845
Customer loans before impairments(1)	**463,143**	**495,666**
Credit loss impairment	(8,445)	(10,070)
Revaluation of hedged items	(76)	(147)
TOTAL	**454,622**	**485,449**

(1) As at 31 December 2024, the amount due from banks classified as Stage 3 impairment (credit impaired) is EUR 14,016 million compared to EUR 15,711 million as at 31 December 2023. The accrued interests included in this amount are limited to interests recognised in net income by applying the effective interest rate to the net carrying amount of the financial asset (see Note 3.7).

BREAKDOWN OF OTHER CUSTOMER LOANS

(In EURm)	31.12.2024	31.12.2023
Trade notes	7,740	7,736
Short-term loans	129,228	138,568
Export loans	13,054	13,030
Equipment loans	67,215	74,205
Housing loans	138,312	145,076
Loans secured by notes and securities	98	84
Other loans	49,494	49,915
TOTAL	**405,141**	**428,614**

ADDITIONAL INFORMATION ON LEASE FINANCING AND SIMILAR AGREEMENTS

(In EURm)	31.12.2024	31.12.2022
Gross investments	**23,253**	**33,438**
Amount for the next five years	19,251	28,206
Less than one year	*6,552*	*9,866*
From one to two years	*4,769*	*6,987*
From two to three years	*3,753*	*5,407*
From three to four years	*2,609*	*3,629*
From four to five years	*1,568*	*2,317*
More than five years	4,002	5,232
Present value of minimum payments receivable	**20,008**	**29,153**
Rental receivables due for the next five years	17,021	25,231
Less than one year	*6,012*	*9,098*
From one to two years	*4,292*	*6,361*
From two to three years	*3,311*	*4,780*
From three to four years	*2,205*	*3,140*
From four to five years	*1,201*	*1,852*
Rental receivables due for more than five years	2,987	3,922
Unearned financial income	**1,776**	**2,273**
Unguaranteed residual values receivable by the lessor	**1,469**	**2,012**

NOTE 3.5.3 SECURITIES

(In EURm)	31.12.2024	31.12.2023
Government securities	14,208	14,303
Negotiable certificates, bonds and other debt securities	18,322	13,731
Related receivables	267	256
Securities before impairments	**32,797**	**28,290**
Impairment	(36)	(84)
Revaluation of hedged items	(106)	(59)
TOTAL	**32,655**	**28,147**

NOTE 3.6 Debts

ACCOUNTING PRINCIPLES

Debts include the non-derivative financial liabilities that are not measured at fair value through profit or loss (these instruments are described in Note 3.1.3).

They are recognised in the balance sheet, depending on the type of instrument and counterparty, under "Due to banks, Customer deposits, Debt securities issued or Subordinated debt".

Subordinated debts are contractually remunerated borrowings, fixed-term or perpetual, whether or not in the form of debt securities, which, in the event of the liquidation of the borrowing company may only be redeemed after all other creditors have been paid.

Debts are initially recognised at cost, *i.e.* at the fair value of the amount borrowed net of transaction fees. These liabilities are measured as at the reporting date at amortised cost using the effective interest rate method. As a result, issue or redemption premiums on bonds are amortised over the lifetime of the instruments concerned. Accrued or paid expenses are recorded in profit or loss under "Interest and similar expense".

The Group's obligations arising from mortgage savings accounts and plans are recorded under "Customer deposits – Regulated savings accounts". A provision may be recorded in respect of such mortgage savings instruments (see Note 8.2).

NOTE 3.6.1 DUE TO BANKS

(In EURm)	31.12.2024	31.12.2023
Demand deposits and current accounts	15,695	11,131
Overnight deposits and borrowings	1,297	1,049
Term deposits(1)	73,517	100,307
Related payables	476	1,464
Revaluation of hedged items	(678)	(1,082)
Securities sold under repurchase agreements	9,437	4,978
TOTAL	**99,744**	**117,847**

(1) Including term-deposits linked to central banks, and in particular long-term refinancing operations set up by the ECB (Targeted Longer-Term Refinancing Operations – TLTRO).

TLTRO

Between December 2019 and December 2021, the Group subscribed, *via* Societe Generale and Crédit du Nord, to TLTRO III loans (Targeted Longer-Term Refinancing Operations) offered by the European Central Bank. The purpose of these loan offers, with reduced interest rates and additional temporary subsidies, were to maintain credit conditions in the eurozone. The residual amount of TLTRO loans on the liabilities side of the balance sheet, equal to EUR 24 billion as at 31 December 2023, was fully repaid by the Group in 2024.

For this year, the total interest and related expenses recognised in profit or loss amounted to EUR 469 million (EUR 1.2 billion for 2023).

NOTE 3.6.2 CUSTOMER DEPOSITS

(In EURm)	31.12.2024	31.12.2023
Regulated savings accounts	122,285	122,172
Demand	*101,712*	*99,105*
Term	*20,573*	*23,067*
Other demand deposits[1]	257,647	262,954
Other term deposits[1]	143,408	146,878
Related payables	1,611	1,841
Revaluation of hedged items	31	(3)
TOTAL CUSTOMER DEPOSITS	**524,982**	**533,842**
Securities sold to customers under repurchase agreements	6,693	7,835
TOTAL	**531,675**	**541,677**

(1) Including deposits linked to governments and central administrations.

BREAKDOWN OF OTHER DEMAND DEPOSITS BY CUSTOMER TYPE

(In EURm)	31.12.2024	31.12.2023
Professionals and corporates	110,715	107,168
Individual customers	78,017	83,449
Financial customers	55,689	55,842
Others[1]	13,226	16,495
TOTAL	**257,647**	**262,954**

(1) Including deposits linked to governments and central administrations.

NOTE 3.6.3 DEBT SECURITIES ISSUED

(In EURm)	31.12.2024	31.12.2023
Term savings certificates	112	173
Bond borrowings	34,341	31,285
Interbank certificates and negotiable debt instruments	128,025	130,393
Related payables	1,603	1,321
Revaluation of hedged items	(1,881)	(2,666)
TOTAL	**162,200**	**160,506**
o/w floating-rate securities	*100,659*	*95,247*

NOTE 3.7 Interest income and expense

MAKING IT SIMPLE

Interest is compensation for a financial service, consisting in a lender making a certain amount of cash available to a borrower for an agreed period of time. Such compensated financing arrangements can be loans, deposits or securities (bonds, negotiable debt securities…).

This compensation is a consideration for the time value of money, and additionally for credit risk, liquidity risk and administrative costs, all borne by the lender for the duration of the financing agreement. The interest can also include a margin used by the lending bank to remunerate equity instruments (such as ordinary shares) that are required by prudential regulation to be issued in relation to the amount of financing granted, so as to guarantee its own solvency.

Interest is recognised as expense or income over the life of the financing service granted or received, proportionally to the principal amount outstanding.

ACCOUNTING PRINCIPLES

Interest income and expense are recorded in the income statement under “Interest and similar income” and “Interest and similar expense” for all financial instruments measured using the effective interest method (instruments at amortised cost and debt instruments at fair value through other comprehensive income) and for all financial instruments mandatorily measured at fair value through profit and loss and interest rate risk hedging derivatives for the portion of income or expenses representative of the effective interest rate. Negative interest incomes on financial assets are recorded under “Interest and similar expense”; negative interest expenses on financial liabilities are recorded under “Interest and similar income”.

The effective interest rate is taken to be the rate used to net discount future cash inflows and outflows over the expected life of the instrument in order to establish the net book value of the financial asset or liability. The calculation of this rate considers the future cash flows estimated on the basis of the contractual provisions of the financial instrument without taking account of possible future credit losses and also includes commissions paid or received between the parties where these may be assimilated to interest, directly linked transaction costs, and all types of premiums and discounts.

Where a financial asset is classified in Stage 3 for impairment, subsequent interest income is recognised in profit or loss by applying the effective interest rate to the net carrying amount of the financial asset with an offsetting entry equal to the outstanding financial asset before impairment.

Moreover, except for those related to employee benefits, provisions recognised as balance sheet liabilities generate interest expenses which are calculated using the same risk-free interest rate as that used to discount the expected outflow of resources as soon as the effects of this update are significant.

	2024			2023		
(In EURm)	**Income**	**Expense**	**Net**	**Income**	**Expense**	**Net**
Financial instruments at amortised cost	34,678	(27,797)	6,881	32,266	(24,720)	7,546
Central banks	*6,776*	*(408)*	*6,368*	*6,698*	*(368)*	*6,330*
Bonds and other debt securities	*1,366*	*(5,281)*	*(3,915)*	*1,188*	*(4,096)*	*(2,908)*
Due from/to banks[(1)]	*4,375*	*(4,917)*	*(542)*	*4,038*	*(6,375)*	*(2,337)*
Customer loans and deposits	*19,716*	*(15,195)*	*4,521*	*17,931*	*(12,133)*	*5,798*
Subordinated debt	*-*	*(911)*	*(911)*	*-*	*(700)*	*(700)*
Securities lending/borrowing	*4*	*(6)*	*(2)*	*9*	*(13)*	*(4)*
Repo transactions	*2,441*	*(1,079)*	*1,362*	*2,402*	*(1,035)*	*1,367*
Hedging derivatives	14,907	(17,031)	(2,124)	15,919	(17,748)	(1,829)
Financial instruments at fair value through other comprehensive income[(2)]	2,871	(240)	2,631	2,779	(260)	2,519
Lease agreements	1,440	(58)	1,382	1,258	(47)	1,211
Real estate lease agreements	*315*	*(54)*	*261*	*295*	*(45)*	*250*
Non-real estate lease agreements	*1,125*	*(4)*	*1,121*	*963*	*(2)*	*961*
Subtotal interest income/expense on financial instruments using the effective interest method	**53,896**	**(45,126)**	**8,770**	**52,222**	**(42,775)**	**9,447**
Financial instruments mandatorily at fair value through profit or loss	1,123	(1)	1,122	865	(2)	863
TOTAL INTEREST INCOME AND EXPENSE	**55,019**	**(45,127)**	**9,892**	**53,087**	**(42,777)**	**10,310**
o/w interest income from impaired financial assets	*308*	*-*	*308*	*273*	*-*	*273*

(1) *Interest on TLTRO loans is recorded as an expense on Loans/borrowings on credit institutions (see Note 3.6).*
(2) *Including EUR 1,206 million for insurance subsidiaries in 2024 (EUR 1,237 million in 2023). This amount must be read together with the financial income and expenses of insurance contracts (see Note 4.3, Detail of performance of insurance activities).*

These interest expenses include the refinancing cost of financial instruments at fair value through profit or loss, the results of which are classified in net gains or losses on these instruments (see Note 3.1). Given that income and expenses booked in the income statement are classified by type of instrument rather than by purpose, the net income generated by activities in financial instruments at fair value through profit or loss must be assessed as a whole.

BREAKDOWN OF INCOME OF CUSTOMER LOANS AT AMORTISED COST

(In EURm)	2024	2023
Trade notes	785	786
Other customer loans	16,515	15,189
Short-term loans	*7,738*	*7,132*
Export loans	*560*	*576*
Equipment loans	*2,992*	*2,647*
Housing loans	*2,995*	*2,878*
Other customer loans	*2,230*	*1,956*
Overdrafts	2,116	1,692
Doubtful outstanding (Stage 3)	300	264
TOTAL	**19,716**	**17,931**

NOTE 3.8 Impairment and provisions

MAKING IT SIMPLE

Some financial assets (loans, debt securities) involve credit risk which exposes the Group to a potential loss if the counterparty or the securities issuer were to be unable to respect their financial commitments. To compensate for this risk, the Bank receives a portion of the contractual interest on those assets, called credit margin.

For loans, receivables and debt securities measured at amortised cost or fair value through other comprehensive income, this potential loss, or expected credit loss, as estimated by the Group, is recognised in profit or loss without waiting for a payment default individually impacting the counterparty; the expenses partly offset the interest income and thus avoid overestimating the income during the periods prior to the counterparty default. On balance sheet, this potential loss is recognised as an impairment that reduces the carrying amount of assets measured at amortised cost. Impairment are written-back in case of a subsequent decrease of credit risk.

Potential losses recognised in the income statement represent initially the credit losses expected by the Group over the year to come. Subsequently, the amount is increased by the expected loss at maturity of the instrument in case of significant increase of risk.

For financial assets measured at fair value through profit or loss (including instruments held by global markets activities), their fair value includes already the expected credit loss, as assessed by the market participants, on the residual lifetime of the instrument.

ACCOUNTING PRINCIPLES

Recognition of expected credit losses

Debt instruments (loans, receivables, bonds and similar) classified as financial assets at amortised cost or as financial assets at fair value through other comprehensive income, operating lease receivables, customer receivables and income to be received included amongst Other assets, as well as loan commitments granted and guarantee commitments issued, are systematically subject to impairment or provisions for expected credit losses. These impairments and provisions are recognised as of the granting of the loans, the commitments undertaken or the debt securities purchased, without waiting for the occurrence of an objective evidence of impairment.

To determine the amount of impairment or provision to be recorded at each reporting date, these exposures are split among three categories based on the increase in credit risk observed since initial recognition. An impairment or provision shall be recognised for the exposures in each of these categories as follows:

Observed deterioration in credit risk since initial recognition of the financial asset

Credit risk category	**Stage 1** **Performing assets**	**Stage 2** **Under-performing or downgraded assets**	**Stage 3** **Credit-impaired or defaulted assets**
Transfer criteria	Initial recognition of the instrument in stage 1 ▸ *Maintained if the credit risk has not increased significantly*	Credit risk on the instrument has increased significantly since initial recognition / 30 days past due	Evidence that the instrument is become credit-impaired / 90 days past due
Measurement of credit risk	12-month expected credit losses	Lifetime expected credit losses	Lifetime expected credit losses
Interest income recognition basis	Gross carrying amount of the asset before impairment	Gross carrying amount of the asset before impairment	Net carrying amount of the asset after impairment

Exposures classified in Stage 1

On their initial recognition date, the exposures are systematically classified in Stage 1, unless they have been credit-impaired or defaulted at the time of their acquisition or granting.

Exposures classified in Stage 2

To identify Stage 2 exposures, the significant increase in credit risk compared to the date of initial recognition is assessed in the Group using all available historical and forward-looking data (behavioural scores, loan to value indicators, macroeconomic forecast scenarios, sector analyses, cash flow projections for some counterparties, etc.).

The four criteria used to assess the significant changes in credit risk are detailed below. Once at least one of these four criteria is met, the exposure concerned is transferred from Stage 1 to Stage 2 and related impairment or provisions are adjusted accordingly.

Furthermore, the low credit risk exemption may be applied when the counterparty credit risk is low.

CRITERION 1: THE CLASSIFICATION OF THE COUNTERPARTY IN "SENSITIVE"

To determine the classification of the counterparty as "sensitive" (concept of watch list), the Group analyses:

- the counterparty's credit rating (when it is the subject of an internal analysis); and
- the changes in its operating sector, in macroeconomic conditions and in the behaviour of the counterparty which may also be indicative of a deterioration in credit risk.

If, after review, a counterparty is declared “sensitive”, all the contracts entered into between the Group and this counterparty before classification as “sensitive” are transferred into Stage 2 (to the extent that this approach does not generate any distortion compared to a credit quality analysis at the time of granting of each financial instrument) and the related impairment and provisions are increased up to the lifetime expected credit losses.

After a counterparty has been placed on a watch list, all new transactions originated with that counterparty are recorded in Stage 1.

CRITERION 2: THE MAGNITUDE OF THE CHANGE IN A COUNTERPARTY’S CREDIT RATING SINCE THE INITIAL RECOGNITION

These changes are assessed contract by contract between the date of first recognition and the closing date.

To determine whether a deterioration or improvement of the probability of default, between the date of initial recognition and the closing date, is significant enough to prompt a change in the provisioning/impairment stage, thresholds are set annually by the Risk Division. These thresholds of transfer between Stage 1 and Stage 2 are determined for each homogeneous contract portfolio (concept of risk segment based on the customer typology and the credit quality) and are calculated based on the curves of probability of default at maturity of each portfolio. These thresholds may correspond to an absolute or relative increase in the probability of default. For instance, the threshold is set at +50 bp for sovereign debt, +80 bp for Large Enterprises (turnover between EUR 50 million and EUR 500 million) and Very Large Enterprises (turnover exceeding EUR 500 million), +150 bp for SME and +10 bp for the French mortgages of the Societe Generale retail network with a *Crédit Logement* warranty.

In addition and in line with the recommendations issued by the EBA and the ECB, loans for which the probability of default has been multiplied by three between the date of first recognition and the balance sheet date are transferred to Stage 2.

CRITERION 3: EXISTENCE OF PAYMENTS MORE THAN 30 DAYS PAST DUE

There is a (rebuttable) presumption of significant deterioration in credit risk when a payment on an asset is more than 30 days past due.

The three criteria are symmetrical: thus, a removal from the watch list of sensitive counterparties, a sufficient improvement in the debtor’s probability of default or a settlement of payments more than 30 days past due results in a return to Stage 1, without any probationary period in Stage 2.

CRITERION 4: QUALIFICATION AS A RESTRUCTURED CLAIM (EBA AND ECB DEFINITION)

When a credit claim on a customer is subject to a restructuring that does not reduce the discounted present value of this claim by more than 1%, and in the absence of strong probability that the counterparty is unable to meet all its commitments, all credit claims on this customer are transferred in Stage 2 for at least one year.

PARTICULAR CASE OF EXPOSURES WITHOUT CREDIT RATING

For exposures to counterparties for which no credit rating is available (retail customers and a limited portion of the “Corporate” (Enterprises) segment), the transfer into Stage 2 is based on:

- the Basel behavioural score or the existence of payments more than 30 days past due for Retail customers;
- the classification as “sensitive”, the presence of restructured credit claims or the existence of payments more than 30 days past due for Corporates.

Exposures classified in Stage 3

To identify Stage 3 exposures (doubtful/credit-impaired exposures), the Group has been applying in most of its entities, since July 2020, the new definition of default as detailed in the guidelines published by the European Banking Authority (EBA). According to this definition, classification in Stage 3 is based on the following criteria:

- one or more past-due payments of over 100 euros for Retail customers (500 euros for Non-retail) during 90 consecutive days, representing at least 1% of the total exposure of the customer. This unpaid amount may or may not be accompanied with a recovery procedure. Are excluded: the restructured credit claims classified in Stage 1 or 2 which are retransferred into Stage 3 from the first amount unpaid after 30 days during a two-year probation period. In addition, only past-due payments resulting from business litigations, specific contractual features or IT failures may derogate from automatic transfer into default (Stage 3) after 90 days.
- the identification of other criteria which, independently from the existence of any past-due payment, indicate a probable risk of partial or total non-recovery of the amounts due, such as:
  - a high probability that the counterparty will be unable to meet all of its commitments owing to a significant deterioration in its financial circumstances, involving a risk of loss for the Group,
  - the granting, for reasons related to the borrower’s financial difficulties, of concessions with regard to the loan agreement that would not have been granted in other circumstances (restructured loans) and which will reduce the present value of the loan cash flows by more than 1% of its initial value,
  - the existence of litigious proceedings (*ad hoc* mandate, bankruptcy protection, court-ordered settlement, compulsory liquidation or other similar proceedings in the local jurisdictions concerned).

The Group applies the contagion principle to all of the defaulting counterparty’s exposures. When a debtor belongs to a customer group, in the general case, the contagion also spreads to all of this group’s exposures.

The classification in Stage 3 is maintained during the three-month probation period after the disappearance of all the default indicators described above. The probation period in Stage 3 is extended to one year for the restructured loans that have been transferred in Stage 3.

Should contracts be returned to Stage 2, they will be kept in Stage 2 during a probation period before contemplating any possibility of transfer to Stage 1. This probation period in Stage 2 is between six months to two years depending on the nature of the risk portfolios to which the contracts belong.

Measurement of depreciation and provision

Stage 1 exposures are impaired for the amount of credit losses that the Group expects to incur within one year (12-month expected credit losses), based on historical data and the current situation. The impairment amount thus is the difference between the gross carrying amount of the asset and the present value of the future cash flows deemed recoverable, taking into account the impact of the collateral called up or liable to be called up and the probability of a default event occurring within the next year.

Stage 2 and 3 exposures are impaired for the amount of credit losses that the Group expects to incur over the life of the exposures (life expected credit losses or life ECL), taking into consideration the historical data, the present situation and reasonable forecasts of changes in economic conditions, and relevant macroeconomic factors through to maturity. The amount of impairment is thus the difference between the gross carrying amount of the asset and the present value of the future cash flows deemed to be recoverable taking into account the impact of collateral called up or liable to be called up and, for exposures in Stage 2, the probability of a default event occurring before the maturity of the instrument.

The collateral is reckoned while estimating the recoverable cash flows when it forms an integral part of the contractual characteristics of the loan concerned and is not booked separately.

When the collateral does not meet these criteria and, as a consequence, its effects cannot be reckoned in the calculation of impairment, a separate asset is recognised in the balance sheet under “Other Assets”. The carrying amount of this asset is representative of the expected credit losses, recorded in the balance sheet under “Impairment of assets”, for which the Group is almost certain to receive a compensation. Changes in the carrying amount of this asset are recorded in the income statement under “Cost of credit risk”.

Irrespective of the stage of credit risk downgrade, cash flows are discounted using the initial effective interest rate of the financial asset. The amount of impairment is included in the net carrying amount of the impaired financial asset. Impairment allocations/reversals are recorded in the income statement under “Cost of credit risk”.

The expected credit losses on the financing commitments and financial collateral given are determined using a similar approach applied to the estimated amount of Group exposure in case of default (amount drawn from the financing commitment on the default date, amount of collateral called up on the default date). The credit loss amounts thus calculated at one year (Stage 1) or over the life of the commitments (Stages 2 and 3) are recognised as liabilities on the balance sheet under “Provisions”.

For operating leases and trade receivables, the Group uses the “simplified” approach, under which impairments are calculated up to the lifetime expected credit losses at the time of their initial recognition, without waiting for any significant downgrade in the counterparty’s credit risk. The assessment of the impairments is mainly based on the default rates and incurred losses in the event of historically observed default. The adjustments intended to take into account forward-looking information on changes in the economic conditions and macroeconomic factors are determined based on expert opinion.

Restructured loans

The loans granted or acquired by the Group may be restructured due to financial difficulties. This takes the form of a contractual change in the initial terms and conditions of the transaction (such as lower interest rates, rescheduled loan payments, partial debt forgiveness, or additional collateral). This change in the contractual terms of the financial instrument is then linked exclusively to the borrower’s financial difficulties and/or insolvency (whether they have already become insolvent or are certain to be so if the loan is not restructured).

Once restructured, the financial assets are classified in Stage 3 of impairment (Credit-impaired/defaulted exposures) if the present value of the adjusted future cash flows is reduced by more than 1% compared to the carrying amount of the balance sheet financial assets before their restructuring or if there is a high probability that the counterparty is not able to meet all of its commitments, involving a risk of loss for the Group. In both cases, the restructured financial assets are considered in default. If these restructured financial assets still meet the SPPI characteristics, they remain on the balance sheet at amortised cost. Their amortised cost before impairment is adjusted for a discount representing the loss of profit resulting from the restructuring. This discount, recognised under “Cost of credit risk” in the income statement, is equal to the difference between the present value of the new contractual cash flows resulting from the restructuring of the loan and the amortised cost before impairment less any partial debt forgiveness. As a result, the amount of interest income subsequently recognised in profit or loss is still calculated using the initial effective interest rate of the loan and based on the net carrying amount of the asset after impairment as long as the asset remains classified in Stage 3. Classification in Stage 3 is maintained for at least one year, or beyond as long as the Group is uncertain whether or not the borrower will be able to meet its commitments. Once the loan is no longer classified in Stage 3 the assessment of the significant credit risk downgrade will be performed by comparing the characteristics of the instrument as at the closing date and the characteristics as at the initial recognition date of the loan before restructuring, applying the transfer rules to Stage 1 and 2 previously mentioned in this note, on the understanding that the loans are to be reclassified in Stage 3 on the first payment more than 30-days past due occurring during the two years after the return to Stage 1 or 2.

For the loans the present value of which does not decrease by more than 1%, and if there isn’t a strong probability that the counterparty will be unable to meet all of its commitments, involving a risk of loss for the Group, Criterion 4 applies for assessing the significance of an increase in credit risk, and results in the continued classification of these loans in Stage 2 for a minimum of one year.

If, in view of the new contract terms and conditions resulting from the restructuring, the restructured loans do no longer pass the SPPI test, they are derecognised and replaced with the new financial assets resulting from the new contract conditions. These new assets are recorded as Financial assets measured at fair value through profit or loss. The difference between the net carrying amount of the thus restructured loans and the initial fair value of the new assets is recorded under "Cost of credit risk" in the income statement.

Restructured loans do not include the loans and receivables that have been subject to commercial renegotiations and are loans to customers for which the Group has agreed to renegotiate the debt with the aim of maintaining or developing a commercial relationship, in accordance with the credit granting procedures in force and without relinquishing any principal or accrued interest. The accounting treatment of renegotiations is detailed in Note 3.5.

Total or partial recovery by activating the guarantee

A claim may be recovered in the form of an asset (financial or tangible) that passes into the ownership of the Group as a result of the activation of a guarantee. This asset substitutes for the guaranteed claim on the date when the Group becomes its owner and is initially recognised at fair value as an asset on the balance sheet. Its classification and subsequent valuation method depend on the management intent.

METHOD FOR ESTIMATING EXPECTED CREDIT LOSSES

The calculation method for the impairments and provisions for expected credit losses in Stage 1 and Stage 2 was developed under the Basel framework which served as a basis for selecting the assessment methods for the calculation parameters (probability of default and credit loss rate on the outstanding loans under an advanced Basel approach – IRBA and IRBF – and provisioning rate for the outstanding loans under the standardised Basel approach).

The Group's portfolios have been segmented in order to ensure homogeneousness of the risk characteristics and a better correlation with the macroeconomic variables, both global and local. This segmentation enables to address all Group specificities. It is consistent with or similar to the one specified in the Basel framework in order to ensure the uniqueness of the historical records of defaults and losses.

The nature of the variables used in the models applied to assess the expected credit losses is detailed in Chapter 4 of the present Universal Registration Document.

The expected credit loss assessment is performed based on the parameters mentioned below, supplemented with the internal analyses relating to the credit quality of each counterparty, individually or statistically.

GEOPOLITICAL CRISES AND MACROECONOMIC CONTEXT

The Group revised in 2024 the parameters used in the models based on the updated macroeconomic scenarios which include of the recent economic developments and of the macroeconomic impacts related to the current geopolitical environment (see Note 1).

To reckon with the uncertainties related to the macroeconomic and geopolitical environment, the Group updated the model and post-model adjustments in 2024.

The effects of these adjustments in the determination of expected credit losses are described hereinafter.

Update of the models and impact on the estimate of expected credit losses

As at 31 December 2024, the updates of macroeconomic variables and probabilities of default as well as the updated weighting of the scenarios resulted in a EUR 14 million increase in the amount of impairment and provisions for credit risk:

- the impact of the revision of the macroeconomic variables and probabilities of default is a EUR 21 million decrease;
- the impact of the updated weighting of the macroeconomic scenarios described in Note 1 is a EUR 35 million increase.

Furthermore, owing to the geopolitical context related to the war in Ukraine, all our Russian counterparties including residual exposures on Rosbank had been classified as "sensitive" (concept of watch list) from the beginning of the conflict, and the associated outstanding loans have been transferred to Stage 2. As at 31 December 2024, they amount to EUR 0.7 billion (EUR 1.1 billion as at 31 December 2023). Further analysis has resulted in the identification amidst this population of the outstanding loans that have to be transferred to Stage 3, and this from the beginning of the war in Ukraine (EUR 232 million as at 31 December 2024). The impact of these transfers on the calculation of the expected credit losses amounts to EUR 107 million as at 31 December 2024 (including the additional adjustment detailed in the "Other adjustments" sub-section).

Adjustments supplementing the application of the models

Sectoral adjustments

The Group may supplement the models with sectoral adjustments relating to the possible revision of the expected credit loss estimates (with no impact on the classification of the outstanding loans) for some sectors.

These adjustments allow for better anticipation of the default/recovery cycle in some sectors that are cyclical and have been subject to peaks of default in the past or are especially vulnerable to the current crises and on which the Group's exposure exceeds a threshold that is annually reviewed and set by the Risk Division.

These sectoral adjustments are examined and updated quarterly by the Risk Division and validated according to materiality thresholds by General Management. The proposals are determined based on an assessment of the sectors by the Economic and Sector Studies Department. This assessment process takes into account the financial characteristics of the enterprises in the sector, its current circumstances and perspectives, and its exposure to climate risk (climate change-induced risks as well as exposure to physical risks).

Taking account of the risks related to climate-change and to nature requires to achieve convergence between the standard credit, liquidity and market risk-assessment methods (based on the financial statements, flow data, market prices and trade trends) and the assessments relating to the environment *via* indicators calculated at the level of the sovereigns, the business sectors or the enterprises.

The prospective dimension of risk analysis is important for taking into account environmental risks, in particular owing to the considerable uncertainty about transition and physical risks. Physical risks are expected to intensify in the future, with possible financial impacts for enterprises. The transition involves disruptive changes which might result in impairment on some assets. Risk assessment thus requires to identify the hazards (source of risk) and assess the exposure to these hazards in different environmental scenarios in order to assess the vulnerability issues.

The Group developed a set of environmental scenarios and internal indicators on environmental vulnerability in order to integrate the climate dimension into risk analysis:

- environmental scenarios aim at describing future possible trajectories. Several devices, provided by the Intergovernmental Panel on Climate Change (IPCC (or, in French: GIEC (*Groupe d'experts intergouvernemental sur l'évolution du climat*)), the NGFS (Network for Greening Financial System) or the IEA (International Energy Agency), are used as references by the Group. The internal climate scenarios factor in the specificities of the different sectors in the transition;
- the vulnerability indicators cover the sovereign and enterprise counterparties and propose a scoring related to their sensitivity to environmental issues (with regard to climate change, biodiversity loss, depletion of freshwater resources, pollution, and circular economy and resources issues) in terms of transition and physical risks.

The main sectors concerned on 31 December 2024 are commercial real estate, non-food retail, construction-public work.

The total sectoral adjustments thus amount to EUR 752 million as at 31 December 2024 (EUR 667 million as at 31 December 2023). This increase reflects on one hand, the update of the Bank's prospective outlook on the economic sectors, on the other hand the inclusion in the sectoral adjustments of some sectors previously considered in the framework of the expert adjustment targeting the lasting effects of increased inflation and interest rates (see the "Other adjustments" paragraph). The main movements are:

- an upward movement in the sectors with a deteriorating situation due to increased costs, deteriorating economic circumstances, more difficult refinancing conditions or to their own specific factors, in particular the sectors of health care institutions, road freight transport/storage, and telecommunications;
- a downward movement in particular in the real-estate sector, with a now proven deterioration that is taken into account in the exposure ratings and classifications.

Other adjustments

Adjustments, based on expert opinion and with no impact on the classification, have also been made to reflect the deterioration in credit risk on some portfolios when this deterioration has not been observed through a line-by-line analysis of the outstanding stock:

- for the scope of entities which have not developed models enabling them to estimate the correlations between macroeconomic variables and default rate; and
- for the scopes on which models have been developed but cannot reflect future risks not observed in the past or risks idiosyncratic to portfolios and non-included in the models.

These adjustments amount to EUR 410 million as at 31 December 2024 (EUR 699 million as at 31 December 2023). This change results from the account taken of:

- the risk specific, on the offshore loan portfolio, to the Russian corporate customers owing to the geopolitical situation. This adjustment is estimated by applying to the models of expected credit losses on this portfolio of downgraded scenarios (weighted by a probability of occurrence) for which the probabilities of default and the recovery perspectives take into account the uncertainty related to this context;
- the risks arising from the specific economic environment, such as the lasting effects of higher inflation and interest rates from 2022 on, regarding fragile customers and the more specifically exposed portfolios, as such risks are not taken into account in the models.

The two main methods are used to estimate these adjustments:

- application to the parameters of expected credit loss (models, of more stringent probabilities of default reflecting the economic shock expected according to the Group's economic scenarios;
- simulation of the impact on the expected credit losses of a transfer to Stage 2 of some or all of the portfolios concerned.

In 2023, some adjustments targeting the lasting effects of increased inflation and interest rates had been made using the sectoral adjustment method described above for the sectors identified by the Group's Economic Studies department as particularly exposed in case of occurrence of a prolonged stagflation scenario. Due to the significant reduction in the probability of occurrence of this scenario, this adjustment is not used anymore as at 31 December 2024; and the sectors identified as most sensitive are included again in the Group's sectoral adjustment system described above.

NOTE 3.8.1 OVERVIEW

PRESENTATION OF BALANCE SHEET AND OFF-BALANCE SHEET OUTSTANDING AMOUNTS

(In EURm)		31.12.2024	31.12.2023
Debt instruments at fair value through other comprehensive income	Note 3.3	95,750	90,630
Securities at amortised cost	Note 3.5	32,655	28,147
Due from banks at amortised cost	Note 3.5	84,051	77,879
Due from central banks(1)		199,573	220,725
Customer loans at amortised cost	Note 3.5	454,622	485,449
Guarantee deposits paid	Note 4.4	50,970	51,611
Others		6,387	6,239
o/w other miscellaneous receivables bearing credit risk	*Note 4.4*	*6,109*	*6,076*
o/w due from clearing houses bearing credit risk	*Note 4.4*	*278*	*163*
NET VALUE OF ACCOUNTING OUTSTANDING AMOUNTS (BALANCE SHEET)		**924,008**	**960,680**
Impairment of loans at amortised cost	Note 3.8	8,912	10,505
GROSS VALUE OF ACCOUNTING OUTSTANDING AMOUNTS (BALANCE SHEET)		**932,920**	**971,185**
Financing commitments		218,157	210,511
Guarantee commitments		93,296	80,560
GROSS VALUE OF OFF BALANCE-SHEET ACCOUNTING AMOUNTS		**311,453**	**291,071**
TOTAL OF ACCOUNTING AMOUNTS (BALANCE-SHEET AND OFF BALANCE-SHEET)		**1,244,373**	**1,262,256**

(1) Included in line Cash, due from central banks.

OUTSTANDING AMOUNTS SUBJECT TO IMPAIRMENT AND PROVISIONS BY IMPAIRMENT STAGE AND BY ACCOUNTING CATEGORY

	31.12.2024				31.12.2023			
	Group without Insurance activities		Insurance		Group without Insurance activities		Insurance	
(In EURm)	Outstanding amounts	Impairment/ provisions	Outstanding amounts	Impairment/ provisions	Outstanding amounts	Impairment/ provisions	Outstanding amounts	Impairment/ provisions
Financial assets at fair value through other comprehensive income	**41,401**	**2**	**54,349**	**6**	**37,729**	**3**	**52,901**	**13**
Performing assets outstanding (Stage 1)	41,279	-	54,216	4	37,727	1	51,704	4
Underperforming assets outstanding (Stage 2)	122	2	133	2	2	2	1,197	9
Doubtful assets outstanding (Stage 3)	-	-	-	-	-	-	-	-
Financial assets at amortised cost[(1)]	**830,573**	**8,912**	**6,597**	**-**	**873,390**	**10,505**	**7,165**	**-**
Performing assets outstanding (Stage 1)	770,421	834	6,500	-	812,925	1,048	7,085	-
Underperforming assets outstanding (Stage 2)	45,483	1,803	97	-	44,063	1,973	80	-
Doubtful assets outstanding (Stage 3)	14,669	6,275	-	-	16,402	7,484	-	-
o/w lease financing	***21,637***	***632***	**-**	**-**	***31,165***	***883***	**-**	**-**
Performing assets outstanding (Stage 1)	*15,906*	*79*	-	-	*24,798*	*127*	-	-
Underperforming assets outstanding (Stage 2)	*4,567*	*130*	-	-	*4,668*	*163*	-	-
Doubtful assets outstanding (Stage 3)	*1,164*	*423*	-	-	*1,699*	*593*	-	-
Financing commitments	**218,157**	**418**	**-**	**-**	**210,511**	**447**	**-**	**-**
Performing assets outstanding (Stage 1)	205,306	149	-	-	195,733	154	-	-
Underperforming assets outstanding (Stage 2)	12,577	207	-	-	14,540	235	-	-
Doubtful assets outstanding (Stage 3)	274	62	-	-	238	58	-	-
Guarantee commitments	**93,296**	**324**	**-**	**-**	**80,560**	**372**	**-**	**-**
Performing assets outstanding (Stage 1)	89,404	54	-	-	76,503	59	-	-
Underperforming assets outstanding (Stage 2)	3,225	63	-	-	3,370	84	-	-
Doubtful assets outstanding (Stage 3)	667	207	-	-	687	229	-	-
TOTAL OF ACCOUNTING AMOUNTS (BALANCE-SHEET AND OFF BALANCE-SHEET)	**1,183,427**	**9,656**	**60,946**	**6**	**1,202,190**	**11,327**	**60,066**	**13**

(1) *Including Central Banks for EUR 199,573 million as at 31 December 2024 (compared to EUR 220,725 million as at 31 December 2023).*

In order to disclose its exposure to credit risk, the Group has decided to tabulate its assets outstanding and impairment by stage of impairment of the financial assets at amortised cost by Basel category, by geographical area, and by rating of the counterparty. Due to the absence of significant exposure to credit risk for insurance activities, assets measured at fair value through other comprehensive income as well as for financing and guarantee commitments, this information is not presented below.

GROUP ASSETS AT AMORTISED COST WITHOUT INSURANCE ACTIVITIES: OUTSTANDING AMOUNTS AND IMPAIRMENTS BY BASEL PORTFOLIO

	31.12.2024							
	Assets at amortised cost				Impairment			
(In EURm)	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Sovereign	244,506	5,229	63	249,798	4	2	31	37
Institutions	138,437	710	51	139,198	7	1	13	21
Corporates	219,684	20,048	7,826	247,558	518	1,204	3,143	4,865
o/w SME	*32,860*	*5,051*	*3,059*	*40,970*	-	-	-	-
Retail	166,177	19,445	6,714	192,336	302	594	3,080	3,976
o/w VSB	*15,986*	*3,639*	*2,288*	*21,913*	-	-	-	-
Others	1,617	51	15	1,683	3	2	8	13
TOTAL	**770,421**	**45,483**	**14,669**	**830,573**	**834**	**1,803**	**6,275**	**8,912**

	31.12.2023							
	Assets at amortised cost				Impairment			
(In EURm)	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Sovereign	255,852	4,492	73	260,417	5	3	59	67
Institutions	142,862	542	88	143,492	7	1	21	29
Corporates	227,438	20,608	8,663	256,709	622	1,312	3,709	5,643
o/w SME	*41,869*	*6,212*	*3,560*	*51,641*	*213*	*364*	*1,825*	*2,402*
Retail	185,088	18,373	7,564	211,025	411	655	3,688	4,754
o/w VSB	*24,447*	*2,911*	*2,690*	*30,048*	*104*	*236*	*1,412*	*1,752*
Others	1,685	48	14	1,747	3	2	7	12
TOTAL	**812,925**	**44,063**	**16,402**	**873,390**	**1,048**	**1,973**	**7,484**	**10,505**

The financial assets measured at fair value through other comprehensive income mainly correspond to cash management for own account and to the management of the portfolio of HQLA (High Quality Liquid Assets) securities included in the liquidity reserves. These assets mainly correspond to Sovereigns classified in Stage 1.

The financing and guarantee commitments mainly correspond to outstanding amounts not drawn by corporate customers. These assets are mainly classified in Stage 1.

GROUP ASSETS AT AMORTISED COST WITHOUT INSURANCE ACTIVITIES: OUTSTANDING AMOUNTS AND IMPAIRMENTS BY GEOGRAPHICAL ZONE

The geographic area chosen corresponds to the country of the counterparty. When this information is unavailable, it is the country of the issuing entity that is used.

	31.12.2024							
	Assets at amortised cost				Impairment			
(In EURm)	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
France	402,436	22,941	9,393	434,770	429	1,014	3,505	4,948
Western European countries (excl. France)	119,814	10,355	1,429	131,598	138	173	693	1,004
Eastern European countries EU	63,953	6,405	994	71,352	147	260	529	936
Eastern Europe excluding EU	4,209	687	168	5,064	1	62	45	108
North America	107,895	1,948	613	110,456	18	152	200	370
Latin America and Caribbean	4,894	239	283	5,416	2	10	95	107
Asia-Pacific	42,857	500	244	43,601	8	7	60	75
Africa and Middle East	24,363	2,408	1,545	28,316	91	125	1,148	1,364
TOTAL	**770,421**	**45,483**	**14,669**	**830,573**	**834**	**1,803**	**6,275**	**8,912**

Over 80% of all financing and guarantee commitments have been given to counterparties located in Western Europe, North America or France.

	31.12.2023							
	Assets at amortised cost				Impairment			
(In EURm)	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
France	443,958	20,646	9,026	473,630	511	1,042	3,431	4,984
Western European countries (excl. France)	134,142	10,521	1,717	146,380	201	259	754	1,214
Eastern European countries EU	62,572	6,670	919	70,161	154	276	518	948
Eastern Europe excluding EU	3,503	1,173	206	4,882	2	103	32	137
North America	93,778	1,775	537	96,090	18	106	127	251
Latin America and Caribbean	5,582	468	367	6,417	2	8	106	116
Asia-Pacific	33,894	301	288	34,483	13	3	125	141
Africa and Middle East	35,496	2,509	3,342	41,347	147	176	2,391	2,714
TOTAL	**812,925**	**44,063**	**16,402**	**873,390**	**1,048**	**1,973**	**7,484**	**10,505**

GROUP ASSETS AT AMORTISED COST WITHOUT INSURANCE ACTIVITIES: SUBJECT TO IMPAIRMENT AND PROVISIONS BY RATING OF COUNTERPARTY[1]

Classification in Stage 1 or Stage 2 does not depend on the absolute probability of default but on the elements that make it possible to assess the significant increase in credit risk (see accounting principles), including the relative change in the probability of default since initial recognition. Therefore, there is no direct relationship between the counterparty rating, presented in the table below, and the classification by stage of impairment.

	31.12.2024							
	Assets at amortised cost				Impairment			
(In EURm)	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
1	78,964	940	-	79,904	4	3	-	7
2	164,103	4,631	-	168,734	3	1	-	4
3	64,411	1,786	-	66,197	7	6	-	13
4	86,165	793	-	86,958	53	4	-	57
5	79,566	6,180	-	85,746	263	122	-	385
6	18,497	9,851	-	28,348	145	489	-	634
7	1,982	4,449	-	6,431	16	575	-	591
Default (8, 9, 10)	-	-	7,961	7,961	-	-	3,305	3,305
Other method	276,733	16,853	6,708	300,294	343	603	2,970	3,916
TOTAL	**770,421**	**45,483**	**14,669**	**830,573**	**834**	**1,803**	**6,275**	**8,912**

(1) A correspondence between the Societe Generale's internal rating scale and the scales of rating agencies is presented for information only, in Chapter 4 of the Universal Registration Document.

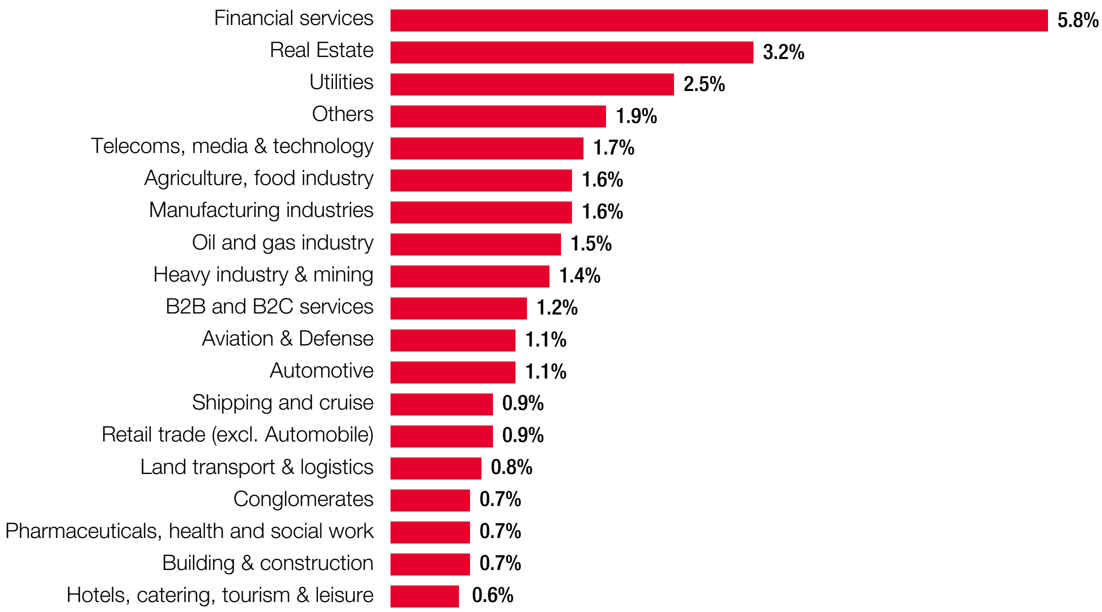
	31.12.2023							
	Outstanding amounts				Impairment			
(In EURm)	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
1	67,873	888	-	68,761	1	3	-	4
2	189,026	3,834	-	192,860	2	1	-	3
3	53,862	1,409	-	55,271	9	6	-	15
4	85,123	505	-	85,628	68	7	-	75
5	85,404	4,486	-	89,890	282	103	-	385
6	23,247	9,546	-	32,793	195	536	-	731
7	3,162	5,432	-	8,594	20	477	-	497
Default (8, 9, 10)	-	-	8,522	8,522	-	-	3,646	3,646
Other method	305,228	17,963	7,880	331,071	471	840	3,838	5,149
TOTAL	**812,925**	**44,063**	**16,402**	**873,390**	**1,048**	**1,973**	**7,484**	**10,505**

(1) A correspondence between the Societe Generale's internal rating scale and the scales of rating agencies is presented for information only, in Chapter 4 of the Universal Registration Document.

ASSETS AT AMORTISED COST (INSURANCE ACTIVITIES EXCLUDED): SECTORAL BREAKDOWN OF CORPORATE EXPOSURES ON THE TOTAL GROUP EXPOSURE OF FINANCIAL ASSETS AT AMORTISED COST (ALL BASEL CATEGORIES)

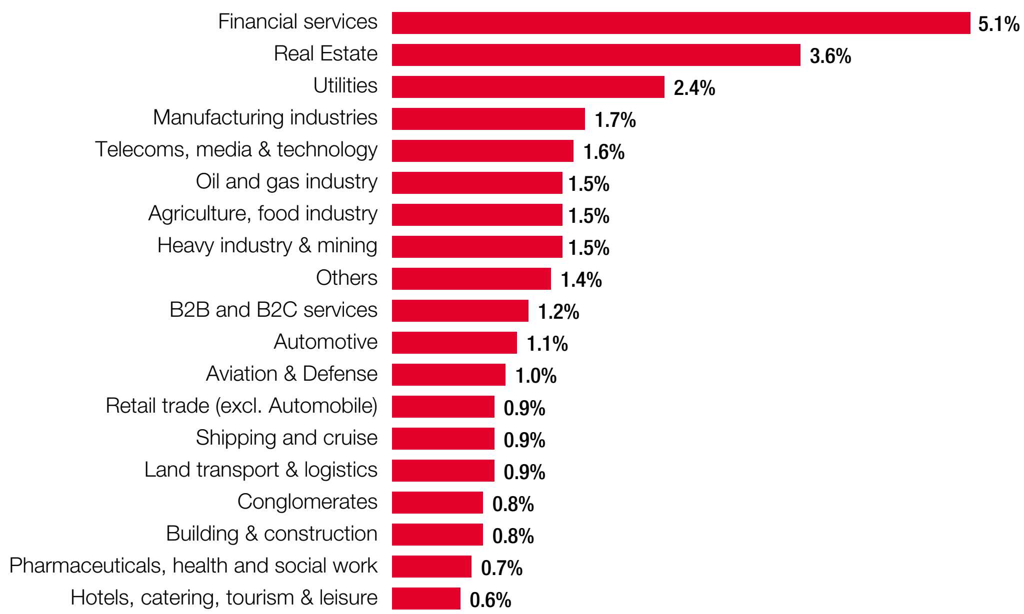
The graphs below show the sectoral breakdown of the “Corporate” Basel portfolio (see Table 3.8.C and Table 3.8.D). The percentages presented correspond to the net amounts (gross amounts reduced by the corresponding impairment).

SECTOR BREAKDOWN OF GROUP CORPORATE NET EXPOSURE OVER TAL NET EXPLOSURE OF FINANCIAL ASSETS AT AMORTISED COST AS AT 31 DECEMBER 2024



Sector	% Outstanding net impairment
Financial services	5.8%
Real Estate	3.2%
Utilities	2.5%
Others	1.9%
Telecoms, media & technology	1.7%
Agriculture, food industry	1.6%
Manufacturing industries	1.6%
Oil and gas industry	1.5%
Heavy industry & mining	1.4%
B2B and B2C services	1.2%
Aviation & Defense	1.1%
Automotive	1.1%
Shipping and cruise	0.9%
Retail trade (excl. Automobile)	0.9%
Land transport & logistics	0.8%
Conglomerates	0.7%
Pharmaceuticals, health and social work	0.7%
Building & construction	0.7%
Hotels, catering, tourism & leisure	0.6%

SECTOR BREAKDOWN OF GROUP CORPORATE NET EXPOSURE OVER TAL NET EXPLOSURE OF FINANCIAL ASSETS AT AMORTISED COST AS AT 31 DECEMBER 2023



Sector	% Outstanding net impairment
Financial services	5.1%
Real Estate	3.6%
Utilities	2.4%
Manufacturing industries	1.7%
Telecoms, media & technology	1.6%
Oil and gas industry	1.5%
Agriculture, food industry	1.5%
Heavy industry & mining	1.5%
Others	1.4%
B2B and B2C services	1.2%
Automotive	1.1%
Aviation & Defense	1.0%
Retail trade (excl. Automobile)	0.9%
Shipping and cruise	0.9%
Land transport & logistics	0.9%
Conglomerates	0.8%
Building & construction	0.8%
Pharmaceuticals, health and social work	0.7%
Hotels, catering, tourism & leisure	0.6%

NOTE 3.8.2 IMPAIRMENT OF FINANCIAL ASSETS

BREAKDOWN

(In EURm)	Amount as at 31.12.2023	Allocations	Write-backs available	Net impairment losses	Write-backs used	Currency and scope effects	Amount as at 31.12.2024
Financial assets at fair value through other comprehensive income							
Impairment on performing outstanding (Stage 1)	5	4	(5)	(1)		0	4
Impairment on underperforming outstanding (Stage 2)	11	2	(2)	(0)		(7)	4
Impairment on doubtful outstanding (Stage 3)	-	-	(0)	(0)	-	0	-
TOTAL	**16**	**6**	**(7)**	**(1)**	**-**	**(7)**	**8**
Financial assets measured at amortised cost	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Impairment on performing assets outstanding (Stage 1)	1,048	694	(817)	(123)		(91)	834
Impairment on underperforming assets outstanding (Stage 2)	1,973	1,338	(1,418)	(80)		(90)	1,803
Impairment on doubtful assets outstanding (Stage 3)	7,484	3,836	(2,397)	1,439	(1,407)	(1,241)	6,275
TOTAL	**10,505**	**5,868**	**(4,632)**	**1,236**	**(1,407)**	**(1,422)**	**8,912**
o/w lease financing and similar agreements	***883***	***397***	***(324)***	***73***	***(71)***	***(253)***	***632***
Impairment on performing assets outstanding (Stage 1)	*127*	*44*	*(64)*	*(20)*		*(28)*	*79*
Impairment on underperforming assets outstanding (Stage 2)	*163*	*82*	*(97)*	*(15)*		*(18)*	*130*
Impairment on doubtful assets outstanding (Stage 3)	*593*	*271*	*(163)*	*108*	*(71)*	*(207)*	*423*

GROUP VARIATIONS OF DEPRECIATION WITHOUT INSURANCE ACTIVITIES ACCORDING TO CHANGES IN THE AMOUNT OF FINANCIAL ASSETS AT AMORTISED COST

Due to lack of significant variations of depreciations on financial assets measured at fair value through other comprehensive income and on financial assets at amortised cost of insurance activities, this information is not presented in the table below.

(In EURm)	Stage 1	*Of which lease financing receivables*	Stage 2	*Of which lease financing receivables*	Stage 3	*Of which lease financing receivables*	Total
Amount as at 31.12.2023	**1,048**	***127***	**1,973**	***163***	**7,484**	***593***	**10,505**
Production & Acquisition(1)	284	*23*	110	*10*	142	*38*	536
Derecognition(2)	(188)	*(6)*	(186)	*(4)*	(1,255)	*(71)*	(1,629)
Transfer from stage 1 to Stage 2(3)	(78)	*(6)*	660	*40*	-	-	582
Transfer from stage 2 to Stage 1(3)	30	*2*	(247)	*(34)*	-	-	(217)
Transfer to Stage 3(3)	(17)	*(2)*	(166)	*(15)*	1,066	*114*	883
Transfer from Stage 3(3)	3	-	19	*3*	(110)	*(11)*	(88)
Allocations & Write-backs without stage transfer(3)	(125)	*(25)*	(214)	*(18)*	113	*(35)*	(226)
Currency effect	6	*1*	11	-	82	*6*	99
Scope effect	(128)	*(40)*	(97)	*(13)*	(1,291)	*(210)*	(1,516)
Other variations	(1)	*5*	(60)	*(2)*	44	*(1)*	(17)
Amount as at 31.12.2024	**834**	***79***	**1,803**	***130***	**6,275**	***423***	**8,912**

(1) *The amounts of impairment presented in the line Production and Acquisition in Stage 2/Stage 3 could include contracts originated in Stage 1 and reclassified in Stage 2/Stage 3 during the period.*

(2) *Including repayments, disposals and debt waivers.*

(3) *The amounts presented in the transfers include variations due to amortisation. Transfers to Stage 3 correspond to outstanding amounts initially classified as Stage 1 which, during the period, were downgraded directly to Stage 3, or to Stage 2 and later to Stage 3.*

BREAKDOWN OF TRANSFERS BETWEEN STAGES FOR FINANCIAL ASSETS AT AMORTISED COST OF THE GROUP WITHOUT INSURANCE ACTIVITIES FOR THE PERIOD

The amounts presented in the transfers below include variations due to amortisation and new drawdowns on the contracts active during the financial year.

To describe the transfers between steps:

- the starting stage corresponds to the stage of the outstanding balance as at 31 December of the previous year;
- the end stage corresponds to the stage of the outstanding balance at the end of the financial year (even in the event of several changes during the financial year).

	Stage 1		Stage 2		Stage 3			
(In EURm)	**Outstanding amounts**	**Impairment**	**Outstanding amounts**	**Impairment**	**Outstanding amounts**	**Impairment**	**Stock of outstanding amounts transferred as at 31 December**	**Stock of impairment associated with transferred outstanding amounts**
Transfer from Stage 1 to Stage 2	(22,484)	(78)	15,802	660	-	-	15,802	660
Transfer from Stage 2 to Stage 1	7,424	30	(9,314)	(247)	-	-	7,424	30
Transfer from Stage 3 to Stage 1	198	3	-	-	(265)	(37)	198	3
Transfer from Stage 3 to Stage 2	-	-	420	19	(525)	(73)	420	19
Transfer from Stage 1 to Stage 3	(2,066)	(17)	-	-	1,880	550	1,880	550
Transfer from Stage 2 to Stage 3	-	-	(2,329)	(166)	1,905	516	1,905	516
Currency effect on contracts that change Stage	160	-	40	-	3	-	203	-

NOTE 3.8.3 CREDIT RISK PROVISIONS

BREAKDOWN

(In EURm)	Amount as at 31.12.2023	Allocations	Write-backs available	Net impairment losses	Currency and scope effects	Amount as at 31.12.2024
Financing commitments						
Provisions on performing assets outstanding (Stage 1)	154	131	(134)	(3)	(2)	149
Provisions on underperforming assets outstanding (Stage 2)	235	136	(168)	(32)	4	207
Provisions on doubtful assets outstanding (Stage 3)	58	51	(47)	4	-	62
TOTAL	**447**	**318**	**(349)**	**(31)**	**2**	**418**
Guarantee commitments						
Provisions on performing assets outstanding (Stage 1)	59	48	(50)	(2)	(3)	54
Provisions on underperforming assets outstanding (Stage 2)	84	46	(63)	(17)	(4)	63
Provisions on doubtful assets outstanding (Stage 3)	229	118	(111)	7	(29)	207
TOTAL	**372**	**212**	**(224)**	**(12)**	**(36)**	**324**

GROUP VARIATIONS OF PROVISIONS WITHOUT INSURANCE ACTIVITIES ACCORDING TO CHANGES IN THE AMOUNT OF FINANCING AND GUARANTEE COMMITMENTS

Due to the absence of significant variations in the provisions on financing and guarantee commitments for insurance activities, this information is not presented in the table below.

	Provisions								
	On financing commitments				On guarantee commitments				
(In EURm)	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	**Total**
Amount as at 31.12.2023	**154**	**235**	**58**	**447**	**59**	**84**	**229**	**372**	**819**
Production & Acquisition[1]	48	15	6	69	21	8	8	37	106
Derecognition[2]	(41)	(27)	(16)	(84)	(14)	(14)	(11)	(39)	(123)
Transfer from stage 1 to Stage 2[3]	(9)	54	-	45	(3)	19	-	16	61
Transfer from stage 2 to Stage 1[3]	7	(40)	-	(33)	1	(6)	-	(5)	(38)
Transfer to Stage 3[3]	(1)	(4)	6	1	-	(6)	21	15	16
Transfer from Stage 3[3]	-	-	(3)	(3)	-	1	(4)	(3)	(6)
Allocations & Write-backs without stage transfer[3]	(6)	(30)	14	(22)	(6)	(24)	21	(9)	(31)
Currency effect	2	5	-	7	-	1	4	5	12
Scope effect	(5)	(1)	-	(6)	(4)	(3)	(39)	(46)	(52)
Other variations	-	-	(3)	(3)	-	3	(22)	(19)	(22)
Amount as at 31.12.2024	**149**	**207**	**62**	**418**	**54**	**63**	**207**	**324**	**742**

(1) *The amounts of impairment presented in the Production and Acquisition line in Stage 2/Stage 3 may include originated contracts in Stage 1 reclassified in Stage 2/ Stage 3 during the period.*

(2) *Including repayments, disposals and debt waivers.*

(3) *The amounts presented in transfers include variations due to amortisation. Transfers to Stage 3 correspond to outstanding amounts initially classified as Stage 1 which, during the period, were downgraded directly to Stage 3, or to Stage 2 and later to Stage 3.*

DETAILS OF TRANSFERS BETWEEN STAGES FOR THE GROUP'S OFF-BALANCE SHEET COMMITMENTS EXCLUDING INSURANCE ACTIVITIES FOR THE PERIOD

The amounts presented in the transfers hereinafter include the variations due to amortisation and new drawdowns on the contracts active during the financial year.

To describe the transfers between steps:

- the starting stage corresponds to the stage of the outstanding balance as on 31 December of the previous year;
- the end stage corresponds to the stage of the outstanding balance at the end of the financial year (even in the event of several changes during the financial year).

	Financing commitments							
	Stage 1		Stage 2		Stage 3			
(In EURm)	Outstanding amounts subject to impairment and provisions	Provisions	Outstanding amounts subject to impairment and provisions	Provisions	Outstanding amounts subject to impairment and provisions	Provisions	Stock of outstanding commitments transferred as at 31 December	Stock of provisions associated with transferred outstanding amounts
Transfer from Stage 1 to Stage 2	(3,888)	(9)	2,598	54	-	-	2,598	54
Transfer from Stage 2 to Stage 1	673	7	(890)	(40)	-	-	673	7
Transfer from Stage 3 to Stage 1	7	-	-	-	(12)	(1)	7	-
Transfer from Stage 3 to Stage 2	-	-	25	-	(24)	(2)	25	-
Transfer from Stage 1 to Stage 3	(275)	(1)	-	-	59	1	59	1
Transfer from Stage 2 to Stage 3	-	-	(110)	(4)	63	5	63	5
Currency effect on contracts that change Stage	77	-	18	1	-	-	95	1

	Guarantee commitments							
	Stage 1		Stage 2		Stage 3			
(In EURm)	Outstanding amounts subject to impairment and provisions	Provisions	Outstanding amounts subject to impairment and provisions	Provisions	Outstanding amounts subject to impairment and provisions	Provisions	Stock of outstanding commitments transferred as at 31 December	Stock of provisions associated with transferred outstanding amounts
Transfer from Stage 1 to Stage 2	(1,334)	(3)	880	19	-	-	880	19
Transfer from Stage 2 to Stage 1	445	1	(601)	(6)	-	-	445	1
Transfer from Stage 3 to Stage 1	17	-	-	-	(19)	(1)	17	-
Transfer from Stage 3 to Stage 2	-	-	24	1	(17)	(3)	24	1
Transfer from Stage 1 to Stage 3	(55)	-	-	-	46	7	46	7
Transfer from Stage 2 to Stage 3	-	-	(153)	(6)	161	14	161	14
Currency effect on contracts that change Stage	13	-	12	-	1	-	26	-

NOTE 3.8.4 QUALITATIVE INFORMATION OF CHANGES IN IMPAIRMENT/PROVISIONS ON CREDIT RISK

The variation in credit risk impairment and provisions since 31 December 2023 is mainly linked to:

- covered losses on Stage 3 loans (EUR 1,389 million) included in the line Derecognition.

  This is in line with the Group strategy of non-performing loans (NPL) monitoring, by writing off and by selling its portfolios of exposures in default situation.

  Uncovered losses amount to EUR 478 million;
- transfer of loans to Stage 3 due to default for EUR 4.1 billion of outstanding amounts. This transfer resulted in an increase in impairment and provisions of EUR 899 million.

  Particularly, this variation concerns:

  - EUR 2 billion of outstanding amounts for which the impairment and provisions amount to EUR 491 million as at 31 December 2024. These contracts were in Stage 1 as at 31 December 2023,
  - EUR 2.1 billion of outstanding amounts for which the impairment and provisions amount to EUR 392 million as at 31 December 2024. These contracts were in Stage 2 as at 31 December 2023;
- transfer of loans to Stage 2 due to downgraded ratings, transfer to “sensitive” or 30 days overdue for EUR 19.4 billion. This transfer resulted in an increase in impairment and provisions of EUR 643 million;
- IFRS 5 entities classified as held for sale during the first semester 2024. This classification resulted a decrease in impairment and provisions of EUR 1,569 million, included in the line Scope effect.

NOTE 3.8.5 COST OF CREDIT RISK

ACCOUNTING PRINCIPLES

Cost of credit risk only includes net reversals of impairments and loss allowances for credit risk, losses on irrecoverable loans and amounts recovered on amortised receivables.

The Group proceed to a write off by recognising a loss on the bad loan and a reversal of impairment in Cost of credit risk when a debt is forgiven or when there are no longer any hopes of future recovery. The lack of future hopes of recovery is documented when a certificate issued as proof that the debt is uncollectible is delivered by the relevant authority or when strong circumstantial evidences are identified (years in default, provisions at 100%, lack of recent recoveries, specificities of the case).

However, a write-off in accounting terms does not imply debt forgiveness in the legal sense as recovery actions on cash due by the counterparty are pursued particularly if the latter’s fortune improve. In case of recoveries on an exposure previously written-off, such recoveries are recognised as Amounts recovered on irrecovrables loans on the year of collection.

SYNTHESIS

(In EURm)	31.12.2024	31.12.2023
Cost of credit risk of financial assets from insurance activities	0	7
Cost of credit risk	(1,530)	(1,025)
TOTAL	**(1,530)**	**(1,018)**

(In EURm)	31.12.2024	31.12.2023
Net allocation to impairment losses	(1,235)	(940)
On financial assets at fair value through other comprehensive income	*1*	*12*
On financial assets at amortised cost	*(1,236)*	*(952)*
Net allocations to provisions	43	57
On financing commitments	*31*	*60*
On guarantee commitments	*12*	*(3)*
Losses not covered on irrecoverable loans	(478)	(333)
Amounts recovered on irrecoverable loans	134	200
Effect from guarantee not taken into account for the calculation of impairment	6	(2)
TOTAL	**(1,530)**	**(1,018)**
o/w cost of risk on sound outstanding classified in Stage 1	*123*	*0*
o/w cost of risk on doubtful loans classified in Stage 2	*133*	*176*
o/w cost of risk on doubtful loans classified in Stage 3	*(1,786)*	*(1,194)*

NOTE 3.9 Fair value of financial instruments measured at amortised cost

ACCOUNTING PRINCIPLES

Definition of fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

In the absence of observable prices for identical assets or liabilities, the fair value of financial instruments is determined using another measurement technique that maximises the use of observable market inputs based on assumptions that market operators would use to set the price of the instrument in question.

The fair value of financial instruments includes accrued interest if applicable.

For financial instruments that are not recognised at fair value on the balance sheet, the figures disclosed in this note are estimates of their fair value broken down according to the fair value hierarchy as described in Note 3.4.

These estimates are disclosed for information purpose only, they are not used for the management of the Group's activities, and should not be taken as an estimate of the amount that would be realised if all such financial instruments were to be settled immediately.

NOTE 3.9.1 FINANCIAL ASSETS MEASURED AT AMORTISED COST

	31.12.2024				
(In EURm)	Carrying amount(2)	Fair value	Level 1	Level 2	Level 3
Due from banks	84,051	84,052	-	70,219	13,833
Customer loans(1)	454,622	442,554	-	175,797	266,757
Debt securities	32,655	32,280	12,531	16,314	3,435
TOTAL	**571,328**	**558,886**	**12,531**	**262,330**	**284,025**

(1) Carrying amount consists of EUR 154,555 million of floating rate assets and EUR 300,067 million of fixed rate assets (including EUR 65,404 million fixed rate less than 1 year).

(2) Carrying amount does not include the revaluation differences on portfolios hedged against interest rate risk for an amount of EUR -292 million.

(In EURm)	31.12.2023 Carrying amount[2]	Fair value	Level 1	Level 2	Level 3
Due from banks	77,879	77,853	-	60,577	17,276
Customer loans[1]	485,449	466,421	-	171,898	294,523
Debt Securities	28,147	27,801	12,477	12,010	3,314
TOTAL	**591,475**	**572,075**	**12,477**	**244,485**	**315,113**

(1) Carrying amount consists of EUR 158,237 million of assets floating rate and EUR 327,212 million of assets fixed rate (including EUR 69,811 million fixed rate less than 1 year).
(2) Carrying amount does not include the revaluation differences on portfolios hedged against interest rate risk for an amount of EUR -433 million.

NOTE 3.9.2 FINANCIAL LIABILITIES MEASURED AT AMORTISED COST

(In EURm)	31.12.2024 Carrying amount[2]	Fair value	Level 1	Level 2	Level 3
Due to banks	99,744	99,751	238	92,821	6,692
Customer deposits[1]	531,675	531,741	-	522,755	8,986
Debt securities issued	162,200	161,469	40,289	118,836	2,344
Subordinated debt	17,009	17,398	-	17,398	-
TOTAL	**810,628**	**810,359**	**40,527**	**751,810**	**18,022**

(1) Carrying amount consists of EUR 148,336 million of liabilities at floating rate and EUR 383,339 million of liabilities fixed rate (including EUR 347,494 million fixed rate less than 1 year).
(2) Carrying amount does not include the revaluation differences on portfolios hedged against interest rate risk for an amount of EUR -5,277 million.

(In EURm)	31.12.2023 Carrying amount[2]	Fair value	Level 1	Level 2	Level 3
Due to banks	117,847	117,793	189	114,909	2,695
Customer deposits[1]	541,677	540,624	-	524,565	16,059
Debt securities issued	160,506	159,282	31,590	124,590	3,102
Subordinated debt	15,894	15,129	1,014	14,115	-
TOTAL	**835,924**	**832,828**	**32,793**	**778,179**	**21,856**

(1) Carrying amount consists of EUR 148,887 million of liabilities floating rate and EUR 392,790 million of liabilities fixed rate (including EUR 359,618 million fixed rate less than 1 year).
(2) Carrying amount does not include the revaluation differences on portfolios hedged against interest rate risk for an amount of EUR -5,857 million.

The financial assets, unlike financial liabilities, have a fair value significantly lower than their book value. This asymmetry can be explained in particular by the fact that debts to customers are mainly composed of demand deposits whose fair value is equal to their nominal value due to their immediate contractual maturity. This asymmetry is partially reduced by taking into account the interest rate hedges applicable to these deposits.

NOTE 3.9.3 VALUATION METHODS OF FINANCIAL INSTRUMENTS MEASURED AT AMORTISED COST

LOANS, RECEIVABLES AND LEASE FINANCING AGREEMENTS

The fair value of loans, receivables and lease financing transactions for large corporates and banks is calculated, in the absence of an actively traded market for these loans, by discounting expected cash flows to present value based on the market rates (the benchmark actuarial rate published by Banque de France and the zero-coupon yield) prevailing on the balance sheet date for loans with broadly similar terms and maturities. These discount rates are adjusted for borrower credit risk.

The fair value of loans, receivables and lease financing transactions for retail banking customers, essentially comprised of individuals and small or medium-sized companies, is determined, in the absence of an actively traded market for these loans, by discounting the associated expected cash flows to present value at the market rates prevailing on the balance sheet date for similar types of loans with similar maturities.

For fixed-rate loans with an initial maturity less than or equal to one year and for variable-rate financial assets (loans, receivables, finance lease agreements), the fair value is assumed equal to the net book value of the impairments, assuming there has been no significant change in credit spreads on the counterparties in question since they were recognised in the balance sheet.

DEBTS

In the absence of an active debt market, the fair value of debts is assumed to be equal to the value of the future flows discounted according to the available market rates applicable to the product concerned on the closing date.

When the debt is a listed instrument, its fair value is its market value.

