

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).

**10,000,000 European Style Cash Settled Long Certificates relating to
the Class A ordinary shares of JD.com, Inc.
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\$0.80 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 products¹ 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 sideways 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 not 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:	10,000,000 European Style Cash Settled Long Certificates relating to the Class A ordinary shares of JD.com, Inc. traded in HKD (the “ Underlying Stock ”)
ISIN:	LU2517570383
Company:	JD.com, Inc. (RIC: 9618.HK)
Underlying Price ³ and Source:	HK\$126.5 (Reuters)
Calculation Agent:	Société Générale
Strike Level:	Zero
Daily Leverage:	5x (within the Leverage Strategy as described below)
Notional Amount per Certificate:	SGD 0.80
Management Fee (p.a.) ⁴ :	0.40%
Gap Premium (p.a.) ⁵ :	17.50%, 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 October 2026
Expiry Date:	27 October 2026 (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 October 2026 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:	<p>In respect of each Certificate, shall be an amount payable in the Settlement Currency equal to:</p> <p>Closing Level multiplied by the Notional Amount per Certificate</p> <p>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.</p>
Hedging Fee Factor:	<p>In respect of each Certificate, shall be an amount calculated as: Product (for t from 2 to Valuation Date) of $(1 - \text{Management Fee} \times (\text{ACT}(t-1;t) \div 360)) \times (1 - \text{Gap Premium}(t-1) \times (\text{ACT}(t-1;t) \div 360))$, where:</p> <p>“$t$” 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</p>

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 Rate³: 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:	<p>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.</p> <p>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.</p>
Warrant Agent:	The Central Depository (Pte) Limited (“ CDP ”)
Clearing System:	CDP
Fees and Charges:	<p>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.</p> <p>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.</p>
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.

Specific Definitions relating to the Leverage Strategy

Description of the Leverage Strategy

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

LSL_t	<p>means, for any Observation Date(t), the Leverage Strategy Closing Level as of such day (t).</p> <p>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:</p> <p>On Observation Date(1):</p> $LSL_1 = 1000$ <p>On each subsequent Observation Date(t):</p> $LSL_t = \text{Max}[LSL_{t-1} \times (1 + LR_{t-1,t} - FC_{t-1,t} - RC_{t-1,t}), 0]$
LR_{t-1,t}	<p>means the Leveraged Return of the Underlying Stock between Observation Date(t-1) and Observation Date(t) closing prices, calculated as follows:</p> $LR_{t-1,t} = \text{Leverage} \times \left(\frac{S_t}{S_{t-1} \times Rfactor_t} - 1 \right)$
FC_{t-1,t}	<p>means, the Funding Cost between Observation Date(t-1) (included) and Observation Date(t) (excluded) calculated as follows:</p> $FC_{t-1,t} = (\text{Leverage} - 1) \times \frac{\text{Rate}_{t-1} \times \text{ACT}(t - 1, t)}{\text{DayCountBasisRate}}$
RC_{t-1,t}	<p>means the Rebalancing Cost of the Leverage Strategy on Observation Date (t), calculated as follows:</p> $RC_{t-1,t} = \text{Leverage} \times (\text{Leverage} - 1) \times \left(\left \frac{S_t}{S_{t-1} \times Rfactor_t} - 1 \right \right) \times TC$
TC	<p>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:</p> <p>0.11%</p> <p>“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.</p>
Leverage	5
S_t	<p>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.</p>

Rate_t	<p>means, in respect of each Observation Date(t), a rate calculated as of such day in accordance with the following formula:</p> $\text{Rate}_t = \text{CashRate}_t + \% \text{SpreadLevel}_t$
Rfactor_t	<p>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:</p> $Rfactor_t = 1 - \frac{Div_t}{S_{t-1}}$ <p>where</p> <p><i>Div_t</i> 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.</p>
CashRate_t	<p>means, in respect of each Observation Date(t), the Overnight HKD Hong Kong Interbank Offered Rate (HIBOR) Fixing, as published on Reuters RIC H1HKDOND= 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.</p>
%SpreadLevel_t	<p>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 H1HKD1YD= and (2) Overnight HKD Hong Kong Interbank Offered Rate (HIBOR) Fixing, as published on Reuters RIC H1HKDOND= 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.</p> <p>Provided that if such difference is negative, %SpreadLevel_t should be 0%.</p>

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	<p>means, in respect of the Reference Rate any of the following has occurred or will occur:</p> <ul style="list-style-type: none"> (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	<p>means, for a Reference Rate, the occurrence of one or more of the following events:</p> <ul style="list-style-type: none"> (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 (LSL_{IRD}) should be computed as follows:

$$LSL_{IRD} = \text{Max}[ILSL_{IR(n)} \times (1 + ILR_{IR(n),IR(C)} - IRC_{IR(n),IR(C)}), 0]$$

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

$$LSL_{IRD} = \text{Max}[ILSL_{IR(n)}, 0]$$

$ILSL_{IR(k)}$

means, in respect of $IR(k)$, the Intraday Leverage Strategy Level in accordance with the following provisions:

(1) for $k = 1$:

$$ILSL_{IR(1)} = \text{Max}[LSL_{IRD-1} \times (1 + ILR_{IR(0),IR(1)} - FC_{IRD-1,IRD} - IRC_{IR(0),IR(1)}), 0]$$

(2) for $k > 1$:

$$ILSL_{IR(k)} = \text{Max}[ILSL_{IR(k-1)} \times (1 + ILR_{IR(k-1),IR(k)} - IRC_{IR(k-1),IR(k)}), 0]$$

$ILR_{IR(k-1),IR(k)}$

means the Intraday Leveraged Return between $IR(k-1)$ and $IR(k)$, calculated as follows:

$$ILR_{IR(k-1),IR(k)} = \text{Leverage} \times \left(\frac{IS_{IR(k)}}{IS_{IR(k-1)}} - 1 \right)$$

$IRC_{IR(k-1),IR(k)}$	<p>means the Intraday Rebalancing Cost of the Leverage Strategy in respect of $IR(k)$ on a given Intraday Restrike Date, calculated as follows:</p> $IRC_{IR(k-1),IR(k)} = \text{Leverage} \times (\text{Leverage} - 1) \times \left(\left \frac{IS_{IR(k)}}{IS_{IR(k-1)}} - 1 \right \right) \times TC$
$IS_{IR(k)}$	<p>means the Underlying Stock Price in respect of $IR(k)$ computed as follows:</p> <p>(1) for $k=0$</p> $IS_{IR(0)} = S_{IRD-1} \times Rfactor_{IRD}$ <p>(2) for $k=1$ to n</p> <p>means in respect of $IR(k)$, the lowest price of the Underlying Stock during the respective Intraday Restrike Observation Period</p> <p>(3) with respect to $IR(C)$</p> $IS_{IR(C)} = S_{IRD}$ <p>In each case, subject to the adjustments and provisions of the Conditions.</p>
$IR(k)$	<p>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;</p> <p>For $k=1$ to n, means the k^{th} Intraday Restrike Event on the relevant Intraday Restrike Date.</p>
$IR(C)$	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	<p>means in respect of an Observation Date(t):</p> <p>(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 $IS_{IR(0)}$ as of such Calculation Time.</p> <p>(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 $IS_{IR(k)}$ as of such Calculation Time.</p>
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	<p>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.</p> <p>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.</p>
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:	JD.com, Inc.
The Certificates:	European Style Cash Settled Long Certificates relating to the Underlying Stock
Number:	10,000,000 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
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Daily Fees	=	Daily Management Fee Adjustment
		$1 - \text{Management Fee} \times \text{ACT} (t-1;t) / 360$
		x
		Daily Gap Premium Adjustment
		$1 - \text{Gap Premium} (t-1) \times \text{ACT} (t-1;t) / 360$

Illustration of the Calculation of Cash Settlement Amount

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

Value of Certificates	=	$t^7=0$	x	$t=1$	x	$t=2$	x ...	$t=i$
		Notional Amount		Leverage Strategy daily performance ⁸ x Daily Fees		Leverage Strategy daily performance x Daily Fees		Leverage Strategy Daily performance x Daily Fees

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

Final Value of Certificates	=	$t=0$	x	$\frac{\text{Final Reference Level} \times \text{Final Exchange Rate}}{\text{Initial Reference Level} \times \text{Initial Exchange Rate}}$	x	Hedging Fee Factor
		Notional Amount				

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:	Class A ordinary shares of JD.com, Inc. 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:	0.80 SGD
Notional Amount per Certificate:	0.80 SGD
Management Fee (p.a.):	0.40%
Gap Premium (p.a.):	17.50%
Strike Level:	Zero

Hedging Fee Factor

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

$$\text{HFF}(0) = 100\%$$

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

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

$$\text{HFF}(1) = 100\% \times \left(1 - 0.40\% \times \frac{1}{360}\right) \times \left(1 - 17.50\% \times \frac{1}{360}\right)$$

$$\text{HFF}(1) = 100\% \times 99.9989\% \times 99.9514\% \approx 99.9503\%$$

Assuming 2nd Underlying Stock Business Day falls 3 Calendar Days after 1st Underlying Stock Business Day:

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

$$\text{HFF (2)} = 99.9503\% \times \left(1 - 0.40\% \times \frac{3}{360}\right) \times \left(1 - 17.50\% \times \frac{3}{360}\right)$$

$$\text{HFF (2)} = 99.9503\% \times 99.9967\% \times 99.8542\% \approx 99.8012\%$$

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 99.2566% as illustrated below:

Date	HFF
3/7/2018	100.0000%
4/7/2018	99.9503%
5/7/2018	99.9006%
6/7/2018	99.8509%
9/7/2018	99.7020%
10/7/2018	99.6524%
11/7/2018	99.6028%
12/7/2018	99.5533%
13/7/2018	99.5038%
16/7/2018	99.3554%
17/7/2018	99.3060%
18/7/2018	99.2566%

Cash Settlement Amount

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

$$\begin{aligned} \text{Closing Level} &= [(\text{Final Reference Level} \times \text{Final Exchange Rate}) / (\text{Initial Reference Level} \times \text{Initial Exchange Rate}) - \text{Strike Level}] \times \text{Hedging Fee Factor} \\ &= [(1200 \times 1) / (1000 \times 1) - 0] \times 99.2566\% \\ &= 119.11\% \end{aligned}$$

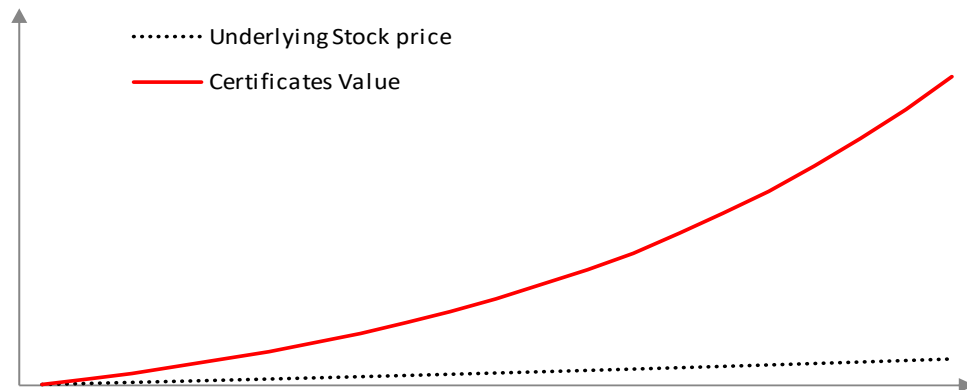
$$\begin{aligned} \text{Cash Settlement Amount} &= \text{Closing Level} \times \text{Notional Amount per Certificate} \\ &= 119.11\% \times 0.80 \text{ SGD} \\ &= \mathbf{0.953 \text{ SGD}} \end{aligned}$$

Illustration on how returns and losses can occur under different scenarios

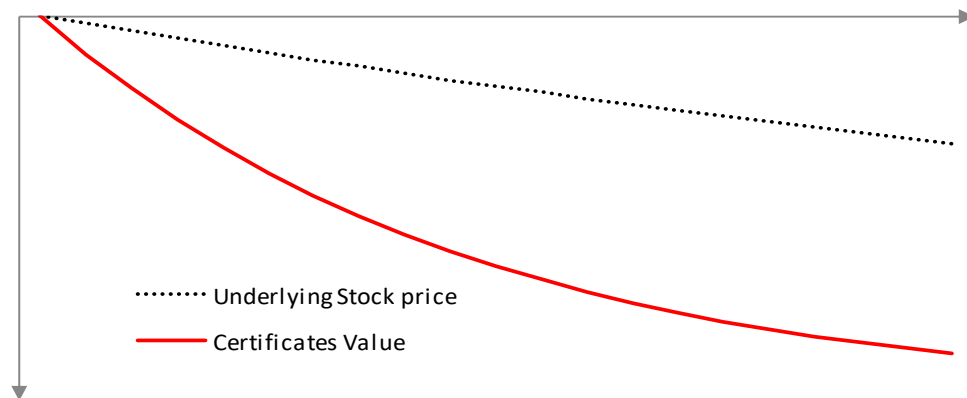
The examples are purely hypothetical and do not take fees and charges payable by investors into consideration. The examples highlight the effect of the Underlying Stock performance on the value of the Certificates and do not take into account the possible influence of fees, exchange rates, dividends,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

1. Illustrative examples

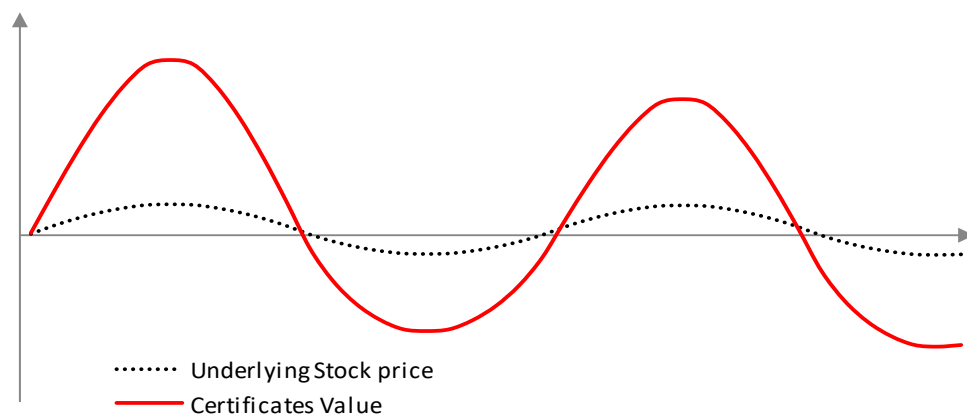
Scenario 1 – Upward Trend



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	0.80	0.88	0.97	1.06	1.17	1.29
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	0.80	0.72	0.65	0.58	0.52	0.47
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	0.80	0.88	0.79	0.87	0.78	0.86
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.

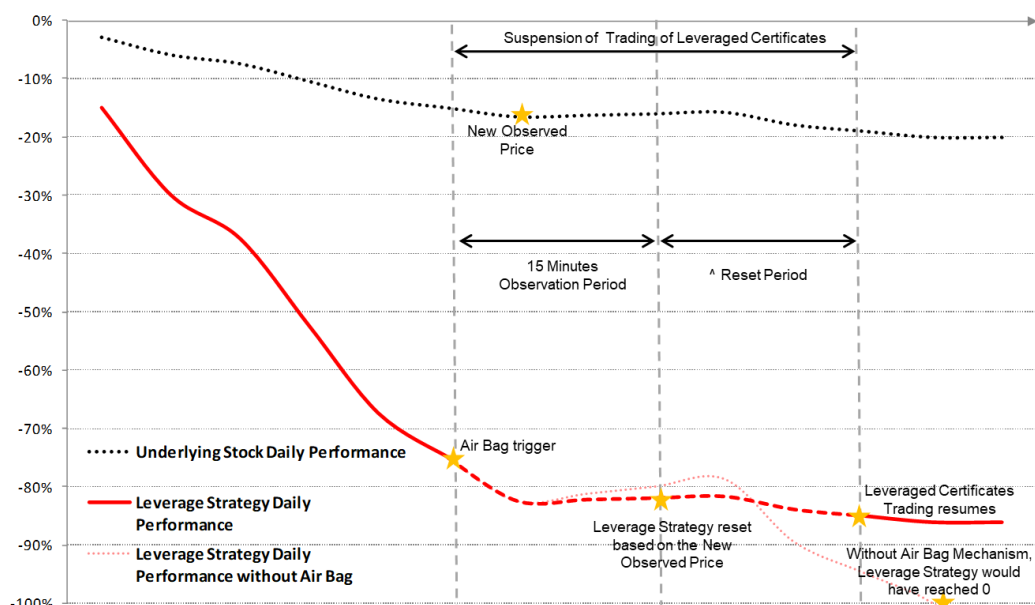
The resumption of trading is subject to the SGX-ST's requirements of at least 15 minutes after the SGX-ST approves the request from the Issuer to resume trading on the Certificates, rounded to the next quarter of an hour. The Issuer will provide at least 15 minutes' notice of the resumption of trading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

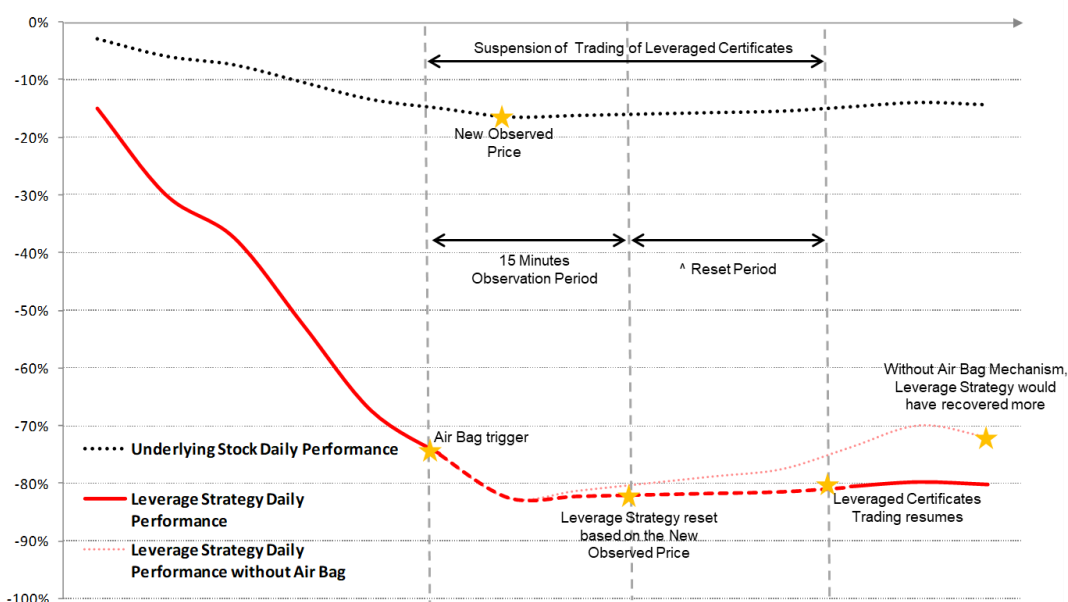
Illustrative examples of the Air Bag Mechanism⁹

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.

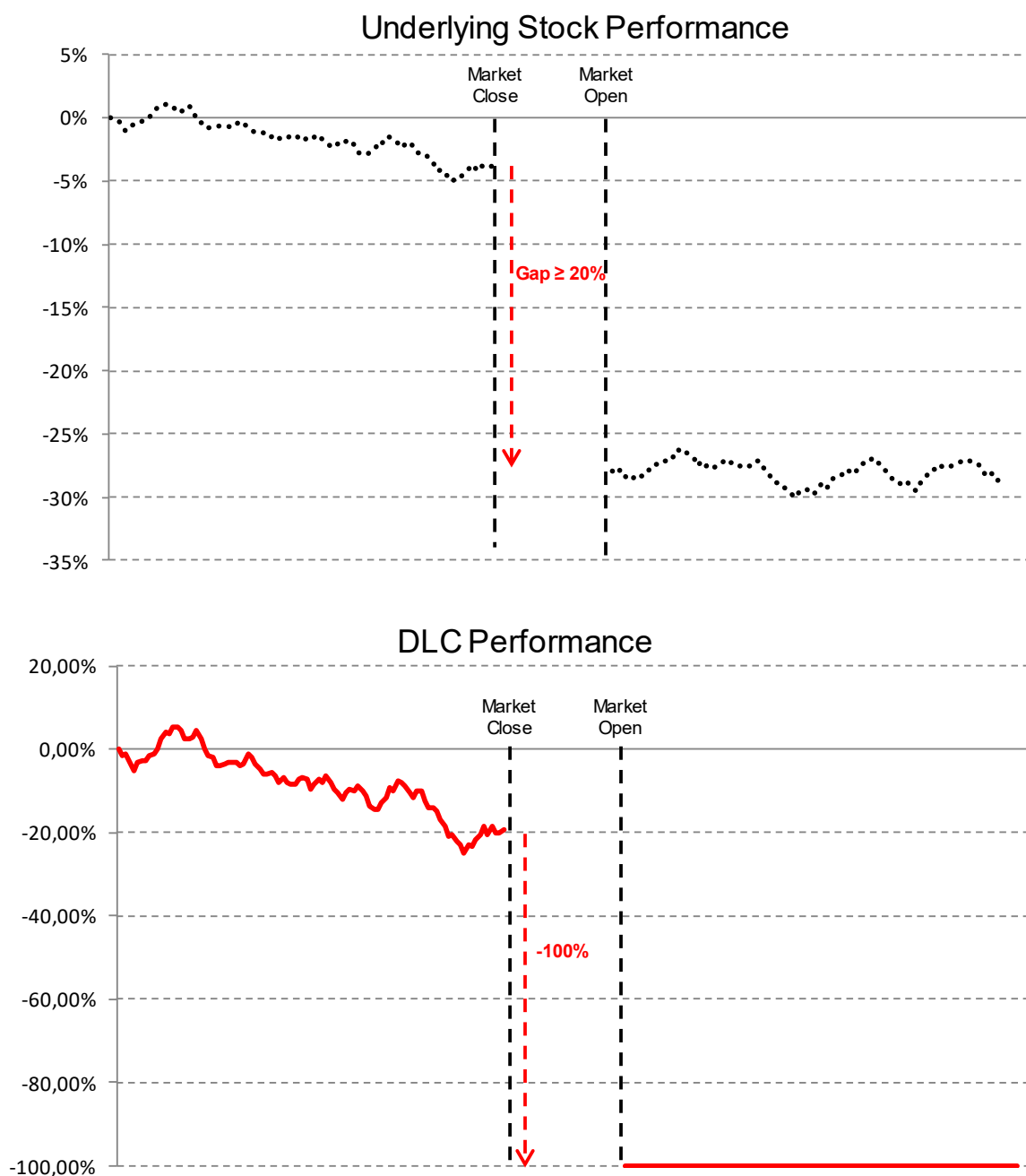
⁹ The illustrative examples are not exhaustive.

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.

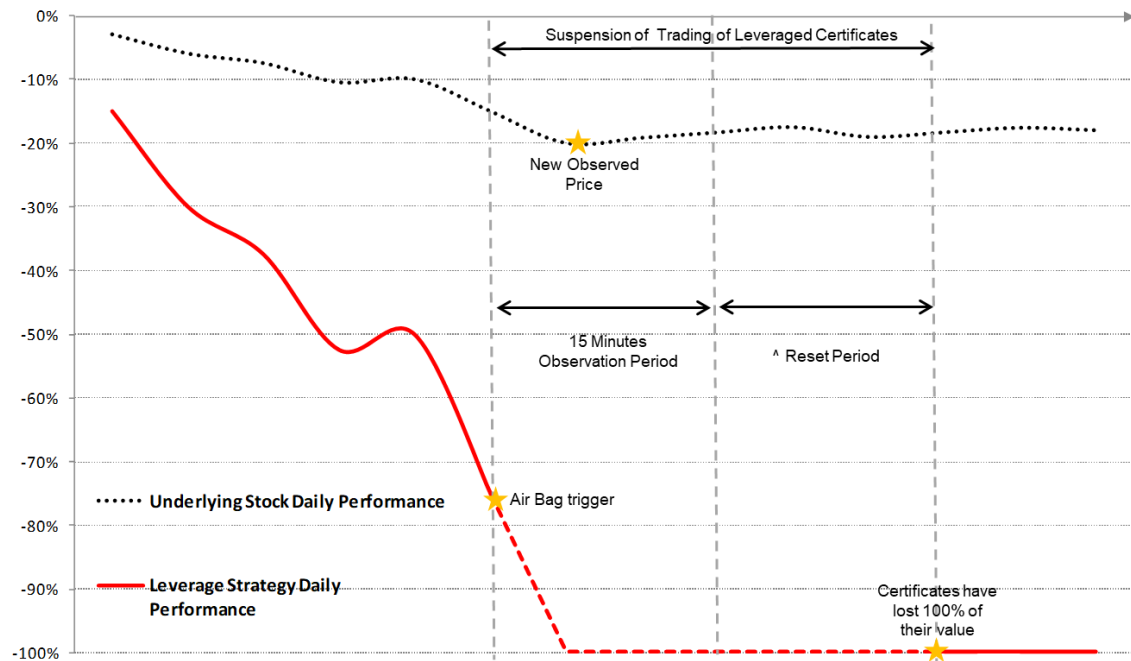
Scenario 1 – Overnight fall of the Underlying Stock

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:

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

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:

$DivExc_t$ 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. Stock split

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

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

$$S_t = \$51$$

$$Div_t = \$0$$

$$DivExc_t = \$0$$

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:

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

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)
0.80	0.88	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. Share Consolidation

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

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

$$S_t = \$202$$

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

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

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:

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

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)
0.80	0.84	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.

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

$$S_t = \$84$$

$$Div_t = \$0$$

$$DivExc_t = \$0$$

$$R = \$40 \text{ (i.e. subscription price of \$40)}$$

$$M = 0.5 \text{ (i.e. 1 new share for every 2 existing shares)}$$

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

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)
0.80	1.00	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. Bonus Issues

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

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

$$S_t = \$85$$

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

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

$$R = \$0$$

$$M = 0.2 \text{ (i.e. 1 new share for 5 existing shares)}$$

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

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)
0.80	0.88	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. Extraordinary Dividend

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

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

$$S_t = \$84$$

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

$$\text{DivExc}_t = \$20$$

$$R = \$0$$

$$M = 0$$

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

As a consequence:

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

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)
0.80	1.00	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 <https://corporate.jd.com/>. The Issuer has not independently verified any of such information.

JD.com, Inc. (the “**Company**”) is a company principally engaged in the e-commerce business, including online retail and online marketplace mainly through its retail mobile apps and www.jd.com website (collectively, JD Platform). The Company operates its businesses through four segments. JD Retail segment, including JD Health, JD Industrials, and other components, mainly engage in online retail, online marketplace and marketing services in China. JD Logistics segment includes both internal and external logistics businesses. Dada segment is a local on-demand delivery and retail platform in China. New Businesses segment mainly include JD Property, Jingxi and overseas businesses. The Company mainly conducts its businesses in the domestic market and overseas markets.

The information set out in Appendix I of this document relates to the audited consolidated financial statements of the Company and its subsidiaries for year ended 31 December 2024 and has been extracted and reproduced from an announcement by the Company dated 17 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 be 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 CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 OF JD.COM, INC. AND ITS SUBSIDIARIES

The information set out below is a reproduction of the audited consolidated 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 dated 17 April 2025 in relation to the same.

INDEPENDENT AUDITOR'S REPORT



To the Shareholders of JD.com, Inc.

(incorporated in the Cayman Islands with limited liability)

Opinion

We have audited the consolidated financial statements of JD.com, Inc. (the "Company") and its subsidiaries (collectively referred to as "the Group") set out on pages 265 to 372, which comprise the consolidated balance sheet as of December 31, 2024, and the consolidated statement of operations and comprehensive income, consolidated statement of changes in shareholders' equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as of December 31, 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the accounting principles generally accepted in the United States of America ("U.S. GAAP").

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") 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"), 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.

Independent Auditor's Report (Continued)

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were 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 these matters.