For debts with a floating-rate and debts with an initial maturity of less than or equal to one year, fair value is taken to be the same as the carrying amount. Similarly, the individual fair value of demand deposit accounts is equal to their carrying amount.

SECURITIES

Provided that the security is an instrument traded on an active market, its fair value is equal to the market price.

In the absence of an active market, the fair value of the securities is calculated taking into account the value of future cash flows discounted according to the interest rate parameters available on the market and applicable to the product concerned as at closing date. For variable-rate debt securities and fixed-rate debt securities with an agreed duration of up to one year, the fair value is assumed to be the gross carrying amount adjusted for any allowance provided there have been no significant change in credit spreads on the counterparties in question since they were recognised in the balance sheet.

NOTE 3.10 Commitments and assets pledged and received as securities

ACCOUNTING PRINCIPLES

Loan commitments

The nominal amount of loan commitments is detailed in the table below. Loan commitments that are not considered as financial derivatives or that are not measured at fair value through profit or loss for trading purpose are initially recognised at fair value in the balance sheet. Thereafter, they are provisioned as necessary in accordance with the accounting principles for impairment and provisions (see Note 3.8).

Guarantee commitments

The nominal amount of guarantee commitments is detailed in the table below. When considered as non-derivative financial instruments, the financial guarantees issued by the Group are initially recognised in the balance sheet at fair value. Thereafter, they are measured at either the amount of the obligation or the amount initially recognised (whichever is higher) less, when appropriate, the cumulative amortisation of a guarantee commission. Where there is objective evidence of impairment, a provision for financial guarantees given is recognised on the liabilities side of the balance sheet (see Note 3.8).

Securities commitments

Securities bought and sold, which are booked to Financial assets at fair value through profit or loss, Financial assets at fair value through other comprehensive income and Financial assets at amortised cost are recognised on the balance sheet at the settlement-delivery date. Between the trade date and the settlement-delivery date, securities receivable or deliverable are not recognised on the balance sheet. Changes in the fair value of the securities measured at fair value through profit or loss and the securities measured at fair value through other comprehensive income between the trade date and the settlement-delivery date are booked to profit or loss or to equity, depending on the accounting classification of the securities in question.

Assets pledged as and received as collateral

The financial assets pledged as collateral are carried in the balance sheet whenever the Group has not transferred to the recipients of collateral the contractual rights to receive asset cash flows or substantially all the risks inherent to their ownership.

Likewise, the Group does not recognise on its balance sheet the assets received as collateral if the contractual rights to receive these asset cash flows and substantially all the risks and rewards inherent to their ownership have not been transferred to it.

NOTE 3.10.1 COMMITMENTS

COMMITMENTS GRANTED

(In EURm)	31.12.2024	31.12.2023
Loan commitments		
To banks	75,381	97,092
To customers	229,935	224,548
Issuance facilities	*83*	*83*
Confirmed credit lines	*222,046*	*210,499*
Others	*7,806*	*13,966*
Guarantee commitments		
On behalf of banks	5,891	5,733
On behalf of customers(1)	88,929	75,685
Securities commitments		
Securities to be delivered	21,347	41,083
Acquisition of tangible assets commitments		
Purchase of vehicles and underlying assets subject to an operating lease	6,296	9,191

(1) Including capital and performance guarantees given to the holders of UCITS managed by entities of the Group.

COMMITMENTS RECEIVED

(In EURm)	31.12.2024	31.12.2023
Loan commitments		
From banks	95,868	66,312
Guarantee commitments		
From banks	123,069	117,694
Other commitments(1)	168,453	199,747
Securities commitments		
Securities to be received	20,410	38,522

(1) These commitments include the guarantee granted by French government related to the State Guaranteed Loans (see Note 1, paragraph 5).

NOTE 3.10.2 FINANCIAL ASSETS PLEDGED AND RECEIVED AS SECURITY

FINANCIAL ASSETS PLEDGED

(In EURm)	31.12.2024	31.12.2023
Book value of assets pledged as security for liabilities(1)	370,206	337,037
Book value of assets pledged as security for transactions in financial instruments(2)	68,574	69,447
Book value of assets pledged as security for off-balance sheet commitments	2,147	2,209
TOTAL	**440,927**	**408,693**

(1) Assets pledged as security for liabilities mainly include loans given as guarantees for liabilities (guarantees notably provided to the central banks).
(2) Assets pledged as security for transactions in financial instruments mainly include security deposit.

FINANCIAL ASSETS RECEIVED AS SECURITY AND AVAILABLE FOR THE ENTITY

(In EURm)	31.12.2024	31.12.2023
Fair value of securities purchased under resale agreements	**178,313**	**193,154**

The Group generally purchases securities under resale agreements under normal market terms and conditions. It may re-use the securities received under resale agreement by selling them outright, selling them under repurchase agreements or pledging them as security, provided that it returns these or equivalent securities to the counterparty to the resale agreement at its term. Securities purchased under resale agreements are not recognised on the balance sheet. Their fair value, as shown above, includes securities sold or pledged as collateral.

NOTE 3.11 Transferred financial assets

ACCOUNTING PRINCIPLES

Transferred financial assets that are not derecognised include securities lending transactions and repurchase agreements as well as certain loans transferred to consolidated securitisation vehicles.

The tables below show securities lending and repurchase agreements that only concern securities recognised on the asset side of the balance sheet.

Securities involved in a repurchase agreement or securities lending transaction are held in their original position on the asset side of the Group's balance sheet. For repurchase agreements, the obligation to return the amounts deposited is recorded under "Liabilities" on the liabilities side of the balance sheet, with the exception of the transactions initiated under trading activities, which are recorded under "Financial liabilities at fair value through profit or loss".

Securities involved in a reverse repurchase agreement or a securities borrowing transaction are not recorded in the Group's balance sheet. For securities received under a reverse repurchase agreement, the right to recover the amounts delivered by the Group is recorded under "Customer Loans" and receivables or "Due from banks" on the asset side of the balance sheet, with the exception of transactions initiated under trading activities which are recorded under "Financial assets at fair value through profit or loss". If the borrowed securities are subsequently sold, a debt representing the return of these securities to their lender is recorded on the liabilities side of the Group's balance sheet, under "Financial liabilities at fair value through profit or loss".

Securities lending and securities borrowing transactions that are fully matched by cash are assimilated to repurchase and reverse repurchase agreements and are recorded and recognised as such in the balance sheet.

With securities lending and repurchase agreements, the Group remains exposed to issuer default (credit risk) and to increases or decreases in the value of securities value (market risk). The underlying securities cannot simultaneously be used as collateral in other transactions.

NOTE 3.11.1 TRANSFERRED FINANCIAL ASSETS NOT DERECOGNISED

REPURCHASE AGREEMENTS

	31.12.2024		31.12.2023	
(In EURm)	Carrying amount of transferred assets	Carrying amount of associated liabilities	Carrying amount of transferred assets	Carrying amount of associated liabilities
Securities at fair value through profit or loss	16,610	13,447	13,402	11,098
Securities at fair value through other comprehensive income	16,485	13,824	13,457	11,159
Securities at amortised cost	444	448	187	182
TOTAL	**33,539**	**27,719**	**27,046**	**22,439**

SECURITIES LENDING

	31.12.2024		31.12.2023	
(In EURm)	Carrying amount of transferred assets	Carrying amount of associated liabilities	Carrying amount of transferred assets	Carrying amount of associated liabilities
Securities at fair value through profit or loss	23,081	-	14,509	-
Securities at fair value through other comprehensive income	165	-	228	-
Securities at amortised cost	152	-	8	-
TOTAL	**23,398**	**-**	**14,745**	**-**

SECURITISATION ASSETS FOR WHICH THE COUNTERPARTIES TO THE ASSOCIATED LIABILITIES HAVE RECOURSE ONLY TO THE TRANSFERRED ASSETS

(In EURm)	31.12.2024	31.12.2023
Customers loans		
Carrying amount of transferred assets	9,390	8,663
Carrying amount of associated liabilities	7,883	6,869
Fair value of transferred assets (A)	9,745	8,857
Fair value of associated liabilities (B)	7,883	6,872
Net position (A) - (B)	**1,862**	**1,985**

The Group remains exposed to the majority of the risks and rewards associated with these receivables; furthermore, these receivables may not be used as collateral or sold outright as part of another transaction.

NOTE 3.11.2 TRANSFERRED FINANCIAL ASSETS PARTIALLY OR FULLY DERECOGNISED

As at 31 December 2024, the Group carried out no material transactions resulting in the partial or full derecognition of financial assets leaving the Group with a continuing involvement in said assets.

NOTE 3.12 Offsetting financial assets and financial liabilities

ACCOUNTING PRINCIPLES

A financial asset and a financial liability are offset and the net amount presented on the balance sheet when the Group has a legally enforceable right to set off the recognised amounts and intends either to settle the asset and liability on a net basis, or to realise the asset and settle the liability simultaneously. The legal right to set off the recognised amounts must be enforceable in all circumstances, in both the normal course of business and in the event of default of one of the counterparties. In this respect, the Group recognises in its balance sheet the net amount of derivative financial instruments traded with certain clearing houses where they achieve net settlement through a daily cash margining process, or where their gross settlement system has features that eliminate or result in insignificant credit and liquidity risk, and that process receivables and payables in a single settlement process or cycle.

The following tables present the amounts of financial assets and financial liabilities set off on the Group's consolidated balance sheet. The gross outstanding amounts of these financial assets and financial liabilities are matched with the consolidated outstanding amounts presented in the balance sheet (net balance sheet amounts), after indicating the amounts set off on the balance sheet for these various instruments (amounts offset) and aggregating them with the outstanding amounts of other financial assets and financial liabilities not subject to a Master Netting Agreement or similar agreement (amounts of assets and liabilities not eligible for offsetting).

These tables also indicate the amounts which may be offset, as they are subject to a Master Netting Agreement or similar agreement, but whose characteristics make them ineligible for offsetting in the consolidated financial statements under IFRS. This information is provided in comparison with the accounting treatment applied under US GAAP. This affects in particular financial instruments that may only be offset in the event of the default, insolvency or bankruptcy of one of the counterparties, as well as instruments pledged by cash or securities collateral. These mainly include over-the-counter interest rate options, interest rate swaps and securities purchased/sold under resale/ repurchase agreements.

Net positions resulting from these various offsettings are not intended to represent the Group's actual exposure to counterparty risk through these financial instruments, insofar as counterparty risk management uses other risk mitigation strategies in addition to netting and collateral agreements.

NOTE 3.12.1 AT 31 DECEMBER 2024

ASSETS

(In EURm)	Amount of assets not subject to offsetting	Impact of offsetting on the balance sheet: Gross amount	Impact of offsetting on the balance sheet: Amount offset	Net amount presented on the balance sheet	Impact of Master Netting Agreements (MNA) and similar agreements[1]: Financial instruments recognised in the balance sheet	Cash collateral pledged	Financial instruments received as collateral	Net amount
Derivative financial instruments[2] (see Notes 3.1 and 3.2)	15,303	224,795	(134,120)	105,978	(70,347)	(8,143)	(125)	27,363
Securities lent	3,069	20,329	-	23,398	(16,845)	(30)	-	6,523
Securities purchased under resale agreements (see Notes 3.1 and 3.5)	37,352	240,888	(99,926)	178,314	(14,790)	(683)	(91,760)	71,081
Guarantee deposits pledged (see Note 4.4)	36,544	14,426	-	50,970	-	(14,426)	-	36,544
Other assets not subject to offsetting	1,214,885	-	-	1,214,885	-	-	-	1,214,885
TOTAL	**1,307,153**	**500,438**	**(234,046)**	**1,573,545**	**(101,982)**	**(23,282)**	**(91,885)**	**1,356,396**

(1) Fair value of financial instruments and collateral, capped at the net book value of the balance sheet exposure, to avoid any over-collateralisation effect.
(2) As at 31 December 2024, the amount offset within the Derivative financial instruments line includes EUR 66,789 million of cash margin received.

LIABILITIES

(In EURm)	Amount of liabilities not subject to offsetting	Impact of offsetting on the balance sheet: Gross amount	Impact of offsetting on the balance sheet: Amount offset	Net amount presented on the balance sheet	Impact of Master Netting Agreements (MNA) and similar agreements[1]: Financial instruments recognised in the balance sheet	Cash collateral pledged	Financial instruments pledged as collateral	Net amount
Derivative financial instruments[2] (see Notes 3.1 and 3.2)	21,290	234,011	(134,120)	121,181	(70,347)	(14,426)	-	36,408
Amount payable on borrowed securities (see Note 3.1)	25,961	17,115	-	43,076	(16,845)	-	-	26,231
Securities sold under repurchase agreements (see Notes 3.1 and 3.6)	68,432	187,504	(99,926)	156,010	(14,790)	-	(70,401)	70,819
Guarantee deposits received (see Note 4.4)	45,403	8,856	-	54,259	-	(8,856)	-	45,403
Other liabilities not subject to offsetting	1,119,431	-	-	1,119,431	-	-	-	1,119,431
TOTAL	**1,280,517**	**447,486**	**(234,046)**	**1,493,957**	**(101,982)**	**(23,282)**	**(70,401)**	**1,298,292**

(1) Fair value of financial instruments and collateral, capped at the net book value of the balance sheet exposure, to avoid any over-collateralisation effect.
(2) As at 31 December 2024, the amount offset within the Derivative financial instruments line includes EUR 64,569 million of cash margin paid.

NOTE 3.12.2 AT 31 DECEMBER 2023

ASSETS

(In EURm)	Amount of assets not subject to offsetting	Impact of offsetting on the balance sheet		Net amount presented on the balance sheet	Impact of Master Netting Agreements (MNA) and similar agreements[(1)]			Net amount
		Gross amount	Amount offset		Financial instruments recognised in the balance sheet	Cash collateral pledged	Financial instruments received as collateral	
Derivative financial instruments[(2)] (see Notes 3.1 and 3.2)	14,871	207,534	(128,285)	94,120	(59,842)	(8,762)	1	25,517
Securities lent	1,165	13,580	-	14,745	(12,560)	(28)	-	2,157
Securities purchased under resale agreements (see Notes 3.1 and 3.5)	39,578	240,706	(87,130)	193,154	(17,786)	(551)	(92,883)	81,934
Guarantee deposits pledged (see Note 4.4)	38,854	12,757	-	51,611	-	(12,757)	-	38,854
Other assets not subject to offsetting	1,200,415	-	-	1,200,415	-	-	-	1,200,415
TOTAL	**1,294,883**	**474,577**	**(215,415)**	**1,554,045**	**(90,188)**	**(22,098)**	**(92,882)**	**1,348,877**

(1) Fair value of financial instruments and collateral, capped at the net book value of the balance sheet exposure, to avoid any over-collateralisation effect.
(2) As at 31 December 2023, the amount offset within the Derivative financial instruments line includes EUR 60,964 million of cash margin received.

LIABILITIES

(In EURm)	Amount of assets not subject to offsetting	Impact of offsetting on the balance sheet		Net amount presented on the balance sheet	Impact of Master Netting Agreements (MNA) and similar agreements[(1)]			Net amount
		Gross amount	Amount offset		Financial instruments recognised in the balance sheet	Cash collateral pledged	Financial instruments pledged as collateral	
Derivative financial instrument[(2)] (see Notes 3.1 and 3.2)	20,358	216,438	(128,285)	108,511	(59,842)	(12,757)	-	35,912
Amount payable on borrowed securities (see Note 3.1)	27,419	15,064	-	42,483	(12,559)	-	-	29,924
Securities sold under repurchase agreements (see Notes 3.1 and 3.6)	48,124	190,964	(87,130)	151,958	(17,787)	-	(81,541)	52,630
Guarantee deposits received (see Note 4.4)	43,912	9,341	-	53,253	-	(9,341)	-	43,912
Other liabilities not subject to offsetting	1,121,593	-	-	1,121,593	-	-	-	1,121,593
TOTAL	**1,261,406**	**431,807**	**(215,415)**	**1,477,798**	**(90,188)**	**(22,098)**	**(81,541)**	**1,283,971**

(1) Fair value of financial instruments and collateral, capped at the net book value of the balance sheet exposure, to avoid any over-collateralisation effect.
(2) As at 31 December 2023, the amount offset within the Derivative financial instruments line includes EUR 63,797 million of cash margin paid.

NOTE 3.13 Contractual maturities of financial liabilities

(In EURm)	Up to 3 months	3 months to 1 year	1 to 5 years	More than 5 years	31.12.2024
Due to central banks	11,364	-	-	-	11,364
Financial liabilities at fair value through profit or loss	251,183	36,059	57,700	51,672	396,614
Due to banks	63,507	19,596	15,241	1,400	99,744
Customer deposits	479,388	24,259	24,951	3,077	531,675
Debts securities issued	34,557	30,882	70,630	26,131	162,200
Subordinated debt	9	465	2,922	13,613	17,009
Other liabilities	81,117	2,974	3,702	2,993	90,786
TOTAL LIABILITIES	**921,125**	**114,235**	**175,146**	**98,886**	**1,309,392**
Loan commitments granted and others[1]	125,642	40,109	126,448	19,413	311,612
Guarantee commitments granted	45,758	18,703	16,400	13,959	94,820
TOTAL COMMITMENTS GRANTED	**171,400**	**58,812**	**142,848**	**33,372**	**406,432**

(1) This line includes commitments relating to the purchase of vehicles and underlying equipment subject to an operating lease.

The flows presented in this note are based on contractual maturities. However, for certain elements of the balance sheet, assumptions could be applied.

When there are no contractual terms, as well as for trading financial instruments (*e.g.*: derivatives), maturities are presented in the first column (up to three months).

The guarantee commitments given are scheduled on the basis of the best possible estimate of flow; if not available, they are presented in the first column (up to three months).

NOTE 4 OTHER ACTIVITIES

NOTE 4.1 Fee income and expense

ACCOUNTING PRINCIPLES

Fee income and Fee expense combine fees on services rendered and received, as well as fees on commitments, that cannot be assimilated to interest. Fees that can be assimilated to interest are integrated into the effective interest rate on the associated financial instrument and are recorded under “Interest and similar income” and “Interest and similar expense” (see Note 3.7).

Transactions with customers include the fees from retail customers from the Group retail banking activities (in particular credit card fees, account management fees or application fees outside the effective interest rate).

Sundry services provided include the fees from customers from the other Group activities (in particular, interchange fees, funds management fees or fees on insurance products sold within the network).

The Group recognises fee income or expense for an amount equivalent to the remuneration for the service provided and depending on the progress transferring control of these services:

- fees for ongoing services, such as some payment services, custody fees, or digital service subscriptions are recognised as income over the life of the service;
- fees for one-off services, such as fund activity, finder’s fees received, arbitrage fees, or penalties on payment incidents are recognised as income when the service is provided.

The amount equivalent to the remuneration for the service provided is composed of fixed and variable contractual compensation whether they are paid in kind or in cash, less any payments due to customers (for example, in case of promotional offers). The variable compensation (for example, discounts based on the provided services volume over a period of time or fees payable subject to the achievement of a performance target, etc.) are included in the amount equivalent to the remuneration for the service provided if and only if this compensation is highly probable not to be subsequently reduced significantly.

The possible mismatch between the payment date of the service provided and the date of execution of the service gives assets and liabilities depending on the type of contract and mismatch which are recognised under “Other Assets and Other Liabilities” (see Note 4.4):

- customer contracts generate trade receivables, accrued income or prepaid income;
- supplier contracts generate trade payables, accrued expenses or prepaid expenses.

In syndication deals, the effective interest rate for the share of the issuance retained on the Group’s balance sheet is comparable to that applied to the other members of the syndicate including, when needed, a share of the underwriting fees and participation fees; the balance of these fees for services rendered is then recorded under “Fee income at the end of the syndication period”. Arrangement fees are recorded as income when the placement is legally complete.

	2024			2023		
(In EURm)	Income	Expense	Net	Income	Expense	Net
Transactions with banks	**145**	**(138)**	**7**	**134**	**(125)**	**9**
Transactions with customers	**3,141**		**3,141**	**2,979**		**2,979**
Financial instruments operations	**3,643**	**(3,029)**	**614**	**3,366**	**(2,976)**	**390**
Securities transactions	614	(1,102)	(488)	717	(1,268)	(551)
Primary market transactions	696		696	547		547
Foreign exchange transactions and derivatives instruments	2,333	(1,927)	406	2,102	(1,708)	394
Loan and guarantee commitments	**1,050**	**(392)**	**658**	**1,004**	**(429)**	**575**
Various services	**2,838**	**(1,032)**	**1,806**	**2,580**	**(945)**	**1,635**
Asset management fees	342		342	316		316
Means of payment fees	1,042		1,042	1,018		1,018
Insurance product fees	164		164	208		208
Underwriting fees of UCITS	88		88	82		82
Other fees	1,202	(1,032)	170	956	(945)	11
TOTAL	**10,817**	**(4,591)**	**6,226**	**10,063**	**(4,475)**	**5,588**

NOTE 4.2 Income and expenses from leasing activities, mobility and other activities

ACCOUNTING PRINCIPLES

Leasing activities

The leases that have been granted by the Group and do not transfer to the lessee substantially all the risks and rewards incidental to ownership of the leased asset are classified as operating leases.

The assets held under operating leases, including investment property, are recorded on the balance sheet under "Tangible and intangible fixed assets" at their acquisition cost, less depreciation and impairment (see Note 8.3).

These leased assets (excluding investment property) are depreciated, excluding residual value, over their duration of use (*i.e.* usually until the term of the lease); this duration corresponds to the non-cancellable lease term adjusted for any contract extension options that the lessee is reasonably certain to exercise and any early termination options that the lessee is reasonably certain not to exercise (see Note 8.3). The lease payments are recognised on a straight-line basis over the lease term. The leases offered by Group entities may include maintenance services on the leased asset. In this case, the portion of lease payments relating to these services is spread over the services term (usually, the lease term) in line with the way the costs are incurred. This spreading takes into account, when relevant, the pace at which the service is provided, whenever it is not linear.

Income and expenses, and capital gains or losses on investment properties and leased assets, as well as income and expenses on maintenance services related to operating lease activities, are recorded under "Income and expenses" from other activities on the Real estate leasing and Equipment leasing lines.

These lines also include the losses incurred in the event of a decline in the unguaranteed residual value of finance-lease transactions, the impairment expenses and the capital gains or losses on disposal related to assets unleased after the termination of lease finance agreements.

Real estate development activities

As it is a service recognised in accordance with the stage-of-completion method, the income from the sale of off-plan property (accommodations, offices, retail areas…) is gradually recognised over the duration of the construction programme until the date of delivery to the customer. The margin recognised on each accounting closing date reflects an estimated provisional margin of the programme and the level of progress over the period which depends on the percentage of completion of the commercialisation and of the construction work. The margin is recognised as income when it is positive and as expenses when negative. A provision for onerous contract is recognised when the margin expected at the termination of the contract is negative.

	2024			2023		
(In EURm)	**Income**	**Expense**	**Net**	**Income**	**Expense**	**Net**
Equipment leasing(1)	26,901	(22,238)	4,663	20,107	(15,992)	4,115
Real estate development	50	(12)	38	60	(4)	56
Real estate leasing	68	(49)	19	87	(174)	(87)
Other activities	563	(1,453)	(890)	751	(1,224)	(473)
TOTAL	**27,582**	**(23,752)**	**3,830**	**21,005**	**(17,394)**	**3,611**

(1) *The amount recorded under this heading is mainly due to income and expenses related to long-term leasing and car fleet management businesses. Most of the Group's long-term lease agreements are 36-month to 48-month leases.*

NOTE 4.3 Insurance activities

MAKING IT SIMPLE

Insurance activities (life insurance and non-life insurance) add to the range of products included in the banking services offered to Group customers.

These activities are carried out by dedicated subsidiaries, subject to regulations specific to the insurance sector.

The rules for measuring and accounting for risks associated with insurance contracts are specific to the Insurance sector. Based on a current estimate of the future cash flows from the insurance contracts issued (premiums, indemnification, benefits, associated costs…), the main objective of these rules is to recognise the expected profit progressively over the period during which the insurance services are provided.

ACCOUNTING PRINCIPLES

Insurance contracts subject to IFRS 17 “Insurance Contracts” are insurance contracts issued, reinsurance contracts issued (reinsurance assumed) or held (reinsurance ceded), as well as investment contracts issued including a discretionary participation clause provided that they are issued by an entity which also issues insurance contracts.

The accounting principles below do not apply to the insurance contracts for which the Group is the insured beneficiary except for the contracts identified as reinsurance treaties.

Investment contracts without discretionary participation features and with no insurance component (pure unit-linked contracts) do not meet the IFRS 17 definition of an insurance contract and are recognised as Financial liabilities measured at fair value through profit or loss (see Note 3.1 paragraph 3). These are financial liabilities indexed on the performance of underlying assets for which the Group has elected to exercise the option to measure the instruments at fair value without requiring the separation of the embedded derivatives.

Grouping of contracts

For their assessment, insurance contracts are grouped into homogeneous portfolios to take account of the pooling of risks specific to the insurance activity. These portfolios include insurance contracts that are exposed to similar risks and managed together.

Within each portfolio, three groups of contracts shall be distinguished on initial recognition of the later: onerous contracts, contracts with no significant possibility of becoming subsequently onerous, and other contracts.

Lastly, contracts issued more than one year apart cannot be included in the same group. Consequently, each group of contracts shall be subdivided into annual cohorts. However, while adopting IFRS 17, the European Union has provided European undertakings with an option not to implement this provision to contracts benefiting from an intergenerational mutualisation of returns on the underlying assets in countries where these undertakings market insurance contracts.

The Group uses this optional exemption on the life-insurance savings and retirement savings contracts issued (for instance, contracts invested in euro-denominated funds) as they include direct or discretionary profit-sharing items for which both risks and cashflows are shared between different generations of policyholders. These savings life-insurance contracts are also managed on an intergenerational basis in order to mitigate interest rate risk and longevity risk exposures.

The portfolios of contracts are determined by the Group, using (i) the product line to identify the insurance contracts exposed to similar risks and (ii) the country of issuance of the contract and/or the distribution entity.

When the materiality of the outstanding amounts of the contracts concerned is not significant in the context of the aggregates of the Group’s consolidated balance sheet, some of these portfolios may be grouped together.

The major portfolios identified by the Group are as follows:

Scope of products	Product line
Savings	Life Insurance Savings with accumulation of capital paid out upon surrender or death (investments in euro funds, unit-linked funds, multivehicle contracts).
Retirement	Individual and group insurance contracts such as Retirement savings plans (French *Plan Épargne Retraite* – PER) with payout in annuities and/or capital (single or multiple unit-linked investments).
Protection–Provident	Borrower insurance; Individual protection; Group protection; Individual health insurance; Group health insurance; Funeral insurance; Nursing care insurance.
Protection–Non-life insurance (property and casualty)	Personal injury accident; Insurance of the Means of payment; Multi-risk home insurance; Land motor vehicle insurance; Miscellaneous Risk Insurance.

Measurement models

Each group of insurance contracts is measured separately, and its value is presented in the balance sheet either under "Insurance and reinsurance contract assets" or under "Insurance and reinsurance contract liabilities".

General model applicable to the insurance contracts issued

INITIAL MEASUREMENT

Upon initial recognition, the value of a group of insurance contracts issued corresponds to the sum of the following items:

Liabilities representative of the insurance contracts

=

Current value of the insurance services or Cash flow related to the performance of the contracts
(Fulfilment cash flows)

Future cash flows estimated at the effective date of the contract
Premiums, services, directly related costs.

+

Discounting
Time value of money and financial risk not taken into account in the estimated flows.

+

Adjustment for non-financial risks
(Risk adjustment)
Margin for uncertainties on the estimated future flows.

+

Margin on contractual services
Future expected profits calculated at the subscription of the contract.

Future estimated cash flows

These cash flows are the current estimates of all the amounts that the insurer expects to receive (for premiums…) or pay to the benefit of insurance policyholders (in relation to life insurance, claims to be compensated, guaranteed benefits and other directly attributable expenses) as part of the fulfilment of insurance contracts, until their settlement.

These amounts are adjusted to reflect:

- the present value of the future cash flows taking into account the time value of money and the financial risks related to the future cash flows (see Discounting);
- the uncertainties about the amount and frequency of the cash flows (see Adjustment for non-financial risk).

Discounting

The future cash flows estimated are discounted using a risk-free yield curve (swap rate curve) adjusted for an illiquidity premium to represent the differences in characteristics between the liquid, risk-free financial instruments and the financial instruments backed insurance contracts (bottom-up approach).

Adjustment for non-financial risk

The discounted cash flows are adjusted to reflect the uncertainties about the amount and frequency of the future cash flows. This adjustment for non-financial risks is determined using a quantile approach based on a confidence level of 80% for the Retirement Savings business. Thus, the technical provisions supplemented with this risk adjustment will allow these estimated future cash flows to be covered in 80% of probable cases, a level of caution deemed appropriate. For the Protection business, this quantile level is between 80% and 90%.

The calculation method of the adjustment for non-financial risks does not take into account the diversification effect between the different insurance activities and between the different entities; however, it includes a diversification by products.

Contractual service margin (CSM)

The contractual service margin (CSM) represents the unearned profit that the entity will recognise in the income statement as the insurance services are provided in the future. Its amount is determined at the time of initial recognition of the group of insurance contracts so that, at that date, neither income nor expense is recorded in the income statement.

In the event of onerous contracts, the expected loss shall immediately be recognised in profit or loss. This initial loss will later be reversed in profit or loss to offset the expense for incurred claims.

Subsequent measurement

On each closing date, the carrying amount in the balance sheet of the group of insurance contracts issued is remeasured. It is then equal to the sum of the following amounts:

- the Liability for remaining coverage (LRC), for an amount equal to the reestimated value as at the date of the fulfilment cash flows related to future services (discounted value of the amounts receivable and payable related to the supply of insurance services on the remaining coverage period and the deposit components) and, when appropriate, the contractual service margin reestimated on the same date as described below;
- the Liability for incurred claims (LIC), for an amount equal to the reestimated value as at the date of the fulfilment cash flows related to past services (discounted value of the amounts payable in relation to services on already incurred claims).

Income and expense are recognised for the changes in liabilities for remaining coverage and for incurred claims, as summarised below:

	Changes in liability for remaining coverage	Changes in liability for incurred claims
Insurance products	■ Reversals related to the insurance services provided during the period	
Insurance services expenses	■ Losses recognised on onerous contracts and reversal of these losses	■ Allocations of liabilities for the incurred claims and the unfunded expenses incurred during the period ■ Subsequent changes in the fulfilment cash flows relating to the incurred claims and the unfunded expenses incurred
Insurance financial expenses and income	■ Account taken of the impacts of the time value of money	■ Account taken of the impacts of the time value of money

On this same closing date, the amount of contractual service margin is adjusted to take notably account, for all contracts, of:

- the impact of the new contracts added to the Group;
- the interest capitalised on the carrying amount of the margin at the discounting rate used to determine the initial margin value;
- the reestimate of the fulfilment cash flows (discounted value of the amounts receivable and payable related to the insurance services provided during the remaining coverage period, excl. estimated amounts to be paid for already incurred claims that are subject to separate measurement);
- the amount recognised as insurance revenue because of the transfer of insurance contract services in the period.

Moreover, the contractual service margin is recognised in profit or loss according to coverage units that reflect the amount of service provided and the expected coverage period for the contracts remaining in the group of contracts.

The contractual service margin is not adjusted for the following changes in cash flows as they are not related to future services:

- inclusion of the impacts (and changes in them) of the time value of money and the financial risk (for example, the impact of a change in the discounting rate);
- changes in estimates of the fulfilment cash flows of liabilities for incurred claims;
- adjustments related to experience (difference between the estimate of the amounts expected for the period and the actual cash flows of the period).

Protection-Provident business

The Group mainly applies the General Model to measure its Protection-Provident contracts (borrower insurance, funeral, dependency contracts…).

For the Protection – Provident business, the insured value (for example the outstanding capital of the loan in the context of a borrower contract) is used to measure the quantity of service (or coverage units) provided or to be provided, in order to recognise a portion of the contractual service margin in the net income of the period.

GENERAL MODEL ADAPTED TO THE INSURANCE CONTRACTS ISSUED WITH DIRECT PARTICIPATION FEATURES (VARIABLE FEE APPROACH)

Insurance contracts issued with direct participation features may be regarded as creating an obligation to pay to policyholders an amount equal to the fair value of the underlying items (for example, investments in units of funds), minus a variable fee for the service.

The variable fee:

a) represents the counterparty that a company receives to provide investment services;

b) is based on the portion of the performance of the underlying items that varies over time. Consequently, the variable fee reflects the performance of the underlying items and the other cash flows necessary for the fulfilment of the contracts.

The general accounting model is adapted to reflect that the consideration received for this type of contract is a variable fee (Variable Fee Approach – VFA).

This adaptation of the general accounting model is used to measure the groups of insurance contracts for which:

- the contractual clauses specify that the policy holder is entitled to a portion of a clearly defined portfolio of underlying items;
- the entity expects to pay to the policyholder an amount equal to a substantial share of the yield on the fair value of the underlying items; and
- the entity expects any change in the amounts payable to the shareholder to be attributable, substantially, to a change in fair value of the underlying items.

Eligibility to this measurement model is analysed on the issuance date of the contracts and may subsequently be reassessed only in case of changes in the contract.

This measurement model is in line with the general model with regards to the following items:

- the fulfilment cash flows are measured the same way;
- during the initial measurement, the contractual service margin is identical;
- the subsequent changes in the fulfilment cash flows associated with the future services adjust the contractual service margin while the other changes, related to the services provided during the period or before impact the net income.

There are however several differences:

	General model	Tailored General model – VFA
Recognition of the changes in fulfilment cash flows in relation to the changes in discounting rates and other financial variables	▪ in full in the Statement of net income and unrealised or deferred gains and losses	▪ as an adjustment of the contractual service margin for the portion of this change associated with the insurer's share of underlying items
Determination of the interest expense for the capitalisation of interest on the contractual service margin	▪ explicitly applying the discount rate used during the initial measurement	▪ implicitly when taking account of the insurer's share in the change in fair value of the underlying items for the determination of the contractual service margin

Savings and Retirement business

The Group determined that the majority of life savings insurance contracts and individual and collective retirement savings contracts issued by its insurance subsidiaries meet the definition of contracts with direct participation features. These contracts, which make up the Group's predominant insurance activity (some 99% of the discounted estimated cash flows), are measured using the adapted General model known as Variable Fee Approach (VFA). The other contracts in these categories are measured based on the General Model or under IFRS 9 if they meet the definition of an investment contract.

For the Savings and Retirement business, the quantity of service (or coverage units) used for the amortisation of the contractual service margin (CSM) is intended to reflect, from an economic standpoint, the asset management service provided by the insurer during the period. This quantity is determined based on the future cash flows estimated over the ongoing and future periods. An adjustment is made in order to recognise the CSM at an appropriate pace, taking account of the financial performance of the underlying assets.

GENERAL MODEL ADAPTED TO THE REINSURANCE CONTRACTS HELD

Following the issuance of insurance contracts, some risks may be ceded to another insurance company through reinsurance contracts.

The general accounting model is adapted to take account of the specificities of the reinsurance contracts held. These reinsurance contracts held are booked under the General Model, modified on the following features:

Estimate of the fulfilment cash flows	The fulfilment cash flows take into account the risk of non-fulfilment by the issuer of the reinsurance contract (*i.e.* the risk of not recovering the expected compensation in the event of default of the reinsurer).
Measurement of the contractual service margin during initial recognition	Any net cost or profit determined at initial recognition (determined based on the estimated amount of premiums payable, expenses to be paid and compensations to be received) is recognised as a contractual service margin.
Measurement of the contractual service margin in the context of onerous underlying contracts	The contractual service margin is adjusted and an income is recognised accordingly, when a loss is recognised at initial recognition of a group of onerous underlying insurance contracts or when onerous underlying insurance contracts are added to the group.

SIMPLIFIED MODEL (PREMIUM ALLOCATION APPROACH)

The standard also allows, under some conditions, for the application of a simplified accounting model for the contracts whose insurance coverage is lower or equal to 12 months, or for which the measurement of the Group's remaining coverage liabilities determined using this approach is not significantly different from the one that would result from the application of the general model.

The remaining coverage liabilities presented on the balance sheet corresponds to:

- the amount of premium received under the contract adjusted for the amounts recognised as insurance contracts income as the Company provides the insurance coverage;
- minus the remaining depreciable acquisition costs paid.

If a group of contracts is onerous, the remaining coverage liability is increased up to the estimated future fulfilment cash flows and a loss is recognised in the income statement.

The incurred claim liability is measured based on the general model. The Group does not discount the liability when it expects the claims to be settled within one year.

The simplified approach does not require:

- an explicit measurement of the contractual service margin;
- an update of the remaining coverage liability for the changes in discount rate and financial variables.

Protection – non-life insurance activity

The Group mostly applies the simplified approach to measure its non-life insurance contracts (personal injuries, means of payment, multi-risk home insurance…).

Presentation of the financial performance of insurance contracts

Expenses and income relating to insurance contracts are presented in the income statement, distinguishing between:

- the income arising from insurance services which includes:
  - income from insurance contracts issued,
  - insurance services expenses,
  - net income or expenses from the reinsurance contracts held;
- the financial result of the insurance and reinsurance contracts.

INCOME FROM INSURANCE CONTRACTS ISSUED

The revenues from insurance contracts represent the consideration that the insurance subsidiary expects to receive (representative of the premium received) against the services provided under the contracts.

The revenues recognised for the period include the amount representative of the premium received as coverage of the insurance service expenses and the margin expected in relation to the services provided during the period.

Many insurance contracts providing investment services include a deposit component, which is an amount paid by the policyholder and repaid by the insurer even when the insured event does not take place. These deposit components are excluded from the income statement, as the collection and repayment of a deposit are not, respectively, an income and an expense.

INSURANCE SERVICES EXPENSES

Insurance services expenses reflect the costs incurred to provide services over the period, including those associated with the claims incurred, and excluding the deposit component.

The expenses recorded over the period include the insurance services expenses related to the services provided for the incurred claims during the current or past periods and other amounts such as the amortisation of the insurance acquisition costs, the costs on onerous contracts and their reversals.

INCOME AND EXPENSES OF THE REINSURANCE CONTRACTS HELD

Income and expenses are representative of the amounts recovered from reinsurers and of the allocation of the premiums paid for this coverage.

FINANCIAL INCOME AND EXPENSES OF INSURANCE CONTRACTS

The fulfilment cash flows and contractual service margin are booked on a discounted basis reflecting the frequency of cash flows. Over time, the effect of the time value of money decreases, which is reflected in the income statement as an insurance financial expense (the present value of future disbursements increases). Indeed, the financing costs (financial expenses of the contracts) of insurance are similar to the interest paid by the insurer on an early payment (in the form of a premium) and reflect the fact that the insurer usually receives the premiums in advance and pays benefits at a later date.

Finance income or expenses from insurance also include the effects on the carrying amount of insurance contracts of some changes in financial assumptions (namely discount rate and other financial variables).

The effect of the changes in discount rates and other financial variables is recognised over the period during which the changes occurred. The Group has elected, for most of its groups of contracts, to present the effect of these changes in a disaggregated manner between the income statement and equity. The aim of this choice is to minimise accounting mismatch between the investments of the insurance activity (associated to the financial assets held to cover the insurance contracts) and the financial expenses of the insurance contracts. This choice is made for each group of insurance contracts.

The Group decided to present the notes detailing the financial data of the insurance subsidiaries distinguishing between the data attributed to the insurance contracts within the scope of IFRS 17 (columns headed Insurance contracts) including the measurement of these contracts and the investments backing them. These data also distinguish between the insurance contracts issued with direct participation features measured using the VFA model and their underlying investments.

The financial data of the investment contracts without participation features and without insurance component (contracts within the scope of IFRS 9) as well as all financial instruments that are not backing insurance contracts within the scope of IFRS 17 (ex: financial instruments negotiated in the context of the reinvestment of equity) are presented separately from the other financial data in the Others column.

The future cash flows of the assets and liabilities of the insurance contract assets and liabilities are discounted using a risk-free rate curve (swap rate curve) modified by an illiquidity premium per entity and per activity. The following table shows the average discount rates used:

	31.12.2024						31.12.2023					
Average discount rate for the euro	1 year	5 years	10 years	15 years	20 years	40 years	1 year	5 years	10 years	15 years	20 years	40 years
Savings and retirement	3.16%	3.07%	3.19%	3.26%	3.18%	3.10%	4.27%	3.24%	3.31%	3.39%	3.34%	3.27%
Protection	2.71%	2.44%	2.49%	2.56%	2.48%	2.58%	3.74%	2.74%	2.77%	2.83%	2.74%	2.82%

NOTE 4.3.1 EXCERPT FROM THE BALANCE SHEET OF THE INSURANCE ACTIVITY

The tables below present the carrying amount of the assets and liabilities recognised on the balance sheet of the Group's insurance subsidiaries for:

- insurance contracts or investment contracts;
- investments made (whether or not backed by insurance contracts).

DETAIL OF ASSETS

	31.12.2024				31.12.2023			
	Insurance contracts				Insurance contracts			
(In EURm)	With direct participations features	Other	Other	Total	With direct participations features	Other	Other	Total
Financial assets at fair value through profit or loss	**113,866**	**127**	**3,558**	**117,551**	**107,864**	**211**	**3,794**	**111,869**
Trading portfolio	403	-	67	470	547	-	20	567
Shares and other equity securities	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*
Trading derivatives	*403*	*-*	*67*	*470*	*547*	*-*	*20*	*567*
Financial assets measured mandatorily at fair value through profit or loss	100,018	127	3,438	103,583	93,912	205	3,725	97,842
Bonds and other debt securities	*33,995*	*2*	*215*	*34,212*	*30,332*	*14*	*117*	*30,463*
Shares and other equity securities	*65,040*	*125*	*3,223*	*68,388*	*62,563*	*186*	*3,304*	*66,053*
Loans, receivables and securities puchased under resale agreements	*983*	*-*	*-*	*983*	*1,017*	*5*	*304*	*1,326*
Financial instruments measured using fair value option through profit or loss	13,445	-	53	13,498	13,405	6	49	13,460
Bonds and other debt securities	*13,445*	*-*	*53*	*13,498*	*13,405*	*6*	*49*	*13,460*
Hedging derivatives	**129**	**-**	**-**	**129**	**140**	**-**	**-**	**140**
Financial assets at fair value through other comprehensive income	**52,335**	**1,725**	**289**	**54,349**	**51,257**	**1,417**	**226**	**52,900**
Debt instruments	52,335	1,725	289	54,349	51,257	1,417	226	52,900
Bonds and other debt securities	*52,335*	*1,725*	*289*	*54,349*	*51,243*	*1,415*	*226*	*52,884*
Loans, receivables and securities purchased under resale agreements	*-*	*-*	*-*	*-*	*14*	*2*	*-*	*16*
Financial assets at amortised cost[(1)]	**212**	**418**	**5,497**	**6,127**	**718**	**614**	**5,368**	**6,700**
Investment Property	**698**	**-**	**3**	**701**	**729**	**-**	**1**	**730**
TOTAL INVESTMENTS OF INSURANCE ACTIVITIES[(2)]	**167,240**	**2,270**	**9,347**	**178,857**	**160,708**	**2,242**	**9,389**	**172,339**
Insurance contracts issued assets	-	15	-	15	-	81	-	81
Reinsurance contracts held assets	-	600	-	600	-	378	-	378
TOTAL INSURANCE AND REINSURANCE CONTRACTS ASSETS	**-**	**615**	**-**	**615**	**-**	**459**	**-**	**459**

(1) The financial assets at amortised cost are mainly related to Securities, Due from banks and Customer loans.

(2) The Group has chosen to keep in the consolidated accounts investments made with Group companies measured at fair value through profit or loss in representation of unit-linked liabilities.

DETAIL OF LIABILITIES

	31.12.2024				31.12.2023			
	Insurance contracts				Insurance contracts			
(In EURm)	With direct participations features	Other	Other	Total	With direct participations features	Other	Other	Total
Financial liabilities at fair value through profit or loss	**183**	**-**	**4,162**	**4,345**	**82**	**-**	**4,017**	**4,099**
Trading portfolio	*182*	*-*	*362*	*544*	*82*	*-*	*503*	*585*
Financial instruments measured using fair value option through profit or loss(1)	*1*	*-*	*3,801*	*3,802*	*-*	*-*	*3,514*	*3,514*
Hedging derivatives	**-**	**-**	**13**	**13**	**-**	**-**	**-**	**-**
Due to banks	**3,309**	**236**	**22**	**3,567**	**2,442**	**6**	**84**	**2,532**
Customer deposits	**-**	**-**	**5**	**5**	**-**	**-**	**4**	**4**
TOTAL OF FINANCIAL LIABILITIES FROM INSURANCE ACTIVITIES	**3,492**	**236**	**4,202**	**7,930**	**2,524**	**6**	**4,105**	**6,635**
Insurance contracts issued liabilities	147,761	2,930	-	150,691	138,976	2,746	-	141,722
Reinsurance contracts held liabilities	-	-	-	-	-	1	-	1
TOTAL INSURANCE AND REINSURANCE CONTRACTS LIABILITIES	**147,761**	**2,930**	**-**	**150,691**	**138,976**	**2,747**	**-**	**141,723**

(1) *The financial instruments measured using the fair value option correspond to the unit-linked contracts without participation features.*

NOTE 4.3.2 PERFORMANCE OF INSURANCE ACTIVITIES

The tables below show the details of the income and expenses recognised in the income statement or in the gains and losses directly recognised in equity by the Group's insurance subsidiaries for:

- the commercial performance of insurance services presented within the Net income of insurance services;
- the financial performance related to the management of contracts resulting from:
  - the financial income and expenses recognised on insurance contracts,
  - the financial income and expenses recognised on the investments backed on contracts;
- the financial performance of the other investments.

NOTE 4.3.2.1 DETAIL OF PERFORMANCE OF INSURANCE ACTIVITIES

	2024				2023			
	Insurance contracts				Insurance contracts			
(In EURm)	With direct participations features	Other	Other	Total	With direct participations features	Other	Other	Total
Financial result of investments and other transactions from insurance activities	**6,066**	**43**	**87**	**6,196**	**6,527**	**110**	**124**	**6,761**
Interest and similar income	1,455	47	152	1,654	1,477	33	168	1,678
Interest and similar expense	(358)	(15)	(99)	(472)	(261)	(11)	(113)	(385)
Fee income	2	-	2	4	10	-	1	11
Fee expense	(30)	(4)	(6)	(40)	(16)	(3)	(3)	(22)
Net gains and losses on financial transactions	4,964	6	40	5,010	5,411	92	74	5,577
o/w gains and losses on financial instruments at fair value through profit or loss	*5,049*	*7*	*58*	*5,114*	*5,467*	*97*	*74*	*5,638*
o/w gains and losses on financial instruments at fair value through other comprehensive income	*(85)*	*(1)*	*-*	*(86)*	*(56)*	*-*	*-*	*(56)*
o/w gains and losses from the derecognition of financial instruments at amortised cost	*-*	*-*	*(18)*	*(18)*	*-*	*(5)*	*-*	*(5)*
Cost of credit risk from financial assets related to insurance activities	1	-	-	1	7	-	-	7
Net income from other activities[1]	32	9	(2)	39	(101)	(1)	(3)	(105)
Insurance service result	**1,080**	**673**		**1,753**	**958**	**620**		**1,578**
Income from insurance contracts issued	1,348	2,503		3,851	1,259	2,280		3,539
Insurance service expenses	(268)	(1,790)		(2,058)	(301)	(1,677)		(1,978)
Income and expenses from reinsurance contracts held	-	(40)		(40)	-	17		17
Financial result of insurance services	**(5,837)**	**(51)**		**(5,888)**	**(6,245)**	**(35)**		**(6,280)**
Net finance income or expenses from insurance contracts issued	(5,837)	(64)		(5,901)	(6,245)	(40)		(6,285)
Net finance income or expenses from reinsurance contracts held	-	13		13	-	5		5
Unrealised or deferred gains and losses from investments that will be reclassified subsequently into income	**238**	**30**	**(19)**	**249**	**2,137**	**72**	**10**	**2,219**
Revaluation of debt instruments at fair value through other comprehensive income	246	30	(6)	270	2,099	72	10	2,181
Revaluation of hedging derivatives	(8)	-	(13)	(21)	38	-	-	38
Unrealised or deferred gains and losses from insurance contracts that will be reclassified subsequently into income	**(249)**	**(3)**		**(252)**	**(2,150)**	**16**		**(2,134)**
Revaluation of insurance contracts issued	(238)	(22)		(260)	(2,147)	17		(2,130)
Revaluation of the reinsurance contracts held	(11)	19		8	(3)	(1)		(4)

(1) The item Net income from other activities corresponds to Income and expenses from renting, mobility and other activities.

NOTE 4.3.2.2 MONITORING OF THE AMOUNT OF THE GAINS AND LOSSES DIRECTLY RECOGNISED IN EQUITY FOR DEBTS INSTRUMENTS UNDERLYING CONTRACTS WITH DIRECT PARTICIPATION FEATURES PRESENT AS AT THE TRANSITION DATE

The Group elected, for the groups of contracts with direct participation features, to recognise in the Net income of the period the financial income or expenses that eliminate accounting mismatches with the income or expenses recognised in the Net income for the underlying items held. Consequently, insurance subsidiaries directly recognise in equity the difference between the total financial income or expenses to be booked for the period for the contracts with direct participation features and the amount recognised in the Net income to eliminate an accounting mismatch.

The table below shows the changes in cumulative amount of the financial income and expenses related to insurance activities recognised directly in equity in relation to the contracts with direct participation features identified as at 1 January 2022 (date of transition to the new measurement method of contracts provided by IFRS 17).

	2024	2023
(In EURm)	**Cumulative amounts included in OCI for debt instruments underlying direct participation contracts present on the date of transition**	**Cumulative amounts included in OCI for debt instruments underlying direct participation contracts present on the date of transition**
Opening balance	**(2,366)**	**(4,308)**
Unrealised or deferred gains and losses for the period and Unrealised or deferred gains and losses reclassified in profit or loss	396	1,942
Closing balance	**(1,970)**	**(2,366)**

NOTE 4.3.3 DETAILS RELATING TO OUTSTANDING INSURANCE CONTRACTS

The Group elected not to show detailed information regarding the reinsurance contracts held owing to their low materiality Group-wide.

SUMMARY OF THE OUTSTANDING STOCK

	2024				2023			
	Insurance contracts				Insurance contracts			
(In EURm)	**With direct participations features**	**Other**	**Other**	**Total**	**With direct participations features**	**Other**	**Other**	**Total**
Insurance contracts issued assets	-	15	-	15	-	81	-	81
o/w insurance contracts measured under the general model	*-*	*15*	*-*	*15*	*-*	*46*	*-*	*46*
Insurance contracts issued liabilities	147,761	2,930	-	150,691	138,976	2,746	-	141,722
o/w insurance contracts measured under the general model	*147,761*	*1,272*	*-*	*149,033*	*138,976*	*1,474*	*-*	*140,450*
Reinsurance contracts held assets	-	600	-	600	-	378	-	378
o/w reinsurance contracts measured under the general model	*-*	*257*	*-*	*257*	*-*	*137*	*-*	*137*
Reinsurance contracts held liabilities	-	-	-	-	-	1	-	1
o/w reinsurance contracts measured under the general model	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*
Investment contracts(1)	-	-	3,801	3,801	-	-	3,514	3,514

(1) *Investment contracts with no discretionary participation features measured at fair value through profit or loss using the fair value option.*

DETAILED NET INCOME FROM INSURANCE SERVICES

The table below shows the Net income from insurance services. The way in which the Insurance income and expenses are recognised are detailed in the accounting principles under the Presentation of the financial performance of insurance contracts heading.

	2024			2023		
	Insurance contracts			Insurance contracts		
(In EURm)	with direct participations features	Other	Total	with direct participations features	Other	Total
Income from insurance contracts issued	**1,348**	**2,503**	**3,851**	**1,259**	**2,280**	**3,539**
Contracts measured under the general model	1,348	1,017	2,365	1,259	1,040	2,299
Income of premiums (relating to changes in liabilities for remaining coverage) relative to:						
Deferred acquisition costs	*30*	*186*	*216*	*25*	*170*	*195*
Expected claims and handling costs	*128*	*420*	*548*	*147*	*441*	*588*
Expected non-financial risk adjustment	*291*	*116*	*407*	*272*	*115*	*387*
Expected contractual services margin	*899*	*295*	*1,194*	*815*	*314*	*1,129*
Contracts measured under the PAA	-	1,486	1,486	-	1,240	1,240
Insurance service expenses	**(268)**	**(1,790)**	**(2,058)**	**(301)**	**(1,677)**	**(1,978)**
Amortisation of acquisition costs	(30)	(312)	(342)	(25)	(288)	(313)
Net expenses for expected costs of claims, handling costs and non-financial risk adjustment (changes in Liabilities Incurred claims) – Incurred in the period	(236)	(1,844)	(2,080)	(276)	(1,645)	(1,921)
Changes in net expenses for expected costs of claims and handling costs (changes in liabilities Incurred claims) – Past services	-	360	360	-	265	265
Losses and reversals of losses on onerous contracts (changes in liabilities for remaining coverage)	(2)	6	4	-	(9)	(9)
Net income or expenses from reinsurance contracts held	**-**	**(40)**	**(40)**	**-**	**17**	**17**
INSURANCE SERVICE RESULT	**1,080**	**673**	**1,753**	**958**	**620**	**1,578**

NOTE 4.3.3.1 INSURANCE CONTRACTS MEASURED UNDER THE GENERAL MODEL (INCLUDING INSURANCE CONTRACTS ISSUED WITH DIRECT PARTICIPATION FEATURES) AND THE SIMPLIFIED MODEL

TABLE OF RECONCILIATION OF THE INSURANCE CONTRACTS LIABILITIES BY TYPE OF COVERAGE (REMAINING COVERAGE AND CLAIMS INCURRED)

	2024					
	Remaining coverage		Incurred claims (measured under the general model)	Incurred claims (measured under the PAA)		Total
(In EURm)	Excluding the loss component	Loss component		Present value of the future cash flows	Non-financial risk adjustment	
Insurance contracts issued liabilities	139,155	32	985	1,444	106	141,722
Insurance contracts issued assets	(87)	4	33	(31)	-	(81)
NET BALANCE AS AT 1 JANUARY	**139,068**	**36**	**1,018**	**1,413**	**106**	**141,641**
Income from insurance contracts issued[1]	**(3,851)**	**-**	**-**	**-**	**-**	**(3,851)**
Insurance service expenses	**342**	**(4)**	**733**	**997**	**(10)**	**2,058**
Amortisation of acquisition costs	*342*	*-*	*-*	*-*	*-*	*342*
Net expenses for expected costs of claims, handling costs and non-financial risk adjustment (changes in Liabilities Incurred Claims) – Incurred in the period	*-*	*-*	*911*	*1,134*	*35*	*2,080*
Changes in net expenses for expected costs of claims and handling costs (changes in Liabilities Incurred Claims) – Past services	*-*	*-*	*(178)*	*(137)*	*(45)*	*(360)*
Losses and reversals of losses on onerous contracts (changes in Liabilities for Remaining Coverage)	*-*	*(4)*	*-*	*-*	*-*	*(4)*
Net finance income or expenses from insurance contracts issued[2]	**6,079**	**1**	**16**	**54**	**2**	**6,152**
Changes relative to the deposits component including in the insurance contract	**(12,225)**	**-**	**12,225**	**-**	**-**	**-**
Other changes	**(1,277)**	**3**	**64**	**(124)**	**(7)**	**(1,341)**
Cash flows:	**19,502**	**-**	**(12,878)**	**(607)**	**-**	**6,017**
Premiums received (as a reduction of premiums to be received included in the remaining coverage)	*20,077*	*-*	*-*	*-*	*-*	*20,077*
Costs of claims and handling costs (as a reduction of the incurred claims liabilities)	*-*	*-*	*(12,878)*	*(607)*	*-*	*(13,485)*
Paid acquisition costs (as a net adjustment of the remaining coverage following the transfer of deferred amounts or amortisations)	*(575)*	*-*	*-*	*-*	*-*	*(575)*
NET BALANCE AS AT 31 DECEMBER	**147,638**	**36**	**1,178**	**1,733**	**91**	**150,676**
Insurance contracts issued liabilities	147,661	36	1,171	1,732	91	150,691
Insurance contracts issued assets	(23)	-	7	1	-	(15)

(1) Of which, for the insurance contracts present on the transition date (and measured under the general model excluding the VFA model): EUR 281 million using the modified retrospective approach. Products from insurance contracts issued with direct participation are not monitored because the Group does not subdivide these contracts into annual cohorts in accordance with the exemption adopted by the European Union.

(2) This heading includes the financial expenses and income that were recorded under the heading Revaluation of insurance contracts in equity within Gains and losses recognised directly in equity and which will be reclassified later in profit or loss.

(In EURm)	2023					
	Remaining coverage		Incurred claims (measured under the general model)	Incurred claims (measured under the PAA)		Total
	Excluding the loss component	Loss component		Present value of the future cash flows	Non-financial risk adjustment	
Insurance contracts issued liabilities	134,009	21	944	820	80	135,874
Insurance contracts issued assets	(39)	5	(10)	2	-	(42)
NET BALANCE AS AT 1 JANUARY	**133,970**	**26**	**934**	**822**	**80**	**135,832**
Income from insurance contracts issued[(1)]	**(3,539)**	**-**	**-**	**-**	**-**	**(3,539)**
Insurance service expenses	**313**	**9**	**796**	**854**	**6**	**1,978**
Amortisation of acquisition costs	*313*	-	-	-	-	*313*
Net expenses for expected costs of claims, handling costs and non-financial risk adjustment (changes in Liabilities Incurred Claims) – Incurred in the period	-	-	*987*	*893*	*41*	*1,921*
Changes in net expenses for expected costs of claims and handling costs (changes in Liabilities Incurred Claims) – Past services	-	-	*(191)*	*(39)*	*(35)*	*(265)*
Losses and reversals of losses on onerous contracts (changes in Liabilities for Remaining Coverage)	-	*9*	-	-	-	*9*
Net finance income or expenses from insurance contracts issued[(2)]	**8,394**	**1**	**(5)**	**23**	**2**	**8,415**
Changes relative to the deposits component including in the insurance contract	**(14,635)**	**-**	**14,635**	**-**	**-**	**-**
Other changes	**(328)**	**-**	**128**	**499**	**18**	**317**
Cash flows:	**14,893**	**-**	**(15,470)**	**(785)**	**-**	**(1,362)**
Premiums received (as a reduction of premiums to be received included in the remaining coverage)	*15,348*	-	-	-	-	*15,348*
Costs of claims and handling costs (as a reduction of the incurred claims liabilities)	-	-	*(15,470)*	*(785)*	-	*(16,255)*
Paid acquisition costs (as a net adjustment of the remaining coverage following the transfer of deferred amounts or amortisations)	*(455)*	-	-	-	-	*(455)*
NET BALANCE AS AT 31 DECEMBER	**139,068**	**36**	**1,018**	**1,413**	**106**	**141,641**
Insurance contracts issued liabilities	139,155	32	985	1,444	106	141,722
Insurance contracts issued assets	(87)	4	33	(31)	-	(81)

(1) Of which, for the insurance contracts present on the transition date (and measured under the general model): EUR 371 million using the modified retrospective approach. Products from insurance contracts issued with direct participation are not monitored because the Group does not subdivide these contracts into annual cohorts in accordance with the exemption adopted by the European Union.

(2) This heading includes the financial expenses and income that were recorded under the heading Revaluation of insurance contracts in equity within Gains and losses recognised directly in equity and which will be reclassified later in profit or loss.

NOTE 4.3.3.2 CONTRACTS MEASURED UNDER THE GENERAL MODEL (INCLUDING INSURANCE CONTRACTS ISSUED WITH DIRECT PARTICIPATION)

TABLE OF RECONCILIATION OF THE INSURANCE CONTRACTS LIABILITIES ISSUED BY ESTIMATE COMPONENTS (DISCOUNTED FUTURE CASH FLOWS, ADJUSTMENT FOR NON-FINANCIAL RISK AND CONTRACTUAL SERVICE MARGIN

	2024			
(In EURm)	**Present value of the future cash flows**	**Non-financial risk adjustment**	**Contractual services margin**	**Total**
Insurance contracts issued liabilities	127,374	3,844	9,232	140,450
Insurance contracts issued assets	(239)	57	136	(46)
NET BALANCE AS AT 1 JANUARY	**127,135**	**3,901**	**9,368**	**140,404**
Changes that relate to future services	**(681)**	**112**	**569**	**-**
Changes in estimates that adjust the CSM	*272*	*(218)*	*(54)*	*-*
Changes in estimates that result in losses and reversals on onerous contracts (i.e. that do not adjust the CSM)	*(2)*	*(2)*	*-*	*(4)*
Effect of new contracts recognised in the year	*(951)*	*332*	*623*	*4*
Changes that relate to current services	**274**	**(326)**	**(1,194)**	**(1,246)**
Contractual services margin recognised in profit or loss for services provided	*-*	*-*	*(1,194)*	*(1,194)*
Change in non-financial risk adjustment for risk expired	*-*	*(326)*	*-*	*(326)*
Experiences adjustments	*274*	*-*	*-*	*274*
Changes that relate to past services (*i.e.* changes in fullfilment cash flows relative to incurred claims)	**(125)**	**(54)**	**-**	**(179)**
Net finance income or expenses from insurance contracts issued[(1)]	**6,061**	**13**	**22**	**6,096**
Other changes	**(1,373)**	**(47)**	**(100)**	**(1,520)**
Cash flows:	**5,463**	**-**	**-**	**5,463**
Premiums received (as a reduction of premiums to be received included in the remaining coverage)	*18,768*	*-*	*-*	*18,768*
Costs of claims and handling costs (as a reduction of the incurred claims liabilities)	*(12,877)*	*-*	*-*	*(12,877)*
Paid acquisition costs (as a net adjustment of the remaining coverage following the transfer of deferred amounts or amortisations)	*(428)*	*-*	*-*	*(428)*
NET BALANCE AS AT 31 DECEMBER	**136,754**	**3,599**	**8,665**	**149,018**
Insurance contracts issued liabilities[(2)]	136,793	3,593	8,647	149,033
Insurance contracts issued assets[(2)]	(39)	6	18	(15)

(1) This heading includes the financial income and expenses that were recorded under the heading Revaluation of insurance contracts in equity within Gains and losses recognised directly in equity and which will be reclassified later in profit or loss.

(2) Of which, for the contractual service margin of the insurance contracts present on the transition date (and measured under the general model excluding the VFA model): EUR 360 million using the modified retrospective approach. The stock of contractual service margin of the insurance contracts present on the transition date is not monitored on the VFA model because the Group does not distinguish between annual cohorts on this scope (see exemption on annual cohorts in the Accounting Principles on contract groupings).

	2023			
(In EURm)	**Present value of the future cash flows**	**Non-financial risk adjustment**	**Contractual services margin**	**Total**
Insurance contracts issued liabilities	123,297	3,452	8,118	134,867
Insurance contracts issued assets	(214)	40	134	(40)
NET BALANCE AS AT 1 JANUARY[(1)]	**123,083**	**3,492**	**8,252**	**134,827**
Changes that relate to future services	**(3,018)**	**767**	**2,266**	**15**
Changes in estimates that adjust the CSM	*(2,582)*	*622*	*1,960*	*-*
Changes in estimates that result in losses and reversals on onerous contracts (i.e. that do not adjust the CSM)	*11*	*1*	*-*	*12*
Effect of new contracts recognised in the year	*(447)*	*144*	*306*	*3*
Changes that relate to current services	**311**	**(308)**	**(1,129)**	**(1,126)**
Contractual services margin recognised in profit or loss for services provided	*-*	*-*	*(1,129)*	*(1,129)*
Change in non-financial risk adjustment for risk expired	*-*	*(308)*	*-*	*(308)*
Experiences adjustments	*311*	*-*	*-*	*311*
Changes that relate to past services (*i.e.* changes in fullfilment cash flows relative to incurred claims)	**(137)**	**(54)**	**-**	**(191)**
Net finance income or expenses from insurance contracts issued[(2)]	**8,370**	**1**	**18**	**8,389**
Other changes	**376**	**3**	**(39)**	**340**
Cash flows:	**(1,850)**	**-**	**-**	**(1,850)**
Premiums received (as a reduction of premiums to be received included in the remaining coverage)	*13,954*	*-*	*-*	*13,954*
Costs of claims and handling costs (as a reduction of the incurred claims liabilities)	*(15,470)*	*-*	*-*	*(15,470)*
Paid acquisition costs (as a net adjustment of the remaining coverage following the transfer of deferred amounts or amortisations)	*(334)*	*-*	*-*	*(334)*
NET BALANCE AS AT 31 DECEMBER	**127,135**	**3,901**	**9,368**	**140,404**
Insurance contracts issued liabilities[(3)]	127,374	3,844	9,232	140,450
Insurance contracts issued assets[(3)]	(239)	57	136	(46)

(1) Of which, for the contractual service margin of the insurance contracts present on the transition date (and measured under the general model): EUR 390 million using the modified retrospective approach. The stock of contractual service margin of the insurance contracts present on the transition date is not monitored on the VFA model because the Group does not distinguish between annual cohorts on this scope (see exemption on annual cohorts in the Accounting Principles on contract groupings).

(2) This heading includes the financial income and expenses that were recorded under the heading Revaluation of insurance contracts in equity within Gains and losses recognised directly in equity and which will be reclassified later in profit or loss.

(1) Of which, for the contractual service margin of the insurance contracts present on the transition date (and measured under the general model): EUR 255 million using the modified retrospective approach. The stock of contractual service margin of the insurance contracts present on the transition date is not monitored on the VFA model because the Group does not distinguish between annual cohorts on this scope (see exemption on annual cohorts in the Accounting Principles on contract groupings).

DETAILED EFFECT OF THE NEW CONTRACTS RECOGNISED DURING THE PERIOD

	2024		2023	
(In EURm)	Insurance contracts issued	o/w transfer of contracts	Insurance contracts issued	o/w transfer of contracts
Present value of:				
Estimated cash outflows	15,255	-	6,846	-
o/w acquisitions costs	*428*	-	*334*	-
o/w costs of claims and handling costs	*14,827*	-	*6,512*	-
Estimated cash inflows	(16,210)	-	(7,296)	-
Non-financial risk adjustment	**332**	**-**	**144**	**-**
Contractual services margin	**623**	**-**	**306**	**-**
Loss component on onerous contracts	**4**	**-**	**3**	**-**
TOTAL	**4**	**-**	**3**	**-**

NOTE 4.3.3.3 DETAILS ON THE PROJECTED ITEMS RELATING TO THE MEASUREMENT OF CONTRACTS

SCHEDULING OF THE CASH FLOWS RELATED TO THE INSURANCE AND REINSURANCE CONTRACTS LIABILITIES

(In EURm)	Up to 3 months	3 months to 1 year	1 to 5 years	More than 5 years	2024
Insurance and reinsurance contracts liabilities	4,314	10,619	42,427	93,331	150,691

EXPECTED RECOGNITION IN THE INCOME STATEMENT OF THE CONTRACTUAL SERVICE MARGIN DETERMINED AT THE END OF THE PERIOD(1)

(In EURm)	31.12.2024	31.12.2023
Expected years before recognising CSM in profit or loss	**Insurance contracts issued**	**Insurance contracts issued**
1 to 5 years	3,727	3,901
6 to 10 years	2,039	1,913
> 10 years	2,899	3,554
TOTAL	**8,665**	**9,368**

(1) The contractual service margin determined at the end of the period does not include future new insurance contracts, and insurance contracts valued according to the simplified model. Furthermore, this contractual service margin includes the discounting effect and the adjustment taking into account the financial performance of the underlying assets.

NOTE 4.3.4 INSURANCE RISK MANAGEMENT

Insurance risk is the risk of loss inherent in the insurance business; the Group is exposed to it through its insurance subsidiaries. In addition to asset and liability risk management (interest rate, valuation, counterparty and exchange rate risk), this covers the risks related to premium pricing, mortality and increase in the number of claims.

NOTE 4.3.4.1 MANAGEMENT OF INSURANCE RISK

There are two main types of insurance risk:

- **technical risks**, and particularly underwriting risk in life insurance, individual personal protection and non-life insurance. These risks may be biometric: disability, longevity, mortality, or related to policyholders' behaviour (risk of surrender). To a lesser extent, in non-life and health insurance, such risks may also arise from claims pricing, selection and management, or from disaster risk;
- **risks associated with financial markets and asset-liability management**: the Insurance business line, mainly through life insurance on the French market, is exposed to hazards in financial markets (changes in interest rates and stock market fluctuations). These market hazards can be aggravated by policyholder behaviour (particularly in the case of surrender of savings life insurance policies) insofar as the amount of benefits on savings life insurance policies depends on the financial performance of the assets. This interaction between assets and liabilities is considered in the valuation of future cash flows.

The savings life insurance portfolio constitutes the majority of commitments for an amount of EUR 147,761 million as at 31 December 2024 recognised as Insurance contracts issued liabilities with direct participation features (EUR 138,976 million as at 31 December 2023). In addition, the commitments of the protection portfolio recognised in Insurance contracts issued liabilities excluding direct participation feature amounted to EUR 2,930 million as at 31 December 2024 (EUR 2,746 million as at 31 December 2023).

Managing these risks is at the core of the Insurance business line activity. It is carried out by qualified and experienced teams, with significant and appropriate IT resources. Risks are regularly monitored and reported within the framework of risk policies validated by the Board of Directors of the entities.

Technical risk management

Technical risk management are based on the following:

- heightened security for the risk acceptance process, with the aim of ensuring that the *ab initio* pricing matches the policyholder's risk profile and underwritten guarantees;
- regular monitoring of claim indicators in order to adjust some product parameters, such as the pricing or the level of coverage, if necessary;
- implementation of a reinsurance plan to protect the business line against major/serial claims;
- establishment of committees to monitor portfolio risks and decide on the launch of significant new products;
- implementation of the policies on subscription, provisioning and reinsurance risks.

RISK CONCENTRATION

The most material exposures in the portfolio are diversified on the French territory and do not show any specific concentration with regard to the French insurance market. The ALM and Risk Management Committee of the Insurance business line sets concentration limits per issuer and for certain sectors. This Committee is regularly informed of the exposures and possible exceedances.

Risk management related to financial markets and asset-liability management

The management of the risks linked to the financial markets and asset-liability management is an integral part of the investment strategy just like long-term performance objectives. The optimisation of these two factors is highly influenced by the asset/liability balances. Liability commitments (guarantees offered to customers, policies length of detention), as well as the amounts booked under the major items on the accounting and prudential balance sheet (shareholders' equity, net income, provisions etc.) are analysed by the Finance, Investments and Risk division of the Insurance business line.

The management of the risks related to financial markets (interest rate, credit and equity) and to asset-liability management is based on the following:

- monitoring short- and long-term cash flows (match between the duration of the liabilities and assets, liquidity risk management);
- particular monitoring of policyholder behaviour (surrender);
- close monitoring of financial markets;
- hedging against interest rate risks (both upside and downside);
- hedging against equity risk downside;
- determination of thresholds and limits per counterparty, per issuer rating and per asset class;
- performance of stress tests, the result of which are presented annually to the entities' Board of Directors, as part of the ORSA (Own Risk and Solvency Assessment), transferred to the ACPR after approval by the Board;
- organisation of committees to monitor the portfolio and to rule on investment decisions; implementation of the asset-liability management and investment risk policies.

CONCENTRATION OF MARKET RISK AND CREDIT RISK

The companies in the Insurance business line invest in the various types of financial products while respecting a prudent investment risk management policy. Within each type of securities, exposures are diversified in terms of geography, issuers and sectors. The implementation of this policy is characterised by the definition of thresholds, limits and constraints. The main concentrations are monitored within the framework of the ALM and Risk Management Committee. Similarly, the concentration of credit risk is subject to thresholds and limits. Any crossing of thresholds or limits is reported to the ALM and Risk Management Committee, an emanation of the Board of Directors.

Regulatory framework

The Sogécap group is subject to the European "Solvency 2" framework. The capital requirement is determined using the standard formula and the yield curve with the volatility adjustment provided by the European Insurance and Occupational Pensions Authority.

NOTE 4.3.4.2 INSURANCE RISK MODELING

In savings life insurance, the ALM stochastic model takes into account asset/liability interactions and integrates assumptions regarding policyholder behaviour (surrenders, death, arbitrage), the behaviour of the insurer (interest rate policy in line with the investment policy), the use of financial reserves, and the modelling of fees and commissions.

In protection, liabilities are projected based on adapted models that reflect the flows of premiums, claims and fees related to the management of these claims. They include assumptions and calculation parameters such as experience or mortality tables, fall or early repayment rates depending on the product, overhead rates, inflation, etc.

The models used in relation to Insurance activities are reviewed by the Risk and Actuarial Supervision Department, which is the second line of defence in the context of model risk management. The review work focuses on the theoretical robustness (evaluation of the quality of design and development) of the models, their use, the compliance of their implementation and the continuous monitoring of their relevance over time. The independent review process ends with (i) the publication of a report describing the scope of the review, tests performed, results, conclusions or recommendations and by (ii) Validation Committees.

NOTE 4.3.4.3 INSURANCE RISK EXPOSURES AND SENSITIVITY ANALYSES

Technical insurance risks

In life insurance, the Insurance business line is mainly exposed to surrender risks due to the preponderance of euro-denominated contracts in life insurance and borrower' insurance, and to a lesser extent, to mortality risk. The risk of surrender in life insurance is mitigated by the loss absorption capacity of the technical reserves (ability to reduce the level of discretionary profit-sharing attributed to policyholders). The Group implements a reinsurance program mainly to mitigate the mortality risks carried in the borrowers' insurance, individual personal protection and term life insurance contracts.

SENSITIVITY OF THE INSURANCE BUSINESS LINE TO UNDERWRITING RISK ON THE "SAVINGS" SCOPE (INSURANCE CONTRACTS WITH DIRECT PARTICIPATION FEATURES)

		31.12.2024	
Risk factors *(In EURm)*	**Shock used**	**Impact On the Net Income**	**Impact on the capital**
Increase in surrender	5% of outstanding 2024 year end	(15)	(15)

In property and casualty insurance, the Group is exposed to underwriting risk, *i.e.* the risk of loss of capital resulting from the difference between the costs related to the claims expected when pricing and the actual costs resulting from unfavourable changes in one or more risk factors (deviation in the frequency, the average costs, occurrence of atypical events).

Financial risks

Market risk: given the preponderance of savings life insurance among its insurance business line, the Group is mainly exposed to market risk, defined as the risk of loss of capital on the value of financial instruments resulting from variations in market parameters, the volatility of these parameters and correlations between these parameters. The parameters concerned are, in particular exchange rates, interest rates, as well as the prices of securities (shares, bonds), financial derivatives, real estate assets or any other assets.

Sensitivities have been identified in relation to the main financial risk factors analysed either alone or in combination. They take into account policyholder behaviours (in particular surrender) and are net of tax and net of the participation allocated to policyholders.

SENSITIVITY OF THE INSURANCE BUSINESS LINE TO MARKET RISKS IN THE SAVINGS SCOPE (INSURANCE CONTRACTS WITH DIRECT PARTICIPATION)

		31.12.2024	
Risk factors *(In EURm)*	**Shock used**	**Impact On the Net Income**	**Impact on the capital**
Rising rates	+50 bps	(3.5)	(3.5)
Lower rates	-50 bps	(1)	(1)
Decline in equities	-10%	(14)	(14)

Liquidity risk: in the context of insurance operations, liquidity risk corresponds to the inability of the Insurance business line to meet its contractual obligations and settle reported claims (potential losses incurred in the event of forced sales of assets or when financial assets are invested in illiquid markets). Liquidity risk is governed by the investment risk management policy and the risk management policy of the Insurance business line; The rules for allocating asset portfolios lead to a diversification of these portfolios and a limitation of investments in low liquidity assets (private equity, real estate, etc.).

ALM studies on liquidity risk ensure that the investment structure of the Insurance business line is consistent with its insurance commitments. The framework for strategic asset allocation also makes it possible to limit this risk.

Credit risk: the implementation of thresholds and limits per counterparty makes it possible to limit this risk on financial assets. Information on the credit risk of the financial assets of the insurance business is detailed in Note 3.8. In addition, the default risk of reinsurers (representative of the claims receivable net of premiums to be paid) is mitigated by collateral received from reinsurers, mainly in the form of high-quality securities or cash.

NOTE 4.4 Other assets and liabilities

NOTE 4.4.1 OTHER ASSETS

(In EURm)	31.12.2024	31.12.2023
Guarantee deposits paid[1]	50,970	51,611
Settlement accounts on securities transactions	4,518	2,835
o/w due from clearing houses bearing credit risk	*278*	*163*
Prepaid expenses	1,792	1,680
Miscellaneous receivables[2]	14,254	14,111
o/w miscellaneous receivables bearing credit risk[3]	*6,514*	*6,404*
GROSS AMOUNT	**71,534**	**70,237**
Impairments	(631)	(472)
Credit risk[3]	*(405)*	*(328)*
Other risks	*(226)*	*(144)*
NET AMOUNT	**70,903**	**69,765**

(1) Mainly relates to guarantee deposits paid on financial instruments, their fair value is assumed to be the same as their book value net of impairment for credit risk.
(2) Miscellaneous receivables primarily include trade receivables, fee income and income from other activities to be received. The operating leases receivables equal to EUR 2,115 million as at 31 December 2024, compared to EUR 2,325 million as at 31 December 2023.
(3) Net value of miscellaneous receivables bearing credit risk amounts to EUR 6,109 million as at 31 December 2024, compared to EUR 6,076 million as at 31 December 2023 (see Note 3.8).

NOTE 4.4.2 OTHER LIABILITIES

(In EURm)	31.12.2024	31.12.2023
Guarantee deposits received[1]	54,259	53,253
Settlement accounts on securities transactions	4,822	3,576
Expenses payable on employee benefits	2,820	2,566
Lease liability	2,003	2,065
Deferred income	1,560	1,643
Miscellaneous payables[2]	25,322	30,555
TOTAL	**90,786**	**93,658**

(1) Mainly relates to guarantee deposits received on financial instruments, their fair value is assumed to be the same as their book value.
(2) Miscellaneous payables primarily include trade payables, fee expense and expense from other activities to be paid.

NOTE 5 OTHER GENERAL OPERATING EXPENSES

(In EURm)		31.12.2024	31.12.2023
Personnel expenses[1]	Note 5.1	(11,544)	(10,645)
Other operating expenses[1]	Note 5.2	(6,028)	(6,887)
Other general operating expenses attributable to the insurance contracts[2]		751	683
TOTAL		**(16,821)**	**(16,849)**

(1) The amount of Personnel costs and Other administrative costs is presented in Note 5.1 and Note 5.2 before reallocation within the Net banking income of the expenses relating to insurance contracts.

(2) General operating expenses relating to insurance contracts are recognised during the period as service expenses relating to the insurance and reinsurance contracts issued except for acquisition costs which are recorded in the balance sheet to be recognised as profit or loss in subsequent periods.

Reorganisation of the headquarters of Societe Generale in France

On 5 February 2024, Societe Generale announced a reorganisation within its headquarters in France in order to simplify its operations and structurally improve its operational efficiency.

The objective is to consolidate and pool certain activities and functions, to eliminate hierarchical layers to streamline decision-making processes and to resize certain teams due to the review of projects or processes.

The implementation of these organisational changes results in approximately 900 job cuts without forced redundancies (*i.e.* approximately 5% of the headquarters workforce).

The cost of the social support measures implemented as part of this reorganisation amounts to approximately EUR 0.3 billion.

NOTE 5.1 Personnel expenses and employee benefits

MAKE IT SIMPLE

Employee benefits correspond to the compensation granted by the Group to its employees in exchange for work carried out during the annual reporting period.

All forms of compensation for work rendered are recorded in the expenses:

- whether it be paid to employees or to outside social security agencies;
- whether it be paid during the annual reporting period or to be paid by the Group in the future as entitlements to employees (pension plans, retirement benefits…);
- whether it be paid in cash or in Societe Generale shares (free share plans, stock options).

Information related to the Group headcount is presented in Chapter 5 of the present Universal Registration Document (Corporate Social Responsibility).

NOTE 5.1.1 PERSONNEL EXPENSES AND RELATED PARTY TRANSACTIONS

ACCOUNTING PRINCIPLES

Personnel expenses include all expenses related to personnel, including employee benefits and expenses related to payments based on Societe Generale shares.

Short-term employee benefits are recorded under “Personnel expenses” during the period according to the services provided by the employee.

The accounting principles relating to post-employment benefits and other long-term benefits are described in Note 5.1.2.

Personnel expenses include related party transactions, within the meaning of IAS 24.

The Group has selected as related parties:

- directors, corporate officers (the Chairman, the Chief Executive Officer and the Deputy Chief Executive Officer) and spouses and children living in their households;
- the following subsidiaries: subsidiaries controlled exclusively or jointly and companies over which Societe Generale exercises significant influence;
- entities controlled exclusively or jointly by a related party that is an individual.

NOTE 5.1.1.1 PERSONNEL EXPENSES

(In EURm)	2024	2023
Employee compensation	(8,355)	(7,708)
Social security charges and payroll taxes	(1,953)	(1,749)
Net pension expenses – defined contribution plans	(821)	(772)
Net pension expenses – defined benefit plans	(75)	(69)
Employee profit-sharing and incentives	(340)	(347)
TOTAL	**(11,544)**	**(10,645)**
Including net expenses from share – based payments	*(243)*	*(254)*

NOTE 5.1.1.2 RELATED-PARTY TRANSACTIONS

Remuneration of the Group’s managers

This includes amounts effectively paid by the Group to Directors and corporate officers as remuneration (including employer contributions) and other benefits as indicated below according to the nomenclature of IAS 24 – paragraph 17.

(In EURm)	2024	2023
Short-term benefits	14.7	13.2
Post-employment benefits	0.3	0.5
Long-term benefits	-	-
Termination benefits	-	-
Share-based payments	1.9	2.2
TOTAL	**16.9**	**15.9**

Related-party transactions

The transactions with members of the Board of Directors, Chief Executive Officers and members of their families included in this note only comprise loans and guarantees outstanding as at 31 December 2024 for a total amount of EUR 3.4 million. All other transactions with these individuals are insignificant.

Total amounts provisioned or booked by the Societe Generale Group for the payment of pensions and other benefits

The total amount provisioned or booked by the Societe Generale Group as at 31 December 2024 under IAS 19 for the payment of pensions and other benefits to Societe Generale’s Chief Executive Officers (Mr. Krupa, Mr. Aymerich, Mr. Palmieri and the three staff-elected Directors) is EUR 3.4 million.

NOTE 5.1.2 EMPLOYEE BENEFITS

ACCOUNTING PRINCIPLES

Employee benefits are divided into four categories:

- short-term employee benefits;
- post-employment benefits, including defined contributions plans and defined benefit plans such as pension plans and retirement benefits;
- others long-term employee benefits which are employee benefits not expected to be settled wholly before twelve months, such as defined variable compensation paid in cash and not indexed to the Societe Generale share, long service awards and time saving accounts;
- termination benefits.

Short-term employee benefits

Short-term employee benefits are recognised as Expenses payable on employee benefits. The settlement is expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service, such as fixed and variable compensation, annual leave, taxes and social security contributions, mandatory employer contributions and profit-sharing.

Post-employment benefits

Post-employment benefits can be broken down into two categories: defined contribution pension plans or defined benefit pension plans.

POST-EMPLOYMENT DEFINED CONTRIBUTION PLANS

Defined contribution plans limit the Group's liability to the subscriptions paid into the plan but do not commit the Group to a specific level of future benefits. Contributions paid are recorded as an expense for the current year.

POST-EMPLOYMENT DEFINED BENEFIT PLANS

Defined benefit plans commit the Group, either formally or constructively, to pay a certain amount or level of future benefits and therefore bare the associated medium or long-term risk.

Provisions are recognised on the liabilities side of the balance sheet under "Provisions", to cover the whole of these retirement obligations. These provisions are assessed regularly by independent actuaries using the projected unit credit method. This valuation technique incorporates assumptions about demographics, early retirement, salary rises and discount and inflation rates.

The Group can choose to finance defined benefit plans by assets held by a long-term employee benefit fund or by qualifying insurance policies. Funding assets, made by funds or insurance policies, are classified as plan assets if assets are held by an entity (fund) that is legally separate from the reporting entity and are available to be used only to pay employee benefits. When these plans are financed from external funds classified as plan assets, the fair value of these funds is subtracted from the provision to cover the obligations. When these plans are financed from funds not classified as plan assets, these funds, classified as separate assets, are displayed separately in the assets of the balance sheet under "Financial assets at fair value through profit or loss".

Differences arising from changes in calculation assumptions (early retirements, discount rates, etc.) and differences between actuarial assumptions and real performance are recognised as actuarial gains and losses. Actuarial gains and losses, as well as the return on plan assets excluding amounts expensed as net interest on the net defined benefit liability (or asset) and any change in the effect of the asset ceiling are components used to remeasure the net defined benefit liability (or asset). These components are immediately and fully recognised in shareholder's equity among Unrealised or deferred gains and losses and they cannot be subsequently reclassified as income.

These items cannot be subsequently reclassified as income and are presented under "Retained earnings" on the liabilities side of the balance sheet and on a separate line under the "Statement of net income and unrealised or deferred gains and losses".

When a new or amended plan comes into force, past service cost is immediately recognised in profit or loss.

An annual charge is recorded under "Personnel expenses" for defined benefit plans consisting of the additional entitlements vested by each employee (current service cost), past service cost resulting from a plan amendment or a curtailment, the financial expense resulting from the discount rate and the interest income on plan assets (net interest on the net defined benefit liability or asset), plan settlements.

Other long-term benefits

Other long-term employee benefits are benefits other than post-employment and termination benefits, that are paid to employees more than twelve months after the end of the annual period in which they provided the related services.

Other long-term benefits are measured and recognised in the same way as post-employment benefits, with the exception of actuarial gains and losses, which are immediately recognised as profit or loss.

Termination benefits

Termination benefits refer to the benefits to be granted to an employee following the termination by the entity of the staff member's employment contract before the normal retirement age or the decision of the staff member to voluntarily leave in exchange for these benefits.

Termination benefits payable more than twelve months after the closing date shall be discounted.

DETAIL OF PROVISIONS FOR EMPLOYEE BENEFITS

(In EURm)	Provisions as at 31.12.2023	Allocations	Write-backs available	Net allocation	Write-backs used	Actuarial gains and losses	Currency and scope effects	Provisions as at 31.12.2024
Post-employment benefits	1,217	88	(33)	55	(78)	(40)	(128)	1,026
Other long-term benefits	646	171	(69)	102	(76)	-	(19)	653
Termination benefits	210	411	(54)	357	(303)	(10)	6	260
TOTAL	**2,073**	**670**	**(156)**	**514**	**(457)**	**(50)**	**(141)**	**1,939**

Law No. 2024-364 of 22 April 2024 provides a legal framework for employees' rights to paid sick leave and applies retroactively from 1 December 2009. The provision of EUR 12 million that had been recorded as at 31 December 2023 following the decisions of the Court of Cassation has been adjusted to EUR 18.6 million in 2024.

NOTE 5.1.2.1 EMPLOYMENT DEFINED CONTRIBUTION PLANS

The main defined contribution plans provided to employees of the Group are located in France, in the United Kingdom and in the United States.

In France, they include state pension plans and other national pension plans such as AGIRC-ARRCO, as well as pension schemes put in place by certain Group entities whose only commitment is to pay annual contributions (PERCO).

In the United Kingdom, the employer pays contributions according to the age of the employees (from 4 to 10% of the salary) and can make extra contributions up to 4.5% for the voluntary additional employee contributions.

In the United States, employers fully match the first 8% of employee contributions, within the limit of USD 10,000.

NOTE 5.1.2.2 POST-EMPLOYMENT DEFINED BENEFIT PLANS

Post-employment pension plans include schemes offering annuities, plans offering retirement bonuses and mixed plans (cash balance). Benefits paid out in annuities supplement the pensions paid by the mandatory basic plans.

The main defined benefit plans are located in France, in Switzerland, in the United Kingdom and in the United States.

In France, the supplementary pension plan for executive managers, set up in 1991, allocates an annual allowance to beneficiaries covered by Societe Generale as described in Chapter 3 "Corporate Governance" of the present Universal Registration Document. This allowance depends in particular on the beneficiary's seniority within Societe Generale. Since 4 July 2019, date of publication of the ordinance ending the so-called "random rights" defined benefit pension plans in application of the *Loi Pacte*, this plan is closed to new employees and the rights of beneficiaries were frozen on 31 December 2019.

In Switzerland, the plan is managed by a personal protection insurance institution (the Foundation), comprised of employer and employee representatives. The employer and its employees pay contributions to the Foundation. Pension benefits are revalued at a guaranteed rate of return and converted to annuities (or lump-sum payment) also at a guaranteed conversion rate (cash balance scheme). Because of this minimum guaranteed return, the plan is considered similar to a defined benefit plan.

In the United Kingdom, the defined benefit plan has been closed to new employees for nearly 20 years, and the benefits of the last beneficiaries were frozen in 2015. The plan is managed by an independent institution (Trustee).

Similarly, in the United States, defined benefit plans were closed to new employees in 2015 and the vesting of new benefits was frozen.

RECONCILIATION OF ASSETS AND LIABILITIES RECORDED IN THE BALANCE SHEET

	31.12.2024			
(In EURm)	**France**	**United Kingdom**	**Others**	**Total**
A – Present value of defined benefit obligations	815	472	833	2,120
B – Fair value of plan assets	74	524	567	1,165
C – Fair value of separate assets	1,081	-	11	1,092
D – Change in asset ceiling	0	-	6	7
A - B - C + D = Net balance	**(340)**	**(52)**	**262**	**(130)**
ON THE LIABILITIES SIDE OF THE BALANCE SHEET	**743**	**(0)**	**284**	**1,026**
ON THE ASSETS SIDE[(1)] OF THE BALANCE SHEET	**1,083**	**52**	**22**	**1,156**

(1) *o/w EUR 1,092 million of separate assets recorded under "Financial assets at fair value through profit or loss" and EUR 64 million linked to surplus assets under "Other assets".*

	31.12.2023			
(In EURm)	**France**	**United Kingdom**	**Others**	**Total**
A – Present value of defined benefit obligations	882	582	962	2,426
B – Fair value of plan assets	78	617	555	1,250
C – Fair value of separate assets	1,076	-	-	1,076
D – Change in asset ceiling	-	-	1	1
A - B - C + D = Net balance	**(272)**	**(35)**	**408**	**101**
ON THE LIABILITIES SIDE OF THE BALANCE SHEET	**805**	**-**	**412**	**1,217**
ON THE ASSETS SIDE[(1)] OF THE BALANCE SHEET	**1,077**	**35**	**4**	**1,116**

(1) *o/w EUR 1,076 million of separate assets recorded under "Financial assets at fair value through profit or loss" and EUR 40 million linked to surplus assets under "Other assets".*

COMPONENTS OF THE COST OF DEFINED BENEFITS

(In EURm)	**2024**	**2023**
Current service cost including social security contributions	63	58
Employee contributions	(6)	(7)
Past service cost/curtailments	(13)	(5)
Transfer *via* the expense	(0)	(0)
Net interest	5	3
A – Components recognised in income statement	**49**	**49**
Actuarial gains and losses on assets	95	(59)
Actuarial gains and losses due to changes in demographic assumptions	(12)	(14)
Actuarial gains and losses due to changes in economic and financial assumptions	(109)	60
Actuarial gains and losses due to experience	13	(0)
Change in asset ceiling	(7)	1
B – Components recognised in unrealised or deferred gains and losses	**(20)**	**(12)**
C = A + B TOTAL COMPONENTS OF THE COST OF DEFINED BENEFITS	**28**	**37**

CHANGES IN THE PRESENT VALUE OF DEFINED BENEFIT OBLIGATIONS

(In EURm)	2024	2023
Balance as at 1 January	**2,426**	**2,298**
Current service cost including social security contributions	63	58
Past service cost/curtailments	(13)	(7)
Settlements	-	(0)
Net interest	86	91
Actuarial gains and losses due to changes in demographic assumptions	(12)	(14)
Actuarial gains and losses due to changes in economic and financial assumptions	(109)	60
Actuarial gains and losses due to experience	13	1
Foreign exchange adjustment	35	15
Benefit payments	(154)	(152)
Change in consolidation scope	(3)	(3)
Transfers and others	(211)	79
Balance as at 31 December	**2,120**	**2,426**

CHANGES IN THE FAIR VALUE OF FUNDING ASSETS

	Plan assets		Separate assets	
(In EURm)	2024	2023	2024	2023
Balance as at 1 January	**1,249**	**1,160**	**1,076**	**1,002**
Interest expenses on assets	48	50	34	38
Actuarial gains and losses on assets	(66)	23	(28)	36
Foreign exchange adjustment	35	16	0	-
Employee contributions	6	5	-	-
Employer contributions to plan assets	20	20	10	-
Benefit payments	(72)	(69)	(0)	(0)
Change in consolidation scope	-	-	-	-
Transfers and others	(55)	45	-	-
Change in asset ceiling	7	(1)	-	-
Balance as at 31 December	**1,172**	**1,249**	**1,092**	**1,076**

Information and terms regarding funding assets

Funding assets include plan assets and separate assets.

Funding assets represent around 107% of Group obligations, with different rates depending on the country.

Accordingly defined benefit plan obligations in France and the United Kingdom are fully hedged and hedged at 98% for the United States, while they are not funded in Germany.

The breakdown of the fair value of plan assets is as follows: 62% bonds, 14% equities and 24% other investments. Directly held Societe Generale shares are not significant.

Funding assets excess is EUR 434 million.

Employer contributions to be paid to post-employment defined benefit plans for 2025 are estimated at EUR 15 million.

Plan hedging strategies are defined locally in connection with the Finance and Human Resources Departments of the entities, by *ad hoc* structures (Trustees, Foundations, Joint structures etc.) if necessary. Besides, liability investment or financing strategies are monitored at Group level through a global governance system. Committee meetings, with the participation of representatives of the Human Resources Department, the Finance Department and the Risk Division, are organised in order to define Group guidelines for employee benefits investment and management, to validate decisions and to follow up the associated risks for the Group.

Depending on the duration of each plan and local regulations, funding assets are invested in equities and/or in fixed income products, whether guaranteed or not.

The actual returns on plan and separate assets can be broken down as follows:

(In EURm)	2024	2023
Plan assets	(18)	73
Separate assets	6	74

MAIN ASSUMPTIONS DETAILED BY GEOGRAPHICAL AREA

	31.12.2024	31.12.2023
Discount rate		
France	3.27%	3.19%
United-Kingdom	5.73%	4.52%
Others	**3.67%**	**3.64%**
Long-term inflation		
France	1.96%	2.21%
United-Kingdom	2.99%	3.10%
Others	**1.95%**	**2.11%**
Future salary increase		
France	1.91%	1.91%
United-Kingdom	N/A	N/A
Others	**1.25%**	**1.50%**
Average remaining working lifetime of employees *(in years)*		
France	7.34	7.56
United-Kingdom	2.18	2.52
Others	**7.93**	**8.46**
Duration *(in years)*		
France	11.31	11.69
United-Kingdom	10.74	12.06
Others	11.12	11.44

Assumptions by geographical area are weighted average by the defined benefit obligations (DBO).

The discount yield curves used are AA corporate bonds yield curves (source: Merrill Lynch) observed at the end of October for USD, GBP and EUR, and corrected at the end of December if the change in discount rates had a significant impact.

Inflation rates used for EUR and GBP monetary areas are market rates observed at the end of October and corrected at the end of December if the change had a significant impact. Inflation rates used for the other monetary areas are the long-term targets of the central banks.

The average remaining working lifetime of employees is calculated taking into account turnover assumptions.

The assumptions described above have been applied to post-employment benefit plans.

SENSITIVITIES OF DEFINED BENEFIT OBLIGATIONS TO THE CHANGES IN MAIN ACTUARIAL ASSUMPTIONS

(Percentage of item measured)	31.12.2024	31.12.2023
Variation in discount rate	*+0.5%*	*+0.5%*
Impact on the present value of defined benefit obligations at 31 December N	-5%	-5%
Variation in long-term inflation	*+0.5%*	*+0.5%*
Impact on the present value of defined benefit obligations at 31 December N	3%	4%
Variation in future salary increase	*+0.5%*	*+0.5%*
Impact on the present value of defined benefit obligations at 31 December N	1%	1%

Disclosed sensitivities are averages of the variations weighted by the present value of the defined benefit obligations.

BREAKDOWN OF FUTURE PAYMENTS OF BENEFITS

(In EURm)	2024	2023
N+1	147	161
N+2	136	147
N+3	140	154
N+4	148	163
N+5	146	172
N+6 to N+10	762	855

NOTE 5.1.3 SHARE-BASED PAYMENT PLANS

ACCOUNTING PRINCIPLES

Societe Generale, and its subsidiaries, share-based payments include:

- payments in equity instruments;
- cash payments whose amount depends on the performance of equity instruments.

Share-based payments systematically give rise to an operating expense recognised as Personnel expenses in the amount of the fair value of the share-based payments granted to employees and according to their terms of settlement.

For equity-settled share-based payments (free shares, stock purchase or subscription options), the fair value of these instruments, measured at the vesting date, is spread over the vesting period and recorded in shareholders' equity under "Issued common stocks and capital reserves". On each closing date, the number of these instruments is revised to take into account the performance and service conditions not related to the Societe Generale share value and the conditions of presence of the beneficiaries, in order to adjust the overall cost of the plan originally determined. Expenses recognised under Personnel expenses from the start of the plan are then adjusted accordingly.

For cash-settled share-based payments (compensation indexed on Societe Generale, or one of its subsidiaries, shares), the fair value of the amounts payable is recorded under "Personnel expenses" as an expense over the vesting period against a corresponding liabilities entry recognised in the balance sheet under "Other liabilities" – Expenses payable on employee benefits. This payables item is then remeasured to take into account performance and presence conditions, as well as changes in the value of the underlying shares. When the expense is hedged by an equity derivative instrument, the effective portion of the change in the fair value of the hedging derivative is recorded in the income statement under "Personnel expenses", as well.

The Group may award some of its employees stock purchase or subscription options, free shares or rights to a future cash payment indexed to the Societe Generale, or one of its subsidiaries, share price.

The options are measured at their fair value when the employees are first notified, without waiting for the conditions that trigger the award to be met, or for the beneficiaries to exercise their options.

Group stock-option plans are measured using a binomial formula when the Group has adequate statistics to take into account the behaviour of the option beneficiaries. When such data are not available, the Black & Scholes model or *Monte-Carlo* model is used. Valuations are performed by independent actuaries.

The vesting conditions for beneficiaries of payments based on Societe Generale shares include conditions of presence and performance. The performance conditions may be indexed on the Group's financial data (for instance, the Group's profitability, or the relative performance of the Societe Generale share) and/or on the Group's non-financial data (for instance, the achievement of the Group's objectives in terms of social and environmental responsibility – CSR).

EXPENSES RECORDED IN THE INCOME STATEMENT

(In EURm)	31.12.2024			31.12.2023		
	Cash settled plans	Equity settled plans	Total plans	Cash settled plans	Equity settled plans	Total plans
Net expenses from purchase plans, stock option and free share plans	173	69	243	139	115	254

EMPLOYEE SHARE OWNERSHIP PLAN

On 22 May 2024, as part of the Group's employee share ownership policy, Societe Generale offered its employees the opportunity to subscribe to a reserved capital increase at a share price of EUR 20.64, *i.e.* a 20% discount compared to the average market price of the Societe Generale shares during the 20 trading days prior to this date. 9,082,161 shares were subscribed, representing, for the Group, an expense for the financial year 2024 of EUR 2.6 million after taking into account the legal five-year period of non-transferability of the shares, minored by early unblocking release cases.

The description of Societe Generale stock-options plans and free share plans, which supplements this note, is presented in Chapter 3 of the present Universal Registration Document (Corporate governance).

NOTE 5.2 Other operating expenses

ACCOUNTING PRINCIPLES

The Group records operating expenses under expenses, according to the type of services to which they refer and the rate of use of said services.

Rentals include real estate and equipment leasing expenses, which do not result in a recognition of a lease liability and right-of-use asset (see Note 8.3).

Taxes and levies are only booked when the triggering event provided for by law occurs. If the obligation to pay the tax arises from the gradual operation of an activity, the expense must be spread out over the same period. Finally, if the obligation to pay is generated when a threshold is reached, the expense is only recorded once the threshold is reached.

Taxes and levies cover all contributions levied by a public authority and include the contributions paid to the Single Resolution Fund and the Deposit Insurance and Resolution Fund, the systemic risk tax, and contributions for ACPR control costs, which are recognised in profit or loss at the start of the financial year. The Company social solidarity contribution (C3S), based on income generated in previous financial year, is fully recognised in profit or loss as at 1 January of the current financial year.

Other mainly includes building maintenance and other costs, travel and business expenses, and advertising expenses.

(In EURm)	2024	2023
Rentals	(510)	(449)
Taxes and levies	(571)	(1,126)
Data and telecom (excluding rentals)	(2,331)	(2,440)
Consulting fees	(1,250)	(1,319)
Other	(1,367)	(1,553)
TOTAL	**(6,029)**	**(6,887)**

CONTRIBUTION TO BANK RESOLUTION MECHANISMS

The European regulatory framework designed to maintain financial stability has been supplemented in 2014 by a set of resolution financing mechanisms within the European Banking Union. From 2016 this set of mechanisms took the form of the Single Resolution Fund (SRF), supplemented with National Resolution Fund (NRF) for the credit institutions subject to resolution mechanisms but not covered by the SRF, the National Resolution Fund (NRF) exists for institutions subject to this resolution mechanisms, but that have no SRF. The SRF has been financed by annual contributions of the institutions concerned and achieved, as at 31 December 2023, its objective of an overall allocation greater than or equal to 1% of the covered deposits of all member institutions. No additional contribution has therefore been called during 2024 (EUR 658 million in 2023).

A fraction of the annual contributions could be made in the form of irrevocable payment commitments secured by the payment of an interest-bearing cash security deposit. As at 31 Decembre 2024, the amounts of cash deposit paid to the SRF et the NRF and recorded as assets on the balance sheet among the Other assets, are, respectively, EUR 768 million and EUR 218 million.

In a judgment delivered on 25 October 2023, the General Court of the European Union dismissed the action brought by a French credit institution against the Single Resolution Board (SRB) following the latter's refusal to surrender the security deposit covering the irrevocable payment commitment made for the 2015 contribution period. The return of the deposit, requested by the institution after the withdrawal of its authorisation obtained from the European Central Bank, had been refused by the Single Resolution Board, which required, in order to honour it, the prior payment of the amount of the irrevocable payment commitment secured by this deposit. The institution concerned by this case decided to appeal the judgment of the General Court of the European Union to the European Court of Justice. Societe Generale keeps abreast of developments in this matter and will then analyse the possible consequences on its financial statements.

NOTE 6 INCOME TAX

MAKING IT SIMPLE

Income tax expenses are presented separately from other taxes which are classified among Other operating expenses. They are calculated according to the rates and tax regulations applicable in the countries where each consolidated entity is located.

Income tax presented in the income statement includes current taxes and deferred taxes:

- current taxes correspond to the amount of taxes due (or refundable) as calculated according to the taxable profit base for the reporting period;
- deferred taxes correspond to the amount of taxes resulting from past transactions and that will be payable (or refundable) in a future reporting period.

ACCOUNTING PRINCIPLES

Current taxes

Current tax is based on the taxable profits of each consolidated taxable entity and determined in accordance with the rules established by the local taxation authorities, upon which income taxes are payable. This tax expense also includes net allowances for tax adjustments pertaining to income tax.

Tax credits arising in respect of interest from loans and income from securities are recorded in the relevant interest account as they are applied in settlement of income taxes for the year. The related tax charge is included under "Income tax" in the income statement.

Deferred taxes

Deferred taxes are recognised whenever the Group identifies a temporary difference between the book value and tax value of balance sheet assets and liabilities that will affect future tax payments.

Deferred tax assets and liabilities are measured in each consolidated taxable entity and in accordance with the rules established by the local taxation authorities, upon which their income taxes are payable. This amount is based on the tax rate enacted or substantively enacted which is expected to apply when the asset is realised or the liability settled. These deferred taxes are adjusted in the event of changes to tax rates. This amount is not discounted to present value.

Deferred tax assets can result from deductible temporary differences or from tax loss carry-forwards. These deferred tax assets are recorded only if the entity concerned is likely to recover these assets within a set time. These temporary differences or tax loss carry-forwards can also be used against future taxable profit.

Tax loss carry-forwards are subject to an annual review taking into account the tax system applicable to each relevant tax entity and a realistic projection of their tax income or expense: any previously unrecognised deferred tax assets are recorded in the balance sheet to the extent it has become probable that future taxable profit will allow the deferred tax asset to be recovered; however, the carrying value of deferred tax assets already recognised in the balance sheet is reduced where a risk of total or partial non-recovery occurs.

Deferred tax liabilities are recognised for all taxable temporary differences, except for temporary differences relating to investments in companies under exclusive or joint control, to the extent that the Group is capable of controlling the date on which the temporary difference will reverse and that this temporary difference will likely not reverse in the foreseeable future.

Current and deferred taxes are recognised in the consolidated income statement under "Income tax". However, deferred taxes related to gains and losses recorded under "Unrealised or deferred gains and losses" are also recognised under the same heading in shareholders' equity.

Tax uncertainties

There may be uncertainty over the tax treatments applied by the Group. If it is probable that the tax Authority will not accept some tax treatments, these uncertainties shall be booked under tax expenses/income by the counterpart of Provisions for tax adjustments recorded among tax liabilities.

Information on the nature and the amount of the associated risks is not disclosed when the Group considers that such disclosure could seriously undermine its position in a dispute with other parties on the object of the provision.

NOTE 6.1 Breakdown of the TAX expense

(In EURm)	2024	2023
Current taxes	(1,458)	(1,470)
o/w current taxes related to Pillar 2 taxes	*(5)*	
Deferred taxes	(143)	(209)
TOTAL	**(1,601)**	**(1,679)**

Pillar 2: Tax reform – Global minimum corporate tax rate

In October 2021, 137 of the 140 jurisdictions of the OECD Inclusive Framework on Base Erosion and Profit Shifting (BEPS) committed to the principle of establishing a global minimum corporate income tax rate of 15% on the profits by country of multinational groups with annual revenues exceeding EUR 750 million.

A model of rules, referred to as “Pillar 2”, published by the OECD on 20 December 2021 specifies the mechanism which applies in particular in Europe and in France since the adoption of European council directive (EU) 2022/2523 and its transposition into French law by article 4 of the French Finance act for 2024.

From 1 January 2024 on, the minimum level of tax will take the form of an additional “top-up” tax determined according to rules compliant with the directive. Transitional Safe Harbour set out by the OECD for the first three fiscal years also included in the law.

Based on 2024 prospective data, the Pillar 2 effective tax rates estimated exceed 15% in most jurisdictions in which the Group operates. However, there is a limited number of jurisdictions in which a top-up tax would have to be paid by the Group in France or at the level of the jurisdiction when the latter has established an additional national tax. As at 31 December 2024, the Group recognised a tax expense estimated at a EUR 5 million for this reason.

Lastly, in application of the provisions introduced by the amendments to IAS 12 adopted by the European Union on 8 November 2023, the Group applies the mandatory and temporary exception to the recognition of the deferred taxes associated with the additional “top-up” taxes resulting from the Pillar 2 rules.

RECONCILIATION OF THE DIFFERENCE BETWEEN THE GROUP’S STANDARD TAX RATE AND ITS EFFECTIVE TAX RATE

	2024		2023	
(In EURm)	%	*EURm*	%	*EURm*
Income before tax, excluding net income from companies accounted for using the equity method and impairment losses on goodwill		**6,708**		**5,442**
Group effective tax rate	**23.87%**		**30.85%**	
Permanent differences	0.54%	36	0.58%	31
Differential on securities with tax exemption or taxed at reduced rate	0.02%	1	-0.24%	(13)
Tax rate differential on profits taxed outside France	1.30%	87	1.33%	72
Changes in the measurement of deferred tax assets/liabilities	0.10%	7	-6.69%	(364)
Normal tax rate applicable to French companies (including 3.3% national contribution)	25.83%		25.83%	

In compliance with the French tax provisions that define the ordinary corporate tax rate, the latter is set to 25% (article 219 of the French Tax Code), plus the existing national contribution (CSB) of 3.3% (article 235 *ter* ZC of the French Tax Code), *i.e.* a compound tax rate of 25.83%.

Long-term capital gains on affiliates are exempt from this corporate tax, except for a 12% fee on the gross amount in a net long term capital gains situation (article 219 I a *quinquies* of the French Tax Code).

Furthermore, under the parent-subsidiary regime, dividends from companies in which Societe Generale’s equity interest is at least 5% are tax exempt, subject to taxation of a portion of fees and expenses of 1% or 5% at the full statutory tax rate (article 216 of the French Tax Code).

NOTE 6.2 Tax assets and liabilities

TAX ASSETS

(In EURm)	**31.12.2024**	**31.12.2023**
Current tax assets	1,296	1,026
Deferred tax assets	3,391	3,691
o/w deferred tax assets on tax loss carry-forwards	*1,798*	*1,832*
o/w deferred tax assets on temporary differences	*1,555*	*1,818*
o/w deferred tax on deferrable tax credits	*38*	*41*
TOTAL	**4,687**	**4,717**

TAX LIABILITIES

(In EURm)	**31.12.2024**	**31.12.2023**
Current tax liabilities	929	933
Provisions for tax adjustments	46	41
Deferred tax liabilities	1,262	1,428
TOTAL	**2,237**	**2,402**

The Group performs an annual review of its capacity to use tax loss carry-forwards, taking into account the tax system applicable to each tax entity (or tax group) concerned and a realistic forecast of its tax results. For this purpose, the tax results are determined based on the projected performance of the businesses. This performance corresponds to the estimated budget (scenario SG Central) over five years (from 2025 to 2029), extrapolated to 2030, which corresponds to a “normative” year.

These budgets take into account the impact of commitments to energy and environmental transition. The central scenario is based on the assumption that governments and companies fulfil the announced political commitments in line with a scenario of below 2°C, but below Net Zero emissions by 2050 (1.5°C). The scenario does not assume strong public resistance, and envisions that public policies will prioritise efficient green investments, with private sector financing playing a key role. This implies major sectoral transformations, with some sectors experiencing a drop in demand.

The tax results also take into consideration the accounting and tax adjustments (including the reversal of the deferred tax assets and liabilities bases on temporary differences) applicable to the entities and jurisdictions concerned. These adjustments are determined on the basis of historical tax results and on the Group’s tax expertise. An extrapolation of the tax results is performed from 2030 on and over a timeframe considered reasonable and depending on the nature of the activities carried out within each tax entity.

On principle, the appreciation of the selected macroeconomic factors and the internal estimates used to determine the tax results involve risks and uncertainties about their materialisation over the estimated timeframe for the absorption of the losses. These risks and uncertainties are especially related to possible changes in the applicable tax rules (computation of the tax result, as well as allocation rules for tax loss carry-forwards) or materialisation of the assumptions selected. These uncertainties are mitigated by robustness checks of the budgetary and strategic assumptions.

As at 31 December 2024, discounted projections confirm the probability that the Group will be able to offset the tax losses covered by deferred tax assets against future profits.

NOTE 6.3 Deferred tax assets recognised on tax loss carry-forwards and deferred tax assets not recognised

As at 31 December 2024, based on the tax system of each entity and a realistic projection of their tax income, the projected period for deferred tax assets recovery is indicated in the table below:

(In EURm)	31.12.2024	Statutory time limit on carry-forwards	Expected recovery period
Total deferred tax assets relating to tax loss carry-forwards	**1,798**	-	-
o/w French tax group	*1,629*	*Unlimited*[(1)]	*7 years*
o/w US tax group	*81*	*20 years*[(2)]	*5 years*
Others	*88*	-	-

(1) In accordance with the 2013 French Finance Act, the deduction of previous losses is limited to EUR 1 million plus 50% of the fraction of the taxable income for the fiscal year exceeding this limit. The non-deductible portion of losses may be carried forward to the following fiscal years with no time limit and under the same conditions.

(2) Tax losses generated before 31 December 2011.

The main deferred taxes not recognised as assets in the balance sheet by tax group are presented in the table below. They may be recognised in the balance sheet when it becomes probable that a future taxable profit will allow their recovery.

(In EURm)	31.12.2024	31.12.2023
French tax group	930	930
US tax groups	243	228
SG Singapore	83	80
SG de Banques en Guinée Équatoriale[(1)]	34	34

(1) Including EUR 10 million of tax carry forward and EUR 24 million temporary differences as at 31 December 2024, as at 31 December 2023.

The other deferred taxes on tax loss carryforwards and temporary differences not recognised as assets on the balance sheet amount, respectively, to EUR 106 million and EUR 3 million as at 31 December 2024 (*versus* EUR 122 million and EUR 1 million as at 31 December 2023).

The unrecognised deferred tax assets of US tax groups increased by EUR 15 million due to currency effects.

Regarding the tax treatment of the loss resulting from the actions of Jérôme Kerviel, Societe Generale considers that the judgment of the Versailles Court of Appeal of 23 September 2016 is not such as to call into question its validity in light of the 2011 opinion of the French Supreme Administrative Court (*Conseil d'État*) and its established case law. Consequently, Societe Generale considers that the related tax loss remains recoverable against future taxable income (see Note 9).

NOTE 7 SHAREHOLDERS' EQUITY

MAKING IT SIMPLE

Equity are the resources contributed to the Group by external shareholders as capital, as well as the cumulative and undistributed results (retained earnings). It also includes resources received when financial instruments are issued and for which the issuer has no contractual obligation to deliver cash to the holders of these instruments.

Equity has no contractual maturity, and when compensation is awarded to shareholders or holders of other equity instruments, it does not affect the income statement but directly reduces the retained earnings in the equity.

The statement "Changes in shareholders' Equity" presents the various changes that affect the components of equity over the reporting period.

NOTE 7.1 Treasury shares and shareholders' equity issued by the Group

ACCOUNTING PRINCIPLES

Treasury shares

Societe Generale shares held by the Group are deducted from consolidated equity irrespective of the purpose for which they are held. Income on these shares is recognised in Retained earnings.

Recognition of shares issued by Group subsidiaries, which are bought and sold by the Group, is described in Note 2.

Shareholders' equity issued by the Group

Financial instruments issued by the Group are booked in whole or in part to debt or to equity depending on whether or not they contractually oblige the issuer to deliver cash to the holders of the securities.

When they are classified as equity, securities issued by Societe Generale are recorded under "Other equity instruments". If they are issued by Group subsidiaries, these securities are recognised under Non-controlling interests. External costs associated with issuing equity instruments are deducted directly from equity at their after-tax amount.

When they are classified as debt instruments, securities issued by the Group are recorded under "Debt securities issued" or "Subordinated debt" depending on their characteristics. They are accounted for in the same way as other financial liabilities measured at amortised cost (see Note 3.6).

NOTE 7.1.1 ORDINARY SHARES AND CAPITAL RESERVES

(In EURm)	31.12.2024	31.12.2023
Issued capital	1,000	1,004
Issuing premiums and capital reserves	20,392	20,412
Elimination of treasury stock	(111)	(230)
TOTAL	**21,281**	**21,186**

ORDINARY SHARES ISSUED BY SOCIETE GENERALE SA

(Number of shares)	31.12.2024	31.12.2023
Ordinary shares	800,316,777	802,979,942
Including treasury stock with voting rights[(1)]	*3,818,838*	*6,736,010*
Including shares held by employees	*92,250,372*	*90,162,610*

(1) Excluding Societe Generale shares held for trading purposes or in respect of the liquidity contract.

On 25 July 2024, Societe Generale carried out, under the Group's "Employee Share Ownership Plan" (see Note 5), a capital increase reserved for employees. As such, 9,055,606 shares were subscribed bringing the share capital of Societe Generale SA from EUR 1,003,724,927.50 (divided into 802,979,942 shares) to EUR 1,015,044,435.00 (divided into 812,035,548 shares).

Furthermore, in accordance with the General Meeting's decision of 22 May 2024, Societe Generale acquired on the market 11,718,771 of its own shares at a cost of EUR 280 million. The execution of this share buy-back program started on 27 May 2024 and ended on 17 June 2024.

On 23 September 2024, Societe Generale carried out a capital reduction by canceling the 11,718,771 shares, bringing the share capital of Societe Generale SA from EUR 1,015,044,435.00 (divided into 812,035,548 shares) to EUR 1,000,395,971.25 (divided into 800,316,777 shares).

As at 31 December 2024, the share capital of Societe Generale SA fully paid-up amounted to EUR 1,000,395,971.25 and consisted of 800,316,777 shares with a nominal value of EUR 1.25.

NOTE 7.1.2 TREASURY STOCK

As at 31 December 2024, the Group held 1,785,811 of its own shares as treasury stock, for trading purposes or for the active management of shareholders' equity, representing 0.22% of the capital of Societe Generale SA

The amount deducted by the Group from its equity for treasury shares (and related derivatives) came to EUR 111 million, including EUR 9 million in shares held for trading activities.

The change in treasury stock over 2024 breaks down as follows:

(In EURm)	Liquidity contract	Trading activities	Treasury stock and active management of shareholders' equity	Total
Disposals net of purchases	-	(28)	(91)	(119)
Capital gains net of tax on treasury stock and treasury share derivatives, booked under shareholders' equity	-	(2)	(95)	(97)

NOTE 7.1.3 SHAREHOLDERS' EQUITY ISSUED BY THE GROUP

PERPETUAL DEEPLY SUBORDINATED NOTES ISSUED BY SOCIETE GENERALE SA

As the deeply subordinated notes issued by Societe Generale SA are perpetual and given the discretionary nature of the decision to pay dividends to shareholders, these securities are classified as equity and recognised under "Other equity instruments".

As at 31 December 2024, the amount of perpetual deeply subordinated notes issued by Societe Generale SA, converted at historical rate, is EUR 9,873 million.

For 2024, the change in the amount of deeply subordinated notes issued by the Group is explained by two issuances and two redemptions at par.

Issuance Date	Amount in local currency at 31.12.2023	Repurchases and redemptions in 2024	Amount in local currency at 31.12.2024	Amount in millions of euros at historical rate	Remuneration
29 September 2015	USD 1,250m		USD 1,250m	1,111	8%, from 29 September 2025 USD 5-year Mid Swap rate +5.873%
6 April 2018	USD 1,250m		USD 1,250m	1,035	6.750%, from 6 April 2028 USD 5-year Mid Swap rate +3.929%
16 April 2019	SGD 750m	SGD 750m			6.125%, from 16 April 2024 SGD 5-year Mid Swap rate +4.207%
12 September 2019	AUD 700m	AUD 700m			4.875%, from 12 September 2024 AUD 5-year Mid Swap rate +4.036%
18 November 2020	USD 1,500m		USD 1,500m	1,264	5.375%, from 18 November 2030 5-year US Treasury rate +4.514%
26 May 2021	USD 1,000m		USD 1,000m	818	4.75%, from 26 May 2026 5-year US Treasury rate +3.931%
15 July 2022	SGD 200m		SGD 200m	142	8.25%, from 15 December 2027 5-year SGD OIS +5.6%
22 November 2022	USD 1,500m		USD 1,500m	1,460	9.3750%, from 22 May 2028 5-year US Treasury rate +5.385%
18 January 2023	EUR 1,000m		EUR 1,000m	1,000	8.030%, from 18 July 2029 EUR 5-year Mid Swap rate +5.228%
14 November 2023	USD 1,250m		USD 1,250m	1,166	10%, from 14 May 2029 5-year US Treasury rate +5.448%
25 March 2024			USD 1,000m	923	8.5%, from 25 September 2034 5-year US Treasury rate +4.153%
21 November 2024			USD 1,000m	955	8.125%, from 21 May 2030 5-year US Treasury rate +3.790%

OTHER EQUITY INSTRUMENTS ISSUED BY SUBSIDIARIES

Perpetual subordinated notes have been issued by Group subsidiaries and include discretionary clauses relating to the payment of interest. These issued debt securities are classified as equity instruments and are recognised under Non-controlling interests in the Group's consolidated balance sheet.

As at 31 December 2024, the nominal amount of other equity instruments issued by the Group's subsidiaries is EUR 800 million.

Issuance Date	Amount	Remuneration
18 December 2014 (step-up clause after 12 years)	EUR 800 M	4.125%, from 2026 5-year Mid-Swap rate + margin of 4.150%

SUMMARY OF CHANGES IN EQUITY INSTRUMENTS ISSUED

Changes related to the perpetual subordinated notes and deeply subordinated notes included in Shareholder's equity, Group share are detailed below:

	2024			2023		
(In EURm)	**Deeply subordinated notes**	**Perpetual subordinated notes**	**Total**	**Deeply subordinated notes**	**Perpetual subordinated notes**	**Total**
Exchange rate effect on TSS/TSDI reimbursement	(14)	-	(14)	(404)	-	(404)
Remuneration paid booked under reserves	(702)	-	(702)	(734)	-	(734)
Changes in nominal values	949	-	949	(212)	-	(212)
Tax savings on remuneration payable to shareholders and recorded under profit or loss	(181)	-	(181)	190	-	190
Issuance fees relating to subordinated notes	(7)	-	(7)	(5)	-	(5)

NOTE 7.1.4 EFFECT OF THE CHANGES IN THE SCOPE OF CONSOLIDATION

The impact of changes in the consolidation scope recognised in shareholders' equity amounts to EUR -690 million in 2024. This includes a change in Non-controlling interests of EUR -692 million mainly related to the impact of the disposals carried out during the financial year, and mainly that of SG MAROCAINE DE BANQUES and its subsidiaries (see Note 2.1 and Note 2.3).

NOTE 7.2 Earnings per share and dividends

ACCOUNTING PRINCIPLES

The earnings per share are measured by dividing the net income attributable to ordinary shareholders by the weighted average number of shares outstanding over the period, excluding treasury shares. The net earnings attributable to ordinary shareholders are adjusted for the preferred shareholders rights, such as holders of preferred shares, subordinated securities or deeply subordinated notes classified in equity. The diluted earnings per share take into account the potential dilution of shareholders' interests in the event where dilutive instruments (stock options or free share plans) are converted into ordinary shares. This dilutive effect is determined using the share buyback method.

NOTE 7.2.1 EARNINGS PER SHARE

(In EURm)	2024	2023
Net income, Group share	4,200	2,493
Attributable remuneration to subordinated and deeply subordinated notes	(713)	(753)
Premium and issuance fees related to subordinated and deeply subordinated notes	(7)	(5)
Net income attributable to ordinary shareholders	**3,480**	**1,735**
Weighted average number of ordinary shares outstanding[(1)]	795,168,649	799,315,070
Earnings per ordinary share *(in EUR)*	**4.38**	**2.17**
Average number of ordinary shares used in the dilution calculation	-	-
Weighted average number of ordinary shares used in the calculation of diluted net earnings per share	795,168,649	799,315,070
Diluted earnings per ordinary share *(in EUR)*	**4.38**	**2.17**

(1) Excluding treasury shares.

NOTE 7.2.2 DIVIDENDS PAID ON ORDINARY SHARES

Dividends paid on ordinary shares by the Group in 2024 amounted to EUR 1,323 million and are detailed in the following table:

	2024			2023		
(In EURm)	Group Share	Non-controlling interests	Total	Group Share	Non-controlling interests	Total
Paid in shares	-	-	-	-	-	-
Paid in cash	(719)	(604)	(1,323)	(1,362)	(499)	(1,861)
TOTAL	**(719)**	**(604)**	**(1,323)**	**(1,362)**	**(499)**	**(1,861)**

After approving the annual financial statements of Societe Generale on 5 February 2025, the Board of Directors decided to submit to the General Assembly of 20 May 2025 for approval the distribution of a cash dividend of EUR 868 million for the financial year ended 31 December 2024. The dividend per Societe Generale share with dividend rights would thus amount to EUR 1.09.

NOTE 7.3 Unrealised or deferred gains and losses

BREAKDOWN OF CHANGES OF UNREALISED OR DEFERRED GAINS AND LOSSES

	31.12.2024				
				o/w	
(In EURm)	Gross value	Tax	Net value	Net Group share	Non-controlling interests
Translation differences	1,817	(25)	1,792	1,860	(68)
Revaluation of debt instruments at fair value through other comprehensive income[3]	(2,501)	618	(1,883)	(1,777)	(106)
Revaluation of insurance contracts at fair value through other comprehensive income	2,063	(532)	1,531	1,526	5
Revaluation of hedging derivatives	(519)	39	(480)	(482)	2
Subtotal of unrealised gains and losses with subsequent recycling in the income statement	**860**	**100**	**960**	**1,127**	**(167)**
Actuarial gains and losses on defined benefit plans[1]	19	(4)	15	19	(4)
Revaluation of own credit risk of financial liabilities at fair value through profit or loss[2]	(189)	48	(141)	(140)	(1)
Revaluation of equity instruments at fair value through other comprehensive income	35	(2)	33	33	-
Subtotal of unrealised gains and losses without subsequent recycling in the income statement	**(135)**	**42**	**(93)**	**(88)**	**(5)**
TOTAL	**725**	**142**	**867**	**1,039**	**(172)**

(In EURm)	Changes of the period				
				o/w	
	Gross value	Tax	Net value	Net Group share	Non-controlling interests
Allocation to retained earnings					
Actuarial gains and losses on defined benefit plans	(12)	-	(12)	(14)	2
Revaluation of own credit risk of financial liabilities at fair value through profit or loss	(3)	1	(2)	(3)	1
TOTAL	**(15)**	**1**	**(14)**	**(17)**	**3**
Translation differences	820	(1)	819	864	(45)
Revaluation of debt instruments at fair value through other comprehensive income(3)	172	(46)	126	130	(4)
Revaluation of insurance contracts at fair value through other comprehensive income	(252)	64	(188)	(182)	(6)
Revaluation of hedging derivatives	(70)	9	(61)	(68)	7
Variation of unrealised gains and losses with subsequent recycling in the income statement	**670**	**26**	**696**	**744**	**(48)**
Actuarial gains and losses on defined benefit plans(1)	19	(3)	16	19	(3)
Revaluation of own credit risk of financial liabilities at fair value through profit or loss(2)	(254)	65	(189)	(188)	(1)
Revaluation of equity instruments at fair value through other comprehensive income	-	-	-	-	-
Variation of unrealised gains and losses without subsequent recycling in the income statement	**(235)**	**62**	**(173)**	**(169)**	**(4)**
TOTAL OF VARIATION	**435**	**88**	**523**	**575**	**(52)**
TOTAL OF CHANGES	**420**	**89**	**509**	**558**	**(49)**

(In EURm)	31.12.2023				
				o/w	
	Gross value	Tax	Net value	Net Group share	Non-controlling interests
Translation differences	997	(24)	973	996	(23)
Revaluation of debt instruments at fair value through other comprehensive income(3)	(2,673)	664	(2,009)	(1,907)	(102)
Revaluation of insurance contracts at fair value through other comprehensive income	2,315	(596)	1,719	1,708	11
Revaluation of hedging derivatives	(449)	30	(419)	(414)	(5)
Subtotal of unrealised gains and losses with subsequent recycling in the income statement	**190**	**74**	**264**	**383**	**(119)**
Actuarial gains and losses on defined benefit plans(1)	12	(1)	11	14	(3)
Revaluation of own credit risk of financial liabilities at fair value through profit or loss(2)	68	(18)	50	51	(1)
Revaluation of equity instruments at fair value through other comprehensive income	35	(2)	33	33	-
Subtotal of unrealised gains and losses without subsequent recycling in the income statement	**115**	**(21)**	**94**	**98**	**(4)**
TOTAL	**305**	**53**	**358**	**481**	**(123)**

(1) Gains and losses presented in these items are transferred into Retained earnings for the next financial year opening.

(2) When a financial liability is derecognised, unrealised gains and losses are attributable to Group own credit risk are subject to transfer into Retained earnings for the next financial year opening.

(3) Including EUR -2,028 million for insurance sector subsidiaries as at 31 December 2024 (EUR -2,298 million as at 31 December 2023). This amount must be read together with the financial income and expenses recorded directly in equity as part of the measurement of the associated insurance contracts (see Note 4.3, Detail of performance of insurance activities).

NOTE 8 ADDITIONAL DISCLOSURES

NOTE 8.1 Segment reporting

NOTE 8.1.1 DEFINITION OF SEGMENT REPORTING

The Group is managed on a matrix basis that takes into account its different business lines and the geographical breakdown of its activities. Segment reporting information is therefore presented under both criteria.

The Group includes in the results of each sub-division all operating income and expenses directly related to its activity. Income for each sub-division, except for the Corporate Centre, also includes the return on equity allocated to it, based on the estimated rate of return on Group equity. The return on the sub-division's book equity is then reallocated to the Corporate Centre. Transactions between sub-divisions are carried out under the same terms and conditions as those applying to non-Group customers.

Following changes in the Group's governance during the second half of 2023, the Group's core businesses are now managed through the three following strategic pillars:

- French Retail Banking, Private Banking and Insurance which includes:
  - French Retail and Private Banking including Boursorama;
  - Insurance activities;
- Mobility, International Retail Banking and Financial Services, which consists of:
  - International Retail;
  - Mobility and Financial Services which comprises Financial services to Corporates, operational vehicle leasing and fleet management, and consumer credit activities;
- Global Banking and Investor Solutions which comprises:
  - Global Markets and Investors Services;
  - Financing and Advisory.

In addition to the strategic pillars, the Corporate Centre acts as the Group's Central Funding Department. As such, it recognises the carrying cost of equity investments in subsidiaries and related dividend payments, as well as income and expenses stemming from the Group's Asset and Liability Management (ALM) and income from the Group's management of its assets (management of its industrial and bank equity portfolio and of its real estate assets). Income or expenses that do not relate directly to the activity of the core businesses are also allocated to the Corporate Centre.

Segment income take intra-group transactions into account, while these transactions are eliminated from segment assets and liabilities.

The tax rate levied on each business line is based on the standard tax rate applicable in each country where the division makes profits. Any difference with respect to the Group's tax rate is allocated to the Corporate Centre.

For the purpose of segment reporting by geographical region, segment profit or loss and assets and liabilities are presented based on the location of the booking entities.

NOTE 8.1.2 SEGMENT REPORTING BY DIVISION AND SUB-DIVISION

	2024										
	French Retail, Private Banking and Insurance			Global Banking and Investor Solutions			Mobility, International Retail Banking and Financial Services				
(In EURm)	French Retail and Private Banking	Insurance	Total	Global Markets and Investors Services	Financial and Advisory	Total	International Retail Banking[4]	Mobility and Financial Services	Total	Corporate Centre[1]	Total group Societe Generale
Net banking income	7,983	674	8,657	6,557	3,566	10,122	4,161	4,298	8,458	(450)	26,788
Operating expenses[2]	(6,485)	(148)	(6,634)	(4,492)	(2,050)	(6,542)	(2,388)	(2,684)	(5,072)	(224)	(18,472)
Gross operating income	**1,498**	**526**	**2,024**	**2,065**	**1,516**	**3,580**	**1,773**	**1,613**	**3,386**	**(674)**	**8,316**
Cost of credit risk	(712)	(0)	(712)	8	(133)	(126)	(341)	(364)	(705)	12	(1,530)
Operating income	**786**	**526**	**1,312**	**2,073**	**1,382**	**3,455**	**1,432**	**1,249**	**2,681**	**(661)**	**6,786**
Net income from investments accounted for using the equity method	7	-	7	(0)	(0)	(0)	-	15	15	(0)	21
Net income/expense from other assets[4]	4	2	6	1	(1)	(0)	93	3	96	(179)	(77)
Value adjustments on goodwill	-	-	-	-	-	-	-	-	-	-	-
Earnings before Tax	**796**	**528**	**1,324**	**2,073**	**1,381**	**3,454**	**1,525**	**1,268**	**2,792**	**(841)**	**6,730**
Income tax	(197)	(132)	(329)	(495)	(162)	(656)	(379)	(317)	(697)	81	(1,601)
Consolidated Net Income	**599**	**396**	**995**	**1,579**	**1,219**	**2,797**	**1,146**	**950**	**2,096**	**(759)**	**5,129**
Non controlling interests	1	4	4	9	0	10	461	365	826	89	929
Net income, Group Share	**598**	**393**	**991**	**1,569**	**1,219**	**2,788**	**685**	**585**	**1,270**	**(848)**	**4,200**
Segment assets	**258,975**	**179,073**	**438,048**	**642,282**	**194,927**	**837,209**	**99,142**	**110,000**	**209,142**	**89,146**	**1,573,545**
Segment liabilities[3]	**294,093**	**168,887**	**462,980**	**666,293**	**114,662**	**780,955**	**81,610**	**58,780**	**140,390**	**109,632**	**1,493,957**

	2023										
	French Retail, Private Banking and Insurance			Global Banking and Investor Solutions			Mobility, International Retail Banking and Financial Services				
(In EURm)	French Retail and Private Banking	Insurance	Total	Global Markets and Investors Services	Financial and Advisory	Total	International Retail Banking[4]	Mobility and Financial Services	Total	Corporate Centre[1]	Total group Societe Generale
Net banking income	7,433	620	8,053	6,273	3,369	9,642	4,192	4,315	8,507	(1,098)	25,104
Operating expenses[2]	(6,625)	(131)	(6,756)	(4,698)	(2,091)	(6,788)	(2,370)	(2,391)	(4,760)	(220)	(18,524)
Gross operating income	**808**	**489**	**1,297**	**1,575**	**1,279**	**2,854**	**1,822**	**1,925**	**3,747**	**(1,318)**	**6,580**
Cost of credit risk	(505)	(0)	(505)	20	(50)	(30)	(184)	(302)	(486)	(4)	(1,025)
Operating income	**303**	**489**	**792**	**1,596**	**1,228**	**2,824**	**1,638**	**1,623**	**3,261**	**(1,323)**	**5,555**
Net income from investments accounted for using the equity method	7	-	7	7	0	7	-	10	10	0	24
Net income/ expense from other assets[4]	9	(0)	9	0	1	1	(8)	(3)	(11)	(111)	(113)
Value adjustments on goodwill	(0)	-	(0)	-	-	-	-	-	-	(338)	(338)
Earnings before Tax	**319**	**489**	**808**	**1,603**	**1,229**	**2,832**	**1,630**	**1,630**	**3,260**	**(1,771)**	**5,128**
Income tax	(81)	(127)	(208)	(379)	(139)	(517)	(431)	(394)	(824)	(130)	(1,679)
Consolidated Net Income	**238**	**362**	**600**	**1,224**	**1,090**	**2,314**	**1,199**	**1,236**	**2,436**	**(1,901)**	**3,449**
Non controlling interests	(0)	4	4	33	(0)	33	466	360	826	93	956
Net income, Group Share	**238**	**358**	**596**	**1,191**	**1,090**	**2,281**	**733**	**876**	**1,609**	**(1,994)**	**2,493**
Segment assets	**263,833**	**172,353**	**436,186**	**650,502**	**169,783**	**820,285**	**109,836**	**108,091**	**217,927**	**79,647**	**1,554,045**
Segment liabilities[3]	**289,846**	**158,076**	**447,922**	**670,821**	**80,101**	**750,922**	**88,969**	**53,760**	**142,729**	**136,225**	**1,477,798**

(1) Following the steering changes at the beginning of 2023, data have been reflected according to the new organisation.

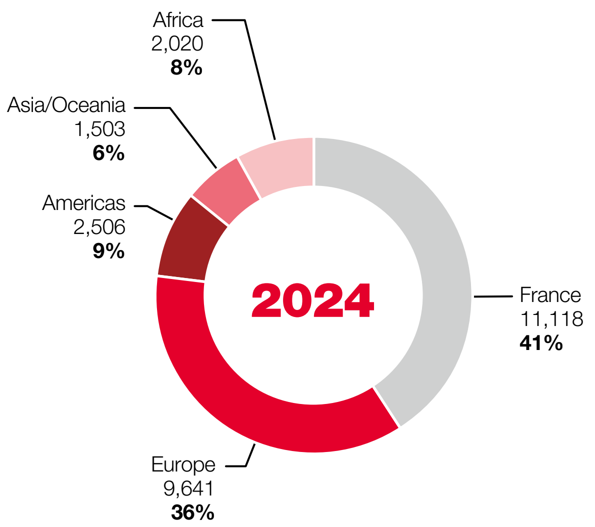
(2) Income and expenses, as well as assets and liabilities that are not directly related to business line activities are allocated to the Corporate Centre. Corporate Centre income includes, in particular, some consequences of the Group's centralised management of litigation and of transactions leading to changes in the consolidation scope. Management fees incurred by banking entities in connection with the distribution of insurance contracts are considered as costs directly related to the performance of the contracts and are therefore included in the valuation of the latter and presented under "Insurance services expense" (see Note 1); this restatement is allocated to the Corporate Centre.

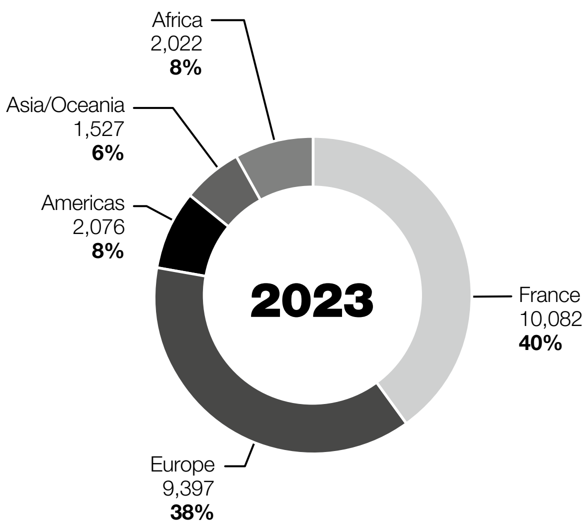
(3) These amounts include Other operating expenses and Amortisation, depreciation and impairment of tangible and intangible fixed assets.

(4) Segment liabilities correspond to debts (i.e. total liabilities excluding equity).

NOTE 8.1.3 SEGMENT REPORTING BY GEOGRAPHICAL REGION

GEOGRAPHICAL BREAKDOWN OF NET BANKING INCOME (IN EURM)





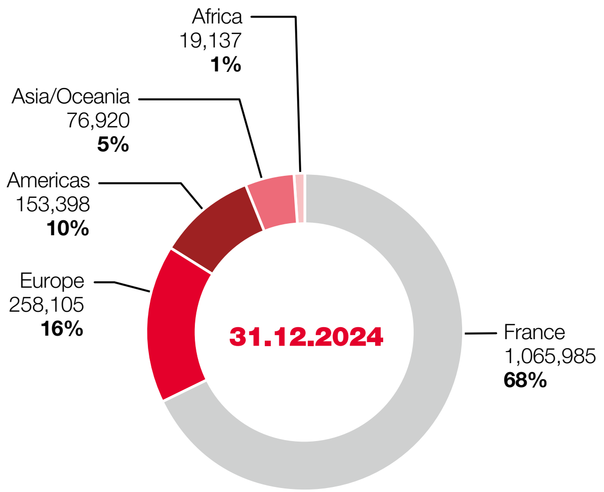
	31.12.2024
(In EURm)	**Net banking income**
France	11,118
Europe	9,641
Americas	2,506
Asia/Oceania	1,503
Africa	2,02
TOTAL	**26,788**

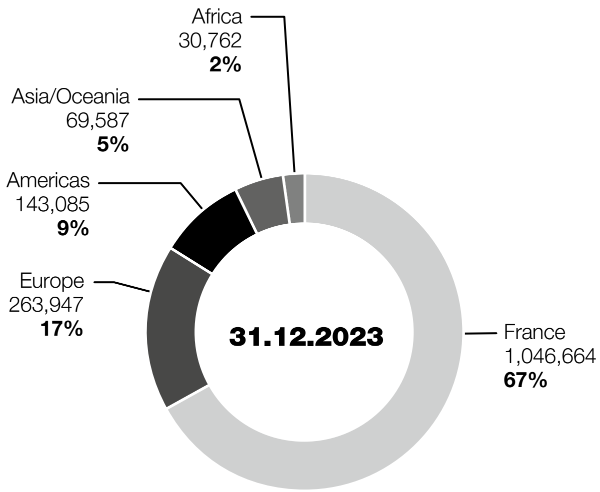
	31.12.2023
(In EURm)	**Net banking income**
France	10,082
Europe	9,397
Americas	2,076
Asia/Oceania	1,527
Africa	2,022
TOTAL	**25,104**

As at 31 December 2024, the amount of net banking income is EUR 26,788 million compared to EUR 25,104 million as at 31 December 2023.