Key audit matter	How our audit addressed the key audit matter
Revenue recognition — net product revenues	
<p>The Company recognizes net product revenues from online retail business when the products are delivered and title is passed to customers. Because of the online nature of the business, the Company uses a suite of automated information technology ("IT") systems to process and record its revenue transactions.</p> <p>We identified net product revenues as a key audit matter considering the nature of the audit evidence obtained is largely dependent on the Company's IT systems. This required an increased extent of effort to determine the nature, timing and extent of audit evidence required to be obtained, including the need for us to involve IT professionals and data analytics specialists to assist with the performance of certain procedures.</p>	<p>Our audit procedures related to the Company's IT systems to process net product revenues transactions included the following, among others:</p> <ul style="list-style-type: none">• With the assistance of our IT professionals, we:<ul style="list-style-type: none">– identified relevant IT systems used to process revenue transactions and tested the general IT controls over each of these IT systems, including testing of user access controls, change management controls, and data center & network operation controls.– performed testing of relevant automated controls and interface controls of the relevant IT systems.• With the assistance of our data analytics specialists, we created data visualizations to analyze transactional revenue data for trends and reasonableness.• We tested relevant manual controls related to the net product revenues process.• We tested, on a sample basis, net product revenues transactions, by agreeing the recorded revenues to supporting documents including but not limited to executed customer orders, product delivery evidence with acceptance by customers and cash collections to evaluate whether the revenues were properly recorded.• We performed substantive analytics procedures over net product revenues by developing our own expected amounts based on cost of revenues data which is tested as part of our inventory substantive audit procedures.

Independent Auditor's Report (Continued)

Other Information

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include 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 Directors and Those Charged with Governance for the Consolidated Financial Statements

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with U.S. GAAP, 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.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's 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 consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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.

Independent Auditor's Report (Continued)

- Obtain an understanding of internal control 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 Group'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 consolidated 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 the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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 to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated 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.

The engagement partner on the audit resulting in this independent auditor's report is Ip, Kan Wah.

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong

April 17, 2025

CONSOLIDATED BALANCE SHEETS

		As of December 31,		
		2023	2024	
	Notes	RMB	RMB	US\$
Note 2(g)				
(in millions, except share and per share data)				
ASSETS				
Current assets				
Cash and cash equivalents		71,892	108,350	14,844
Restricted cash	4	7,506	7,366	1,009
Short-term investments	4	118,254	125,645	17,213
Accounts receivable, net	7	20,302	25,596	3,507
Advance to suppliers		2,753	7,619	1,044
Inventories, net	8	68,058	89,326	12,238
Prepayments and other current assets		15,639	15,951	2,185
Amount due from related parties	27	2,114	4,805	658
Assets held for sale		1,292	2,040	279
Total current assets		307,810	386,698	52,977
Non-current assets				
Property, equipment and software, net	9	70,035	82,737	11,335
Construction in progress	2(o)	9,920	6,164	845
Intangible assets, net	11	6,935	7,793	1,068
Land use rights, net	10	39,563	36,833	5,046
Operating lease right-of-use assets	16	20,863	24,532	3,361
Goodwill	12	19,980	25,709	3,522
Investments in equity investees	6	56,746	56,850	7,788
Marketable securities and other investments	4	80,840	59,370	8,134
Deferred tax assets	19	1,744	2,459	337
Other non-current assets		14,522	9,089	1,245
Total non-current assets		321,148	311,536	42,681
Total assets		628,958	698,234	95,658

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Balance Sheets (Continued)

		As of December 31,		
		2023	2024	
	Notes	RMB	RMB	US\$
Note 2(g)				
(in millions, except share and per share data)				
LIABILITIES (including amounts of the consolidated VIEs without recourse to the primary beneficiaries of RMB40,607 million and RMB42,197 million as of December 31, 2023 and 2024, respectively.)				
Current liabilities				
Short-term debts	30	5,034	7,581	1,039
Accounts payable	13	166,167	192,860	26,422
Advance from customers		31,625	32,437	4,443
Deferred revenues (including amounts in relation to traffic support, marketing and promotion services to be provided to related parties of RMB182 million and nil as of December 31, 2023 and 2024, respectively.)		2,097	2,097	287
Taxes payable		7,313	9,487	1,300
Amount due to related parties	27	1,620	1,367	187
Accrued expenses and other current liabilities	14	43,533	45,985	6,300
Operating lease liabilities	16	7,755	7,606	1,042
Liabilities held for sale		506	101	14
Total current liabilities		265,650	299,521	41,034
Non-current liabilities				
Deferred revenues		964	502	69
Unsecured senior notes	15	10,411	24,770	3,393
Deferred tax liabilities	19	9,267	9,498	1,301
Long-term borrowings	30	31,555	31,705	4,344
Operating lease liabilities	16	13,676	18,106	2,481
Other non-current liabilities		1,055	835	114
Total non-current liabilities		66,928	85,416	11,702
Total liabilities		332,578	384,937	52,736

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Balance Sheets (Continued)

As of December 31,				
		2023	2024	
	Notes	RMB	RMB	US\$ Note 2(g)
(in millions, except share and per share data)				
Commitments and contingencies	31			
MEZZANINE EQUITY		614	484	66
SHAREHOLDERS' EQUITY:				
JD.com, Inc. shareholders' equity				
Ordinary shares (US\$0.00002 par value; 100,000,000,000 shares authorized; 2,860,222,213 Class A ordinary shares issued and 2,820,978,543 outstanding, 323,212,124 Class B ordinary shares issued and 316,685,372 outstanding as of December 31, 2023; 2,865,069,999 Class A ordinary shares issued and 2,587,296,615 outstanding, 322,483,772 Class B ordinary shares issued and 316,136,640 outstanding as of December 31, 2024.)	21	—*	—*	—*
Additional paid-in capital		184,204	182,404	24,989
Statutory reserves	2(oo)	6,109	6,688	916
Treasury stock		(3,409)	(27,739)	(3,800)
Retained earnings		44,051	76,573	10,491
Accumulated other comprehensive income	24	903	1,421	195
Total JD.com, Inc. shareholders' equity		231,858	239,347	32,791
Non-controlling interests		63,908	73,466	10,065
Total shareholders' equity		295,766	312,813	42,856
Total liabilities, mezzanine equity and shareholders' equity		628,958	698,234	95,658

* Absolute value is less than RMB1 million or US\$1 million.

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME

For the year ended December 31,					
Notes	2022	2023	2024		
	RMB	RMB	RMB	US\$	Note 2(g)
(in millions, except share and per share data)					
Net revenues					
Net product revenues	2(z)	865,062	871,224	928,007	127,136
Net service revenues	2(z)	181,174	213,438	230,812	31,622
Total net revenues		1,046,236	1,084,662	1,158,819	158,758
Cost of revenues		(899,163)	(924,958)	(974,951)	(133,568)
Fulfillment		(63,011)	(64,558)	(70,426)	(9,648)
Marketing		(37,772)	(40,133)	(47,953)	(6,570)
Research and development		(16,893)	(16,393)	(17,031)	(2,333)
General and administrative		(11,053)	(9,710)	(8,888)	(1,218)
Impairment of goodwill	12	—	(3,143)	(799)	(109)
Impairment of long-lived assets	4	—	(2,025)	(1,562)	(214)
Gain on sale of development properties	17	1,379	2,283	1,527	209
Income from operations		19,723	26,025	38,736	5,307
Other income/(expense)					
Share of results of equity investees	6	(2,195)	1,010	2,327	319
Interest expense		(2,106)	(2,881)	(2,896)	(397)
Others, net	18	(1,555)	7,496	13,371	1,832
Income before tax		13,867	31,650	51,538	7,061
Income tax expenses	19	(4,176)	(8,393)	(6,878)	(943)
Net income		9,691	23,257	44,660	6,118
Net income/(loss) attributable to non-controlling interests shareholders		(697)	(910)	3,301	452
Net income attributable to mezzanine equity classified as non-controlling interests shareholders		8	—	—	—
Net income attributable to the Company's ordinary shareholders		10,380	24,167	41,359	5,666

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Operations and Comprehensive Income (Continued)

		For the year ended December 31,			
Notes		2022	2023	2024	
		RMB	RMB	RMB	US\$ Note 2(g)
(in millions, except share and per share data)					
Net income		9,691	23,257	44,660	6,118
Other comprehensive income:					
Foreign currency translation adjustments		7,810	1,374	1,020	140
Total comprehensive income		17,501	24,631	45,680	6,258
Total comprehensive income/(loss) attributable to non-controlling interests shareholders		1,982	(1,398)	3,803	521
Total comprehensive income attributable to mezzanine equity classified as non-controlling interests shareholders		8	—	—	—
Total comprehensive income attributable to the Company's ordinary shareholders		15,511	26,029	41,877	5,737
Net income per share	26				
Basic		3.32	7.69	13.83	1.90
Diluted		3.21	7.61	13.43	1.84
Net income per ADS					
Basic		6.64	15.37	27.67	3.79
Diluted		6.42	15.23	26.86	3.68
Weighted average number of shares					
Basic		3,125,571,110	3,144,233,160	2,989,701,855	2,989,701,855
Diluted		3,180,886,136	3,170,542,396	3,076,061,616	3,076,061,616

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the year ended December 31,			
	2022	2023	2024	US\$
	RMB	RMB	RMB	Note 2(g)
	(in millions)			
Cash flows from operating activities:				
Net income	9,691	23,257	44,660	6,118
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization	7,236	8,292	8,904	1,220
Share-based compensation	7,548	4,804	2,999	411
Losses from disposal of property, equipment and software	407	55	140	19
Deferred income tax	(549)	869	(1,144)	(157)
Impairment of long-lived assets and goodwill	—	5,168	2,361	323
Allowance for doubtful accounts	926	641	333	46
Impairment of investments	1,969	3,043	3,299	452
(Gains)/losses from fair value change of long-term investments	4,096	855	(1,355)	(186)
(Gains)/losses from acquisitions or disposals of businesses and investments	3,558	(89)	(652)	(89)
Gain on sale of development properties	(1,379)	(2,283)	(1,527)	(209)
Share of results of equity investees	2,195	(1,010)	(2,327)	(319)
Accrued interest income	(1,131)	(211)	(2,912)	(399)
Non-cash portion of other non-operating (income)/expense, net	(108)	40	168	23
Changes in operating assets and liabilities:				
Accounts receivable	(7,196)	(310)	(4,546)	(623)
Advance to suppliers	9	1,075	(1,676)	(230)
Inventories	(2,278)	9,891	(20,154)	(2,761)
Prepayments and other current assets	(769)	357	114	16
Amount due from related parties	1,763	(750)	(527)	(72)
Operating lease right-of-use assets	(525)	(273)	(3,642)	(499)
Other non-current assets	2,328	518	575	79
Accounts payable	17,658	4,614	27,844	3,815
Advance from customers	4,526	(2,088)	704	96
Deferred revenues	(319)	(1,397)	(462)	(63)
Taxes payable	3,206	1,311	1,913	262
Amount due to related parties	847	1,132	(1,288)	(176)
Accrued expenses and other current liabilities	3,295	2,149	2,241	307
Operating lease liabilities	705	529	4,254	583
Other non-current liabilities	110	(668)	(202)	(28)
Net cash provided by operating activities	57,819	59,521	58,095	7,959

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Cash Flows (Continued)

	For the year ended December 31,			
	2022	2023	2024	
	RMB	RMB	RMB	US\$
				Note 2(g)
	(in millions)			
Cash flows from investing activities:				
Purchases of time deposits and wealth management products	(183,310)	(268,529)	(148,462)	(20,339)
Maturity of time deposits and wealth management products	165,123	217,184	166,517	22,813
Disposal of investment securities	6,348	8,318	1,388	190
Prepayments and investments in equity investees	(4,501)	(1,382)	(3,146)	(431)
Disposal of equity investments	412	387	576	79
Cash paid for loan originations	(77,577)	(75,761)	(84,578)	(11,587)
Cash received from loan repayments	77,732	75,986	84,840	11,623
Purchase of property, equipment and software and intangible assets	(5,505)	(4,028)	(5,353)	(733)
Disposal of equipment and other assets	1,418	130	81	11
Cash paid for asset acquisitions, net of cash acquired	(2,170)	(5,468)	(4,308)	(590)
Purchase of land use rights	(5,236)	(4,981)	(618)	(85)
Cash paid for construction in progress	(12,172)	(11,006)	(7,848)	(1,075)
Sales of development properties	1,686	6,975	3,822	524
Cash paid for business combinations, net of cash acquired	(15,684)	—	(2,776)	(380)
Loans settled by/(provided to) JD Technology	(502)	3,328	50	7
Other investing activities	(88)	(696)	(1,056)	(146)
Net cash used in investing activities	(54,026)	(59,543)	(871)	(119)

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Cash Flows (Continued)

	For the year ended December 31,			
	2022 RMB	2023 RMB	2024 RMB	US\$ Note 2(g)
	(in millions)			
Cash flows from financing activities:				
Repurchase of ordinary shares	(1,823)	(2,497)	(25,912)	(3,550)
Proceeds from issuance of ordinary shares pursuant to share-based awards	1,043	33	27	4
Cash paid for dividends	(13,087)	(6,741)	(8,263)	(1,132)
Capital injection from non-controlling interest shareholders	8,020	1,835	31	4
Acquisition of additional equity interests in non-wholly owned subsidiaries	(4,581)	(778)	(829)	(114)
Proceeds from debts	47,309	30,500	13,628	1,867
Repayment of debts	(35,439)	(27,387)	(13,253)	(1,816)
Proceeds from unsecured senior notes, net of issuance costs	—	—	13,999	1,918
Repurchase and repayment of unsecured senior notes	(31)	—	—	—
Other financing activities	(231)	(773)	(432)	(58)
Net cash provided by/(used in) financing activities	1,180	(5,808)	(21,004)	(2,877)
Effect of exchange rate changes on cash, cash equivalents, and restricted cash	3,490	125	98	13
Net increase/(decrease) in cash, cash equivalents, and restricted cash	8,463	(5,705)	36,318	4,976
Cash, cash equivalents, and restricted cash at beginning of year, including cash, cash equivalents, and restricted cash classified within assets held for sale	76,693	85,156	79,451	10,884
Less: cash, cash equivalents, and restricted cash classified within assets held for sale at beginning of year	—	41	53	7
Cash, cash equivalents, and restricted cash at beginning of year	76,693	85,115	79,398	10,877
Cash, cash equivalents, and restricted cash at end of year, including cash, cash equivalents and restricted cash classified within assets held for sale	85,156	79,451	115,716	15,853
Less: cash, cash equivalents, and restricted cash classified within assets held for sale at end of year	41	53	—*	—*
Cash, cash equivalents, and restricted cash at end of year	85,115	79,398	115,716	15,853

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Cash Flows (Continued)

	For the year ended December 31,			
	2022	2023	2024	
	RMB	RMB	RMB	US\$ Note 2(g)
	(in millions)			
Supplemental disclosure of cash flow information:				
Cash paid for income taxes	(2,555)	(5,462)	(8,807)	(1,207)
Cash paid for interest	(2,393)	(2,808)	(2,774)	(380)
Supplemental disclosures of non-cash investing and financing activities:				
Right-of-use assets acquired under operating leases	7,700	10,890	11,173	1,531
Acquisition of equity interest in Dada** by strategic resources	1,606	249	—	—

* Absolute value is less than RMB1 million or US\$1 million.

** Dada is defined in Note 1.

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

	Ordinary shares		Treasury stock		Accumulated			Retained earnings	Non-controlling interests	Total shareholders' equity
	Shares	Amount	Shares	Amount	Additional paid-in capital	Statutory reserves	other comprehensive income/(loss)			
RMB	RMB	RMB	RMB	RMB	RMB	RMB				
(in millions, except share data)										
Balance as of December 31, 2021	3,159,308,831	—*	(48,517,182)	(2,968)	182,578	1,586	(6,090)	33,805	36,661	245,572
Issuance of ordinary shares	2,164,236	—*	—	—	448	—	—	—	—	448
Issuance of Class A ordinary shares reserved for future exercise/vesting of share-based awards	18,200,000	—*	(18,200,000)	—*	—	—	—	—	—	—
Dividends	—	—	—	—	—	—	—	(12,994)	—	(12,994)
Repurchase of ordinary shares	—	—	(10,020,406)	(1,823)	—	—	—	—	—	(1,823)
Accretion of convertible redeemable non-controlling interests	—	—	—	—	—	—	—	(8)	—	(8)
Exercise of share-based awards	—	—	9,620,476	654	403	—	—	—	—	1,057
Share-based compensation and vesting of share-based awards	—	—	23,123,292	1,644	2,416	—	—	—	3,623	7,683
Net income/(loss)	—	—	—	—	—	—	—	10,388	(697)	9,691
Foreign currency translation adjustments	—	—	—	—	—	—	5,131	—	2,679	7,810
Statutory reserves	—	—	—	—	—	1,887	—	(1,887)	—	—
Change of the capital from non-controlling interest shareholders	—	—	—	—	(1,801)	—	—	—	4,424	2,623
Acquisition of subsidiaries and assets	—	—	—	—	—	—	—	—	13,868	13,868
Disposal of subsidiaries	—	—	—	—	(1)	—	—	—	(391)	(392)
Others	—	—	—	—	(2)	—	—	—	—	(2)
Balance as of December 31, 2022	3,179,673,067	—*	(43,993,820)	(2,493)	184,041	3,473	(959)	29,304	60,167	273,533

* Absolute value is less than RMB1 million or US\$1 million.

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Changes in Shareholders' Equity (Continued)

	Ordinary shares		Treasury stock		Accumulated					Total shareholders' equity
	Shares	Amount	Shares	Amount	Additional paid-in capital	Statutory reserves	other	Retained earnings	Non-controlling interests	
							comprehensive			
							income/(loss)			
							RMB			
(in millions, except share data)										
Issuance of ordinary shares	3,761,270	—*	—	—	472	—	—	—	—	472
Dividends	—	—	—	—	—	—	—	(6,784)	—	(6,784)
Repurchase of ordinary shares	—	—	(22,678,980)	(2,497)	—	—	—	—	—	(2,497)
Exercise of share-based awards	—	—	1,485,726	120	(73)	—	—	—	—	47
Share-based compensation and vesting of share-based awards	—	—	19,416,652	1,461	453	—	—	—	2,958	4,872
Net income/(loss)	—	—	—	—	—	—	—	24,167	(910)	23,257
Translation adjustments and hedge of net investments in foreign operations, net of tax	—	—	—	—	—	—	1,862	—	(488)	1,374
Statutory reserves	—	—	—	—	—	2,636	—	(2,636)	—	—
Change of the capital from non-controlling interest shareholders	—	—	—	—	(690)	—	—	—	2,181	1,491
Others	—	—	—	—	1	—	—	—	—	1
Balance as of December 31, 2023	3,183,434,337	—*	(45,770,422)	(3,409)	184,204	6,109	903	44,051	63,908	295,766

* Absolute value is less than RMB1 million or US\$1 million.

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Changes in Shareholders' Equity (Continued)

	Ordinary shares		Treasury stock		Additional paid-in capital	Statutory reserves	Accumulated other comprehensive income/(loss)	Retained earnings	Non- controlling interests	Total shareholders' equity
	Shares	Amount	Shares	Amount						
	RMB			RMB	RMB	RMB	RMB	RMB	RMB	RMB
(in millions, except share data)										
Balance as of December 31, 2023	3,183,434,337	— *	(45,770,422)	(3,409)	184,204	6,109	903	44,051	63,908	295,766
Issuance of ordinary shares	4,119,434	— *	—	—	474	—	—	—	—	474
Dividends	—	—	—	—	—	—	—	(8,258)	—	(8,258)
Repurchase of ordinary shares	—	—	(255,278,178)	(25,912)	—	—	—	—	—	(25,912)
Exercise of share-based awards	—	—	122,670	12	—	—	—	—	—	12
Share-based compensation and vesting of share-based awards	—	—	16,805,414	1,570	(589)	—	—	—	1,954	2,935
Net income	—	—	—	—	—	—	—	41,359	3,301	44,660
Translation adjustments and hedge of net investments in foreign operations, net of tax	—	—	—	—	—	—	518	—	502	1,020
Statutory reserves	—	—	—	—	—	579	—	(579)	—	—
Change of the capital from non-controlling interest shareholders	—	—	—	—	(951)	—	—	—	269	(682)
Acquisition of subsidiaries and assets	—	—	—	—	—	—	—	—	3,532	3,532
Others	—	—	—	—	(734)	—	—	—	—	(734)
Balance as of December 31, 2024	3,187,553,771	— *	(284,120,516)	(27,739)	182,404	6,688	1,421	76,573	73,466	312,813

* Absolute value is less than RMB1 million or US\$1 million.

The accompanying notes are an integral part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 Principal Activities and Organization

JD.com, Inc. (the “Company”) is a leading supply chain-based technology and service provider, providing products and services to consumers, third-party merchants, suppliers and other business partners through its subsidiaries, consolidated variable interest entities (“VIEs”) and consolidated VIEs’ subsidiaries (collectively, the “Group”).

The Group operates e-commerce business, including online retail and online marketplace mainly through its retail mobile apps and www.jd.com website (collectively, “JD Platform”). The Group serves consumers through online retail, focusing on product selection, price and convenience, serves third-party merchants through online marketplace, offering programs that enable the merchants to sell their products on JD Platform and to fulfill the orders either by themselves or through the Group’s logistics services. Leveraging its Artificial Intelligence (AI) capabilities and technologies, the Group provides a variety of marketing services to business partners through its proprietary advertisement technology platform. Leveraging its leading logistics network, the Group provides integrated supply chain solutions and logistics services, primarily including warehousing and distribution services, express and freight services and other value-added services to third parties, including both third-party merchants and suppliers on JD Platform and other business partners, through JD Logistics, Inc. (“JD Logistics”), the Group’s logistics subsidiary. The Group also operates healthcare business through JD Health International Inc. (“JD Health”), establishes platform for developing and managing modern infrastructure through JINGDONG Property, Inc. (“JD Property”, formerly known as JD Property Group Corporation), empowers industrial development by supply chain technology and services through JINGDONG Industrials, Inc. (“JD Industrials”, formerly known as JD Industrial Technology Inc.) and provides on-demand retail platform services and on-demand delivery services through Dada Nexus Limited (“Dada”).

The Company’s American depositary shares (“ADS”) have been listed on the Nasdaq Global Select Market under the symbol “JD” and the Company’s ordinary shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (“HKEX”) under the stock codes “9618 (HKD counter)” and “89618 (RMB counter)”. Each ADS represents two ordinary shares.

The Group’s principal operations and geographic markets are in the People’s Republic of China (“PRC” or “China”). The accompanying consolidated financial statements include the financial statements of the Company, its subsidiaries, consolidated VIEs and consolidated VIEs’ subsidiaries.

Notes to the Consolidated Financial Statements (Continued)

1 Principal Activities and Organization (Continued)

As of December 31, 2024, the Company's major subsidiaries, consolidated VIEs and consolidated VIEs' subsidiaries are as follows:

	Equity interest held	Place and date of incorporation
Subsidiaries		
Beijing Jingdong Century Trade Co., Ltd. ("Jingdong Century")	100%	Beijing, China, April 2007
Jiangsu Jingdong Information Technology Co., Ltd.	100%	Jiangsu, China, June 2009
Shanghai Shengdayuan Information Technology Co., Ltd.	100%	Shanghai, China, April 2011
JD Logistics Holding Limited	63%	Hong Kong, China, August 2011
Jingdong Technology Group Corporation	100%	Cayman Islands, November 2011
JINGDONG Property, Inc.	75%	Cayman Islands, January 2012
JD Logistics, Inc.	63%	Cayman Islands, January 2012
Jingdong E-Commerce (Trade) Hong Kong Co., Ltd.	100%	Hong Kong, China, February 2012
JD.com International Limited	100%	Hong Kong, China, February 2012
Beijing Jingdong Shangke Information Technology Co., Ltd. ("Beijing Shangke")	100%	Beijing, China, March 2012
Chongqing Jingdong Haijia E-commerce Co., Ltd. ("Chongqing Haijia")	100%	Chongqing, China, June 2014
JD.com Investment Limited	100%	British Virgin Islands ("BVI"), January 2015
JD Asia Development Limited	75%	British Virgin Islands, February 2015
Suqian Hanbang Investment Management Co., Ltd.	100%	Jiangsu, China, January 2016
Jiangsu Xinchuan Hailian Supply Chain Management Co., Ltd. (formerly known as Xi'an Jingxundi Supply Chain Technology Co., Ltd.)	63%	Jiangsu, China, May 2017
JD Assets Holding Limited	100%	Cayman Islands, March 2018
JD Property Holding Limited	100%	Cayman Islands, March 2018
Beijing Wodong Tianjun Information Technology Co., Ltd. ("Beijing Wodong Tianjun")	100%	Beijing, China, May 2018
JD Health International Inc.	67%	Cayman Islands, November 2018
JD Jiankang Limited	100%	British Virgin Islands, April 2019
JD Industrial Technology Limited	100%	British Virgin Islands, October 2019
JINGDONG Industrials, Inc.	78%	Cayman Islands, November 2019
Jingdong Logistics Supply Chain Co., Ltd.	63%	Jiangsu, China, June 2020
Jiangsu Huiji Space Technology Co., Ltd.	100%	Jiangsu, China, March 2019

Notes to the Consolidated Financial Statements (Continued)

1 Principal Activities and Organization (Continued)

	Equity interest held	Place and date of incorporation
Subsidiaries (Continued)		
JD Sunflower Investment Limited	100%	British Virgin Islands, February 2016
Windcreek Limited	100%	British Virgin Islands, January 2016
Dada Nexus Limited	63%	Cayman Islands, July 2014
Consolidated VIEs		
Beijing Jingdong 360 Degree E-commerce Co., Ltd. ("Jingdong 360")		Beijing, China, April 2007
Jiangsu Yuanzhou E-commerce Co., Ltd. ("Jiangsu Yuanzhou")		Jiangsu, China, September 2010
Jiangsu Jingdong Bangneng Investment Management Co., Ltd. ("Jingdong Bangneng")		Jiangsu, China, August 2015
Xi'an Jingdong Xincheng Information Technology Co., Ltd. ("Xi'an Jingdong Xincheng")		Shaanxi, China, June 2017
Suqian Hanyu Technology Co., Ltd. ("Suqian Hanyu")		Jiangsu, China, December 2024
Consolidated VIEs' Subsidiaries		
Beijing Jingbangda Trade Co., Ltd. ("Beijing Jingbangda")		Beijing, China, August 2012
Suqian Juhe Digital Enterprise Management Co., Ltd. ("Suqian Juhe")		Jiangsu, China, June 2020

1 Principal Activities and Organization (Continued)

- **Organization**

The Company was incorporated in the BVI in November 2006 and was re-domiciled in the Cayman Islands in January 2014 as an exempted company registered under the laws of the Cayman Islands.

As of December 31, 2024, the Company effectively controls multiple PRC domestic entities as VIEs through their respective primary beneficiaries who are subsidiaries of the Company. The paid-in capital of each of these PRC domestic entities was funded by the Company, and they were established to facilitate the Group's operations and business expansion plans and comply with the PRC laws and regulations which prohibit or restrict foreign ownership of the companies where the PRC operating licenses are required. The representative PRC domestic entities and its subsidiaries are Jingdong 360, Jiangsu Yuanzhou, Jingdong Bangneng, Xi'an Jingdong Xincheng, Suqian Jingdong Tianning Jiankang Technology Co., Ltd., Suqian Hanyu, Suqian Juhe and Beijing Jingbangda. In September 2022, the Group renewed certain agreements, resulting in Jiangsu Yuanzhou and Jingdong Bangneng becoming VIEs of the Company. In December 2024, Suqian Hanyu became a VIE of the Company and the major shareholder of Suqian Juhe.

- **Consolidated variable interest entities**

In order to comply with the PRC laws and regulations which prohibit or restrict foreign control of companies involved in provision of internet content and other restricted businesses, the Group operates its websites and other restricted businesses in the Chinese mainland through certain PRC domestic companies, whose equity interests are held by certain individuals ("Nominee Shareholders"). The Group obtained control over these PRC domestic companies by entering into a series of contractual arrangements with these PRC domestic companies and their respective Nominee Shareholders. These contractual agreements are substantially similar in key aspects governing the contractual arrangements with a variable interest entity of the Group, include loan agreements, exclusive purchase option agreements, exclusive technology consulting and services agreements or exclusive business cooperation agreements, as applicable, intellectual property rights license agreement, equity pledge agreements, powers of attorney, business cooperation agreement and business operation agreements. These contractual agreements can be extended at the Group's relevant PRC subsidiaries' options prior to the expiration date. Management concluded that these PRC domestic companies are consolidated VIEs of the Group, of which the Group is the ultimate primary beneficiary. As such, the Group consolidated the financial results of these PRC domestic companies and their subsidiaries in the Group's consolidated financial statements. Refer to Note 2(b) to the consolidated financial statements for the principles of consolidation.

1 Principal Activities and Organization (Continued)

The following is a summary of the contractual agreements (collectively, “Contractual Agreements”) that the Group, through its subsidiaries, entered into with the consolidated VIEs and their Nominee Shareholders:

- **Loan agreements**

Pursuant to the relevant loan agreements, the Group’s relevant PRC subsidiaries have granted interest-free loans to the relevant Nominee Shareholders of the VIEs with the sole purpose of providing funds necessary for the capital injection to the relevant VIEs. The loans for initial and subsequent capital injections are eliminated with the capital of the relevant VIEs during consolidation. The Group’s relevant PRC subsidiaries can require the Nominee Shareholders to settle the loan amount with the equity interests of the relevant VIEs, subject to any applicable PRC laws, rules and regulations. The loan agreements are renewable upon expiration.

- **Exclusive purchase option agreements**

The Nominee Shareholders of the VIEs have granted the Group’s relevant PRC subsidiaries the exclusive and irrevocable rights to purchase from the Nominee Shareholders, to the extent permitted under the PRC laws and regulations, part or all of the equity interests in these entities for a purchase price equal to the lowest price permitted by the PRC laws and regulations. The Group’s relevant PRC subsidiaries may exercise such option at any time. In addition, the VIEs and their Nominee Shareholders have agreed that without prior written consent of the Group’s relevant PRC subsidiaries, they will not transfer or otherwise dispose the equity interests or declare any dividend.

- **Exclusive technology consulting and services agreements or exclusive business cooperation agreements**

The Group’s relevant PRC subsidiaries and relevant VIEs entered into exclusive technology consulting and services agreements or exclusive business cooperation agreements, as applicable, under which the relevant VIEs engage the Group’s relevant PRC subsidiaries as their exclusive provider of technical platform and technical support, business support, maintenance and other services. The VIEs shall pay to the Group’s relevant PRC subsidiaries service fees determined based on the volume and market price of the service provided. All the benefits and interests generated from the agreements, including but not limited to intellectual property rights, know-how and trade secrets, will be the Group’s relevant PRC subsidiaries’ sole and exclusive rights. During the term of the agreements, the relevant VIEs may not enter into any agreement with third parties for the provision of identical or similar services without prior consent of the Group’s relevant PRC subsidiaries.

1 Principal Activities and Organization (Continued)

- **Equity pledge agreements**

Pursuant to the relevant equity pledge agreements, the Nominee Shareholders of the VIEs have pledged all of their equity interests in the relevant VIEs to the Group's relevant PRC subsidiaries as collateral for all of their payments due to the Group's relevant PRC subsidiaries and to secure their obligations under the above agreements. The Nominee Shareholders may not transfer or assign the equity interests, the rights and obligations in the equity pledge agreements or create or permit to create any pledges which may have an adverse effect on the rights or benefits of the Group's relevant PRC subsidiaries without the Group's relevant PRC subsidiaries' preapproval. The Group's relevant PRC subsidiaries are entitled to transfer or assign in full or in part the equity interests pledged. In the event of default, the Group's relevant PRC subsidiaries as the pledgee, will be entitled to request immediate repayment of the loans or to dispose of the pledged equity interests through transfer or assignment.

- **Powers of attorney**

Pursuant to the irrevocable powers of attorney, each of the Nominee Shareholders appointed any person designated by the Group's relevant PRC subsidiaries as their attorney-in-fact to exercise all shareholder rights under the PRC laws and the relevant articles of association, including but not limited to, voting on their behalf on all matters requiring shareholder approval, disposing of all or part of the Nominee Shareholders' equity interests, and electing, appointing or removing directors and the general managers of the VIEs. Each power of attorney will remain in force during the period when the Nominee Shareholders continue to be the shareholders of the VIEs. Each of the Nominee Shareholders has waived all the rights which have been authorized to the person designated by the Group's relevant PRC subsidiaries under each power of attorney.

- **Business operation agreements**

Pursuant to the business operation agreements, the relevant Nominee Shareholders of the VIEs must appoint the candidates nominated by the Group's relevant PRC subsidiaries to be the directors on the VIEs' board of directors in accordance with applicable laws and the articles of association of the VIEs, and must cause the persons recommended by the Group's relevant PRC subsidiaries to be appointed as the VIEs' general manager, chief financial officer and other senior executives.

1 Principal Activities and Organization (Continued)

- **Risks in relations to the VIE structure**

The Company believes that the contractual arrangements among its subsidiaries, the VIEs and their owners are in compliance with the current PRC laws and legally enforceable. However, uncertainties in the interpretation and enforcement of the PRC laws, regulations and policies could limit the Company's ability to enforce these contractual arrangements. As a result, the Company may be unable to consolidate the VIEs and VIEs' subsidiaries in the consolidated financial statements. The Company's ability to control the VIEs also depends on the authorization by the shareholders of the VIEs to exercise voting rights on all matters requiring shareholders' approval in the VIEs. The Company believes that the agreements on authorization to exercise shareholders' voting power are legally enforceable. In addition, if the legal structure and contractual arrangements with the VIEs are found to be in violation of any future PRC laws and regulations, the Company may be subject to fines or potentially be forced to relinquish Company's interests in those operations.

The following table sets forth the assets, liabilities, results of operations and changes in cash, cash equivalents, and restricted cash of the consolidated VIEs (where appropriate, the term "VIEs" also refers to its subsidiaries as a whole) structured by the Contractual Agreements, which have eliminated the intercompany transactions within the consolidated VIEs:

	As of December 31,	
	2023	2024
	(RMB in millions)	
Total assets	81,301	85,451
Total liabilities	74,855	71,509

	For the year ended December 31,		
	2022	2023	2024
	(RMB in millions)		
Total net revenues	134,516	145,795	166,067
Net income	1,137	2,503	6,263

Notes to the Consolidated Financial Statements (Continued)

1 Principal Activities and Organization (Continued)

- Risks in relations to the VIE structure (Continued)

	For the year ended December 31,		
	2022	2023	2024
	(RMB in millions)		
Net cash provided by operating activities	5,434	3,291	10,968
Net cash provided by/(used in) investing activities	(4,498)	3,324	(3,482)
Net cash used in financing activities	(1,306)	(900)	(9,782)
Net increase/(decrease) in cash, cash equivalents, and restricted cash	(370)	5,715	(2,296)
Cash, cash equivalents, and restricted cash at beginning of year	5,560	5,190	10,905
Cash, cash equivalents, and restricted cash at end of year	5,190	10,905	8,609

As of December 31, 2023 and 2024, the total assets of the consolidated VIEs excluding the intra-company balances and transactions within the Group were RMB78,316 million and RMB83,392 million, respectively, which were consisting of cash and cash equivalents, restricted cash, short-term investments, accounts receivable, net, inventories, net, marketable securities and other investments, investments in equity investees, property, equipment and software, net, operating lease right-of-use assets and prepayments and other non-current assets. As of December 31, 2023 and 2024, the total liabilities of the consolidated VIEs after eliminating the intra-company balances and transactions within the Group were RMB40,607 million and RMB42,197 million, respectively, which were consisting of short-term debts, accounts payable, operating lease liabilities, long-term borrowings, accrued expenses and other non-current liabilities.

For the years ended December 31, 2022, 2023 and 2024, the total net revenues of the consolidated VIEs were RMB72,666 million, RMB85,140 million and RMB101,218 million, respectively, which have been reflected in the Group's consolidated financial statements with the intra-company transactions within the Group eliminated.

In accordance with the Contractual Agreements, the Group's relevant PRC subsidiaries have the power to direct activities of the consolidated VIEs, and can have assets transferred out of the consolidated VIEs. Therefore, the Group's relevant PRC subsidiaries consider that there is no asset in the consolidated VIEs that can be used only to settle their obligations except for registered capitals and the PRC statutory reserves of the consolidated VIEs amounting to RMB5,325 million as of December 31, 2024. As the consolidated VIEs are incorporated as limited liability companies under the PRC Company Law, the creditors do not have recourse to the general credit of the Group's relevant PRC subsidiaries for all the liabilities of the consolidated VIEs. As of December 31, 2023 and 2024, the total shareholders' equity of the consolidated VIEs was RMB6,446 million and RMB13,942 million, respectively.

1 Principal Activities and Organization (Continued)

- **Risks in relations to the VIE structure (Continued)**

Currently there is no contractual arrangement that could require the Group's relevant PRC subsidiaries or the Group to provide additional financial support to the consolidated VIEs. As the Group conducts certain businesses in the Chinese mainland through the consolidated VIEs, the Group may provide additional financial support on a discretionary basis in the future, which could expose the Group to a loss.

2 Summary of Significant Accounting Policies

- a. **Basis of presentation**

The consolidated financial statements of the Group have been prepared in accordance with the accounting principles generally accepted in the United States of America ("U.S. GAAP"). Significant accounting policies followed by the Group in the preparation of the accompanying consolidated financial statements are summarized below. All amounts, except for share, per share data or otherwise noted, are rounded to the nearest million.

- b. **Principles of consolidation**

The consolidated financial statements include the financial statements of the Company, its subsidiaries and the consolidated VIEs for which the Company is the ultimate primary beneficiary. Subsidiaries are those entities in which the Company, directly or indirectly, controls more than one half of the voting power; or has the power to govern the financial and operating policies, to appoint or remove the majority of the members of the board of directors, or to cast a majority of votes at the meeting of directors.

A consolidated VIE is an entity in which the Company, or its subsidiaries, through the Contractual Arrangements, bear the risks of, and enjoy the rewards normally associated with, ownership of the entity, and therefore the Company or its subsidiaries are the primary beneficiary of the entity.

All transactions and balances among the Company, its subsidiaries and the consolidated VIEs have been eliminated upon consolidation.

- c. **Reclassifications**

Certain reclassifications have been made to the prior years' consolidated financial statements to conform to the current year's presentation. These reclassifications had no impact on net income, shareholders' equity, or cash flows as previously reported.

Notes to the Consolidated Financial Statements (Continued)

2 Summary of Significant Accounting Policies (Continued)

d. Non-controlling interests

For the Company's subsidiaries and consolidated VIEs, non-controlling interests are recognized to reflect the portion of their equity that is not attributable, directly or indirectly, to the Company as the controlling shareholder. Non-controlling interests are classified as a separate line item in the equity section of the Group's consolidated balance sheets and have been separately disclosed in the Group's consolidated statements of operations and comprehensive income to distinguish the interests from that of the Company. With respect to impairment losses of goodwill and intangible assets of the Company's subsidiaries and consolidated VIEs, the Company attributes impairment losses on the basis of the relative ownership interests of the parent and non-controlling shareholders.

e. Use of estimates

The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, related disclosures of contingent liabilities at the balance sheet date, and the reported revenues and expenses during the reported period in the consolidated financial statements and accompanying notes. Significant accounting estimates are used for, but not limited to, returns allowance, vendor rebates, taxation, fair value of assets and liabilities acquired in business combinations, fair value of certain equity investees, assessment for impairment of long-lived assets, investments in equity investees, and goodwill, allowance for doubtful accounts including expected credit losses, inventory reserve for excess and obsolete inventories, lower of cost and net realizable value of inventories, depreciable lives of property, equipment and software, useful lives of intangible assets and the discount rate for lease. Actual results may differ materially from those estimates.

f. Foreign currency translation

The Group's reporting currency is Renminbi ("RMB") as the major operations of the Group are within the PRC. The functional currency of the Company is the U.S. dollars ("US\$"). The Group's PRC subsidiaries and consolidated VIEs generally determined their functional currency to be RMB. The Group's subsidiaries and consolidated VIEs determined their functional currencies based on the criteria of ASC Topic 830, *Foreign Currency Matters*.

Transactions denominated in currencies other than functional currency are translated into functional currency at the exchange rates quoted by authoritative banks prevailing at the dates of the transactions. Exchange gains and losses resulting from those foreign currency transactions denominated in a currency other than the functional currency are recorded as a component of "others, net" in the consolidated statements of operations and comprehensive income.

2 Summary of Significant Accounting Policies (Continued)

f. Foreign currency translation (Continued)

The consolidated financial statements of the Group are translated from the functional currency into RMB. Assets and liabilities denominated in foreign currencies are translated into RMB using the applicable exchange rates at the balance sheet date. Equity accounts other than earnings generated in current year are translated into RMB at the appropriate historical rates. Revenues, expenses, gains and losses are translated into RMB using the periodic average exchange rates. The resulting foreign currency translation adjustments are recorded in “accumulated other comprehensive income/(loss)” as a component of shareholders’ equity.

The Company designates certain non-derivative instruments to hedge its net investments in certain foreign operations, to manage exposure in exchange rates. In December 2023, the Company designated the principal of its 8.3 billion of RMB denominated debt to hedge its \$US denominated net investment in a certain subsidiary with functional currency of RMB. The portion of the gain or loss on the hedging instrument that is determined to be effective, referring to the exchange rate effect, is recognized directly in equity in “accumulated other comprehensive income/(loss)”, net of income taxes, while the ineffective portion and the operating costs are recognized in the consolidated statements of operations and comprehensive income. For the years ended December 31, 2023 and 2024, the net investment hedge is deemed to be perfectly effective. The gain or loss on the hedging instrument that has been recognized directly in “accumulated other comprehensive income/(loss)” shall be recognized in the consolidated statements of operations and comprehensive income when the disposal of the foreign subsidiary occurs.

g. Convenience translation

Translations of the consolidated balance sheets, the consolidated statements of operations and comprehensive income and the consolidated statements of cash flows from RMB into US\$ as of and for the year ended December 31, 2024 are solely for the convenience of the readers and were calculated at the rate of US\$1.00=RMB7.2993, representing the noon buying rate set forth in the H.10 statistical release of the U.S. Federal Reserve Board on December 31, 2024. No representation is made that the RMB amounts could have been, or could be, converted, realized or settled into US\$ at that rate on December 31, 2024, or at any other rate.

h. Cash and cash equivalents

Cash and cash equivalents primarily consist of cash on hand and time deposits which have original maturities of three months or less.

i. Restricted cash

Cash that is restricted as to withdrawal or for use or pledged as security is reported separately on the face of the consolidated balance sheets, and is included in the “total cash, cash equivalents, and restricted cash” in the consolidated statements of cash flows. The Group’s restricted cash mainly includes security deposits held in designated bank accounts for issuance of bank acceptance and letter of guarantee.

Notes to the Consolidated Financial Statements (Continued)

2 Summary of Significant Accounting Policies (Continued)

j. Short-term investments

Short-term investments include wealth management products and time deposits placed with banks with original maturities longer than three months but less than one year and maturities less than one year. Wealth management products are certain deposits with variable interest rates or principal not-guaranteed with certain financial institutions. The Group elects the fair value option to record wealth management products with variable interest rates as well as principal not guaranteed and deposits mainly indexed to foreign exchange with maturities less than one year at fair value in accordance with ASC Topic 825, *Financial Instruments*. Changes in the fair value are reflected in the consolidated statements of operations and comprehensive income. The Group also holds deposits that earn fixed interest rate return only if the Group hold the securities to maturity. As the Group has the positive intent and ability to hold the deposits to maturity, they are classified as held-to-maturity and recorded at amortized cost.

k. Accounts receivable, net

Accounts receivable represents the amounts that the Group has an unconditional right to consideration, and are recorded net of allowance for doubtful accounts.

The Group, in collaboration with Jingdong Technology Holding Co., Ltd. ("JD Technology"), provides consumer financing to the qualified customers in the online retail business, such consumer financing receivables are recorded as accounts receivable. Due to the legacy contractual arrangements with JD Technology, the Group remains as the legal owner of the consumer financing receivables, where JD Technology performs the related credit assessment and is obligated to purchase the consumer financing receivables past due over certain agreed period of time from the Group at carrying values to absorb the risks and obtain the returns from such financing arrangements, as such, no allowance for doubtful accounts were provided. The Group, in collaboration with JD Technology, periodically securitizes consumer financing receivables through the transfer of those assets to securitization vehicles, please refer to Note 2(w). In addition, the Group transfers ownership of some of its accounts receivable originated from qualified corporate customers to JD Technology without recourse.

Other than the accounts receivable arising from the consumer financing, the Group evaluates its accounts receivable for expected credit losses on a regular basis. The Group maintains an estimated allowance for credit losses to reduce its accounts receivable to the amount that it believes will be collected. The Group uses the length of time a balance has been outstanding, the payment history, creditworthiness and financial conditions of the customers and industry trend as credit quality indicators to monitor the Group's receivables within the scope of expected credit losses model, along with reasonable and supportable forecasts as a basis to develop the Group's expected loss estimates. The Group adjusts the allowance percentage periodically when there are significant differences between estimated bad debts and actual bad debts. If there is strong evidence indicating that the accounts receivable is likely to be unrecoverable, the Group also makes specific allowance in the period in which a loss is determined to be probable. Accounts receivable balances are written off after all collection efforts have been exhausted.

2 Summary of Significant Accounting Policies (Continued)

l. Inventories, net

Inventories, consisting of products available for sale, are stated at the lower of cost and net realizable value. Cost of inventories is mainly determined using the weighted average cost method. Adjustments are recorded to write down the cost of inventories to the estimated net realizable value due to slow-moving merchandise and damaged goods, which is dependent upon factors such as inventory aging, historical and forecasted consumer demand, and market conditions that impact pricing. The Group takes ownership, risks and rewards of the products purchased, but has arrangements to return unsold goods with certain vendors. Write downs are recorded in “cost of revenues” in the consolidated statements of operations and comprehensive income.

The Group also provides fulfillment-related services in connection with the Group’s online marketplace. Third-party merchants maintain ownership of their inventories and therefore these products are not included in the Group’s inventories.

m. Loan receivables, net

Loan receivables represent the consumer financing, in collaboration with JD Technology, provided to qualified individual customers on the Group’s online marketplace. Due to the legacy contractual arrangements with JD Technology, the Group remains as the legal owner of the consumer financing receivables, including such loan receivables, where JD Technology performs the related credit assessment and absorbs the credit risks. The loan terms extended to the customers generally range from 1 month to 24 months. As JD Technology is obligated to purchase the receivables past due over certain agreed period of time from the Group at carrying values to absorb the credit risks, no provision for doubtful accounts was recorded for the years ended December 31, 2022, 2023 and 2024. The loan receivables were measured at amortized cost and reported in the consolidated balance sheets at outstanding principal. As of December 31, 2023 and 2024, the loan receivables with the collection period less than one year amounting to RMB1,711 million and RMB1,279 million, respectively, were classified into “prepayments and other current assets” in the consolidated balance sheets. As of December 31, 2023 and 2024, the loan receivables with the collection period over one year amounting to RMB251 million and RMB373 million, respectively, were classified into “other non-current assets” in the consolidated balance sheets. Cash paid for loan originations and cash received from loan repayments are classified as investing activities in the consolidated statements of cash flows. The Group, in collaboration with JD Technology, periodically securitizes loan receivables through the transfer of those assets to securitization vehicles, please refer to Note 2(w).

Notes to the Consolidated Financial Statements (Continued)

2 Summary of Significant Accounting Policies (Continued)

n. Property, equipment and software, net

Property, equipment and software are stated at cost less accumulated depreciation and impairment. Property, equipment and software are depreciated at rates sufficient to write off their costs less impairment and residual value, if any, over the estimated useful lives on a straight-line basis. The estimated useful lives of major property, equipment and software are as follows:

Category	Estimated useful lives
Electronic equipment	3–5 years
Software	3–5 years
Vehicles	3–6 years
Office equipment	5 years
Logistics, warehouse and other heavy equipment	5–10 years
Leasehold improvement	Over the shorter of the expected life of leasehold improvements or the lease term
Building	30–40 years
Building improvement	5–10 years
Land	Indefinite

Repairs and maintenance costs are charged to expenses as incurred, whereas the costs of renewals and betterment that extend the useful lives of property, equipment and software are capitalized as additions to the related assets. Retirements, sales and disposals of assets are recorded by removing the costs, accumulated depreciation and impairment with any resulting gain or loss recognized in the consolidated statements of operations and comprehensive income.

o. Construction in progress

Direct costs that are related to the construction of property, equipment and software and incurred in connection with bringing the assets to their intended use are capitalized as construction in progress. Construction in progress is transferred to specific property, equipment and software items and the depreciation of these assets commences when the assets are ready for their intended use. As of December 31, 2023 and 2024, construction in progress were primarily relating to the construction of office buildings and warehouses.

p. Land use rights, net

Land use rights are recorded at cost less accumulated amortization. Amortization is provided on a straight-line basis over the estimated useful lives which are 18 to 70 years and represent the shorter of the estimated usage periods or the terms of the agreements.

2 Summary of Significant Accounting Policies (Continued)

q. Intangible assets, net

Intangible assets purchased from third parties are initially recorded at cost and amortized on a straight-line basis over the estimated economic useful lives. The Group performs valuation of the intangible assets arising from business combination to determine the fair value to be assigned to each asset acquired. The Group determines the fair value using the appropriate approach which requires management to make significant estimates and assumptions. The acquired intangible assets are recognized and measured at fair value and are expensed or amortized using the straight-line approach over the estimated economic useful lives of the assets.

The estimated useful lives of major intangible assets are as follows:

Category	Estimated useful lives
Customer relationship	3–10 years
Technology and others	3–10 years
Non-compete	5–8 years
Domain names and trademarks	5–20 years

r. Goodwill

Goodwill represents the excess of the purchase price over the fair value of the identifiable assets and liabilities acquired in a business combination.

Goodwill is not depreciated or amortized but is tested for impairment on an annual basis as of December 31, and in between annual tests when an event occurs or circumstances change that could indicate that the asset might be impaired. In accordance with ASU 2017-04, *Intangibles — Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment* issued by the Financial Accounting Standards Board ("FASB") guidance on testing of goodwill for impairment, the Group first assesses qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount. If as a result of its qualitative assessment, that it is more-likely-than-not that the fair value of a reporting unit is less than its carrying amount, the quantitative impairment test is mandatory. Otherwise, no further testing is required. The quantitative impairment test consists of a comparison of the fair value of each reporting unit with its carrying amount, including goodwill. If the carrying amount of each reporting unit exceeds its fair value, an impairment loss equal to the difference between the fair value of the reporting unit and its carrying amount will be recorded.

Application of a goodwill impairment test requires significant management judgment, including the identification of reporting units, assigning assets and liabilities to reporting units, assigning goodwill to reporting units, and determining the fair value of each reporting unit. The judgment in estimating the fair value of reporting units includes estimating future cash flows, determining appropriate discount rates and making other assumptions. Changes in these estimates and assumptions could materially affect the determination of fair value for each reporting unit.

2 Summary of Significant Accounting Policies (Continued)

s. Asset acquisition

When the Group acquires other entities, if the assets acquired and liabilities assumed do not constitute a business, the transaction is accounted for as an asset acquisition. Assets are recognized based on their cost, which generally includes the transaction costs of the asset acquisition. The cost of a group of assets acquired in an asset acquisition is allocated to the individual assets acquired or liabilities assumed based on their relative fair values and does not give rise to goodwill.

For the years ended December 31, 2023 and 2024, the Group entered into several transactions, which were accounted for as asset acquisitions, to acquire certain assets for development purpose, mainly including RMB5,997 million and RMB4,079 million of property, equipment and software, net, RMB1,009 million and RMB144 million of construction in progress and RMB2,638 million and RMB240 million of land use rights, respectively.

t. Investments in equity investees

Investments in equity investees represents the Group's investments in privately held companies, publicly traded companies and private equity funds. The Group applies the equity method of accounting to account for an equity investment, in common stock or in-substance common stock, according to ASC Topic, 323, *Investment — Equity Method and Joint Ventures* ("ASC 323"), over which it has significant influence but does not own a majority equity interest or otherwise control.

An investment in in-substance common stock is an investment in an entity that has risk and reward characteristics that are substantially similar to that entity's common stock. The Group considers subordination, risks and rewards of ownership and obligation to transfer value when determining whether an investment in an entity is substantially similar to an investment in that entity's common stock.

Under the equity method, the Group's share of the post-acquisition profits or losses of the equity investees are recorded in "share of results of equity investees" in the consolidated statements of operations and comprehensive income and its share of post-acquisition movements of accumulated other comprehensive income/(loss) are recorded in accumulated other comprehensive income/(loss) as a component of shareholders' equity. The Group records its share of the results of equity investments in publicly listed companies and certain privately held companies on one quarter in arrears basis. The excess of the carrying amount of the investment over the underlying equity in net assets of the equity investee represents goodwill and intangible assets acquired. When the Group's share of losses in the equity investee equals or exceeds its interest in the equity investee, the Group does not recognize further losses, unless the Group has incurred obligations or made payments or guarantees on behalf of the equity investee, or the Group holds other investments in the equity investee.

The Group continually reviews its investments in equity investees under equity method to determine whether a decline in fair value to below the carrying value is other-than-temporary. The primary factors the Group considers in its determination are the duration and severity of the decline in fair value, financial and business performance, cash position and, recent financing rounds. If the decline in fair value is deemed to be other-than-temporary, the carrying value of the equity investee is written down to fair value.

2 Summary of Significant Accounting Policies (Continued)

t. Investment in equity investees (Continued)

Private equity funds pursue various investment strategies, including event driven and multi-strategy. Investments in private equity funds generally are not redeemable due to the closed-ended nature of these funds. These private equity funds, over which the Group does not have the ability to exercise significant influence, are accounted for under the existing practical expedient in ASC Topic 820, *Fair Value Measurements and Disclosures* to estimate fair value using the net asset value per share (or its equivalent) of the investment ("NAV practical expedient").

The Group's equity investments without readily determinable fair values, which do not qualify for NAV practical expedient and over which the Group does not have the ability to exercise significant influence through the investments in common stock or in substance common stock, are accounted for under the measurement alternative (the "Measurement Alternative") in accordance with ASU 2016-01, *Financial Instruments — Overall (Subtopic 825-10) — Recognition and Measurement of Financial Assets and Financial Liabilities* ("ASU 2016-01"). Under the Measurement Alternative, the carrying value is measured at cost, less any impairment, plus or minus changes resulting from observable price changes in orderly transactions for identical or similar investments of the same issuer. All gains and losses on these investments, realized and unrealized, are recognized in "others, net" in the consolidated statements of operations and comprehensive income. The Group makes assessment of whether an investment is impaired based on performance and financial position of the investee as well as other evidence of market value at each reporting date. Such assessment includes, but is not limited to, financial and business performance, cash position and recent financing rounds. The Group recognizes an impairment loss equal to the difference between the carrying value and fair value in "others, net" in the consolidated statements of operations and comprehensive income if there is any. When the investments become qualified for use of the equity method, the Group remeasures the previously held interest in the investments at fair value, if any observable price changes in orderly transactions identified for an identical or a similar investment, immediately before it applying the equity method, in accordance with ASU 2020-01, *Investments — Equity Securities (Topic 321), Investments — Equity Method and Joint Ventures (Topic 323)*.

u. Marketable securities and other investments

The Group invests in marketable equity securities and other investments to meet business objectives. The marketable securities are classified as investments with readily determinable fair values, which are reported at fair value in the consolidated balance sheets, the unrealized gains and losses on equity securities are recorded in "others, net" in the consolidated statements of operations and comprehensive income under ASU 2016-01.