GEOGRAPHICAL BREAKDOWN OF BALANCE SHEET ITEMS (IN EURM)

ASSETS



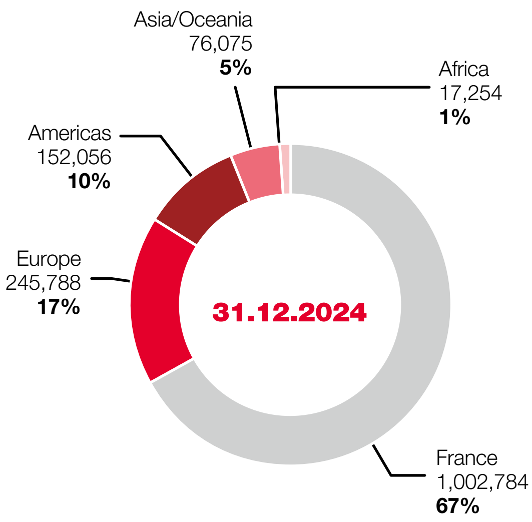


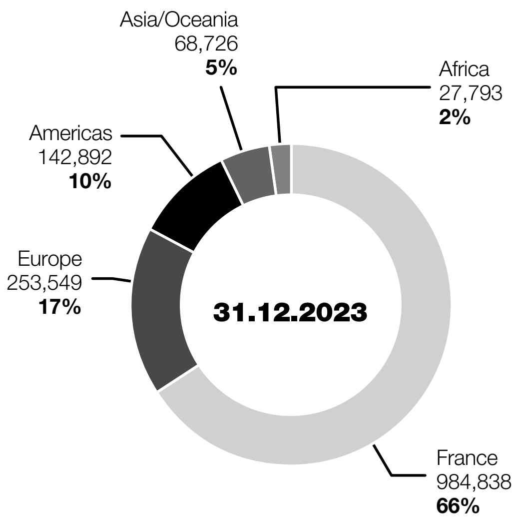
	31.12.2024
(In EURm)	**Assets**
France	1,065,985
Europe	258,105
Americas	153,398
Asia/Oceania	76,92
Africa	19,137
TOTAL	**1,573,545**

	31.12.2023
(In EURm)	**Assets**
France	1,046,664
Europe	263,947
Americas	143,085
Asia/Oceania	69,587
Africa	30,762
TOTAL	**1,554,045**

As at 31 December 2024, the amount of assets is EUR 1,573,545 million compared to EUR 1,554,045 million as at 31 December 2023.

LIABILITIES





	31.12.2024
(In EURm)	**Liabilities**
France	1,002,784
Europe	245,788
Americas	152,056
Asia/Oceania	76,075
Africa	17,254
TOTAL	**1,493,957**

	31.12.2023
(In EURm)	**Liabilities**
France	984,838
Europe	253,549
Americas	142,892
Asia/Oceania	68,726
Africa	27,793
TOTAL	**1,477,798**

As at 31 December 2024, the amount of liabilities (except shareholder equity) is EUR 1,493,957 million compared to EUR 1,477,798 million as at 31 December 2023.

Segment liabilities correspond to debts (total liabilities excluding equity).

NOTE 8.2 Provisions

ACCOUNTING PRINCIPLES

Under balance sheet liabilities, Provisions are comprised of provisions for financial instruments, disputes and employee benefits.

OVERVIEW

(In EURm)	Provisions as at 31.12.2023	Allocations	Write-backs available	Net allocation	Write-backs used	Currency and others	Provisions as at 31.12.2024
Provisions for credit of risk on off balance sheet commitments (see Note 3.8)	819	530	(573)	(43)	-	(34)	742
Provisions for employee benefits (see Note 5.1)	2,073	670	(156)	514	(457)	(191)	1,939
Provisions for mortgage savings plans and accounts commitments	121	9	(4)	5	(1)	-	125
Other provisions(1)	1,222	346	(210)	136	(80)	1	1,279
TOTAL	**4,235**	**1,555**	**(943)**	**612**	**(538)**	**(224)**	**4,085**

(1) Including provisions for legal disputes, fines, penalties and commercial disputes.

NOTE 8.2.1 COMMITMENTS UNDER MORTGAGE SAVINGS AGREEMENTS

ACCOUNTING PRINCIPLES

In France, *Comptes d'épargne-logement* (CEL or mortgage savings accounts) and *Plans d'épargne-logement* (PEL or mortgage savings plans) are special savings schemes for individual customers which are governed by Law 65-554 of 10 July 1965. These products combine an initial deposit phase in the form of an interest-earning savings account, followed by a lending phase where the deposits are used to provide mortgage loans. The lending phase is subject to the prior existence of the savings phase and is therefore inseparable from it. The savings deposits collected and loans granted are measured at amortised cost.

These instruments create two types of commitments for the Group: the obligation to pay interest on customer savings for an indeterminate future period at an interest rate established at the inception of the mortgage savings agreement, and the obligation to subsequently lend to the customer at an interest rate also established at the inception of the savings agreement.

If it is clear that commitments under the PEL/CEL agreements will have negative consequences for the Group, a provision is recorded on the liabilities side of the balance sheet. Any changes in these provisions are recognised as net banking income under net interest income. These provisions only relate to commitments arising from PEL/CEL that are outstanding at the date of calculation.

Provisions are calculated for each generation of mortgage savings plans (PEL), with no netting between different PEL generations, and for all mortgage saving accounts (CEL) making up a single generation.

During the deposit phase, the underlying commitment used to determine the amount to be provisioned is calculated as the difference between the average expected amount of deposits and the minimum expected amount. These two amounts are determined statistically on the basis of the historical observations of past customer behaviour.

During the lending phase, the underlying commitment to be provisioned includes loans already granted but not yet drawn at the date of calculation, and future loans that are considered statistically probable on the basis of deposits that are currently recognised in the balance sheet at the date of calculation and on the basis of historical observations of past customer behaviour.

A provision is recognised if the discounted value of expected future earnings for a given generation of PEL/CEL is negative. Earnings are estimated on the basis of interest rates available to individual customers for equivalent savings and loan products, with a similar estimated life and date of inception.

OUTSTANDING DEPOSITS IN PEL/CEL ACCOUNTS

(In EURm)	31.12.2024	31.12.2023
PEL accounts	13,132	15,677
Less than 4 years old	*907*	*907*
Between 4 and 10 years old	*2,886*	*5,852*
More than 10 years old	*9,339*	*8,918*
CEL accounts	1,752	1,733
TOTAL	**14,884**	**17,410**

OUTSTANDING HOUSING LOANS GRANTED WITH RESPECT TO PEL/CEL ACCOUNTS

(In EURm)	31.12.2024	31.12.2023
Less than 4 years old	22	3
Between 4 and 10 years old	-	-
More than 10 years old	1	3
TOTAL	**23**	**6**

PROVISIONS FOR COMMITMENTS LINKED TO PEL/CEL ACCOUNTS

(In EURm)	31.12.2023	Allocations	Write-backs	31.12.2024
PEL accounts	39	7	(4)	42
Less than 4 years old	*4*	-	-	*4*
Between 4 and 10 years old	*11*	-	*(4)*	*7*
More than 10 years old	*24*	*7*	-	*31*
CEL accounts	82	2	(1)	83
TOTAL	**121**	**9**	**(5)**	**125**

The provision of mortgage savings plans is still mainly linked to the risks associated with the commitment to remunerate cash deposits. The provisioning rate is 0.8% of the total outstanding amounts on 31 December 2024.

METHODS USED TO ESTABLISH PROVISION VALUATION INPUTS

The inputs used to estimate future customer behaviour are derived from historical observations of customer behaviour patterns over a long period (more than 10 years). The values of these inputs can be adjusted whenever changes are made to regulations that may undermine the effectiveness of past data as an indicator of future customer behaviour.

The values of the different market inputs used, notably interest rates and margins, are calculated on the basis of observable data and constitute a best estimate, at the date of valuation, of the future value of these items for the period in question, in line with the Retail Banking division's policy of interest rate risk management.

The discount rates used are derived from the zero-coupon swaps *vs.* Euribor yield curve at the valuation date, averaged over a 12-month period.

NOTE 8.2.2 OTHER PROVISIONS

Other provisions include provisions for restructuring (except staff costs), provisions for commercial litigation and provisions for future repayment of funds in connection with customer financing transactions.

The Group is subject to an extensive legal and regulatory framework in the countries where it operates. In this complex legal context, the Group and some of its former and current representatives may be involved in various legal actions, including civil, administrative and criminal proceedings. The vast majority of these proceedings are part of the Group's current business. In recent years, litigation with investors and the number of disputes involving financial intermediaries such as banks and investment advisors has increased, partly due to a difficult financial environment.

It is by nature difficult to foresee the outcome of disputes, regulatory proceedings and acts involving Group entities, particularly if they are initiated by various categories of complainants, if the amount of claims for damages is not specified or is indeterminate or if the proceedings have no precedent.

In preparing its financial statements, the Group assesses the consequences of the legal, regulatory or arbitration proceedings in which it is involved. A provision is booked when losses from these proceedings become probable and the amount can be estimated reliably.

To assess the probability of losses and the amount of these losses, and thus to determine the amount of provisions to book, estimations are important. Management makes these estimates by exercising its judgment and taking into account all information available when financial statements are prepared. In particular, the Group takes into account the nature of the dispute, the underlying facts, ongoing proceedings and court decisions already taken, as well as its experience and the experiences of other companies dealing with similar cases (assuming that the Group has knowledge thereof) and, where appropriate, the opinion and reports of experts and independent legal advisers.

Each quarter, the Group carries out a detailed examination of outstanding disputes that present a significant risk. The description of those disputes is presented in Note 9 "Information on risks and litigation".

NOTE 8.3 Tangible and intangible fixed assets

ACCOUNTING PRINCIPLES

tangible and intangible fixed assets

Tangible and intangible fixed assets include operating and investment fixed assets. Equipment assets held for operating leases purpose are included in operating tangible assets, while buildings held for leasing purposes are included in investment property.

Tangible and intangible fixed assets are carried at their purchase price on the asset side of the balance sheet, less depreciation, amortisation and impairment, except investment property held by insurance entities to back insurance contracts measured at fair value. The purchase price of fixed assets includes borrowing costs incurred to fund a lengthy construction period for the fixed assets, along with all other directly attributable expenses. Investment subsidies received are deducted from the cost of the relevant assets. Software developed internally is recorded on the asset side of the balance sheet in the amount of the direct cost of development.

As soon as they are fit for use, fixed assets are depreciated or amortised using the component-based approach. Each component is depreciated or amortised over its own useful life. The Group has applied this approach to its operating properties, breaking down its assets into components with depreciation periods of 10 to 50 years. Depreciation periods for fixed assets other than buildings depend on their useful life, which is usually estimated at 3 to 20 years.

Any residual value of the asset is deducted from its depreciable amount. If there is a subsequent decrease or increase in this initial residual value, the depreciable amount of the asset is adjusted, leading to a prospective modification of the depreciation schedule.

Depreciation and amortisation are recorded in the income statement under “Amortisation, depreciation and impairment of tangible and intangible fixed assets”.

Fixed assets grouped into Cash Generating Units are tested for impairment whenever there is any indication that their value may have diminished. Allocations and reversals of provisions for impairment are recorded in profit or loss under “Amortisation, depreciation and impairment of tangible and intangible fixed assets”.

Realised capital gains and losses on operating fixed assets are recognised under Net income from other assets.

The Group’s Investment properties are measured at cost. They are depreciated using a component-based approach. Each component is depreciated over its own useful life of between 10 and 50 years.

However, investment property held by insurance entities to back the insurance contracts issued, are measured at fair value through profit or loss, once a year, based on valuation reports by an independent expert. The fair value of investment property is based on unobservable inputs, thus corresponding to the level 3 category of fair value measurement (see Note 3.4).

Profits or losses on operating lease assets and on investment property, including amortisation, depreciation and revaluation are recognised under Income from lease activities, mobility and other activities and Expense from lease activities, mobility and other activities (see Note 4.2).

Operating lease assets

The cars leased by the Group in the context of fleet management are depreciated on a straight-line basis over the lease term for an average of three to five years. The depreciable amount of these cars is their acquisition cost less their residual value.

The acquisition cost of rental cars includes their acquisition cost plus the direct initial costs necessary for making them available to rental customers. Their residual value is an estimate of its resale value at the end of the contract. The estimate is based on statistical data and is reviewed at least once a year to take into account of price developments in the second-end car market. In case of increase or decrease in the residual value compared to its initial estimate, this change in estimate leads to adjust, vehicle by vehicle, its remaining depreciable value in order to modify its depreciation plan prospectively.

Profits or losses on the operating lease assets, including depreciation and impairment, are recognised under Income from lease activities, mobility and other activities and Expense from lease activities, mobility and other activities (see Note 4.2).

Rights-of-use for assets leased by THE Group

LEASE

Definition of the lease

A contract is, or contains, a ‘lease’ if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration:

- controlling the use of the leased asset includes the right to obtain substantially all of the economic benefits from use of the identified asset until the end of the contract and the right (for the lessee) to direct the use of the asset;
- the existence of an identified asset will depend on the absence, for the lessor, of substantive rights to substitute the leased asset, throughout the period of use; this condition is assessed based on the facts and circumstances existing at the inception of the contract. When the lessor has the ability to freely substitute the leased asset and when it benefits economically from the substitution, the contact is not a lease, since its purpose is the provision of a capacity, not of an asset;
- the identified asset may be made of a physically distinct portion of a broader asset (for example a given floor within a building). However, a portion of the capacity or of an asset that is not physically distinct is not an identified asset (for example the lease of co-working space, within a whole unit, with no precise, specified, location within this unit).

Separation of lease and non-lease components

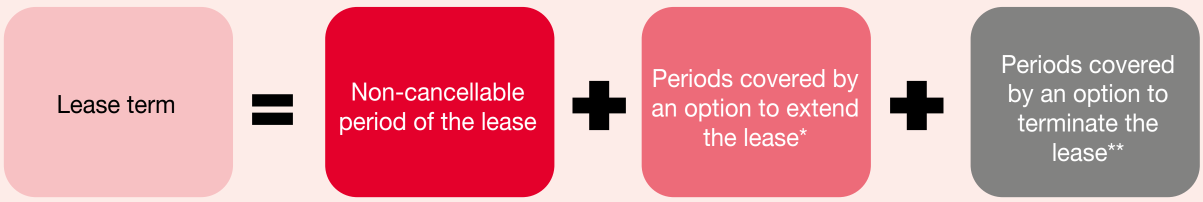
A contract may cover the lease of an asset by the lessor as well as the supply of additional services by that lessor. In this scenario, the lessee can separate the lease components from the non-lease components of the contract and treat them separately. The rental payments stipulated in the contract must be separated between the lease components and the non-lease components based on their individual prices (as directly indicated in the contract or estimated on the basis on all of the observable information). If the lessee cannot separate the lease components from the non-lease components (or services), the entire contract is treated as a lease.

LEASE TERM

Definition of the lease term

The lease period to be applied in determining the rental payments to be discounted matches the non-cancellable period of the lease adjusted for:

- options to extend the contract that the lessee is reasonably certain to exercise;
- and early termination options that the lessee is reasonably certain not to exercise.



* *if the lessee is reasonably certain to exercise that option*

** *if the lessee is reasonably certain not to exercise that option*

The measurement of the reasonable certainty of exercising or not exercising the extension or early termination options shall take into account all the facts and circumstances that may create an economic incentive to exercise or not these options, specifically:

- the conditions for exercising these options (including measurement of the amount of the rental payments in case of an extension, or of the amount of penalties that may be imposed for early termination);
- substantial changes made to the leased premises (specific layouts, such as a bank vault);
- the costs associated with terminating the contract (negotiation costs, moving costs, research costs for a new asset that meets the lessee’s requirements, etc.);
- the importance of the leased asset for the lessee, in view of its specific nature, its location, or the availability of substitute assets (specifically for branches located in commercially strategic sites, given their accessibility, expected traffic, or the prestige of the location);
- the history of renewals of similar contracts, as well as the strategy for the future use of the assets (based on the prospect of redeployment or rearrangement of a commercial branch network, for example).

When the lessee and the lessor each have the right to terminate the lease without the prior agreement of the other party and with no penalty other than a negligible one, the contract is no longer binding, and thus it no longer creates a lease liability.

In France, most property leases on premises occupied by branches are 9-year leases with an early-termination option at the end of 3 and 6-year term (leases referred to as “3/6/9”); at the end of the 9-year term, if no new agreement is signed, the initial lease is renewed by tacit agreement for a 5-year term. This 5-year term may be modified depending on the quality of the location, the completion of major investments, or the planned closure of a group of designated branches.

Changing the lease term

The term must be modified in case of a significant change of circumstances which lead the lessee to revise the exercise of the options included in the lease contract or in case of events which contractually oblige the lessee to exercise (or not) an option that had not been included (or is included) in the lease contract.

Following a change in the lease term, the lease obligation must be reassessed to reflect those changes by using a revised discount rate for the remaining estimated term of the contract.

ACCOUNTING TREATMENT BY THE GROUP AS A LESSEE

On the commencement date (on which the leased asset is made available for use), the lessee must record a lease liability on the liabilities side of the balance sheet and a right-of-use asset on the assets side of the balance sheet except for the exemptions described below.

In the income statement, the lessee must recognise an interest expense calculated on the lease liability under "Net banking income" and a depreciation of the right-of-use under "Amortisation, depreciation and impairment of tangible and intangible fixed assets".

The rental payments will partly reduce the lease liability and partly remunerate this liability in the form of interest expense.

Exemptions and exclusions

The Group does not apply the new lease treatment to contracts with a term of less than one year (including renewal options), nor to contracts on low-value items by applying the exemption threshold of USD 5,000 as indicated in the standard's Basis for Conclusions (the threshold should be measured against the replacement cost per unit of the leased asset).

Rental payment amounts

The payments to be considered for the measurement of the lease liability include fixed and variable rental payments based on an index (*e.g.* consumer price index or construction cost index), plus, where applicable, the funds that the lessee expects to pay the lessor for residual value guarantees, purchase options, or early termination penalties.

However, variable lease payments that are indexed on the use of the leased asset (indexed on revenue or mileage, for example) are excluded from the measurement of lease liability. This variable portion of the rental payments is recorded in the net income over time according to fluctuations in contractual indexes fluctuations.

Rental payments have to be considered based on their amount net of value-added tax. In addition, for building leases, occupancy taxes and property taxes passed on by lessors will be excluded from lease liabilities because their amount, as set by the competent public authorities, is variable.

Recognition of the lease liability

The liability initial amount is equal to the discounted value of the rental payments that will be payable over the lease period.

This lease liability is then measured at the amortised cost using the effective interest rate method: part of each rental payment will then be booked as interest expenses in the income statement, and part will be gradually deducted from the lease liability on the balance sheet.

After the commencement date, the amount of the lease liability may be adjusted if the lease is amended, the lease period is re-estimated, or to account for contractual changes in the rental payments related to the application of indices or rates.

As applicable, the lessee must also recognise a provision in its liabilities to cover the costs of restoring the leased asset that would be assumed when the lease ends.

Recognition of the right-of-use

On the availability date of the leased asset, the lessee must enter a right-of-use asset, on the assets side of the balance sheet, for an amount equal to the initial value of the lease liability, plus, as applicable, initial direct costs (*e.g.* issuance of an authenticated lease, registration fees, negotiation fees, front-end fee, leasehold right, lease premium, etc), advance payments, and restoration costs.

This asset is then depreciated on a straight-line basis over the lease period that is applied for measuring the lease liability.

After the commencement date, the asset's value may be adjusted if the lease is amended, as it is the case for the lease liability.

Rights-of-use is presented on the lessee's balance sheet under the items of fixed assets where properties of the same type that are held in full ownership are entered. If the lease stipulates the initial payment of a leasehold right to the former tenant of the premises, the amount of that right is stated as a separate component of the right of use and presented under the same heading as the latter.

Lease discount rates

The Group uses the lessees' incremental borrowing rate to discount the rental payments as well as the amount of lease liabilities. For the entities which can directly refinance themselves on their local markets, the incremental borrowing rate is set at the lessee entity level, not at the Group level, in consideration of the borrowing terms and that entity's credit risk. For the entities which refinance themselves through the Group, the incremental borrowing rate is set by the Group.

The discount rates are set according to the currency, the country of the lessee entities and the maturity estimated of the contracts.

CHANGES IN TANGIBLE AND INTANGIBLE FIXED ASSETS

(In EURm)	31.12.2023	Increases/ allowances	Disposals/ reversals	Revaluation	Other movements	31.12.2024
Intangible Assets	**3,562**	**220**	**(137)**	**-**	**(252)**	**3,393**
of which gross value	*9,990*	*942*	*(430)*	*-*	*(759)*	*9,743*
of which amortisation and impairments	*(6,428)*	*(722)*	*293*	*-*	*507*	*(6,350)*
Tangible Assets (w/o assets under operating leases)	**4,219**	**5**	**(92)**	**-**	**(247)**	**3,885**
of which gross value	*11,207*	*550*	*(839)*	*-*	*(624)*	*10,294*
of which amortisation and impairments	*(6,988)*	*(545)*	*747*	*-*	*377*	*(6,409)*
Assets under operating leases	**50,421**	**14,453**	**(12,889)**	**-**	**(223)**	**51,762**
of which gross value	*67,406*	*22,868*	*(20,889)*	*-*	*(154)*	*69,231*
of which amortisation and impairments	*(16,985)*	*(8,415)*	*8,000*	*-*	*(69)*	*(17,469)*
Investment Property (except insurancy activities)	**12**	**-**	**(2)**	**-**	**(2)**	**8**
of which gross value	*35*	*-*	*(5)*	*-*	*(4)*	*26*
of which amortisation and impairments	*(23)*	*-*	*3*	*-*	*2*	*(18)*
Investment Property (including insurancy activities)	**730**	**-**	**(1)**	**(23)**	**(5)**	**701**
Rights-of-use	**1,770**	**46**	**(110)**	**-**	**(46)**	**1,660**
of which gross value	*3,597*	*471*	*(291)*	*-*	*(119)*	*3,658*
of which amortisation and impairments	*(1,827)*	*(425)*	*181*	*-*	*73*	*(1,998)*
TOTAL	**60,714**	**14,724**	**(13,231)**	**(23)**	**(775)**	**61,409**

BREAKDOWN OF MINIMUM PAYMENTS RECEIVABLE ON OPERATING LEASE ASSETS

(In EURm)	31.12.2024	31.12.2023
Payments due in less than five years	19,365	21,555
Payments due in less than one year	*4,172*	*5,115*
Payments due from one to two years	*4,601*	*5,125*
Payments due from two to three years	*5,043*	*5,615*
Payments due from three to four years	*3,958*	*4,376*
Payments due from four to five years	*1,591*	*1,324*
Payments due in more than five years	490	146
TOTAL	**19,855**	**21,701**

INFORMATIONS RELATIVE TO LEASES ON TANGIBLE ASSETS USED BY THE GROUP

Property Leases

Most of the leases (more than 90%) involve building leases contracted for the lease of commercial and office space:

- the commercial spaces are branches in the Group's French and International Retail Banking networks. In France, the majority of property leases contracted are 9-year commercial leases with early termination options at 3 and 6 years (so-called "3/6/9" leases). If a new contract is not signed by the end of that 9-year period, the initial lease is automatically extended;
- the office buildings are leased for certain departments reporting to the Group's French headquarters or the local head offices of the main foreign subsidiaries, and for certain locations in the main international financial centres: London, New York, Hong Kong...

Outside France, residual lease periods are generally below 10 years. In some countries, leases can be annual, with optional automatic renewal. In other locations, specifically London and New York, lease periods can be as long as 25 years.

Equipment Leases

Other leases (less than 10%) are mainly computer equipment leases and a very small percentage of vehicle leases.

OVERVIEW TABLE OF LEASE TRANSACTION COSTS AND SUBLEASE INCOME

	31.12.2024			
(In EURm)	**Real estate**	**IT**	**Others**	**Total**
Lease	(469)	(55)	(9)	(533)
Interest expenses on lease liabilities	*(54)*	*(3)*	*(1)*	*(58)*
Depreciation charge for right-of-use assets	*(375)*	*(44)*	*(4)*	*(423)*
Expense relating to short-term leases	*(22)*	*(3)*	*(4)*	*(29)*
Expense relating to leases of low-value assets	*(2)*	*(5)*	*(0)*	*(7)*
Expense relating to variable lease payments	*(16)*	*(0)*	*(0)*	*(16)*
Sublease income	24	-	8	32

	31.12.2023			
(In EURm)	**Real estate**	**IT**	**Others**	**Total**
Lease	(458)	(47)	(9)	(514)
Interest expenses on lease liabilities	*(45)*	*(1)*	*(1)*	*(47)*
Depreciation charge for right-of-use assets	*(378)*	*(41)*	*(4)*	*(423)*
Expense relating to short-term leases	*(22)*	*(1)*	*(4)*	*(27)*
Expense relating to leases of low-value assets	*(2)*	*(4)*	-	*(6)*
Expense relating to variable lease payments	*(11)*	-	-	*(11)*
Sublease income	11	-	-	11

NOTE 8.4 Companies included in the consolidation Scope

Country			Operating Segments	Method *	Group ownership interest		Group voting interest	
					As at 31.12.2024	As at 31.12.2023	As at 31.12.2024	As at 31.12.2023
South Africa								
	(1)	SG JOHANNESBURG	Global Market and Investors Services	FULL	100	100	100	100
Algeria								
		ALD AUTOMOTIVE ALGERIE SPA	Mobility and Financial Services	FULL	52.59	52.59	99.99	99.99
		SOCIETE GENERALE ALGERIE	International Retail Banking	FULL	100	100	100	100
Germany								
		ALD AUTOLEASING D GmbH	Mobility and Financial Services	FULL	52.59	52.59	100	100
		ALD INTERNATIONAL GmbH	Mobility and Financial Services	FULL	52.59	52.59	100	100
		ALD INTERNATIONAL GROUP HOLDINGS GmbH	Mobility and Financial Services	FULL	52.59	52.59	100	100
		ALD LEASE FINANZ GmbH	Mobility and Financial Services	FULL	100	100	100	100
		BANK DEUTSCHES KRAFTFAHRZEUGGEWERBE GmbH	Mobility and Financial Services	FULL	99.94	99.94	90	90
		BDK LEASING UND SERVICE GmbH	Mobility and Financial Services	FULL	100	100	100	100
	(1) (6)	BSG FRANCE SA GERMAN BRANCH	Global Market and Investors Services	FULL	51	0	100	0
		CAR PROFESSIONAL FUHRPARKMANAGEMENT UND BERATUNGSGESELLSCHAFT MBH & CO. KG	Mobility and Financial Services	FULL	52.59	52.59	100	100
		CARPOOL GmbH	Mobility and Financial Services	FULL	52.59	52.59	100	100
	(5)	FLEETPOOL GmbH	Mobility and Financial Services	FULL	0	52.59	0	100
		FLEETPOOL GmbH (ex-LEASEPLAN SERVICES GmbH)	Mobility and Financial Services	FULL	52.59	52.59	100	100
		GEFA BANK GmbH	Mobility and Financial Services	FULL	100	100	100	100
		GEFA VERSICHERUNGSDIENST GmbH	Mobility and Financial Services	EFS	100	100	100	100
		HANSEATIC BANK GmbH & CO KG	Mobility and Financial Services	FULL	75	75	75	75
		HANSEATIC GESELLSCHAFT FUR BANKBETEILIGUNGEN MBH	Mobility and Financial Services	FULL	75	75	100	100
		HSCE HANSEATIC SERVICE CENTER GmbH	Mobility and Financial Services	FULL	75	75	100	100
		INTERLEASING DELLO HAMBURG GmbH	Mobility and Financial Services	FULL	52.59	52.59	100	100
		LEAN AUTOVERMIETUNG GmbH	Mobility and Financial Services	FULL	52.59	52.59	100	100
		LEASEPLAN DEUTSCHLAND GmbH	Mobility and Financial Services	FULL	52.59	52.59	100	100
		LEASEPLAN VERSICHERUNGSVERMITTLUNGS-GESELLSCHAFT MBH	Mobility and Financial Services	FULL	52.59	52.59	100	100
		PHILIPS MEDICAL CAPITAL GmbH	Mobility and Financial Services	FULL	60	60	60	60

Country			Operating Segments	Method *	Group ownership interest		Group voting interest	
					As at 31.12.2024	As at 31.12.2023	As at 31.12.2024	As at 31.12.2023
Germany		RED & BLACK AUTO GERMANY 10	Mobility and Financial Services	FULL	100	100	100	100
	(6)	RED & BLACK AUTO GERMANY 11	Mobility and Financial Services	FULL	100	0	100	0
	(2)	RED & BLACK AUTO GERMANY 4 UG (HAFTUNGSBESCHRANKT)	Mobility and Financial Services	FULL	0	100	0	100
		RED & BLACK AUTO GERMANY 7	Mobility and Financial Services	FULL	100	100	100	100
		RED & BLACK AUTO GERMANY 8	Mobility and Financial Services	FULL	100	100	100	100
		RED & BLACK AUTO GERMANY 9 UG (HAFTUNGSBESCHRANKT)	Mobility and Financial Services	FULL	100	100	100	100
		SG EQUIPMENT FINANCE GmbH	Mobility and Financial Services	FULL	100	100	100	100
	(1)	SG FRANCFORT	Financial and Advisory	FULL	100	100	100	100
		SOCIETE GENERALE EFFEKTEN GmbH	Global Market and Investors Services	FULL	100	100	100	100
		SOCIETE GENERALE SECURITIES SERVICES GmbH	Global Market and Investors Services	FULL	100	100	100	100
	(1)	SOGECAP DEUTSCHE NIEDERLASSUNG	Insurance	FULL	100	100	100	100
	(1)	SOGESSUR DEUTSCHE NIEDERLASSUNG	Insurance	FULL	100	100	100	100
Saudi Arabia								
		SOCIETE GENERALE SAUDI ARABIA JSC	Financial and Advisory	FULL	100	100	100	100
Australia								
		SOCIETE GENERALE SECURITIES AUSTRALIA PTY Ltd.	Global Market and Investors Services	FULL	100	100	100	100
	(1)	SOCIETE GENERALE SYDNEY BRANCH	Financial and Advisory	FULL	100	100	100	100
Austria								
		ALD AUTOMOTIVE FUHRPARKMANAGEMENT UND LEASING GmbH	Mobility and Financial Services	FULL	52.59	52.59	100	100
		FLOTTENMANAGEMENT GmbH	Mobility and Financial Services	ESI	25.77	25.77	49	49
		LEASEPLAN OSTERREICH FUHRPARKMANAGEMENT GmbH	Mobility and Financial Services	FULL	52.59	52.59	100	100
	(1)	SG VIENNE	Financial and Advisory	FULL	100	100	100	100
Belgium								
		AXUS FINANCE SRL	Mobility and Financial Services	FULL	52.59	52.59	100	100
		AXUS SA/NV	Mobility and Financial Services	FULL	52.59	52.59	100	100
		BASTION EUROPEAN INVESTMENTS SA	International Retail Banking	FULL	60.74	60.74	100	100
		BUMPER BE	Mobility and Financial Services	FULL	52.59	52.59	100	100
		LEASEPLAN FLEET MANAGEMENT NV	Mobility and Financial Services	FULL	52.59	52.59	100	100

Country			Operating Segments	Method *	Group ownership interest		Group voting interest	
					As at 31.12.2024	As at 31.12.2023	As at 31.12.2024	As at 31.12.2023
Belgium		LEASEPLAN PARTNERSHIPS & ALLIANCES	Mobility and Financial Services	FULL	52.59	52.59	100	100
	(5)	LEASEPLAN TRUCK NV	Mobility and Financial Services	FULL	0	52.59	0	100
	(2)	PARCOURS BELGIUM	Mobility and Financial Services	FULL	0	52.59	0	100
	(1)	SG BRUXELLES	Global Market and Investors Services	FULL	100	100	100	100
	(1)	SG EQUIPMENT FINANCE BENELUX BV BELGIAN BRANCH	Mobility and Financial Services	FULL	100	100	100	100
		SOCIETE GENERALE IMMOBEL	Financial and Advisory	FULL	100	100	100	100
Benin								
		SOCIETE GENERALE BENIN	International Retail Banking	FULL	93.43	93.43	94.1	94.1
Bermuda								
		CATALYST RE INTERNATIONAL Ltd.	Global Market and Investors Services	FULL	100	100	100	100
Brazil								
		ALD AUTOMOTIVE SA	Mobility and Financial Services	FULL	52.59	52.59	100	100
		ALD CORRETORA DE SEGUROS LTDA	Mobility and Financial Services	FULL	52.59	52.59	100	100
		BANCO SOCIETE GENERALE BRASIL SA	Global Market and Investors Services	FULL	100	100	100	100
		LEASEPLAN ARRENDAMENTO MERCANTIL SA	Mobility and Financial Services	FULL	52.59	52.59	100	100
		LEASEPLAN BRASIL LTDA.	Mobility and Financial Services	FULL	52.59	52.59	100	100
		SOCIETE GENERALE EQUIPMENT FINANCE S/A – ARRENDAMENTO MERCANTIL	Mobility and Financial Services	FULL	100	100	100	100
Bulgaria								
		ALD AUTOMOTIVE EOOD	Mobility and Financial Services	FULL	52.59	52.59	100	100
Burkina Faso								
		SOCIETE GENERALE BURKINA FASO	International Retail Banking	FULL	51.27	51.27	52.61	52.61
Cayman Islands								
		AEGIS HOLDINGS (OFFSHORE) Ltd.	Financial and Advisory	FULL	100	100	100	100
Cameroon								
		SOCIETE GENERALE CAMEROUN	International Retail Banking	FULL	58.08	58.08	58.08	58.08
Canada								
	(2)	13406300 CANADA INC.	Financial and Advisory	FULL	0	100	0	100
		SG MONTREAL SOLUTION CENTER 2 INC.	Financial and Advisory	FULL	100	100	100	100
		SG MONTREAL SOLUTION CENTER INC.	Financial and Advisory	FULL	100	100	100	100
	(1)	SOCIETE GENERALE (CANADA BRANCH)	Financial and Advisory	FULL	100	100	100	100
		SOCIETE GENERALE CAPITAL CANADA INC	Global Market and Investors Services	FULL	100	100	100	100

Country			Operating Segments	Method *	Group ownership interest		Group voting interest	
					As at 31.12.2024	As at 31.12.2023	As at 31.12.2024	As at 31.12.2023
Chile								
		ALD AUTOMOTIVE LIMITADA	Mobility and Financial Services	FULL	52.59	52.59	100	100
China								
		SOCIETE GENERALE (CHINA) LIMITED	Global Market and Investors Services	FULL	100	100	100	100
		SOCIETE GENERALE LEASING AND RENTING CO. Ltd.	Mobility and Financial Services	FULL	100	100	100	100
Colombia								
		ALD AUTOMOTIVE SAS	Mobility and Financial Services	FULL	52.59	52.59	100	100
South Korea								
		SG SECURITIES KOREA CO., Ltd.	Global Market and Investors Services	FULL	100	100	100	100
	(1)	SG SEOUL	Global Market and Investors Services	FULL	100	100	100	100
Ivory Coast								
		SOCIETE GENERALE AFRICAN BUSINESS SERVICES ABIDJAN	International Retail Banking	FULL	100	97.88	100	100
		SOCIETE GENERALE CAPITAL SECURITIES WEST AFRICA	International Retail Banking	FULL	72.37	71.27	100	100
		SOCIETE GENERALE COTE D'IVOIRE	International Retail Banking	FULL	73.25	73.25	73.25	73.25
Croatia								
		AYVENS CROATIA DOO ZA OPERATIVNI I FINANCIJSKI LEASING (ex-ALD AUTOMOTIVE DOO ZA. OPERATIVNI I FINANCIJSKI LEASING)	Mobility and Financial Services	FULL	52.59	52.59	100	100
		AYVENS FLEET SERVICES CROATIA DOO ZA TRGOVINU I USLUGE (ex-ALD FLEET SERVICES DOO ZA TRGOVINU I USLUGE)	Mobility and Financial Services	FULL	52.59	52.59	100	100
Denmark								
		ALD AUTOMOTIVE A/S	Mobility and Financial Services	FULL	52.59	52.59	100	100
		AUTO CLAIM HANDLING DANMARK A/S	Mobility and Financial Services	FULL	52.59	52.59	100	100
		LEASEPLAN DANMARK A/S	Mobility and Financial Services	FULL	52.59	52.59	100	100
		NF FLEET A/S	Mobility and Financial Services	FULL	42.07	42.07	80	80
United Arab Emirates								
	(1) (6)	BERNSTEIN AUTONOMOUS LLP (DUBAI BRANCH)	Global Market and Investors Services	FULL	51	0	100	0
		LEASEPLAN EMIRATES FLEET MANAGEMENT – LEASEPLAN EMIRATES LLC, UAE	Mobility and Financial Services	ESI	25.77	25.77	49	49
	(1)	SOCIETE GENERALE, DIFC BRANCH	Financial and Advisory	FULL	100	100	100	100

Country			Operating Segments	Method *	Group ownership interest		Group voting interest	
					As at 31.12.2024	As at 31.12.2023	As at 31.12.2024	As at 31.12.2023
Spain								
		ALTURA MARKETS, SOCIEDAD DE VALORES, SA	Global Market and Investors Services	EJV	50	50	50	50
		AYVENS SPAIN MOBILITY SOLUTIONS SAU. (ex-ALD AUTOMOTIVE SAU)	Mobility and Financial Services	FULL	52.59	52.59	100	100
	(1) (6)	BSG FRANCE SA SPANISH BRANCH	Global Market and Investors Services	FULL	51	0	100	0
		GARANTHIA PLAN SLU (ex-GARANTHIA PLAN SL)	Mobility and Financial Services	FULL	52.59	52.59	100	100
	(1)	GENEFIM SUCURSAL EN ESPANA	French Retail and Private Banking	FULL	100	100	100	100
		LEASE PLAN SERVICIOS SAU	Mobility and Financial Services	FULL	52.59	52.59	100	100
		PAYXPERT SPAIN	French Retail and Private Banking	FULL	80	60	100	100
		PIRAMBU SL	Financial and Advisory	FULL	100	100	100	100
		SG EQUIPMENT FINANCE IBERIA, EFC, SA (ex-SG EQUIPMENT FINANCE IBERIA, EFC, SAU)	Mobility and Financial Services	FULL	100	100	100	100
		SOCGEN FINANCIACIONES IBERIA, SL	Financial and Advisory	FULL	100	100	100	100
		SOCGEN INVERSIONES FINANCIERAS SL	Financial and Advisory	FULL	100	100	100	100
	(1)	SOCIETE GENERALE SUCCURSAL EN ESPANA	Global Market and Investors Services	FULL	100	100	100	100
		SODEPROM	French Retail and Private Banking	FULL	100	100	100	100
		SOLUCIONES DE RENTING Y MOVILIDAD, SL (SOCIEDAD UNIPERSONAL)	Mobility and Financial Services	FULL	52.59	52.59	100	100
Estonia								
		ALD AUTOMOTIVE EESTI AS	Mobility and Financial Services	FULL	39.45	39.45	75.01	75.01
United States of America								
		AEGIS HOLDINGS (ONSHORE) INC.	Financial and Advisory	FULL	100	100	100	100
	(6)	BERNSTEIN NORTH AMERICA HOLDINGS LLC	Global Market and Investors Services	ESI	33.33	0	36,36	0
	(6)	HAUSSMANN 1864 CAPITAL MANAGEMENT LLC	Financial and Advisory	FULL	100	0	100	0
		SG AMERICAS EQUITIES CORP.	Global Market and Investors Services	FULL	100	100	100	100
		SG AMERICAS OPERATIONAL SERVICES, LLC	Global Market and Investors Services	FULL	100	100	100	100
		SG AMERICAS SECURITIES HOLDINGS, LLC	Global Market and Investors Services	FULL	100	100	100	100
		SG AMERICAS SECURITIES, LLC	Global Market and Investors Services	FULL	100	100	100	100

Country			Operating Segments	Method *	Group ownership interest		Group voting interest	
					As at 31.12.2024	As at 31.12.2023	As at 31.12.2024	As at 31.12.2023
United States of America		SG AMERICAS, INC.	Financial and Advisory	FULL	100	100	100	100
		SG EQUIPMENT FINANCE USA CORP.	Mobility and Financial Services	FULL	100	100	100	100
		SG MORTGAGE FINANCE CORP.	Financial and Advisory	FULL	100	100	100	100
		SG MORTGAGE SECURITIES, LLC	Global Market and Investors Services	FULL	100	100	100	100
		SG STRUCTURED PRODUCTS, INC.	Global Market and Investors Services	FULL	100	100	100	100
	(1)	SOCIETE GENERALE (NEW YORK)	Global Market and Investors Services	FULL	100	100	100	100
		SOCIETE GENERALE FINANCIAL CORPORATION	Financial and Advisory	FULL	100	100	100	100
		SOCIETE GENERALE INVESTMENT CORPORATION	Global Market and Investors Services	FULL	100	100	100	100
		SOCIETE GENERALE LIQUIDITY FUNDING, LLC	Global Market and Investors Services	FULL	100	100	100	100
Finland								
		AXUS FINLAND OY	Mobility and Financial Services	FULL	52.59	52.59	100	100
		NF FLEET OY	Mobility and Financial Services	FULL	42.07	42.07	80	80
France								
		29 HAUSSMANN EQUILIBRE	Insurance	FULL	87.1	87.1	87.1	87.1
		29 HAUSSMANN EURO CREDIT – PART-C	Insurance	FULL	60.05	60.05	60.05	60.05
	(6)	29 HAUSSMANN EURO OBLIGATIONS D'ETATS – PART C	Insurance	FULL	44.93	0	44.93	0
		29 HAUSSMANN EURO RDT	Insurance	FULL	58.1	58.1	58.1	58.1
		29 HAUSSMANN SELECTION EUROPE – K	Insurance	FULL	45.23	45.23	45.23	45.23
		29 HAUSSMANN SELECTION MONDE	Insurance	FULL	68.7	68.7	68.7	68.7
		908 REPUBLIQUE	French Retail and Private Banking	ESI	50	40	50	40
		ADMINISTRATIVE AND MANAGEMENT SERVICES	Mobility and Financial Services	FULL	52.59	52.59	100	100
		AIR BAIL	Financial and Advisory	FULL	100	100	100	100
		AIX – BORD DU LAC – 3	French Retail and Private Banking	EJV	50	50	50	50
		ALFORTVILLE BAIGNADE	French Retail and Private Banking	ESI	40	40	40	40
	(3)	AMPERIM	French Retail and Private Banking	EJV	0	50	0	50
	(6)	AMUNDI SMART BLENDED – I2-C EUR (C)	Insurance	FULL	99.97	0	99.97	0
		ANNEMASSE-ILOT BERNARD	French Retail and Private Banking	FULL	80	80	80	80

Country			Operating Segments	Method *	Group ownership interest As at 31.12.2024	Group ownership interest As at 31.12.2023	Group voting interest As at 31.12.2024	Group voting interest As at 31.12.2023
France		ANTALIS SA	Financial and Advisory	FULL	100	100	100	100
	(3)	ANTARES	French Retail and Private Banking	ESI	0	45	0	45
		ANTARIUS	Insurance	FULL	100	100	100	100
		ARTISTIK	French Retail and Private Banking	ESI	30	30	30	30
	(6)	AUBERVILLIERS 23 LANDY	French Retail and Private Banking	FULL	51	0	51	0
		AYVENS (ex-ALD)	Mobility and Financial Services	FULL	52.59	52.59	68.97	68.97
		BANQUE FRANCAISE COMMERCIALE OCEAN INDIEN	International Retail Banking	FULL	50	50	50	50
		BAUME LOUBIERE	French Retail and Private Banking	ESI	40	40	40	40
		BERCK RUE DE BOUVILLE	French Retail and Private Banking	ESI	25	25	25	25
	(6)	BERGERIE CHATEL	French Retail and Private Banking	FULL	51	0	51	0
		BERLIOZ	Insurance	FULL	84.05	84.05	84.05	84.05
		BEZIERS-LA COURONDELLE	French Retail and Private Banking	EJV	50	50	50	50
	(6)	BORDEAUX BOUTAUT	French Retail and Private Banking	FULL	51	0	51	0
		BOURSORAMA MASTER HOME LOANS FRANCE	French Retail and Private Banking	FULL	100	100	100	100
		BOURSORAMA SA	French Retail and Private Banking	FULL	100	100	100	100
		BREMANY LEASE SAS	Mobility and Financial Services	FULL	52.59	52.59	100	100
	(6)	BRIE COSSIGNY	French Retail and Private Banking	FULL	70	0	70	0
	(6)	BSG FRANCE SA	Global Market and Investors Services	FULL	51	0	100	0
		BUMPER FR 2022-1	Mobility and Financial Services	FULL	52.59	52.59	100	100
	(2)	CARBURAUTO	French Retail and Private Banking	EJV	0	50	0	50
		CEGELEASE	French Retail and Private Banking	FULL	100	99.99	100	100
		CENTRE IMMO PROMOTION	French Retail and Private Banking	FULL	60	60	60	60
	(8)	COMPAGNIE FONCIERE DE LA MEDITERRANEE (CFM)	Corporate Centre	FULL	100	100	100	100
		COMPAGNIE GENERALE DE LOCATION D'EQUIPEMENTS	Mobility and Financial Services	FULL	99.89	99.89	99.89	99.89

Country			Operating Segments	Method *	Group ownership interest As at 31.12.2024	Group ownership interest As at 31.12.2023	Group voting interest As at 31.12.2024	Group voting interest As at 31.12.2023
France	(2)	CONTE	French Retail and Private Banking	EJV	0	50	0	50
	(6)	COURTRY GOULET	French Retail and Private Banking	FULL	51	0	51	0
		DARWIN DIVERSIFIE 40-60	Insurance	FULL	79.78	79.78	79.78	79.78
		DARWIN DIVERSIFIE 80-100	Insurance	FULL	78.34	78.34	78.34	78.34
		DISPONIS	French Retail and Private Banking	FULL	100	99.99	100	100
		ECHIQUIER AGENOR EURO SRI MID CAP	Insurance	FULL	40.85	40.85	40.85	40.85
	(6)	ETAMPES PARIS	French Retail and Private Banking	FULL	51	0	51	0
		ETOILE CAPITAL	French Retail and Private Banking	FULL	100	100	100	100
		FEP INVESTISSEMENTS	French Retail and Private Banking	FULL	100	100	100	100
		FCT LA ROCHE	Financial and Advisory	FULL	100	100	100	100
	(6)	FCT RED & BLACK AUTO LOANS FRANCE 2024	Mobility and Financial Services	FULL	99.89	0	100	0
		FEEDER LYX E ST50 D6	Insurance	FULL	100	100	100	100
		FEEDER LYXOR CAC40 D2-EUR	Insurance	FULL	100	100	100	100
		FENWICK LEASE	French Retail and Private Banking	FULL	100	99.99	100	100
		FINASSURANCE SNC	Mobility and Financial Services	FULL	98.89	98.89	99	99
		FRANFINANCE	French Retail and Private Banking	FULL	100	99.99	100	99.99
		FRANFINANCE LA REUNION (ex-COMPAGNIE FINANCIERE DE BOURBON)	French Retail and Private Banking	FULL	100	99.99	100	100
		FRANFINANCE LOCATION	French Retail and Private Banking	FULL	100	99.99	100	100
	(8)	GALYBET	Corporate Centre	FULL	100	100	100	100
	(8)	GENEBANQUE	Corporate Centre	FULL	100	100	100	100
	(5)	GENECAL FRANCE	Financial and Advisory	FULL	0	100	0	100
		GENECAR – SOCIETE GENERALE DE COURTAGE D'ASSURANCE ET DE REASSURANCE	French Retail and Private Banking	FULL	100	100	100	100
		GENECOMI FRANCE	Financial and Advisory	FULL	100	100	100	100
		GENEFIM	French Retail and Private Banking	FULL	100	100	100	100
	(8)	GENEFINANCE	Corporate Centre	FULL	100	100	100	100
	(8)	GENEGIS I	Corporate Centre	FULL	100	100	100	100
	(8)	GENEGIS II	Corporate Centre	FULL	100	100	100	100
		GENEPIERRE	Insurance	FULL	60.34	60.34	60.34	60.34

Country			Operating Segments	Method *	Group ownership interest		Group voting interest	
					As at 31.12.2024	As at 31.12.2023	As at 31.12.2024	As at 31.12.2023
France	(8)	GENEVALMY	Corporate Centre	FULL	100	100	100	100
		HIPPOLYTE	Financial and Advisory	FULL	100	100	100	100
		HYUNDAI CAPITAL FRANCE (ex-SEFIA)	Mobility and Financial Services	ESI	49.95	49.95	50	50
		ILOT AB	French Retail and Private Banking	FULL	80	80	80	80
		IMMOBILIERE PROMEX	French Retail and Private Banking	ESI	35	35	35	35
		INVESTIR IMMOBILIER NORMANDIE	French Retail and Private Banking	FULL	100	100	100	100
		INVESTISSEMENT 81	Insurance	FULL	100	100	100	100
		IVRY CHAUSSINAND	French Retail and Private Banking	FULL	64	64	64	64
		JSJ PROMOTION	French Retail and Private Banking	ESI	45	45	45	45
	(6)	JUSTE-SOGEPROM	French Retail and Private Banking	FULL	70	0	70	0
		LA CORBEILLERIE	French Retail and Private Banking	ESI	40	40	40	40
	(8)	LA FONCIERE DE LA DEFENSE	Corporate Centre	FULL	100	100	100	100
	(6)	LA RESERVE	French Retail and Private Banking	FULL	60	0	60	0
	(6)	LAGNY LECLERC	French Retail and Private Banking	FULL	51	0	51	0
		LEASEPLAN FRANCE SAS	Mobility and Financial Services	FULL	52.59	52.59	100	100
		LES ALLEES DE L'EUROPE	French Retail and Private Banking	ESI	34	34	34	34
		LES JARDINS D'ALHAMBRA	French Retail and Private Banking	ESI	35	35	35	35
		LES JARDINS DU VILLAGE	French Retail and Private Banking	FULL	80	80	80	80
		LES MESANGES	French Retail and Private Banking	FULL	55	55	55	55
	(6)	LES NOUVEAUX PARTENAIRES AURA	French Retail and Private Banking	FULL	70	0	70	0
	(6)	LES NOUVEAUX PARTENAIRES IDF	French Retail and Private Banking	FULL	70	0	70	0
		LES TROIS LUCS 13012	French Retail and Private Banking	FULL	100	100	100	100
		LES VILLAS VINCENTI	French Retail and Private Banking	ESI	30	30	30	30

Country			Operating Segments	Method *	Group ownership interest		Group voting interest	
					As at 31.12.2024	As at 31.12.2023	As at 31.12.2024	As at 31.12.2023
France		L'HESPEL	French Retail and Private Banking	ESI	30	30	30	30
	(6)	LISTOPLAC	Financial and Advisory	FULL	100	0	100	0
		LOTISSEMENT DES FLEURS	French Retail and Private Banking	ESI	30	30	30	30
		LYON LA FABRIC	French Retail and Private Banking	EJV	50	50	50	50
		LYX ACT EURO CLIMAT-D3EUR	Insurance	FULL	100	100	100	100
		LYX ACT EURO CLIMAT-DEUR	Insurance	FULL	100	100	100	100
		LYXOR ACTIONS EURO CLIMAT D4 EUR	Insurance	FULL	100	100	100	100
		LYXOR GL OVERLAY F	Insurance	FULL	87.27	87.27	87.27	87.27
		LYXOR SKYFALL FUND	Insurance	FULL	88.98	88.98	88.98	88.98
		MEDITERRANEE GRAND ARC	French Retail and Private Banking	EJV	50	50	50	50
		NORBAIL SOFERGIE	French Retail and Private Banking	FULL	100	100	100	100
		NORMANDIE REALISATIONS	French Retail and Private Banking	FULL	100	100	100	100
	(2)	ONYX	French Retail and Private Banking	EJV	0	50	0	50
		OPCI SOGECAPIMMO	Insurance	FULL	100	100	100	100
		ORADEA VIE	Insurance	FULL	100	100	100	100
		ORPAVIMOB	Financial and Advisory	FULL	100	100	100	100
		PARCOURS	Mobility and Financial Services	FULL	52.59	52.59	100	100
		PARCOURS ANNECY	Mobility and Financial Services	FULL	52.59	52.59	100	100
		PARCOURS BORDEAUX	Mobility and Financial Services	FULL	52.59	52.59	100	100
		PARCOURS NANTES	Mobility and Financial Services	FULL	52.59	52.59	100	100
		PARCOURS STRASBOURG	Mobility and Financial Services	FULL	52.59	52.59	100	100
		PARCOURS TOURS	Mobility and Financial Services	FULL	52.59	52.59	100	100
		PAYXPERT FRANCE	French Retail and Private Banking	FULL	80	60	100	100
		PHILIPS MEDICAL CAPITAL FRANCE	Mobility and Financial Services	FULL	60	60	60	60
		PIERRE PATRIMOINE	Insurance	FULL	100	100	100	100
		PLEASE	Mobility and Financial Services	EJV	52.23	52.23	50	50
		PRAGMA	French Retail and Private Banking	FULL	100	100	100	100
		PRIMONIAL DOUBLE IMMO	Global Market and Investors Services	FULL	100	100	100	100

Country			Operating Segments	Method *	Group ownership interest		Group voting interest	
					As at 31.12.2024	As at 31.12.2023	As at 31.12.2024	As at 31.12.2023
France		PRIORIS	Mobility and Financial Services	FULL	94.89	94.89	95	95
		PROGEREAL	French Retail and Private Banking	ESI	25.01	25.01	25.01	25.01
		PROJECTIM	French Retail and Private Banking	FULL	100	100	100	100
		RED & BLACK AUTO LEASE FRANCE 1	Mobility and Financial Services	FULL	52.59	52.59	100	100
		RED & BLACK AUTO LEASE FRANCE 2	Mobility and Financial Services	FULL	52.59	52.59	100	100
		RED & BLACK CONSUMER FRANCE 2013	French Retail and Private Banking	FULL	100	100	100	100
		RED & BLACK HOME LOANS FRANCE 2	French Retail and Private Banking	FULL	100	100	100	100
	(6)	RED & BLACK HOME LOANS FRANCE 3	French Retail and Private Banking	FULL	100	0	100	0
		REEZOCORP	Mobility and Financial Services	FULL	99.95	96.83	100	96.88
		RIVAPRIM REALISATIONS	French Retail and Private Banking	FULL	100	100	100	100
		SCI DU DOMAINE DE STONEHAM	French Retail and Private Banking	EJV	50	50	50	50
	(5)	SAGEMCOM LEASE	French Retail and Private Banking	FULL	0	99.99	0	100
		SAINTE-MARTHE ILOT C	French Retail and Private Banking	ESI	40	40	40	40
		SAINTE-MARTHE ILOT D	French Retail and Private Banking	ESI	40	40	40	40
	(6)	SALLANCHES MONTFORT	French Retail and Private Banking	FULL	70	0	70	0
		SARL BORDEAUX-20-26 RUE DU COMMERCE	French Retail and Private Banking	ESI	30	30	30	30
		SARL D'AMENAGEMENT DU MARTINET	French Retail and Private Banking	EJV	50	50	50	50
	(2)	SARL DE LA VECQUERIE	French Retail and Private Banking	ESI	0	32.5	0	32.5
		SARL SEINE CLICHY	French Retail and Private Banking	FULL	100	100	100	100
		SAS AMIENS – AVENUE DU GENERAL FOY	French Retail and Private Banking	FULL	100	100	100	100
		SAS BF3 NOGENT THIERS	French Retail and Private Banking	ESI	20	20	20	20
		SAS BONDUES – CŒUR DE BOURG	French Retail and Private Banking	ESI	25	25	25	25

Country			Operating Segments	Method *	Group ownership interest		Group voting interest	
					As at 31.12.2024	As at 31.12.2023	As at 31.12.2024	As at 31.12.2023
France		SAS COPRIM RESIDENCES	French Retail and Private Banking	FULL	100	100	100	100
		SAS MERIGNAC OASIS URBAINE	French Retail and Private Banking	FULL	90	90	90	90
		SAS NORMANDIE RESIDENCES	French Retail and Private Banking	FULL	100	100	100	100
		SAS ODESSA DEVELOPPEMENT	French Retail and Private Banking	ESI	49	49	49	49
		SAS PAYSAGES	French Retail and Private Banking	FULL	51	51	51	51
		SAS PROJECTIM IMMOBILIER	French Retail and Private Banking	FULL	100	100	100	100
	(2)	SAS ROANNE LA TRILOGIE	French Retail and Private Banking	ESI	0	41	0	41
		SAS SCENES DE VIE	French Retail and Private Banking	EJV	50	50	50	50
		SAS SOAX PROMOTION	Financial and Advisory	FULL	58.5	58.5	58.5	58.5
		SAS SOGEMYSJ	French Retail and Private Banking	FULL	51	51	51	51
		SAS SOJEPRIM	French Retail and Private Banking	FULL	100	100	100	100
		SAS TIR A L'ARC AMENAGEMENT	French Retail and Private Banking	EJV	50	50	50	50
		SAS TOUR D2	French Retail and Private Banking	JO	50	50	50	50
		SAS VILLENEUVE D'ASCQ – RUE DES TECHNIQUES BUREAUX	French Retail and Private Banking	EJV	50	50	50	50
	(3)	SCCV 282 MONTOLIVET 12	French Retail and Private Banking	FULL	0	60	0	60
		SCCV ALFORTVILLE MANDELA	French Retail and Private Banking	ESI	49	49	49	49
		SCCV BAC GALLIENI	French Retail and Private Banking	FULL	51	51	51	51
	(3)	SCCV BOIS-GUILLAUME PARC DE HALLEY	French Retail and Private Banking	EJV	0	50	0	50
		SCCV BOURG BROU	French Retail and Private Banking	FULL	60	60	60	60
		SCCV BRON CARAVELLE	French Retail and Private Banking	EJV	50	50	50	50
		SCCV CAEN CASERNE MARTIN	French Retail and Private Banking	FULL	100	100	100	100

Country			Operating Segments	Method *	Group ownership interest		Group voting interest	
					As at 31.12.2024	As at 31.12.2023	As at 31.12.2024	As at 31.12.2023
France	(2)	SCCV CAEN PANORAMIK	French Retail and Private Banking	ESI	0	40	0	40
		SCCV CANNES JOURDAN	French Retail and Private Banking	EJV	50	50	50	50
		SCCV CHARTREUX LOT C	French Retail and Private Banking	EJV	50	50	50	50
		SCCV CHARTREUX LOT E	French Retail and Private Banking	FULL	100	100	100	100
		SCCV CHOISY LOGEMENT	French Retail and Private Banking	FULL	100	100	100	100
		SCCV CLICHY BAC D'ASNIERES	French Retail and Private Banking	FULL	75	75	75	75
		SCCV CLICHY BRC	French Retail and Private Banking	EJV	50	50	50	50
		SCCV COLOMBES	French Retail and Private Banking	ESI	28.66	28.66	49	49
		SCCV COMPIEGNE – RUE DE L'EPARGNE	French Retail and Private Banking	ESI	35	35	35	35
		SCCV COMPIEGNE ROYALLIEU	French Retail and Private Banking	ESI	30	30	30	30
		SCCV CUGNAUX-LEO LAGRANGE	French Retail and Private Banking	EJV	50	50	50	50
		SCCV DEVILLE-CARNOT	French Retail and Private Banking	FULL	60	60	60	60
		SCCV DUNKERQUE PATINOIRE DEVELOPPEMENT	French Retail and Private Banking	EJV	50	50	50	50
	(6)	SCCV EMPREINTE	French Retail and Private Banking	FULL	51	0	51	0
		SCCV EPRON – ZAC L'OREE DU GOLF	French Retail and Private Banking	FULL	70	70	70	70
		SCCV ERAGNY GUICHARD	French Retail and Private Banking	FULL	51	51	51	51
		SCCV ESPACES DE DEMAIN	French Retail and Private Banking	EJV	50	50	50	50
		SCCV ETERVILLE ROUTE D'AUNAY	French Retail and Private Banking	EJV	50	50	50	50
		SCCV EURONANTES 1E	French Retail and Private Banking	EJV	50	50	50	50
		SCCV FAVERGES	French Retail and Private Banking	FULL	100	100	100	100
		SCCV GAMBETTA LA RICHE	French Retail and Private Banking	ESI	25	25	25	25

Country			Operating Segments	Method *	Group ownership interest As at 31.12.2024	Group ownership interest As at 31.12.2023	Group voting interest As at 31.12.2024	Group voting interest As at 31.12.2023
France		SCCV GIGNAC MOUSSELINE	French Retail and Private Banking	FULL	70	70	70	70
		SCCV GIVORS ROBICHON	French Retail and Private Banking	FULL	85	85	85	85
		SCCV GOELETTES GRAND LARGE	French Retail and Private Banking	EJV	50	50	50	50
		SCCV HEROUVILLE ILOT A2	French Retail and Private Banking	ESI	33.33	33.33	33.33	33.33
		SCCV ISTRES PAPAILLE	French Retail and Private Banking	FULL	70	70	70	70
		SCCV JA LE HAVRE 22 COTY	French Retail and Private Banking	ESI	40	40	40	40
		SCCV JDA OUISTREHAM	French Retail and Private Banking	EJV	50	50	50	50
	(3)	SCCV KYMA MERIGNAC	French Retail and Private Banking	ESI	0	30	0	30
		SCCV LA BAULE – LES JARDINS D'ESCOUBLAC	French Retail and Private Banking	ESI	25	25	25	25
		SCCV LA MADELEINE – PRE CATELAN	French Retail and Private Banking	FULL	51	51	51	51
	(3)	SCCV LA MADELEINE SAINT-CHARLES	French Retail and Private Banking	EJV	0	50	0	50
		SCCV LA PORTE DU CANAL	French Retail and Private Banking	EJV	50	50	50	50
		SCCV LACASSAGNE BRICKS	French Retail and Private Banking	ESI	49	49	49	49
		SCCV LE CENTRAL C1.4	French Retail and Private Banking	ESI	33.4	33.4	33.4	33.4
		SCCV LE CENTRAL C1.5A	French Retail and Private Banking	ESI	33.3	33.3	33.3	33.3
		SCCV LE CENTRAL C1.7	French Retail and Private Banking	ESI	33.3	33.3	33.3	33.3
		SCCV LES BASTIDES FLEURIES	French Retail and Private Banking	FULL	64.29	64.29	64.29	64.29
	(2)	SCCV LES ECRIVAINS	French Retail and Private Banking	FULL	0	70	0	70
		SCCV LES HAUTS VERGERS	French Retail and Private Banking	FULL	55	55	55	55
		SCCV LES PATIOS D'OR DE FLEURY LES AUBRAIS	French Retail and Private Banking	FULL	64	64	80	80
		SCCV LES SUCRES	French Retail and Private Banking	EJV	50	50	50	50

Country			Operating Segments	Method *	Group ownership interest		Group voting interest	
					As at 31.12.2024	As at 31.12.2023	As at 31.12.2024	As at 31.12.2023
France		SCCV LESQUIN PARC	French Retail and Private Banking	EJV	50	50	50	50
		SCCV L'IDEAL – MODUS 1.0	French Retail and Private Banking	FULL	80	80	80	80
		SCCV LILLE – JEAN MACE	French Retail and Private Banking	ESI	33.4	33.4	33.4	33.4
		SCCV LOOS GAMBETTA	French Retail and Private Banking	ESI	35	35	35	35
		SCCV MARCQ EN BARŒUL GABRIEL PERI	French Retail and Private Banking	ESI	20	20	20	20
		SCCV MARQUETTE CALMETTE	French Retail and Private Banking	EJV	50	50	50	50
		SCCV MASSY NOUAILLE	French Retail and Private Banking	FULL	80	80	80	80
		SCCV MEHUL 34000	French Retail and Private Banking	FULL	70	70	70	70
		SCCV MONROC – LOT 3	French Retail and Private Banking	EJV	50	50	50	50
		SCCV MONS EQUATION	French Retail and Private Banking	EJV	50	50	50	50
		SCCV NICE ARENAS	French Retail and Private Banking	FULL	100	100	100	100
		SCCV NOGENT PLAISANCE	French Retail and Private Banking	FULL	60	60	60	60
		SCCV NOISY BOISSIERE	French Retail and Private Banking	FULL	51	51	51	51
		SCCV PARIS ALBERT	French Retail and Private Banking	EJV	50	50	50	50
		SCCV PRADES BLEU HORIZON	French Retail and Private Banking	EJV	50	50	50	50
		SCCV QUAI DE SEINE A ALFORTVILLE	French Retail and Private Banking	FULL	51	51	51	51
		SCCV QUAI NEUF BORDEAUX	French Retail and Private Banking	ESI	35	35	35	35
	(6)	SCCV ROUEN RUE LOUIS BLANC	French Retail and Private Banking	EJV	50	0	50	0
		SCCV ROUSSET – LOT 03	French Retail and Private Banking	FULL	70	70	70	70
		SCCV SAINT JUST DAUDET	French Retail and Private Banking	FULL	80	80	80	80
	(6)	SCCV SAINT NAZAIRE MDP ILOT V4	French Retail and Private Banking	FULL	80	0	80	0

Country			Operating Segments	Method *	Group ownership interest As at 31.12.2024	Group ownership interest As at 31.12.2023	Group voting interest As at 31.12.2024	Group voting interest As at 31.12.2023
France		SCCV SAY	French Retail and Private Banking	ESI	35	35	35	35
	(2)	SCCV SENGHOR	French Retail and Private Banking	ESI	0	35	0	35
		SCCV SENSORIUM BUREAUX	French Retail and Private Banking	EJV	50	50	50	50
		SCCV SENSORIUM LOGEMENT	French Retail and Private Banking	EJV	50	50	50	50
		SCCV SOGAB ILE DE FRANCE	French Retail and Private Banking	FULL	80	80	80	80
		SCCV SOGAB ROMAINVILLE	French Retail and Private Banking	FULL	80	80	80	80
		SCCV SOGEPROM LYON HABITAT	French Retail and Private Banking	FULL	100	100	100	100
		SCCV SOPRAB IDF	French Retail and Private Banking	FULL	70	70	70	70
		SCCV ST MARTIN DU TOUCH ILOT S9	French Retail and Private Banking	EJV	50	50	50	50
		SCCV TOULOUSE LES IZARDS	French Retail and Private Banking	FULL	51	51	51	51
		SCCV TRETS CASSIN LOT 4	French Retail and Private Banking	FULL	70	70	70	70
		SCCV VERNONNET-FIESCHI	French Retail and Private Banking	FULL	51	51	51	51
		SCCV VILLA CHANZY	French Retail and Private Banking	ESI	40	40	40	40
		SCCV VILLA VALERIANE	French Retail and Private Banking	ESI	30	30	30	30
		SCCV VILLAS URBAINES	French Retail and Private Banking	FULL	80	80	80	80
		SCCV VILLENAVE D'ORNON GARDEN VO	French Retail and Private Banking	ESI	25	25	25	25
		SCCV VILLENEUVE BONGARDE T2	French Retail and Private Banking	FULL	51	51	51	51
		SCCV VILLENEUVE D'ASCQ-RUE DES TECHNIQUES	French Retail and Private Banking	EJV	50	50	50	50
		SCCV VILLENEUVE VILLAGE BONGARDE	French Retail and Private Banking	FULL	51	51	51	51
	(3)	SCCV VILLEURBANNE TEMPO	French Retail and Private Banking	FULL	0	100	0	100
		SCCV WAMBRECHIES RESISTANCE	French Retail and Private Banking	EJV	50	50	50	50

Country			Operating Segments	Method *	Group ownership interest		Group voting interest	
					As at 31.12.2024	As at 31.12.2023	As at 31.12.2024	As at 31.12.2023
France	(6)	SCCV ZAC DES DOCKS R4	French Retail and Private Banking	FULL	70	0	70	0
		SCI 1134, AVENUE DE L'EUROPE A CASTELNAU LE LEZ	French Retail and Private Banking	EJV	50	50	50	50
		SCI AQPRIM PROMOTION	French Retail and Private Banking	FULL	79.8	79.8	50	50
		SCI CENTRE IMMO PROMOTION RESIDENCES	French Retail and Private Banking	FULL	80	80	100	100
	(2)	SCI CHELLES AULNOY MENDES FRANCE	French Retail and Private Banking	EJV	0	50	0	50
	(3)	SCI DU PARC SAINT-ETIENNE	French Retail and Private Banking	ESI	0	40	0	40
		SCI ETAMPES NOTRE-DAME	French Retail and Private Banking	EJV	50	50	50	50
		SCI L'ACTUEL	French Retail and Private Banking	ESI	30	30	30	30
		SCI LAVOISIER	French Retail and Private Banking	FULL	80	80	80	80
		SCI LES JARDINS D'IRIS	French Retail and Private Banking	FULL	60	60	60	60
	(2)	SCI LES JARDINS DU BLAVET	French Retail and Private Banking	ESI	0	40	0	40
	(3)	SCI LES PORTES DU LEMAN	French Retail and Private Banking	FULL	0	70	0	70
		SCI LINAS CŒUR DE VILLE 1	French Retail and Private Banking	FULL	71	70	71	70
		SCI LOCMINE- LAMENNAIS	French Retail and Private Banking	ESI	30	30	30	30
		SCI MONTPELLIER JACQUES CŒUR	French Retail and Private Banking	EJV	50	50	50	50
		SCI PRIMO E+	Global Market and Investors Services	FULL	100	100	100	100
		SCI PRIMO N+	Global Market and Investors Services	FULL	100	100	100	100
		SCI PRIMO N+2	Global Market and Investors Services	FULL	100	100	100	100
		SCI PRIMO N+3	Global Market and Investors Services	FULL	100	100	100	100
		SCI PROJECTIM HABITAT	French Retail and Private Banking	FULL	100	100	100	100
	(2)	SCI QUINTEFEUILLE	French Retail and Private Banking	ESI	0	30	0	30