2 Summary of Significant Accounting Policies (Continued)

u. Marketable securities and other investments (Continued)

Other investments are comprised of time deposits placed with banks and wealth management products with maturities more than one year. For wealth management products with variable interest rates as well as principal not guaranteed and deposits mainly indexed to foreign exchange, the Group elected the fair value option to account for them at fair value with changes in fair value recorded under “others, net” in the consolidated statement of operations and comprehensive income. For wealth management products and deposits that earn fixed interest rate return only if the Group held the securities to maturity, the Group classified them as held-to-maturity and recorded at amortized cost considering its positive intent and ability to hold them to maturity.

v. Impairment of long-lived assets

Long-lived assets are evaluated for impairment whenever events or changes in circumstances (such as a significant adverse change to market conditions that will impact the future use of the assets) indicate that the carrying value of an asset or an asset group may not be fully recoverable or that the useful life is shorter than the Group had originally estimated. When these events occur, the Group evaluates the impairment for the long-lived assets by comparing the carrying value of the asset or the asset group to an estimate of future undiscounted cash flows expected to be generated from the use of the asset or the asset group and its eventual disposition. If the sum of the expected future undiscounted cash flows is less than the carrying value of the asset or the asset group, the Group recognizes an impairment loss based on the excess of the carrying value of the asset or the asset group over its fair value.

w. Nonrecourse securitization debt and transfer of financial assets

The Group, in collaboration with JD Technology, periodically securitizes accounts receivable and loan receivables arising from consumer financing through the transfer of those assets to securitization vehicles. The securitization vehicles then issue (1) debt securities to third-party investors and JD Technology, or (2) trust beneficiary rights to the Group which are immediately transferred to third-party investors, collateralized by the transferred assets. The asset-backed debt securities issued by the securitization vehicles and the trust beneficiary rights transferred by the Group are nonrecourse to the Group and are payable only out of collections on their respective underlying collateralized assets.

2 Summary of Significant Accounting Policies (Continued)

w. Nonrecourse securitization debt and transfer of financial assets (Continued)

The Group does not consolidate the securitization vehicles when no economic interests are retained by the Group, and the Group has no continuing involvements, including the servicer of the securitization vehicles. Transfers are accounted for as sale and corresponding transferred accounts receivable are de-recognized in the consolidated balance sheets pursuant to ASC Topic 860, *Transfers and Servicing* ("ASC 860"), only if they meet all of the three criteria: (i) the transferred financial assets have been isolated from the transferor and its creditor, (ii) each transferee has the rights to pledge or exchange the transferred assets, or the transferor has no continuing involvement with the transferred financial assets, and (iii) the transferor does not maintain effective control over the transferred financial assets or third-party beneficial interests related to those transferred assets. Otherwise, the transfers of the assets are accounted for as a financing type transaction if the conditions in ASC 860-10-40-5 are not met. The common control relationship between the transferor and transferee is not considered when applying the derecognition criteria under ASC 860 as the transferee is not a consolidated affiliate or subsidiary of the transferor. The gain/loss recorded upon the sale accounting was immaterial for the periods presented.

x. Unsecured senior notes and long-term borrowings

Unsecured senior notes are recognized initially at fair value, net of debt discounts or premiums and debt issuance costs. Convertible senior notes are determined appropriately in accordance with the terms in relation to the conversion feature, call or/and put options, and other embedded features, if applicable. After considering the impact of such features, the Group may account for such instrument as a liability in its entirety, or separate the instrument into debt or/and equity components following the respective guidance described under ASC Topic 815, *Derivatives and Hedging* and ASC Topic 470, *Debt*. Debt discounts or premiums and debt issuance costs are recorded as a reduction of the principal amount and the related accretion is recorded as "interest expense" in the consolidated statements of operations and comprehensive income over the earliest maturity date of the notes using the effective interest method.

Long-term borrowings are recognized at carrying amount. Interest expense is accrued over the estimated term of the facilities and recorded in the consolidated statements of operations and comprehensive income.

y. Fair value

Accounting guidance defines fair value as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurement for assets and liabilities required or permitted to be recorded at fair value, the Group considers the principal or most advantageous market in which it would transact and it considers assumptions that market participants would use when pricing the asset or liability.

The Group measures certain financial assets, including investments under the equity method on other-than-temporary basis, investments under the Measurement Alternative, intangible assets, goodwill and fixed assets at fair value when an impairment charge is recognized.

2 Summary of Significant Accounting Policies (Continued)

y. Fair value (Continued)

Accounting guidance establishes a fair value hierarchy that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. Accounting guidance establishes three levels of inputs that may be used to measure fair value:

Level 1 — Observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 — Include other inputs that are directly or indirectly observable in the marketplace.

Level 3 — Unobservable inputs which are supported by little or no market activity.

Accounting guidance also describes three main approaches to measuring the fair value of assets and liabilities: (1) market approach; (2) income approach and (3) cost approach. The market approach uses prices and other relevant information generated from market transactions involving identical or comparable assets or liabilities. The income approach uses valuation techniques to convert future amounts to a single present value amount. The measurement is based on the value indicated by current market expectations about those future amounts. The cost approach is based on the amount that would currently be required to replace an asset.

z. Revenues

Consistent with the criteria of ASC Topic 606, *Revenue from Contracts with Customers* ("ASC 606"), the Group recognizes revenues when the Group satisfies a performance obligation by transferring a promised good or service (that is, an asset) to a customer. An asset is transferred when the customer obtains control of that asset.

In accordance with ASC 606, the Group evaluates whether it is appropriate to record the gross amount of product sales and related costs or the net amount earned as commissions. When the Group is a principal and when the Group obtains control of the specified goods or services before they are transferred to the customers, the revenues are recognized in the gross amount of consideration to which it expects to be entitled in exchange for the specified goods or services transferred. When the Group is an agent and its obligation is to facilitate third parties in fulfilling their performance obligation for specified goods or services, the revenues are recognized in the net amount for the amount of commission which the Group earns in exchange for arranging for the specified goods or services to be provided by other parties. Revenues are recorded net of value added taxes.

2 Summary of Significant Accounting Policies (Continued)

z. Revenues (Continued)

The Group recognizes revenues net of discounts and return allowances when the products are delivered and title is passed to customers. Significant judgement is required to estimate return allowances. For online retail business with return conditions, the Group reasonably estimates the possibility of return based on the historical experience, changes in judgments on these assumptions and such estimates could materially impact the amount of net revenues recognized. As of December 31, 2023 and 2024, liabilities for return allowances were RMB950 million and RMB1,029 million, respectively, which were included in “Accrued expenses and other current liabilities”. The rights to recover products from customers associated with the Group’s liabilities for return allowances are the Group’s assets, which were RMB989 million and RMB1,056 million as of December 31, 2023 and 2024, respectively, and were included in “Prepayments and other current assets”.

The Group also sells prepaid cards which can be redeemed to purchase products sold on the JD Platform. In accordance with ASC 606, the cash collected from the sales of prepaid cards is initially recorded in “advance from customers” in the consolidated balance sheets and subsequently recognized as revenues upon the sales of the respective products through redemption of prepaid cards are completed. The Group recognizes revenues from estimated unredeemed prepaid cards over the expected customer redemption periods, rather than waiting until prepaid cards expire or when the likelihood of redemption becomes remote in accordance with ASC 606.

Revenue arrangements with multiple deliverables are divided into separate units of accounting based on the SSP of each separate unit. In instances where SSP is not directly observable, such as the Group does not have vendor-specific objective evidence or third-party evidence of the selling prices of the deliverables, considerations are allocated using estimated selling prices. Determining the SSP of each separate unit may require significant judgments, and significant assumptions and estimates have been made in estimating the relative selling price of each single-element.

Net Product Revenues

The Group recognizes the product revenues from the online retail business on a gross basis as the Group is acting as a principal in these transactions and is responsible for fulfilling the promise to provide the specified goods. Revenues from the sales of electronics and home appliance products were RMB515,945 million, RMB538,799 million and RMB564,982 million, and revenues from the sales of general merchandise products were RMB349,117 million, RMB332,425 million and RMB363,025 million, for the years ended December 31, 2022, 2023 and 2024, respectively. The Group’s net product revenues were mainly generated by the JD Retail segment.

2 Summary of Significant Accounting Policies (Continued)

z. Revenues (Continued)

Net Service Revenues

The Group charges commission fees to third-party merchants for participating in the Group's online marketplace, where the Group generally is acting as an agent and its performance obligation is to arrange for the provision of the specified goods or services by those third-party merchants. Upon successful sales, the Group charges the third-party merchants a negotiated amount or a fixed rate commission fee based on the sales amount. Commission fee revenues are recognized on a net basis at the point of delivery of products, net of return allowances.

The Group provides marketing services to third-party merchants, suppliers and other business partners on its various website channels and third-party marketing affiliate's websites, including but not limited to pay for performance marketing services on which the customers are charged based on effective clicks on their product information, and display advertising services that allow customers to place advertisements on various websites. The Group recognizes revenues from pay for performance marketing services based on effective clicks, and recognizes revenues from display advertising services ratably over the period during which the advertising services are provided or on the number of times that the advertisement has been displayed based on cost per thousand impressions. The Group did not enter into material advertising-for-advertising barter transactions for the periods presented.

The Group offers integrated supply chain solutions and logistics services, primarily including warehousing and distribution services, express and freight, as well as on-demand delivery services. Revenues from integrated supply chain solutions and logistics services are recognized over time because of the continuous transfer of control to the customers, while revenues from the on-demand delivery services are recognized at the point of delivery of merchandise.

The Group also provides on-demand retail platform services. The Group acts as an agent and charges the retailer a fixed rate commission fee based on the sales amount and commission fee revenues on a net basis at the point of delivery of merchandise upon successful sales. In addition, the Group fulfills the delivery needs of retailers and other business customers, the Group has determined that it acts as the principal in these transactions and recognizes revenues on a gross basis at a fixed rate or a pre-determined amount for each completed delivery.

JD Plus memberships provide the Group's core customers with a better shopping experience, access to an evolving suite of benefits that represent a single stand-ready obligation. Subscriptions are paid for at the time of or in advance of delivering the services. Revenues from such arrangements are recognized over the subscription period.

The Group offers comprehensive customer services, primarily including 7*24 hours customer services to respond to customers' post-sales requests, return and exchange services to facilitate customers' return, exchange and repair of defective goods. These services are free of charge. The Group also provides return/exchange logistics services to the customers, of which the revenues recognized were not material for the periods presented.

2 Summary of Significant Accounting Policies (Continued)

z. Revenues (Continued)

Net Service Revenues (Continued)

Revenues from online marketplace and marketing services were RMB81,970 million, RMB84,726 million and RMB90,111 million for the years ended December 31, 2022, 2023 and 2024, respectively, which were mainly generated by the JD Retail segment. Revenues from logistics and other services were RMB99,204 million, RMB128,712 million and RMB140,701 million, for the years ended December 31, 2022, 2023 and 2024, respectively, which were mainly generated by the JD Logistics segment.

aa. Contract balances

Timing of revenue recognition may differ from the timing of invoicing to customers. Accounts receivable represent amounts invoiced and revenues recognized prior to invoicing when the Group has satisfied the Group's performance obligation and has the unconditional rights to payment.

Unearned revenues consist of payments received or awards to customers related to unsatisfied performance obligation at the end of the period, included in current and non-current deferred revenues and advance from customers in the Group's consolidated balance sheets. As of December 31, 2023, the Group's total unearned revenues were RMB29,143 million, of which RMB22,770 million was recognized as revenues for the year ended December 31, 2024. The Group's total unearned revenues were RMB28,458 million as of December 31, 2024, mainly expected to be recognized as revenue within one year.

The Group applied a practical expedient to expense costs as incurred for costs to obtain a contract with a customer when the amortization period would have been one year or less. These costs include certain partner sales incentive programs. The Group has no material incremental costs of obtaining contracts with customers that the Group expects the benefit of those costs to be longer than one year which need to be recognized as assets.

bb. Customer incentives and loyalty programs

The Group provides discounted coupons, mainly D Coupons, to its customers for free to incentivize purchase. D Coupons are given to a customer upon current purchase or can be given for free to promote future purchases. D Coupons require the customer to make future purchase of a minimum value in order to enjoy the value provided by the coupon. The rights to purchase discounted products in the future does not represent a material right to the customer. The Group assesses the significance of the discount by considering its percentage of the total future minimum purchase value, historical usage pattern by the customers and relative outstanding volume and monetary value of D Coupons compared to the other discounts offered by the Group. D Coupons are accounted for as a reduction of revenues on the future purchase.

Registered customers may also earn J Beans, which were launched based on certain activities performed on the Group's website by the customers and can be used against qualified purchases on JD Platform, which will directly reduce the amount paid by the customer, or redeemed for D Coupons that can be used in certain shops on JD Platform. The Group considers J Beans awarded to be a separate performance obligation identified in the contract. Therefore, the sales consideration is allocated to the products and J Beans based on the relative SSP of the products and J Beans awarded. Consideration allocated to J Beans is initially recorded as deferred revenues, and recognized as revenues when J Beans are used or expired. J Beans will expire at the subsequent year end after issuance. For the years ended December 31, 2022, 2023 and 2024, the amounts of expired J Beans were not material.

2 Summary of Significant Accounting Policies (Continued)

cc. Cost of revenues

Cost of revenues consists primarily of purchase price of products, inbound shipping charges, write-downs of inventories, traffic acquisition costs related to online marketing services, and cost related to logistics services provided to third parties.

dd. Rebates and subsidies

The Group periodically receives considerations from certain vendors, representing rebates for products sold and subsidies for the sales of the vendors' products over a period of time. The rebates are not sufficiently separable from the Group's purchase of the vendors' products and they do not represent a reimbursement of costs incurred by the Group to sell vendors' products. The Group accounts for the rebates received from its vendors as a reduction to the prices it pays for the products purchased and therefore the Group records such amounts as a reduction of "cost of revenues" when recognized in the consolidated statements of operations and comprehensive income. Rebates are earned upon reaching minimum purchase thresholds for a specified period. When volume rebates can be reasonably estimated based on the Group's past experiences and current forecasts, a portion of the rebates is recognized as the Group makes progress towards the purchase threshold. Subsidies are calculated based on the volume of products sold through the Group and are recorded as a reduction of cost of revenues when the sales have been completed and the amount is determinable.

ee. Fulfillment

Fulfillment expenses consist primarily of (i) expenses incurred in operating the Group's fulfillment centers, customer service centers and physical stores, including personnel cost and expenses attributable to buying, receiving, inspecting and warehousing inventories, picking, packaging, and preparing customer orders for shipment, processing payment and related transaction costs, (ii) expenses charged by third-party couriers for dispatching and delivering the Group's products, (iii) lease expenses of warehouses, delivery and pickup stations, and physical stores, and (iv) depreciation and amortization of logistics and electronic equipment. The cost related to logistics services provided to third parties is classified in "cost of revenues" in the consolidated statements of operations and comprehensive income. Shipping costs included in fulfillment expenses amounted to RMB28,958 million, RMB29,858 million and RMB32,643 million for the years ended December 31, 2022, 2023 and 2024, respectively.

ff. Marketing

Marketing expenses consist primarily of advertising costs, public relations expenditures, and payroll and related expenses for employees involved in marketing and business development activities. The Group pays commissions to participants in the associates program when their customer referrals result in successful product sales and records such costs in "marketing" in the consolidated statements of operations and comprehensive income.

2 Summary of Significant Accounting Policies (Continued)

ff. Marketing (Continued)

Advertising costs, which consist primarily of online advertising, offline television, movie and outdoor advertising, and incentive programs to attract or retain consumers for the Group's online marketplace, are expensed as incurred, and totaled RMB29,898 million, RMB31,761 million and RMB38,172 million for the years ended December 31, 2022, 2023 and 2024, respectively.

gg. Research and development

Research and development expenses consist primarily of payroll and related expenses for research and development employees involved in designing, developing and maintaining technology platform, and application of artificial intelligence, big data and cloud technologies and services, and technology infrastructure costs. Technology infrastructure costs include servers and other equipment depreciation, bandwidth and data center costs, rent, utilities and other expenses necessary to support the Group's internal and external business. Research and development expenses are expensed as incurred. Software development costs are recorded in "Research and development" as incurred as the costs qualifying for capitalization have been insignificant.

hh. General and administrative

General and administrative expenses consist primarily of employee related expenses for general corporate functions, including accounting, finance, tax, legal and human relations; costs associated with these functions including facilities and equipment depreciation expenses, rental and other general corporate related expenses.

ii. Share-based compensation

The Group grants restricted share units ("RSUs") and share options of the Company and its subsidiaries to eligible employees and non-employees. The Group accounts for share-based awards issued to employees and non-employees in accordance with ASC Topic 718, *Compensation — Stock Compensation*.

Employees' share-based awards, non-employees' share-based awards and the founder's share-based awards are measured at the grant date fair value of the awards and recognized as expenses a) immediately at grant date if no vesting conditions are required; or b) using graded vesting method, net of estimated forfeitures, over the requisite service period, which is the vesting period.

2 Summary of Significant Accounting Policies (Continued)

ii. Share-based compensation (Continued)

All transactions in which goods or services are received in exchange for equity instruments are accounted for based on the fair value of the consideration received or the fair value of the equity instrument issued, whichever is more reliably measurable.

The Group uses the binomial option-pricing model or other appropriate methods to estimate the fair value of share options. The determination of estimated fair value of share-based payment awards on the grant date is affected by the fair value of the Company's ordinary shares as well as assumptions regarding a number of complex and subjective variables. These variables include the expected value volatility of the Company over the expected term of the awards, actual and projected employee share option exercise behaviors, a risk-free interest rate, exercise multiple and expected dividend yield, if any.

Determination of estimated fair value of the Company's subsidiaries before they were publicly listed requires complex and subjective judgments due to their limited financial and operating history, unique business risks and limited public information on companies in China similar to the Company's subsidiaries. The Company estimates the Company's subsidiaries' enterprise value for purposes of recording share-based compensation, and the information considered by the Company mainly include but are not limited to the pricing of recent rounds of financing, future cash flow forecasts, discount rates, and liquidity factors.

The Group recognizes the estimated compensation cost of RSUs based on the fair value of its ordinary shares on the date of the grant. The Group recognizes the compensation cost, net of estimated forfeitures, over a vesting term for service-based RSUs.

Forfeitures are estimated at the time of grant and revised in the subsequent periods if actual forfeitures differ from those estimates.

A change in the terms or conditions of a share-based award, or cancellation of a share-based award accompanied by the concurrent grant of a replacement award is accounted for as a modification (that is, an exchange of the original award for a new award), unless the award's fair value, vesting conditions, and classification as an equity instrument are the same as immediately before and after the change. The Group recognized incremental compensation cost for an amount equal to the excess of the fair value of the modified award over the fair value of the original award immediately before the modification. Therefore, in relation to the modified award, the Group recognized share-based compensation over the vesting periods of the modified award.

2 Summary of Significant Accounting Policies (Continued)

jj. Income tax

Current income taxes are provided on the basis of net income for financial reporting purposes, adjusted for income and expense items which are not assessable or deductible for income tax purposes, in accordance with the regulations of the relevant tax jurisdictions. The Group follows the liability method of accounting for income taxes. Under this method, deferred tax assets and liabilities are determined based on the temporary differences between the carrying amounts in the financial statements and the tax bases of existing assets and liabilities by applying enacted statutory tax rates that will be in effect in the period in which the temporary differences are expected to reverse. The Group records a valuation allowance to reduce the amount of deferred tax assets if based on the weight of available evidence, it is more likely than not that some portion, or all, of the deferred tax assets will not be realized. The effect on deferred taxes of a change in tax rates is recognized in the consolidated statements of operations and comprehensive income in the period of change. Deferred tax assets and liabilities are classified as non-current in the consolidated balance sheets.

The Group recognizes in its consolidated financial statements the benefit of a tax position if the tax position is more likely than not to prevail based on the facts and technical merits of the position. Tax positions that meet the more-likely-than-not recognition threshold are measured at the largest amount of tax benefit that has a greater than fifty percent likelihood of being realized upon settlement. The Group estimates its liability for unrecognized tax benefits which are periodically assessed and may be affected by changing interpretations of laws, rulings by tax authorities, changes and/or developments with respect to tax audits, and expiration of the statute of limitations. The ultimate outcome for a particular tax position may not be determined with certainty prior to the conclusion of a tax audit and, in some cases, appeal or litigation process. The actual benefits ultimately realized may differ from the Group's estimates. As each audit is concluded, adjustments, if any, are recorded in the Group's consolidated financial statements in the period in which the audit is concluded. Additionally, in future periods, changes in facts, circumstances and new information may require the Group to adjust the recognition and measurement estimates with regard to individual tax positions. Changes in recognition and measurement estimates are recognized in the period in which the changes occur. As of December 31, 2023 and 2024, the Group did not have any significant unrecognized uncertain tax positions.

kk. Leases

In accordance with ASC Topic 842, *Leases* ("ASC 842"), the Group, using the modified retrospective transition approach through a cumulative-effect adjustment in the period of adoption rather than retrospectively adjusting prior periods and the package of practical expedients, categorizes leases with contractual terms longer than twelve months as either operating or finance lease. The Group has no material finance leases for any of the periods presented.

2 Summary of Significant Accounting Policies (Continued)

kk. Leases (Continued)

Right-of-use ("ROU") assets represent the Group's rights to use underlying assets for the lease term and lease liabilities represent the Group's obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term, reduced by lease incentives received, plus any initial direct costs, using the discount rate for the lease at the commencement date. As the implicit rate in the lease is not readily determinable for the Group's operating leases, the Group generally uses the incremental borrowing rate based on the estimated rate of interest for collateralized borrowing over a similar term of the lease payments at commencement date. The Group's lease terms may include options to extend or terminate the lease when it is reasonably certain that the Group will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The Group accounts for lease and non-lease components separately.

The Group also enters into sale and leaseback transactions. The Group acts as the seller-lessee, transfers its assets to a third-party entity (the buyer-lessor) and then leases the transferred assets back from the buyer-lessor at an arm-length rental price. Upon consideration of ASC Topic 842-40-25-1 and ASC 606, the transfer of the underlying assets is considered as sales, and according to ASC 842, the leaseback transaction is classified as an operating lease. Therefore, the sale and the leaseback of the underlying assets are separately accounted for by the Group. Upon completion of the transaction, the legal titles of these assets are transferred to the third-party entity (the buyer-lessor), and the Group derecognizes these transferred assets and recognizes gains or losses from disposal of these assets in accordance with ASC Topic 360, *Property, Plant and Equipment*. The leaseback transactions are accounted for under ASC 842, and the ROU assets and lease liabilities are recognized at commencement date accordingly.

The Group leases warehouses, offices, and store space to third-parties. The arrangements are in the nature of operating lease which is neither a sales-type nor direct-financing lease. As such, the underlying assets remain in the Group's consolidated balance sheets at their carrying value and continue to depreciate the assets based on the estimated useful life. Rental revenues should be recognized on a straight-line basis (or another systematic basis if that basis is more representative of the pattern in which income is earned from the underlying assets over the term of the respective lease). The Group records an unbilled rent receivable, which is the amount by which straight-line rental revenues exceed rents currently billed in accordance with the lease.

II. Comprehensive income/(loss)

Comprehensive income/(loss) is defined as the changes in equity of the Group during a period from transactions and other events and circumstances excluding transactions resulting from investments from shareholders and distributions to shareholders. Comprehensive income/(loss) for the periods presented primarily includes net income and foreign currency translation adjustments.

2 Summary of Significant Accounting Policies (Continued)

mm. Net income per share

Basic net income per share is computed by dividing net income attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period. For the calculation of diluted net income per share, the weighted average number of ordinary shares is adjusted by the effect of dilutive potential ordinary shares, including unvested RSUs and ordinary shares issuable upon the exercise of outstanding share options using the treasury stock method, and dilution impact of convertible senior notes using the if-converted method. Additionally, the Company takes into account the effect of dilutive shares of entities in which the Company holds equity interests. The dilutive impacts from equity interests mainly include equity investments accounted for using the equity method and the consolidated subsidiaries. The effect mentioned above is not included in the calculation of the diluted income per share when inclusion of such effect would be anti-dilutive.

nn. Segment reporting

Operating segments are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision maker ("CODM"), or decision making group, in deciding how to allocate resources and in assessing performance. The Group's CODM is the Chief Executive Officer.

The Group consolidated Dada since February 28, 2022 and reported the results of Dada as a new standalone segment. The Group also consolidated China Logistics Property Holdings Co., Ltd. ("CNLP") through JD Property since March 1, 2022 and reported the results of CNLP in the New Businesses segment. In addition, the Group has consolidated Ningbo Meishan Baoshui Area Deppon Investment Holding Company Limited except for certain of its subsidiaries ("Deppon Holdco") since July 26, 2022 and reported the results of Deppon Holdco in the JD Logistics segment.

Before 2024, the Company reported four reportable segments, JD Retail, JD Logistics, Dada and New Businesses. JD Retail, including JD Health and JD Industrials, among other operating segments, mainly engage in online retail, online marketplace and marketing services in China. JD Logistics includes both internal and external logistics businesses. Dada is a local on-demand delivery and retail platform in China. New Businesses mainly included multiple operating segments, such as JD Property, Jingxi and overseas businesses which do not individually meet the quantitative and qualitative thresholds to be individually reportable and were aggregated given majority similarities.

From the first quarter of 2024, the Company started to report three reportable segments, JD Retail, JD Logistics and New Businesses, to reflect changes made to the reporting structure whose financial information is reviewed by the CODM under the ongoing operating strategies. JD Retail, including JD Health and JD Industrials, among other operating segments, mainly engage in online retail, online marketplace and marketing services in China. JD Logistics includes both internal and external logistics businesses. New Businesses mainly included multiple operating segments, such as Dada, JD Property, Jingxi and overseas businesses which do not individually meet the quantitative and qualitative thresholds to be individually reportable and were aggregated given majority similarities.

These changes align with the manner in which the Group's CODM uses financial information to evaluate the performance of, and to allocate resources to, each of the operating segments. The prior periods' segment operating results have been retrospectively recast to conform to current period presentation.

2 Summary of Significant Accounting Policies (Continued)

oo. Statutory reserves

The Company's subsidiaries and consolidated VIEs established in the Chinese mainland are required to make appropriations to certain non-distributable reserve funds.

In accordance with the laws applicable to the Foreign Investment Enterprises established in the PRC, the Group's subsidiaries registered as wholly owned foreign enterprise have to make appropriations from their after-tax profits (as determined under generally accepted accounting principles in the PRC ("PRC GAAP")) to reserve funds including general reserve fund, enterprise expansion fund and staff bonus and welfare fund. The appropriation to the general reserve fund must be at least 10% of the after-tax profits calculated in accordance with the PRC GAAP. Appropriation is not required if the general reserve fund has reached 50% of the registered capital of the company. Appropriations to the enterprise expansion fund and staff bonus and welfare fund are made at the respective company's discretion.

In addition, in accordance with the PRC Company Laws, the consolidated VIEs, registered as Chinese domestic companies, must make appropriations from their after-tax profits as determined under the PRC GAAP to non-distributable reserve funds including statutory surplus fund and discretionary surplus fund. The appropriation to the statutory surplus fund must be 10% of the after-tax profits as determined under the PRC GAAP. Appropriation is not required if the statutory surplus fund has reached 50% of the registered capital of the company. Appropriation to the discretionary surplus fund is made at the discretion of the respective company.

The use of the general reserve fund, enterprise expansion fund, statutory surplus fund and discretionary surplus fund are restricted to the offsetting of losses or increasing of the registered capital of the respective company. The staff bonus and welfare fund is a liability in nature and is restricted to fund payments of special bonus to employees and for the collective welfare of employees. None of these reserves are allowed to be transferred to the company in terms of cash dividends, loans or advances, nor can they be distributed except under liquidation.

For the years ended December 31, 2022, 2023 and 2024, profit appropriation to statutory surplus fund for the Group's entities incorporated in the Chinese mainland was approximately RMB1,887 million, RMB2,636 million and RMB579 million, respectively. No appropriation to other reserve funds was made for any of the periods presented.

2 Summary of Significant Accounting Policies (Continued)

pp. Government financial incentives

Government financial incentives represent rewards provided by the relevant PRC municipal government authorities to the Group for business achievements made by the Group. Government financial incentives are recognized in “others, net” in the consolidated statements of operations and comprehensive income when the government financial incentives are received and no further conditions need to be met, otherwise the received amounts are recorded as liabilities. The amounts of such government financial incentives are determined solely at the discretion of the relevant government authorities and there is no assurance that the Group will continue to receive these government financial incentives in the future.

qq. Assets held for sale

Classification of long-lived assets (or disposal group) as held for sale typically occurs upon the execution of a purchase and sale agreement and belief by management that the sale or disposition is probable of occurrence within one year. Upon determining that long-lived assets (or disposal groups) meet the held for sale criteria, the Company discontinues depreciating the relevant long-lived assets, including property, equipment and software, intangible assets and ROU assets, and measures such assets or disposal groups in consolidated balance sheets at the lower of its carrying amount or fair value less the cost to sell. The Company presents these long-lived assets and liabilities directly associated with these assets as held for sale in its consolidated balance sheets and classifies them as current assets and liabilities. The Company reports the results of operations of its long-lived assets (or disposal group) sold or held for sale in its consolidated statements of operations and comprehensive income through the date of sale.

rr. Recent accounting pronouncements

Recently adopted accounting pronouncements

In November 2023, the FASB issued ASU 2023-07. The amendments improve reportable segment disclosure requirements. Main provisions include: (1) significant segment expenses — public entities are required to disclose significant segment expenses by reportable segment if they are regularly provided to the CODM and included in each reported measure of segment profit or loss; (2) other segment items — public entities are required to disclose other segment items by reportable segment. Such a disclosure would constitute the difference between reported segment revenues less the significant segment expenses (disclosed) less reported segment profit or loss; (3) multiple measures of a segment’s profit or loss — public entities may disclose more than one measure of segment profit or loss used by the CODM, provided that at least one of the reported measures includes the segment profit or loss measure that is most consistent with GAAP measurement principles; (4) CODM-related disclosures — disclosure of the CODM’s title and position is required on an annual basis, as well as an explanation of how the CODM uses the reported measure(s) and other disclosures; (5) entities with a single reportable segment — public entities must apply all of the ASU’s disclosure requirements, as well as all existing segment disclosure and reconciliation requirements in ASC Topic 280, *Segment Reporting*; (6) recasting of prior-period segment information to conform to current-period segment information — recasting is required if segment information regularly provided to the CODM is changed in a manner that causes the identification of significant segment expenses to change. The amendments in ASU 2023-07 are effective for all public entities for fiscal years beginning after December 15, 2023. Early adoption is permitted. A public entity should apply the amendments in this update retrospectively to all prior periods presented in the financial statements. The Group adopted this update beginning January 1, 2024 and please refer to Note 28 for further details.

2 Summary of Significant Accounting Policies (Continued)

rr. Recent accounting pronouncements (Continued)

Recently issued accounting pronouncements not yet adopted

In December 2023, the FASB issued ASU 2023-09, which establishes new income tax disclosure requirements in addition to modifying and eliminating certain existing requirements. The ASU amends ASC 740-10-50-12 to require public business entities (“PBEs”) to disclose a reconciliation between the amount of reported income tax expense (or benefit) from continuing operations and the amount computed by multiplying the income (or loss) from continuing operations before income taxes by the applicable statutory federal (national) income tax rate of the jurisdiction (country) of domicile. If PBE is not domiciled in the United States, the federal (national) income tax rate in such entity’s jurisdiction (country) of domicile shall normally be used in the rate reconciliation. The amendments prohibit the use of different income tax rates for subsidiaries or segments. Further, PBEs that use an income tax rate in the rate reconciliation that is other than the U.S. income tax rate must disclose the rate used and the basis for using it. The ASU also adds ASC 740-10-50-12A, which requires entities to annually disaggregate the income tax rate reconciliation between the following eight categories by both percentages and reporting currency amounts: (1) State and local income tax, net of federal (national) income tax effect; (2) Foreign tax effects; (3) Effect of changes in tax laws or rates enacted in the current period; (4) Effect of cross-border tax laws; (5) Tax credits; (6) Changes in valuation allowances; (7) Nontaxable or nondeductible items; (8) Changes in unrecognized tax benefits. PBEs must apply the ASU’s guidance to annual periods beginning after December 15, 2024 (2025 for calendar-year-end PBEs). Early adoption is permitted. Entities may apply the amendments prospectively or may elect retrospective application. The Group is currently evaluating the impact from the adoption of this ASU on its consolidated financial statements.

In November 2024, the FASB issued ASU 2024-03 “Income Statement — Reporting Comprehensive Income — Expense Disaggregation Disclosures (Subtopic 220-40)”. The amendments in this update intend to improve the disclosures about a public business entity’s expenses and address requests from investors for more detailed information about the types of expenses (including purchases of inventory, employee compensation, depreciation, amortization, and depletion) in commonly presented expense captions (such as cost of sales, selling, general and administrative expenses, and research and development). ASU 2024-03 is effective for fiscal years beginning after December 15, 2026, and interim periods beginning after December 15, 2027. The Group is currently evaluating the impact from the adoption of this ASU on its consolidated financial statements.

3 Concentration and Risks

Concentration of customers and suppliers

There are no customers nor suppliers from whom revenues or purchases individually represent greater than 10% of the total revenues or the total purchases of the Group for the years ended December 31, 2022, 2023 and 2024.

Concentration of credit risk

Assets that potentially subject the Group to significant concentrations of credit risk primarily consist of cash and cash equivalents, restricted cash, accounts receivable, short-term investments and certain wealth management products and time deposits with maturities more than one year recorded in “marketable securities and other investments”. The maximum exposure of such assets to credit risk is their carrying amounts as of the balance sheet dates. As of December 31, 2023 and 2024, majority of the Group’s cash and cash equivalents, restricted cash, short-term investments and certain wealth management products and time deposits with maturities more than one year recorded in “marketable securities and other investments” were held at major financial institutions located in the Chinese mainland and Hong Kong which the management believes are of high credit quality. Bank failure is uncommon in China and the Group believes that those Chinese banks that hold the Group’s cash and cash equivalents, restricted cash, short-term investments and certain wealth management products and time deposits with maturities more than one year recorded in “marketable securities and other investments” are financially sound based on publicly available information. Accounts receivable are typically unsecured and are mainly derived from revenues earned from customers in the PRC. The risk with respect to accounts receivable is mitigated by credit evaluations the Group performs on its customers and its ongoing monitoring processes of outstanding balances. Besides, JD Technology performs the related credit assessment of the consumer financing receivables recorded in the Group’s consolidated balance sheets. JD Technology purchases the consumer financing receivables past due over certain agreed period of time from the Group at carrying values without recourse and also agrees to bear other cost directly related to the consumer financing business to absorb the risks.

Currency convertibility risk

The value of RMB is subject to changes in the central government policies and to international economic and political developments affecting supply and demand in the PRC foreign exchange trading system market. In the PRC, certain foreign exchange transactions are required by law to be transacted only by authorized financial institutions at exchange rates set by the People’s Bank of China (the “PBOC”). Remittances in currencies other than RMB by the Group in the Chinese mainland must be processed through the PBOC or other Chinese foreign exchange regulatory bodies which require certain supporting documentation in order to process the remittance. The Group’s cash and cash equivalents, restricted cash, short-term investments and time deposits with maturities more than one year recorded in “marketable securities and other investments” denominated in RMB that are subject to such government policies amounted to RMB172,383 million and RMB172,732 million as of December 31, 2023 and 2024, respectively.

Foreign currency exchange rate risk

The RMB has fluctuated against the US\$, at times significantly and unpredictably during the reporting periods. The depreciation of the RMB against the US\$ was approximately 2% and 1% for the years ended December 31, 2023 and 2024, respectively. It is difficult to predict how market forces or the PRC or U.S. government policy may impact the exchange rate between the RMB and the US\$ in the future.

Notes to the Consolidated Financial Statements (Continued)

4 Fair Value Measurement

As of December 31, 2023 and 2024, information about inputs into the fair value measurement of the Group's assets and liabilities that are measured at fair value on a recurring basis in periods subsequent to their initial recognition is as follows:

Description	Fair Value as of December 31, 2023	Fair value measurement at reporting date using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
		(RMB in millions)		
Assets:				
Restricted cash	7,506	—	7,506	—
Short-term investments				
Wealth management products	56,847	—	56,847	—
Marketable securities and other investments				
Listed equity securities	2,765	2,765	—	—
Wealth management products	2,808	—	2,808	—
Total assets	69,926	2,765	67,161	—

Description	Fair Value as of December 31, 2024	Fair value measurement at reporting date using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
		(RMB in millions)		
Assets:				
Restricted cash	7,366	—	7,366	—
Short-term investments				
Wealth management products	38,396	—	38,396	—
Marketable securities and other investments				
Listed equity securities	2,907	2,907	—	—
Total assets	48,669	2,907	45,762	—

4 Fair Value Measurement (Continued)

When available, the Group uses quoted market prices to determine the fair value of an asset or liability. If quoted market prices are not available, the Group will measure fair value using valuation techniques that use, when possible, current market-based or independently sourced market parameters, such as interest rates and currency rates. Following is a description of the valuation techniques that the Group uses to measure the fair value of assets that the Group reports in its consolidated balance sheets at fair value on a recurring basis.

Short-term investments

Wealth management products with maturities of within one year. The Group elected the fair value option to record wealth management products with variable interest rates and deposits indexed to foreign exchange with maturities less than one year and accounted them at fair value. For the wealth management products that have no quoted market prices, the Group estimates their fair value using the expected yield on similar instruments in the market, and classifies the valuation techniques that use these inputs as Level 2.

For the years ended December 31, 2022, 2023 and 2024, gain of RMB1,921 million, RMB2,092 million and RMB1,485 million resulting from changes in fair value of the wealth management products under fair value option was recorded in “others, net” in the consolidated statements of operations and comprehensive income, respectively.

Marketable securities and other investments

Listed equity securities. The Group values its listed equity securities using quoted prices for the underlying securities in active markets, and accordingly, the Group classifies the valuation techniques that use these inputs as Level 1.

For the years ended December 31, 2022, 2023 and 2024, the unrealized gains or losses of the listed equity securities were losses of RMB4,304 million and RMB379 million, and gains of RMB1,160 million, respectively, which are recognized in “others, net” in the consolidated statements of operations and comprehensive income.

Wealth management products with maturities of more than one year. The Group elected the fair value option to record wealth management products with variable interest rates with maturities more than one year and accounted them at fair value. For the wealth management products that have no quoted market prices, the Group estimates their fair value using the expected yield on similar instruments in the market, and classifies the valuation techniques that use these inputs as Level 2.

For the years ended December 31, 2022, 2023 and 2024, losses of RMB137 million and RMB25 million and gains of RMB2 million resulting from changes in fair value of the wealth management products under fair value option were recorded in “others, net” in the consolidated statements of operations and comprehensive income, respectively.

Other financial instruments

The followings are other material financial instruments not measured at fair value in the consolidated balance sheets, but for which the fair value is estimated for disclosure purposes.

Time deposits. Time deposits with original maturities of three months or less, original maturities of longer than three months and maturities of less than one year, and maturities of longer than one year have been classified as cash equivalents, short-term investments and marketable securities and other investments in the consolidated

Notes to the Consolidated Financial Statements (Continued)

4 Fair Value Measurement (Continued)

Other financial instruments (Continued)

balance sheets, respectively. The fair value of the Group's time deposits is determined based on the prevailing interest rates in the market, which have been categorized as Level 2 in the fair value hierarchy. As of December 31, 2023 and 2024, the fair value of time deposits classified as cash equivalents and short-term investments amounted to RMB59,452 million and RMB91,062 million, respectively. As of December 31, 2023 and 2024, the fair value of time deposits classified as marketable securities and other investments amounted to RMB67,426 million and RMB54,176 million, respectively. The carrying value of time deposits approximates to fair value.

Held-to-maturity debt securities. Wealth management products that the Group has positive intent and ability to hold to maturity are accounted for as held-to-maturity debt securities. The fair value of the Group's held-to-maturity debt securities is determined based on the prevailing interest rates in the market, which have been categorized as Level 2 in the fair value hierarchy. As of December 31, 2023 and 2024, the fair value of held-to-maturity debt securities recorded in "short-term investments" amounted to RMB4,476 million and RMB6,866 million, respectively. As of December 31, 2023 and 2024, the fair value of held-to-maturity debt securities with maturities longer than one year recorded in "marketable securities and other investments" amounted to RMB7,836 million and RMB2,288 million, respectively. The carrying value of held-to-maturity debt securities approximates to fair value.

Unsecured senior notes. The Group determines the fair value of its unsecured senior notes, using quoted prices in less active markets, and accordingly the Group categorizes the unsecured senior notes as Level 2 in the fair value hierarchy. As of December 31, 2023 and 2024, the fair value of unsecured senior notes amounted to RMB9,445 million and RMB25,098 million, respectively. Among them, the fair value of Convertible Senior Notes, as defined in Note 15, amounted to RMB15,274 million as of December 31, 2024.

Short-term receivables and payables. Accounts receivable and prepayments and other current assets are financial assets with carrying values that approximate to fair value due to their short-term nature. Accounts payable, advance from customers (excluding contract liabilities) and main items in accrued expenses and other current liabilities, are financial liabilities with carrying values that approximate to fair value due to their short-term nature. The Group classifies the valuation techniques that use these inputs as Level 2 in the fair value hierarchy.

Short-term debts and long-term borrowings. Interest rates under the borrowing agreements with the lending parties were determined based on the prevailing interest rates in the market. The carrying value of short-term debts and long-term borrowings approximates to fair value. The Group classifies the valuation techniques that use these inputs as Level 2 in the fair value hierarchy.

Assets and liabilities measured at fair value on a nonrecurring basis

Long-lived assets. When impairment indicators are identified, the Group evaluates the impairment by comparing the carrying value of the asset or the asset group with its fair value. The fair value of the asset or asset group is determined using income approach and market approach with unobservable inputs (Level 3), depending on the underlying nature of the asset or the asset group. The impairment losses of RMB2,025 million and RMB1,562 million were recorded in "impairment of long-lived assets" in the consolidated statements of operations and comprehensive income for the years ended December 31, 2023 and 2024, respectively. The major impairment of long-lived assets were disclosed in Note 9, Note 10 and Note 11.

4 Fair Value Measurement (Continued)

Assets and liabilities measured at fair value on a nonrecurring basis (Continued)

Goodwill. The Group tested for impairment on an annual basis as of December 31, and in between annual tests when the impairment indicators occur. The quantitative impairment test consists of a comparison of the fair value of each reporting unit with its carrying amount, including goodwill. The impairment loss was recorded in “impairment of goodwill” in the consolidated statements of operations and comprehensive income and disclosed in Note 12.

Investments in equity investees. Investments in privately held companies and publicly traded companies included in “investments in equity investees” in the consolidated balance sheets are reviewed periodically for impairment using fair value measurement. In determining the investments in privately held companies without readily determinable fair value over which the Group identified impairment indicators, income approach or market approach was used, if applicable, which requires management to use unobservable inputs (Level 3), mainly including the estimates of future cash flows, discount rate, terminal growth rate, selection of comparable companies and multiples and estimated discount for lack of marketability. The impairment loss of RMB504 million, RMB2,856 million and RMB2,968 million were recorded in “others, net” in the consolidated statements of operations and comprehensive income for the years ended December 31, 2022, 2023 and 2024, respectively. As of December 31, 2023 and 2024, the accumulated impairment of the Group’s investments in privately held companies under the Measurement Alternative was RMB5,132 million and RMB7,119 million, respectively. The valuation methodology used to estimate the fair value of investments in publicly traded companies (Level 1) and privately held companies accounted for under the equity method (Level 3) and associated impairment charges are disclosed in Note 6.

5 Business Acquisition

Acquisitions in 2024

In December 2024, the Group acquired additional equity interests in Hordeum Investment, L.P. (“Hordeum”) for a total cash consideration of US\$344 million. Hordeum is principally engaged in retail business service. The Group held, taking into account its existing equity interests, approximately 60.8% of Hordeum’s interests and consolidated its financial results into the Group’s consolidated financial statements since December 30, 2024.

The fair value of the previously held equity interests was estimated based on the equity value of Hordeum, which is estimated by applying the income approach. The remeasurement gain associated with the previously held equity interests of Hordeum was immaterial.

The purchase price as of the date of acquisition is comprised of:

	Amounts (RMB in millions)
Cash	2,473
Fair value of previously held equity interests	1,284
Total	3,757

Notes to the Consolidated Financial Statements (Continued)

5 Business Acquisition (Continued)

Acquisitions in 2024 (Continued)

The transaction was considered a business acquisition and therefore was recorded using the acquisition method of accounting. The allocation of the purchase price based on the fair values of the acquired assets and liabilities assumed as of the date of acquisition is summarized as follows:

	Amounts (RMB in millions)
Net assets acquired	1,011
Newly identified intangible assets	2,005
Goodwill	4,767
Deferred tax liabilities	(518)
Non-controlling interests	(3,508)
Total	3,757

Net assets acquired primarily consisted of advance to suppliers of RMB3,224 million as of the date of acquisition. Acquired amortizable intangible assets had a weighted-average amortization period of 8.5 years. Fair value of the non-controlling interests was estimated by applying the income approach.

Goodwill arising from the acquisition of Hordeum was attributable to the benefit of expected synergies, the assembled workforce, revenue growth and future market development as of the date of acquisition and assigned to JD Retail segment. Goodwill arising from the acquisition is not expected to be deductible for tax purposes.

The Group also completed a few business acquisitions during 2024, the consideration and impact on the consolidated financial statements of which were immaterial individually or collectively.

Neither the results of operations since the acquisition dates nor the pro forma results of operations of the acquirees were presented because the effects of the business combinations in 2024, both individually and in aggregate, were not significant to the consolidated statements of operations and comprehensive income.

5 Business acquisition (Continued)

Acquisitions in 2022

Acquisition of Dada

In February 2022, the Group acquired additional number of ordinary shares of Dada, China's leading local on-demand delivery and retail platform, for a total consideration of US\$800 million with a combination of cash and certain strategic resources to Dada. The Group held, taking into account its existing shareholding, approximately 52% of Dada's issued and outstanding shares and consolidated the financial results of Dada into the Group's consolidated financial statements since February 28, 2022. The fair value of the previously held equity interests and non-controlling interests were determined by the market price of shares of Dada at the acquisition date. The Group primarily recorded (i) RMB7,549 million of net assets acquired, (ii) RMB2,090 million of newly identified and appreciation of intangible assets, which had a weighted-average amortization period of 7.0 years, (iii) RMB3,623 million of premium not reflected in goodwill, which was recognized as a loss in "others, net" resulting from the change of Dada's share price prior to the closing of the acquisition, and (iv) RMB4,542 million of goodwill, which is non-deductible for tax purposes. The goodwill is primarily attributable to the expected synergies, the assembled workforce, revenue growth and future market development and assigned to Dada reporting unit and JD Retail reporting unit on the basis of the expected synergies from the acquisition of Dada.

Had the acquisition date of Dada been January 1, 2021, the revenues and net loss of the Group would have been RMB956.8 billion and RMB6.3 billion in 2021, respectively, and the revenues and net income of the Group would have been RMB1,047.2 billion and RMB9.5 billion in 2022, respectively. The pro-forma information is for illustrative purposes only and is not necessarily an indication of revenues and results of operations of the Group that actually would have been achieved had the acquisition been completed on January 1, 2021, nor is it intended to be a projection of future results. The pro-forma amounts have been calculated after adjusting the results of Dada to reflect the additional amortization that would have been charged assuming the fair value adjustments to intangible assets had been applied from January 1, 2021.

Acquisition of CNLP

In September 2021, the Group, through JD Property, entered into a sale and purchase agreement to acquire additional shares of CNLP, which is principally engaged in the leasing of storage facilities and the related management services and was listed on the Main Board of the HKEX, representing approximately 26.38% of the issued share capital of CNLP. In accordance with relevant listing rules, JD Property was required to make an offer for all the issued shares of CNLP and an offer for all the outstanding convertible bonds of CNLP. As of March 1, 2022, JD Property obtained all the outstanding convertible bonds and certain number of CNLP's issued and outstanding shares with a cash consideration of Hong Kong dollars ("HK\$") 13,066 million. The Group obtained control of CNLP since it assigned all the board members of CNLP on March 1, 2022 and held approximately 80% of shareholding interests. Prior to the acquisition, the Group held 10.6% of the issued share capital of CNLP and measured its investment in CNLP at fair value. The fair value of the previously held equity interests and non-controlling interests were determined by the market price of shares of CNLP as of the date of acquisition. The Group primarily recorded (i) RMB4,309 million of net assets acquired, (ii) RMB10,908 million of appreciation of property, equipment and software, construction in progress and land use rights, (iii) RMB1,586 million of goodwill, which is non-deductible for tax purposes. The goodwill is primarily attributable to the expected synergies, the assembled workforce, revenue growth and future market development and assigned to New Businesses segment.

Notes to the Consolidated Financial Statements (Continued)

5. Business acquisition (Continued)

Acquisitions in 2022 (Continued)

Acquisition of CNLP (Continued)

From March to July 2022, the Group acquired the remaining equity interest in CNLP with a total consideration of HK\$3,072 million (RMB2,637 million), which is treated as an equity transaction. CNLP was privatized on July 15, 2022. Upon completion of the transaction, CNLP became a wholly owned subsidiary of the Company.

Neither the results of operations since the acquisition date nor the pro forma results of operations of CNLP were presented because the effects of acquisition of CNLP, were not significant to the consolidated statements of operations and comprehensive income.

Acquisition of Deppon

On March 11, 2022, the Group, through a subsidiary of JD Logistics, entered into a series of agreements with the shareholders of Deppon Holdco, in relation to the acquisition of approximately 99.99% equity interest of Deppon Holdco, which in turn holds approximately 66.5% of the issued share capital of Deppon Logistics Co., Ltd ("Deppon"), for a total consideration of approximately RMB8,976 million. Deppon is a company established under the laws of the PRC, the shares of which are listed on the Shanghai Stock Exchange (stock code: 603056). Deppon is an integrated, customer-centered logistics company providing a wide range of solutions including Less-Than-Truckload (LTL) transportation, Full Truck Load (FTL) transportation, delivery services, and warehousing management. The acquisition was completed on July 26, 2022. Upon completion of the transaction, Deppon Holdco became a consolidated subsidiary of the Group. Fair value of the non-controlling interests was determined based on the market price of shares of Deppon as of the date of acquisition. The Group primarily recorded (i) RMB6,570 million of net assets acquired, (ii) RMB2,345 million of appreciation of newly identified and appreciation of intangible assets, which had a weighted-average amortization period of 15.3 years, (iii) RMB5,350 million of goodwill, which is non-deductible for tax purposes. The goodwill is primarily attributable to the expected synergies, the assembled workforce, revenue growth and future market development and assigned to JD Logistics segment.

5. Business acquisition (Continued)

Acquisitions in 2022 (Continued)

Acquisition of Deppon (Continued)

Had the acquisition date of Deppon been January 1, 2021, the revenues and net loss of the Group would have been RMB982.8 billion and RMB4.5 billion in 2021, respectively, and the revenues and net income of the Group would have been RMB1,063.2 billion and RMB9.7 billion in 2022, respectively. The pro-forma information is for illustrative purposes only and is not necessarily an indication of revenues and results of operations of the Group that actually would have been achieved had the acquisition been completed on January 1, 2021, nor is it intended to be a projection of future results. The pro-forma amounts have been calculated after adjusting the results of Deppon to reflect the additional amortization that would have been charged assuming the fair value adjustments to intangible assets had been applied from January 1, 2021.

6 Investments in Equity Investees

Measurement Alternative and NAV practical expedient

The carrying amount of the Group's equity investments measured at fair value using the Measurement Alternative was RMB18,153 million and RMB14,027 million as of December 31, 2023 and 2024, respectively, and the carrying amount of the Group's investments under NAV practical expedient was RMB8,133 million and RMB8,529 million as of December 31, 2023 and 2024, respectively. During the years ended December 31, 2022, 2023 and 2024, fair value changes recognized for equity investments which were measured using the Measurement Alternative, and NAV practical expedient were not significant.

Equity method

As of December 31, 2024, the Group's investments accounted for under the equity method totaled RMB34,294 million (as of December 31, 2023: RMB30,460 million), which mainly included the investment in Yonghui Superstores Co., Ltd. ("Yonghui") amounting to RMB2,244 million, investment in JD Technology amounting to RMB15,607 million and the investment in Home Credit Consumer Finance Co., Ltd. ("Home Credit") amounting to RMB2,500 million. The Group applies the equity method of accounting to account for its equity investments, in common stock or in-substance common stock, over which it has significant influence but does not own a majority equity interest or otherwise control.

6 Investments in Equity Investees (Continued)

Equity method (Continued)

Investment in JD Technology

Following the reorganization of JD Technology in March 2021, the Group's equity interest in JD Technology increased to 41.7%. The Group accounted for its investment in JD Technology using the equity method, as it exerted significant influence without holding a majority equity interest or otherwise control. Pursuant to the supplemental agreement entered between JD Technology and its shareholders in June 2020, certain existing shareholders (including the Group) have the obligation to make up the shortfall (if any) of the redemption price to the other shareholders of JD Technology when all other means are exhausted, and the shortfall is capped by the proceeds from the sales of the guarantor's shares of JD Technology. In 2023, the Group is exempted from recording a guarantee liability for its obligation to make up any shortfall of the redemption price to other shareholders of JD Technology, as the Group and JD Technology are under the common control of Mr. Richard Qiangdong Liu (Mr. Liu), and the chance to settle the guarantee obligation by the Group is not probable as of December 31, 2023. From September to December 2024, JD Technology entered into new agreements with its shareholders to replace previous redemption terms with new settlement method (through both cash and newly issued common shares in tranches) (the "2024 Transaction"). Those are further subject to suspension or termination under certain circumstances. Concurrently, the previous guarantee obligation of the Group has also been extinguished. In accordance with these agreements, JD Technology completed the first tranche of redemption through cash settlement and new share issuance in the fourth quarter of 2024. As of December 31, 2024, the Group's equity interest in JD Technology further increased to 43.6% as a result of the redemption aforementioned, and the Group continued to apply the equity method for accounting of this investment. As the Group and JD Technology are both controlled by Mr. Liu before and after the 2024 Transaction, the Group's increased equity interest holding in JD Technology was accomplished through a transaction under common control. The Group recognized a decrease in investment in JD Technology amounting to RMB726 million, based on its proportionate share of JD Technology's net assets, with a decrease of RMB726 million into additional paid-in capital for the year ended December 31, 2024.

Investment in Home Credit

In December 2024, the Company entered into an agreement to acquire 50% of Home Credit's equity interest for a total cash consideration of RMB2,500 million. Home Credit is a consumer finance company that conducts its business through providing consumer loans and merchandise loans. As of December 31, 2024, the Company accounted for its investment in Home Credit using the equity method as the Company obtained the significant influence by the right to nominate three board seats out of nine. Concurrently, JD Technology subscribed 15% of Home Credit's equity interest. The basis difference as of December 31, 2024 was immaterial.

6 Investments in Equity Investees (Continued)

Equity method (Continued)

Investment in Yonghui

Yonghui is a leading hypermarket and supermarket operator in China and is listed on the Shanghai Stock Exchange. The Group held approximately 11.3% of Yonghui's issued and outstanding shares and accounted for the investment in Yonghui using the equity method as the Group obtained significant influence by the rights to nominate one board member out of nine. The difference between the carrying value of the equity interests in Yonghui and the Group's share of the carrying value of Yonghui's net assets is a basis difference, which was mainly allocated to amortizable intangible assets of RMB1,472 million, goodwill of RMB845 million and deferred tax liabilities of RMB368 million as of December 31, 2023, and amortizable intangible assets of RMB1,159 million with a weighted average amortization period of 11 years, goodwill of RMB342 million and deferred tax liabilities of RMB290 million as of December 31, 2024.