Country			Operating Segments	Method *	Group ownership interest As at 31.12.2024	Group ownership interest As at 31.12.2023	Group voting interest As at 31.12.2024	Group voting interest As at 31.12.2023
France		SCI RESIDENCE DU DONJON	French Retail and Private Banking	EJV	40	40	40	40
	(5)	SCI RHIN ET MOSELLE 1	French Retail and Private Banking	FULL	0	100	0	100
		SCI RIVAPRIM HABITAT	French Retail and Private Banking	FULL	100	100	100	100
		SCI RIVAPRIM RESIDENCES	French Retail and Private Banking	FULL	100	100	100	100
		SCI SAINT-DENIS WILSON	French Retail and Private Banking	FULL	60	60	60	60
		SCI SCS IMMOBILIER D'ENTREPRISES	French Retail and Private Banking	FULL	52.8	52.8	66	66
		SCI SOGECIP	French Retail and Private Banking	FULL	80	80	100	100
		SCI SOGECTIM	French Retail and Private Banking	FULL	100	100	100	100
		SCI SOGEPROM LYON RESIDENCES	French Retail and Private Banking	FULL	100	100	100	100
	(2)	SCI TOULOUSE CENTREDA 3	French Retail and Private Banking	FULL	0	100	0	100
		SCI VILLA EMILIE	French Retail and Private Banking	ESI	35	35	35	35
	(2)	SCI VITAL BOUHOT 16-22 NEUILLY SUR SEINE	French Retail and Private Banking	ESI	0	40	0	40
	(5)	SERVIPAR	Mobility and Financial Services	FULL	0	52.59	0	100
		SG 29 HAUSSMANN	French Retail and Private Banking	FULL	100	100	100	100
		SG ACTIONS EURO SELECTION	Insurance	FULL	40.05	40.05	40.05	40.05
	(6)	SG ACTIONS EURO SMALL CAP – P (C)	Insurance	FULL	63.33	0	63.33	0
		SG ACTIONS FRANCE	Insurance	FULL	38.14	38.14	38.14	38.14
		SG ACTIONS LUXE-C	Insurance	FULL	84.25	84.25	84.25	84.25
	(6)	SG ACTIONS MONDE	Insurance	FULL	74.66	0	74.66	0
		SG ACTIONS MONDE EMERGENT	Insurance	FULL	60.05	60.05	60.05	60.05
		SG ACTIONS US	Insurance	FULL	65.06	65.06	65.06	65.06
	(6)	SG ACTIONS US TECHNO (C)	Insurance	FULL	84.65	0	84.65	0
		SG AMUNDI ACTIONS FRANCE ISR – PART-C	Insurance	FULL	60.05	60.05	60.05	60.05
		SG AMUNDI ACTIONS MONDE EAU – PART-C	Insurance	FULL	60.05	60.05	60.05	60.05
		SG AMUNDI MONETAIRE ISR	Insurance	FULL	100	100	100	100
	(6)	SG AMUNDI MONETAIRE ISR – GSM (C)	Insurance	FULL	99.96	0	99.96	0
	(3)	SG AMUNDI MONETAIRE ISR – PART P-C	Insurance	FULL	0	60.05	0	60.05

Country			Operating Segments	Method *	Group ownership interest As at 31.12.2024	Group ownership interest As at 31.12.2023	Group voting interest As at 31.12.2024	Group voting interest As at 31.12.2023
France		SG AMUNDI OBLIG ENTREPRISES EURO ISR – PART-C	Insurance	FULL	60.05	60.05	60.05	60.05
	(6)	SG BLACKROCK ACTIONS EURO ISR	Insurance	FULL	81.16	0	81.16	0
		SG BLACKROCK ACTIONS US ISR	Insurance	FULL	100	100	100	100
		SG BLACKROCK FLEXIBLE ISR	Insurance	FULL	100	100	100	100
		SG BLACKROCK OBLIGATIONS EURO ISR – PART-C	Insurance	FULL	60.05	60.05	60.05	60.05
		SG CAPITAL DEVELOPPEMENT	French Retail and Private Banking	FULL	100	100	100	100
	(3)	SG DNCA ACTIONS EURO ISR – PART-C	Insurance	FULL	0	60.05	0	60.05
	(8)	SG FINANCIAL SERVICES HOLDING	Corporate Centre	FULL	100	100	100	100
		SG FLEXIBLE	Insurance	FULL	92.48	92.48	92.48	92.48
		SG OBLIG ETAT EURO – PART P-C	Insurance	FULL	60.05	60.05	60.05	60.05
		SG OBLIG ETAT EURO-R	Insurance	FULL	79.94	79.94	79.94	79.94
	(6)	SG OBLIG HIGH YIELD (C)	Insurance	FULL	91.99	0	91.99	0
		SG OBLIGATIONS	Insurance	FULL	82.92	82.92	82.92	82.92
	(3)	SG OPCIMMO	Insurance	FULL	0	97.95	0	97.95
		SG OPTION EUROPE	Global Market and Investors Services	FULL	100	100	100	100
	(6)	SG TIKEHAU DETTE PRIVEE	Insurance	FULL	100	0	100	0
		SG VALOR ALPHA ACTIONS FRANCE	Insurance	FULL	72.77	72.77	72.77	72.77
	(3)	SGA 48-56 DESMOULINS	Insurance	FULL	0	99	0	99
		SGA AXA IM US CORE HY LOW CARBON	Insurance	FULL	100	100	100	100
		SGA AXA IM US SD HY LOW CARBON	Insurance	FULL	100	100	100	100
		SGA INFRASTRUCTURES	Insurance	FULL	100	100	100	100
		SGB FINANCE SA	Mobility and Financial Services	FULL	50.94	50.94	51	51
		SGEF SA	Mobility and Financial Services	FULL	100	100	100	100
		SGI 10-16 VILLE L'EVEQUE	Insurance	FULL	100	100	100	100
		SGI 1-5 ASTORG	Insurance	FULL	100	100	100	100
		SGI HOLDING SIS	French Retail and Private Banking	FULL	100	100	100	100
	(3)	SGI PACIFIC	Insurance	FULL	0	89.24	0	89.53
	(4)	SHINE	French Retail and Private Banking	FULL	0	93.97	0	93.97
		SNC CŒUR 8EME MONPLAISIR	French Retail and Private Banking	ESI	30	30	30	30
		SNC D'AMENAGEMENT FORUM SEINE ISSY LES MOULINEAUX	French Retail and Private Banking	EJV	33.33	33.33	33.33	33.33
		SNC HPL ARROMANCHES	French Retail and Private Banking	FULL	100	100	100	100
		SNC NEUILLY ILE DE LA JATTE	French Retail and Private Banking	ESI	40	40	40	40

Country			Operating Segments	Method *	Group ownership interest As at 31.12.2024	Group ownership interest As at 31.12.2023	Group voting interest As at 31.12.2024	Group voting interest As at 31.12.2023
France	(3)	SNC PROMOSEINE	French Retail and Private Banking	EJV	0	33.33	0	33.33
		SOCIETE ANONYME DE CREDIT A L'INDUSTRIE FRANCAISE (CALIF)	Financial and Advisory	FULL	100	100	100	100
		SOCIETE CIVILE IMMOBILIERE CAP THALASSA	French Retail and Private Banking	ESI	45	45	45	45
		SOCIETE CIVILE IMMOBILIERE CAP VEYRE	French Retail and Private Banking	ESI	50	50	50	50
		SOCIETE CIVILE IMMOBILIERE DE DIANE	French Retail and Private Banking	ESI	30	30	30	30
	(3)	SOCIETE CIVILE IMMOBILIERE DE PIERLAS	French Retail and Private Banking	ESI	0	28	0	28
	(8)	SOCIETE CIVILE IMMOBILIERE DES COMBEAUX DE TIGERY	Corporate Centre	FULL	100	100	100	100
		SOCIETE CIVILE IMMOBILIERE ESTEREL TANNERON	French Retail and Private Banking	ESI	30	30	30	30
		SOCIETE CIVILE IMMOBILIERE FONTENAY – ESTIENNES D'ORVES	French Retail and Private Banking	EJV	50	50	50	50
		SOCIETE CIVILE IMMOBILIERE GAMBETTA DEFENSE V	French Retail and Private Banking	ESI	20	20	20	20
		SOCIETE CIVILE IMMOBILIERE LES HAUTS DE L'ESTAQUE	French Retail and Private Banking	ESI	35	35	35	35
		SOCIETE CIVILE IMMOBILIERE LES HAUTS DE SEPTEMES	French Retail and Private Banking	ESI	25	25	25	25
		SOCIETE CIVILE IMMOBILIERE MIRECRAU	French Retail and Private Banking	ESI	35	35	35	35
	(3)	SOCIETE CIVILE IMMOBILIERE VERT COTEAU	French Retail and Private Banking	ESI	0	35	0	35
		SOCIETE DE BOURSE GILBERT DUPONT	French Retail and Private Banking	FULL	100	100	100	100
		SOCIETE DE COURTAGES D'ASSURANCES GROUPE	Mobility and Financial Services	FULL	52.59	52.59	100	100
	(5) (8)	SOCIETE DE LA RUE EDOUARD VII	Corporate Centre	FULL	0	100	0	100
		SOCIETE DE SERVICES FIDUCIAIRES (2SF)	French Retail and Private Banking	EJV	33.33	33.33	33.33	33.33
	(8)	SOCIETE DES TERRAINS ET IMMEUBLES PARISIENS (STIP)	Corporate Centre	FULL	100	100	100	100
	(7)	SOCIETE GENERALE	Multi-Activities	FULL	100	100	100	100
		SOCIETE GENERALE – FORGE	Global Market and Investors Services	FULL	93.48	90.9	93.48	90.9
		SOCIETE GENERALE CAPITAL FINANCE	French Retail and Private Banking	FULL	100	100	100	100
		SOCIETE GENERALE CAPITAL PARTENAIRES	French Retail and Private Banking	FULL	100	100	100	100

Country			Operating Segments	Method *	Group ownership interest As at 31.12.2024	Group ownership interest As at 31.12.2023	Group voting interest As at 31.12.2024	Group voting interest As at 31.12.2023
France		SOCIETE GENERALE FACTORING	Financial and Advisory	FULL	100	100	100	100
		SOCIETE GENERALE POUR LE DEVELOPPEMENT DES OPERATIONS DE CREDIT-BAIL IMMOBILIER "SOGEBAIL"	French Retail and Private Banking	FULL	100	100	100	100
		SOCIETE GENERALE REAL ESTATE	French Retail and Private Banking	FULL	100	100	100	100
	(8)	SOCIETE GENERALE SCF	Corporate Centre	FULL	100	100	100	100
		SOCIETE GENERALE SECURITIES SERVICES HOLDING	Financial and Advisory	FULL	100	100	100	100
	(8)	SOCIETE GENERALE SFH	Corporate Centre	FULL	100	100	100	100
	(8)	SOCIETE GENERALE VENTURES	Corporate Centre	FULL	100	100	100	100
	(8)	SOCIETE IMMOBILIERE DU 29 BOULEVARD HAUSSMANN	Corporate Centre	FULL	100	100	100	100
	(8)	SOGE BEAUJOIRE	Corporate Centre	FULL	100	100	100	100
	(8)	SOGE PERIVAL I	Corporate Centre	FULL	100	100	100	100
	(8)	SOGE PERIVAL II	Corporate Centre	FULL	100	100	100	100
	(8)	SOGE PERIVAL III	Corporate Centre	FULL	100	100	100	100
	(8)	SOGE PERIVAL IV	Corporate Centre	FULL	100	100	100	100
		SOGEACT. SELEC. MON.	Insurance	FULL	99.78	99.78	99.78	99.78
		SOGEAX	French Retail and Private Banking	FULL	60	60	60	60
	(8)	SOGECAMPUS	Corporate Centre	FULL	100	100	100	100
		SOGECAP	Insurance	FULL	100	100	100	100
		SOGECAP – DIVERSIFIED LOANS FUND	Insurance	FULL	100	100	100	100
		SOGECAP ACTIONS PROTEGEES – PART-C/D	Insurance	FULL	60.05	60.05	60.05	60.05
		SOGECAP DIVERSIFIE 1	Insurance	FULL	100	100	100	100
	(3)	SOGECAP EQUITY OVERLAY (FEEDER)	Insurance	FULL	0	100	0	100
		SOGECAP LONG TERME N°1	Insurance	FULL	100	100	100	100
	(6)	SOGECAP PROTECTED EQUITIES	Insurance	FULL	100	0	100	0
	(3)	SOGECAPIMMO 2	Insurance	FULL	0	90.71	0	90.84
	(8)	SOGEFIM HOLDING	Corporate Centre	FULL	100	100	100	100
		SOGEFIMUR	French Retail and Private Banking	FULL	100	100	100	100
	(5)	SOGEFINANCEMENT	French Retail and Private Banking	FULL	0	100	0	100
		SOGEFINERG FRANCE	Financial and Advisory	FULL	100	100	100	100
	(8)	SOGEFONTENAY	Corporate Centre	FULL	100	100	100	100
		SOGELEASE FRANCE	French Retail and Private Banking	FULL	100	100	100	100
	(8)	SOGEMARCHE	Corporate Centre	FULL	100	100	100	100
	(8)	SOGEPARTICIPATIONS	Corporate Centre	FULL	100	100	100	100
		SOGEPIERRE	Insurance	FULL	100	100	100	100
		SOGEPROM	French Retail and Private Banking	FULL	100	100	100	100

Country			Operating Segments	Method *	Group ownership interest As at 31.12.2024	Group ownership interest As at 31.12.2023	Group voting interest As at 31.12.2024	Group voting interest As at 31.12.2023
France		SOGEPROM ALPES HABITAT	French Retail and Private Banking	FULL	100	100	100	100
		SOGEPROM CENTRE-VAL DE LOIRE	French Retail and Private Banking	FULL	100	100	100	100
		SOGEPROM COTE D'AZUR	French Retail and Private Banking	FULL	100	100	100	100
		SOGEPROM ENTREPRISES	French Retail and Private Banking	FULL	100	100	100	100
		SOGEPROM LYON	French Retail and Private Banking	FULL	100	100	100	100
		SOGEPROM LYON AMENAGEMENT	French Retail and Private Banking	FULL	100	100	100	100
		SOGEPROM PARTENAIRES	French Retail and Private Banking	FULL	100	100	100	100
		SOGEPROM REALISATIONS	French Retail and Private Banking	FULL	100	100	100	100
		SOGEPROM SERVICES	French Retail and Private Banking	FULL	100	100	100	100
		SOGEPROM SUD REALISATIONS	French Retail and Private Banking	FULL	100	100	100	100
		SOGESSUR	Insurance	FULL	100	100	100	100
		SOGEVIMMO	Insurance	FULL	98.75	98.75	98.75	98.75
		ST BARNABE 13004	French Retail and Private Banking	EJV	50	50	50	50
	(6)	ST GERMAIN BENI	French Retail and Private Banking	FULL	51	0	51	0
		STAR LEASE	French Retail and Private Banking	FULL	100	100	100	100
		TEMSYS	Mobility and Financial Services	FULL	52.59	52.59	100	100
	(6)	THONON ALLINGES	French Retail and Private Banking	FULL	70	0	70	0
		TRANSACTIS	French Retail and Private Banking	EJV	50	50	50	50
		TREEZOR SAS	French Retail and Private Banking	FULL	96.09	95.35	96.09	95.35
		URBANISME ET COMMERCE PROMOTION	French Retail and Private Banking	FULL	100	100	100	100
		VALMINCO	Global Market and Investors Services	FULL	100	100	100	100
	(8)	VALMINVEST	Corporate Centre	FULL	100	100	100	100
	(6)	VAUBAN DESMAZIERES	French Retail and Private Banking	FULL	67	0	67	0

Country			Operating Segments	Method *	Group ownership interest		Group voting interest	
					As at 31.12.2024	As at 31.12.2023	As at 31.12.2024	As at 31.12.2023
France	(6)	VERMELLES NATIONALE	French Retail and Private Banking	FULL	51	0	51	0
		VG PROMOTION	French Retail and Private Banking	ESI	35	35	35	35
		VIENNE BON ACCUEIL	French Retail and Private Banking	EJV	50	50	50	50
		VILLA D'ARMONT	French Retail and Private Banking	ESI	40	40	40	40
Ghana								
		SOCIETE GENERALE GHANA PLC	International Retail Banking	FULL	60.22	60.22	60.22	60.22
Gibraltar								
		HAMBROS (GIBRALTAR NOMINEES) LIMITED	French Retail and Private Banking	FULL	100	100	100	100
	(2)	SG KLEINWORT HAMBROS (GIBRALTAR) LIMITED (ex-SG KLEINWORT HAMBROS BANK (GIBRALTAR) LIMITED)	French Retail and Private Banking	FULL	0	100	0	100
	(1)	SG KLEINWORT HAMBROS BANK LIMITED GIBRALTAR BRANCH	French Retail and Private Banking	FULL	100	100	100	100
Greece								
	(5)	ALD AUTOMOTIVE SA LEASE OF CARS	Mobility and Financial Services	FULL	0	52.59	0	100
		LEASEPLAN HELLAS COMMERCIAL VEHICLE LEASING AND FLEET MANAGEMENT SERVICES SINGLE-MEMBER SOCIETE ANON	Mobility and Financial Services	FULL	52.59	52.59	100	100
Guinea								
		SOCIETE GENERALE GUINEE	International Retail Banking	FULL	57.94	57.93	57.94	57.93
Equatorial Guinea								
		SOCIETE GENERALE DE BANQUES EN GUINEE EQUATORIALE	International Retail Banking	FULL	52.44	52.44	57.23	57.23
Hong Kong								
	(6)	SANFORD C. BERNSTEIN (HONG KONG) LIMITED	Global Market and Investors Services	FULL	51	0	100	0
		SG ASSET FINANCE (HONG KONG) LIMITED	Financial and Advisory	FULL	100	100	100	100
		SG CAPITAL FINANCE (ASIA PACIFIC) LIMITED	Financial and Advisory	FULL	100	100	100	100
		SG CAPITAL FINANCE (HONG KONG) LIMITED	Financial and Advisory	FULL	100	100	100	100
		SG CORPORATE FINANCE (ASIA PACIFIC) LIMITED	Financial and Advisory	FULL	100	100	100	100
		SG CORPORATE FINANCE (HONG KONG) LIMITED	Financial and Advisory	FULL	100	100	100	100
		SG FINANCE (ASIA PACIFIC) LIMITED	Financial and Advisory	FULL	100	100	100	100
		SG FINANCE (HONG KONG) LIMITED	Financial and Advisory	FULL	100	100	100	100
	(1)	SG HONG KONG	Global Market and Investors Services	FULL	100	100	100	100

Country			Operating Segments	Method *	Group ownership interest		Group voting interest	
					As at 31.12.2024	As at 31.12.2023	As at 31.12.2024	As at 31.12.2023
Hong Kong		SG LEASING (HONG KONG) LIMITED	Financial and Advisory	FULL	100	100	100	100
		SG SECURITIES (HK) LIMITED	Global Market and Investors Services	FULL	100	100	100	100
		SG SECURITIES ASIA INTERNATIONAL HOLDINGS LIMITED	Global Market and Investors Services	FULL	100	100	100	100
	(1)	SGL ASIA HK	Financial and Advisory	FULL	100	100	100	100
		SOCIETE GENERALE ASIA Ltd.	Financial and Advisory	FULL	100	100	100	100
		TH INVESTMENTS (HONG KONG) 1 LIMITED	Financial and Advisory	FULL	100	100	100	100
		TH INVESTMENTS (HONG KONG) 5 LIMITED	Financial and Advisory	FULL	100	100	100	100
Hungary								
		ALD AUTOMOTIVE MAGYARORSZAG AUTOPARK-KEZELO ES FINANSZIROZO KORLATOLT FELELOSSEGU TARSASAG	Mobility and Financial Services	FULL	52.59	52.59	100	100
		LEASEPLAN HUNGARIA GEPJARMU KEZELO ES FIANNSZIROZO RESZVENYTARSASAG	Mobility and Financial Services	FULL	52.59	52.59	100	100
		SG EQUIPMENT FINANCE HUNGARY PLC (ex-SG EQUIPMENT FINANCE HUNGARY ZRT)	Mobility and Financial Services	FULL	100	100	100	100
Jersey Island								
		ELMFORD LIMITED	French Retail and Private Banking	FULL	100	100	100	100
		HANOM I LIMITED	French Retail and Private Banking	FULL	100	100	100	100
		J D CORPORATE SERVICES LIMITED	French Retail and Private Banking	FULL	100	100	100	100
		SG KLEINWORT HAMBROS (CI) LIMITED	French Retail and Private Banking	FULL	100	100	100	100
	(1)	SG KLEINWORT HAMBROS BANK LIMITED, JERSEY BRANCH	French Retail and Private Banking	FULL	100	100	100	100
		SG KLEINWORT HAMBROS CORPORATE SERVICES (CI) LIMITED	French Retail and Private Banking	FULL	100	100	100	100
		SG KLEINWORT HAMBROS TRUST COMPANY (CI) LIMITED	French Retail and Private Banking	FULL	100	100	100	100
		SGKH TRUSTEES (CI) LIMITED	French Retail and Private Banking	FULL	100	100	100	100
Isle of Man								
		KBBIOM LIMITED	French Retail and Private Banking	FULL	100	100	100	100

Country			Operating Segments	Method *	Group ownership interest		Group voting interest	
					As at 31.12.2024	As at 31.12.2023	As at 31.12.2024	As at 31.12.2023
Guernsey Island								
		CDS INTERNATIONAL LIMITED	French Retail and Private Banking	FULL	100	100	100	100
		HAMBROS (GUERNSEY NOMINEES) Ltd.	French Retail and Private Banking	FULL	100	100	100	100
		KLEINWORT BENSON INTERNATIONAL TRUSTEES LIMITED	French Retail and Private Banking	FULL	100	100	100	100
	(1)	SG KLEINWORT HAMBROS BANK LIMITED GUERNSEY BRANCH	French Retail and Private Banking	FULL	100	100	100	100
India								
		ALD AUTOMOTIVE PRIVATE LIMITED	Mobility and Financial Services	FULL	52.59	52.59	100	100
		LEASE PLAN INDIA PRIVATE Ltd.	Mobility and Financial Services	FULL	52.59	52.59	100	100
		LEASEPLAN FLEET MANAGEMENT INDIA PVT. Ltd.	Mobility and Financial Services	FULL	52.59	52.59	100	100
	(6)	SANFORD C. BERNSTEIN (INDIA) PRIVATE LIMITED	Global Market and Investors Services	FULL	51	0	100	0
	(1)	SG MUMBAI	Financial and Advisory	FULL	100	100	100	100
	(8)	SOCIETE GENERALE GLOBAL SOLUTION CENTRE INDIA	Corporate Centre	FULL	100	100	100	100
		SOCIETE GENERALE SECURITIES INDIA PRIVATE LIMITED	Global Market and Investors Services	FULL	100	100	100	100
Ireland								
	(5)	ALD RE PUBLIC LIMITED COMPANY (ex-ALD RE DESIGNATED ACTIVITY COMPANY)	Mobility and Financial Services	FULL	0	52.59	0	100
		AYVENS IRELAND LIMITED (ex-LEASEPLAN FLEET MANAGEMENT SERVICES IRELAND Ltd.)	Mobility and Financial Services	FULL	52.59	52.59	100	100
		EURO INSURANCES DESIGNATED ACTIVITY COMPANY	Mobility and Financial Services	FULL	52.59	52.59	100	100
		IRIS SPV PLC SERIES MARK	Global Market and Investors Services	FULL	100	100	100	100
		IRIS SPV PLC SERIES SOGECAP	Insurance	FULL	100	100	100	100
	(1)	LEASEPLAN DIGITAL BV (DUBLIN BRANCH)	Mobility and Financial Services	FULL	52.59	52.59	100	100
	(1)	LEASEPLAN FINANCE BV (DUBLIN BRANCH OF LEASEPLAN FINANCE BV)	Mobility and Financial Services	FULL	52.59	52.59	100	100
		NB SOG EMER EUR – I	Insurance	FULL	100	100	100	100
	(6)	SANFORD C. BERNSTEIN IRELAND LIMITED	Global Market and Investors Services	FULL	51	0	100	0
	(1)	SG DUBLIN	Global Market and Investors Services	FULL	100	100	100	100
		SGBT FINANCE IRELAND DESIGNATED ACTIVITY COMPANY	Financial and Advisory	FULL	100	100	100	100
		SOCIETE GENERALE SECURITIES SERVICES, SGSS (IRELAND) LIMITED	Global Market and Investors Services	FULL	100	100	100	100

Country			Operating Segments	Method *	Group ownership interest As at 31.12.2024	Group ownership interest As at 31.12.2023	Group voting interest As at 31.12.2024	Group voting interest As at 31.12.2023
Italy								
		ALD AUTOMOTIVE ITALIA SRL	Mobility and Financial Services	FULL	52.59	52.59	100	100
	(1) (6)	BSG FRANCE SA ITALIAN BRANCH	Global Market and Investors Services	FULL	51	0	100	0
		FIDITALIA SPA	Mobility and Financial Services	FULL	100	100	100	100
		FRAER LEASING SPA	Mobility and Financial Services	FULL	86.91	86.91	86.91	86.91
		LEASEPLAN ITALIA SPA.	Mobility and Financial Services	FULL	52.59	52.59	100	100
		MORIGI FINANCE SRL	Financial and Advisory	FULL	100	100	100	100
	(6)	NIRONE FINANCE SRL	Financial and Advisory	FULL	100	0	100	0
		RED & BLACK AUTO ITALY SRL	Mobility and Financial Services	FULL	100	100	100	100
		SG EQUIPMENT FINANCE ITALY SPA	Mobility and Financial Services	FULL	100	100	100	100
		SG FACTORING SPA	Financial and Advisory	FULL	100	100	100	100
		SG LEASING SPA	Mobility and Financial Services	FULL	100	100	100	100
	(1)	SG LUXEMBOURG ITALIAN BRANCH	Financial and Advisory	FULL	100	100	100	100
	(1)	SG MILAN	Financial and Advisory	FULL	100	100	100	100
		SOCIETE GENERALE SECURITIES SERVICES SPA	Global Market and Investors Services	FULL	100	100	100	100
	(1)	SOGECAP SA RAPPRESENTANZA GENERALE PER L'ITALIA	Insurance	FULL	100	100	100	100
	(1)	SOGESSUR SA RAPPRESENTANZA GENERALE PER L'ITALIA	Insurance	FULL	100	100	100	100
Japan								
	(6)	SANFORD C. BERNSTEIN JAPAN KK	Global Market and Investors Services	FULL	51	0	100	0
	(1)	SG TOKYO	Global Market and Investors Services	FULL	100	100	100	100
		SOCIETE GENERALE HAUSSMANN MANAGEMENT JAPAN LIMITED	Global Market and Investors Services	FULL	100	100	100	100
		SOCIETE GENERALE SECURITIES JAPAN LIMITED	Global Market and Investors Services	FULL	100	100	100	100
Latvia								
		ALD AUTOMOTIVE SIA	Mobility and Financial Services	FULL	39.44	39.44	75	75
Lithuania								
		UAB ALD AUTOMOTIVE	Mobility and Financial Services	FULL	39.44	39.44	75	75
Luxembourg								
		ALD INTERNATIONAL SERVICES SA	Mobility and Financial Services	FULL	52.59	52.59	100	100
		AXUS LUXEMBOURG SA	Mobility and Financial Services	FULL	52.59	52.59	100	100

Country			Operating Segments	Method *	Group ownership interest		Group voting interest	
					As at 31.12.2024	As at 31.12.2023	As at 31.12.2024	As at 31.12.2023
Luxembourg		BARTON CAPITAL SA	Financial and Advisory	FULL	100	100	100	100
		BUMPER DE SA	Mobility and Financial Services	FULL	52.59	52.59	100	100
		CODEIS COMPARTIMENT A0084	Insurance	FULL	100	100	100	100
		CODEIS COMPARTIMENT A0076	Insurance	FULL	100	100	100	100
	(6)	CODEIS COMPARTIMENT A0092	Global Market and Investors Services	FULL	100	0	100	0
		CODEIS SECURITIES SA	Global Market and Investors Services	FULL	100	100	100	100
		COVALBA	Financial and Advisory	FULL	100	100	100	100
		INFRAMEWA CO-INVEST SCSP	Insurance	FULL	60.05	60.05	60.05	60.05
	(6)	ISCHIA INVESTMENTS SA	Financial and Advisory	FULL	100	0	100	0
		IVEFI SA	Financial and Advisory	FULL	100	100	100	100
	(1)	LEASEPLAN GLOBAL PROCUREMENT (A LUXEMBOURGISH BRANCH OF LEASEPLAN GLOBAL BV)	Mobility and Financial Services	FULL	52.59	52.59	100	100
		MERIBOU INVESTMENTS SA	Financial and Advisory	FULL	100	100	100	100
	(6)	MOOREA FUND – GLOBAL GROWTH ALLOCATION PORTFOLIO CLASS RE	Insurance	FULL	65.18	0	65.18	0
	(6)	MOOREA FUND – SG CREDIT MILLESIME 2029 RE	Insurance	FULL	71.89	0	71.89	0
		MOOREA FUND SG CREDIT MILLESIME 2028 RE (EUR CAP)	Insurance	FULL	60.05	60.05	60.05	60.05
		MOOREA GLB BALANCED	Insurance	FULL	68.08	68.08	68.08	68.08
		MOOREA SUSTAINABLE US EQUITY RE	Insurance	FULL	60.05	60.05	60.05	60.05
		PIONEER INVESTMENTS DIVERSIFIED LOANS FUND	Insurance	FULL	100	100	100	100
	(6)	PROCIDA INVESTMENTS SA	Financial and Advisory	FULL	100	0	100	0
		RED & BLACK AUTO LEASE GERMANY 3 SA	Mobility and Financial Services	FULL	52.59	52.59	100	100
		RED & BLACK AUTO LEASE GERMANY SA	Mobility and Financial Services	FULL	52.59	52.59	100	100
		SALINGER SA	Financial and Advisory	FULL	100	100	100	100
		SG ISSUER	Global Market and Investors Services	FULL	100	100	100	100
		SG LUCI	Financial and Advisory	FULL	100	100	100	100
		SGBT ASSET BASED FUNDING SA	Financial and Advisory	FULL	100	100	100	100
		SGBTCI	Financial and Advisory	FULL	100	100	100	100
		SGL ASIA	Financial and Advisory	FULL	100	100	100	100
	(8)	SGL RE	Corporate Centre	FULL	100	100	100	100
		SOCIETE GENERALE CAPITAL MARKET FINANCE	Financial and Advisory	FULL	100	100	100	100
		SOCIETE GENERALE FINANCING AND DISTRIBUTION	Financial and Advisory	FULL	100	100	100	100

Country			Operating Segments	Method *	Group ownership interest As at 31.12.2024	Group ownership interest As at 31.12.2023	Group voting interest As at 31.12.2024	Group voting interest As at 31.12.2023
Luxembourg		SOCIETE GENERALE LIFE INSURANCE BROKER SA	Financial and Advisory	FULL	100	100	100	100
		SOCIETE GENERALE LUXEMBOURG	Financial and Advisory	FULL	100	100	100	100
		SOCIETE GENERALE LUXEMBOURG LEASING	Financial and Advisory	FULL	100	100	100	100
		SOCIETE GENERALE PRIVATE WEALTH MANAGEMENT SA	Financial and Advisory	FULL	100	100	100	100
	(2) (8)	SOCIETE GENERALE RE SA	Corporate Centre	FULL	0	100	0	100
		SOCIETE IMMOBILIERE DE L'ARSENAL	Financial and Advisory	FULL	100	100	100	100
		SOGELIFE	Insurance	FULL	100	100	100	100
		SPIRE SA – COMPARTIMENT 2021-51	Insurance	FULL	100	100	100	100
	(2)	SURYA INVESTMENTS SA	Financial and Advisory	FULL	0	100	0	100
	(6)	VIVARA INVESTMENTS SA	Financial and Advisory	FULL	100	0	100	0
		ZEUS FINANCE LEASING SA	Mobility and Financial Services	FULL	52.59	52.59	100	100
Madagascar								
	(4)	BFV – SOCIETE GENERALE	International Retail Banking	FULL	0	70	0	70
Malaysia								
		ALD MHC MOBILITY SERVICES MALAYSIA SDN BHD	Mobility and Financial Services	FULL	31.55	31.55	60	60
Morocco								
	(3)	ALD AUTOMOTIVE SA (ex-ALD AUTOMOTIVE SA MAROC)	Mobility and Financial Services	FULL	0	27.06	0	50
	(4)	ATHENA COURTAGE	International Retail Banking	FULL	0	58.26	0	99.9
	(4)	FONCIMMO	International Retail Banking	FULL	0	57.67	0	100
	(4)	INVESTIMA SA	International Retail Banking	FULL	0	38.14	0	58.48
	(4)	LA MAROCAINE VIE	Insurance	FULL	0	79.24	0	99.98
	(4)	SG MAROCAINE DE BANQUES	International Retail Banking	FULL	0	57.67	0	57.67
	(4)	SOCIETE D'EQUIPEMENT DOMESTIQUE ET MENAGER "EQDOM"	International Retail Banking	FULL	0	32.37	0	57.09
		SOCIETE GENERALE AFRICAIN BUSINESS SERVICES SAS A.U (ex-SOCIETE GENERALE AFRICAN BUSINESS SERVICES SAS)	International Retail Banking	FULL	100	97.88	100	100
	(4)	SOCIETE GENERALE DE LEASING AU MAROC	International Retail Banking	FULL	0	57.67	0	100
	(4)	SOCIETE GENERALE OFFSHORE	International Retail Banking	FULL	0	57.64	0	99.94
	(4)	SOGECAPITAL GESTION	International Retail Banking	FULL	0	57.65	0	99.95
	(4)	SOGECAPITAL PLACEMENT	International Retail Banking	FULL	0	57.66	0	99.97
	(4)	SOGEFINANCEMENT MAROC	International Retail Banking	FULL	0	57.67	0	100

Country			Operating Segments	Method *	Group ownership interest		Group voting interest	
					As at 31.12.2024	As at 31.12.2023	As at 31.12.2024	As at 31.12.2023
Mauritius								
		SG SECURITIES BROKING (M) LIMITED	Global Market and Investors Services	FULL	100	100	100	100
Mauritania								
		SOCIETE GENERALE MAURITANIE	International Retail Banking	FULL	100	100	100	100
Mexico								
		ALD AUTOMOTIVE SA DE CV	Mobility and Financial Services	FULL	52.59	52.59	100	100
		ALD FLEET SA DE CV SOFOM ENR	Mobility and Financial Services	FULL	52.59	52.59	100	100
		LEASEPLAN MEXICO SA DE CV	Mobility and Financial Services	FULL	52.59	52.59	100	100
		SGFP MEXICO, SA DE CV	Global Market and Investors Services	FULL	100	100	100	100
Monaco								
	(1) (6)	COMPAGNIE GENERALE DE LOCATION D'EQUIPEMENTS MONACO	Mobility and Financial Services	FULL	99.89	0	100	0
	(1)	SOCIETE GENERALE (SUCCURSALE MONACO)	French Retail and Private Banking	FULL	100	100	100	100
		SOCIETE GENERALE PRIVATE BANKING (MONACO)	French Retail and Private Banking	FULL	99.99	99.99	99.99	99.99
Norway								
		AYVENS NORGE AS (ex-LEASEPLAN NORGE AS)	Mobility and Financial Services	FULL	52.59	52.59	100	100
		NF FLEET AS	Mobility and Financial Services	FULL	42.07	42.07	80	80
New Caledonia								
		CREDICAL	International Retail Banking	FULL	88.34	88.34	98.05	98.05
		SOCALFI	International Retail Banking	FULL	88.34	88.34	100	100
		SOCIETE GENERALE CALEDONIENNE DE BANQUE	International Retail Banking	FULL	90.09	90.09	90.09	90.09
Netherlands								
		AALH PARTICIPATIES BV	Mobility and Financial Services	FULL	52.59	52.59	100	100
		ACCIDENT MANAGEMENT SERVICES (AMS) BV	Mobility and Financial Services	FULL	52.59	52.59	100	100
	(2)	ALVARENGA INVESTMENTS BV	Financial and Advisory	FULL	0	100	0	100
		ASTEROLD BV	Financial and Advisory	FULL	100	100	100	100
		AXUS FINANCE NL BV	Mobility and Financial Services	FULL	52.59	52.59	100	100
	(5)	AXUS NEDERLAND BV	Mobility and Financial Services	FULL	0	52.59	0	100
		AXUS NEDERLAND NV (ex-LEASEPLAN NEDERLAND NV)	Mobility and Financial Services	FULL	52.59	52.59	100	100
		AYVENS BANK NV (ex-LEASEPLAN CORPORATION NV)	Mobility and Financial Services	FULL	52.59	52.59	100	100

Country			Operating Segments	Method *	Group ownership interest		Group voting interest	
					As at 31.12.2024	As at 31.12.2023	As at 31.12.2024	As at 31.12.2023
Netherlands		BRIGANTIA INVESTMENTS BV	Financial and Advisory	FULL	100	100	100	100
	(1) (6)	BSG FRANCE SA NETHERLANDS BRANCH	Global Market and Investors Services	FULL	51	0	100	0
		BUMPER NL 2020-1 BV	Mobility and Financial Services	FULL	52.59	52.59	100	100
		BUMPER NL 2022-1 BV	Mobility and Financial Services	FULL	52.59	52.59	100	100
	(6)	BUMPER NL 2023-1 BV	Mobility and Financial Services	FULL	52.59	0	100	0
	(6)	BUMPER NL 2024-1 BV	Mobility and Financial Services	FULL	52.59	0	100	0
		CAPEREA BV	Financial and Advisory	FULL	100	100	100	100
		FIRENTA BV	Mobility and Financial Services	FULL	52.59	52.59	100	100
		FORD FLEET MANAGEMENT BV	Mobility and Financial Services	FULL	26.35	26.35	50.11	50.1
		HERFSTTAFEL INVESTMENTS BV	Financial and Advisory	FULL	100	100	100	100
		HORDLE FINANCE BV	Financial and Advisory	FULL	100	100	100	100
	(2)	LEASE BEHEER HOLDING BV	Mobility and Financial Services	FULL	0	52.59	0	100
		LEASE BEHEER VASTGOED BV	Mobility and Financial Services	FULL	52.59	52.59	100	100
		LEASEPLAN CN HOLDING BV	Mobility and Financial Services	FULL	52.59	52.59	100	100
		LEASEPLAN DIGITAL BV	Mobility and Financial Services	FULL	52.59	52.59	100	100
		LEASEPLAN FINANCE BV	Mobility and Financial Services	FULL	52.59	52.59	100	100
		LEASEPLAN GLOBAL BV	Mobility and Financial Services	FULL	52.59	52.59	100	100
		LEASEPLAN RECHTSHULP BV	Mobility and Financial Services	FULL	52.59	52.59	100	100
		LP GROUP BV	Mobility and Financial Services	FULL	52.59	52.59	100	100
		MONTALIS INVESTMENT BV	Financial and Advisory	FULL	100	100	100	100
	(1)	SG AMSTERDAM	Financial and Advisory	FULL	100	100	100	100
		SG EQUIPMENT FINANCE BENELUX BV	Mobility and Financial Services	FULL	100	100	100	100
		SOGELEASE BV	Financial and Advisory	FULL	100	100	100	100
	(2)	SOGELEASE FILMS	Financial and Advisory	FULL	0	100	0	100
		TRANSPORT PLAN BV	Mobility and Financial Services	FULL	52.59	52.59	100	100
	(2)	TYNEVOR BV	Financial and Advisory	FULL	0	100	0	100
Peru								
		ALD AUTOMOTIVE PERU SAC	Mobility and Financial Services	FULL	52.59	52.59	100	100

Country			Operating Segments	Method *	Group ownership interest		Group voting interest	
					As at 31.12.2024	As at 31.12.2023	As at 31.12.2024	As at 31.12.2023
Poland								
		AYVENS FINANCIAL SERVICES POLAND SPOLKA Z OGRANICZONA ODPOWIEDZIALNOSCIA (ex-ALD AUTOMOTIVE POLSKA SP Z O.O.)	Mobility and Financial Services	FULL	52.59	52.59	100	100
		AYVENS POLAND SP. Z O.O. (ex-LEASEPLAN FLEET MANAGEMENT (POLSKA) SP. Z O.O.)	Mobility and Financial Services	FULL	52.59	52.59	100	100
	(1) (6)	BSG FRANCE SA POLISH BRANCH	Global Market and Investors Services	FULL	51	0	100	0
		FLEET ACCIDENT MANAGEMENT SERVICES SP. Z O.O.	Mobility and Financial Services	FULL	52.59	52.59	100	100
		SG EQUIPMENT LEASING POLSKA SP ZOO.	Mobility and Financial Services	FULL	100	100	100	100
	(1)	SOCIETE GENERALE SA ODDZIAL W POLSCE	Financial and Advisory	FULL	100	100	100	100
	(1)	SOGECAP SPOLKA AKCYJNA ODDZIAL W POLSCE	Insurance	FULL	100	100	100	100
	(1)	SOGESSUR SPOLKA AKCYJNA ODDZIAL W POLSCE	Insurance	FULL	100	100	100	100
French Polynesia								
		BANQUE DE POLYNESIE	International Retail Banking	FULL	72.1	72.1	72.1	72.1
		SOGELEASE BDP "SAS"	International Retail Banking	FULL	72.1	72.1	100	100
Portugal								
		FLEET COVER-SOCIEDADE MEDIACAO DE SEGUROS, LDA.	Mobility and Financial Services	FULL	52.59	52.59	100	100
		LEASEPLAN PORTUGAL COMERCIO E ALUGUER DE AUTOMOVEIS E EQUIPAMENTOS LDA. (ex-LEASEPLAN PORTUGAL COMERCIO E ALUGUER DE AUTOMÓVEIS E EQUIPAMENTOS UNIPESSOAL LDA)	Mobility and Financial Services	FULL	52.59	52.59	100	100
Czech Republic								
		AYVENS SRO (ex-ALD AUTOMOTIVE SRO)	Mobility and Financial Services	FULL	52.59	52.59	100	100
		ESSOX SRO	International Retail Banking	FULL	80	80	100	100
		FACTORING KB	International Retail Banking	FULL	60.73	60.73	100	100
		KB PENZIJNI SPOLECNOST, AS	International Retail Banking	FULL	60.73	60.73	100	100
		KB REAL ESTATE	International Retail Banking	FULL	60.73	60.73	100	100
		KB SMARTSOLUTIONS, SRO	International Retail Banking	FULL	60.73	60.73	100	100
		KOMERCNI BANKA AS	International Retail Banking	FULL	60.73	60.73	60.73	60.73
		KOMERCNI POJISTOVNA AS	Insurance	FULL	80.76	80.76	100	100
		MODRA PYRAMIDA STAVEBNI SPORITELNA AS	International Retail Banking	FULL	60.73	60.73	100	100
		PROTOS	International Retail Banking	FULL	60.73	60.73	100	100

Country			Operating Segments	Method *	Group ownership interest		Group voting interest	
					As at 31.12.2024	As at 31.12.2023	As at 31.12.2024	As at 31.12.2023
Czech Republic		SG EQUIPMENT FINANCE CZECH REPUBLIC SRO	Mobility and Financial Services	FULL	80.33	80.33	100	100
	(2)	SOGEPROM CESKA REPUBLIKA SRO	French Retail and Private Banking	FULL	0	100	0	100
		SOGEPROM MICHLE SRO	French Retail and Private Banking	FULL	100	100	100	100
		STD2, SRO	International Retail Banking	FULL	60.73	60.73	100	100
	(4)	VN 42	International Retail Banking	FULL	0	60.73	0	100
		WORLDLINE CZECH REPUBLIC SRO	International Retail Banking	ESI	0.61	0.61	40	40
Romania								
		ACCIDENT MANAGEMENT SERVICES SRL	Mobility and Financial Services	FULL	52.59	52.59	100	100
		ALD AUTOMOTIVE SRL	Mobility and Financial Services	FULL	52.59	52.59	100	100
		AYVENS SERVICE CENTER SRL (ex-LEASEPLAN SERVICE CENTER SRL)	Mobility and Financial Services	FULL	52.59	52.59	100	100
		BRD – GROUPE SOCIETE GENERALE SA	International Retail Banking	FULL	60.17	60.17	60.17	60.17
		BRD ASSET MANAGEMENT SAI SA	International Retail Banking	FULL	60.17	60.17	100	100
		BRD FINANCE SA (ex-BRD FINANCE IFN SA)	International Retail Banking	FULL	80.48	80.48	100	100
		BRD SOGELEASE IFN SA	International Retail Banking	FULL	60.18	60.17	100	100
		LEASEPLAN ROMANIA SRL	Mobility and Financial Services	FULL	52.59	52.59	100	100
		SC ROGARIU IMOBILIARE SRL	French Retail and Private Banking	FULL	75	75	75	75
	(8)	SOCIETE GENERALE GLOBAL SOLUTION CENTRE ROMANIA	Corporate Centre	FULL	100	100	100	100
		SOGEPROM ROMANIA SRL	French Retail and Private Banking	FULL	100	100	100	100
	(1)	SOGESSUR SA PARIS – SUCURSALA BUCURESTI	Insurance	FULL	100	100	100	100
United Kingdom								
		ACR	Financial and Advisory	FULL	100	100	100	100
		ALD AUTOMOTIVE GROUP LIMITED	Mobility and Financial Services	FULL	52.59	52.59	100	100
		ALD AUTOMOTIVE LIMITED	Mobility and Financial Services	FULL	52.59	52.59	100	100
		AUTOMOTIVE LEASING LIMITED	Mobility and Financial Services	FULL	52.59	52.59	100	100
	(6)	BERNSTEIN AUTONOMOUS LLP	Global Market and Investors Services	FULL	51	0	100	0
	(1)	BRIGANTIA INVESTMENTS BV (UK BRANCH)	Financial and Advisory	FULL	100	100	100	100
		BUMPER UK 2019-1 FINANCE PLC	Mobility and Financial Services	FULL	52.59	52.59	100	100

Country			Operating Segments	Method *	Group ownership interest		Group voting interest	
					As at 31.12.2024	As at 31.12.2023	As at 31.12.2024	As at 31.12.2023
United Kingdom		BUMPER UK 2021-1 FINANCE PLC	Mobility and Financial Services	FULL	52.59	52.59	100	100
	(1)	COMPAGNIE GENERALE DE LOCATION D'EQUIPEMENTS UK	Mobility and Financial Services	FULL	99.89	99.89	100	100
		DIAL CONTRACTS LIMITED	Mobility and Financial Services	FULL	52.59	52.59	100	100
		DIAL VEHICLE MANAGEMENT SERVICES Ltd.	Mobility and Financial Services	FULL	52.38	52.38	99.6	99.6
	(1) (6)	EURO INSURANCES DAC TRADING AS LEASEPLAN INSURANCE	Mobility and Financial Services	FULL	52.59	0	100	0
		FENCHURCH NOMINEES LIMITED	French Retail and Private Banking	FULL	100	100	100	100
		FORD FLEET MANAGEMENT UK LIMITED	Mobility and Financial Services	FULL	26.35	26.35	100	100
		FRANK NOMINEES LIMITED	French Retail and Private Banking	FULL	100	100	100	100
	(1)	HORDLE FINANCE BV (UK BRANCH)	Financial and Advisory	FULL	100	100	100	100
		INTERNAL FLEET PURCHASING LIMITED	Mobility and Financial Services	FULL	52.59	52.59	100	100
		INULA HOLDING UK LIMITED	Mobility and Financial Services	FULL	52.59	52.59	100	100
		JWB LEASING LIMITED PARTNERSHIP	Financial and Advisory	FULL	100	100	100	100
		KBIM STANDBY NOMINEES LIMITED	French Retail and Private Banking	FULL	100	100	100	100
		KBPB NOMINEES LIMITED	French Retail and Private Banking	FULL	100	100	100	100
		KH COMPANY SECRETARIES LIMITED	French Retail and Private Banking	FULL	100	100	100	100
		KLEINWORT BENSON FARMLAND TRUST (MANAGERS) LIMITED	French Retail and Private Banking	FULL	75	75	75	75
		LANGBOURN NOMINEES LIMITED	French Retail and Private Banking	FULL	100	100	100	100
		LEASEPLAN UK LIMITED	Mobility and Financial Services	FULL	52.59	52.59	100	100
		PAYXPERT SERVICES Ltd.	French Retail and Private Banking	FULL	80	60	80	60
		RED & BLACK AUTO LEASE UK 1 PLC	Mobility and Financial Services	FULL	52.59	52.59	100	100
		ROBERT BENSON, LONSDALE & CO. (CANADA) LIMITED	French Retail and Private Banking	FULL	100	100	100	100
	(6)	SANFORD C. BERNSTEIN (AUTONOMOUS UK) 1 LIMITED	Global Market and Investors Services	FULL	51	0	100	0
	(6)	SANFORD C. BERNSTEIN (CREST NOMINEES) LIMITED	Global Market and Investors Services	FULL	51	0	100	0
	(6)	SANFORD C. BERNSTEIN HOLDINGS LIMITED	Global Market and Investors Services	FULL	51	0	51	0
	(6)	SANFORD C. BERNSTEIN LIMITED	Global Market and Investors Services	FULL	51	0	100	0

Country			Operating Segments	Method *	Group ownership interest		Group voting interest	
					As at 31.12.2024	As at 31.12.2023	As at 31.12.2024	As at 31.12.2023
United Kingdom		SG (MARITIME) LEASING LIMITED	Financial and Advisory	FULL	100	100	100	100
		SG EQUIPMENT FINANCE (DECEMBER) LIMITED	Mobility and Financial Services	FULL	100	100	100	100
	(2) (8)	SG FINANCIAL SERVICES LIMITED	Corporate Centre	FULL	0	100	0	100
		SG HAMBROS TRUST COMPANY LIMITED	French Retail and Private Banking	FULL	100	100	100	100
		SG HEALTHCARE BENEFITS TRUSTEE COMPANY LIMITED	Global Market and Investors Services	FULL	100	100	100	100
		SG INVESTMENT LIMITED	Financial and Advisory	FULL	100	100	100	100
		SG KLEINWORT HAMBROS BANK LIMITED	French Retail and Private Banking	FULL	100	100	100	100
		SG KLEINWORT HAMBROS LIMITED	French Retail and Private Banking	FULL	100	100	100	100
		SG KLEINWORT HAMBROS NOMINEES LIMITED	French Retail and Private Banking	FULL	100	100	100	100
		SG KLEINWORT HAMBROS TRUST COMPANY (UK) LIMITED	French Retail and Private Banking	FULL	100	100	100	100
		SG LEASING (ASSETS) LIMITED	Financial and Advisory	FULL	100	100	100	100
		SG LEASING (GEMS) LIMITED	Financial and Advisory	FULL	100	100	100	100
		SG LEASING (JUNE) LIMITED	Financial and Advisory	FULL	100	100	100	100
		SG LEASING (MARCH) LIMITED	Financial and Advisory	FULL	100	100	100	100
		SG LEASING (USD) LIMITED	Financial and Advisory	FULL	100	100	100	100
		SG LEASING IX	Financial and Advisory	FULL	100	100	100	100
		SG TITANIUM LIMITED	Financial and Advisory	FULL	100	100	100	100
		SOCGEN NOMINEES (UK) LIMITED	Global Market and Investors Services	FULL	100	100	100	100
		SOCIETE GENERALE EQUIPMENT FINANCE LIMITED	Mobility and Financial Services	FULL	100	100	100	100
		SOCIETE GENERALE INTERNATIONAL LIMITED	Global Market and Investors Services	FULL	100	100	100	100
	(8)	SOCIETE GENERALE INVESTMENTS (UK) LIMITED	Corporate Centre	FULL	100	100	100	100
	(1)	SOCIETE GENERALE, LONDON BRANCH (ex-SG LONDRES)	Financial and Advisory	FULL	100	100	100	100
		STRABUL NOMINEES LIMITED	Global Market and Investors Services	FULL	100	100	100	100
	(1) (2)	TYNEVOR BV (UK BRANCH)	Financial and Advisory	FULL	0	100	0	100

Country			Operating Segments	Method *	Group ownership interest		Group voting interest	
					As at 31.12.2024	As at 31.12.2023	As at 31.12.2024	As at 31.12.2023
Russian Federation								
	(4)	LEASEPLAN RUS LLC	Mobility and Financial Services	FULL	0	52.59	0	100
Senegal								
		SOCIETE GENERALE SENEGAL	International Retail Banking	FULL	64.45	64.45	64.87	64.87
Serbia								
		AYVENS DOO BEOGRAD (ex-ALD AUTOMOTIVE DOO BEOGRAD)	Mobility and Financial Services	FULL	52.59	52.59	100	100
Singapore								
	(6)	SANFORD C. BERNSTEIN (SINGAPORE) PRIVATE LIMITED	Global Market and Investors Services	FULL	51	0	100	0
		SG MARKETS (SEA) PTE. Ltd.	Financial and Advisory	FULL	100	100	100	100
		SG SECURITIES (SINGAPORE) PTE. Ltd.	Global Market and Investors Services	FULL	100	100	100	100
	(1)	SG SINGAPOUR	Financial and Advisory	FULL	100	100	100	100
		SG TRUST (ASIA) Ltd.	French Retail and Private Banking	FULL	100	100	100	100
Slovakia								
		ALD AUTOMOTIVE SLOVAKIA SRO	Mobility and Financial Services	FULL	52.59	52.59	100	100
		ESSOX FINANCE SRO	International Retail Banking	FULL	80	80	100	100
		INSURANCEPLAN SRO	Mobility and Financial Services	FULL	52.59	52.59	100	100
	(1)	KOMERCNI BANKA SLOVAKIA	International Retail Banking	FULL	60.73	60.73	100	100
		LEASEPLAN SLOVAKIA SRO	Mobility and Financial Services	FULL	52.59	52.59	100	100
	(1)	SG EQUIPMENT FINANCE CZECH REPUBLIC SRO ORGANIZACNA ZLOZKA (SLOVAK RUPUBLIC BRANCH)	Mobility and Financial Services	FULL	80.33	80.33	100	100
Slovenia								
		AYVENS SLOVENIJA DOO (ex-ALD AUTOMOTIVE OPERATIONAL LEASING DOO)	Mobility and Financial Services	FULL	52.59	52.59	100	100
Sweden								
		ALD AUTOMOTIVE AB	Mobility and Financial Services	FULL	52.59	52.59	100	100
	(1) (6)	BSG FRANCE SA SWEDEN BRANCH	Global Market and Investors Services	FULL	51	0	100	0
		CLAIMS MANAGEMENT SVERIGE AB	Mobility and Financial Services	FULL	52.59	52.59	100	100
		LEASEPLAN SVERIGE AB	Mobility and Financial Services	FULL	52.59	52.59	100	100
		NF FLEET AB	Mobility and Financial Services	FULL	42.07	42.07	80	80
	(1)	SOCIETE GENERALE SA BANKFILIAL SVERIGE	Global Market and Investors Services	FULL	100	100	100	100

Country			Operating Segments	Method *	Group ownership interest		Group voting interest	
					As at 31.12.2024	As at 31.12.2023	As at 31.12.2024	As at 31.12.2023
Switzerland								
		ALD AUTOMOTIVE AG	Mobility and Financial Services	FULL	52.59	52.59	100	100
	(2)	ALL-IN AG	Mobility and Financial Services	FULL	0	52.59	0	100
		LEASEPLAN (SCHWEIZ) AG	Mobility and Financial Services	FULL	52.59	52.59	100	100
	(6)	SANFORD C. BERNSTEIN (SCHWEIZ) GmbH	Global Market and Investors Services	FULL	51	0	100	0
		SG EQUIPMENT FINANCE SCHWEIZ AG	Mobility and Financial Services	FULL	100	100	100	100
	(1)	SG ZURICH	Financial and Advisory	FULL	100	100	100	100
		SOCIETE GENERALE PRIVATE BANKING (SUISSE) SA	French Retail and Private Banking	FULL	100	100	100	100
Taiwan								
	(1)	SG SECURITIES (HONG KONG) LIMITED TAIPEI BRANCH	Global Market and Investors Services	FULL	100	100	100	100
	(1)	SG TAIPEI	Global Market and Investors Services	FULL	100	100	100	100
Chad								
	(4)	SOCIETE GENERALE TCHAD	International Retail Banking	FULL	0	56.91	0	67.92
Thailand								
	(2)	SOCIETE GENERALE (THAILAND) LIMITED (ex-SOCIETE GENERALE SECURITIES (THAILAND) Ltd.)	Global Market and Investors Services	FULL	0	100	0	100
Togo								
	(1)	SOCIETE GENERALE TOGO	International Retail Banking	FULL	93.43	93.43	100	100
Tunisia								
		UNION INTERNATIONALE DE BANQUES	International Retail Banking	FULL	55.1	55.1	52.34	52.34

Country			Operating Segments	Method *	Group ownership interest As at 31.12.2024	Group ownership interest As at 31.12.2023	Group voting interest As at 31.12.2024	Group voting interest As at 31.12.2023
Turkey								
	(5)	ALD AUTOMOTIVE TURIZM TICARET ANONIM SIRKETI	Mobility and Financial Services	FULL	0	52.59	0	100
		LEASEPLAN OTOMOTIV SERVIS VE TICARET AS	Mobility and Financial Services	FULL	52.59	52.59	100	100
	(1)	SG ISTANBUL	Global Market and Investors Services	FULL	100	100	100	100
Ukraine								
		AYVENS UKRAINE LIMITED LIABILITY COMPANY (ex-ALD AUTOMOTIVE UKRAINE LIMITED LIABILITY COMPANY)	Mobility and Financial Services	FULL	52.59	52.59	100	100

* *FULL: Full consolidation – JO: Joint Operation – EJV: Equity (Joint Venture) – ESI: Equity (significant influence) – EFS: Equity For Simplification (Entities controlled by the Group that are consolidated using the equity method for simplification because are not significant).*

(1) *Branches.*
(2) *Entities wound up.*
(3) *Removal from the scope.*
(4) *Entities sold.*
(5) *Merged.*
(6) *Newly consolidated.*
(7) *The entity Societe Generale carries out activities that contribute to the following segments: French Retail and Private Banking, International Retail Banking, Global Markets and Investor Services, Financial and Advisory and Corporate Centre.*
(8) *The Corporate Centre mainly gathers the Group's central funding department, the operating real estate holding companies and the asset management of the Group.*

Additionnal information related to the consolidation scope and equity investments as required by the Regulation 2016-09 of the *Autorité des Normes Comptables* (ANC, the French Accounting standard setter), dated 2 December 2016 is available on Societe Generale Group website at: *https://investors.societegenerale.com/en/publications-documents*

NOTE 8.5 Fees paid to Statutory Auditors

The consolidated accounts of the Societe Generale Group are jointly certified by: KPMG SA, represented by Mr. Guillaume MABILLE and PWC – PricewaterhouseCoopers Audit, represented by Mrs. Emmanuel BENOIST and Ridha BEN CHAMEK.

On a proposal from the Board of Directors and following the recommendation of Societe Generale's Internal Audit and Control Committee (ICAC), the Annual General Meeting of 22 May 2024 decided to appoint the firms KPMG SA and PWC – PricewaterhouseCoopers Audit for a period of six years. Their terms of office will end at the General Assembly approving the 2029 financial statements. As a reminder, the mandates of the firms ERNST & YOUNG and Others, and DELOITTE and Associates expired at this General Meeting without possibility of renewal.

In accordance with the European audit regulations, the ICAC implements a policy for the approval of non-audit services (NAS) provided by the Statutory Auditors and their networks in order to verify the compliance of the mission with these regulations prior to the start of the engagement.

A summary of the non-audit services (approved or rejected) is presented at each ICAC meeting.

The table below shows the fees charged by KPMG SA and PWC – PricewaterhouseCoopers Audit to Societe Generale SA and its subsidiaries.

		2024		
(In EURm excluded VAT)		KPMG	PWC	Total
Statutory audit, certification, examination of parent company and consolidated accounts	Issuer	8	6	14
	Fully consolidated subsidiaries	19	18	37
SUB-TOTAL AUDIT		**27**	**24**	**51**
Non-audit services (NAS)	Issuer	4	2	6
	Fully consolidated subsidiaries	2	4	6
Fees related to the certification of information on durability		1	1	2
TOTAL		**34**	**31**	**65**
Including Network		*20*	*20*	*40*

The fees relating to the mandates remaining in 2024 by the previous auditors EY and Deloitte are in the order of EUR 2 million.

The fees charged in 2023 are set out below.

		2023		
(In EURm excluded VAT)		Ernst & Young et Autres	Deloitte et Associés	Total
Statutory audit, certification, examination of parent company and consolidated accounts	Issuer*	5	8	13
	Fully consolidated subsidiaries*	15	12	27
SUB-TOTAL AUDIT		**20**	**20**	**40**
Non-audit services (NAS)	Issuer	1	1	2
	Fully consolidated subsidiaries	1	3	4
TOTAL		**22**	**24**	**46**
Including Network		*9*	*14*	*23*

* *Amounts restated compared to the published financial statements as at 31 December 2023.*

In 2024, non-audit services mainly consist of missions of due diligences in connection with proposed disposals, provision of expertise and benchmarks, internal control reviews in the context of the compliance with ISAE (International Standard on Assurance Engagements) standards and extended audit procedures (agreed upon procedures and complementary audits).

NOTE 9 INFORMATION ON RISKS AND LITIGATION

Every quarter, the Group reviews in detail the disputes presenting a significant risk. These disputes may lead to the recording of a provision if it becomes probable or certain that the Group will incur an outflow of resources for the benefit of a third party without receiving at least the equivalent value in exchange. These provisions for litigations are classified among the Other provisions included in the Provisions item in the liabilities of the balance-sheet.

No detailed information can be disclosed on either the recording or the amount of a specific provision given that such disclosure would likely seriously prejudice the outcome of the disputes in question.

- On 24 October 2012, the Court of Appeal of Paris confirmed the first judgment delivered on 5 October 2010, finding J. Kerviel guilty of breach of trust, fraudulent insertion of data into a computer system, forgery and use of forged documents. J. Kerviel was sentenced to serve a prison sentence of five years, two years of which are suspended, and was ordered to pay 4.9 billion euros in damages to Societe Generale. On 19 March 2014, the Supreme Court confirmed the criminal liability of J. Kerviel. This decision puts an end to the criminal proceedings. On the civil front, on 23 September 2016, the Versailles Court of Appeal rejected J. Kerviel's request for an expert determination of the damage suffered by the Bank, and therefore confirmed that the net accounting losses suffered by the Bank as a result of his criminal conduct amount to 4.9 billion euros. It also declared J. Kerviel partially responsible for the damage caused to Societe Generale and sentenced him to pay to Societe Generale 1 million euros. Societe Generale and J. Kerviel did not appeal before the Supreme Court. Societe Generale considers that this decision has no impact on its tax situation. However, as indicated by the Minister of the Economy and Finance in September 2016, the tax authorities have examined the tax consequences of this book loss and indicated that they intended to call into question the deductibility of the loss caused by the actions of J. Kerviel, amounting to 4.9 billion euros. This proposed tax rectification has no immediate effect and will possibly have to be confirmed by an adjustment notice sent by the tax authorities when Societe Generale will be in a position to deduct the tax loss carry forwards arising from the loss from its taxable income. Such a situation will not occur for several years according to the Bank's forecasts. In view of the 2011 opinion of the French Supreme Administrative Court (*Conseil d'État*) and its established case law which was recently confirmed again in this regard, Societe Generale considers that there is no need to call into question the corresponding tax loss carry forwards. In the event that the authorities decide, in due course, to confirm their current position, Societe Generale Group will not fail to assert its rights before the competent courts. By a decision handed down on 20 September 2018, the Investigation Committee of the reviewing and reassessment Criminal Court has furthermore declared inadmissible the request filed in May 2015 by J. Kerviel against his criminal sentence, confirming the absence of any new element or fact that could justify the reopening of the criminal file.
- On 3 January 2023, Societe Generale Private Banking (Switzerland) ("SGPBS") entered into an agreement to settle litigation in the United States stemming from the Ponzi scheme of Robert Allen Stanford and his affiliates, including Stanford International Bank Limited. On 21 February 2023, the US Receiver and the Official Stanford Investors Committee ("OSIC") filed a motion in US District Court for the Northern District of Texas seeking approval of the settlement. The settlement provides for the payment by SGPBS of 157 million of American dollars in exchange for the release of all claims. During the 7 June 2023 hearing, the Court granted the US Receiver's motion to approve the settlement. This settlement order was appealed by the Joint Liquidators of Stanford International Bank Limited, appointed by the courts of Antigua (the "Joint Liquidators"). The appeal was finally decided by the US Court of Appeal for the Fifth Circuit on 19 September 2024, granting the Antiguan Joint Liquidators' request to exclude them from the scope of the settlement order's injunction prohibiting further litigation against a Societe Generale Group entity. The Fifth Circuit remanded the case to the US District Court for the Northern District of Texas to modify the settlement order accordingly. The settlement amount that SGPBS must pay is fully covered by a provision in the accounts of Societe Generale SA following a financial guarantee provided by Societe Generale SA to SGPBS. Each of the other defendant banks in this litigation also announced settlements in the first quarter of 2023 with the US Receiver and OSIC resolving their claims. These settlements were reached in advance of a jury trial that had been scheduled to start on 27 February 2023 (which ultimately did not take place).

  In the same matter, a pre-contentious claim (*requête en conciliation*) was initiated in Geneva in November 2022 by the Joint Liquidators, representing investors also represented by the US plaintiffs. SGPBS was served with the statement of claim on 20 June 2023 and defends itself against the claims in this proceeding.
- Notwithstanding the agreements reached in 2018 with the US authorities regarding certain London Interbank Offered Rates and the Euro Interbank Offered Rate ("the IBOR matter") and the dismissal on 30 November 2021 of the legal proceedings brought by the DOJ in this matter, the Bank responded to information requests received from other authorities, including the Attorneys General of various States of the United States and the New York Department of Financial Services.

  In the United States, Societe Generale, along with other financial institutions, was named as a defendant in putative class actions involving the setting of US Dollar Libor, Japanese Yen Libor, and Euribor rates and trading in instruments indexed to those rates. Societe Generale was also named in several individual (non-class) actions concerning the US Dollar Libor rate. All of these actions, which were pending in the US District Court in Manhattan (the "District Court"), are now definitively terminated.

  As to US Dollar Libor, all claims against Societe Generale have now been dismissed. On 12 May 2023, Societe Generale and two other financial institutions entered into a settlement agreement to resolve a proposed class of over-the-counter (OTC) plaintiffs for a combined 90 million of American dollars. On 17 October 2023, the District Court granted final settlement approval. The remaining USD Libor opt out actions have all been voluntarily dismissed as to Societe Generale, in some cases as a condition of settlements.

  As to Japanese Yen Libor complaint brought by purchasers of Euroyen over-the-counter derivative products, plaintiffs and Societe Generale entered into a settlement agreement on 16 February 2024 to put a final end to this matter. The settlement received final approval from the Court on 18 June 2024. This order is now final, and the litigation is concluded. In the other action related to Japanese Yen Libor, brought by purchasers or sellers of Euroyen derivative contracts on the Chicago Mercantile Exchange, the District Court granted on 25 September 2020 defendants' motion for judgment on the pleadings and dismissed plaintiff's remaining claims. Plaintiff appealed to the Second Circuit. On 18 October 2022, as amended on 8 December 2022, the Second Circuit affirmed the District Court's dismissal of plaintiff's claims. On 2 October 2023, the US Supreme Court denied a petition filed by plaintiff that sought review of the Second Circuit's ruling. As a result, the action is now concluded.

As to Euribor, Societe Generale and plaintiffs entered into a settlement agreement to put an end to this class action, which was finally approved by the District Court on 31 October 2023. As a result, this action is now concluded.

In Argentina, Societe Generale, along with other financial institutions, was named as a defendant in litigation brought by a consumer association on behalf of Argentine consumers who held government bonds or other specified instruments that paid interest tied to US Dollar Libor. The allegations concerned violations of Argentine consumer protection law in connection with alleged manipulation of the US Dollar Libor rate. Plaintiff has finally decided, on its own initiative, to discontinue its action against Societe Generale.

- On 10 December 2012, the French Supreme Administrative Court (*Conseil d'État*) rendered two decisions ruling that the "*précompte* tax" which used to be levied on corporations in France does not comply with EU law and defining a methodology for the reimbursement of the amounts levied by the tax authorities. The procedure defined by the French Supreme Administrative Court nevertheless considerably reduces the amount to be reimbursed. However, Societe Generale purchased in 2005 the "*précompte* tax" claims of two companies (Rhodia and Suez, now Engie) with a limited recourse on the selling companies. One of the above decisions of the French Supreme Administrative Court relates to Rhodia. Societe Generale has brought proceedings before the French administrative courts.