In the fourth quarter of 2023 and first quarter of 2024, the Group recorded impairment charges of RMB266 million and RMB438 million, respectively, to write down the carrying value of its investment in Yonghui to its fair value, based on quoted closing prices of Yonghui as of December 31, 2023 and March 31, 2024.

As of December 31, 2023 and 2024, the market value of the Group's investment in Yonghui was RMB3,426 million and RMB6,476 million based on its quoted closing price, respectively. In September 2024, the Group entered into a definitive agreement under which the Group will transfer 8.3% of Yonghui shares.

Notes to the Consolidated Financial Statements (Continued)

6 Investments in Equity Investees (Continued)

Equity method (Continued)

Investment in Yonghui (Continued)

The Group recorded its share of the profits and losses of JD Technology, Home Credit and Yonghui one quarter in arrears to enable the Group to provide its financial disclosure independent of the reporting schedule of these equity investees.

The Group summarizes the condensed financial information of the Group's equity investments under equity method as a group below in accordance with Rule 4-08 of Regulation S-X:

	For the year ended December 31,		
	2022	2023	2024
	(RMB in millions)		
Revenues	160,554	149,237	146,583
Gross profit	47,369	48,134	70,000
Income/(loss) from operations	(2,158)	(274)	8,334
Net income/(loss)	(1,583)	(1,733)	4,380
Net income/(loss) attributable to the investees' ordinary shareholders	(1,327)	(1,506)	4,641

	As of December 31,	
	2023	2024
	(RMB in millions)	
Current assets	155,283	161,218
Non-current assets	145,171	146,848
Current liabilities	118,886	124,013
Non-current liabilities	50,228	44,090
Redeemable stock	—	28,167
Non-controlling interests	359	4,429

The Group performs impairment assessment of its investments under the Measurement Alternative and equity method whenever events or changes in circumstances indicate that the carrying value of the investment may not be fully recoverable. Impairment charges in connection with the equity method investments of RMB1,316 million, RMB266 million and RMB699 million were recorded in "share of results of equity investees" in the consolidated statements of operations and comprehensive income for the years ended December 31, 2022, 2023 and 2024, respectively. The valuation of impairment in privately held companies under the Measurement Alternative is discussed in Note 4.

Notes to the Consolidated Financial Statements (Continued)

7 Accounts Receivable, Net

Accounts receivable, net consist of the following:

	As of December 31,	
	2023	2024
	(RMB in millions)	
Logistics receivables	12,305	13,797
Online retail and online marketplace receivables ^(*)	8,842	13,206
Advertising receivables and others	1,043	658
Accounts receivable	22,190	27,661
Allowance for doubtful accounts	(1,888)	(2,065)
Accounts receivable, net	20,302	25,596

The movements in the allowance for doubtful accounts are as follows:

	For the year ended December 31,		
	2022	2023	2024
	(RMB in millions)		
Balance at beginning of the year	(1,034)	(1,582)	(1,888)
Additions	(615)	(542)	(376)
Write-off	67	236	199
Balance at end of the year	(1,582)	(1,888)	(2,065)

(*) The accounts receivable in relation to consumer financing business is included in online retail and online marketplace receivables. As JD Technology performs credit risk assessment services for the individuals and purchases the past-due receivables from the Group at carrying values to absorb the risks and obtain the returns from such financing arrangements, no allowance for doubtful accounts in relation to consumer financing receivables was provided.

8 Inventories, Net

Inventories, net consist of the following:

	As of December 31,	
	2023	2024
	(RMB in millions)	
Products	71,297	91,631
Packing materials and others	1,131	1,782
Inventories	72,428	93,413
Inventory valuation allowance	(4,370)	(4,087)
Inventories, net	68,058	89,326

Notes to the Consolidated Financial Statements (Continued)

9 Property, Equipment and Software, Net

Property, equipment and software, net consist of the following:

	As of December 31,	
	2023	2024
	(RMB in millions)	
Land, building and building improvement	56,445	70,977
Logistics, warehouse and other heavy equipment	16,653	18,061
Vehicles	7,268	8,981
Leasehold improvement	5,117	5,895
Electronic equipment	2,644	2,947
Software	1,049	1,072
Office equipment	696	757
Total	89,872	108,690
Less: accumulated depreciation and impairment	(19,837)	(25,953)
Net carrying amount	70,035	82,737

Depreciation expenses were RMB5,295 million, RMB6,088 million and RMB6,958 million for the years ended December 31, 2022, 2023 and 2024, respectively. No material impairment loss was recorded for the year ended December 31, 2022. For the years ended December 31, 2023 and 2024, the Group recorded impairment losses of RMB819 million and RMB716 million, respectively.

10 Land Use Rights, Net

Land use rights, net consist of the following:

	As of December 31,	
	2023	2024
	(RMB in millions)	
Land use rights	42,219	40,650
Less: accumulated amortization and impairment	(2,656)	(3,817)
Net carrying amount	39,563	36,833

Amortization expenses for land use rights were RMB693 million, RMB900 million and RMB959 million for the years ended December 31, 2022, 2023 and 2024, respectively. No impairment loss was recorded for the year ended December 31, 2022. For the years ended December 31, 2023 and 2024, the Group recorded impairment losses of RMB210 million and RMB448 million, respectively.

Notes to the Consolidated Financial Statements (Continued)

10 Land Use Rights, Net (Continued)

As of December 31, 2024, amortization expenses related to the land use rights for future periods are estimated to be as follows:

	For the year ended December 31,					
	2025	2026	2027	2028	2029	2030 and thereafter
	(RMB in millions)					
Amortization expenses	901	901	901	901	901	32,328

11 Intangible Assets, Net

Intangible assets, net consist of the following:

As of December 31, 2023					
	Weighted-Average Amortization Period	Gross Carrying Amount	Accumulated Amortization	Impairment Amount	Net Carrying Amount
	Year	(RMB in millions)			
Non-compete	8.0	2,467	(2,407)	—	60
Domain names and trademarks	17.8	6,756	(1,855)	(551)	4,350
Customer relationship	8.7	2,823	(1,087)	(60)	1,676
Technology and others	5.4	2,842	(1,546)	(447)	849
Total	12.1	14,888	(6,895)	(1,058)	6,935

Notes to the Consolidated Financial Statements (Continued)

11 Intangible Assets, Net (Continued)

	As of December 31, 2024				
	Weighted-Average Amortization Period	Gross Carrying Amount	Accumulated Amortization	Impairment Amount	Net Carrying Amount
	Year	(RMB in millions)			
Non-compete	8.0	2,467	(2,467)	—	—
Domain names and trademarks	17.8	6,715	(2,185)	(815)	3,715
Customer relationship	8.7	5,157	(1,416)	(112)	3,629
Technology and others	5.4	2,905	(1,790)	(666)	449
Total	11.6	17,244	(7,858)	(1,593)	7,793

Amortization expenses for intangible assets were RMB1,248 million, RMB1,304 million and RMB987 million for the years ended December 31, 2022, 2023 and 2024, respectively. No impairment loss was recorded for the year ended December 31, 2022. For the years ended December 31, 2023 and 2024, the Group recorded impairment losses of RMB902 million and RMB535 million for the intangible assets mainly identified from the acquisition of Dada and other offline businesses, respectively.

As of December 31, 2024, amortization expenses related to the intangible assets for future periods are estimated to be as follows:

	For the year ended December 31,					
	2025	2026	2027	2028	2029	2030 and thereafter
	(RMB in millions)					
Amortization expenses	1,028	1,017	1,000	852	742	3,154

Notes to the Consolidated Financial Statements (Continued)

12 Goodwill

The prior periods' reconciliation of the carrying amount of goodwill have been retrospectively recast to conform to the changes in reportable segments as disclosed in Note 2(n). The changes in the carrying amount of goodwill are as follows:

	JD Retail	JD Logistics (RMB in millions)	New Businesses	Total
Transaction in 2022				
Additions	1,399	5,350	4,729	11,478
Disposal of a subsidiary	(788)	—	—	(788)
Balance as of December 31, 2022				
Goodwill	11,418	6,983	7,322	25,723
Accumulated impairment losses	(7)	—	(2,593)	(2,600)
	11,411	6,983	4,729	23,123
Transaction in 2023				
Impairment	—	—	(3,143)	(3,143)
Balance as of December 31, 2023				
Goodwill	11,418	6,983	7,322	25,723
Accumulated impairment losses	(7)	—	(5,736)	(5,743)
	11,411	6,983	1,586	19,980
Transaction in 2024				
Additions	6,576	—	—	6,576
Disposal of a subsidiary	(48)	—	—	(48)
Impairment	(799)	—	—	(799)
Balance as of December 31, 2024				
Goodwill	17,946	6,983	7,322	32,251
Accumulated impairment losses	(806)	—	(5,736)	(6,542)
	17,140	6,983	1,586	25,709

No impairment loss of goodwill was recorded for the year ended December 31, 2022. For the year ended December 31, 2023, considered duration and severity of the decline of Dada's stock price, the Company assessed that it is more likely than not that the fair value of Dada reporting unit is less than its carrying amount and performed quantitative impairment test on Dada reporting unit and recognized an impairment charge of RMB3,143 million. For the year ended December 31, 2024, the Company concluded that the carrying amounts of certain reporting units exceeded their respective fair values and recorded impairment losses of RMB799 million. The fair value of reporting units was determined based on the discounted cash flow analysis using the assumptions including internal cash flows forecasts, long-term future growth rates and discount rates.

Notes to the Consolidated Financial Statements (Continued)

13 Accounts Payable

Accounts payable consist of the following:

	As of December 31,	
	2023	2024
	(RMB in millions)	
Vendor payable	131,421	157,147
Shipping charges payable and others	34,746	35,713
Total	166,167	192,860

Financial institutions (the “Institutions”) including JD Technology offer supply chain financing services to the Group’s suppliers. Suppliers can sell one or more of the Group’s payment obligations at their sole discretion through JD Technology to the Institutions to receive funds ahead of time to meet their cash flow needs. The Group’s rights and obligations are not impacted and the original payment terms, timing or amount, remain unchanged. The Group did not provide assets pledged as security or other forms of guarantees under the supply chain financing arrangements. A supplier’s election to receive early payment from the Institutions does not change the amount that the Group must remit to the Institutions or the Group’s payment date, which mainly up to 90 days after product-acceptances or completion of sales.

The movements in the accounts payable under supply chain financing arrangements are as follows, among which, RMB21,303 million and RMB15,233 million were due to JD Technology as of December 31, 2023 and 2024, respectively.

	For the year ended December 31, 2024 (RMB in millions)
Balance at beginning of the year	21,316
Additions	144,047
Payments	(150,069)
Balance at end of the year	15,294

Notes to the Consolidated Financial Statements (Continued)

14 Accrued Expenses and Other Current Liabilities

Accrued expenses and other current liabilities consist of the following:

	As of December 31,	
	2023	2024
	(RMB in millions)	
Deposits	19,577	20,530
Salary and welfare	10,781	14,022
Accrued administrative expenses	2,263	2,360
Rental fee payable	1,330	1,367
Professional fee	1,559	1,184
Liabilities for return allowances	950	1,029
Vehicle fee	726	732
Payable related to employees' exercise of share-based awards	221	535
Interest payable	134	208
Internet data center fee	366	183
Deferred consideration payables	445	45
Others	5,181	3,790
Total	43,533	45,985

15 Unsecured Senior Notes

Senior notes due 2026

In April 2016, the Company issued unsecured senior notes with two maturity dates for an aggregate principal amount of US\$1,000 million. Listed on the Singapore Stock Exchange, these notes are both fixed rate notes and senior unsecured obligations, with interest payable semi-annually in arrears on and of each year, beginning on October 29, 2016. The unsecured senior notes were issued at a discount amounting to RMB79 million. The debt issuance costs of RMB36 million were presented as a direct deduction from the principal amount of the unsecured senior notes in the consolidated balance sheets. As of December 31, 2023 and 2024, the principal amount of US\$500 million was outstanding, and will be due in 2026.

Senior notes due 2030 and 2050

In January 2020, the Company issued unsecured senior notes with two maturity dates for an aggregate principal amount of US\$1,000 million. Listed on the Singapore Stock Exchange, these notes are both fixed rate notes and senior unsecured obligations, with interest payable semi-annually in arrears on and of each year, beginning on July 14, 2020. The unsecured senior notes were issued at a discount amounting to RMB37 million. The debt issuance costs of RMB45 million were presented as a direct deduction from the principal amount of the unsecured senior notes in the consolidated balance sheets.

Notes to the Consolidated Financial Statements (Continued)

15 Unsecured Senior Notes (Continued)

Senior notes due 2030 and 2050 (Continued)

The Group repurchased the senior notes due 2030 and 2050 from the open market with a total principal amounts of US\$6 million (RMB42 million) at a reacquisition price of US\$5 million (RMB35 million) in 2022. The repurchased Senior Notes were derecognized from the Group's consolidated balance sheets, and the relevant repurchase gains amounting to RMB6 million were recognized in "interest expense" in the Group's consolidated statements of operations and comprehensive income for the year ended December 31, 2022.

Convertible Senior Notes due 2029

In May 2024, the Company completed its offering of unsecured convertible senior notes (the "Convertible Senior Notes") in an aggregate principal amount of US\$2.0 billion at par value due 2029, including the initial purchasers' full exercise of option to purchase an additional US\$250 million in aggregate principal amount of the Convertible Senior Notes. The Convertible Senior Notes bear a fixed rate of 0.25% per year and senior unsecured obligations, with interest payable semi-annually in arrears on and of each year, beginning on December 1, 2024. The debt issuance costs of RMB236 million were presented as a direct deduction from the principal amount of the Convertible Senior Notes in the consolidated balance sheets, and are amortized over the period from May 21, 2024, the date of issuance, to June 1, 2027, the first puttable date of the Convertible Senior Notes, using the effective interest method. The interest expense recognized was RMB69 million for the year ended December 31, 2024.

Holders of the Convertible Senior Notes may convert their Convertible Senior Notes at their option at any time prior to the close of business on the third scheduled trading day immediately preceding the maturity. The initial conversion rate for the Convertible Senior Notes shall be 21.8830 ADSs per US\$1,000 principal amount of the Convertible Senior Notes, equivalent to an initial conversion price of approximately US\$45.70 per ADS. The conversion rate shall be subject to adjustment in certain events. Upon conversion, the Company will pay or deliver, as the case may be, cash, ADSs, or a combination of cash and ADSs, at the Company's election.

Holders of the Convertible Senior Notes have the right to require the Company to repurchase all or part of their Convertible Senior Notes on June 1, 2027 or in the event of certain fundamental changes, at a repurchase price equal to 100% of the principal amount of the Convertible Senior Notes to be repurchased, plus accrued and unpaid interest.

No embedded features that are subject to separate accounting have been identified. The conversion option is considered to be indexed to the Company's own stock and classified in shareholders' equity, therefore, exempted from the scope of the derivative accounting. Other embedded features including the mandatory redemption feature and the contingent call and put options upon certain changes in the tax laws or certain fundamental changes are considered clearly and closely related to the debt host, therefore, do not require bifurcation. Based on the above, the Convertible Senior Notes are accounted for as a single liability under unsecured senior notes, non-current.

Notes to the Consolidated Financial Statements (Continued)

15 Unsecured Senior Notes (Continued)

A summary of the Company's senior notes due 2026, 2030 and 2050 (collectively "Senior Notes") and the Convertible Senior Notes as of December 31, 2023 and 2024 is as follows:

	As of December 31,		Effective
	2023	2024	interest rate
	(RMB in millions)		
US\$500 million 3.875% Senior Notes due 2026	3,520	3,582	4.15%
US\$700 million 3.375% Senior Notes due 2030	4,898	4,973	3.47%
US\$300 million 4.125% Senior Notes due 2050	1,993	2,024	4.25%
US\$2,000 million 0.25% Convertible Senior Notes due 2029	—	14,191	0.79%
Carrying value	10,411	24,770	
Unamortized discount and debt issuance costs of the Senior Notes	86	73	
Unamortized debt issuance costs of the Convertible Senior Notes	—	186	
Total principal amounts of unsecured senior notes	10,497	25,029	

The effective interest rates include the interest charged on the notes as well as amortization of the debt discounts and debt issuance costs. The unsecured senior notes will rank senior in rights of payment to all of the Company's existing and future obligations expressly subordinated in rights of payment to the unsecured senior notes and rank at least equal in rights of payment with all of the Company's existing and future unsecured and unsubordinated obligations (subject to any priority rights pursuant to applicable law).

The unsecured senior notes contain covenants including, among others, limitation on liens, consolidation, merger and sale all or substantially all of the Company's assets.

As of December 31, 2024, the principal of the Senior Notes of RMB3,594 million, RMB4,996 million and RMB2,062 million will be due in 2026, 2030 and 2050, respectively. The principal of the Convertible Senior Notes of RMB14,377 million will be due in 2029. The principal of the unsecured senior notes will be due according to the following schedule:

Principal amounts	Total	Within 1 year	Between 1 to 2 years	Between 2 to 3 years	Between 3 to 4 years	Between 4 to 5 years	Beyond 5 years
		(RMB in millions)					
Senior Notes	10,652	—	3,594	—	—	—	7,058
Convertible Senior Notes	14,377	—	—	—	—	14,377	—

Notes to the Consolidated Financial Statements (Continued)

16 Leases

The Group has operating leases for warehouses, stores, office spaces, delivery centers and other corporate assets that the Group utilizes under lease arrangements.

A summary of supplemental information related to operating leases as of December 31, 2023 and 2024 is as follows:

	As of December 31,	
	2023	2024
	(RMB in millions)	
Operating lease ROU assets	20,863	24,532
Operating lease liabilities — current	7,755	7,606
Operating lease liabilities — non-current	13,676	18,106
Total operating lease liabilities	21,431	25,712
Weighted average remaining lease term	5.4 years	7.2 years
Weighted average discount rate	4.7%	4.2%

A summary of lease cost recognized in the Group's consolidated statements of operations and comprehensive income and supplemental cash flow information related to operating leases is as follows:

	For the year ended December 31,		
	2022	2023	2024
	(RMB in millions)		
Operating lease cost	7,951	8,917	8,934
Short-term lease cost	3,181	3,358	3,263
Total	11,132	12,275	12,197
Cash paid for operating leases	7,915	9,086	9,546

Notes to the Consolidated Financial Statements (Continued)

16 Leases (Continued)

A summary of maturity of operating lease liabilities under the Group's non-cancelable operating leases as of December 31, 2024 is as follows:

	As of December 31, 2024 (RMB in millions)
2025	7,778
2026	4,878
2027	3,199
2028	2,498
2029	1,975
2030 and thereafter	9,568
Total lease payments	29,896
Less: interest	(4,184)
Present value of operating lease liabilities	25,712

As of December 31, 2024, the Group has no significant lease contract that has been entered into but not yet commenced.

17 Gain on Sale of Development Properties

Gain on sale of development properties for the years ended December 31, 2022, 2023 and 2024 were RMB1,379 million, RMB2,283 million and RMB1,527 million, respectively, which were mainly derived from disposals of logistics facilities to Real Estate Investment Trust ("REIT") and several private funds, which can be mainly classified into core funds (collectively, "Property Funds"). The overview of the major funds is listed below.

Core funds

In 2018, the Group established JD Property to manage the expanding logistics facilities and other real estate properties. Over the course of the years, JD Property established several phases of core funds (the "Core Funds") together with certain third-party investor(s). JD Property serves as the general partner and committed 10%–20% of the total capital of each core fund as the limited partner, and the third-party investor(s) committed the remaining 80%–90%.

Notes to the Consolidated Financial Statements (Continued)

17 Gain on Sale of Development Properties (Continued)

Core funds (Continued)

Furthermore, the Group entered into definitive agreements with each of the Core Funds, pursuant to which the Group will dispose of certain modern logistics facilities to the Core Funds, and concurrently lease back these completed facilities for operational purposes with an initial lease term of 4 to 10 years. The annual rent for the completed facilities is set at fair market rent for the initial lease term and will be adjusted based on the growth rate of fair market rent at the beginning of each subsequent 5 years' period. The Group may choose to renew the lease upon the expiry of the initial lease agreement if the adjusted rental rate is acceptable. The lease back transaction is accounted for under ASC 842 as operating lease, and the ROU assets and operating lease liabilities were recorded accordingly. The Core Funds used leverage to finance the purchase, and the closing of the purchase is subject to certain conditions, including the availability of debt financing.

The investment committee of each of the Core Funds, which comprises the representatives from JD Property and the third-party investor(s), oversees the key operations of each fund, respectively. Given the control over the Core Funds is shared between JD Property and the third-party investor(s), JD Property does not consolidate the Core Funds and investments in the Core Funds are accounted for using the equity method as JD Property obtained significant influence by the rights to nominate no more than half of the members of each investment committee.

The closing conditions for each asset group of completed logistics facilities were considered met when each of the Core Funds signed definitive facility agreements with bank consortium to finance the purchase, respectively. As of each respective year-end, all or certain of logistics facilities under asset groups related to different core funds have been completed and satisfied hand-over condition. Therefore, the Group recorded disposal gain related to the Core Funds of RMB1,289 million, RMB1,764 million and RMB1,527 million for the years ended December 31, 2022, 2023 and 2024, respectively, which represent the excess of cash consideration of the net assets, including the consideration received and expected to receive, over the carrying value of the net assets disposed as of the disposal date.

REIT

In December 2022, the REIT jointly established by the Group, JD Property and Harvest Fund Management Co., Ltd., became the first of its kind in the private sector in China that received formal approval from China's Securities Regulatory Commission. On February 8, 2023, the REIT was listed on the Shanghai Stock Exchange, and raised proceeds for over RMB1.7 billion. The Company subscribed 34% of the units issued by the REIT amounted to RMB597 million and accounted for the investments in the REIT using the equity method as the Company obtained significant influence but no power to control the key activities determined in the general meeting of the REIT.

In February 2023, the Company transferred certain logistics facilities to the REIT and recorded a disposal gain of RMB519 million, which represents the difference between cash consideration and the carrying value of the net assets for the asset groups disposed and concurrently leased back all these logistic facilities for operational purpose with an initial lease term of 5 to 6 years. Upon the disposal, the logistics facilities leased back from the REIT were accounted for under ASC 842 as operating lease, and the right-of-use assets and operating lease liabilities were recorded accordingly.

Notes to the Consolidated Financial Statements (Continued)

18 Others, Net

Others, net consist of the following:

	For the year ended December 31,		
	2022	2023	2024
	(RMB in millions)		
Gains/(losses) from fair value change of long-term investments	(4,096)	(855)	1,355
Interest income	5,742	9,576	9,353
Gains/(losses) from acquisitions or disposals of businesses and investments	(3,558)	89	652
Impairment of investments	(1,969)	(3,043)	(3,299)
Foreign exchange gains/(losses), net	114	(28)	(111)
Others	2,212	1,757	5,421
Total	(1,555)	7,496	13,371

19 Taxation

a) Value added tax ("VAT")

The Group is subject to statutory VAT rate of 9% for revenues from sales of audio, video products and books and statutory VAT rate of 13% for sales of other products in the Chinese mainland, started from April 1, 2019. The Group is exempted from VAT for revenues from sales of books from January 1, 2014 to December 31, 2027 in comply with relevant VAT regulations of the Chinese mainland. The Group is subject to VAT at the rate of 6% or 9% for revenues from logistics services, and 6% for revenues from online advertising and other services. The Group is also subject to cultural undertaking development fees at the rate of 3% on revenues from online advertising services in the Chinese mainland, which is exempted from January 1, 2020 to December 31, 2021 and reduced by 50% from January 1, 2022 to December 31, 2027.

b) Income tax

Cayman Islands

Under the current laws of the Cayman Islands, the Company and its subsidiaries incorporated in the Cayman Islands are not subject to tax on income or capital gains. Additionally, the Cayman Islands does not impose a withholding tax on payments of dividends to shareholders.

19 Taxation (Continued)

b) Income tax (Continued)

British Virgin Islands

Under the current laws of the British Virgin Islands, entities incorporated in the British Virgin Islands are not subject to tax on their income or capital gains.

Hong Kong

The Group's subsidiaries incorporated in Hong Kong are subject to a two-tiered income tax rate on its taxable income generated from operations in Hong Kong effective on April 1, 2018. The first HK\$2 million of assessable profits earned by its subsidiaries in Hong Kong can be elected to be taxed at half the current tax rate (i.e., 8.25%) while the remaining assessable profits will continue to be taxed at the existing 16.5% tax rate. The Group performs analysis on the foreign-derived income, mainly including dividend and interest, accrued to its subsidiaries in Hong Kong, applies for Commissioner's Opinion/Advance Ruling with the Inland Revenue Department of Hong Kong on fulfillment of exception requirements under Foreign-Sourced Income Exemption ("FSIE") regime and pays tax for the profit subject to Hong Kong Profits Tax, if any.

Chinese mainland

Under the PRC Enterprise Income Tax Law (the "EIT Law"), the standard enterprise income tax rate for domestic enterprises and foreign invested enterprises is 25%. Most of the Group's PRC subsidiaries and consolidated VIEs are subject to the statutory income tax rate of 25%.

The EIT Law and its implementation rules permit certain High and New Technologies Enterprises, or HNTEs, to enjoy a reduced 15% enterprise income tax rate subject to these HNTEs meeting certain qualification criteria. In addition, the relevant EIT laws and regulations also provide that entities recognized as software enterprise ("Software Enterprises") are able to enjoy a tax holiday consisting of a two-year-exemption commencing from their first profitable calendar year and a 50% reduction in ordinary tax rate for the following three calendar years. Beijing Shangke has been qualified as HNTE and enjoys a preferential income tax rate of 15% in 2022, 2023 and 2024. Beijing Wodong Tianjun has been qualified as Software Enterprises and enjoys a 50% reduction in ordinary tax rate in 2022, 2023 and 2024.

Certain enterprises will benefit from a preferential tax rate of 15% under the EIT Law if they are located in applicable PRC regions as specified in the Catalogue of Encouraged Industries in Western Regions (initially effective through the end of 2010 and further extended to 2030), or the Western Regions Catalogue, subject to certain general restrictions described in the EIT Law and the related regulations. Chongqing Haijia and certain other entities of the Group are qualified as the enterprises within the Catalogue of Encouraged Industries in Western Regions and enjoyed 15% preferential income tax rate.

According to the relevant laws and regulations in the PRC, enterprises engaging in research and development activities are entitled to claim 175% of their research and development expenses so incurred as tax deductible expenses when determining their assessable profits for that year ("Super Deduction") from January 1, 2018 and such ratio is raised to 200% from October 1, 2022 and onwards.

19 Taxation (Continued)

b) Income tax (Continued)

Withholding tax on undistributed dividends

The EIT Law also provides that an enterprise established under the laws of a foreign country or region but whose “de facto management body” is located in the PRC be treated as a resident enterprise for the PRC tax purposes and consequently be subject to the PRC income tax at the rate of 25% for its global income. The Implementing Rules of the EIT Law merely define the location of the “de facto management body” as “the place where the exercising, in substance, of the overall management and control of the production and business operation, personnel, accounting, property, etc., of a non-PRC company is located.” Based on a review of surrounding facts and circumstances, the Group does not believe that it is likely that its operations outside of the PRC should be considered as a resident enterprise for the PRC tax purposes.

The EIT Law also imposes a withholding income tax of 10% on dividends distributed by a Foreign Investment Enterprise (“FIE”) to its immediate holding company outside of the Chinese mainland, if such immediate holding company is considered as a non-resident enterprise without any establishment or place within the Chinese mainland or if the received dividends have no connection with the establishment or place of such immediate holding company within the Chinese mainland, unless such immediate holding company’s jurisdiction of incorporation has a tax treaty with the Chinese mainland that provides for a different withholding arrangement. According to the arrangement between the Chinese mainland and Hong Kong Special Administrative Region on the Avoidance of Double Taxation and Prevention of Fiscal Evasion in August 2006, dividends paid by a FIE in the Chinese mainland to its immediate holding company in Hong Kong will be subject to withholding tax at a rate of no more than 5% (if the FIE satisfies the criteria for “beneficial owner” under Circular No. 9, which was issued by the STA in February 2018, and the foreign investor owns directly at least 25% of the shares of the FIE).