  Several French companies applied to the European Commission, which considered that the decisions handed down by the *Conseil d'État* on 10 December 2012, which were supposed to implement a judgment of European Union Court of Justice (EUCJ) on 15 September 2011, breached a number of principles of European law. The European Commission subsequently brought infringement proceedings against the French Republic in November 2014, and since then confirmed its position by referring the matter to the EUCJ on 8 December 2016. The EUCJ rendered its judgement on 4 October 2018 and sentenced France on the basis that the *Conseil d'État* disregarded the tax on EU sub-subsidiaries in order to secure the *précompte* paid erroneously and failed to raise a preliminary question before the EUCJ. With regard to the practical implementation of the decision, Societe Generale has continued to assert its rights with the competent courts and the tax authorities. On 23 June 2020, the Administrative Court of Appeal of Versailles issued a ruling in favour of Engie on our 2002 and 2003 Suez claims and ordered a financial enforcement in our favour. The Court held that the advance payment ("*précompte*") did not comply with the Parent-Subsidiary Directive. Further to proceedings brought before the *Conseil d'État*, the latter ruled that a question should be raised before the EUCJ in order to obtain a preliminary ruling on this issue. The EUCJ has confirmed on 12 May 2022 that the *précompte* did not comply with the Parent-Subsidiary Directive. The *Conseil d'État*, by an Engie judgment of 30 June 2023 took note of this incompatibility and confirmed the decision held by the Administrative Court of Appeal of Versailles with respect to the 2002 year, but referred the examination of the 2003 year to this same Court, which confirmed on 9 January 2024 the partial relief granted by the administration in the course of the proceedings. Societe Generale lodged an appeal that was not admitted by the Conseil d'État by a decision of 23 December 2024 definitively putting a definitive end to the litigation relating to the 2002 and 2003 claims. In parallel, a compensation litigation in relation to the Rhodia claim and the Suez claims relating to the 1999 and 2001 financial years was brought in March 2023 before the European Commission and the Paris Administrative Court of Appeal.

- Societe Generale, along with other financial institutions, was named as a defendant in a putative class action alleging violations of US antitrust laws and the CEA in connection with its involvement in the London Gold Market Fixing. The action is brought on behalf of persons or entities that sold physical gold, sold gold futures contracts traded on the CME, sold shares in gold ETFs, sold gold call options traded on CME, bought gold put options traded on CME, sold over-the-counter gold spot or forward contracts or gold call options, or bought over-the-counter gold put options. Societe Generale, along with three other defendants, has reached a settlement to resolve this action for 50 million of American dollars. By order dated 13 January 2022, the Court granted preliminary approval of the settlement. The final fairness hearing was held on 5 August 2022, and the settlement received final approval by order dated 8 August 2022. This matter is now concluded. Although Societe Generale's share of the settlement is not public, it was not material from a financial perspective. Societe Generale, along with other financial institutions, is also named as a defendant in two putative class actions in Canada (in the Ontario Superior Court in Toronto and Quebec Superior Court in Quebec City) involving similar claims. Societe Generale is defending the claims.

- Since August 2015, various former and current employees of the Societe Generale Group have been under investigation by German criminal prosecution and tax authorities for their alleged participation in the so called "CumEx" patterns in connection with withholding tax on dividends on German shares. These investigations relate *inter alia* to a fund administered by SGSS GmbH proprietary trading activities and transactions carried out on behalf of clients. The Group entities respond to the requests of the German authorities.

  Societe Generale Group entities may also be exposed to claims by third parties, including German tax offices, and become party to legal disputes initiated by clients involved in proceedings against the German tax administration.

- Societe Generale and certain of its subsidiaries are defendants in an action pending in the US Bankruptcy Court in Manhattan brought by the Trustee appointed for the liquidation of Bernard L. Madoff Investment Securities LLC (BLMIS). The action is similar to those brought by the BLMIS Trustee against numerous institutions and seeks recovery of amounts allegedly received by the Societe Generale entities indirectly from BLMIS through so-called "feeder funds" that were invested in BLMIS and from which the Societe Generale entities received redemptions. The suit alleges that the amounts that the Societe Generale entities received are avoidable and recoverable under the US Bankruptcy Code and New York state law. The BLMIS Trustee seeks to recover, in the aggregate, approximately 150 million of American dollars from the Societe Generale entities. The Societe Generale entities are defending the action. In decisions dated 22 November 2016 and 3 October 2018, the Court rejected most of the claims brought by the BLMIS Trustee. The Trustee appealed to the US Court of Appeals for the Second Circuit. By order dated 25 February 2019, the Second Circuit vacated the judgements and remanded for further proceedings. On 1 June 2020, the United States Supreme Court denied Defendant-Appellees' petition for a writ of certiorari. The case is now before the Bankruptcy Court for further proceedings. The Societe Generale defendants filed a motion to dismiss on 29 April 2022. The motion was denied by order dated 7 October 2022. Proceeding is still pending.

- On 10 July 2019, Societe Generale was named as a defendant in a litigation filed in the US District Court in Miami by plaintiffs seeking compensation under the Cuban Liberty and Democratic Solidarity (Libertad) Act of 1996 (known as the Helms-Burton Act) stemming from the expropriation by the Cuban government in 1960 of Banco Nunez in which they are alleged to have held an interest. Plaintiff claims damages from Societe Generale under the terms of this statute. Plaintiff filed an amended complaint on 24 September 2019 adding three other banks as defendants and adding several new factual allegations as to Societe Generale. Societe Generale filed a motion to dismiss, which was fully briefed as of 10 January 2020. While the motion to dismiss was pending, plaintiffs filed an unopposed motion on 29 January 2020, to transfer the case to federal court in Manhattan, which the court granted on 30 January 2020. Plaintiffs filed a second amended complaint on 11 September 2020, in which it dropped the three other banks as defendants, added a different bank as an additional defendant, and added as additional plaintiffs who purport to be heirs of the founders of Banco Nunez. The court granted Societe Generale's motion to dismiss on 22 December 2021 but permitted plaintiffs to replead their claims. On 25 February 2022, plaintiffs filed an amended complaint, and on 11 April 2022, Societe Generale filed its motion to dismiss. By order entered 30 March 2023, the court granted Societe Generale's motion to dismiss. Plaintiffs have appealed. On 7 January 2025, the Court of Appeals for the Second Circuit affirmed the lower court's dismissal of this action.
- On 9 November 2020, Societe Generale was named as a defendant, together with another bank, in a similar Helms-Burton litigation filed in the US District Court in Manhattan (Pujol I) by the purported heirs of former owners, and personal representatives of estates of heirs or former owners, of Banco Pujol, a Cuban bank alleged to have been confiscated by the Cuban government in 1960. On 27 January 2021, Societe Generale filed a motion to dismiss. In response, as permitted by the judge's rules, plaintiffs chose to file an amended complaint and did so on 26 February 2021. Societe Generale filed a motion to dismiss the amended complaint on 19 March 2021, which was granted by the court on 24 November 2021. The court permitted plaintiffs to replead their claims. On 4 February 2022, plaintiffs filed an amended complaint, and on 14 March 2022, Societe Generale filed its motion to dismiss, which was granted by the court on 23 January 2023. On 7 January 2025, the Court of Appeals for the Second Circuit affirmed the lower court's dismissal of this action.

  On 16 March 2021, Societe Generale was named as a defendant, together with another bank, in a nearly identical Helms-Burton litigation filed in the US District Court in Manhattan (Pujol II) by the personal representative of one of the purported heirs to Banco Pujol who is also a plaintiff in Pujol I. The case was stayed pending developments in Pujol I. At the parties' request, following dismissal of Pujol I, the court lifted the stay on Pujol II and entered an order dismissing the case for the same reasons it dismissed Pujol I. Plaintiff has appealed. The 7 January 2025 decision by the Second Circuit also applies to Pujol II.
- In the context of the sale of its Polish subsidiary Euro Bank to Bank Millennium on 31 May 2019 and of the indemnity granted to the latter against certain risks, Societe Generale continues to monitor the evolution of court cases related to CHF-denominated or CHF-indexed loans issued by Euro Bank. The reserve in this matter in Societe Generale SA's accounts takes into consideration the increase in the number of court cases regarding the loans subject of the sale and the substance of the decisions handed down by Polish courts.
- Like other financial institutions, Societe Generale is subject to audits by the tax authorities regarding its securities lending/borrowing activities as well as equity and index derivatives activities. The 2017 to 2022 audited years are subject to tax adjustments proposals for fiscal years 2017 to 2021 in respect of the application of a withholding tax. These proposals are contested by the Group. Given the significance of the matter, on 30 March 2023, the French Banking Federation has brought proceedings against the tax administration's doctrine. In this respect, on 8 December 2023, the French *Conseil d'État* ruled that the tax authorities may not extend the dividend withholding tax beyond its statutory scope, except if taxpayers engaged in an abusive behavior (*abus de droit*), thereby characterising the tax administration's position based on the concept of beneficial owner as illegal. French tax authorities are now focused on the abuse of law doctrine as a legal basis for the reassessed years and should, as a principle, perform a transaction per transaction analysis. In addition, further to raids conducted by the "*parquet national financier*" at the end of March 2023 at the premises of five banks in Paris, among which Societe Generale, the latter has been informed that it was subject to a preliminary investigation pertaining to the same issue. Societe Generale is defending the action.
- On 19 August 2022, a Russian fertiliser company, EuroChem North West-2 ("EuroChem"), a wholly owned subsidiary of EuroChem AG, filed a claim against Societe Generale SA and its Milan branch ("Societe Generale") before English courts. This claim relates to five on-demand bonds that Societe Generale issued to EuroChem in connection with a construction project in Kingisepp, Russia. On 4 August 2022, EuroChem made demands under the guarantees. Societe Generale explained it was unable to honour the claims due to international sanctions directly impacting the transactions, an assessment which EuroChem disputes. Societe Generale filed its defence submissions on 1 November 2022, to which EuroChem replied on 19 December 2022. Procedural timetables were notably discussed during several procedural hearings. As things currently stand, the trial (if any) is expected to take place in June 2025.
- SG Americas Securities, LLC ("SGAS") received a request for information in December 2022 from the US Securities and Exchange Commission ("SEC") focused on compliance with record-keeping requirements in connection with business-related communications on messaging platforms that were not approved by the firm. On 28 March 2023, SGAS and Societe Generale received a similar request from the US Commodity Futures Trading Commission ("CFTC"). These inquiries follow a number of regulatory settlements in 2022 with other firms covering similar matters. SGAS reached a settlement with the SEC, announced on 8 August 2023, and agreed to pay a penalty of 35 million of American dollars, take certain remedial actions, and engage an independent compliance consultant. Societe Generale and SGAS reached a settlement with the CFTC, also announced on 8 August 2023, and agreed to pay a penalty of 75 million of American dollars and take certain remedial actions.

NOTE 10 RISK MANAGEMENT LINKED WITH FINANCIAL INSTRUMENTS

Note 10 of published financial statements	Chapter 4 of URD *(the audited parts of Note 10 are indicated as "Audited" in Chapter 4)*	Page numbers – Chapter 4
10.1 Risk management	Part 4.2.1 Risk management governance	178 - 180
10.2 Capital management and adequacy	Part 4.4 Capital management and adequacy	190 - 200
10.3 Credit risk	Part 4.5 Credit risk	201 - 217
10.4 Counterparty credit risk	Part 4.6 Counterparty credit risk	218 - 227
10.5 Market risk	Part 4.7 Market risk	228 - 239
10.6 Structural risk: interest rate and exchange rate	Part 4.8 Structural risks – Interest rate and exchange rate risks	240 - 243
10.7 Structural risk: Liquidity	Part 4.9 Structural risk – Liquidity	244 - 250

6.3 STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English-speaking readers. This report includes information specifically required by European regulations or French law, such as information about the appointment of Statutory Auditors. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Société Générale
29, Boulevard Haussmann
75009 Paris, France

To the Shareholders,

Opinion

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying consolidated financial statements of Société Générale for the year ended 31 December 2024.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group at 31 December 2024 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit and Internal Control Committee.

Basis for opinion

AUDIT FRAMEWORK

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *"Responsibilities of the Statutory Auditors relating to the audit of the consolidated financial statements"* section of our report.

INDEPENDENCE

We conducted our audit engagement in compliance with the independence rules provided for in the French Commercial Code (*Code de commerce*) and the French Code of Ethics (*Code de déontologie*) for Statutory Auditors for the period from 1 January 2024 to the date of our report, and, in particular, we did not provide any non-audit services prohibited by Article 5(1) of Regulation (EU) No. 537/2014.

Justification of assessments – Key audit matters

In accordance with the requirements of Articles L.821-53 and R.821-180 of the French Commercial Code relating to the justification of our assessments, we inform you of the key audit matters relating to the risks of material misstatement that, in our professional judgement, were the most significant in our audit of the consolidated financial statements, as well as how we addressed those risks.

These matters were addressed as part of our audit of the consolidated financial statements as a whole, and therefore contributed to the opinion we formed as expressed above. We do not provide a separate opinion on specific items of the consolidated financial statements.

MEASUREMENT OF IMPAIRMENT ON LOANS AND RECEIVABLES DUE FROM CUSTOMERS

(See Notes 3.5, 3.8 and 10.3 to the consolidated financial statements)

Description of risk

In accordance with the provisions of IFRS 9 "Financial Instruments", the Group records impairment for "expected credit losses" on performing (Stage 1), underperforming (Stage 2) or doubtful (Stage 3) loans to cover the credit risks inherent to its business activities.

At 31 December 2024, total outstanding customer loans exposed to credit risk amounted to €463,143 million, while the total corresponding impairment stood at €8,445 million.

The models used to estimate expected credit losses on performing (Stage 1) and underperforming (Stage 2) loans are based on risk inputs (default probabilities, losses in the event of default, exposures, etc.) and internal analyses of the credit quality of each counterparty or sector.

Doubtful loans (Stage 3) are impaired on an individual or statistical basis. This impairment is calculated by management based on estimated future recoverable cash flows, taking into account any collateral that has been or can be recovered.

To take account of economic developments and the geopolitical context, the measurement of expected credit losses requires significant judgement and the use of assumptions by management, in particular to:

- establish the macroeconomic scenarios that are incorporated into the models for estimating expected losses;
- classify outstanding loans (Stages 1, 2 and 3), taking into account any significant deterioration in credit risk;
- update the models and assumptions as well as the adjustments (based on expert assessment or sectoral) underlying the expected credit losses (Stages 1 and 2).
- determine the likelihood of recovery for outstandings classified as Stage 3.

Given the significant judgement exercised by management and uncertainties involved in estimations, we deemed the measurement of impairment on loans and receivables due from customers to be a key audit matter.

How our audit addressed this risk

In response to this risk, our work consisted of:

- reviewing the governance framework for the process of determining classifications, rating and impairment for receivables due from customers;
- assessing the design and effectiveness of the internal control system relating to the process for measuring impairment on loans to customers;
- with the support of our IT audit experts, testing, using sampling techniques, general IT controls and automatic controls relating to the measurement of impairment;
- with the support of our credit risk experts, assessing the appropriateness of the models, assumptions and macroeconomic scenarios used to measure expected credit losses;
- verifying the correct documentation and justification of the main sectoral adjustments and assessments of experts recognised by the Group;
- carrying out independent calculations of the expected losses using sampling techniques;
- for a selection of individual loans, assessing the level of impairment recorded.

We also assessed the appropriateness of the information relating to the impairment of loans and receivables due from customers disclosed in the notes to the consolidated financial statements.

VALUATION OF LEVEL 2 AND LEVEL 3 FINANCIAL INSTRUMENTS

(See Notes 3.1, 3.2 and 3.4 to the consolidated financial statements)

Description of risk	How our audit addressed this risk
As part of its trading activities, Société Générale holds financial instruments for trading purposes which are recognised in the balance sheet at fair value. Fair value is determined according to different approaches, depending on the type of instrument and its complexity: (i) using valuation models based on market inputs mainly observable in active markets (instruments classified as Level 2), and (ii) using valuation models based on mainly unobservable inputs (instruments classified as Level 3). If necessary, the valuations obtained may be supplemented using reserves or value adjustments to take into account certain specific trading, liquidity or counterparty risks. At 31 December 2024, the fair value of these financial instruments represented €268,005 million under assets and €287,294 million under liabilities on the Group's consolidated balance sheet. In light of the materiality of the positions and the judgement used by management to determine valuation inputs and models, we deemed the measurement of financial instruments classified as Level 2 and Level 3 to be a key audit matter.	We familiarised ourselves with the processes, governance and existing control procedures within Société Générale with regard to the valuation of financial instruments held for trading purposes, classified as Level 2 or Level 3. We tested the effectiveness of the controls we deemed key to our audit, in particular those relating to: ■ the independent approval and regular review by management of the risks, the valuation models and corresponding adjustments; ■ the Finance Department's independent verification of the market inputs by in accordance with the methodologies defined by the Group; ■ documenting the observability horizon for the market inputs used to classify financial instruments in the fair value hierarchy and estimating the margin amounts to be deferred where appropriate. In addition, with the assistance of our valuation experts and using sampling techniques, we: ■ assessed the assumptions and inputs used in value adjustment methodologies and valuation models; ■ reviewed the methods used to recognise the margin over time on financial instruments with unobservable inputs; ■ performed independent counter valuations; and ■ examined any differences in margin calls with the Groups' counterparties so as to assess the appropriateness of the valuations. In addition, we also assessed the appropriateness of the disclosures in the notes to the consolidated financial statements with respect to the valuation of financial instruments.

ASSESSMENT OF LEGAL AND TAX RISKS

(See Notes 8.2 and 9 to the consolidated financial statements)

Description of risk	How our audit addressed this risk
Société Générale is involved in certain legal, regulatory and tax proceedings, as described in Note 8.2.2 "Other provisions" to the consolidated financial statements. At 31 December 2024, other provisions totalled €1,279 million, including provisions for litigation. The situation and progress of the various ongoing disputes and proceedings are reviewed by management to assess the need to set aside provisions and to evaluate the amount. Given the complexity of certain proceedings, the significant degree of judgement exercised by management in assessing risks and the financial consequences for the Group, we deemed the assessment of legal and tax risks to be a key audit matter.	Our approach involved: ■ reviewing the tools and systems for identifying, assessing and accounting for legal and tax risks; ■ conducting interviews with the Group's legal and tax departments and those in relevant roles to monitor the development of the main ongoing legal proceedings; ■ interviewing the lawyers in charge of the most significant proceedings; ■ obtaining and reviewing analyses prepared by management and, where necessary, the Group's external legal and tax advisors on major disputes; ■ assessing, based on these resources, the reasonableness of the assumptions used to determine the amount of provisions raised. We also examined the appropriateness of the disclosures published in the consolidated financial statements.

RECOVERABILITY OF DEFERRED TAX ASSETS IN FRANCE

(See Note 6 to the consolidated financial statements)

Description of risk	How our audit addressed this risk
Deferred tax assets related to tax loss carryforwards are recognised in the amount of €1,798 million at 31 December 2024, and more specifically €1,629 million for the France tax group. As indicated in Note 6 "Income tax" to the consolidated financial statements, the Group calculates deferred taxes at the level of each tax entity, and recognises deferred tax assets when it is probable that the tax entity concerned will generate future taxable profits against which temporary differences and tax loss carryforwards can be offset, within a given timeframe. In addition, as indicated in Notes 6 "Income tax" and 9 "Information on risks and litigation" to the consolidated financial statements, certain tax loss carryforwards are contested by the French tax authorities and are therefore liable to be called into question. Given the importance of the assumptions used to assess the recoverability of deferred tax assets in France, particularly on future taxable profits, and the judgement exercised by management in this respect, we deemed this issue to be a key audit matter.	In response to this risk, we assessed the Group's ability to use its tax loss carryforwards generated at 31 December 2024 in the future, particularly with regard to anticipated future taxable profits in France. In particular, our work involved: ■ understanding the governance structure and control system for estimating future taxable profits; ■ reviewing the 2025 budget forecast prepared by management and approved by the Board of Directors, and the assumptions underlying the medium-term projections, which take into account the expected impacts of transactions known at the reporting date; ■ comparing projected results for prior years with actual results for the years in question; ■ assessing the sensitivity analyses carried out by the Group on the main inputs used in the estimates; ■ examining the Group's position with the help of our experts, in particular by noting the opinions of its external tax advisers concerning the tax loss carryforwards in France that have been challenged in part by the French tax authorities. We also examined the appropriateness of the disclosures published by your Group in respect of deferred tax assets in Note 6 "Income taxes" to the consolidated financial statements.

GENERAL IT CONTROLS RELATED TO MARKET ACTIVITIES

Description of risk	How our audit addressed this risk
The market activities of the Global Banking & Investor Solutions (GBIS) division account for a significant proportion of the Group's earnings and balance sheet. These business activities are highly complex in operational terms, given the nature of the financial instruments used, the volume of transactions completed and the use of numerous interdependent IT systems. In this context, the implementation of general IT controls within the systems used to prepare financial information is a key audit matter.	In response to this risk, we assessed, with the help of our IT specialists, the effectiveness of general IT controls within applications associated with market activities considered key to the preparation of the financial statements. Our work consisted primarily in: ■ obtaining an understanding of the systems, processes and controls that contribute to the production of accounting information; ■ testing, using sampling techniques, the controls related to the management of access rights to IT systems, change and development management, the management of IT operations and the handling of incidents.

REASSESSMENT OF THE RESIDUAL VALUES OF LEASED VEHICLES

(See Note 8.3 to the consolidated financial statements)

Description of risk	How our audit addressed this risk
As part of its operational leasing and fleet management activities, vehicles leased by the Group are depreciated on a straight-line basis over the term of the contract, as explained in Note 8.3 "Tangible and intangible fixed assets" to the consolidated financial statements. The depreciable value of these vehicles corresponds to their acquisition cost less their residual value. The residual value of a vehicle is an estimate of the resale value at the end of the contract. This estimate is based on statistical data and specific assumptions regarding the resale value of vehicles. Residual values are reviewed at least once a year to take account of changes in prices on the used car market. The difference between the re-estimated residual value and the initial value constitutes a change in estimate that gives rise to a prospective depreciation plan. We deemed the estimation of vehicle residual values to be a key audit matter given the judgement exercised by management in defining the statistical approach and the specific assumptions taken into account, and due to the uncertainties inherent in estimating future vehicle resale prices.	In response to this risk, we reviewed the residual value remeasurement process put in place by the Group. Our work consisted primarily in: ▪ testing the operational efficiency of key controls, including IT controls, in particular those relating to the determination of the assumptions and inputs used as a basis for this remeasurement; ▪ reviewing, with the help of our modelling specialists, the statistical approach defined by the Group and the main inputs used to assess resale prices; ▪ assessing the reasonableness of the selected residual values by comparing them, using sampling techniques, with observed sale prices; ▪ verifying that the impact of the remeasurement on the depreciation plan for leased vehicles has been correctly taken into account. We also assessed the appropriateness of the disclosures published in Note 8.3 "Tangible and intangible fixed assets", to the consolidated financial statements.

MEASUREMENT OF LIABILITIES ASSOCIATED WITH INSURANCE CONTRACTS THAT INCLUDE DIRECT PARTICIPATION FEATURES (VARIABLE FEE APPROACH)

(see Note 4.3 to the consolidated financial statements)

Description of risk	How our audit addressed this risk

As indicated in table 4.3.F of Note 4.3 "Insurance activities" to the consolidated financial statements, at 31 December 2024, the Group recognised liabilities relating to insurance contracts issued with direct participation features using the variable fee approach amounting to €147,761 million.
 	
The determination of these liabilities is based on significant judgements concerning the data used, assumptions relating to future periods, and results from estimation techniques.
 	
The accounting measurement model used is based on the following principles:
▪ The best estimate of the discounted cash flows relating to the execution of contractual obligations for policyholders determined using complex actuarial models involving data and assumptions relating to future periods, in particular as regards the discount rate, laws on the behaviour of policyholders and future management decisions;
▪ an adjustment for non-financial risks, aimed at addressing the uncertainty regarding the amount and timing of future cash flows as insurance contracts are carried out;
▪ a contractual service margin representing the unearned profit that will be recognised as services are provided.
 	
We considered the measurement of liabilities associated with insurance contracts that include direct participation features to be a key audit matter due to their sensitivity to key judgements and assumptions as set out above.
	In response to this risk, our work consisted primarily in:
	▪ reviewing the methodology used to measure cash flows, the adjustment for non-financial risks and the contractual service margin relating to these contracts, and assessing compliance with current accounting standards;
	▪ testing the key controls implemented by the Group, in particular:
	  ▫ controls relating to the approval of the future cash flow projection model;
	  ▫ IT controls relating to the systems involved in the calculations and the transfer to the accounting department;
	  ▫ the documentation and controls relating to the key judgements and assumptions made by the Finance Department.
	▪ implementing procedures aimed at testing the reliability of the data underlying the estimates using sampling techniques;
	▪ with the help of our actuarial modelling specialists, testing, using sampling techniques, the calculation models used to estimate future cash flows, the adjustment for non-financial risks and the contractual service margin;
	▪ carrying out analytical procedures to identify any significant inconsistent or unexpected variations.
	
	We also assessed the appropriateness of the disclosures published in the notes to the consolidated financial statements.

FAIR VALUE HEDGES FOR INTEREST RATE RISK BASED ON THE LOAN PORTFOLIO OF THE RETAIL BANKING NETWORKS IN FRANCE

(see Note 3.2.2 to the consolidated financial statements)

Description of risk	How our audit addressed this risk
As part of the management of the interest rate risk generated in particular by its retail banking activities in France, the Group manages a portfolio of derivatives to which the principles of portfolio-based hedge accounting (macro-hedging) are applied, as presented in Note 3.2 "Financial derivatives" to the consolidated financial statements. Transactions can only be recognised using hedge accounting if certain criteria defined by the standard relating to the designation and documentation of hedging relationships are met. In 2023 and 2024, hedging transactions were transferred to the trading portfolio in order to adjust the hedging level of fixed-rate liabilities. Macro-hedge accounting for retail banking transactions in France requires management to use its judgement to determine the eligibility of hedged items and hedging derivatives, and to determine the behavioural assumptions used to schedule outstandings' maturities. At 31 December 2024, reevaluation differences on portfolios hedged against interest rate risk represented a negative €292 million recognised under assets and a negative €5,277 million recognised under liabilities. The fair value of the corresponding derivative instruments is included under "Hedging derivatives" in assets and liabilities.	In response to this risk, our work consisted of: ■ reviewing the methods used to manage structural interest rate risk, as well as the governance and control procedures implemented by management, particularly with regard to the identification and eligibility of hedged items and hedging instruments; ■ examining, with the assistance of our modelling specialists, the criteria and models used to schedule the outstandings' maturities for the hedged portfolios; ■ examining the results of the effectiveness and hedge accounting eligibility tests as at 31 December 2024, as well as the results of the demonstration of the transfer of internal derivatives on the market; ■ examining the accounting impact of transfers of hedging transactions carried out during the year. We also assessed the appropriateness of the disclosures published in the notes to the consolidated financial statements.

Specific verifications

As required by legal and regulatory provisions and in accordance with professional standards applicable in France, we have also performed the specific verifications on the information pertaining to the Group presented in the Board of Directors' management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Other verifications and information pursuant to legal and regulatory requirements

PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS INCLUDED IN THE ANNUAL FINANCIAL REPORT

In accordance with professional standards applicable to the Statutory Auditors' procedures for annual and consolidated financial statements presented according to the European single electronic reporting format, we have verified that the presentation of the consolidated financial statements to be included in the annual financial report referred to in paragraph I of Article L.451-1-2 of the French Monetary and Financial Code (*Code monétaire et financier*) and prepared under the Chief Executive Officer's responsibility, complies with this format, as defined by European Delegated Regulation No. 2019/815 of 17 December 2018. As it relates to the consolidated financial statements, our work included verifying that the markups in the financial statements comply with the format defined by the aforementioned Regulation.

On the basis of our work, we conclude that the presentation of the consolidated financial statements included in the annual financial report complies, in all material respects, with the European single electronic reporting format.

APPOINTMENT OF THE STATUTORY AUDITORS

We were appointed Statutory Auditors of Société Générale by the Annual General Meeting of 22 May 2024 for PricewaterhouseCoopers Audit and KPMG SA.

As at 31 December 2024, PricewaterhouseCoopers Audit and KPMG SA were in the first year of engagement.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for preparing consolidated financial statements giving a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and for implementing the internal control procedures it deems necessary for the preparation of consolidated financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting, unless it expects to liquidate the Company or to cease operations.

The Audit and Internal Control Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems, as well as, where applicable, any internal audit systems, relating to accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

Responsibilities of the Statutory Auditors relating to the audit of the consolidated financial statements

OBJECTIVE AND AUDIT APPROACH

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free of material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions taken by users on the basis of these consolidated financial statements.

As specified in Article L.821-55 of the French Commercial Code (*Code de commerce*), our audit does not include assurance on the viability or quality of the Company's management.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditors exercise professional judgement throughout the audit.

They also:

- identify and assess the risks of material misstatement in the consolidated financial statements, whether due to fraud or error, design and perform audit procedures in response to those risks, and obtain audit evidence considered to be sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of the internal control procedures relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and the related disclosures in the notes to the consolidated financial statements;
- assess the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditors conclude that a material uncertainty exists, they are required to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or are inadequate, to issue a qualified opinion or a disclaimer of opinion;
- evaluate the overall presentation of the consolidated financial statements and assess whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The Statutory Auditors are responsible for the management, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed thereon.

REPORT TO THE AUDIT AND INTERNAL CONTROL COMMITTEE

We submit a report to the Audit and Internal Control Committee which includes, in particular, a description of the scope of the audit and the audit programme implemented, as well as the results of our audit. We also report any significant deficiencies in internal control that we have identified regarding the accounting and financial reporting procedures.

Our report to the Audit and Internal Control Committee includes the risks of material misstatement that, in our professional judgement, were the most significant for the audit of the consolidated financial statements and which constitute the key audit matters that we are required to describe in this report.

We also provide the Audit and Internal Control Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France, as defined in particular in Articles L.821-27 to L.821-34 of the French Commercial Code and in the French Code of Ethics for Statutory Auditors. Where appropriate, we discuss any risks to our independence and the related safeguard measures with the Audit and Internal Control Committee.

Neuilly-sur-Seine and Paris-La Défense, 12 March 2025

The Statutory Auditors

PricewaterhouseCoopers Audit		KPMG SA
Emmanuel Benoist	Ridha Ben Chamek	Guillaume Mabille

6.4 SOCIETE GENERALE'S MANAGEMENT REPORT

ANALYSIS OF SOCIETE GENERALE'S BALANCE-SHEET

(EUR billion at 31 December)	31.12.2024	31.12.2023	Change
Cash and interbank uses	271	288	(17)
Customer loans	352	373	(21)
Securities transactions	594	565	29
of which securities and notes received under repurchase agreements	*277*	*279*	*(2)*
Other Financial Accounts	154	159	(5)
of which premiums on contingent instruments	*56*	*56*	*-*
Tangible and intangible assets	3	4	(1)
TOTAL ASSETS	**1,374**	**1,389**	**(15)**

(EUR billion at 31 December)	31.12.2024	31.12.2023	Change
Cash and interbank resources(1)	371	372	(1)
Customer deposits	444	470	(26)
Bond and subordinated debt(2)	29	27	2
Securities transactions	341	330	11
Of which securities and notes sold under repurchase agreements	*263*	*246*	*17*
Other financial accounts and provisions	151	153	(2)
of which premiums on contingent instruments	*67*	*65*	*2*
Shareholders' equity	38	37	1
TOTAL LIABILITIES	**1,374**	**1,389**	**(15)**

(1) Including negotiable debt securities.
(2) Including perpetual subordinated notes.

2024 was marked by uncertainties related to the global economic downturn and to continuing geopolitical tensions around the world. Despite these challenges, the global economy demonstrated resilience driven by the stabalisation of energy prices, an improvement in supply chains and a gradual upturn in investments. The American economy maintained its momentum, recording annual growth estimated at 2.7% by the IMF. GDP in the Eurozone grew 0.7%, a slight increase versus 2023 (+0.4%). Following a first half of the year when business activity held up, mainly in the services industry, growth slipped in the second half owing to weakness in the German economy and to political uncertainties in France.

In a context in which prices stabilised, the FED and the ECB eased their monetary policy in order to support economic recovery through several decreases in prime interest rates which stood at 4.5% and 3.15% respectively from mid December. In a complex and uncertain geopolitical and economic environment, the Societe Generale improved its performance in 2024 by regularly expanding its core businesses, bolstering its capital base and tightening cost control and risk management. As of 31 December 2024, the bottom line of its balance-sheet stood at EUR 1,374 billion, down by EUR 15 billion versus 31 December 2023.

The decrease of EUR 17.3 billion in cash flow and interbank resources was largely due to a EUR 22.5 billion decrease in receivables recorded by the central banks, mainly due to the repayment of drawings under the ECB' support programme (TLTRO) and to a reduction of liquidity surpluses deposited at the Banque de France. Converseley, receivables from credit institutions increased to EUR 5.2 billion.

Loans granted to clients fell by EUR 21.7 billion. Owing to a securitisation operation totalling EUR 8.2 billion and a reduction in the volume of loans related to interest rates which remained high, housing loans fell by EUR 10.6 billion. Debtor current accounts fell by EUR 8.2 billion, mainly in comparison with the Group's subsidiaries.

In the context of a decrease in prime interest rates by the ECB, the rate of return on zero risk investments fell, causing term loans to contract by EUR 14.1 billion. Overnight loans fell by EUR 7.2 billion, mainly in comparison with the Group's subsidiaries. Special regime accounts decreased by EUR 5.2 billion due to a withdrawal of precautionary savings.

During 2024, the main stock market indices recorded significant hikes, reflecting the positive performance of the market. As a result, stock and other equity and securitiy portfolios increased by EUR 15.7 billion. Treasury notes rose by EUR 15.1 billion, mainly due to sustained yields on the bond markets which made these stocks more attractive to investors. Security-backed transactions provided favourable terms of financing. As a consequence, securities transferred under repurchase agreements grew by EUR 16.7 billion. Converseley, other debt securities fell by EUR 5.8 billion.

In addition, Societe Generale has a diversified range of refinancing sources and vehicles such as:

- stable resources composed of equity and bonds and subordinated loans (EUR 67 billion);
- customer resources, up EUR 27 billion, collected in the form of deposits, which constitute a significant part of resources (32% of the balance sheet total);
- resources from interbank operations (EUR 212 billion) in the form of deposits and loans;
- market resources raised thanks to an active diversification policy based on various types of debt (secure and unsecured bond issues, etc.), issuance vehicles (EMTNs, Certificates of Deposits), currencies and investor pools (EUR 149 billion);
- resources from securities sold under repurchase agreements with customers and credit institutions (EUR 263 billion) are up compared to 2023.

ANALYSIS OF SOCITE GENERALE'S RESULT

	2024			2023			Changes 2024/2023 *(%)*		
(In EURm)	France	Foreign	Societe Generale	France	Foreign	Societe Generale	France	Foreign	Societe Generale
Net banking income	**10,505**	**2,982**	**13,487**	**9,523**	**2,869**	**12,392**	**10**	**4**	**9**
General operating expenses and depreciation and amortisation	(9,241)	(1,795)	(11,036)	(9,583)	(1,844)	(11,427)	(4)	(3)	(3)
Gross operating income	**1,264**	**1,187**	**2,451**	**(60)**	**1,025**	**965**	**(2,207)**	**14**	**159**
Cost of risk	(563)	(105)	(668)	(333)	(148)	(481)	69	(28)	49
Operating income	**701**	**1,082**	**1,783**	**(393)**	**877**	**484**	**(278)**	**23**	**268**
Gains or losses on fixed assets	317	(28)	289	2,862	51	2,913	(89)	(155)	(90)
Current income before tax	**1,018**	**1,054**	**2,072**	**2,469**	**928**	**3,397**	**(59)**	**14**	**(39)**
Income tax	476	(536)	(60)	372	(419)	(47)	28	28	28
Net income	**1,494**	**518**	**2,012**	**2,841**	**509**	**3,350**	**(47)**	**2**	**(40)**

In 2024, Societe Generale registered gross operating income of EUR 2.5 billion, up EUR 1.5 billion compared to 2023, an increase of 61%.

- **Net banking income (NBI)** amounted to EUR 13 billion, up EUR 1.1 billion (+8%) compared to 2023:

  Net banking income from Retail Banking activities in France was up EUR 0.6 billion compared to 2023, driven by the rebound of interest income for EUR 0.5 billion.

Revenues from Global Banking and Investor Solutions posted a solid performance in line with the previous year, driven in particular by good momentum in Fixed Income, Foreign Exchange, Financing and Advisory.

The Corporate Centre, which includes the management of the Group's portfolio of investments, recorded an increase in net banking income of EUR 0.6 billion compared to 2023, resulting from the increase in income from financial operations, despite the decrease in the dividends received from subsidiaries.

General operating expenses decreased by EUR 0.3 billion (-3%) compared to 2023.

- **Structural** costs amounted to EUR 4.7 billion at 31 December 2024, down EUR 0.7 billion (-18%) compared to 2023. The improvement in this item in 2024 is attributable in particular to:
  - the reduction in taxes and duties of EUR 0.5 billion, linked to the non contribution to the Single Resolution Fund.
  - the reduction in research expenses of EUR 0.2 billion following the merger with Crédit du Nord.
- **Personnel expenses** amounted to EUR 6 billion, up EUR 0.4 billion (+7%) compared to 2023. For 2024, personnel costs include costs related to the social support measures implemented as part of the project to reorganise central services for EUR 0.3 billion. Following the same trend, social security and tax contributions on salaries increased by EUR 0.1 billion.

- **The net cost of risk** stood at EUR 0.7 billion at the end of December 2024, an increase of EUR -0.2 billion compared to the previous year, mainly explained by the increase in provisions for commercial risks on doubtful outstanding loans.

  The combination of all these factors resulted in an increase in operating income of EUR 1.3 billion compared to 2023, to EUR 1.8 billion at the end of 2024.
- In 2024, Societe Generale realised gains on fixed assets of EUR 0.2 billion, a decrease of EUR -2.6 billion compared to 2023.

  A merger bonus was recorded in 2023 following the merger between Societe Generale and the banking entities of the Crédit du Crédit du Nord group, which explains a negative impact of EUR -2.8 billion.

  In addition, the combined effects of disposals and impairments on securities generated an increase of EUR 0.2 billion.
- **Income tax** was EUR -0.06 billion.

  Net profit after tax therefore stood at EUR 2 billion at the end of 2024, down EUR 1.3 billion at the end of 2023.

SCHEDULE OF ACCOUNTS PAYABLE

	31.12.2024						31.12.2023					
	Unmatured debts						Unmatured debts					
(In EURm)	1 to 30 days	31 to 60 days	More than 60 days	More than 90 days	Debts due	Total	1 to 30 days	31 to 60 days	More than 60 days	More than 90 days	Debts due	Total
Trade accounts payable	29	60	56	-	-	145	30	67	-	-	-	97

Due dates correspond to conditions calculated at 60 days from the date of invoices.

The processing of Societe Generale's supplier invoices in France is largely centralised. The department in charge of this processing ensures the accounting recording and payments of supplier invoices ordered by all Societe Generale functional departments and divisions in France.

In accordance with the Group's internal control procedures, invoices are only paid after they have been validated by the departments which authorised the services. Once this validation has been obtained, the average time to pay invoices is between three and seven days.

In accordance with Article D. 441-6 of the French Commercial Code as amended by Decree No. 2021-11 on 26 February 2021, the information on suppliers' payment terms is as follows:

- Banking, insurance and financial services (loans, financing and commissions) are excluded from the scope.

	31.12.2024					
	Debts due					
	0 days (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total (1 day and more)
(A) LATE PAYMENT INSTALMENTS						
Number of invoices affected	15	760	469	169	5,034	6,447
Total amount of the invoices concerned including VAT *(in EURm)*	0	14	4	2	9	29
Percentage of the amount of purchases excluding tax for the financial year	-	-	-	-	-	-
(B) INVOICES EXCLUDED FROM (A) RELATING TO DISPUTED OR UNBOOKED DEBTS AND RECEIVABLES						
Number of invoices excluded	-	-	-	-	-	-
Total amount excluding VAT of invoices excluded	-	-	-	-	-	-
(C) REFERENCE PAYMENT TERMS USED FOR THE CALCULATION OF LATE PAYMENTS (ARTICLE L. 441-6 OR ARTICLE L. 443-1 OF THE FRENCH COMMERCIAL CODE)						
☑ Legal deadlines (45 days end of month or 60 days invoice date)						
☐ Contractual deadlines						

Receivables payment terms

The payment schedules of customers, in respect of the financing granted or the services invoiced, are fixed contractually. The terms of payment of loan repayment schedules may be the subject of contractual options modifying the initial repayment terms (such as early repayment options or the ability to extend repayment periods). Compliance with contractual payment provisions is monitored as part of the bank's risk management (see Chapter 4 of this document: Risks and capital adequacy), including credit risk, structural interest rate risk and liquidity risk. The remaining maturities of receivables from customers are shown in Note 7.3 of the notes to the annual financial statements.

Due dates correspond to conditions calculated at 60 days from the date of invoices.

	31.12.2024					
	Receivables due					
	0 days (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total (1 day and more)
(A) LATE PAYMENT INSTALMENTS						
Number of invoices affected	-	203	170	217	2,808	3,398
Total amount of the invoices concerned including tax *(in EURm)*(1)	-	23	22	6	114	165
Percentage of the amount of purchases excluding tax for the financial year	-	-	-	-	-	-
(B) INVOICES EXCLUDED FROM (A) RELATING TO DISPUTED OR UNBOOKED DEBTS AND RECEIVABLES						
Number of invoices excluded	-	-	-	-	-	-
Total amount excluding VAT of invoices excluded	-	-	-	-	-	-
(C) REFERENCE PAYMENT TERMS USED FOR THE CALCULATION OF LATE PAYMENTS (ARTICLE L. 441-6 OR ARTICLE L. 443-1 OF THE FRENCH COMMERCIAL CODE)						
☐ Contractual deadlines (to be specified)						
☑ Legal deadlines						

(1) Including €87 million in disputed debts.

SOCIETE GENERALE'S FINANCIAL RESULTS (OVER THE LAST FIVE FINANCIAL YEARS)

(In EURm)	2024	2023	2022	2021	2020
Financial position at year-end					
Share capital *(in EURm)*[1]	1,000	1,004	1,062	1,067	1,067
Number of shares issued[1]	800,313,777	802,979,942	849,883,778	853,371,494	853,371,494
Overall results of operations carried out *(in EURm)*					
Turnover excluding taxes[2]	61,025	54,857	32,519	27,128	27,026
Earnings before taxes, depreciation, amortisation, provisions, profit-sharing and FRBG	3,777	4,385	292	209	365
Employee profit-sharing awarded over the course of the financial year	0	4	12	15	6
Income tax	60	47	(82)	(25)	141
Profit after tax, depreciation, amortisation and provisions	2,012	3,350	(260)	1,995	(1,568)
Dividend payments[3]	872	723	1,445	1,877	0
Adjusted results of operations reduced to a single share *(in EUR)*					
Profit after tax, but before depreciation, amortisation and provisions	4.66	5.40	0.43	2.91	0.24
Results after tax, depreciation, amortisation and provisions	2.51	4.17	(0.31)	2.34	(1.84)
Dividend paid on each share	1.09	0.90	1.70	1.65	0.55
Personnel					
Number of employees	48,130	49,592	42,450	43,162	44,544
Amount of the wage bill *(in EURm)*	4,465	4,121	3,938	3,554	3,408
Amount of money paid for social benefits (Social Security, welfare schemes, etc.) *(in EURm)*	1,949	1,817	1,535	1,655	1,475

(1) *As of 31 December 2024, Societe Generale's fully paid-up capital amounted to EUR 1000,395,971.25 and consisted of 800,316,777 shares with a nominal value of EUR 1.25.*

(2) *Revenue consists of interest income, income from variable-income securities, commissions received, net income from financial operations and other operating income.*

(3) *Dividend payment based on the number of shares as at 31 December 2024.*

Main movements affecting the securities portfolio in 2024

During 2024, Societe Generale carried out the following operations on its securities portfolio:

Abroad	In France
Creation	**Creation**
Bernstein North America Holdings LLC-Sanford C. Bernstein Holdings Limited	Reed Shift S.L.P.
Equity investment	**Equity investment**
-	-
Acquisition	**Acquisition**
-	-
Increased holding	**Increased holding**
-	-
Subscription to capital increases	**Subscription to capital increases**
SG Asset Finance HK	Boursorama SA
Total disposal	**Total disposal**
SG Marocaine de Banques BFV Societe Generale Euroclear Banco Societe Generale Moçambique SA	Shine
Reduction of holding[(1)]	**Reduction of holding**[(1)]
SG Kleinwort Hambros	Sogefinancement – Édouard VII

(1) Includes capital reductions, Universal Transfers of Assets, mergers and liquidations.

The table below summarises Societe Generale's holdings with a threshold crossing (expressed as a percentage of direct ownership) in 2024:

		Rising above threshold				Falling below threshold	
Threshold	**Companies**	**% of capital 31.12.2024**	**% of capital 31.12.2023**	**Threshold**	**Companies**	**% of capital 31.12.2024**	**% of capital 31.12.2023**
5%				5%			
10%	La foncière de La Défense	10%	0%	10%	Skaleet	9.14%	12.16%
	SCI des Combeaux de Tigery	10%	0%		We Trade Innovation DAC	0%	13.27%
	SCI Soge Beaujoir	15%	0%		CRH	9.39%	10.41%
	ALD Automotive SA AVNS	15%	0%		Investima	0%	10.43%
20%	SGBF SARL	25%	0%	20%	Sepamail	0%	20%
	STIP	25.26%	8.80%				
33.33%	Bernstein North America Holdings LLC	33.33%	0%	33.33%	Societe Generale Chad	0%	41.66%
50%	Sanford C. Bernstein Holdings Limited	51%	0%	50%	Societe Generale Moçambique SA	0%	65%
					SG Marocaine de Banques	0%	57.67%
66.66%	Reed Shift S.L.D.	100%	0%	66.66%	Canada inc.	0%	100%
					Societe Generale (Thailand) LTD	0%	99.98%
					BFV Societe Generale	0%	70%
					YUP Cameroun	0%	75%
					YUP Burkina Faso	0%	75%
					YUP Guinée	0%	75%
					YUP Madagascar	0%	75%
					Shine	0%	100%
					BSG France SA	0%	100%
					Édouard VII	0%	100%
					Sogefinancement	0%	95.96%

(1) Shareholdings in French entities, in accordance with Article L. 233.6 of the French Commercial Code.

6.4.1 INFORMATION REQUIRED UNDER ARTICLE L. 511-4-2 OF THE MONETARY AND FINANCIAL CODE CONCERNING SOCIETE GENERALE SA

As part of its long-standing presence in the commodities market, Societe Generale offers derivatives on agricultural commodities to meet the different needs of its clients, in particular, risk management for corporate clients (producers, consumers) and exposure to commodity markets for investor clients (managers, funds, insurance companies).

Societe Generale's offering covers a wide range of underlying assets: sugar, cocoa, coffee, cotton, orange juice, corn, wheat, rapeseed, soya, oats, cattle, pigs, milk and rice. Societe Generale offers vanilla products on organised markets in this area, as well as index products. Exposure to agricultural commodities can be provided through products whose value depends on one (mono-asset) or multiple (multi-asset) underlying assets. The use of multi-asset products primarily concerns investor clients *via* index products.

Societe Generale manages the risks that result from these positions on organised markets, for example:

- ICE FUTURES EUROPE for cocoa, wheat, sugar and coffee;
- EURONEXT Paris for wheat, rapeseed and maize;
- ICE FUTURES US for cocoa, coffee, cotton, orange juice, sugar and wheat and canola;
- CME Group markets for corn, soybeans, soybean oil, soybean cakes, wheat, oats, cattle, pigs, milk and rice;
- SGX for rubber.

The above list is not set in stone and may change.

Societe Generale has introduced a number of measures to prevent or detect any substantial impact resulting from the activities described above:

- the activity is in line with the regulatory framework decreed in Europe by the MiFID II Directive in force since 3 January 2018. It requires compliance with position limits on certain agricultural commodities, a declaration of positions to the trading venue and a systematic declaration of transactions carried out to the competent regulator;
- the activity is also governed by internal limits, set by the risk monitoring teams, independent of the operators;
- these teams constantly ensure that these different types of limits are respected;
- in addition, Societe Generale's activity on organised markets is governed by the limits set by the investment services provider that clears the transactions;
- in order to prevent inappropriate behaviour, Societe Generale's operators have mandates and manuals that set out their scope of action and receive regular training on the rules of good conduct;
- daily checks are carried out to detect suspicious activity. These checks specifically include compliance with CFTC (US Commodity Futures Trading Commission) rules, and markets organised in such a way as to limit influence, to ensure that no trader can upset the market's correct equilibrium.

6.4.2 DISCLOSURES REGARDING INACTIVE BANK ACCOUNTS

Articles L. 312-19 and L. 312-20 of the Monetary and Financial Code resulting from Law No. 2014-617 of 13 June 2014 on inactive bank accounts and dormant life insurance contracts, known as the Eckert Law, which came into force on 1 January 2016, require each credit institution to publish information on inactive bank accounts on an annual basis.

In 2024, 50,340 inactive bank accounts were closed and the total amount of deposits made with the Caisse des dépôts et consignations was EUR 37,015,728.

At the end of December 2024, 408,158 bank accounts were listed as inactive for a total amount estimated at EUR 732,045,728.

6.5 FINANCIAL STATEMENTS

6.5.1 PARENT COMPANY BALANCE-SHEET

ASSETS

(In EURm)		31.12.2024	31.12.2023
Cash, due from central banks and post office accounts		174,810	197,369
Treasury notes and similar securities	Note 2.1	88,764	73,667
Due from banks	Note 2.3	205,856	219,601
Customer loans	Note 2.3	518,718	523,169
Bonds and other debt securities	Note 2.1	117,744	118,168
Shares and other equity securities	Note 2.1	86,952	71,151
Affiliates and other long-term securities	Note 2.1	1,100	948
Investments in related parties	Note 2.1	22,380	22,732
Tangible and intangible fixed assets	Note 7.2	3,495	3,562
Treasury stock	Note 2.1	119	273
Accruals, other accounts receivables and other assets	Note 3.2	154,355	158,747
TOTAL		**1,374,293**	**1,389,387**

OFF-BALANCE SHEET ITEMS

(In EURm)		31.12.2024	31.12.2023
Loan commitments granted	Note 2.3	309,208	326,102
Guarantee commitments granted	Note 2.3	233,064	223,514
Commitments made on securities		21,094	39,803

LIABILITIES AND SHAREHOLDERS' EQUITY

(In EURm)		31.12.2024	31.12.2023
Due to central banks and post office accounts		11,242	9,573
Due to banks	Note 2.4	325,844	335,675
Customer deposits	Note 2.4	592,255	603,260
Liabilities in the form of securities issued	Note 2.4	150,511	142,308
Accruals, other accounts payables and other liabilities	Note 3.2	219,292	226,613
Provisions	Note 2.6	9,597	9,723
Long-term subordinated debt and notes	Note 6.4	27,408	25,290
Shareholders' Equity			
Common stock	Note 6.1	1,000	1,004
Additional paid-in capital	Note 6.1	20,173	20,260
Retained earnings	Note 6.1	14,959	12,331
Net income	Note 6.1	2,012	3,350
SUB-TOTAL		**38,144**	**36,945**
TOTAL		**1,374,293**	**1,389,387**

OFF-BALANCE SHEET ITEMS

(In EURm)		31.12.2024	31.12.2023
Loan commitments received	Note 2.4	104,948	68,683
Guarantee commitments received	Note 2.4	68,805	74,541
Commitments received on securities		27,878	42,367

6.5.2 INCOME STATEMENT

(In EURm)		31.12.2024	31.12.2023
Interest and similar income	Note 2.5	47,497	43,733
Interest and similar expense	Note 2.5	(45,788)	(41,493)
Dividend income	Note 2.1	3,227	3,557
Fee income	Note 3.1	7,096	6,645
Fee expense	Note 3.1	(2,785)	(2,693)
Net income from the trading portfolio	Note 2.1	4,693	3,137
Net income from short-term investment securities	Note 2.1	129	(166)
Income from other activities		273	513
Expense from other activities		(855)	(841)
Net banking income	**Note 7.1**	**13,487**	**12,392**
Personnel expenses	Note 4.1	(6,440)	(6,019)
Other operating expenses		(4,014)	(4,775)
Impairment, amortisation and depreciation		(582)	(633)
Gross operating income		**2,451**	**965**
Cost of risk	Note 2.6	(668)	(481)
Operating income		**1,783**	**484**
Net income from long-term investments[(1)]	Note 2.1	289	2,913
Operating income before tax		**2,072**	**3,397**
Income tax	Note 5	(60)	(47)
Net Income		**2,012**	**3,350**
Earnings per ordinary share	**Note 6.3**	**2.53**	**4.19**
Diluted earnings per ordinary share		**2.53**	**4.19**

(1) O/w. a merger bonus of EUR 2,851 million between Societe Generale and Credit du Nord and its subsidiaries in 2023.

Information concerning fees paid to Statutory Auditors is disclosed in the notes to the consolidated financial statements of Societe Generale group; consequently, this information is not provided in the notes to the parent company financial statements of Societe Generale.

6.6 NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

The parent company financial statements were approved by the Board of Directors on 5 February 2025.

NOTE 1 MAIN ACCOUNTING PRINCIPLES

1. Introduction

The preparation and presentation of the parent company financial statements for Societe Generale comply with the provisions of Regulation 2014-07 of the French Accounting Standards Board (*Autorité des Normes Comptables*, ANC), relating to the annual accounts for the banking sector.

As the financial statements of foreign branches were prepared using accounting principles generally accepted in their respective countries, they have been adjusted to comply with the accounting principles applicable in France.

The disclosures provided in the notes to the parent company financial statements focus on information that is both relevant and material to the financial statements of Societe Generale, its activities and the circumstances in which it conducted its operations over the period.

2. Accounting policies and valuation methods

In accordance with the accounting principles applicable to French credit institutions, the majority of transactions are recorded using valuation methods that take account of the purpose for which they were completed.

In financial intermediation transactions, assets and liabilities are generally maintained at their historical cost and impairment is recognised where counterparty risk arises. Revenues and expenses arising from these transactions are recorded *prorata temporis* over the life of the transaction in accordance with the accounting cut-off principle. The same applies for transactions on forward financial instruments carried out for hedging purposes or to manage the Bank's overall interest rate risk.

At closing date, transactions performed in the Global Markets activity are generally marked to market, except for loans, borrowings and short-term investment securities which are recorded at nominal value. When these financial instruments are not quoted in an active market, the market value used is adjusted to take into account the liquidity risk, future management fees and, if any, the counterparty risk.

3. Conversion of the foreign currency financial statement

The on- and off-balance sheet items of branches reporting in foreign currencies are translated at the official exchange rate prevailing at year-end. The income statement items of these branches are translated at the average quarter-end exchange rate. Translation gains and losses arising from the translation of the capital contribution, reserves, retained earnings and net income of foreign branches, which result from changes in exchange rates, are included in the balance sheet under "Accruals, other accounts payable/receivable and other liabilities/assets".

4. Assumptions and estimates

In compliance with the accounting principles and methods applicable to the preparation of the financial statements and stated in the notes to the present document, the Management makes assumptions and estimates that may have an impact on the figures recorded in the income statement, the valuation of assets and liabilities on the balance-sheet, and the information disclosed in the notes to the parent company financial statements.

In order to make these assumptions and estimates, the Management uses the information available as at the date of preparation of the financial statements and can exercise its own judgment. By nature, valuations based on these estimates involve risks and uncertainties about their materialization in the future. Consequently, the actual future results may differ from these estimates and may then have a significant impact on the financial statements.

The assumptions and estimates made in preparing these annual financial statements take account of the uncertainties related to the economic consequences of the current geopolitical and macroeconomic context. The impacts of these events on the assumptions and estimates used are detailed in part 5 of the present note.

Estimates mainly concern:

- fair value in the balance-sheet of financial instruments (securities portfolio and forward financial instruments) not quoted in an active market and held for trading activities (see Notes 2.1, 2.2 and 3.2);
- impairment of financial assets (see Note 2.6);
- provisions recognised as liabilities (see Notes 2.6, 4.2 and 5.2);
- deferred tax assets recognised in the balance sheet (see Note 5).

5. Geopolitical and macroeconomic context

2024 was marked by geopolitical uncertainties, with, in particular, the continuing conflict in Ukraine and the situation in the Middle East. In the USA, economic growth was higher than expected, sustained by strong consumption. In the eurozone, after a first half-year when business remained resilient especially in the services sector, economic growth slackened in the second half-year, in particular as a result of the weakness of the German economy and the political uncertainties in France. In China, the support measures only allowed for economic growth not to deteriorate any further without any actual upturn.

In this context, Societe Generale updated the macroeconomic scenarios chosen for the preparation of its statutory statements as at 31 December 2024. These macroeconomic scenarios are taken into account in the measurement models for credit risk impairment and provisions (see Note 2.6) and in tests regarding deferred tax assets recovery (see Note 5).

MACROECONOMIC SCENARIOS AND WEIGHTING

As at 31 December 2024, Societe Generale has selected three macroeconomic scenarios to help understand the uncertainties related to the current macroeconomic context.

The assumptions selected to draw up the scenarios are listed below:

- the central scenario (“SG Central”), weighted at 56%, predicts a low growth level in the eurozone in a context of more restrictive fiscal policy than in 2024 and of persistent geopolitical concerns. Inflation should converge with the Central banks’ targets and the monetary policy is expected to ease. In the USA, a rebound in economic growth is expected in 2025. The economic policy ushered by the new president of the United States should initially benefit American growth but could however have a negative impact later. It would burden the other areas and increase global uncertainty;
- the favourable scenario (“SG Favourable”), weighted at 10%, describes an accelerated economic growth compared to the trajectory projected in the central scenario; this growth may result from improved supply conditions owing to a positive shock on productivity or from unexpectedly improved demand conditions. In both cases, stronger growth will have a positive impact on employment and the profitability of companies;
- the stressed scenario (“SG Stress”), weighted at 34%, corresponds to a crisis situation leading to a negative deviation in GDP compared to the central scenario. This scenario may result from a financial crisis (2008 crisis, euro area crisis…), an exogenous crisis (Covid-19-like pandemic) or a combination of both.

These scenarios are developed by the Economic and Sector Research Department of Societe Generale based, in particular, on information published by statistical institutes.

Forecasts from institutions (IMF, Global Bank, ECB, OECD…) and the consensus among market economists serves as a reference to challenge Societe Generale’s forecasts.

COVID-19 CRISIS: STATE GUARANTEED LOANS (PGE)

Until 30 June 2022, Societe Generale offered to its crisis-impacted customers (professionals and corporate customers) the allocation of State Guaranteed Loan facilities (PGE) recorded among Customer loans

As at 31 December 2024, after the repayments made at the end of the moratorium periods, the amount outstanding corresponding to the State Guaranteed Loans (PGE) granted by Societe Generale is approximately EUR 4.8 billion (including EUR 0.9 billion of underperforming loans and EUR 0.9 billion of doubtful loans). The amount of credit risk impairment and provisions recorded as at 31 December 2024 related to these State Guaranteed Loan facilities represent approximately EUR 130 million (including EUR 10 million of underperforming loans and EUR 110 million of doubtful loans).

CONSEQUENCES OF THE WAR IN UKRAINE

Societe Generale holds assets on Russian counterparties (including some residual exposures on Rosbank), the volume of which dropped significantly between 31 December 2023 and 31 December 2024, owing in particular to the disposal of assets but also to customers reimbursements completed without incident (EUR 0.5 billion against EUR 0.8 billion as at December 2023). As a result of an assessment of the changes in these credit exposures, Societe Generale has classified them from the very beginning of the conflict as underperforming loans or doubtful loans when necessary (see Note 2.6.1).

Societe Generale received during the 2024 financial year EUR 301 million, reducing some last exposures in Russia relating to its former local presence *via* Rosbank. These exposures, valued at zero or provisioned in Societe Generale’s accounts, have been recovered in accordance with the laws in force and following approval by the relevant regulatory authorities, generating a positive contribution of some EUR 218 million after tax to the net income of Societe Generale.

6. Creation of a partnership between Societe Generale and Alliancebernstein

On 1 April 2024, Societe Generale and AllianceBernstein launched BERNSTEIN, a partnership combining their cash equities and equity research businesses.

The partnership is organised under two separate legal vehicles: Sanford C. Bernstein Holdings Limited, covering Europe and Asia activities, with a head office in London, and Bernstein North America Holdings LLC, covering North America activities, with a head office in New York, complemented by major hubs in Paris and Hong Kong, and multiple regional offices.

Since 1 April 2024, Societe Generale owns 51% of the holding company Sanford C. Bernstein Holdings Limited, acquired for a purchase price of EUR 108 million, and 33% of the holding company Bernstein North America Holdings LLC, acquired for a purchase price of EUR 180 million.

Options may allow Societe Generale, subject to regulatory approvals, to own 100% of both entities within five years.

NOTE 2 FINANCIAL INSTRUMENTS

NOTE 2.1 Securities portfolio

ACCOUNTING PRINCIPLES

Securities are classified according to:

- their type: government securities (Treasury notes and similar securities), bonds and other debt securities (negotiable debt instruments, interbank securities), shares and other equity securities;
- the purpose for which they were acquired: trading, short-term and long-term investment, shares intended for portfolio activity, investments in non-consolidated subsidiaries and affiliates, and other long-term equity investments.

Purchases and sales of securities are recorded in the balance sheet at the date of settlement-delivery.

The classification and valuation rules applied for each portfolio category are described hereafter and the impairment rules applied are described in Note 2.6.2.

Trading securities

Trading securities are securities acquired or incurred with the intention of selling or repurchasing them in the near term or held for the purpose of market-making activities. These securities are traded in active markets, and the available market price reflects actual and regularly occurring market transactions on an arm's length basis. Trading securities also include the securities covered by a sale commitment in the context of an arbitrage on a regulated market or similar, and the securities purchased or sold as part of the specialised management of a trading portfolio containing forward financial instruments, securities or other financial instruments that are managed together and for which there is evidence of a recent pattern of short-term profit-taking.

Trading securities are recognised in the balance sheet at acquisition price, excluding acquisition expenses.

They are marked to market at the end of the financial year.

The net unrealised gains or losses thus recognised, together with the net gains or losses on disposals, are recorded on the income statement under "Net income" from the trading portfolio, or, from short-term investment securities. The coupons received on the fixed-income securities in the trading portfolio are recorded on the income statement under "Net interest income" from bonds, or other debt securities.

The trading securities that are no longer held with the intention of selling them in the near term, or no longer held for the purpose of market-making activities, or held as part of the specialised management of a trading portfolio for which there is no longer evidence of a recent pattern of short-term profit-taking, may be reclassified into the Short-term investment securities category or into the Long-term investment securities category if:

- exceptional market situations generate a change in holding strategy; or
- if debt securities become no longer negotiable in an active market after their acquisition, and Societe Generale has the intention and ability to hold them for the foreseeable future or until maturity.

Securities which are then reclassified are recorded in their new category at their fair market value on the date of reclassification.

Short-term investment securities

Short-term investment securities are all the securities that are not classified as trading securities, long-term investment securities, or investments in consolidated subsidiaries and affiliates.

SHARES AND OTHER EQUITY SECURITIES

Equity securities are initially recognised on the balance sheet at cost excluding acquisition expenses. At year-end, book value is compared to realisable value. Only the unrealised losses are recorded with the recognition of a depreciation of the securities portfolio. Income from these securities is recorded in Dividend income.

BONDS AND OTHER DEBT SECURITIES

These securities are initially recognised on the balance sheet at cost excluding the acquisition expenses, and excluding interest accrued not due at the date of purchase. The positive or negative differences between the cost and redemption values are recognised as premiums (if positive) or discounts (if negative) in the income statement over the life of the securities concerned. The accrued interest on bonds and other short-term investment securities is recorded as related receivables with a counterpart entry under "Interest and similar income" in the income statement.

Short-term investment securities may be reclassified into Long-term investment securities category provided that:

- exceptional market situations generate a change in holding strategy, or
- if after their acquisition debt securities become no longer negotiable in an active market and if Societe Generale has the intention and ability to hold them for the foreseeable future or until maturity.

Long-term investment securities

Long-term investment securities are debt securities acquired or reclassified from Trading securities and Short-term investment securities which Societe Generale intends and has the capacity to hold until maturity.

Societe Generale must therefore have, in particular, the necessary financing capacity to continue holding these securities until their expiry date. These long-term investment securities shall not be subject to any legal or other form of constraint that might call into question its intention to hold it until maturity.

Long-term investment securities also include trading and short-term investment securities which have been reclassified by Societe Generale following the particular conditions described here before (facing exceptional market situations or when debt securities are no longer negotiable in an active market). These reclassified securities are identified within the long-term investment securities portfolio.

Societe Generale may have to dispose of long-term investment securities or transfer them to another accounting category only in the specific following cases:

- the sale or transfer is made at a date close to the maturity of the security; or
- the sale or transfer is due to an isolated event independent of Societe Generale control.

These instruments may be designated as hedged items when forward financial instruments are used to hedge interest rate risk on identifiable items or groups of similar items.

Long-term investments securities are recorded in the balance sheet at their purchase price excluding acquisition expenses. The differences between the purchase price and redemption values are recognised as premiums (if positive) or discounts (if negative) in the income statement over the life of the securities concerned.

Affiliates, investments in related parties and other long-term securities

This category of securities covers on the one hand affiliates and investments in related parties, when it is deemed useful to Societe Generale's business to hold said shares in the long term. This notably covers the investments that meet the following criteria:

- shares in fully integrated companies or issued by companies accounted for using the equity method;
- shares in companies that share Directors or senior managers with Societe Generale and where influence can be exercised over the company whose shares are held;
- shares in companies that belong to the same group controlled by individuals or legal entities, where the said persons or entities exercise control over the Group and ensure that decisions are taken unanimously;
- shares representing more than 10% of the voting rights in the capital issued by a bank or a company whose business is directly linked to that of Societe Generale.

This category also includes the other long-term securities. These are equity investments made by Societe Generale with the aim of developing special professional relations with a company over the long term but without exercising any influence on its management due to the low proportion of attached voting rights.

Affiliates, investments in related parties and other long-term securities are recorded at their purchase price net of acquisition costs. Dividend income earned on these securities is recognised in the income statement under "Dividend income".

NOTE 2.1.1 TREASURY NOTES, BONDS, OTHER DEBT SECURITIES, SHARES AND OTHER EQUITY SECURITIES

	31.12.2024				31.12.2023			
(In EURm)	Treasury notes and similar securities	Shares and other equity securities	Bonds and other debt securities(1)	Total	Treasury notes and similar securities	Shares and other equity securities	Bonds and other debt securities(2)	Total
Trading securities	**63,286**	**86,682**	**39,217**	**189,185**	**55,019**	**70,944**	**48,771**	**174,734**
Short-term investment securities	**25,300**	**236**	**16,288**	**41,824**	**18,487**	**186**	**16,748**	**35,421**
Gross book value	25,643	254	16,425	42,322	18,771	214	16,943	35,928
Impairment	(343)	(18)	(137)	(498)	(284)	(28)	(195)	(507)
Long-term investment securities	**-**	**-**	**61,951**	**61,951**	**63**	**-**	**52,381**	**52,444**
Gross book value	-	-	61,951	61,951	63	-	52,381	52,444
Impairment	-	-	-	-	-	-	-	-
Related receivables	**178**	**34**	**288**	**500**	**98**	**21**	**268**	**387**
TOTAL	**88,764**	**86,952**	**117,744**	**293,460**	**73,667**	**71,151**	**118,168**	**262,986**

(1) *As at 31 December 2024, the amount of bonds and other debt securities includes EUR 5,696 million of securities issued by public organisations.*
(2) *As at 31 December 2023, the amount of bonds and other debt securities includes EUR 961 million of securities issued by public organisations.*

ADDITIONAL INFORMATION ON SECURITIES

(In EURm)	31.12.2024	31.12.2023
Unrealised capital gains on short term investment securities[(1)]	598	717
Premiums and discounts relating to short-term and long-term investment securities	(10)	26
Investments in mutual funds:	8,290	9,736
▪ French mutual funds	1,430	1,352
▪ Foreign mutual funds	6,860	8,384
Of which mutual funds which reinvest all their income	*5*	*5*
Listed securities[(2)]	449,054	389,839
Subordinated securities	302	-
Securities lent	69,635	79,745

(1) The amount does not include unrealised gains or losses on forward financial instruments, if any, used to hedge short-term investment securities.
(2) As at 31 December 2024, the amount of listed trading securities is EUR 352,721 million (301,065 million as at 31 December 2023).

NOTE 2.1.2 AFFILIATES, INVESTMENTS IN RELATED PARTIES AND OTHER LONG-TERM SECURITIES

AFFILIATES AND OTHER LONG-TERM SECURITIES

(In EURm)	31.12.2024	31.12.2023
Banks	296	335
Others	875	732
Affiliates and other long-term securities before impairment	**1,171**	**1,067**
Impairment	(71)	(119)
TOTAL	**1,100**	**948**

The main changes are:

- the acquisition of Reed Shift SLP shares for EUR +250 million partially paid-up;
- the increase of the associates’ certificates of the French deposit insurance and resolution fund: EUR +37 million;
- the disposal of Euroclear shares for EUR -93 million;
- the full disposal of the shares of Banco Societe Generale Moçambique SA for EUR -33 million;
- the partial conversion of preference shares in Visa Inc. resulting in a net effect of EUR -41 million.

The main changes in the impairment are as followed:

- the impairment recovery of Banco Societe Generale Moçambique SA: EUR +33 million;
- the impairment recovery following the liquidation of YUP Madagascar, YUP Guinée, YUP Burkina Faso and YUP Cameroun. EUR: +15 million.

INVESTMENTS IN RELATED PARTIES

(In EURm)	31.12.2024	31.12.2023
Banks	**8,799**	**8,805**
Listed	*1,791*	*1,821*
Unlisted	*7,008*	*6,984*
Others	**17,250**	**16,977**
Listed	*1,948*	*1,948*
Unlisted	*15,302*	*15,029*
Investments in related parties before impairment	**26,049**	**25,782**
Impairment	(3,669)	(3,050)
TOTAL	**22,380**	**22,732**

All transactions with the related parties were concluded under normal market conditions.