Before 2022, the Company did not record any dividend withholding tax on the retained earnings of its FIEs in the Chinese mainland, as the Company intended to reinvest all earnings in the Chinese mainland to further expand its business in the Chinese mainland, and its FIEs did not intend to declare dividends on the retained earnings to their immediate foreign holding companies.

For the years ended December 31, 2022, 2023 and 2024, the Company accrued RMB367 million, RMB2,421 million and RMB2,362 million withholding tax expenses associated with its earnings expected to be distributed from its FIEs in the Chinese mainland to countries or regions other than the Chinese mainland, respectively. As of December 31, 2023 and 2024, the Company has accrued withholding tax liabilities associated with all of its earnings expected to be distributed from its FIEs in the Chinese mainland to countries or regions other than the Chinese mainland, except for unrecognized deferred tax liabilities of RMB3.2 billion and RMB2.8 billion related to the remaining undistributed earnings that the Company still intends to indefinitely reinvest in the Chinese mainland, respectively.

Notes to the Consolidated Financial Statements (Continued)

19 Taxation (Continued)

b) Income tax (Continued)

Global Anti-base Erosion Rules

In December 2021, the Organization for Economic Co-operation and Development ("OECD") introduced the Global Anti-Base Erosion (GloBE) Rules, which set out global minimum tax rules designed to ensure that large multinational businesses with group annual revenue of EUR750 million or more pay a minimum effective rate of tax of 15% on profits in all their operating countries (referred to as "Pillar Two Rules"). Countries may also implement their own domestic minimum tax regimes. Global minimum tax rules have been enacted in certain jurisdictions in which the Group is subject to income taxes. To provide transitional relief for Pillar Two Rules tax compliance and administrative burden, the OECD has introduced a Framework for Transitional Country-by-Country Reporting Safe Harbor applicable for a Transition Period covering from the year ended December 31, 2024 to the year ending December 31, 2026.

Certain jurisdictions in which the Group operates have implemented the Pillar Two Rules. The Company took measures to assess its exposure to Pillar Two minimum taxation and no material top-up taxes arose for the year ended December 31, 2024. The Group is continuing to assess the impact of the Pillar Two Rules on its future financial performance.

The components of income/(loss) before tax are as follows:

	For the year ended December 31,		
	2022	2023	2024
	(RMB in millions)		
Income/(loss) before tax			
Income from Chinese mainland operations	16,800	33,130	47,693
Income/(loss) from non-Chinese mainland operations	(2,933)	(1,480)	3,845
Total income before tax	13,867	31,650	51,538
Income tax benefits/(expenses) applicable to			
Chinese mainland operations			
Current income tax expenses	(4,418)	(6,265)	(6,187)
Deferred tax benefits	732	410	1,805
Subtotal income tax expenses applicable to			
Chinese mainland operations	(3,686)	(5,855)	(4,382)
Income tax expenses applicable to			
non-Chinese mainland operations			
Current income tax expenses	(307)	(1,259)	(1,835)
Deferred tax expenses	(183)	(1,279)	(661)
Subtotal income tax expenses applicable to			
non-Chinese mainland operations	(490)	(2,538)	(2,496)
Total income tax expenses	(4,176)	(8,393)	(6,878)

Notes to the Consolidated Financial Statements (Continued)

19 Taxation (Continued)

b) Income tax (Continued)

Reconciliation of difference between the PRC statutory income tax rate and the Group's effective income tax rate for the years ended December 31, 2022, 2023 and 2024 is as follows:

	For the year ended December 31,		
	2022	2023	2024
Statutory income tax rate	25.0%	25.0%	25.0%
Tax effect of preferential tax rates and tax holiday	(19.3)%	(7.6)%	(4.2)%
Tax effect of tax-exempt entities	12.1%	3.3%	(0.6)%
Effect on tax rates in different tax jurisdiction	(3.2)%	(0.9)%	(0.5)%
Tax effect of non-deductible expenses	4.0%	0.1%	0.6%
Tax effect of non-taxable income	(0.4)%	(0.5)%	(0.3)%
Tax effect of Super Deduction and others	(19.0)%	(9.6)%	(4.0)%
Changes in valuation allowance	28.3%	9.1%	(7.3)%
Effect on withholding income tax	2.6%	7.6%	4.6%
Effective tax rates	30.1%	26.5%	13.3%

The following table sets forth the effect of tax holiday:

	For the year ended December 31,		
	2022	2023	2024
Tax holiday effect (RMB in millions)	2,677	2,397	2,152
Effect of tax holiday on basic net income per share (RMB)	0.86	0.76	0.72
Effect of tax holiday on diluted net income per share (RMB)	0.84	0.76	0.70

Notes to the Consolidated Financial Statements (Continued)

19 Taxation (Continued)

c) Deferred tax assets and deferred tax liabilities

	As of December 31,	
	2023	2024
	(RMB in millions)	
Deferred tax assets		
— Net operating loss carry forwards and others	15,909	13,185
— Deferred revenues	464	357
— Inventory valuation allowance	1,092	1,022
— Allowance for doubtful accounts	1,098	1,118
— Unrealized fair value losses for certain investments	238	92
Less: valuation allowance	(17,057)	(13,315)
Net deferred tax assets	1,744	2,459
Deferred tax liabilities		
— Long-lived assets arisen from business combinations and asset acquisitions	6,638	5,982
— Withholding tax on undistributed earnings	1,779	2,570
— Accelerated tax depreciation and others	850	946
Total deferred tax liabilities	9,267	9,498

As of December 31, 2024, the accumulated net operating loss that can be carried forward to offset future taxable income, mainly includes: (i) RMB11,285 million of the Company's subsidiaries incorporated in Singapore and Hong Kong which can be carried forward indefinitely; and (ii) RMB33,955 million arose from the Company's subsidiaries and consolidated VIEs established in the Chinese mainland and Indonesia, which will expire during the period from 2025 to 2029 except for those arose from HNTes, which will expire during the period from 2025 to 2034.

A valuation allowance is provided against deferred tax assets when the Group determines that it is more likely than not that the deferred tax assets will not be utilized in the future. In making such determination, the Group evaluates a variety of factors including the Group's entities' operating history, accumulated deficit, existence of taxable temporary differences and reversal periods.

Valuation allowances provided on the deferred tax assets mainly related to the net operating loss carry forwards, as the Group's management does not believe that sufficient positive evidence exists to conclude that the benefits of such deferred tax assets are more likely than not to be realized. The amount of valuation allowance offset in deferred tax assets as of December 31, 2023 and 2024 was RMB17,057 million and RMB13,315 million, respectively.

Notes to the Consolidated Financial Statements (Continued)

19 Taxation (Continued)

c) Deferred tax assets and deferred tax liabilities (Continued)

The movements of valuation allowance of deferred tax assets are as follows:

	For the year ended December 31,		
	2022	2023	2024
	(RMB in millions)		
Balance at beginning of the year	7,670	14,276	17,057
Additions	7,694	6,630	1,680
Reversals	(1,088)	(3,849)	(5,422)
Balance at end of the year	14,276	17,057	13,315

20 Financing for Major Subsidiaries

JD Logistics

On March 25, 2022, JD Logistics entered into a placing agreement to issue its ordinary shares to a group of third-party investors for net proceeds of approximately HK\$3,102 million in a placement (the "JDL Placement"). Concurrently, the Company, through its wholly owned subsidiary, had entered into a subscription agreement with JD Logistics to subscribe for ordinary shares of JD Logistics, at the same per share price for the JDL Placement, for net proceeds of approximately US\$692 million in cash (the "JD Subscription"). Upon completion of the JDL Placement and the JD Subscription in 2022, the Company maintained its shareholding in JD Logistics at approximately 63.56%, and continued to consolidate JD Logistics's financial results into its consolidated financial statements. The Company recorded the net proceeds of financing in non-controlling interests of RMB2,221 million and additional paid-in capital of RMB295 million.

JD Industrials

In March 2023, JD Industrials entered into definitive agreements for non-redeemable series B preference share financing ("JD Industrials Series B Preference Shares") with a group of third-party investors. The total amount of financing arising from JD Industrials Series B Preference Shares was approximately US\$210 million. Among the net proceeds received, RMB431 million was recorded as non-controlling interests and RMB1,031 million was recorded as additional paid-in capital.

The Group determined that JD Industrials Series B Preference Shares should be classified as non-controlling interests upon its issuance since they were not redeemable by the holders.

JD Property

In March and June 2022, JD Property entered into definitive agreements for its non-redeemable series B preferred share financing ("JD Property Series B Preference Shares") with investors led by Hillhouse Investment, Warburg Pincus, and one leading global institutional investor, among others. The total amount of financing raised was approximately US\$803 million. Among the net proceeds received, RMB3.9 billion was recorded as non-controlling interests and RMB1.4 billion was recorded as additional paid-in capital.

The Group determined that JD Property Series B Preference Shares should be classified as non-controlling interests upon its issuance since they were not redeemable by the holders.

Notes to the Consolidated Financial Statements (Continued)

21 Ordinary Shares

In June 2022, the Company renewed the strategic cooperation agreement originally entered in May 2019 with Tencent Holdings Limited ("Tencent"), for a period of three years starting from May 27, 2022. As part of the total consideration, the Company agreed to issue a certain number of the Company's Class A ordinary shares as the non-cash consideration of up to US\$220 million at prevailing market prices at certain pre-determined dates to Tencent to exchange its traffic support services during the three-year period, of which 2,164,236, 3,761,270 and 4,119,434 of the Company's Class A ordinary shares had been issued in July 2022, May 2023 and May 2024, respectively.

22 Dividends

In May 2022, the Company declared a special cash dividend of US\$0.63 per ordinary share, or US\$1.26 per ADS, for an aggregate amount of approximately US\$2.0 billion.

In March 2023, the Company declared a cash dividend of US\$0.31 per ordinary share, or US\$0.62 per ADS, for an aggregate amount of approximately US\$1.0 billion.

In March 2024, the Company declared an annual cash dividend for the year ended December 31, 2023 of US\$0.38 per ordinary share, or US\$0.76 per ADS, for an aggregate amount of approximately US\$1.2 billion.

23 Share Repurchase Program

In December 2021, the Board of Directors of the Company approved modifications to the share repurchase program authorized in 2020 ("2020 Share Repurchase Program") pursuant to which the repurchase authorization increased from US\$2.0 billion to US\$3.0 billion and was extended until March 2024.

In March 2024, the Board of Directors of the Company approved a share repurchase program ("2024 Share Repurchase Program"), effective upon the expiry of the company's 2020 Share Repurchase Program, pursuant to which the Company may repurchase up to US\$3.0 billion worth of its shares (including ADSs) over the next 36 months through March 2027.

In August 2024, the Company has fully utilized the repurchase amount authorized under 2024 Share Repurchase Program, and has adopted and announced a new share repurchase program (the "New 2024 Share Repurchase Program"). Pursuant to the New 2024 Share Repurchase Program effective from September 2024, the Company may repurchase up to US\$5.0 billion worth of its shares (including ADSs) over the next 36 months through the end of August 2027.

For the year ended December 31, 2022, the Company repurchased 5,010,203 ADSs for US\$286 million on the open market, at prevailing market prices. For the year ended December 31, 2023, the Company repurchased 11,339,490 ADSs for US\$356 million on the open market, at prevailing market prices. For the year ended December 31, 2024, the Company repurchased 127,639,089 ADSs for US\$3,645 million on the open market, at prevailing market prices.

The Company accounts for the repurchased ordinary shares at cost and includes such uncanceled treasury stock as a component of the shareholders' equity.

24 Accumulated Other Comprehensive Income

For the years ended December 31, 2022, 2023 and 2024, changes in the composition of accumulated other comprehensive income/(loss) attributable to the Company's ordinary shareholders were translation adjustments amounting to RMB5,131 million, translation adjustments and hedge of net investments in foreign operations (net of tax) amounting to RMB1,862 million, and translation adjustments and hedge of net investments in foreign operations (net of tax) amounting to RMB518 million, respectively. Accumulated other comprehensive loss were RMB6,090 million and RMB959 million, as of December 31, 2021 and 2022, respectively, and accumulated other comprehensive income were RMB903 million and RMB1,421 million as of December 31, 2023 and 2024, respectively.

The income tax effects related to the accumulated other comprehensive income were insignificant for all periods presented.

25 Share-based Compensation

For the years ended December 31, 2022, 2023 and 2024, total share-based compensation expenses recognized were RMB7,548 million, RMB4,804 million and RMB2,999 million, respectively. The following table sets forth the allocation of share-based compensation expenses:

	For the year ended December 31,		
	2022	2023	2024
	(RMB in millions)		
Cost of revenues	143	133	80
Fulfillment	930	697	424
Marketing	631	426	273
Research and development	1,557	859	599
General and administrative	4,287	2,689	1,623
Total	7,548	4,804	2,999

25 Share-Based Compensation (Continued)

Share incentive Plans

In November 2023, the Board of Directors approved a share incentive plan ("2023 Plan") which will expire in December 2033, as a renewal of the prior share incentive plan adopted in November 2014 ("2014 Plan", collectively with the 2023 Plan, "Share Incentive Plans").

The Company granted share-based awards to eligible employees and non-employees pursuant to the Share Incentive Plans, which govern the terms of the awards.

As of December 31, 2023 and 2024, the Group had reserved 223,666,717 and 213,472,791 ordinary shares available to be granted as share-based awards under the Share Incentive Plans.

(1) Employee and non-employee awards

The RSUs and share options are mainly scheduled to be vested over four or six years. One-fourth or one-sixth of the awards, depending on different vesting schedules of the plans, are usually vested upon the end of the calendar year in which the awards were granted or the first anniversary dates of the grants, and the remaining of the awards shall be vested on straight line basis at the end of the remaining calendar or the anniversary years.

Upon the reorganization of JD Technology, the employees' status of JD Technology changed from the employees of the Company's subsidiary to non-employees of the Company. Subsequent to June 2020, the employees' status of JD Technology changed from non-employees of the Company to employees of the Company's equity method investee. Share-based awards granted by the Company to employees of JD Technology and share-based awards granted by JD Technology to employees of the Company were insignificant for all periods presented.

25 Share-Based Compensation (Continued)**Share incentive plan (Continued)****(1) Employee and non-employee awards (Continued)****RSUs***Service-based RSUs*

A summary of activities of the service-based RSUs for the years ended December 31, 2022, 2023 and 2024 is presented as follows:

	Number of RSUs	Weighted- Average Grant- Date Fair Value US\$
Unvested as of December 31, 2021	95,108,866	25.89
Granted	13,951,100	29.81
Vested	(23,123,292)	23.04
Forfeited or cancelled	(14,295,620)	25.94
Unvested as of December 31, 2022	71,641,054	27.56
Granted	16,682,380	18.24
Vested	(19,416,652)	24.83
Forfeited or cancelled	(14,918,722)	28.48
Unvested as of December 31, 2023	53,988,060	25.40
Granted	43,677,248	15.33
Vested	(16,805,414)	25.07
Forfeited or cancelled	(9,876,472)	23.60
Unvested as of December 31, 2024	70,983,422	19.53

25 Share-based Compensation (Continued)

Share incentive plan (Continued)

(1) Employee and non-employee awards (Continued)

RSUs (Continued)

Service-based RSUs (Continued)

As of December 31, 2023 and 2024, 2,838,656 and 1,865,542 outstanding service-based RSUs were held by non-employees and employees of the Company's equity method investee, respectively, mainly including employees of JD Technology.

For the years ended December 31, 2022, 2023 and 2024, total share-based compensation expenses recognized by the Group for the service-based RSUs granted were RMB3,877 million, RMB1,840 million and RMB1,024 million, respectively.

As of December 31, 2024, there were RMB3,622 million of unrecognized share-based compensation expenses related to the service-based RSUs granted. The expenses are expected to be recognized over a weighted-average period of 3.0 years. The total fair value of service-based RSUs vested was RMB4,590 million, RMB2,930 million and RMB1,909 million for the years ended December 31, 2022, 2023 and 2024, respectively.

25 Share-based Compensation (Continued)**Share incentive plan (Continued)****(1) Employee and non-employee awards (Continued)****Share options**

A summary of activities of the service-based share options for the years ended December 31, 2022, 2023 and 2024 is presented as follows:

	Number of Share Options	Weighted Average Exercise Price US\$	Weighted Average Remaining Contractual Term Year	Aggregate Intrinsic Value US\$ in millions
Outstanding as of December 31, 2021	2,937,112	6.95	2.9	82
Exercised	(620,476)	5.70		
Forfeited or cancelled	(2,500)	3.96		
Outstanding as of December 31, 2022	2,314,136	7.29	2.2	48
Exercised	(1,485,726)	4.44		
Forfeited or cancelled	(24,590)	11.65		
Outstanding as of December 31, 2023	803,820	12.43	3.7	2
Exercised	(122,670)	13.01		
Forfeited or cancelled	(35,410)	14.98		
Outstanding as of December 31, 2024	645,740	12.18	3.3	3
Vested and expected to vest as of December 31, 2024	645,740	12.18	3.3	3
Exercisable as of December 31, 2024	645,740	12.18	3.3	3

25 Share-based Compensation (Continued)

Share incentive plan (Continued)

(1) Employee and non-employee awards (Continued)

Share options (Continued)

As of December 31, 2023 and 2024, 57,206 and 40,536 outstanding share options were held by non-employees and employees of the Company's equity method investee, respectively, mainly including employees of JD Technology.

There was no share option granted during the years ended December 31, 2022, 2023 and 2024.

The total intrinsic value of share options exercised during the years ended December 31, 2022, 2023 and 2024 was RMB98 million, RMB98 million and RMB2 million, respectively. The intrinsic value is calculated as the difference between the market value on the date of exercise and the exercise price of the share options.

For the years ended December 31, 2022, 2023 and 2024, total share-based compensation expenses recognized by the Group for the share options granted were insignificant. As of December 31, 2024, the share-based compensation expenses related to the share options granted were all recognized.

(2) Founder awards

In May 2015, with approval of the Board of Directors of the Company, Mr. Richard Qiangdong Liu, the Founder, was granted an option to acquire a total of 26,000,000 Class A ordinary shares of the Company with an exercise price of US\$16.70 per share (or US\$33.40 per ADS) under the Company's Share Incentive Plans, subject to a 10-year vesting schedule with 10% of the awards vesting on each anniversary of the grant date.

For the years ended December 31, 2022, 2023 and 2024, total share-based compensation expenses recognized for the Founder's share options were RMB54 million, RMB38 million and RMB21 million, respectively.

As of December 31, 2024, there were RMB6 million of unrecognized share-based compensation expenses related to the Founder's share options. The expenses are expected to be recognized over a weighted-average period of 0.4 years.

25 Share-based Compensation (Continued)

Share incentive plan (Continued)

(3) Share-based compensation of subsidiaries

JD Logistics

JD Logistics approved and adopted a Pre-IPO share incentive plan on March 31, 2018 and a Post-IPO share option scheme and a Post-IPO share award scheme on May 10, 2021, collectively the "JD Logistics Plan". The JD Logistics Plan consists of share options, RSUs and other types of awards.

There was no share option granted from 2022 to 2024. For the years ended December 31, 2022, 2023 and 2024, total share-based compensation expenses for the share options granted under the JD Logistics Plan were RMB702 million, RMB387 million and RMB143 million, respectively. As of December 31, 2024, there were RMB205 million of unrecognized share-based compensation expenses related to the share options granted. The expenses are expected to be recognized over a weighted-average period of 1.8 years.

In October 2020, share options to acquire 99,186,705 ordinary shares of JD Logistics with an exercise price of US\$0.01 per share were granted to Mr. Liu according to the JD Logistics Plan. The grant was awarded to Mr. Liu to motivate him to continue leading the future success of JD Logistics. The grant by JD Logistics is subject to a 6-year vesting schedule with 16.7% of the awards vesting on each anniversary of the grant date.

JD Logistics granted 41,570,538, 55,937,435 and 59,551,652 RSUs of JD Logistics to its employees and non-employees for the years ended December 31, 2022, 2023 and 2024, respectively. The estimated fair value of each RSU granted is based on market value of the JD Logistics's shares on each date of grant. The weighted average grant date fair value of RSUs granted for the years ended December 31, 2022, 2023 and 2024 was equivalent to HK\$18.23, HK\$12.93 and HK\$9.88 per share, respectively. For the years ended December 31, 2022, 2023 and 2024, total share-based compensation expenses for the RSUs granted under JD Logistics Plan were RMB259 million, RMB406 million and RMB389 million, respectively. As of December 31, 2024, there were RMB482 million of unrecognized share-based compensation expenses related to the RSUs granted. The expenses are expected to be recognized over a weighted-average period of 2.9 years.

25 Share-based Compensation (Continued)

Share incentive plan (Continued)

(3) Share-based compensation of subsidiaries (Continued)

JD Health

JD Health approved and adopted a Pre-IPO share incentive plan on September 14, 2020 and a Post-IPO share option scheme and a Post-IPO share award scheme on November 23, 2020, collectively the “JD Health Plan”. The JD Health Plan consists of share options, RSUs and other types of awards.

There was no share option granted from 2022 to 2024. For the years ended December 31, 2022, 2023 and 2024, total share-based compensation expenses for the share options granted under the JD Health Plan were RMB960 million, RMB617 million and RMB141 million, respectively. As of December 31, 2024, there were RMB255 million of unrecognized share-based compensation expenses related to the share options granted. The expenses are expected to be recognized over a weighted-average period of 2.1 years.

In October 2020, share options to acquire 53,042,516 ordinary shares of JD Health with an exercise price of US\$0.0000005 per share were granted to Mr. Liu according to the JD Health Plan. The grant was awarded to Mr. Liu to motivate him to continue leading the future success of JD Health. The grant by JD Health is subject to a 6-year vesting schedule with 16.7% of the awards vesting on each anniversary of the grant date.

JD Health granted 4,638,422, 6,051,558 and 8,706,890 RSUs of JD Health to its employees and non-employees for the years ended December 31, 2022, 2023 and 2024, respectively. The estimated fair value of each RSU granted is based on market value of the JD Health’s shares on each date of grant. The weighted average grant date fair value of RSUs granted for the years ended December 31, 2022, 2023 and 2024 was equivalent to HK\$52.33, HK\$52.87 and HK\$30.64 per share, respectively. For the years ended December 31, 2022, 2023 and 2024, total share-based compensation expenses for the RSUs granted under the JD Health Plan were RMB1,108 million, RMB1,161 million and RMB1,002 million, respectively. As of December 31, 2024, there were RMB666 million of unrecognized share-based compensation expenses related to the RSUs granted. The expenses are expected to be recognized over a weighted-average period of 2.3 years.

25 Share-based Compensation (Continued)

Share incentive plan (Continued)

(3) Share-based compensation of subsidiaries (Continued)

Other Subsidiaries

In 2021, JD Property and JD Industrials each approved and adopted their own share incentive plans ("JD Property Plan" and "JD Industrials Plan"), respectively. The JD Property Plan and JD Industrials Plan both consist of share options, RSUs and other types of awards.

JD Property granted 108,399,512, 11,348,777 and 8,414,710 share options for the years ended December 31, 2022, 2023 and 2024, respectively. The estimated fair value of each share option granted is estimated on the date of grant using the Black-Scholes option pricing model. The weighted average grant date fair value of share options granted for the years ended December 31, 2022, 2023 and 2024 was RMB4.03, RMB5.18 and RMB4.39 per share option, respectively. Share options to acquire 81,446,610 ordinary shares of JD Property with an exercise US\$0.0000005 per share were granted to Mr. Liu according to the JD Property Plan, which were fully vested on October 1, 2022. Total share-based compensation expenses for the share options granted under the JD Property Plan for the years ended December 31, 2022, 2023 and 2024 were RMB354 million, RMB34 million and RMB30 million, respectively. As of December 31, 2024, there were RMB37 million of unrecognized share-based compensation expenses related to the share options granted. The expenses are expected to be recognized over a weighted-average period of 2.8 years.

JD Industrials granted 2,660,000, 47,915,455 and 20,209,266 share options for the years ended December 31, 2022, 2023 and 2024, respectively. The estimated fair value of each share option granted is estimated on the date of grant based on the binomial option-pricing model. The weighted average grant date fair value of share options granted for the years ended December 31, 2022, 2023 and 2024 was US\$1.40, US\$1.46 and US\$2.25 per share option, respectively. Total share-based compensation expenses for the share options granted under the JD Industrials Plan for the years ended December 31, 2022, 2023 and 2024 were RMB7 million, RMB180 million and RMB160 million, respectively. As of December 31, 2024, there were RMB231 million of unrecognized share-based compensation expenses related to the share options granted. The expenses are expected to be recognized over a weighted-average period of 3.1 years.

Other than those disclosed above, the share-based compensation expenses of other subsidiaries in aggregate were insignificant for the years ended December 31, 2022, 2023 and 2024.

Notes to the Consolidated Financial Statements (Continued)

26 Net Income per Share/ADS

Basic and diluted net income per share/ADS for each of the years presented are calculated as follows:

	For the year ended December 31,		
	2022	2023	2024
(RMB in millions, except share and per share data)			
Net income per share			
Numerator:			
Net income attributable to the Company's ordinary shareholders — basic	10,380	24,167	41,359
Impact of subsidiaries' diluted earnings	(170)	(30)	(118)
Dilution impact of the Convertible Senior Notes	—	—	68
Net income attributable to the Company's ordinary shareholders — diluted	10,210	24,137	41,309
Denominator:			
Weighted average number of shares — basic (million shares)	3,126	3,144	2,990
Effects of dilutive securities:			
Dilutive share options and RSUs (million shares)	55	27	33
Convertible Senior Notes (million shares)	—	—	53
Weighted average number of shares — diluted (million shares)	3,181	3,171	3,076
Basic net income per share attributable to the Company's ordinary shareholders (RMB)	3.32	7.69	13.83
Diluted net income per share attributable to the Company's ordinary shareholders (RMB)	3.21	7.61	13.43
Net income per ADS			
Basic net income per ADS (RMB)	6.64	15.37	27.67
Diluted net income per ADS (RMB)	6.42	15.23	26.86

27 Related Party Transactions

The table below sets forth the major related parties and their relationships with the Group as of December 31, 2024:

Name of related parties	Relationship with the Group
Tencent and its subsidiaries ("Tencent Group") ⁽¹⁾	A shareholder of the Group
Dada and its subsidiaries ("Dada Group") ⁽²⁾	An investee of the Group
JD Technology	An investee of the Group, and controlled by the Founder
Property Funds	Investees of the Group

(1) In March 2022, Tencent completed a distribution of approximately 460 million Class A ordinary shares of the Company owned by Tencent to its shareholders. As of March 31, 2022, Tencent's shareholding in the Company was approximately 2.3% and Tencent had no significant influence over the Company. As a result, Tencent Group was not considered as the Group's related party since then.

(2) Dada became the subsidiary of the Company since February 28, 2022. As a result, Dada Group was not considered as the Group's related party since then.

Notes to the Consolidated Financial Statements (Continued)

27 Related Party Transactions (Continued)

(a) The Group entered into the following transactions with the major related parties:

Transactions	For the year ended December 31,		
	2022	2023	2024
	(RMB in millions)		
Revenues:			
Commission from cooperation on advertising business with Tencent Group ⁽¹⁾	44	—	—
Services provided and products sold to Tencent Group ⁽¹⁾	77	—	—
Services provided and products sold to Dada Group ⁽²⁾	135	—	—
Services provided and products sold to JD Technology	1,044	1,696	1,701
Services provided to Property Funds	131	177	208
Cost of revenues and operating expenses:			
Services received and purchases from Tencent Group ⁽¹⁾	1,314	—	—
Services received from Dada Group ⁽²⁾	212	—	—
Payment processing and other services received from JD Technology	11,494	13,833	13,693
Lease and property management services received from Property Funds	1,249	1,681	1,765
Other income:			
Income from non-compete agreement with Dada Group ⁽²⁾	13	—	—
Interest income from loans provided to JD Technology	301	287	—*
Interest income from loans provided to Property Funds	43	56	48

* Absolute value is less than RMB1 million or US\$1 million.