The main changes are:

- the entry of Bernstein entities: EUR +321 million;
- the capital increase of Boursorama SA: EUR + 200 million;
- the full disposal of the shares of SG Marocaine de Banques: EUR -145 million;
- the full disposal of the shares of Shine: EUR -131 million.

The main changes in the impairment are as followed:

- the impairment of Franfinance: EUR -528 million;
- the impairment of SGEF SA: EUR -161 million;
- the impairment recovery of Societe Generale China Ltd: EUR +59 million;
- the impairment recovery of SG Americas Inc.: EUR +48 million;

NOTE 2.1.3 TREASURY STOCK

ACCOUNTING PRINCIPLES

Societe Generale’s shares acquired for allocation to employees are recorded as Short-term investment securities and presented under “Treasury stock” on the assets side of the balance sheet.

Societe Generale’s shares held with a view to underpinning the share price or as part of arbitrage transactions on the CAC 40 index are recorded as Trading securities and presented under “Treasury stock” on the assets side of the balance sheet.

Societe Generale’s shares acquired with the intend to cancel them are recorded as Long-term equity investments and presented under “Treasury stock” on the assets side of the balance sheet.

	31.12.2024			31.12.2023		
(In EURm)	Quantity	Book value(2)	Market value	Quantity	Book value(2)	Market value
Trading securities(1)	600,003	16	16	3,321,132	80	80
Short-term investment securities	3,818,347	103	104	6,735,519	193	162
Long-term equity investments	-	-	-	-	-	-
TOTAL	**4,418,350**	**119**	**120**	**10,056,651**	**273**	**242**

Nominal value: EUR 1.25.

Market value per share as at 31 December 2024: EUR 27.16.

(1) Societe Generale set up on 22 August 2011 a liquidity contract which was endowed with EUR 170 million for carrying out transactions on the Societe Generale share. As at December 2024, no Societe Generale shares were held under this contract, which has EUR 5 million to intervene on this share.

(2) The accounting value is assessed according to the notice of the CNC N° 2008-17 approved on 6 November 2008 concerning stock-options and bonus issues of shares.

NOTE 2.1.4 DIVIDEND INCOME

(In EURm)	2024	2023
Dividends from shares and other equity securities	25	14
Dividends from affiliates and other long-term securities	3,202	3,543
TOTAL	**3,227**	**3,557**

Dividends received from investments in the trading portfolio have been classified under "Net income from the trading portfolio and short-term investment securities".

NOTE 2.1.5 NET INCOME FROM THE TRADING PORTFOLIO AND SHORT-TERM INVESTMENT SECURITIES

(In EURm)	2024	2023
Net income from the trading portfolio:	**4,693**	**3,137**
Net income from operations on trading securities(1)	18,212	11,119
Net income from forward financial instruments	(13,717)	(8,696)
Net income from foreign exchange transactions	198	714
Net income from short-term investment securities:	**129**	**(166)**
Gains on sale	607	135
Losses on sale	(448)	(407)
Allocation of impairment	(100)	(164)
Reversal of impairment	70	270
TOTAL	**4,822**	**2,971**

(1) *Of which EUR 2,404 million of received dividends on trading portfolio.*

NOTE 2.1.6 NET INCOME FROM LONG-TERM INVESTMENTS

ACCOUNTING PRINCIPLES

This item includes capital gains or losses realised on disposals, as well as the net allocation to depreciation for investments in subsidiaries and affiliates, long-term investment securities.

(In EURm)	2024	2023
Long-term investment securities:	**-**	**3**
Net capital gains (or losses) on sale	-	3
Net allocation to impairment	-	-
Investments in subsidiaries and affiliates:	**285**	**2,908**
Gains on sale(1)	1,010	2,879
Losses on sale	(119)	(64)
Allocation to impairment(2)	(775)	(38)
Reversal of impairment(2)	169	131
Subsidies granted to affiliates (subsidiaries)	-	-
Net income from long term investment (see Note 7.2)	**4**	**2**
TOTAL	**289**	**2,913**

(1) *As at 31 December 2024, the main sales are related to the full disposal of SG Marocaine de Banques for EUR +526 million, Euroclear shares for EUR +269 million and SG Madagascar for EUR +150 million.*
In 2023, the merger bonus of EUR 2,851 million between Societe Generale and Credit du Nord and its subsidiaries is included in "Gains on sale".

(2) *Allocations and reversal mainly concern subsidiaries (See Note 2.1.2 – Investments in subsidiaries).*

NOTE 2.2 Transactions on forward financial instruments

ACCOUNTING PRINCIPLES

Transactions on forward financial instruments on interest rates, foreign exchange rates or equities are used for trading or hedging purposes.

Nominal commitments on forward financial instruments are recorded as a separate off-balance sheet item. This amount represents the volume of current transactions and does not reflect the potential gain or loss associated with the market or counterparty risk on these transactions. Credit derivatives purchased to hedge credit risks on financial assets which are not valued at market value are classified and treated as guaranteed commitments received.

The accounting treatment of income or expense on these forward financial instruments depends on the purpose of the transaction, as follows:

Hedging transactions

Income and expense on forward financial instruments used as hedge assigned from the beginning to an identifiable item or group of similar items are recognised in the income statement symmetrically to the income and expense on the hedged items. Income and expense on interest rate instruments are recorded as net interest income in the same interest income or expense account as the items hedged. Income and expense on other instruments such as equity instruments, stock market indexes or currencies are recognised under "Net income" from short-term investment securities.

Income and expense on forward financial instruments used to hedge or manage an overall interest rate risk are recognised in the income statement over the life of the instrument under "Interest and similar income" or "Interest and similar expense".

Market transactions

Market transactions include:

- the instruments traded on organised or similar markets and other instruments, such as credit derivatives and composite option products, which are included in the trading portfolio although they are traded over-the-counter on less liquid markets;
- some debt securities with a forward financial instrument component for which this classification in the accounts most appropriately reflects the results and associated risks.

These transactions are measured at their market value as at the closing date. When financial instruments are not quoted in an active market, this value is generally determined based on internal models. Where necessary, these valuations are adjusted for reasons of prudence by applying a discount (Reserve Policy). This discount is determined on the basis of the instruments concerned and the associated risks, and takes into account:

- a conservative valuation of all the instruments, regardless of the liquidity of the corresponding market;
- a reserve calculated based on the size of the exposure and intended to cover the risk that Societe Generale will be unable to liquidate the investment in one go due its size;
- an adjustment for the reduced liquidity of the instruments and for model risk in the case of complex products as well as transactions on less liquid markets (less liquid since they have been developed recently or are more specialised).

Furthermore, for over-the-counter transactions on forward interest rate instruments, these valuations also take into account counterparty risk and the present value of the future management fees.

The corresponding gains or losses are directly recognised as income or expense for the period, regardless of whether they are realised or unrealised. They are recognised in the income statement as Net income from the trading portfolio.

The gains or losses corresponding to the contracts concluded as part of the cash management activities managed by the trading room in order to benefit from any interest rate fluctuations, are recorded when these contracts are settled or *prorata temporis* over the life of the contracts, depending on the type of instrument. Any unrealised losses are provisioned at year-end and the corresponding amounts are recorded under "Net income" from the trading portfolio.

NOTE 2.2.1 FORWARD FINANCIAL INSTRUMENTS COMMITMENTS (NOTIONAL)

(In EURm)	Fair Value Trading transactions	Hedging transactions	Total at 31.12.2024	Total at 31.12.2023
Firm transactions	**14,565,722**	**21,650**	**14,587,372**	**12,824,553**
Transactions on organised markets	3,612,476	190	3,612,666	3,178,695
Interest rate futures	*746,594*	-	*746,594*	*765,381*
Foreign exchange futures	*2,580,734*	-	*2,580,734*	*2,122,505*
Other futures contracts	*285,148*	*190*	*285,338*	*290,809*
OTC agreements	10,953,246	21,460	10,974,706	9,645,858
Interest rate swaps	*8,615,707*	*21,259*	*8,636,966*	*7,373,572*
Currency financing swaps	*1,405,483*	*201*	*1,405,684*	*1,277,462*
Forward Rate Agreements (FRA)	*897,631*	-	*897,631*	*972,883*
Other	*34,425*	-	*34,425*	*21,941*
Optional transactions	**4,119,372**	**669**	**4,120,041**	**3,869,265**
Interest rate options	1,784,790	-	1,784,790	1,941,993
Foreign exchange options	1,064,742	658	1,065,400	585,863
Equity and index options	1,230,867	11	1,230,878	1,239,147
Other options	38,973	-	38,973	102,262
TOTAL	**18,685,094**	**22,319**	**18,707,413**	**16,693,818**

NOTE 2.2.2 FAIR-VALUE OF THE TRANSACTIONS QUALIFIED AS HEDGING

(In EURm)	31.12.2024	31.12.2023
Firm transactions	**(6,213)**	**(3,719)**
Transactions on organised markets	20	(24)
Interest rate futures	-	-
Foreign exchange futures	-	-
Other forward contracts	*20*	*(24)*
OTC agreements	(6,233)	(3,695)
Interest rate swaps	*(6,139)*	*(3,785)*
Currency financing swaps	*(94)*	*90*
Forward Rate Agreements (FRA)	-	-
Other	-	-
Optional transactions	**15**	**-**
TOTAL[(1)]	**(6,213)**	**(3,719)**

(1) A positive value represents a net receivable and a negative value represents a net debt.

NOTE 2.2.3 MATURITIES OF FINANCIAL DERIVATIVES (NOTIONAL AMOUNTS)

(In EURm)	Up to 3 months	From 3 months to 1 year	From 1 year to 5 years	More than 5 years	Total
Firm transactions	**3,440,379**	**3,301,451**	**4,079,372**	**3,766,170**	**14,587,372**
Transactions on organised markets	1,876,051	1,035,116	275,051	426,448	3,612,666
OTC agreements	1,564,328	2,266,335	3,804,321	3,339,722	10,974,706
Optional transactions	**1,244,806**	**956,830**	**1,223,635**	**694,770**	**4,120,041**
TOTAL	**4,685,185**	**4,258,281**	**5,303,007**	**4,460,940**	**18,707,413**

NOTE 2.3 Loans and receivables

ACCOUNTING PRINCIPLES

Amounts due from banks and customer loans are classified according to their initial duration and type: demand deposits (current accounts and overnight transactions) and term deposits for credit institutions, commercial loans, overdrafts and other loans to customers. They also include the securities purchased from banks or customers under resale agreements, and the loans secured by notes and securities.

Only the amounts due and customer loans that meet the following criteria are offset on the balance sheet: those with the same counterparty, maturity, currency and accounting entity, and those for which an agreement exists with the counterparty allowing the Bank to combine the accounts and exercise the right of offset.

The interest accrued on these receivables is recorded as Related receivables and recognised in the income statement under “Interest income and expenses”.

The fees and commissions received and the incremental transaction costs related to the granting of a loan (finder’s and handling fees) are comparable to interest and spread over the effective life of the loan.

The loan commitments recorded on the off-balance sheet reflect transactions that have not yet resulted in cash flows, such as the irrevocable commitments for the undrawn portion of facilities made available to banks and customers or guarantees given on their behalf.

If a commitment bears a proven credit risk that makes it probable that Societe Generale will not recover all or part of the amounts due under the counterparty’s commitment in accordance with the original terms of the contract, the corresponding outstanding loan is classified as a doubtful loan, despite the existence of a guarantee. Moreover, any loan will be classified as doubtful if one or more repayments are more than three months overdue (six months for mortgage loans and nine months for loans to local authorities), or if, regardless of any missed payments, it can be assumed that there is a proven risk, or if legal proceedings have been started.

If a loan to a given debtor is classified as doubtful, all the outstanding loans and commitments to that debtor are reclassified as doubtful, regardless of whether or not they are backed by a guarantee.

Impairment for unrealised losses and for doubtful loans is recorded for the amount of probable loss (see Note 2.6)

Restructuring of loans and receivables

When an asset recorded under “Due from banks” or “Customer loans” is restructured, contractual changes that would not have been considered in other circumstances are made to the amount, term or financial conditions of the initial transaction approved by Societe Generale, due to the financial difficulties or insolvency of the borrower (whether this insolvency is proven or will definitely occur unless the debt is restructured). The restructured financial assets are classified as impaired and the borrowers are considered to be in default.

These classifications are maintained for at least one year and for as long as some uncertainty remains for Societe Generale as to the borrowers’ ability to meet their commitments. At the restructuring date, the carrying amount of the restructured financial asset is decreased to the present amount of the estimated new future recoverable cash flows discounted using the initial effective interest rate. This loss is booked in the income statement under “Cost of risk”. The restructured financial assets do not include the loans and receivables subject to commercial renegotiations.

Loans and receivables may be subject to commercial renegotiations provided that the borrowing customer is not experiencing financial difficulties and is not insolvent. Such transactions thus involve customers whose debt Societe Generale is willing to renegotiate in the interest of maintaining or developing a commercial relationship, in accordance with the credit granting rules, and without relinquishing any principal or accrued interest.

These renegotiated loans and receivables are derecognised as at the renegotiation date and replaced as at the same date on the balance sheet by the new loans, contractualised under the renegotiated conditions. These new loans are subsequently measured at amortised cost, based on the effective interest rate arising from the new contractual conditions and taking into account the renegotiation fees billed to the customer.

NOTE 2.3.1 DUE FROM BANKS

(In EURm)	31.12.2024	31.12.2023
Demand deposits and loans	**13,016**	**5,259**
Current accounts	5,949	4,652
Overnight deposits and loans	7,067	607
Loans secured by notes-overnight	-	-
Term accounts and loans	**192,851**	**214,360**
Term deposits and loans	81,725	84,078
Securities purchased under resale agreements	110,065	129,032
Subordinated and participating loans	479	548
Loans secured by notes and securities	-	-
Related receivables	582	702
Due from banks before impairment	**205,867**	**219,619**
Impairment	(11)	(18)
TOTAL(1)(2)	**205,856**	**219,601**

(1) As at 31 December 2024 doubtful loans amounted to EUR 14 million (of which EUR 7 million were non-performing loans) against EUR 37 million as at 31 December 2023 (of which EUR 10 million were non-performing loans).

(2) Including amounts receivable from subsidiaries: EUR 78,124 million as at 31 December 2024 against EUR 81,410 million as at 31 December 2023.

NOTE 2.3.2 CUSTOMER LOANS

(In EURm)	31.12.2024	31.12.2023
Overdrafts	18,412	26,634
Discount of trade notes	818	1,469
Other loans(1)(2)	333,614	346,106
Loans secured by notes and securities	98	84
Securities purchased under resale agreements	166,700	149,495
Related receivables	1,612	1,937
Customer loans before impairment	**521,254**	**525,725**
Impairment	(2,536)	(2,556)
TOTAL(3)(4)(5)	**518,718**	**523,169**

(1) Including pledged loans: EUR 80,156 million (EUR 89,869 million as at 31 December 2023) of which amounts eligible for refinancing with Banque de France: EUR 11,853 million as at 31 December 2024 (EUR 12,087 million as at 31 December 2023).

(2) Of which participating loans: EUR 3,112 million as at 31 December 2024 (EUR 3,703 million as at 31 December 2023).

(3) As at 31 December 2024 doubtful loans amounted to EUR 7,712 million (of which EUR 3,024 million were doubtful compromised loans) against EUR 7,404 million (of which EUR 3,240 million were doubtful compromised loans) as at 31 December 2023.

(4) Of which amounts receivable from affiliates: EUR 95,045 million as at 31 December 2024 (EUR 131,772 million as at 31 December 2023).

(5) Including restructured loans: EUR 6,323 million as at 31 December 2024 (EUR 4,346 million as at 31 December 2023).

Details of other loans:

(In EURm)	31.12.2024	31.12.2023
Short-term loans	101,644	100,030
Export loans	11,830	11,661
Equipment loans	63,197	64,043
Housing loans	81,444	92,003
Lease financing agreements	-	-
Other loans	75,499	78,369
TOTAL	**333,614**	**346,106**

NOTE 2.3.3 COMMITMENTS GRANTED

(In EURm)	31.12.2024	31.12.2023
Loan commitments	**309,208**	**326,102**
To banks	74,059	99,370
To customers	235,149	226,732
Guarantee commitments	**233,064**	**223,514**
On behalf of banks	113,370	118,778
On behalf of customers	119,694	104,736

Commitments granted to affiliates amount EUR 77,174 million as at 31 December 2024 (EUR 84,803 million as at 31 December 2023).

NOTE 2.3.4 SECURITISATION

ACCOUNTING PRINCIPLES

Loans and receivables transferred by Societe Generale to a securitisation undertaking (securitisation fund, securitisation vehicle or equivalent foreign undertaking) are derecognised and the gain or loss on sale calculated as the difference between the selling price and the carrying amount of the transferred loans or receivables is recognised in profit or loss.

If the transfer agreement contains an overcollateralisation clause, Societe Generale records on the assets side of its balance sheet, among the loans and receivables, a receivable for the part of the amount of transferred loans and receivables exceeding the selling price.

Ordinary units issued by a gaining securitisation undertaking and acquired or subscribed by Societe Generale are recorded as trading securities or as short-term investment securities according to their purpose.

Specific units, subordinated units and other financial instruments issued by the gaining securitisation undertaking and acquired or subscribed by Societe Generale as collateral for the benefit of the undertaking are recorded as short-term investment securities (see Note 2.1).

If Societe Generale makes a cash security deposit with the gaining securitisation undertaking to bear the losses resulting from the default of debtors of the loans and receivables transferred, it records such deposit on the assets side of its balance sheet under “Accruals”, other accounts receivable and other assets as a receivable from the securitisation undertaking, provided that the possible balance of the deposit will be allocated to it upon the liquidation of the securitisation undertaking.

If the guarantee granted by Societe Generale takes the form of a commitment by signature, it is recorded in the off-balance sheet as a guarantee commitment granted to customers or to banks, as the case may be.

On 24 February 2022, Societe Generale proceeded to a new securitization in order to substitute in the assets, housing loans against bonds which are eligible to the Euro system refinancing operations. In this context, Societe Generale has transferred EUR 10,625 million of housing loans to a securitization mutual fund. To capitalize the acquisition, the fund has issued bonds which were fully subscribed by Societe Generale.

As at 27 January 2023, an additional purchase of bonds amounting to EUR 3,410 million has been performed.

As at 23 October 2024, a new purchase of bonds amounting to EUR 8,182 million has been performed.

As at 31 December 2024, the bonds are recognised in the assets on the balance sheet for a total amount of EUR 18,531 million as a result of the underlying housing loans partial amortization.

NOTE 2.4 Debts

ACCOUNTING PRINCIPLES

Amounts due to banks and customer deposits are classified according to their initial duration and type: demand debt (demand deposits, current accounts) and term deposits due to banks, regulated savings accounts and other deposits due to customers. They also include the securities sold to banks and customers under repurchase agreements.

The interest accrued on these deposits is recorded as related payables with a counterpart entry in the income statement.

NOTE 2.4.1 DUE TO BANKS

(In EURm)	31.12.2024	31.12.2023
Demand deposits	**29,037**	**26,541**
Demand deposits and current accounts	29,037	26,541
Borrowings secured by notes – overnight	-	-
Term deposits	**180,586**	**192,989**
Term deposits and borrowings	180,586	192,989
Borrowings secured by notes and securities	-	-
Related payables	**1,925**	**2,285**
Securities sold under repurchase agreements	**114,296**	**113,860**
TOTAL	**325,844**	**335,675**

Related parties payables amount to EUR 131,228 million as at 31 December 2024 (EUR 121,121 million as at 31 December 2023).

Between December 2019 and December 2021, Societe Generale subscribed to TLTRO III loans (Targeted Longer-Term Refinancing Operations) offered by the European Central Bank. The purpose of these loan offers, with reduced interest rates and additional temporary subsidies, was to maintain credit conditions in the eurozone. The residual amount of TLTRO loans on the liabilities side of the balance sheet, equal to EUR 24 billion as at 31 December 2023, were fully repaid in 2024.

For this year, the total interest and related expenses recognised in profit or loss amounted to EUR 469 million (EUR 1.2 billion for 2023).

NOTE 2.4.2 CUSTOMER DEPOSITS

(In EURm)	31.12.2024	31.12.2023
Regulated savings accounts	**57,772**	**62,958**
Demand	43,746	46,166
Term	14,026	16,792
Other demand customer deposits	**178,059**	**187,650**
Businesses and sole proprietors	83,430	82,326
Individual customers	47,550	49,482
Financial customers	39,318	44,925
Others	7,761	10,917
Other term customer deposits	**206,349**	**218,204**
Businesses and sole proprietors	88,374	90,255
Individual customers	4,347	4,633
Financial customers	100,906	113,176
Others	12,722	10,140
Related payables	**1,428**	**2,057**
Securities sold to customers under repurchase agreements	**148,647**	**132,391**
TOTAL	**592,255**	**603,260**

Related parties due to customers amount EUR 107,005 million as at 31 December 2024 (EUR 125,533 million as at 31 December 2023).

NOTE 2.4.3 LIABILITIES IN THE FORM OF SECURITIES ISSUED

ACCOUNTING PRINCIPLES

The liabilities in the form of securities issued are classified by type of security: loan notes, interbank market certificates and negotiable debt instruments, bonds and other debt securities, but exclude subordinated notes which are classified under "Subordinated debt".

The interest accrued is recorded as related payables with a counterpart entry in the income statement. Bond issuance and redemption premiums are amortised on a straight-line or actuarial basis over the life of the related borrowings. The resulting expense is recorded in the income statement under "Interest and similar expense".

Bond issuance costs accrued over the period are all recorded as expenses for the period under "Interest and similar expense" in the income statement.

(In EURm)	31.12.2024	31.12.2023
Loan notes	-	-
Bond borrowings	-	-
Interbank market certificates and negotiable debt instruments	148,666	141,030
Related payables	1,845	1,278
TOTAL	**150,511**	**142,308**

Related parties payables amount for EUR 2,121 million as at 31 December 2024 (EUR 321 million as at 31 December 2023).

NOTE 2.4.4 COMMITMENTS RECEIVED

(In EURm)	31.12.2024	31.12.2023
Loan commitments received from banks	104,948	68,683
Guarantee commitments received from banks	68,805	74,541

Related parties commitments amount for EUR 15,904 million as at 31 December 2024 (EUR 8,042 million as at 31 December 2023).

NOTE 2.5 Interest income and expenses

ACCOUNTING PRINCIPLES

Interest income and expense are recognised in the income statement under "Interest and similar income" or "Interest and similar expense" for all the financial instruments measured at amortised cost using the effective interest rate method. The negative interest is deducted from the interest income and expense accounts related to these instruments.

The effective interest rate is the rate used to discount exactly the future cash inflows and outflows over the expected life of the instrument in order to establish the book value of the financial asset or liability. The calculation of this rate considers the future cash flows based on the contractual provisions of the financial instrument without taking account of possible future loan losses, and it also includes the commissions paid or received between the parties to the contract where they may be assimilated to interest, the directly linked transaction costs, and all types of premiums and discounts.

When a financial asset or group of similar financial assets has been impaired following an impairment loss, the subsequent interest income is recorded based on the effective interest rate used to discount the future cash flows when measuring the impairment loss.

Moreover, except for those related to employee benefits, the provisions recognised as balance sheet liabilities generate interest expenses that are calculated using the same interest rate used to discount the expected outflow of resources.

	2024			2023		
(In EURm)	Income	Expense	Net	Income	Expense	Net
Transactions with banks	**16,501**	**(14,080)**	**2,421**	**14,885**	**(12,790)**	**2,095**
Transactions with central banks, post office accounts and banks[(1)]	11,749	(8,836)	2,913	10,147	(8,328)	1,819
Securities sold under repurchase agreements and borrowings secured by notes and securities	4,752	(5,244)	(492)	4,738	(4,462)	276
Transactions with customers	**22,500**	**(18,262)**	**4,238**	**20,929**	**(17,647)**	**3,282**
Trade notes	17	-	17	20	-	20
Other customer loans	14,213	-	14,213	13,984	-	13,984
Overdrafts	1,969	-	1,969	1,549	-	1,549
Regulated savings accounts	-	(1,362)	(1,362)	-	(1,293)	(1,293)
Other customer deposits	-	(10,471)	(10,471)	-	(10,535)	(10,535)
Securities sold/bought under repurchase agreements and borrowings secured by notes and securities	6,301	(6,429)	(128)	5,376	(5,819)	(443)
Bonds and other debt securities	**5,737**	**(9,280)**	**(3,543)**	**5,453**	**(7,416)**	**(1,963)**
Other interest expenses and related income	**2,759**	**(4,166)**	**(1,407)**	**2,466**	**(3,640)**	**(1,174)**
TOTAL	**47,497**	**(45,788)**	**1,709**	**43,733**	**(41,493)**	**2,240**

(1) The interests on TLTRO borrowing were deducted from expenses under "transactions with central banks, post office accounts and banks". (see Note 2.4).

The detail of other customer loans is composed of:

(In EURm)	2024	2023
Short-term loans	5,215	4,895
Export loans	525	536
Equipment loans	2,072	1,823
Housing loans	1,556	1,561
Other customer loans	4,845	5,169
TOTAL	**14,213**	**13,984**

NOTE 2.6 Impairment and provisions

NOTE 2.6.1 IMPAIRMENT AND PROVISIONS FOR CREDIT RISK

GEOPOLITICAL AND MACROECONOMIC CONTEXT

In 2024, Societe Generale revised the parameters used in the models of determination of the impairment and provisions for credit risk, based on the updated macroeconomic scenarios which take into account the recent economic developments and macroeconomic impacts related to the current geopolitical environment (see Note 1). To account for the uncertainties related to the macroeconomic and geopolitical environment, Societe Generale updated the model and post-model adjustments in 2024.

Furthermore, owing to the geopolitical context related to the war in Ukraine, all Russian counterparties have been classified as underperforming assets from the beginning of the conflict. As at 31 December 2024, they amount to EUR 0.5 billion (EUR 0.8 billion as at 31 December 2023). Additional analysis has resulted in the identification amidst this population of the outstanding loans that have to be transferred to doubtful loans (EUR 0.2 billion as at 31 December 2024). The amount of provisions and impairment for credit risk related to these loans amounts to EUR 107 million as at 31 December 2024, of which EUR 43 million on outstanding amounts transferred to doubtful loans (EUR 131 million as at 31 December 2024 including EUR 28 million related to doubtful loans).

ADJUSTMENTS SUPPLEMENTING THE APPLICATION OF MODELS

Societe Generale may supplement the models with sectoral adjustments relating to the possible revision of the expected credit loss estimates (with no impact on the classification of the outstanding loans) for some sectors.

These adjustments allow for better anticipation of the default/recovery cycle in some sectors that are cyclical and have been subject to peaks of default in the past or are especially vulnerable to the current crises and on which the Societe Generale's exposure exceeds a threshold that is annually reviewed and set by the Risk Division.

These sectoral adjustments are examined and updated quarterly by the Risk Division and validated according to materiality thresholds by General Management. The proposals are determined based on an assessment of the sectors by the Economic and Sector Studies Department. This assessment process takes into account the financial characteristics of the enterprises in the sector, its current circumstances and perspectives, and its exposure to climate risk (climate change-induced risks as well as exposure to physical risks).

Taking account of the risks related to climate-change and to nature requires to achieve convergence between the standard credit, liquidity and market risk-assessment methods (based on the financial statements, flow data, market prices and trade trends) and the assessments relating to the environment *via* indicators calculated at the level of the sovereigns, the business sectors or the enterprises.

The prospective dimension of risk analysis is important for taking into account environmental risks, in particular owing to the considerable uncertainty about transition and physical risks. Physical risks are expected to intensify in the future, with possible financial impacts for enterprises. The transition involves disruptive changes which might result in impairment on some assets. Risk assessment thus requires to identify the hazards (source of risk) and assess the exposure to these hazards in different environmental scenarios in order to assess the vulnerability issues.

Societe Generale developed a set of environmental scenarios and internal indicators on environmental vulnerability in order to integrate the climate dimension into risk analysis:

- environmental scenarios aim at describing future possible trajectories. Several devices, provided by the Intergovernmental Panel on Climate Change (IPCC (or, in French: GIEC (*Groupe d'experts intergouvernemental sur l'évolution du climat*)), the NGFS (Network for Greening Financial System) or the IEA (International Energy Agency), are used as references by Societe Generale. The internal climate scenarios factor in the specificities of the different sectors in the transition;
- the vulnerability indicators cover the sovereign and enterprise counterparties and propose a scoring related to their sensitivity to environmental issues (with regard to climate change, biodiversity loss, depletion of freshwater resources, pollution, and circular economy and resources issues) in terms of transition and physical risks.

NOTE 2.6.1.1 IMPAIRMENT FOR CREDIT RISK

ACCOUNTING PRINCIPLES

The value of impairment allowance for doubtful outstandings is equal to the difference between the gross carrying amount of the asset and the present value of the estimated future recoverable cash flows, taking into account any guarantees, discounted at the original effective interest rate. Furthermore, the amount of this impairment may not be less than the full amount of the interest not collected on the doubtful loan.

The impairment allowances, impairment reversals, losses on bad debts and recoveries of impaired debts are recognised under "Cost of risk", along with write-backs of impairment linked to the passage of time.

When a loan is restructured, any difference between the cash flows expected to be received under the initial terms of the contract and the present value of the future flows of capital and interest expected to be received under the new terms, is discounted at the original effective interest rate. This amount is recognised under "Cost of risk" and reincorporated into net interest income over the remaining term of the loan.

Doubtful loans can be reclassified as performing loans once the proven credit risk has been definitively eliminated and regular payments have resumed according to the original terms of the contract. Similarly, the doubtful loans that have been restructured, the terms of which are respected and for which the credit risk is no longer proven, can be reclassified as performing loans, after a minimum period of one year after restructuring. Restructured loans reclassified as performing loans are subject to a two-year probationary period during which any loan will be reclassified as doubtful outstanding at the first default.

When a borrower's solvency is such that after the loan has been classified as doubtful for a reasonable period, it is not foreseeable that it will be reclassified as a performing loan, this loan is identified as a non-performing loan. A loan is classified as non-performing once the Bank has formally demanded payment, or when the contract is terminated and in any case one year after it was classified as doubtful, except where the original terms of the contract have been respected or where the loan is covered by guarantees which ensure its recovery. Loans that have been restructured and for which the borrower has not respected the new conditions are also classified as non-performing.

(In EURm)	Amount as at 31.12.2023	Net cost of risk	Other income statement	Used Reversals	Change in scope and reclassifying	Amount as at 31.12.2024
Banks (See Note 2.3.1)	17	(4)	-	(2)	-	11
Customer loans (See Note 2.3.2)	2,556	530	-	(579)	29	2,536
Other (See Note 3.2.1)	96	1	-	-	63	160
TOTAL[1]	**2,669**	**527**	**-**	**(581)**	**92**	**2,707**

(1) *o/w impairment for non-performing loans: EUR 2,286 million.*

NOTE 2.6.1.2 PROVISIONS FOR CREDIT RISK

ACCOUNTING PRINCIPLES

Provisions for off-balance sheet commitments (provisions for commitments by signature)

Provisions for off-balance sheet commitments represent the Societe Generale's probable losses incurred by Societe Generale following the identification of a proven credit risk on an off-balance sheet financing or guarantee commitment that would not be considered as a forward financial instrument.

Collective provisions for credit risk

Without waiting for the incurred credit risk to individually affect one or more receivables or commitments and in order to provide a better information regarding its activity, a provision is recognised by Societe Generale for the amount of credit losses that are expected to incur on performing outstandings over the next year.

12-month expected credit losses are calculated taking into consideration past data and the current situation. Accordingly, the amount of impairment equals to the present value of the expected credit losses, taking into account the probability of a default event occurring within the next 12 months and if any, the impact of collateral called up or liable to be called up.

Moreover, identification, amongst homogeneous portfolios, of a significant deterioration of the credit risk leads to the recognition of a provision for the amount of credit losses that are expected to incur on those underperforming outstandings over the life of the exposures (lifetime expected credit loss).

Lifetime expected credit losses are calculated taking into consideration past data, the present situation and reasonable forecasts of changes in economic conditions and relevant macroeconomic factors through to maturity. Accordingly, the amount of impairment is equal to the present value of the expected credit losses, taking into account the probability of a default event occurring through to maturity, and, if need be, the impact of collateral called up or liable to be called up.

Changes in collective provisions for credit risk are recorded under "Cost of risk".

Comments related to the identification of the downgrading of credit risk:

To identify the exposures covered by the collective provision for credit risk, Societe Generale determines whether or not there is a significant increase in credit risk based on the available historical and prospective information (behaviour scoring, loan to value indicators, macroeconomic scenarios, etc.).

The assessment of changes in credit risk takes account of the following criteria:

- 1st criterion: changes in the counterparty's credit rating (where it is the subject of an internal analysis) as well as the changes in its operating sector, in macroeconomic conditions and in the behaviours of the counterparty that may be a sign of deteriorating credit risk;
- 2nd criterion: changes in the default probability contract by contract, from origination date to closing date;
- 3rd criterion: the existence of amounts past due of more than 30 days.

As soon as one of these criteria is met, the relative contract is impaired as described before.

(In EURm)	Amount as at 31.12.2023	Net cost of risk	Change in scope and reclassifying	Amount as at 31.12.2024
Provisions for off-balance sheet commitments to banks	3	(3)	-	-
Provisions for off-balance sheet commitments to customers	140	51	-	191
Collective provisions for credit risk on performing loans	558	(63)	6	501
Collective provisions for credit risk on under performing loans	1,317	(149)	13	1,181
TOTAL	**2,018**	**(164)**	**19**	**1,873**

NOTE 2.6.1.3 COST OF RISK

ACCOUNTING PRINCIPLES

Cost of risk includes allocations, net of reversals, to provisions and to impairment for credit risk, the bad debt losses and the amount of recoveries on loans written off.

(In EURm)	2024	2023
Net allocations to impairment and provisions for receivable and off-balance sheet commitments	(363)	(315)
Losses not covered and amounts of recoveries on loans written off	(305)	(166)
TOTAL	**(668)**	**(481)**
of which gain on revaluation of currency hedge of provisions	*10*	*3*

NOTE 2.6.2 IMPAIRMENT ON SECURITIES

ACCOUNTING PRINCIPLES

Short-term investment securities

SHARES AND OTHER EQUITY SECURITIES

At year-end, shares are valued at the lower of the book value or realisable value. For listed securities, the realisable value is defined as the most recent market price. Unrealised capital gains are not recognised in the accounts, but an impairment of portfolio securities is recorded to cover unrealised capital losses, without this impairment being offset against any unrealised capital gains.

BONDS AND OTHER DEBT SECURITIES

At year-end, book value is compared to realisable value. In the case of listed securities, the realisable value is defined as their most recent market price. Unrealised capital gains are not recognised in the accounts but an impairment of portfolio securities is recorded to cover unrealised capital losses, after consideration of any gains made on any related hedging transactions.

Allocations to and reversals of impairment for losses on short-term investment securities together with gains and losses on sales of these securities are recorded under “Net income” from short-term investment securities in the income statement.

Long-term investment securities

At year-end, no impairment is made for unrealised losses, unless there is a strong probability that the securities will be sold in the short term, or unless there is a risk that the issuer will be unable to redeem them. In case of risk on the issuer, impairment allocations and reversals are recorded under “Cost of risk”.

Allocations to and reversals of impairment for losses, in case of sale, on long-term investment securities, together with gains and losses on sales of these securities, are recorded in the income statement under “Net income” from long-term investments.

Affiliates, other long-term securities and investments in related parties

At year-end, affiliates, other long-term securities and investments in related parties are valued at their value in use, namely the price the Company would accept to pay to obtain the said securities if it had to acquire them in view of its investment objective. This value is estimated on the basis of various criteria, such as shareholders’ equity, profitability (based on the business plans defined by the entities), and the average share price over the last three months. Unrealised capital gains are not recognised in the accounts but an impairment on portfolio securities is recorded to cover unrealised capital losses. Allocations to and reversals of impairment as well as any capital gains or losses realised on the disposal of these securities, including any profit or loss generated when tendering these securities to public share exchange offers, are recognised under “Net income” from long-term investments.

(In EURm)	31.12.2024	31.12.2023
Short-term investment securities	498	507
Long-term investment securities	-	-
Affiliates and other long-term securities	71	119
Investments in related parties	3,669	3,050
TOTAL	**4,238**	**3,676**

NOTE 2.6.3 OTHER PROVISIONS

ACOUNTING PRINCIPLES

On the liabilities side of the balance sheet, the section entitled “Provisions” comprises provisions on credit risk, on commitments related to mortgage savings accounts/plans (CEL/PEL), on forward financial instruments, on employee benefits, on tax adjustments and on risks and expenses.

(In EURm)	Amount as at 31.12.2023	Allocations	Reversals	Change in scope and reclassifying	Amount as at 31.12.2024
Provisions on credit risk (See Note 2.6.1.2)	2,018	1,066	(1,230)	19	1,873
Provision on commitments related to mortgage saving agreements (PEL/CEL) (See Note 2.6.3.1)	112	5	-	-	117
Provisions on forward financial instruments (See Note 2.6.3.2)	4,677	1,882	(1,960)	132	4,731
Provisions on employee benefits (See Note 4.2)	1,939	668	(680)	(2)	1,925
Provisions for tax adjustments (See Note 5.2)	11	17	(4)	1	25
Other provisions on risks and expenses (See Note 2.6.3.3)(1)	967	173	(227)	14	926
TOTAL	**9,723**	**3,811**	**(4,101)**	**164**	**9,597**

(1) Including provisions for legal disputes, fines, penalties and commercial disputes.

NOTE 2.6.3.1 COMMITMENTS LINKED TO MORTGAGE SAVINGS AGREEMENTS/PLANS (CEL/PEL)

ACCOUNTING PRINCIPLES

Comptes d’épargne-logement (CEL or mortgage savings accounts) and *plans d’épargne-logement* (PEL or mortgage savings plans) are special savings schemes for individual customers under French Law 65-554 of 10th July 1965. These saving schemes combine an initial phase when deposits are made in specific interest-earning savings account, followed by a lending phase where the deposits are used to provide mortgage loans to the depositors, on regulated terms and conditions, both phases being inseparable. Both the savings deposits collected and the loans granted are recognised at amortised cost.

These instruments create two types of commitments for Societe Generale: the obligation to subsequently lend to the customer at an interest rate established at the inception of the savings agreement and the obligation to remunerate customer savings for an indeterminate future period at an interest rate also established at the inception of the mortgage savings agreement.

As if it is clear that commitments under the PEL/CEL agreements will have negative consequences for the Company: a provision is recorded on the liabilities side of the balance sheet. Any change in these provisions is recognised as net banking income under “Net interest income”. These provisions only relate to commitments arising from PEL/CEL that are outstanding at the date of calculation.

Provisions are calculated for each generation of mortgage savings plans (PEL), with no netting between the different PEL generations, and for all mortgage saving accounts (CEL) which constitute a single generation.

During the deposits phase, the underlying commitment used to determine the amount to be provisioned is calculated as the difference between the average expected amount of deposits and the minimum expected amount. These two amounts are determined statistically on the basis of historical observed past customer behaviour.

During the lending phase, the underlying commitment to be provisioned includes loans already granted but not yet drawn at the date of calculation, and future loans that are considered statistically probable based on the amount of balance sheet deposits at the date of calculation on one side and on the historical observed past customer behaviour on the other.

A provision is recorded if the discounted value of the expected future earnings for a given generation of PEL/CEL is negative. Earnings are estimated based on the interest rates offered to individual customers for equivalent savings and loan instruments (with similar estimated life and date of inception).

OUTSTANDING DEPOSITS IN MORTGAGE SAVINGS AGREEMENTS (PEL/CEL)

(In EURm)	31.12.2024	31.12.2023
Mortgage savings plans (PEL)	**12,269**	**14,726**
Less than 4 years old	692	638
Between 4 and 10 years old	2,648	5,407
More than 10 years old	8,929	8,681
Mortgage savings accounts (CEL)	**1,575**	**1,542**
TOTAL	**13,844**	**16,268**

OUTSTANDING HOUSING LOANS GRANTED WITH RESPECT TO MORTGAGE SAVINGS AGREEMENTS (PEL/CEL)

(In EURm)	31.12.2024	31.12.2023
Less than 4 years old	18	3
Between 4 and 10 years old	-	-
More than 10 years old	1	3
TOTAL	**19**	**6**

PROVISIONS FOR COMMITMENTS LINKED TO MORTGAGE SAVINGS AGREEMENTS (PEL/CEL)

(In EURm)	31.12.2023	Allocations	Reversals	31.12.2024
Mortgage savings plans (PEL)	**36**	**7**	**(3)**	**40**
less than 4 years old	1	-	-	1
between 4 and 10 years old	10	-	(3)	7
more than 10 years old	25	7	-	32
Mortgage savings accounts (CEL)	**76**	**1**	**-**	**77**
TOTAL	**112**	**8**	**(3)**	**117**

The level of provisions is sensitive to the long-term interest rates. The provisions of PEL and CEL mortgage savings accounts are linked to the risks attached to the commitment to remunerate the deposits. The provisioning for PEL/CEL savings amounted to 0.8% of the total outstandings as at the 31 December 2024.

Methods used to establish the parameters for valuing provisions

The parameters used for estimating the future behaviour of customers are derived from historical observations of customer behaviour patterns over a long period (more than 10 years). The values of these parameters can be adjusted whenever changes are made to regulations that may undermine the effectiveness of past data as an indicator of future customer behaviour.

The values of the various market parameters used, notably interest rates and margins, are calculated on the basis of observable data and constitute a best estimate, at the date of valuation, of the future value of these items for the periods in question, in line with the Retail Banking Division's policy of interest rate risk management.

The discount rates used are derived from the zero-coupon swaps *vs.* Euribor yield curve on valuation date, averaged over a 12-month period.

NOTE 2.6.3.2 PROVISIONS FOR FORWARD FINANCIAL INSTRUMENTS

ACCOUNTING PRINCIPLES

Provisions on forward financial instruments are related to the unrealised losses calculated on homogeneous sets of forward financial contracts recognised in the balance sheet as isolated open positions

They are determined as the difference between the market value estimated as at the balance sheet closing date and that determined as at the previous balance sheet closing date. They are recognised in the balance sheet as provisions for probable risks and expenses. The changes in provisions thus calculated are recorded in net income under “Net income” from the trading portfolio.

(In EURm)	Amount as at 31.12.2023	Net allocations	Reversals	Change in scope and reclassifying	Amount as at 31.12.2024
Provisions for forward financial instruments	4,677	1,882	(1,960)	132	4,731

NOTE 2.6.3.3 OTHER PROVISIONS FOR RISKS AND EXPENSES

ACCOUNTING PRINCIPLES

The other provisions for risks and expenses are defined as liabilities with no precisely defined amount or due date.

They are only recorded if the Company has an obligation to a third party that will probably or necessarily lead to a transfer of funds to this third party, without compensation for at least an equivalent amount being expected from it.

Net allocations to provisions are classified by type of risk in the corresponding sections of the income statement.

Information on the nature and the amount of the risks involved is not disclosed if Societe Generale estimates that such disclosure could seriously prejudice its position in a dispute with other parties on the subject matter of the provision.

Other provisions include provisions for restructuring (except staff costs), provisions for commercial litigation and provisions for future repayment of funds in connection with customer financing transactions.

Societe Generale is subject to an extensive legal and regulatory framework in the countries where it operates. In this complex legal context, Societe Generale and some of its former and current representatives may be involved in various legal actions, including civil, administrative and criminal proceedings. The vast majority of these proceedings are part of Societe Generale’s current business. In recent years, litigation with investors and the number of disputes involving financial intermediaries such as banks and investment advisors has increased, partly due to a difficult financial environment.

It is by nature difficult to foresee the outcome of disputes, regulatory proceedings and acts involving Societe Generale entities, particularly if they are initiated by various categories of complainants, if the amount of claims for damages is not specified or is indeterminate or if the proceedings have no precedent.

In preparing its financial statements, Societe Generale assesses the consequences of the legal, regulatory or arbitration proceedings in which it is involved. A provision is booked when losses from these proceedings become probable and the amount can be estimated reliably.

To assess the probability of losses and the amount of these losses, and thus to determine the amount of provisions to book, estimations are important. Management makes these estimates by exercising its judgement and taking into account all information available when financial statements are prepared. In particular, Societe Generale takes into account the nature of the dispute, the underlying facts, ongoing proceedings and court rulings already handed down, as well as its experience and the experiences of other companies dealing with similar cases (assuming that Societe Generale has knowledge thereof) and, where appropriate, the opinion and reports of experts and independent legal advisers.

Each quarter, Societe Generale carries out a detailed examination of pending disputes that present a significant risk. These disputes are described in the Note 8 “Information on risks and litigation”.

NOTE 3 OTHER ACTIVITIES

NOTE 3.1 Net fees for services

ACCOUNTING PRINCIPLES

Societe Generale recognises fee income and expense for services provided and received in different ways depending on the type of service.

Fees for ongoing services, such as some payment services, custody fees, or web-service subscriptions are recorded as income over the lifetime of the service. Fees for one-off services, such as fees on movements of fund, finder's fees received, arbitrage fees, or non-payment penalties are fully recognised in income when the service is provided.

In syndication deals, the effective interest rate for the portion of the funding retained on the asset side of the Societe Generale balance sheet is comparable to that applying to the other members of the syndicate including, when needed, a share of the underwriting fees and participation fees; the balance of these fees is recorded in the income statement at the end of the syndication period. Arrangement fees are recorded in income when the placement is legally complete.

	2024			2023		
(In EURm)	**Income**	**Expense**	**Net**	**Income**	**Expense**	**Net**
Transactions with banks	110	(51)	59	98	(44)	54
Transactions with customers	2,045	(45)	2,000	1,910	(40)	1,870
Securities transactions	406	(963)	(557)	616	(1,120)	(504)
Primary market transactions	529	-	529	417	-	417
Foreign exchange transactions and forward financial instruments	695	(732)	(37)	498	(578)	(80)
Loan and guarantee commitments	1,025	(509)	516	980	(526)	454
Services	2,286	-	2,286	2,126	-	2,126
Other	-	(485)	(485)	-	(385)	(385)
TOTAL	**7,096**	**(2,785)**	**4,311**	**6,645**	**(2,693)**	**3,952**

NOTE 3.2 Accruals, other assets and liabilities

NOTE 3.2.1 ACCRUALS, OTHER ACCOUNTS RECEIVABLES AND OTHER ASSETS

(In EURm)	31.12.2024	31.12.2023
Other assets	**104,043**	**110,357**
Guarantee deposits paid(1)	42,017	49,848
Miscellaneous receivables	3,381	3,207
Premiums on options purchased	55,751	56,144
Settlement accounts on securities transactions	2,752	1,042
Other	142	116
Accruals and similar	**50,472**	**48,485**
Prepaid expenses	527	515
Deferred taxes	3,044	3,081
Accrued income	3,428	3,064
Others(2)(3)	43,473	41,825
Accruals, other accounts receivables and other assets before impairment	**154,515**	**158,842**
Impairment	(160)	(95)
TOTAL	**154,355**	**158,747**

(1) Mainly relates to guarantee deposits paid on financial instruments.
(2) Including derivative instruments valuation for EUR 33,833 million as at 31 December 2024 (EUR 32,832 million as at 31 December 2023).
(3) As at 31 December 2024, the translation adjustments of the branches amounted EUR 6,210 million against EUR 6, 176 million as at 31 December 2023.

NOTE 3.2.2 ACCRUALS, OTHER ACCOUNTS PAYABLES AND OTHER LIABILITIES

(In EURm)	31.12.2024	31.12.2023
Securities transactions	**78,385**	**83,533**
Amounts payable for borrowed securities	15,857	15,202
Other amounts due for securities	62,528	68,331
Other liabilities	**111,925**	**106,412**
Guarantee deposits received(1)	40,689	38,608
Miscellaneous payables	1,656	1,415
Premiums on options sold	66,821	64,872
Settlement accounts on securities transactions	2,436	1,344
Other securities transactions	168	-
Related payables	155	173
Accruals and similar	**28,982**	**36,668**
Accrued expenses	5,231	5,310
Deferred taxes	4	26
Deferred income	1,754	2,395
Other(2)(3)	21,993	28,937
TOTAL	**219,292**	**226,613**

(1) Mainly relates to guarantee deposits received on financial instruments.
(2) Including derivative instruments valuation for EUR 12,520 million as at 31 December 2024 (EUR 14,248 million as at 31 December 2023).
(3) As at 31 December 2024, the translation adjustments of the branches amounted EUR 5,880 million against EUR 5,858 million as at 31 December 2023.

BREAKDOWN OF AMOUNTS PAYABLE FOR BORROWED SECURITIES

(In EURm)	31.12.2024	31.12.2023
GROSS BOOK VALUE OF AMOUNTS PAYABLE FOR BORROWED SECURITIES	**226,535**	**188,790**
Borrowed securities from trading securities deducted from related payables(1)	**210,678**	**173,588**
Treasury notes and similar securities	132,926	120,752
Shares and other equity securities	51,814	39,116
Bonds and other debt securities	25,938	13,720
NET TOTAL	**15,857**	**15,202**

(1) Including relent securities for EUR 39,638 million as at 31 December 2024 (EUR 31,465 million as at 31 December 2023).

NOTE 4 EXPENSES AND EMPLOYEE BENEFITS

NOTE 4.1 Personnel expenses and remuneration of members of the Board of Directors and Chief Executive Officers

ACCOUNTING PRINCIPLES

The Personnel expenses include all expenses related to the staff, notably the cost of the legal employee profit-sharing as well as the cost of internal restructuring plans.

Short-term employee benefits are recorded under "Personnel expenses" during the period according to the services provided by the employee.

The accounting principles relating to post-employment benefits and other long-term benefits are described in Note 4.2; those related to share-based payments are described in Note 4.3.

NOTE 4.1.1 PERSONNEL EXPENSES

(In EURm)	2024	2023
Employee compensation	4,310	4,020
Social security benefits and payroll taxes	1,870	1,772
Employer contribution, profit sharing and incentives	260	227
TOTAL	**6,440**	**6,019**
Average staff	**48,130**	**49,592**
In France	44,037	45,302
Outside France	4,093	4,290

Law No. 2024-364 of 22 April 2024 provides a legal framework for employees' rights to paid sick leave and applies retroactively from 1 December 2009. The provision of EUR 12 million that had been recorded as at 31 December 2023 following the decisions of the Court of Cassation has been adjusted to EUR 18.6 million in 2024.

REORGANISATION OF THE HEADQUARTERS OF SOCIETE GENERALE IN FRANCE

On 5 February 2024, Societe Generale announced a reorganisation within its headquarters in France in order to simplify its operations and structurally improve its operational efficiency.

The objective is to consolidate and pool certain activities and functions, to eliminate hierarchical layers to streamline decision-making processes and to resize certain teams due to the review of projects or processes.

The implementation of these organisational changes results in approximately 900 job cuts without forced redundancies (*i.e.* approximately 5% of the headquarters workforce).

The cost of the social support measures implemented as part of this reorganisation amounts to approximately EUR 0.3 billion.

Analysis of employer contribution, profit sharing and incentives for the last five years:

(In EURm)	2024	2023	2022	2021	2020
Societe Generale	**258**	**225**	**220**	**219**	**71**
Profit sharing	-	4	12	15	6
Incentives	188	146	144	163	22
Employer contribution	70	75	64	41	43
Subsidiaries	**2**	**2**	**2**	**-**	**-**
TOTAL	**260**	**227**	**222**	**219**	**71**

NOTE 4.1.2 REMUNERATION OF MEMBERS OF THE BOARD OF DIRECTORS AND CHIEF EXECUTIVE OFFICERS

Total attendance fees paid in 2024 to the Company's directors amounted to EUR 1.8 million. The remuneration paid in 2024 to the senior management (Chairman of the Board, the Chief Executive Officer and his Deputies) amounted to EUR 9.1 million (including EUR 2.8 million of variable pay paid in cash or in shares for 2018, 2019, 2020, 2021, 2022 and 2023 fiscal years and EUR 86 thousand of long term incentives paid in shares for 2019 fiscal year).

NOTE 4.2 Employee benefits

ACCOUNTING PRINCIPLES

Employee benefits are divided into four categories:

- short-term employee benefits are employee benefits (other than termination benefits) that are expected to be settled within twelve months of the end of the annual reporting period in which the employees render the related service, such as fixed and variable compensation, annual leave, taxes and social security contributions, mandatory employer contributions and profit-sharing;
- post-employment benefits, including defined contributions plans and defined benefit plans such as pension plans and retirement benefits;
- other long-term employee benefits are employee benefits that are not expected to be fully settled within twelve months, such as deferred variable compensation paid in cash and not indexed, long service awards and time saving accounts;
- termination benefits.

DETAIL OF PROVISIONS FOR EMPLOYEE BENEFITS

(In EURm)	Amount at 31 December 2023	Net allowances	Used Reversals	Change at scope	Amount at 31 December 2024
Post-employment benefits	908	(12)	(61)	-	835
Other long-term benefits	855	88	(86)	(2)	855
Termination benefits	176	351	(292)	-	235
TOTAL	**1,939**	**427**	**(439)**	**(2)**	**1,925**

ACCOUNTING PRINCIPLES

Pension plans may be defined contribution or defined benefit plans.

Defined contribution plans

Defined contribution plans limit the liability of Societe Generale to contributions paid into the plan but do not commit the Bank to a specific level of future benefits. The contributions paid are recorded as an expense for the current year.

Defined benefit plans

Defined benefit plans commit Societe Generale, either formally or constructively, to pay a certain amount or level of future benefits and therefore bear the medium- or long-term risk. The present value of defined benefit obligations is valued by independent qualified actuaries.

Provisions are recognised on the liability side of the balance sheet under “Provisions” to cover all of these retirement obligations. They are regularly assessed by independent actuaries using the projected unit credit method. This valuation technique incorporates assumptions about demographics, early retirement, salary rises and discount and inflation rates.

Societe Generale can choose to finance defined benefit plans by assets held in a long-term employee benefit fund or by qualifying insurance policies.

Funding assets are classified as plan assets if these assets are held by an entity (a fund) that is legally separate from the reporting entity and are only intended to pay employee benefits.

When these plans are financed from external funds classified as plan assets, the fair value of these funds is subtracted from the provision to cover the benefit obligations.

When these plans are financed from funds not classified as plan assets, these funds, classified as separate assets, are displayed separately on the asset side of the balance sheet.

Differences arising from changes in calculation assumptions (early retirements, discount rates, etc.) or differences between actuarial assumptions and real performance (return on plan assets) are recognised as actuarial gains or losses. They are recorded immediately and in full in the income statement.

Where a new or amended plan comes into force the cost of past services is recorded immediately and in full in the income statement.

An annual expense is recorded under "Personnel expenses" for defined benefit plans, consisting of:

- the additional entitlements vested by each employee (current service cost);
- the financial expense resulting from the discount rate;
- the expected return on plan assets (gross return);
- the actuarial gains and losses and past service cost;
- the settlement or curtailment of plans.

Other long-term benefits

Other long-term employee benefits are those that are payable to employees for services rendered during their employment, but which are not expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. Other long-term benefits are measured in the same way as post-employment benefits.

NOTE 4.2.1 DEFINED CONTRIBUTION PLANS

Main defined contribution plans provided to employees of Societe Generale are located in France. They include state pension plans and other national pension plans such as AGIRC-ARRCO, as well as pension schemes put in place by some branches of Societe Generale for which the only commitment is to pay annual contributions (PERCO).

NOTE 4.2.2 POST-EMPLOYMENT BENEFIT PLANS (DEFINED BENEFIT PLANS)

Pension plans include pension benefit as annuities and end of career payments. Pension benefit annuities are paid in addition to pensions state plans.

In France, since 4 July 2019, date of publication of the ordinance ending the so-called "random rights" defined benefit pension plans in application of the Loi Pacte, the supplementary pension plan for executive managers, set up in 1991, is closed to new employees and the rights of beneficiaries were frozen on 31 December 2019.

RECONCILIATION OF ASSETS AND LIABILITIES RECORDED IN THE BALANCE SHEET

(In EURm)	31.12.2024	31.12.2023
A – Present value of defined benefit obligations	1,650	1,796
B – Fair value of plan assets	874	924
C – Fair value of separate assets	1,081	1,076
D – Change in assets ceiling	0	0
E – Unrecognised items	-	-
A - B - C + D - E = Net balance	**(305)**	**(204)**
On the liabilities side of the balance sheet	829	907
On the asset side of the balance sheet[1]	(1,134)	(1,111)

(1) This item includes excess in plan assets for EUR 53 million and separate assets for EUR 1,081 million as at 31 December 2024 against EUR 35 million and EUR 1,076 million as at 31 December 2023.

NOTE 4.2.3 INFORMATION REGARDING PLAN ASSETS

Funding assets include plan assets and separate assets.

The breakdown of the fair value of plan assets is as follows: 78% bonds, 9% equities and 13% other investments. Societe Generale's own financial instruments directly held are not significant.

Excess funding assets amounted to EUR 421 million.

Employer contributions to be paid to post-employment defined benefit plans for 2025 are estimated at EUR 3.5 million.

MAIN ASSUMPTIONS DETAILED BY GEOGRAPHICAL AREA

(In %)	31.12.2024	31.12.2023
Discount rate		
France	3.27%	3.15%
United Kingdom	5.73%	4.52%
Other	4.10%	3.85%
Long-term inflation		
France	1.95%	2.20%
United Kingdom	2.99%	3.10%
Other	1.69%	2.02%
Future salary increase net of inflation		
France	1.93%	1.93%
United Kingdom	N/A	N/A
Other	0.55%	1.15%
Average remaining working lifetime of employees *(in years)*		
France	7.04	7.26
United Kingdom	2.02	2.36
Other	6.92	7.51
Duration *(in years)*		
France	11.24	11.64
United Kingdom	10.77	12.11
Other	11.58	12.58

The assumptions by geographical area are averages weighted by the present value of the Defined Benefit Obligation (DBO) with the exception of the expected returns on plan assets, which are averages weighted by the fair value of assets.

The yield curves used to discount the liabilities are corporate AA yield curves (source: Merrill Lynch) observed in the end of October for USD, GBP and EUR, and corrected at the end of December if the variation in discount rates had a significant impact.

Inflation rates used for EUR and GBP monetary areas are market rates observed in the end of October and corrected at the end of December if the variation had a significant impact. Inflation rates used for the other monetary areas are the long-term targets of the central banks.

The average remaining working lifetime of employees is calculated taking into account turnover assumptions.

The assumptions described above have been applied to post-employment benefit plans.

NOTE 4.3 Free share plans

ACCOUNTING PRINCIPLES

In the case of share purchase options and free shares plans granted to employees without issuance of new shares, a provision must be recorded for the loss that the entity expects to incur when it delivers treasury shares to the employees.

This provision is recorded under "Personnel expenses" for an amount equal to the difference:

- between the closing market price of the treasury shares and the exercise price (zero in the case of free shares) if the entity has not already purchased its treasury shares in order to give them to the employees;
- between the acquisition cost of the treasury shares already held and the exercise price (zero in the case of free shares) if the entity has already purchased the treasury shares in order to be allocated to employees.

If vesting conditions such as service or performance conditions must be satisfied for Societe Generale employees to become entitled to shares, the expense shall be accounted for the services as they are rendered by the employees during the vesting period.

In the case of stock option plans, no expense shall be recorded for the treasury shares to be issued.

NOTE 4.3.1 MAIN TERMS OF THE FREE SHARE PLANS OF THE YEAR

The plans for employees for the year ended 31 December 2024 are briefly described below:

Issuer	**Societe Generale**
Year of grant	**2024**
Type of plan	**Performance shares**
Number of free shares granted	3,433,480
Shares delivered	
Shares forfeited as at 31.12.2024	25,105
Shares outstanding as at 31.12.2024	3,408,375
Number of shares reserved as at 31.12.2024	3,408,375

There are presence conditions for each plan, and the performance conditions are described in the "Corporate Governance" section of the Universal Registration Document.

NOTE 4.3.2 AMOUNT OF THE DEBT RECORDED IN THE BALANCE SHEET AND THE EXPENSE OF THE YEAR

The amount of the debt recorded in the balance sheet for on-going plans is EUR 160 million as at 31 December 2024, and yearly expense is EUR 54 million.

NOTE 4.3.3 INFORMATION RELATED TO TREASURY SHARES FOR 2024 PLANS

Plans 2024 were partially covered during the year. At the end of December 2024, 425,774 treasury shares were acquired out of a total of 3,967,657 treasury shares.

NOTE 5 TAXES

ACCOUNTING PRINCIPLES

Current taxes

In the financial year 1989, Societe Generale opted to apply a tax consolidation regime. As at 31 December 2024, 181 subsidiaries had signed a tax consolidation agreement with Societe Generale.

Each of the integrated companies shall record in its accounts the tax debt to Societe Generale, determined in accordance with the application of the tax consolidation agreement.

Deferred taxes

Societe Generale applies the option allowing it to recognise deferred taxes in its annual financial statements.

Deferred taxes are recognised whenever Societe Generale identifies a temporary difference between the book value and tax value of balance sheet assets and liabilities. They are calculated using the liability method, whereby the deferred taxes from previous years are adjusted to account for a change in tax rates. The impact of such change is recorded in the income statement under deferred taxes. Net deferred tax assets are recorded only if the entity concerned is likely to recover these assets within a set timeframe.

Deferred taxes are determined separately for each taxable entity (parent company and foreign branches) and are never discounted to present value.

NOTE 5.1 Income tax

(In EURm)	2024	2023
Current taxes[1]	(27)	(60)
Deferred taxes	(33)	13
TOTAL	**(60)**	**(47)**

(1) Including EUR 2.4 million recognised for Pillar 2 additional tax estimated as at 31 December 2024.

In compliance with the French tax provisions that define the ordinary corporate tax rate, the latter is set to 25% (article 219 I of the French Tax Code) plus the existing national contribution (CSB) of 3.3% (article 235 *ter* ZC of French Tax Code), *i.e.*, a compound tax rate of 25,83%.

Long-term capital gains on affiliates are exempt from this corporate tax, except for a 12% fee on the gross amount in a net long term capital gains situation (article 219 I a *quinquies* of the French Tax Code).

Furthermore, under the parent-subsidiary regime, dividends from companies in which Societe Generale's equity interest is at least 5% are tax exempt, subject to the taxation of a portion of fees and expenses of 1% or 5% at the full statutory tax rate (article 216 of the French Tax Code).

"PILLAR 2": TAX REFORM – GLOBAL MINIMUM CORPORATE TAX RATE ("GLOBE" RULES)

In October 2021, 137 of the 140 jurisdictions of the OECD Inclusive Framework on Base Erosion and Profit Shifting (BEPS) committed to the principle of establishing a global minimum corporate income tax rate of 15% on the profits by country of multinational groups with annual revenues exceeding EUR 750 million. A model of rules referred to as "Pillar 2", published by the OECD on 20 December 2021, specifies the mechanism which applies in particular in Europe and in France since the adoption of European Council Directive (EU) 2022/2523 and its transposition into French law by Article 4 of the French Finance act for 2024.

From 1 January 2024 on, the minimum level of tax will take the form of an additional "top-up" tax determined according to rules compliant with the directive. Transitional Safe Harbour set out by the OECD for the first three fiscal years are also included in the law.

These rules apply to Societe Generale, which will be liable for the top-up tax that may be due from 1 January 2024:

- in France as the parent-company of entities that operate in jurisdictions with no national top-up tax and would be liable to a tax rate below the minimum rate of 15%;
- through its office branches, which may bear an additional tax burden if their jurisdiction has imposed it.

Based on the 2024 prospective data, the estimated Pillar 2 effective tax rates exceed 15% in most jurisdictions in which Societe Generale or its entities operate. However, there is a limited number of jurisdictions in which a top-up tax would have to be paid by Societe Generale in France or by its office branches abroad. As at 31 December 2024, Societe Generale recognised a tax expense estimated at a EUR 2.4 million.

On 7 July 2023, the French Accounting Standards Board (*Autorité des Normes Comptables*, ANC), published Regulation No. 2023-02, approved by decree on 26 December 2023, amending ANC Regulation No. 2020-01 of 6 March 2020 relating to consolidated financial statements. This regulation which introduces an exemption from recognition of the deferred tax assets and liabilities related to the application of the OECD Pillar 2 rules is applied by Societe Generale for the preparation of its statutory statements since 31 December 2023.

NOTE 5.2 Provisions for tax adjustments

ACCOUNTING PRINCIPLES

Provisions for tax adjustment represent liabilities whose timing or amount cannot be determined precisely.

Provisions may be recorded only:

- when, by virtue of an obligation related to the corporate income tax toward a tax authority, Societe Generale will probably or certainly incur an outflow of resources to this third-party without receiving at least the equivalent value in exchange;
- and when the amount of probable outflow of resources can be reliably estimated.

The expected outflows are then discounted to present value to determine the amount of the provision, when this discounting has a significant impact. Charge to and reversals of provisions for tax adjustments are booked to current taxes in the income statement "Tax expenses/income".

Information on the nature and the amount of the associated risks is not disclosed when Societe Generale considers that such disclosure could seriously undermine its position in a dispute with other parties on the subject matter of the provision.

(In EURm)	Amount as at 31.12.2023	Net allocations	Used reversals	Change in scope and reclassifying	Amount as at 31.12.2024
PROVISIONS FOR TAX ADJUSTMENTS	**11**	**13**	**-**	**1**	**25**

NOTE 5.3 Deferred tax assets

(In EURm)	31.12.2024	31.12.2023
Tax loss carryforwards	1,715	1,676
Gains on sales of assets to companies included in the tax consolidation, in France	(83)	(83)
Other (primarily relating to other reserves)	1,408	1,487
TOTAL	**3,040**	**3,080**

Societe Generale performs an annual review of its capacity to use tax loss carry-forwards, taking into account the tax system applicable to each tax entity (or tax group) concerned and a realistic forecast of its tax results. For this purpose, the tax results are determined based on the projected performance of the businesses. This performance corresponds to the estimated budget (scenario sg central) over five years (from 2025 to 2029) extrapolated to 2030, which corresponds to a "normative" year.

These budgets take into account the impact of commitments to energy and environmental transition. The central scenario is based on the assumption that governments and businesses meet their announced political commitments in line with a scenario of below 2°c, but below Net Zero emissions by 2050 (1.5°c). The scenario does not assume strong public resistance and envision that public policies will prioritize efficient green investments, with private sector financing playing a key role. This implies major sectoral transformations, with some sectors experiencing a drop in demand.

The tax results also take into consideration the accounting and tax adjustments (including the reversal of the deferred tax assets and liabilities bases on temporary differences) applicable to the entities and jurisdictions concerned. These adjustments are determined on the basis of historical tax results and on the entity's tax expertise. An extrapolation of the tax result is performed from 2030 on and over a timeframe considered reasonable and depending on the nature of the activities carried out within each tax entity.

On principle, the appreciation of the selected macroeconomic factors and the internal estimates used to determine the tax results involve risks and uncertainties about their materialization over the estimated timeframe for the absorption of the losses. These risks and uncertainties are in particular related to possible changes in applicable tax rules (computation of the tax result, as well as allocation rules for tax loss carry-forwards) or materialization of the assumptions selected. These uncertainties are mitigated by robustness checks of the budgetary and strategic assumptions.

As at 31 December 2024, the updated projections confirm the probability that Societe Generale will be able to offset the tax losses subject to deferred tax assets against future profits.

NOTE 5.4 Deferred tax assets recognised on tax loss carry-forwards and deferred tax assets not recognised

As at 31 December 2024, based on the tax system of each franchise and a realistic projection of their tax income, the projected period for deferred tax asset recovery is indicated in the table below:

(In EURm)	31.12.2024	Statutory time limit on carryforwards	Expected recovery period
Total deferred tax assets relating to tax loss carryforwards	1,715	0	0
o.w. French tax group	*1,629*	*unlimited* (1)	*7 years*
o.w. US tax group	*81*	*20 years* (2)	*5 years*
others	*5*	*0*	*0*

(1) In accordance with the 2013 Finance Law, the deduction of previous losses is limited to EUR 1 million plus 50% of the fraction of the taxable income for the fiscal year exceeding this limit. The non-deductible portion of losses may be carried forward to the following fiscal years with no time limit and under the same conditions.

(2) Tax losses generated before December 2011.

As at 31 December 2024, deferred tax assets and liabilities not recognised on the asset side of the balance sheet concerned in particular:

(In EURm)	31.12.2024	31.12.2023
French tax group	930	930
Franchises in the United States of America	238	223
SG Singapore	83	80

The unrecognised deferred tax assets of US tax groups increased by EUR 15 million due to the associated exchange rate effect.

With regard to the tax treatment of the loss caused by the actions of Jérôme Kerviel, Societe Generale considers that the judgment of the Versailles Court of Appeal of 23 September 2016 does not call into question its validity in light of the 2011 opinion of the French Supreme Administrative Court (*Conseil d'État*) and its established case law which was recently confirmed again in this regard. Consequently, Societe Generale considers that the related tax loss remains recoverable against the future taxable income (see Note 8).

NOTE 6 SHAREHOLDER'S EQUITY

NOTE 6.1 Changes in shareholder's equity

(In EURm)	Capital Stock	Additional paid-in-capital	Legal reserve	Retained earnings: Special reserves	Retained earnings: Other reserves	Retained earnings: Retained earnings	Net income of the period	Shareholder's equity
As at 31 December 2022	**1,062**	**21,330**	**105**	**2,097**	**1,435**	**10,323**	**(260)**	**36,092**
2022 - Income Allocation	-	-	-	-	-	(260)	260	-
Increase/Decrease in capital stock	(58)	(1,069)	(6)	-	-	-	-	(1,133)
Net income of the period	-	-	-	-	-	-	3,350	3,350
Dividends paid	-	-	-	-	-	(1,363)	-	(1,363)
Other movements	-	(1)	-	1	-	(1)	-	(1)
As at 31 December 2023	**1,004**	**20,260**	**99**	**2,098**	**1,435**	**8,699**	**3,350**	**36,945**
2023 - Income Allocation	-	-	2	-	-	3,348	(3,350)	-
Increase/Decrease in capital stock	(4)	(87)	(2)	-	-	-	-	(93)
Net income of the period	-	-	-	-	-	-	2,012	2,012
Dividends paid	-	-	-	-	-	(719)	-	(719)
Other movements	-	-	-	-	(1)	-	-	(1)
As at 31 December 2024	**1,000**	**20,173**	**99**	**2,098**	**1,434**	**11,328**	**2,012**	**38,144**

During the second semester of 2024 Societe Generale proceeded:

- a capital increase reserved for employees of EUR 11 million, with a EUR 176 million issuing premium;
- a capital reduction of EUR 15 million by cancelling 11,718,771 shares, with an impact on the issue premium of EUR 263 million and on the legal reserve of EUR 1 million;
- the recognition in profit of the legal revaluation reserve of SG Marocaine de Banques allocated in 1976, for an amount of EUR 1 million.

As at 31 December 2024, Societe Generale's fully paid-up capital amounts to EUR 1,000,395,971.25 and comprises 800,316,777 shares with a nominal value of EUR 1.25.

The dividends distribution performed by Societe Generale in 2024 amounted to EUR 719 million after elimination of treasury stock dividend for EUR 3 million.

NOTE 6.2 Proposed distribution of income

At the Annual General Meeting of 20 May 2025, the Board of Directors will propose an allocation of income for the year ended 31 December 2024 and dividend distribution under the following terms:

(In EURm)	2024
Net income	2,012
Unappropriated retained earnings	11,328
TOTAL INCOME TO BE APPROPRIATED	13,340
DIVIDEND	**872**
Retained earnings	12,468
TOTAL APPROPRIATED INCOME	**13,340**

The dividend corresponds to EUR 1.09 per share with a par value of EUR 1.25.

The amount of dividend of EUR 872 million to be paid to shareholders is calculated on the basis of an existing number of shares as at 31 December 2024.

NOTE 6.3 Net earnings per share

(In EURm)	31.12.2024	31.12.2023
Net income attributable to ordinary shareholders	**2,012**	**3,350**
Weighted average number of ordinary shares outstanding	795,168,649	799,315,070
Earnings per ordinary share *(in EUR)*	**2.53**	**4.19**
Average number of ordinary shares used in the dilution calculation(1)	-	-
Weighted average number of ordinary shares used in the calculation of diluted net earnings per share	795,168,649	799,315,070
Diluted earnings per ordinary share *(in EUR)*	2.53	4.19

(1) The number of shares used in the dilution calculation is computed using the "share buy-back" method and takes into account free shares issues and stock-option plans.

NOTE 6.4 Subordinated debt

ACCOUNTING PRINCIPLES

This item includes borrowings, whether or not in the form of securitized debt, with fixed-term or undetermined duration, which in the event of liquidation of the borrowing company may only be redeemed after all other creditors have been paid.

Any accrued interest payable in respect of subordinated debt is recorded as related payables and as an expense in the income statement.

(In million) Issuance date	Currency	Amount issued	Maturity date	31.12.2024	31.12.2023
Undated deeply subordinated capital notes					
29 September 2015	USD	1250	Undetermined duration	1,203	1,131
6 April 2018	USD	1250	Undetermined duration	1,203	1,131
16 April 2019	SGD	750	Undetermined duration	-	514
12 September 2019	AUD	750	Undetermined duration	-	430
18 November 2020	USD	1500	Undetermined duration	1,444	1,358
26 May 2021	USD	1000	Undetermined duration	963	905
15 July 2022	SGD	200	Undetermined duration	141	137
22 November 2022	USD	1500	Undetermined duration	1,444	1,358
18 January 2023	EUR	200	Undetermined duration	1,000	1,000
14 November 2023	USD	1250	Undetermined duration	1,203	1,131
25 March 2024	USD	1000	Undetermined duration	963	-
21 November 2024	USD	1000	Undetermined duration	963	-
SUB-TOTAL				**10,527**	**9,095**
Subordinated long-term debts and notes					
21 July 2000	EUR	78	31 July 2030	4	5
16 August 2005	EUR	226	18 August 2025	216	216
17 January 2014	USD	1000	6 April 2023	-	905
27 February 2015	EUR	1250	15 April 2023	1,250	1250
14 April 2015	USD	1500	6 April 2023	1,444	1358
15 April 2015	EUR	150	6 April 2023	150	150
10 June 2015	AUD	50	6 April 2023	30	31
12 June 2015	JPY	27800	6 April 2023	170	178
12 June 2015	JPY	2500	15 April 2023	15	16
22 July 2015	USD	50	12 June 2023	48	45

(In million)

Issuance date	Currency	Amount issued	Maturity date	31.12.2024	31.12.2023
30 september 2015	JPY	20000	30 June 2023	123	128
21 October 2015	EUR	70	7 June 2023	70	70
24 November 2015	USD	1000	17 January 2024	963	905
24 November 2015	USD	500	23 February 2028	481	452
3 June 2016	JPY	15000	27 February 2025	92	96
27 June 2016	USD	500	14 April 2025	481	452
19 August 2016	USD	1000	7 April 2026	963	905
13 October 2016	AUD	150	10 June 2025	89	92
16 December 2016	JPY	10000	12 June 2025	61	64
24 January 2017	AUD	200	12 June 2025	-	123
19 May 2017	AUD	500	23 July 2035	388	400
18 April 2019	AUD	300	30 September 2025	179	184
8 July 2020	USD	500	21 October 2026	481	452
24 November 2020	EUR	1000	21 October 2026	1,000	1000
1 mars 2021	USD	1000	24 November 2045	963	905
1 April 2021	EUR	1000	03 June 2026	1,000	1000
30 June 2021	JPY	7000	27 June 2036	43	45
19 July 2021	JPY	7000	20 July 2028	43	45
9 December 2021	AUD	80	19 August 2026	48	49
19 January 2022	USD	750	13 October 2026	722	679
15 June 2022	USD	1250	16 December 2026	1,203	1131
5 September 2022	EUR	500	24 January 2029	500	500
20 October 2022	JPY	10000	19 May 2027	61	64
10 January 2023	USD	1000	7 March 2028	963	905
2 June 2023	EUR	1000	13 April 2028	1,000	1000
19 October 2023	JPY	5100	17 April 2028	31	34
19 January 2024	USD	1250	24 October 2028	1,203	0
SUB-TOTAL[(1)]				**16,478**	**15,834**
Related payables				**403**	**361**
TOTAL[(1)]				**27,408**	**25,290**

(1) The Bank's global subordinated debt expense, net of tax and of the repurchase impact, amounted to EUR 1,411 million in 2024 (compared with EUR 1,441 million in 2023).

Societe Generale is entitled to cancel the remuneration of the perpetual subordinated debt issued.

As a general rule, subordinated debt may include an early repayment clause at the option of Societe Generale, which may take place no earlier than in its fifth year.

NOTE 7 OTHER INFORMATION

NOTE 7.1 Geographical breakdown of net banking income[1]

(In EURm)	France 2024	France 2023	Europe 2024	Europe 2023	Americas 2024	Americas 2023
Net interest and similar income[2]	4,688	4,975	448	294	236	463
Net fee income	3,734	3,407	311	293	168	146
Net income from financial transactions	2,700	1,543	1,027	1,120	175	(120)
Other net operating income	(617)	(402)	33	74	-	(2)
NET BANKING INCOME	**10,505**	**9,523**	**1,819**	**1,781**	**579**	**487**

(In EURm)	Asia/Oceania 2024	Asia/Oceania 2023	Total 2024	Total 2023
Net interest and similar income[2]	(436)	65	4,936	5,797
Net fee income	99	106	4,312	3,952
Net income from financial transactions	920	428	4,822	2,971
Other net operating income	1	2	(583)	(328)
NET BANKING INCOME	**584**	**601**	**13,487**	**12,392**

(1) Geographical regions in which companies recording income is located.
(2) Including dividend income and net income from lease financing and similar agreements.

NOTE 7.2 Tangible and intangible fixed assets

ACCOUNTING PRINCIPLES

Tangible or intangible fixed assets include operating premises, investment property, software, etc.

Tangible and intangible fixed assets are carried at their purchase price on the asset side of the balance sheet, less depreciation, amortisation and impairment. The purchase price of fixed assets includes borrowing costs incurred to fund a lengthy construction period, along with all other directly attributable expenses. Software created in-house is recognised for its direct cost of development, that includes external expenditure on hardware and services and personnel costs directly attributable to the production and the preparation of the asset for use.

As soon as they are ready for use, tangible assets are depreciated using a component-based approach. Each component is depreciated over its own useful life.

For operating premises and investment property, the depreciation periods of the different components are between 10 to 50 years.

Infrastructures	Major structures	50 years
	Doors and windows, roofing	20 years
	Façades	30 years
Techical installations	Elevators	10-30 years
	Electrical installations	
	Electrical generators	
	Air conditioning, extractors	
	Technical wiring	
	Securities and surveillance installations	
	Plumbing	
	Fire and safety equipment	
Fixtures and fittings	Finishing, surroundings	10 years

For the other fixed assets, depreciation periods have been defined based on the useful life of the assets considered which is generally estimated between 3 to 20 years.

Plant and equipment	5 years
Transport	4 years
Furniture	10-20 years
Office equipment	5-10 years
IT equipment	3-5 years
Software, developed or acquired	3-8 years
Concessions, patents, licences, etc.	5-20 years

If any, the depreciable value of each asset or component is reduced for its residual value. In the event of a subsequent decrease or increase of the residual value initially retained, the adjustment of the depreciable base shall affect the depreciation or amortisation plan of the asset prospectively.

Depreciation or amortisation allowances are recognised in the income statement under "Impairment, amortisation and depreciation".

If there is an indication of loss of value, a test is carried out to verify whether the book value of the asset is higher than its current value (higher between the market value and the use value). Otherwise, an impairment is recognised under "Depreciation, amortization and impairment".

Gains or losses on disposal of operating assets are recorded in Net gains or losses on other assets.

NOTE 7.2.1 CHANGES IN TANGIBLE AND INTANGIBLE FIXED ASSETS

(In EURm)	31.12.2023	Acquisition/ Allocations	Disposals/ Reversals	Scope variation and other movements	31.12.2024
Intangible assets					
Gross book value	6,212	331	(151)	6	6,398
Impairment and amortisation	(3,898)	(323)	130	(8)	(4,099)
Tangible operating assets					
Gross book value	4,507	193	(604)	37	4,133
Impairment and depreciation	(3,263)	(258)	597	(17)	(2,941)
Tangible non-operating assets					
Gross book value	17	-	-	-	17
Impairment and depreciation	(13)	-	-	-	(13)
TOTAL	**3,562**	**(57)**	**(28)**	**18**	**3,495**

The application of **ANC Regulation N° 2023-0**5 on the accounting treatment of IT solutions applicable to financial years starting on 1st January 2024, has no impact on Societe Generale's annual financial statements.

NOTE 7.2.2 NET INCOME FROM FIXED ASSETS

ACCOUNTING PRINCIPLES

The Net income from fixed assets items cover the capital gains or losses realized on disposals, as well as the net allocation to impairment of operating fixed assets. Income from non-operating assets is recorded under net banking income.

(In EURm)	31.12.2024	31.12.2023
Operating fixed assets:		
Gains on sale	11	4
Losses on sale	(7)	(2)
TOTAL	**4**	**2**

NOTE 7.3 Breakdown of assets and liabilities by term of maturity

	Outstanding as at 31 December 2024					
(In EURm)	Less than 3 months	3 months to 1 year	1 to 5 years	More than 5 years	Intercompany eliminations: Societe Generale Paris/branches	Total
Assets	**428,210**	**164,204**	**315,519**	**166,449**	**(232,064)**	**842,318**
Due from banks	244,018	61,027	109,031	23,823	(232,043)	205,856
Customer loans	165,254	65,825	191,286	96,374	(21)	518,718
Bonds and other debt securities:	18,938	37,352	15,202	46,252	-	117,744
Trading securities	*14,137*	*24,460*	*620*	*-*	*-*	*39,217*
Short-term investment securities	*4,591*	*11,565*	*95*	*49*	*-*	*16,300*
Long-term investment securities	*210*	*1,327*	*14,487*	*46,203*	*-*	*62,227*
Liabilities	**762,141**	**137,884**	**271,217**	**129,427**	**(232,059)**	**1,068,610**
Due to banks	266,423	59,194	167,681	64,381	(231,835)	325,844
Customer deposits	471,722	50,152	43,825	26,781	(225)	592,255
Liabilities in the form of securities issued	23,996	28,538	59,711	38,265	1	150,511

NOTE 7.4 Transactions in foreign currencies

ACCOUNTING PRINCIPLES

Gains and losses arising from ordinary activities in foreign currencies are recognised in the income statement. Outright forward foreign exchange transactions and those used to hedge other forward foreign exchange transactions are valued on the basis of the forward foreign exchange rate of the relevant currency for the remaining maturity. Spot and other forward foreign exchange positions are revalued on a monthly basis using official month-end spot rates. Unrealised gains and losses are recognised in the income statement. Premiums and discounts resulting from hedged forward foreign exchange transactions are amortised to the income statement on a straight-line basis over the remaining maturity of these transactions.

	31.12.2024				31.12.2023			
(In EURm)	**Assets**	**Liabilities**	**Foreign exchange bought, not yet received**	**Foreign exchange sold, not yet delivered**	**Assets**	**Liabilities**	**Foreign exchange bought, not yet received**	**Foreign exchange sold, not yet delivered**
EUR	570,681	566,801	402,159	389,065	669,433	672,297	409,749	412,511
USD	574,504	579,631	1,087,128	1,080,496	487,942	486,300	877,179	843,198
GBP	75,540	75,179	179,905	169,321	56,194	55,818	154,087	147,493
JPY	67,025	66,695	163,981	189,958	80,104	79,589	112,298	143,530
Other currencies	86,543	85,987	668,901	668,318	95,714	95,383	511,992	529,395
TOTAL	**1,374,293**	**1,374,293**	**2,502,074**	**2,497,158**	**1,389,387**	**1,389,387**	**2,065,305**	**2,076,127**

NOTE 7.5 Establishments in non-cooperative states or territories

Since 2013, Societe Generale has defined strict internal rules to prevent developing any establishment in an extended list of countries that could become non cooperative states or territories or generate a reputational risk. Any establishment or development of new activities as part of existing operations, may only be authorized by decision of the General Management after approval by the Corporate Secretariat and the Compliance and Risk divisions.

Since 2010, Societe Generale has decided to close (and has therefore taken the necessary steps to do so) all the Societe Generale's operations in countries and territories deemed non-cooperative by France that do not meet the criteria of the strict policy regarding tax havens established in the tax Code of Conduct. The list was updated by the Ministerial order of 16 February 2024 (published on 17 February 2024).

As of 31 December 2024, Societe Generale did not directly or indirectly own any business in the States and territories concerned.

NOTE 7.6 Table of subsidiaries and affiliates

(In EURk or local currency)

Company/Head Office or Establishment	Activity/Division		2024 Registered capital *(local currency)*(1)	Shareholders' equity other than capital *(local currency)*(1)	Share of capital held *(in %)*
I – INFORMATION ON INVESTMENTS WITH A BOOK VALUE IN EXCESS OF 1% OF SOCIETE GENERALE'S SHARE CAPITAL					
A) Subsidiaries (more than 50% owned by Societe Generale)					
SG AMERICAS SECURITIES HOLDINGS, LLC	**Brokerage**				
C/O The Corporation Trust Company 1209 Orange Street 19801 Wilmington – Delaware – USA	Global Banking and Investor Solutions	USD	1,430,976	2,042,217	100.00
SG FINANCIAL SERVICES HOLDING	**Portfolio management**				
29, boulevard Haussmann – 75009 Paris – France	Corporate Centre	EUR	1,641,835	213,157	100.00
SOCIETE GENERALE INTERNATIONAL LIMITED	**Brokerage and clearing**				
One Bank Street – Canary Wharf – Londres E14 4SG – Royaume-Uni	Global Banking and Investor Solutions	EUR	1,150,000	181,936	100.00
GENEFINANCE	**Portfolio management**				
29, boulevard Haussmann – 75009 Paris – France	Corporate Centre	EUR	1,000,000	236,754	100.00
SOCIETE GENERALE REAL ESTATE	**Real estate and real estate financing**				
29, boulevard Haussmann – 75009 Paris – France	French Retail Banking	EUR	327,112	35,002	100.00
SG KLEINWORT HAMBROS LIMITED	**Asset management**				
One Bank Street – Canary Wharf – Londres E14 4SG – Royaume-Uni	Global Banking and Investor Solutions	GBP	376,651	(52,531)	100.00
SOCIETE GENERALE SECURITIES JAPAN LIMITED	**Brokerage**				
1-1, Marunouchi 1-chome, Chiyoda-ku – Tokyo – Japon	Global Banking and Investor Solutions	JPY	35,765,000	40,260,000	100.00
SOGEMARCHE	**Real estate**				
17, cours Valmy – 92800 Puteaux – France	Corporate Centre	EUR	440,000	517	100.00
SOCIETE GENERALE SECURITIES SERVICES SPA	**Credit institution**				
Via Benigno Crespi, 19 A (MAC2) – 20159 Milan – Italie	Global Banking and Investor Solutions	EUR	111,309	267,998	100.00
FIDITALIA SPA	**Consumer finance**				
Via Guglielmo Silva n°34 – 20149 Milan – Italie	International Retail Banking and Financial Services	EUR	130,000	290,148	100.00
SOCIETE GENERALE (CHINA) LIMITED	**International Retail Banking**				
F15, West Tower Genesis, 8 Xinyuannan Street – Chaoyang District – 100027 Beijing – Chine	International Retail Banking and Financial Services	CNY	4,000,000	384,560	100.00
SALINGER SA	**Portfolio management**				
2, rue Hildegard von Bingen – Luxembourg – Luxembourg	Global Banking and Investor Solutions	EUR	100	318,672	100.00
REED SHIFT SLP	**Securities management**				
15, rue Soufflot – 75005 Paris – France	Global Banking and Investor Solutions	EUR	0	0	100.00
BANCO SOCIETE GENERALE BRASIL S/A	**Investment Banking**				
Avenida Paulista, 2300 – Cerqueira Cesar – 01310-300 – Sâo Paulo – SP – Brésil	Global Banking and Investor Solutions	BRL	2,956,929	(1,236,876)	100.00
SOGECAMPUS	**Real estate**				
17, cours Valmy – 92800 Puteaux – France	Corporate Centre	EUR	241,284	51,385	100.00
SOCIETE GENERALE CAPITAL CANADA INC.	**Brokerage**				
1501 Avenue McGill College – Suite 1800 H3A 3M8 – Montréal -Canada	Global Banking and Investor Solutions	CAD	345,042	94,174	100.00
GENEGIS I	**Office space**				
29, boulevard Haussmann – 75009 Paris – France	Corporate Centre	EUR	192,900	25,854	100.00

(1) For foreign subsidiaries and affiliates, shareholders' equity is booked in the Group consolidated financial statements in their consolidated reporting currency.
(2) For banking and finance subsidiaries, revenue refers to net banking income.
(3) Financial statements not yet audited for French companies.

2024

Book value of shares held		Unreimbursed loans and advances made by the Company (in EUR)	Guarantees given by the Company (in EUR)	Revenue excluding tax for the last financial year (local currency)[1][2][3]	Net income (gain or loss) for the last financial year (local currency)[1][3]	Dividends received by the Company during the year (in EUR)	Remarks
Gross (in EUR)	Net (in EUR)						Revaluation differences
3,043,131	3,043,131	0	0	759,645	355,138	0	1 EUR = 1,0389 USD
2,136,144	2,136,144	1,995,202	0	972,566	946,324	874,978	
1,658,622	1,658,622	3,878,311	66,972,260	279,599	118,292	179,040	
1,076,025	1,076,025	446,486	0	160,944	159,795	157,000	
586,505	586,505	0	0	15,084	14,684	42,646	
511,561	511,561	0	0	149,270	11,864	24,207	1 EUR = 0,82918 GBP
475,634	464,985	70,000	149	21,238	1,459	31,260	1 EUR = 163,06 JPY
460,400	460,400	0	0	0	8,557	5,700	
745,062	391,659	0	100,000	178,888	21,714	0	
340,974	340,974	3,497,730	0	236,210	65,679	38,044	
424,594	324,360	0	0	414,823	101,892	11,452	1 EUR = 7,5833 CNY
315,184	315,184	0	0	6,985	6,820	0	
250,000	250,000	0	0	0	0	0	capital = 200 EUR
881,826	244,263	0	2,053	173,951	(51,489)	0	1 EUR = 6,4253 BRL
241,284	241,284	55,185	0	24,556	3,488	0	
230,518	230,518	0	0	64,990	12,724	12,448	1 EUR = 1,4948 CAD
196,061	187,461	9,475	0	208,451	(16,580)	0	

2024

(In EURk or local currency)

Company/Head Office or Establishment	Activity/Division		Registered capital *(local currency)*[1]	Shareholders' equity other than capital *(local currency)*[1]	Share of capital held *(in %)*
SOCIETE GENERALE ALGERIE	**International Retail Banking**				
Résidence EL KERMA – Gué de Constantine, Wilaya d'Alger – 16105 – Algérie	International Retail Banking and Financial Services	DZD	20,000,000	34,626,851	100.00
SG AMERICAS, INC.	**Investment Banking**				
C/O The Corporation Trust Company 1209 Orange Street 19801 Wilmington – Delaware – USA	Global Banking and Investor Solutions	USD	0	393,934	100.00
COMPAGNIE FONCIERE DE LA MEDITERRANEE (CFM)	**Office space**				
29, boulevard Haussmann – 75009 Paris – France	Corporate Centre	EUR	76,627	1,930	100.00
SG SECURITIES KOREA CO, LTD	**Business consulting**				
24th Floor, D1 D-Tower, 17 Jong-ro 3-gil, Jongno-gu – Séoul – Corée du Sud	Global Banking and Investor Solutions	KRW	205,500,000	170,144,439	100.00
SOCIETE GENERALE EQUIPMENT FINANCE SA	**Portfolio management**				
17, cours Valmy – 92800 Puteaux – France	International Retail Banking and Financial Services	EUR	201,397	50,063	100.00
SOCIETE IMMOBILIERE DU 29 BOULEVARD HAUSSMANN	**Office space**				
29, boulevard Haussmann – 75009 Paris – France	Corporate Centre	EUR	120,030	172,186	100.00
SG VENTURES	**Portfolio management**				
17, cours Valmy – 92800 Puteaux – France	Corporate Centre	EUR	106,761	9,809	100.00
NEWEDGE FINANCIAL HONG KONG LTD	**Brokerage**				
Level 35, Three Pacific Place, 1 Queen's Road East, Hong-Kong	Global Banking and Investor Solutions	USD	100,051	78,385	100.00
SG SECURITIES (SINGAPORE) PTE. LTD.	**Brokerage**				
8 Marina Boulevard – #12-01 – Marina Bay financial Centre Tower 1 – 018981 – Singapore – Singapour	Global Banking and Investor Solutions	SGD	99,156	19,757	100.00
ETOILE CAPITAL	**Portfolio management**				
17, cours Valmy – 92800 Puteaux – France	Global Banking and Investor Solutions	EUR	50,400	8,647	100.00
STAR LEASE	**Rental and Real Estate Lease**				
Tour Granite-17 cours Valmy CS50318 92800 PUTEAUX	French Retail Banking	EUR	55,000	121,039	100.00
SG FACTORING SPA	**Factoring**				
Via Trivulzio n. 7 – 20146 Milan – Italie	Global Banking and Investor Solutions	EUR	11,801	38,582	100.00
ORPAVIMOB	**Real estate and real estate financing**				
17, cours Valmy – 92800 Puteaux – France	Global Banking and Investor Solutions	EUR	44,253	6,578	100.00
SG AMERICAS OPERATIONAL SERVICES LLC (SGAOS)	**Transversal services company**				
C/O The Corporation Trust Company 1209 Orange Street 19801 Wilmington – Delaware – USA	Global Banking and Investor Solutions	USD	716	44,287	100.00
SOCIETE GENERALE SECURITIES AUSTRALIA PTY LTD	**Brokerage on equity market**				
Level 25, 1-7 Bligh Street – NSW 2000 – Sydney – Australie	Global Banking and Investor Solutions	AUD	100,000	(47,437)	100.00
SG AUSTRALIA HOLDINGS LTD	**Portfolio management**				
Level 25, 1-7 Bligh street – NSW 2000 – Sydney – Australie	Global Banking and Investor Solutions	AUD	19,500	492	100.00

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(3) *Financial statements not yet audited for French companies.*

2024

Book value of shares held		Unreimbursed loans and advances made by the Company *(in EUR)*	Guarantees given by the Company *(in EUR)*	Revenue excluding tax for the last financial year *(local currency)* (1)(2)(3)	Net income (gain or loss) for the last financial year *(local currency)* (1)(3)	Dividends received by the Company during the year *(in EUR)*	Remarks
Gross *(in EUR)*	Net *(in EUR)*						Revaluation differences
186,564	186,564	0	260,769	31,270,061	10,473,101	47,766	1 EUR = 140,87095 DZD
							capital = 1 USD
1,573,453	159,227	0	0	(2,716)	(2,819)	0	1 EUR = 1,0389 USD
155,837	155,837	0	0	402	(2,933)	0	
134,273	134,273	0	0	68,723,352	6, 884,489	6,093	1 EUR = 1532,15 KRW
281,549	121,000	604,948	0	25,264	(29,986)	0	
119,992	119,992	55,000	0	10,768	7,025	0	
106,761	104,348	0	0	24,848	(25,009)	0	
223,131	99,285	244,874	0	3,793	(75,238)	8,141	1 EUR = 1,0389 USD
105,125	81,543	0	0	21,280	8,158	0	1 EUR = 1,4164 SGD
57,977	57,977	0	0	9,185	8,082	0	
55,000	55,000	1,005,177	0	0	13,282	0	
46,100	46,100	1,036,329	2,350,000	15,003	5,025	0	
44,253	44,253	0	0	11,599	4,156	2,537	
42,365	42,365	0	0	6,678	33,492	59,479	1 EUR = 1,0389 USD
62,745	31,218	98,378	238,493	8,695	(6,344)	0	1 EUR = 1,6772 AUD
11,839	11,839	0	0	821	498	425	1 EUR = 1,6772 AUD

2024

(In EURk or local currency)

Company/Head Office or Establishment	Activity/Division		Registered capital *(local currency)*(1)	Shareholders' equity other than capital *(local currency)*(1)	Share of capital held *(in %)*
SG SECURITIES ASIA INTERNATIONAL HOLDINGS LTD (HONG KONG)	**Investment Banking**				
Level 38, Three Pacific Place, 1 Queen's Road East, Hong-Kong	Global Banking and Investor Solutions	USD	154,972	144,553	100.00
SOCIETE GENERALE SFH	**Credit institution**				
17, cours Valmy – 92800 Puteaux – France	Global Banking and Investor Solutions	EUR	375,000	429,361	100.00
BOURSORAMA SA	**Online banking**				
44, rue Traversière – 92100 Boulogne-Billancourt – France	French Retail Banking	EUR	53,577	992,384	100.00
SOCIETE GENERALE IMMOBEL	**Online banking**				
11, Rue des Colonies – 1000 Bruxelles – Belgique	French Retail Banking	EUR	18,562	2,006	100.00
SOCIETE GENERALE SCF	**Mortgages**				
17, cours Valmy – 92800 Puteaux – France	Global Banking and Investor Solutions	EUR	150,000	160,701	100.00
VALMINVEST	**Office space**				
29, boulevard Haussmann – 75009 Paris – France	Corporate Centre	EUR	248,877	14,679	100.00
SOCIETE GENERALE SECURITIES SERVICES HOLDING	**Portfolio management**				
17, cours Valmy – 92800 Puteaux – France	Global Banking and Investor Solutions	EUR	12,487	29	100.00
PAYXPERT SERVICES LIMITED	**Enterprise Support Services Delivery**				
30, Churchill place – E14 5RE – Londres – Royaume Uni	International Retail Banking and Financial Services	GBP	0	12,339	99.21
SOCIETE GENERALE INVESTMENTS (UK) LIMITED	**Investment Banking**				
One Bank Street – Canary Wharf – Londres E14 4SG – Royaume-Uni	Global Banking and Investor Solutions	GBP	157,883	120,973	98.96
TREEZOR	**Electronic money institution**				
33, Avenue de Wagram – 75017 Paris – France	Corporate Centre	EUR	6,308	17,405	96.09
SOCIETE GENERALE MAURITANIE	**International Retail Banking**				
Ilot A N°652 – Nouakchott – Mauritanie	International Retail Banking and Financial Services	MRU	1,000,000	(140,924)	95.50
FRANFINANCE	**Credit institution**				
53, rue du port – 92000 Nanterre – France	Global Banking and Investor Solutions	EUR	202,912	1,147,529	84.55
BANQUE DE POLYNESIE	**Retail Banking**				
355, boulevard Pomaré, BP 530, 98713 Papeete – Ile de Tahiti – Polynésie française	International Retail Banking and Financial Services	XPF	1,380,000	9,321,958	72.10
SOCIETE GENERALE DE BANQUES EN COTE D'IVOIRE	**International Retail Banking**				
5/7, avenue Joseph Anoma – Abidjan – Côte d'Ivoire	International Retail Banking and Financial Services	XOF	20,004,444	325,364,399	71.84
KOMERCNI BANKA A.S	**International Retail Banking**				
Na Prikope 33 – Building Register number 969 – Prague 1 – République Tchèque	International Retail Banking and Financial Services	CZK	19,004,926	89,031,996	60.35
BRD – GROUPE SOCIETE GENERALE	**International Retail Banking**				
B-dul Ion Mihalache Nr 1 7 – Sector 1 – Bucarest – Roumanie	International Retail Banking and Financial Services	RON	696,902	8,133,109	60.17

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(3) *Financial statements not yet audited for French companies.*

2024							
Book value of shares held		Unreimbursed loans and advances made by the Company *(in EUR)*	Guarantees given by the Company *(in EUR)*	Revenue excluding tax for the last financial year *(local currency)* (1)(2)(3)	Net income (gain or loss) for the last financial year *(local currency)* (1)(3)	Dividends received by the Company during the year *(in EUR)*	Remarks
Gross *(in EUR)*	Net *(in EUR)*						Revaluation differences
146,513	146,513	199,737	0	497,715	194,562	126,531	1 EUR = 1,0389 USD
375,000	375,000	173,778	52,968,198	756,923	77,334	0	
46,100	46,100	11,580,078	0	440,564	53,604	0	
18,561	18,561	0	0	770	453	602	
150,000	150,000	0	17,700,086	35,787	21,433	0	
249,427	249,427	0	0	17,008	10,905	9,497	
237,555	12,516	510	0	0	808	0	
38,250	38,250	0	0	1,872	(2,376)	0	1 EUR = 0,82918 GBP
199,562	199,562	74,886	0	6,980	8,024	0	1 EUR = 0,82918 GBP
87,925	87,925	0	0	24,602	(10,540)	0	
20,361	20,361	392	0	1,396,237	438,016	0	1 EUR = 41,3386 MRU
1,434,280	905,894	10,115,828	191,372	282,228	(8,609)	515,450	
12,397	12,397	306	158,535	7,983,816	2,196,891	10,489	1 EUR = 119,33174 XPF
30,504	30,504	25,050	10,706	258,340,504	103,930,896	53,026	1 EUR = 655,957 XOF
1,391,562	1,391,562	11,236,540	11,779,500	35,160,022	16,995,810	383,603	1 EUR = 25,185 CZK
216,053	216,053	1,166,503	63,857	3,895,066	1,474,926	98,742	1 EUR = 4,9743 RON

2024

(In EURk or local currency)

Company/Head Office or Establishment	Activity/Division		Registered capital *(local currency)*(1)	Shareholders' equity other than capital *(local currency)*(1)	Share of capital held *(in %)*
SOCIETE GENERALE CAMEROUN	**International Retail Banking**				
78, Avenue Joss – Douala – Cameroun	International Retail Banking and Financial Services	XAF	12,500,000	109,153,789	58.08
GENEFIM	**Real estate lease finance**				
29, boulevard Haussmann – 75009 Paris – France	French Retail Banking	EUR	72,779	29,154	57.62
ALD	**Automobile leasing and financing**				
1-3, rue Eugène et Armand Peugeot – Le Corosa – 92500 Rueil Malmaison- France	International Retail Banking and Financial Services	EUR	1,225,441	6,237,923	52.59
UNION INTERNATIONALE DE BANQUES	**International Retail Banking**				
65, avenue Habib Bourguiba – Tunis – Tunisie	International Retail Banking and Financial Services	TND	172,800	581,689	52.34
B) Affiliates (10% to 50% owned by Societe Generale)					
ANTARIUS	**Insurance company**				
Tour D2 – 17 bis, place des Reflets – 92919 Paris la Défense Cedex – France	International Retail Banking and Financial Services	EUR	514,060	37,212	50.00
TRANSACTIS	**Payment**				
1, Boulevard des Bouvets – 92000 – Nanterre – France	Global Banking and Investor Solutions	EUR	46,948	1,088	50.00
SOCIETE SERVICES FIDUCIAIRES	**Pooling of connected machines**				
3, rue du Général Compans – 93500 Pantin – France	International Retail Banking and Financial Services	EUR	39,000	0	33.33
BERNSTEIN NORTH AMERICA HOLDINGS LLC	**Investment Banking**				
C/O The Corporation Trust Company 1209 Orange Street 19801 Wilmington – Delaware – USA	Global Banking and Investor Solutions	USD	342,000	0	33.33
SOGEPARTICIPATIONS	**Portfolio management**				
29, boulevard Haussmann – 75009 Paris – France	Corporate Centre	EUR	411,267	306,582	24.58
SOCIETE GENERALE CALÉDONIENNE DE BANQUE	**Retail Banking**				
44, rue de l'Alma - 98848 Nouméa Cedex – Nouvelle Calédonie	International Retail Banking and Financial Services	XPF	1,068,375	16,826,972	20.60
SICOVAM HOLDING	**Portfolio management**				
18, rue Lafayette – 75009 Paris – France	Corporate Centre	EUR	10,265	1,019,652	17.90
CREDIT LOGEMENT	**Credit institution**				
50, boulevard Sébastopol – 75003 Paris – France	Corporate Centre	EUR	1,259,850	218,803	16.50

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(3) *Financial statements not yet audited for French companies.*

2024

Book value of shares held		Unreimbursed loans and advances made by the Company (in EUR)	Guarantees given by the Company (in EUR)	Revenue excluding tax for the last financial year (local currency) (1)(2)(3)	Net income (gain or loss) for the last financial year (local currency) (1)(3)	Dividends received by the Company during the year (in EUR)	Remarks
Gross (in EUR)	Net (in EUR)						Revaluation differences
16,940	16,940	0	34,630	103,050,553	23,555,487	13,481	1 EUR = 655,957 XAF
89,846	89,846	0	0	37,650	29,586	10,301	
1,947,662	1,947,662	2,298,164	0	167,735	1,908,661	201,935	
153,211	153,211	0	0	552,682	144,027	4,287	1 EUR = 3,3115 TND
257,407	255,960	0	0	901,168	67,705	32,611	
23,474	23,474	64,890	0	182,845	(187)	0	
13,000	13,000	24,300	0	758	0	0	
184,595	184,595	0	0	155,599	(22,876)	0	1 EUR = 1,0389 USD
234,000	234,000	767,366	0	607,055	599,199	54,078	
16,266	16,266	18,500,825	0	8,556,326	(1,688,678)	5,225	1 EUR = 119,33174 XPF
58,272	58,272	0	0	104,947	103,618	18,619	
209,888	209,888	219,920	0	504,140	111,165	16,272	

TABLE OF SUBSIDIARIES AND AFFILIATES (CONTINUED)

(EURk)	Book value of shares held		Unreimbursed loans and advances made by the Company	Guarantees given by the Company	Dividends received during the year	Remarks	
	Gross	Net					
II – INFORMATION CONCERNING OTHER SUBSIDIARIES AND AFFILIATES							
A) Subsidiaries not included in paragraph 1:							
1°) French subsidiaries	104,728	57,540	6,634,873	322,465	734	Revaluation difference:	1,447
2°) Foreign subsidiaries	92,457	48,924	865,466	21,963	14,207	Revaluation difference:	313
B) Affiliates not included in paragraph 1:							
1°) French companies	20,260	16,312	611	150,000	1,947	Revaluation difference:	0
2°) Foreign companies	11,057	7,950	0	0	0	Revaluation difference:	0

NOTE 8 INFORMATION ON RISKS AND LITIGATION

Every quarter, Societe Generale reviews in detail the disputes presenting a significant risk. These disputes may lead to the recording of a provision if it becomes probable or certain that the Group will incur an outflow of resources for the benefit of a third party without receiving at least the equivalent value in exchange. These provisions for litigations are classified among the Other provisions included in the Provisions item in the liabilities of the balance-sheet.

No detailed information can be disclosed on either the recording or the amount of a specific provision given that such disclosure would likely seriously prejudice the outcome of the disputes in question.

- On 24 October 2012, the Court of Appeal of Paris confirmed the first judgment delivered on 5 October 2010, finding J. Kerviel guilty of breach of trust, fraudulent insertion of data into a computer system, forgery and use of forged documents. J. Kerviel was sentenced to serve a prison sentence of five years, two years of which are suspended, and was ordered to pay 4.9 billion euros in damages to Societe Generale. On 19 March 2014, the Supreme Court confirmed the criminal liability of J. Kerviel. This decision puts an end to the criminal proceedings. On the civil front, on 23 September 2016, the Versailles Court of Appeal rejected J. Kerviel's request for an expert determination of the damage suffered by the bank, and therefore confirmed that the net accounting losses suffered by the Bank as a result of his criminal conduct amount to 4.9 billion euros. It also declared J. Kerviel partially responsible for the damage caused to Societe Generale and sentenced him to pay to Societe Generale 1 million euros. Societe Generale and J. Kerviel did not appeal before the Supreme Court. Societe Generale considers that this decision has no impact on its tax situation. However, as indicated by the Minister of the Economy and Finance in September 2016, the tax authorities have examined the tax consequences of this book loss and indicated that they intended to call into question the deductibility of the loss caused by the actions of J. Kerviel, amounting to 4.9 billion euros. This proposed tax rectification has no immediate effect and will possibly have to be confirmed by an adjustment notice sent by the tax authorities when Societe Generale will be in a position to deduct the tax loss carry forwards arising from the loss from its taxable income. Such a situation will not occur for several years according to the Bank's forecasts. In view of the 2011 opinion of the French Supreme Administrative Court (Conseil d'Etat) and its established case law which was recently confirmed again in this regard, Societe Generale considers that there is no need to call into question the corresponding tax loss carry forwards. In the event that the authorities decide, in due course, to confirm their current position, Societe Generale will not fail to assert its rights before the competent courts. By a decision handed down on 20 September 2018, the Investigation Committee of the reviewing and reassessment Criminal Court has furthermore declared inadmissible the request filed in May 2015 by J. Kerviel against his criminal sentence, confirming the absence of any new element or fact that could justify the reopening of the criminal file.
- On 3 January 2023, Societe Generale Private Banking (Switzerland) ("SGPBS") entered into an agreement to settle litigation in the United States stemming from the Ponzi scheme of Robert Allen Stanford and his affiliates, including Stanford International Bank Limited. On 21 February 2023, the US Receiver and the Official Stanford Investors Committee ("OSIC") filed a motion in US District Court for the Northern District of Texas seeking approval of the settlement. The settlement provides for the payment by SGPBS of 157 million of American dollars in exchange for the release of all claims. During the 7 June 2023 hearing, the Court granted the US Receiver's motion to approve the settlement. This settlement order was appealed by the Joint Liquidators of Stanford International Bank Limited, appointed by the courts of Antigua (the "Joint Liquidators"). The appeal was finally decided by the U.S. Court of Appeal for the Fifth Circuit on 19 September 2024, granting the Antiguan Joint Liquidators' request to exclude them from the scope of the settlement order's injunction prohibiting further litigation against a Societe Generale group entity. The Fifth Circuit remanded the case to the U.S. District Court for the Northern District of Texas to modify the settlement order accordingly. The settlement amount that SGPBS must pay is fully covered by a provision in the accounts of Societe Generale S.A. following a financial guarantee provided by Societe Generale S.A. to SGPBS. Each of the other defendant banks in this litigation also announced settlements in the first quarter of 2023 with the US Receiver and OSIC resolving their claims. These settlements were reached in advance of a jury trial that had been scheduled to start on 27 February 2023 (which ultimately did not take place).
  In the same matter, a pre-contentious claim (requête en conciliation) was initiated in Geneva in November 2022 by the Joint Liquidators, representing investors also represented by the US plaintiffs. SGPBS was served with the statement of claim on 20 June 2023 and defends itself against the claims in this proceeding.
- Notwithstanding the agreements reached in 2018 with the US authorities regarding certain London Interbank Offered Rates and the Euro Interbank Offered Rate ("the IBOR matter") and the dismissal on 30 November 2021 of the legal proceedings brought by the DOJ in this matter, the Bank responded to information requests received from other authorities, including the Attorneys General of various States of the United States and the New York Department of Financial Services.

  In the United States, Societe Generale, along with other financial institutions, was named as a defendant in putative class actions involving the setting of US Dollar Libor, Japanese Yen Libor, and Euribor rates and trading in instruments indexed to those rates. Societe Generale was also named in several individual (non-class) actions concerning the US Dollar Libor rate. All of these actions, which were pending in the US District Court in Manhattan (the "District Court"), are now definitively terminated.

  As to US Dollar Libor, all claims against Societe Generale have now been dismissed. On 12 May 2023, Societe Generale and two other financial institutions entered into a settlement agreement to resolve a proposed class of over-the-counter (OTC) plaintiffs for a combined 90 million of American dollars. On 17 October 2023, the District Court granted final settlement approval. The remaining USD Libor opt out actions have all been voluntarily dismissed as to Societe Generale, in some cases as a condition of settlements.

  As to Japanese Yen Libor complaint brought by purchasers of Euroyen over-the-counter derivative products, plaintiffs and Societe Generale entered into a settlement agreement on 16 February 2024 to put a final end to this matter. The settlement received final approval from the Court on 18 June 2024. This order is now final, and the litigation is concluded. In the other action related to Japanese Yen Libor, brought by purchasers or sellers of Euroyen derivative contracts on the Chicago Mercantile Exchange, the District Court granted on 25 September 2020 defendants' motion for judgment on the pleadings and dismissed plaintiff's remaining claims. Plaintiff appealed to the Second Circuit. On 18 October 2022, as amended on 8 December 2022, the Second Circuit affirmed the District Court's dismissal of plaintiff's claims. On 2 October 2023, the U.S. Supreme Court denied a petition filed by plaintiff that sought review of the Second Circuit's ruling. As a result, the action is now concluded.

As to Euribor, Societe Generale and plaintiffs entered into a settlement agreement to put an end to this class action, which was finally approved by the District Court on 31 October 2023. As a result, this action is now concluded.

In Argentina, Societe Generale, along with other financial institutions, was named as a defendant in litigation brought by a consumer association on behalf of Argentine consumers who held government bonds or other specified instruments that paid interest tied to US Dollar Libor. The allegations concerned violations of Argentine consumer protection law in connection with alleged manipulation of the US Dollar Libor rate. Plaintiff has finally decided, on its own initiative, to discontinue its action against Societe Generale.

- On 10 December 2012, the French Supreme Administrative Court (Conseil d'Etat) rendered two decisions ruling that the "précompte tax" which used to be levied on corporations in France does not comply with EU law and defining a methodology for the reimbursement of the amounts levied by the tax authorities. The procedure defined by the French Supreme Administrative Court nevertheless considerably reduces the amount to be reimbursed. However, Societe Generale purchased in 2005 the "précompte tax" claims of two companies (Rhodia and Suez, now Engie) with a limited recourse on the selling companies. One of the above decisions of the French Supreme Administrative Court relates to Rhodia. Societe Generale has brought proceedings before the French administrative courts.

  Several French companies applied to the European Commission, which considered that the decisions handed down by the Conseil d'Etat on 10 December 2012, which were supposed to implement a judgment of European Union Court of Justice (EUCJ) on 15 September 2011, breached a number of principles of European law. The European Commission subsequently brought infringement proceedings against the French Republic in November 2014, and since then confirmed its position by referring the matter to the EUCJ on 8 December 2016. The EUCJ rendered its judgement on 4 October 2018 and sentenced France on the basis that the Conseil d'Etat disregarded the tax on EU sub-subsidiaries in order to secure the précompte paid erroneously and failed to raise a preliminary question before the EUCJ. With regard to the practical implementation of the decision, Societe Generale has continued to assert its rights with the competent courts and the tax authorities. On 23 June 2020, the Administrative Court of Appeal of Versailles issued a ruling in favour of Engie on our 2002 and 2003 Suez claims and ordered a financial enforcement in our favour. The Court held that the advance payment ("précompte") did not comply with the Parent-Subsidiary Directive. Further to proceedings brought before the Conseil d'Etat, the latter ruled that a question should be raised before the EUCJ in order to obtain a preliminary ruling on this issue. The EUCJ has confirmed on 12 May 2022 that the précompte did not comply with the Parent-Subsidiary Directive. The Conseil d'Etat, by an Engie judgment of 30 June 2023 took note of this incompatibility and confirmed the decision held by the Administrative Court of Appeal of Versailles with respect to the 2002 year, but referred the examination of the 2003 year to this same Court, which confirmed on 9 January 2024 the partial relief granted by the administration in the course of the proceedings. Societe Generale lodged an appeal that was not admitted by the Conseil d'Etat by a decision of 23 December 2024 definitively putting a definitive end to the litigation relating to the 2002 and 2003 claims. In parallel, a compensation litigation in relation to the Rhodia claim and the Suez claims relating to the 1999 and 2001 financial years was brought in March 2023 before the European Commission and the Paris Administrative Court of Appeal.

- Societe Generale, along with other financial institutions, was named as a defendant in a putative class action alleging violations of US antitrust laws and the CEA in connection with its involvement in the London Gold Market Fixing. The action is brought on behalf of persons or entities that sold physical gold, sold gold futures contracts traded on the CME, sold shares in gold ETFs, sold gold call options traded on CME, bought gold put options traded on CME, sold over-the-counter gold spot or forward contracts or gold call options, or bought over-the-counter gold put options. Societe Generale, along with three other defendants, has reached a settlement to resolve this action for 50 million of American dollars. By order dated 13 January 2022, the Court granted preliminary approval of the settlement. The final fairness hearing was held on 5 August 2022, and the settlement received final approval by order dated 8 August 2022. This matter is now concluded. Although Societe Generale's share of the settlement is not public, it was not material from a financial perspective. Societe Generale, along with other financial institutions, is also named as a defendant in two putative class actions in Canada (in the Ontario Superior Court in Toronto and Quebec Superior Court in Quebec City) involving similar claims. Societe Generale is defending the claims.

- Since August 2015, various former and current employees of the Societe Generale Group have been under investigation by German criminal prosecution and tax authorities for their alleged participation in the so called "CumEx" patterns in connection with withholding tax on dividends on German shares. These investigations relate inter alia to a fund administered by SGSS GmbH proprietary trading activities and transactions carried out on behalf of clients. The Group entities respond to the requests of the German authorities.

  Societe Generale Group entities may also be exposed to claims by third parties, including German tax offices, and become party to legal disputes initiated by clients involved in proceedings against the German tax administration.

- Societe Generale and certain of its subsidiaries are defendants in an action pending in the US Bankruptcy Court in Manhattan brought by the Trustee appointed for the liquidation of Bernard L. Madoff Investment Securities LLC (BLMIS). The action is similar to those brought by the BLMIS Trustee against numerous institutions and seeks recovery of amounts allegedly received by the Societe Generale entities indirectly from BLMIS through so-called "feeder funds" that were invested in BLMIS and from which the Societe Generale entities received redemptions. The suit alleges that the amounts that the Societe Generale entities received are avoidable and recoverable under the US Bankruptcy Code and New York state law. The BLMIS Trustee seeks to recover, in the aggregate, approximately 150 million of American dollars from the Societe Generale entities. The Societe Generale entities are defending the action. In decisions dated 22 November 2016 and 3 October 2018, the Court rejected most of the claims brought by the BLMIS Trustee. The Trustee appealed to the US Court of Appeals for the Second Circuit. By order dated 25 February 2019, the Second Circuit vacated the judgements and remanded for further proceedings. On 1 June 2020, the United States Supreme Court denied Defendant-Appellees' petition for a writ of certiorari. The case is now before the Bankruptcy Court for further proceedings. The Societe Generale defendants filed a motion to dismiss on 29 April 2022. The motion was denied by order dated 7 October 2022. Proceeding is still pending.

- On 10 July 2019, Societe Generale was named as a defendant in a litigation filed in the US District Court in Miami by plaintiffs seeking compensation under the Cuban Liberty and Democratic Solidarity (Libertad) Act of 1996 (known as the Helms-Burton Act) stemming from the expropriation by the Cuban government in 1960 of Banco Nunez in which they are alleged to have held an interest. Plaintiff claims damages from Societe Generale under the terms of this statute. Plaintiff filed an amended complaint on 24 September 2019 adding three other banks as defendants and adding several new factual allegations as to Societe Generale. Societe Generale filed a motion to dismiss, which was fully briefed as of 10 January 2020. While the motion to dismiss was pending, plaintiffs filed an unopposed motion on 29 January 2020, to transfer the case to federal court in Manhattan, which the court granted on 30 January 2020. Plaintiffs filed a second amended complaint on 11 September 2020, in which it dropped the three other banks as defendants, added a different bank as an additional defendant, and added as additional plaintiffs who purport to be heirs of the founders of Banco Nunez. The court granted Societe Generale's motion to dismiss on 22 December 2021 but permitted plaintiffs to replead their claims. On 25 February 2022, plaintiffs filed an amended complaint, and on 11 April 2022, Societe Generale filed its motion to dismiss. By order entered 30 March 2023, the court granted Societe Generale's motion to dismiss. Plaintiffs have appealed. On 7 January 2025, the Court of Appeals for the Second Circuit affirmed the lower court's dismissal of this action.
- On 9 November 2020, Societe Generale was named as a defendant, together with another bank, in a similar Helms-Burton litigation filed in the US District Court in Manhattan (Pujol I) by the purported heirs of former owners, and personal representatives of estates of heirs or former owners, of Banco Pujol, a Cuban bank alleged to have been confiscated by the Cuban government in 1960. On 27 January 2021, Societe Generale filed a motion to dismiss. In response, as permitted by the judge's rules, plaintiffs chose to file an amended complaint and did so on 26 February 2021. Societe Generale filed a motion to dismiss the amended complaint on 19 March 2021, which was granted by the court on 24 November 2021. The court permitted plaintiffs to replead their claims. On 4 February 2022, plaintiffs filed an amended complaint, and on 14 March 2022, Societe Generale filed its motion to dismiss, which was granted by the court on 23 January 2023. On 7 January 2025, the Court of Appeals for the Second Circuit affirmed the lower court's dismissal of this action.

  On 16 March 2021, Societe Generale was named as a defendant, together with another bank, in a nearly identical Helms-Burton litigation filed in the US District Court in Manhattan (Pujol II) by the personal representative of one of the purported heirs to Banco Pujol who is also a plaintiff in Pujol I. The case was stayed pending developments in Pujol I. At the parties' request, following dismissal of Pujol I, the court lifted the stay on Pujol II and entered an order dismissing the case for the same reasons it dismissed Pujol I. Plaintiff has appealed. The 7 January 2025 decision by the Second Circuit also applies to Pujol II.
- In the context of the sale of its Polish subsidiary Euro Bank to Bank Millennium on 31 May 2019 and of the indemnity granted to the latter against certain risks, Societe Generale continues to monitor the evolution of court cases related to CHF-denominated or CHF-indexed loans issued by Euro Bank. The reserve in this matter in Societe Generale SA's accounts takes into consideration the increase in the number of court cases regarding the loans subject of the sale and the substance of the decisions handed down by Polish courts.
- Like other financial institutions, Societe Generale is subject to audits by the tax authorities regarding its securities lending/borrowing activities as well as equity and index derivatives activities. The 2017 to 2022 audited years are subject to tax adjustments of proposals for fiscal years 2017 to 2021 in respect of the application of a withholding tax. These proposals are contested by Société Générale. Given the significance of the matter, on 30 March 2023, the French Banking Federation has brought proceedings against the tax administration's doctrine. In this respect, on 8 December 2023, the French Conseil d'Etat ruled that the tax authorities may not extend the dividend withholding tax beyond its statutory scope, except if taxpayers engaged in an abusive behavior ("abus de droit"), thereby characterising the tax administration's position based on the concept of beneficial owner as illegal. French tax authorities are now focused on the abuse of law doctrine as a legal basis for the reassessed years and should, as a principle, perform a transaction per transaction analysis. In addition, further to raids conducted by the "parquet national financier" at the end of March 2023 at the premises of five banks in Paris, among which Societe Generale, the latter has been informed that it was subject to a preliminary investigation pertaining to the same issue. Societe Generale is defending the action.
- On 19 August 2022, a Russian fertiliser company, EuroChem North West-2 ("EuroChem"), a wholly owned subsidiary of EuroChem AG, filed a claim against Societe Generale S.A. and its Milan branch ("Societe Generale") before English courts. This claim relates to five on-demand bonds that Societe Generale issued to EuroChem in connection with a construction project in Kingisepp, Russia. On 4 August 2022, EuroChem made demands under the guarantees. Societe Generale explained it was unable to honour the claims due to international sanctions directly impacting the transactions, an assessment which EuroChem disputes. Societe Generale filed its defence submissions on 1 November 2022, to which EuroChem replied on 19 December 2022. Procedural timetables were notably discussed during several procedural hearings. As things currently stand, the trial (if any) is expected to take place in June 2025.
- SG Americas Securities, LLC ("SGAS") received a request for information in December 2022 from the US Securities and Exchange Commission ("SEC") focused on compliance with record-keeping requirements in connection with business-related communications on messaging platforms that were not approved by the firm. On 28 March 2023, SGAS and Societe Generale received a similar request from the US Commodity Futures Trading Commission ("CFTC"). These inquiries follow a number of regulatory settlements in 2022 with other firms covering similar matters. SGAS reached a settlement with the SEC, announced on 8 August 2023, and agreed to pay a penalty of 35 million of American dollars, take certain remedial actions, and engage an independent compliance consultant. Societe Generale and SGAS reached a settlement with the CFTC, also announced on August 8, 2023, and agreed to pay a penalty of 75 million of American dollars and take certain remedial actions.

6.7 STATUTORY AUDITORS' REPORT ON THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English-speaking readers. This report includes information specifically required by European regulations or French law, such as information about the appointment of Statutory Auditors. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Société Générale
29, Boulevard Haussmann
75009 Paris, France

To the Shareholders,

Opinion

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying financial statements of Société Générale for the year ended 31 December 2024.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company at 31 December 2024 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit and Internal Control Committee.

Basis for opinion

AUDIT FRAMEWORK

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are further described in the "Responsibilities of the Statutory Auditors relating to the audit of the financial statements" section of our report.

INDEPENDENCE

We conducted our audit engagement in compliance with the independence rules provided for in the French Commercial Code (*Code de commerce*) and the French Code of Ethics (*Code de déontologie*) for Statutory Auditors for the period from 1 January 2024 to the date of our report, and, in particular, we did not provide any non-audit services prohibited by Article 5(1) of Regulation (EU) No. 537/2014.

Justification of assessments – Key audit matters

In accordance with the requirements of Articles L.821-53 and R.821-180 of the French Commercial Code relating to the justification of our assessments, we inform you of the key audit matters relating to the risks of material misstatement that, in our professional judgement, were the most significant in our audit of the financial statements, as well as how we addressed those risks.

These matters were addressed as part of our audit of the financial statements as a whole, and therefore contributed to the opinion we formed as expressed above. We do not provide a separate opinion on specific items of the financial statements.

MEASUREMENT OF IMPAIRMENT AND PROVISIONS ON CUSTOMER LOANS

(See Notes 2.3 and 2.6 to the financial statements)

Description of risk	How our audit addressed this risk
The Company could be exposed to a potential loss if the customer or counterparty is unable to meet their financial commitments. Without waiting for a credit risk to be confirmed, the Company recognises collective provisions for credit risk on performing and underperforming loans, and individual impairment on doubtful loans when this risk is confirmed. At 31 December 2024, total outstanding customer loans exposed to credit risk amounted to €354,456 million, while the total corresponding impairment stood at €2,536 billion and provisions at €1,873 million. Collective provisions are assessed using models based on risk inputs (default probabilities, losses in the event of default, exposures, etc.) and internal analyses of the credit rating of each counterparty or sector. Doubtful loans are impaired on an individual or statistical basis. This impairment is calculated by management based on estimated future recoverable cash flows, taking into account any collateral called up or liable to be called up. To take account of recent economic trends and the geopolitical context, the measurement of provisions and impairment involves significant judgement and the use of assumptions by management, in particular to: ■ establish the macroeconomic scenarios that are incorporated into the models used to estimate collective provisions; ■ classify outstanding loans (performing, underperforming, doubtful or non-performing), taking into account any significant deterioration in credit risk; ■ update the models and assumptions as well as the adjustments (expert or sectoral) underlying the expected credit losses (performing or underperforming loans); ■ determine the likelihood of recovery for doubtful loans. Given the significant judgement exercised by management and the uncertainties involved in the estimates, we deemed the measurement of provisions and impairment to be a key audit matter.	In response to this risk, our work involved: ■ reviewing the governance framework for the process of determining classifications, ratings, and provisions and impairment; ■ assessing the design and effectiveness of the internal control system relating to the process of measuring provisions and impairment on customer loans; ■ with the support of our IT audit experts, testing, using sampling techniques, general IT controls and automatic controls relating to the measurement of provisions and impairment; ■ with the support of our credit risk experts, assessing the appropriateness of the models, assumptions and macroeconomic scenarios used to measure collective provisions; ■ verifying the correct documentation and justification of the main sectoral adjustments and assessments of experts recognised by the Group; ■ carrying out independent calculations of collective provisions using sampling techniques; ■ for a selection of provisions determined on the basis of experts' assessments, assessing the level of impairment recorded in the financial statements. We also assessed the appropriateness of the information relating to provisions and impairment on customer loans disclosed in the notes to the financial statements.

VALUATION OF UNLISTED FINANCIAL INSTRUMENTS

(See Notes 2.1, 2.2 and 3.2 to the financial statements)

Description of risk	How our audit addressed this risk
As part of its trading activities, Société Générale holds trading financial instruments for trading purposes which are recognised in the balance sheet at market value. Market value is determined according to different approaches depending on the type of instrument and its complexity, in particular (i) using valuation models based on market inputs observable in active markets; and (ii) using valuation models based on unobservable inputs. If necessary, the valuations obtained may be supplemented using discounts calculated according to the relevant financial instruments and associated risks in order to take into account specific trading, liquidity or counterparty risks. At 31 December 2024, the value of trading securities represented €189,185 million, that of derivatives with a positive fair value €33,833 million and that of derivatives with a negative fair value €12,520 million. In light of the materiality of the positions and the judgement used by management to determine valuation inputs and models, we deemed the measurement of financial instruments not listed in an active market held for trading purposes to be a key audit matter.	We familiarised ourselves with the processes, governance and existing control procedures within Société Générale with regard to the valuation of financial instruments not listed in an active market held for trading purposes. We tested the effectiveness of the controls we deemed key to our audit, in particular those relating to: ■ the independent approval and regular review by management of the risks, the valuation models and corresponding adjustments; ■ the Finance Department's independent verification of the market inputs in accordance with the methodologies defined by the Company. In addition, with the assistance of our valuation specialists and using sampling techniques, we: ■ reviewed the assumptions and inputs used in value adjustment methodologies and valuation models; ■ performed independent counter valuations; and ■ reviewed any differences in margin calls with the Company's counterparties so as to assess the appropriateness of the valuations. In addition, we assessed the appropriateness of the disclosures in the notes to the financial statements with respect to the valuation of financial instruments.

ASSESSMENT OF LEGAL AND TAX RISKS

(See Notes 2.6.3 and 8 to the financial statements.)

Description of risk	How our audit addressed this risk
The Company is involved in certain legal, regulatory and tax disputes and proceedings. At 31 December 2024, other provisions for risks and expenses amounted to €926 million and provisions for tax adjustments to €25 million. The situation and progress of the various ongoing disputes and proceedings are reviewed by management to assess the need to set aside provisions and to evaluate the amount. Given the complexity of certain proceedings, the significant degree of judgement exercised by management in assessing risks, and the financial consequences for the Company, we deemed the assessment of legal and tax risks to be a key audit matter.	Our approach involved: ▪ reviewing the tools and systems for identifying, assessing and accounting for legal and tax risks; ▪ conducting interviews with the Company's legal and tax departments and those in relevant roles to monitor the development of the main ongoing legal proceedings; ▪ interviewing the lawyers in charge of the most significant proceedings; ▪ obtaining and reviewing analyses prepared by management and, where necessary, the Company's external legal and tax advisors on major disputes; ▪ assessing, based on these resources, the reasonableness of the assumptions used to determine the amount of provisions raised. We also examined the appropriateness of the disclosures relating to legal and tax risks in the financial statements.

VALUATION OF EQUITY SECURITIES, OTHER LONG-TERM SECURITIES AND INVESTMENTS IN RELATED PARTIES

(See Notes 2.1.2 and 2.6.2 to the financial statements)

Description of risk	How our audit addressed this risk
Equity securities, other long-term securities and investments in related parties are recognised on the balance sheet at a net carrying amount of €23,480 million (including €3,669 million of impairment). The recoverable amount is assessed at the value in use determined, for each security, using a valuation method based on available information such as equity, business plans drawn up by the entities and the average stock market price over the last three months (for listed investments). Given the sensitivity of the models used to changes in the data and the assumptions underlying the estimated values, we deemed the valuation of equity securities, other long-term securities and investments in related parties to be a key audit matter.	Our work involved: ▪ reviewing the control procedures relating to impairment tests performed on equity securities, other long-term securities and investments in related parties; ▪ assessing, using sampling techniques, the justification for the valuation methods and data used by management to estimate values in use; ▪ assessing the consistency of the business plans drawn up by the entities' financial departments with our knowlege of the businesses; ▪ critically analysing the main assumptions and inputs used, with respect to available internal and external information; ▪ testing, on a sample basis, the mathematical accuracy of the calculation of values in use used by the Company. Lastly, we assessed the appropriateness of the disclosures on equity securities, other long-term equity securities and investments in related parties published in the notes to the financial statements.

RECOVERABILITY OF DEFERRED TAX ASSETS IN FRANCE

(See Notes 1.4 and 5 to the financial statements)

Description of risk	How our audit addressed this risk
Deferred tax assets related to tax loss carryforwards are recognised in the amount of €1,715 million at 31 December 2024, and more specifically €1,629 million for the France tax group. As indicated in Note 5 "Taxes" to the financial statements, the Company calculates deferred taxes at the level of each tax entity and recognises deferred tax assets when it is probable that the tax entity concerned will generate future taxable profits against which temporary differences and tax loss carryforwards can be offset, within a given timeframe. In addition, as indicated in Notes 5 "Taxes" and 8 "Information on Risks and Litigation" to the financial statements, certain tax loss carryforwards are contested by the French tax authorities and are therefore liable to be called into question. Given the importance of the assumptions used to assess the recoverability of deferred tax assets in France, particularly on future taxable profits, and the judgement exercised by management in this respect, we deemed this issue to be a key audit matter.	In response to this risk, we assessed the Company's ability to use its tax loss carryforwards generated at 31 December 2024 in the future, particularly with regard to anticipated future taxable profits in France. In particular, our work involved: ■ understanding the governance structure and control system for estimating future taxable profits; ■ reviewing the 2025 budget forecast prepared by management and approved by the Board of Directors, and the assumptions underlying the medium-term projections which take into account the expected impacts of transactions known at the reporting date; ■ comparing projected results for prior years with actual results for the years in question; ■ reviewing the sensitivity analyses carried out by the Company on the main inputs used in the estimates; ■ reviewing the Company's position with the help of our specialists, in particular by noting the opinions of its external tax advisers concerning the tax loss carryforwards in France that have been challenged in part by the French tax authorities. We also examined the appropriateness of the disclosures published by the Company in respect of deferred tax assets in Note 5 "Taxes" to the financial statements.

GENERAL IT CONTROLS RELATED TO MARKET ACTIVITIES

Description of risk	How our audit addressed this risk
The markets activities of the Global Banking & Investment Solutions (GBIS) division account for a significant proportion of the Company's earnings and balance sheet. These business activities are highly complex in operational terms, given the nature of the financial instruments used, the volume of transactions completed and the use of numerous interdependent IT systems. In this context, the implementation of general IT controls within the systems used to prepare financial information is a key audit matter.	In response to this risk, we assessed, with the help of our IT specialists, the effectiveness of general IT controls within applications associated with market activities considered key to the preparation of the financial statements. Our work consisted primarily in: ■ obtaining an understanding of the systems, processes and controls that contribute to the production of accounting information; ■ testing, using sampling techniques, controls related to the management of access rights to IT systems, change and development management, the management of IT operations and the handling of incidents.

Specific verifications

In accordance with professional standards applicable in France, we have also performed the specific verifications required by French legal and regulatory provisions.

INFORMATION GIVEN IN THE MANAGEMENT REPORT AND IN THE OTHER DOCUMENTS PROVIDED TO THE SHAREHOLDERS WITH RESPECT TO THE COMPANY'S FINANCIAL POSITION AND THE FINANCIAL STATEMENTS

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the Board of Directors' management report and in the other documents provided to the shareholders with respect to the Company's financial position and the financial statements, with the exception of the following matters.

Concerning the fair presentation and the consistency with the financial statements of the information about payment terms referred to in Article D.441-6 of the French Commercial Code, we have the following matters to report:

As indicated in the management report, this information does not include banking transactions and related transactions, as the Company has decided that such transactions do not fall within the scope of the required information to provide.

REPORT ON CORPORATE GOVERNANCE

We attest that the corporate governance section of the Board of Directors' management report sets out the information required by Articles L.225-37-4, L.22-10-10 and L.22-10-9 of the French Commercial Code.

Concerning the information given in accordance with the requirements of Article L.22-10-9 of the French Commercial Code relating to remuneration and benefits paid or awarded to corporate officers and any other commitments made in their favour, we have verified its consistency with the financial statements or with the underlying information used to prepare these financial statements, and, where applicable, with the information obtained by the Company from controlled companies within its scope of consolidation. Based on this work, we attest to the accuracy and fair presentation of this information.

Concerning the information given in accordance with the requirements of Article L.22-10-11 of the French Commercial Code relating to those items the Company has deemed liable to have an impact in the event of a takeover bid or exchange offer, we have verified its consistency with the underlying documents that were disclosed to us. Based on this work, we have no matters to report with regard to this information.

OTHER INFORMATION

In accordance with French law, we have verified that the required information concerning the identity of shareholders and holders of the voting rights has been properly disclosed in the management report.

Other verifications and information pursuant to legal and regulatory requirements

PRESENTATION OF THE FINANCIAL STATEMENTS TO BE INCLUDED IN THE ANNUAL FINANCIAL REPORT

In accordance with professional standards applicable to the Statutory Auditors' procedures for annual and consolidated financial statements presented according to the European single electronic reporting format, we have verified that the presentation of the financial statements to be included in the annual financial report referred to in paragraph I of Article L.451-1-2 of the French Monetary and Financial Code (*Code monétaire et financier*) and prepared under the Chief Executive Officer's responsibility, complies with this format, as defined by European Delegated Regulation No. 2019/815 of 17 December 2018.

On the basis of our work, we conclude that the presentation of the financial statements to be included in the annual financial report complies, in all material respects, with the European single electronic reporting format.

APPOINTMENT OF THE STATUTORY AUDITORS

We were appointed Statutory Auditors of Société Générale by the Annual General Meeting held on 22 May 2024 for PricewaterhouseCoopers Audit and KPMG SA.

At 31 December 2024, PricewaterhouseCoopers Audit and KPMG SA. were in the first year of their engagement.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for preparing financial statements giving a true and fair view in accordance with French accounting principles, and for implementing the internal control procedures it deems necessary for the preparation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting, unless it expects to liquidate the Company or to cease operations.

The Audit and Internal Control Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems, as well as, where applicable, any internal audit systems, relating to accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

Responsibilities of the Statutory Auditors relating to the audit of the financial statements

OBJECTIVE AND AUDIT APPROACH

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions taken by users on the basis of these financial statements.

As specified in Article L.821-55 of the French Commercial Code, our audit does not include assurance on the viability or quality of the Company's management.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditors exercise professional judgement throughout the audit. They also:

- identify and assess the risks of material misstatement in the financial statements, whether due to fraud or error, design and perform audit procedures in response to those risks, and obtain audit evidence considered to be sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of the internal control procedures relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and the related disclosures in the notes to the financial statements;
- assess the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditors conclude that a material uncertainty exists, they are required to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or are inadequate, to issue a qualified opinion or a disclaimer of opinion;
- evaluate the overall presentation of the financial statements and assess whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

REPORT TO THE AUDIT AND INTERNAL CONTROL COMMITTEE

We hereby submit a report to the Audit and Internal Control Committee which includes, in particular, a description of the scope of the audit and the audit programme implemented, as well as the results of our audit. We also report any significant deficiencies in internal control that we have identified regarding the accounting and financial reporting procedures.

Our report to the Audit and Internal Control Committee includes the risks of material misstatement that, in our professional judgement, were the most significant for the audit of the financial statements and which constitute the key audit matters that we are required to describe in this report.

We also provide the Audit and Internal Control Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France, as defined in particular in Articles L.821-27 to L.821-34 of the French Commercial Code and in the French Code of Ethics for Statutory Auditors. Where appropriate, we discuss any risks to our independence and the related safeguard measures with the Audit and Internal Control Committee.

Neuilly-sur-Seine and Paris La Défense, 12 March 2025

The Statutory Auditors

PricewaterhouseCoopers Audit		KPMG SA
Emmanuel Benoist	Ridha Ben Chamek	Guillaume Mabille

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