Revenues from related parties, excluding those from the major related parties as stated above, represented approximately 0.34%, 0.19% and 0.19% of total net revenues of the Group for the years ended December 31, 2022, 2023 and 2024, respectively. Transactions with related parties included in cost of revenues and operating expenses, excluding those with the major related parties as stated above, represented 0.13%, 0.12% and 0.12% of total cost of revenues and operating expenses of the Group for the years ended December 31, 2022, 2023 and 2024, respectively.

Notes to the Consolidated Financial Statements (Continued)

27 Related Party Transactions (Continued)

(b) The Group had the following balances with the major related parties:

	As of December 31,	
	2023	2024
	(RMB in millions)	
Due from/(to) JD Technology		
Loans provided to JD Technology ⁽³⁾	50	—
Other payables to JD Technology	(1,497)	(1,170)
Due from Property Funds		
Loans provided to Property Funds ⁽³⁾	1,136	2,457
Other receivables from Property Funds	427	1,837
Total	116	3,124

(3) In relation to the loans provided to JD Technology and Property Funds, the Group charged JD Technology and Property Funds, and cash flows resulted from the loans were presented within investing activities in the consolidated statements of cash flows.

As of December 31, 2023 and 2024, the Group recorded amount due from related parties other than the major related parties as stated above of RMB551 million and RMB511 million, which represented approximately 1.53% and 1.23% of the Group's total accounts receivable, net and prepayments and other current assets, respectively. As of December 31, 2023 and 2024, the Group recorded amount due to related parties other than the major related parties and deferred revenues in relation to traffic support, marketing and promotion services to be provided to related parties other than the major related parties of RMB355 million and RMB197 million, which represented approximately 0.14% and 0.07% of the Group's total accounts payable, advance from customers, accrued expenses and other current liabilities, deferred revenues and other non-current liabilities, respectively.

(c) Other information related to related party transactions:

Based on a series of agreements signed on January 1, 2016, JD Technology performs the credit risk assessment and other related services in relation to consumer financing business and obtain the returns from such services, and JD Technology purchases the consumer financing receivables past due over certain agreed period of time from the Group at carrying values without recourse and also agrees to bear other cost in direct relation to the consumer financing business to absorb the risks. In connection with the agreements, the total amount of past-due consumer financing receivable related to the consumer financing business sold from the Group to JD Technology were RMB237 million, RMB240 million and RMB176 million for the years ended December 31, 2022, 2023 and 2024, respectively.

Notes to the Consolidated Financial Statements (Continued)

27 Related Party Transactions (Continued)

(c) Other information related to related party transactions (Continued):

In addition, the Group transfers ownership for some of its accounts receivable originated from qualified corporate customers to JD Technology without recourse. The accounts receivable transferred without recourse were RMB50,282 million, RMB55,028 million and RMB56,202 million for the years ended December 31, 2022, 2023 and 2024, respectively, and were derecognized.

In 2022, the Group also sold to JD Technology certain equipment amounted to RMB1,462 million.

Mr. Richard Qiangdong Liu, the Group's Chairman of the board since the Group's inception and the Chief Executive Officer since the Group's inception to April 2022, has purchased his own aircraft for both business and personal use. The use of the aircraft in connection with the performance of his duty is free of charge to the Group, and the Group has agreed to assume the cost of maintenance, crew and operations of the aircraft relating to the use of the aircraft. Such maintenance and incidental costs were insignificant for all periods presented.

The terms of the agreements with the related parties are determined based on contracted prices negotiated with other parties in normal commercial terms.

28 Segment Reporting

The Group derives the results of the segments directly from its internal management reporting system. The CODM measures the performance of each segment based on metrics of revenues and earnings from operations and uses these results to evaluate the performance of, and to allocate resources to, each of the segments. The Group currently does not allocate assets, share-based compensation expenses and certain operating expenses to its segments, as the CODM does not use such information to allocate resources to or evaluate the performance of the operating segments. As most of the Group's long-lived assets are located in the PRC and most of the Group's revenues are derived from the PRC, no geographical information is presented.

As disclosed in Note 2(n), from the first quarter of 2024, the Company started to report three reportable segments, JD Retail, JD Logistics and New Businesses (including Dada), to reflect changes made to the reporting structure whose financial information is reviewed by the CODM under its ongoing operating strategies. The Company allocates to segment results the operating expenses "Fulfillment", "Marketing", "Research and development" and "General and administrative" based on usage, which is generally reflected in the segment in which the expenses are incurred. The CODM manages the business primarily by reviewing consolidated results by segment on a quarterly basis, and using those results along with forecasts and other non-financial information in the Company's annual financing planning process. The prior periods' segment operating results have been retrospectively recast to conform to current period presentation.

Notes to the Consolidated Financial Statements (Continued)

28 Segment Reporting (Continued)

	For the year ended December 31,		
	2022	2023	2024
	(RMB in millions)		
Net revenues:			
JD Retail	929,929	945,343	1,015,948
JD Logistics	137,402	166,625	182,837
New Businesses	29,809	26,617	19,157
Inter-segment eliminations ⁽¹⁾	(50,904)	(53,923)	(59,123)
Total consolidated net revenues	1,046,236	1,084,662	1,158,819
Less: cost of revenues:			
JD Retail	(791,396)	(798,380)	(847,917)
JD Logistics	(127,612)	(154,494)	(164,689)
New Businesses	(26,307)	(21,004)	(15,109)
Inter-segment eliminations ⁽¹⁾	46,295	49,053	52,844
Less: operating expenses ⁽²⁾ :			
JD Retail	(103,681)	(111,038)	(126,954)
JD Logistics	(9,262)	(11,126)	(11,831)
New Businesses	(11,298)	(7,102)	(7,413)
Inter-segment eliminations ⁽¹⁾	4,609	4,870	6,279
Income/(loss) from operations:			
JD Retail	34,852	35,925	41,077
JD Logistics	528	1,005	6,317
New Businesses	(6,417)	(329)	(2,865)
Including other segment items:			
Gain on sale of development properties (Note 17)	1,379	2,283	1,527
Impairment of long-lived assets	—	(1,123)	(1,027)
Total segment income from operations	28,963	36,601	44,529
Unallocated items ⁽³⁾	(9,240)	(10,576)	(5,793)
Total consolidated income from operations	19,723	26,025	38,736
Share of results of equity investees	(2,195)	1,010	2,327
Interest expense	(2,106)	(2,881)	(2,896)
Others, net	(1,555)	7,496	13,371
Total consolidated income before tax	13,867	31,650	51,538

Notes to the Consolidated Financial Statements (Continued)

28 Segment Reporting (Continued)

- (1) The inter-segment eliminations mainly consist of revenues from supply chain solutions and logistics services provided by JD Logistics to JD Retail, on-demand delivery and retail services provided by Dada to JD Retail and JD Logistics, and property leasing services provided by JD Property to JD Logistics. Transactions between segments are mainly determined based on the arm's length basis. Among them, net revenues generated from the services provided by JD Logistics to other reportable segments were RMB48,261 million, RMB50,063 million and RMB55,062 million for the years ended December 31, 2022, 2023 and 2024, respectively. Other than that, inter-segment net revenues for JD Retail and New Businesses were not material. All net revenues from each reportable segment were generated from external customers except for the inter-segment net revenues mentioned above.
- (2) A summary of depreciation and amortization expenses for the years presented is as follows:

	For the year ended December 31,		
	2022	2023	2024
	(RMB in millions)		
JD Retail	(799)	(594)	(978)
JD Logistics	(3,521)	(4,346)	(4,650)
New Businesses	(1,699)	(2,071)	(2,266)

- (3) A summary of unallocated items for the years presented is as follows:

	For the year ended December 31,		
	2022	2023	2024
	(RMB in millions)		
Share-based compensation	(7,548)	(4,804)	(2,999)
Amortization of intangible assets resulting from assets and business acquisitions	(1,217)	(1,281)	(1,010)
Effects of business cooperation arrangements	(475)	(446)	(450)
Impairment of goodwill	—	(3,143)	(799)
Impairment of intangible assets	—	(902)	(535)
Total	(9,240)	(10,576)	(5,793)

29 Employee Benefit

Full time employees of the Group in the PRC participate in a government mandated defined contribution plan, pursuant to which certain pension benefits, medical care, employee housing fund and other welfare benefits are provided to the employees. Chinese labor regulations require that the PRC subsidiaries and consolidated VIEs of the Group make contributions to the government for these benefits based on certain percentages of the employees' salaries, up to a maximum amount specified by the local government. The Group has no legal obligation for the benefits beyond the contributions made. The total amounts for such employee benefit expenses recorded in cost of revenues and expenses, which were expensed as incurred, were approximately RMB10,848 million, RMB12,659 million and RMB14,220 million for the years ended December 31, 2022, 2023 and 2024, respectively.

Notes to the Consolidated Financial Statements (Continued)

30 Loan Facilities and Lines of Credit

As of December 31, 2024, the Group's loan facilities were classified into different types as follows:

	As of December 31,	
	2023	2024
	(RMB in millions)	
Unsecured senior notes (Note 15)	10,411	24,770
Unsecured borrowings ^(*)	25,202	24,699
Secured borrowings ^(**)	11,387	14,587
Total	47,000	64,056

(*) As of December 31, 2024, the unsecured borrowings mainly consisted of borrowings without collaterals under loan facility agreements from well-known financial institutions. The major unsecured borrowings are listed as below.

In October 2021, the Group entered into a one-year HK\$15,931 million term loan facility agreement. The term loans under this facility were priced at 50 basis points over Hong Kong Interbank Offered Rate ("HIBOR") on and from the date of first loan made or to be made ("Initial Utilization Date") to and including the date falling 6 months from the Initial Utilization Date, and thereafter at 70 basis points over HIBOR. In February and May 2022, the Group drew down HK\$6,300 million and HK\$2,741 million under the facility commitment, respectively, and the borrowings were fully repaid in February 2023. The Group entered into another one-year HK\$9,041 million term loan facility agreement to refinance the loan and drew down all the facility in February 2023 and the borrowings were fully repaid in December 2023. In December 2023, the Group entered into a RMB8,500 million term loan agreement with interest rate at 65 basis points below Loan Prime Rate ("LPR") to refinance the loan and drew down RMB8,286 million, which was expected to be repaid through December 2028 in installments. As of December 31, 2024, RMB166 million and RMB7,966 million of the borrowings were recorded in "short-term debts" and "long-term borrowings" in the consolidated balance sheets, respectively.

In December 2021, the Group entered into a five-year US\$2,000 million unsecured term and revolving loan facility with 5 lead arrangers. The term and revolving loans under this facility were priced at 85 basis points over London Interbank Offered Rate, which was amended to the secured overnight financing rate ("SOFR") in September 2022. In the second quarter of 2022, the Group drew down US\$1,000 million under the facility commitment, which will be due in 2027. As of December 31, 2024, RMB7,188 million of the borrowings above were recorded in "long-term borrowings" in the consolidated balance sheets and the undrawn balance was US\$1,000 million under the credit facilities agreement.

In December 2022, the Group entered into a seven-year RMB3,000 million term loan facility agreement. The term loans under this facility were priced at 145 basis points below LPR. The Group drew down RMB2,000 million and RMB1,000 million under the facility commitment in December 2022 and December 2023, respectively. In 2024, the Group repaid the borrowings of RMB50 million. As of December 31, 2024, RMB180 million and RMB2,760 million borrowings were recorded in "short-term debts" and "long-term borrowings" in the consolidated balance sheets, respectively.

As of December 31, 2024, in addition to the above unsecured borrowings, RMB6,319 million and RMB120 million borrowings recorded in "short-term debts" and "long-term borrowings", respectively, were without collaterals and borrowed from well-known financial institutions.

(**) As of December 31, 2024, RMB916 million and RMB13,671 million borrowings were recorded in "short-term debts" and "long-term borrowings", respectively, with collaterals of RMB30,412 million which mainly comprised of construction in progress, buildings, land use rights and certain subsidiary's equity interests measured at fair value.

30 Loan Facilities and Lines of Credit (Continued)

As of December 31, 2024, the long-term borrowings, including the portion due within one year which were recorded in “short-term debts”, will be repaid according to the following schedule:

	As of December 31, 2024 (RMB in millions)
2025	3,679
2026	2,736
2027	8,415
2028	9,415
2029	2,181
2030 and thereafter	8,958
	35,384

As of December 31, 2024, the weighted average interest rate for the outstanding short-term debts was 2.7% per annum.

As of December 31, 2024, the Group had agreements with reputable commercial banks for unsecured revolving lines of credit, and increased its revolving lines of credit to RMB193,781 million, which can be used for borrowings, bank acceptance, bank guarantee, etc., pursuant to the underlying agreements. The Group was in compliance with the financial covenants, if any, under those lines of credit as of December 31, 2024. As of December 31, 2024, under the lines of credit, the Group mainly had RMB140,110 million unused.

Notes to the Consolidated Financial Statements (Continued)

31 Commitments and Contingencies

Commitments for internet data center (IDC) service fee

The Group entered into non-cancelable IDC service agreements. The related expenses were RMB3,661 million, RMB4,738 million and RMB4,741 million for the years ended December 31, 2022, 2023 and 2024, respectively, and were charged to the consolidated statements of operations and comprehensive income when incurred. Future minimum payments under these non-cancelable agreements with initial terms of one year or more consist of the following:

	As of December 31, 2024 (RMB in millions)
2025	744
2026	717
2027	368
2028	368
2029	335
2030 and thereafter	1,352
	3,884

Capital commitments

The Group's capital commitments primarily relate to commitments on construction and purchase of office buildings and warehouses. Total capital commitments contracted but not yet reflected in the consolidated financial statements amounted to RMB5,833 million as of December 31, 2024. All of these capital commitments will be fulfilled in the following years according to the construction progress.

Investment commitments

The Group's investment commitments primarily related to capital contribution obligation for certain fund investments. Total investment commitments contracted but not yet reflected in the consolidated financial statements amounted to RMB1,903 million as of December 31, 2024.

Long-term debt obligations

The Group's long-term debt obligations include unsecured senior notes and long-term borrowings. The amounts exclude the corresponding interest payable. The expected repayment schedule of the unsecured senior notes and long-term borrowings have been disclosed in Note 15 and Note 30, respectively.

31 Commitments and Contingencies (Continued)

Legal proceedings

From time to time, the Group is subject to legal proceedings and claims in the ordinary course of business. Third parties assert patent infringement claims against the Group from time to time in the form of letters, lawsuits and other forms of communication. In addition, from time to time, the Group receives notification from customers claiming that they are entitled to indemnification or other obligations from the Group related to infringement claims made against them by third parties. Litigation, even if the Group is ultimately successful, can be costly and divert management's attention away from the day-to-day operations of the Group. The Group records a liability when it is both probable that a liability has been incurred and the amount of the loss can be reasonably estimated. The Group reviews the need for any such liability on a regular basis. The Group has not recorded any material liabilities in this regard as of December 31, 2024.

32 Restricted Net Assets

The Company's ability to pay dividends is primarily dependent on the Company receiving distributions of funds from its subsidiaries. Relevant PRC statutory laws and regulations permit payments of dividends by the Company's subsidiaries and consolidated VIEs incorporated in the PRC only out of their retained earnings, if any, as determined in accordance with the PRC accounting standards and regulations. The results of operations reflected in the financial statements prepared in accordance with U.S. GAAP differ from those reflected in the statutory financial statements of the Company's subsidiaries.

In accordance with the PRC Regulations on Enterprises with Foreign Investment, a foreign invested enterprise established in the PRC is required to provide certain statutory reserve funds, namely general reserve fund, the enterprise expansion fund and staff welfare and bonus fund which are appropriated from net profits as reported in the enterprise's PRC statutory financial statements. A foreign invested enterprise is required to allocate at least 10% of its annual after-tax profits to the general reserve fund until such reserve fund has reached 50% of its registered capital based on the enterprise's PRC statutory financial statements. Appropriations to the enterprise expansion fund and staff welfare and bonus fund are at the discretion of the board of directors for all foreign invested enterprises. The aforementioned reserved funds can only be used for specific purposes and are not distributable as cash dividends.

Additionally, in accordance with the Company Law of the PRC, a domestic enterprise is required to provide statutory surplus fund at least 10% of its annual after-tax profits until such statutory surplus fund has reached 50% of its registered capital based on the enterprise's PRC statutory financial statements. A domestic enterprise is also required to provide discretionary surplus fund, at the discretion of the board of directors, from the net profits reported in the enterprise's PRC statutory financial statements. The aforementioned reserve funds can only be used for specific purposes and are not distributable as cash dividends.

As a result of these PRC laws and regulations that require annual appropriations of 10% of net after-tax profits to be set aside prior to payment of dividends as general reserve fund or statutory surplus fund, the Company's PRC subsidiaries and consolidated VIEs are restricted in their ability to transfer a portion of their net assets to the Company.

Amounts restricted include paid-in capital, additional paid-in capital and statutory reserve funds, totaling approximately RMB71,546 million, or 30% of the Company's total consolidated net assets, as of December 31, 2024. Except for the above, there is no other restriction on the use of proceeds generated by the Company's subsidiaries and consolidated VIEs to satisfy any obligations of the Company.

33 Subsequent Events

Purchase of the non-controlling interests in Kuayue Express

In December 2024, JD Logistics entered into an equity transfer agreement (the “Purchase”) with certain non-controlling interests shareholders of Kuayue-Express Group Co., LTD. (“Kuayue Express”), a non-wholly owned subsidiary of JD Logistics in which JD Logistics held approximately 63.57% equity interest before the Purchase, upon satisfying certain closing conditions to acquire the remaining approximately 36.43% equity interest in Kuayue Express at the total consideration of not more than approximately RMB6,484 million subject to adjustments as set out in the said agreement. The transaction has been approved by the extraordinary general meeting of JD Logistics in April 2025. The Group is currently evaluating the impact from the transaction on its consolidated financial statements.

Dividends

In March 2025, the Company declared an annual cash dividend for the year ended December 31, 2024 of US\$0.50 per ordinary share, or US\$1.00 per ADS, for an aggregate amount of approximately US\$1.44 billion based on the number of shares on record date.

“Going Private” transaction of Dada

In April 2025, Dada entered into an agreement and plan of merger with the Group’s wholly owned subsidiaries. Once the merger contemplated in that agreement is completed, Dada will become the Group’s wholly owned subsidiary. At the completion of the merger, each ADS and ordinary share of Dada will be cancelled and cease to exist in exchange for the right to receive \$2.0 per ADS and \$0.5 per share from the Company, respectively, subject to adjustments as set out in the said agreement. As the Group controls Dada and will continue to control after the transaction, the transaction is expected to be accounted for as a common control transaction with the net assets transferred recorded at its carrying amount, and no gain or loss will be recognized in the consolidated statements of operations and comprehensive income.

34 Parent Company Only Condensed Financial Information

The Company performed a test on the restricted net assets of the consolidated subsidiaries and VIEs in accordance with Rule 5-04 (c) of Regulation S-X, and concluded that it was applicable for the Company to disclose the financial information for the parent company only.

As of December 31, 2024, the Company did not have significant capital commitments and other significant commitments, or guarantees, except for those which have been separately disclosed in the consolidated financial statements.

Notes to the Consolidated Financial Statements (Continued)

34 Parent Company Only Condensed Financial Information (Continued)

Condensed Balance Sheets

	As of December 31,		
	2023	2024	
	RMB	RMB	US\$ Note 2(g)
(in millions, except share and per share data)			
ASSETS			
Cash and cash equivalents	4,788	646	89
Short-term investments	2,843	5,191	711
Internal balance	53,088	35,639	4,883
Investments in subsidiaries and consolidated VIEs	188,817	230,090	31,522
Prepayments and other assets	154	65	10
Total assets	249,690	271,631	37,215
LIABILITIES			
Unsecured senior notes	10,536	24,898	3,411
Long-term borrowings	7,083	7,188	985
Accrued expenses and other liabilities	213	198	28
Total liabilities	17,832	32,284	4,424
SHAREHOLDERS' EQUITY:			
Ordinary shares (US\$0.00002 par value; 100,000,000,000 shares authorized; 2,860,222,213 Class A ordinary shares issued and 2,820,978,543 outstanding, 323,212,124 Class B ordinary shares issued and 316,685,372 outstanding as of December 31, 2023; 2,865,069,999 Class A ordinary shares issued and 2,587,296,615 outstanding, 322,483,772 Class B ordinary shares issued and 316,136,640 outstanding as of December 31, 2024.)	—*	—*	—*
Additional paid-in capital	184,204	182,404	24,989
Statutory reserves	6,109	6,688	916
Treasury stock	(3,409)	(27,739)	(3,800)
Retained earnings	44,051	76,573	10,491
Accumulated other comprehensive income	903	1,421	195
Total shareholders' equity	231,858	239,347	32,791
Total liabilities and shareholders' equity	249,690	271,631	37,215

* Absolute value is less than RMB1 million or US\$1 million.

Notes to the Consolidated Financial Statements (Continued)

34 Parent Company Only Condensed Financial Information (Continued)

Condensed Statements of Operations and Comprehensive Income

	For the year ended December 31,			
	2022	2023	2024	US\$
	RMB	RMB	RMB	Note 2(g)
	(in millions)			
Net revenues	—	—	11	2
Operating expenses				
Marketing	(2)	(4)	(5)	(1)
General and administrative	(331)	(204)	(155)	(21)
Loss from operations	(333)	(208)	(149)	(20)
Other income/(expense)				
Income from subsidiaries and consolidated VIEs	10,667	24,967	41,991	5,753
Other income/(expense), net	48	(591)	(483)	(67)
Income before tax	10,382	24,168	41,359	5,666
Income tax expenses	(2)	(1)	— *	— *
Net income	10,380	24,167	41,359	5,666
Other comprehensive income:				
Foreign currency translation adjustments	5,131	1,862	518	71
Total comprehensive income	15,511	26,029	41,877	5,737

* Absolute value is less than RMB1 million or US\$1 million.

Notes to the Consolidated Financial Statements (Continued)

34 Parent Company Only Condensed Financial Information (Continued)

Condensed Statements of Cash Flows

	For the year ended December 31,			
	2022	2023	2024	
	RMB	RMB	RMB	US\$
				Note 2(g)
	(in millions)			
Net cash used in operating activities	(509)	(765)	(717)	(98)
Cash flows from investing activities:				
Purchase of time deposits and wealth management products	—	(2,833)	(4,979)	(682)
Maturity of time deposits and wealth management products	1	—	2,838	389
Cash received from internal companies	7,426	12,633	18,773	2,572
Net cash provided by investing activities	7,427	9,800	16,632	2,279
Cash flows from financing activities:				
Repurchase of ordinary shares	(1,823)	(2,497)	(25,912)	(3,550)
Cash paid for dividends	(13,087)	(6,741)	(8,263)	(1,132)
Proceeds from debts	10,563	—	—	—
Repayment of debts	(7,005)	—	—	—
Proceeds from unsecured senior notes, net of issuance costs	—	—	13,999	1,918
Other financing activities	1,043	33	27	4
Net cash used in financing activities	(10,309)	(9,205)	(20,149)	(2,760)
Effect of exchange rate changes on cash and cash equivalents	1,003	(71)	92	12
Net decrease in cash and cash equivalents	(2,388)	(241)	(4,142)	(567)
Cash and cash equivalents at beginning of year	7,417	5,029	4,788	656
Cash and cash equivalents at end of year	5,029	4,788	646	89

Notes to the Consolidated Financial Statements (Continued)

34 Parent Company Only Condensed Financial Information (Continued)

Basis of presentation

The Company's accounting policies are the same as the Group's accounting policies with the exception of the accounting for the investments in subsidiaries and consolidated VIEs.

For the parent company only condensed financial information, the Company records its investments in subsidiaries and consolidated VIEs under the equity method of accounting as prescribed in ASC 323. Such investments are presented in the condensed balance sheets as "Investments in subsidiaries and consolidated VIEs" and shares in the subsidiaries and consolidated VIEs' financial results are presented as "Income from subsidiaries and consolidated VIEs" in the condensed statements of operations and comprehensive income. The parent company only condensed financial information should be read in conjunction with the Group's consolidated financial statements.

Notes to the Consolidated Financial Statements (Continued)

35 Reconciliation between U.S. GAAP and IFRS Accounting Standards

The consolidated financial statements are prepared in accordance with U.S. GAAP, which differ in certain respects from IFRS Accounting Standards (“IFRSs”). The effects of material differences between the consolidated financial statements of the Group prepared under U.S. GAAP and IFRSs are as follows:

For the year ended December 31, 2023								
IFRSs adjustments								
Amounts as reported under U.S. GAAP	Preferred shares <i>Note i</i>	Investments measured at fair value <i>Note ii</i>	Share-based compensation <i>Note iii</i>	Lease accounting <i>Note iv</i>	Redeemable equity securities <i>Note v</i>	Impairment of long-lived assets <i>Note vi</i>	Amounts as reported under IFRSs	
(RMB in millions)								
Fulfillment	(64,558)	—	—	—	1,788	—	—	(62,770)
Marketing	(40,133)	—	—	—	4	—	—	(40,129)
Research and development	(16,393)	—	—	—	10	—	—	(16,383)
General and administrative	(9,710)	—	—	—	11	—	—	(9,699)
Impairment of long-lived assets	(2,025)	—	—	—	—	—	(1,772)	(3,797)
Gain on sale of development properties	2,283	—	—	—	(379)	—	—	1,904
Income from operations	26,025	—	—	—	1,434	—	(1,772)	25,687
Share of results of equity investees	1,010	—	(273)	—	—	—	—	737
Interest expense	(2,881)	—	—	—	(1,089)	(13)	—	(3,983)
Others, net	7,496	—	62	—	—	—	—	7,558
Fair value changes of preferred shares	—	(696)	—	—	—	—	—	(696)
Income before tax	31,650	(696)	(211)	—	345	(13)	(1,772)	29,303
Income tax expense	(8,393)	—	(135)	(500)	—	—	—	(9,028)
Net income	23,257	(696)	(346)	(500)	345	(13)	(1,772)	20,275
Net loss attributable to non-controlling interests shareholders	(910)	(170)	(23)	(62)	11	—	(444)	(1,598)
Net income attributable to the Company's ordinary shareholders	24,167	(526)	(323)	(438)	334	(13)	(1,328)	21,873
Net income	23,257	(696)	(346)	(500)	345	(13)	(1,772)	20,275
Foreign currency translation adjustments	1,374	(100)	(11)	—	—	—	—	1,263
Fair value on equity instruments at fair value through other comprehensive income	—	—	(13)	—	—	—	—	(13)
Total comprehensive income	24,631	(796)	(370)	(500)	345	(13)	(1,772)	21,525
Total comprehensive loss attributable to non-controlling interests shareholders	(1,398)	(170)	(30)	(62)	11	—	(444)	(2,093)
Total comprehensive income attributable to the Company's ordinary shareholders	26,029	(626)	(340)	(438)	334	(13)	(1,328)	23,618

Notes to the Consolidated Financial Statements (Continued)

35 Reconciliation between U.S. GAAP and IFRS Accounting Standards (Continued)

	For the year ended December 31, 2024									
	IFRSs adjustments									Amounts as reported under IFRSs
	Amounts as reported under U.S. GAAP	Preferred shares	Investments measured at fair value	Share-based compensation	Lease accounting	Redeemable equity securities	Impairment of long- lived assets	Investment in JD Technology	Convertible Senior Notes	
	Note i	Note ii	Note iii	Note iv	Note v	Note vi	Note vii	Note viii		
	(RMB in millions)									
Fulfillment	(70,426)	—	—	—	1,288	—	59	—	—	(69,079)
Marketing	(47,953)	—	—	—	3	—	—	—	—	(47,950)
Research and development	(17,031)	—	—	—	7	—	—	—	—	(17,024)
General and administrative	(8,888)	—	—	—	8	—	—	—	—	(8,880)
Impairment of long-lived assets	(1,562)	—	—	—	—	—	(1,634)	—	—	(3,196)
Gain on sale of development properties	1,527	—	—	—	(133)	—	—	—	—	1,394
Income from operations	38,736	—	—	—	1,173	—	(1,575)	—	—	38,334
Share of results of equity investees	2,327	—	68	—	—	—	—	614	—	3,009
Interest expense	(2,896)	—	—	—	(993)	(5)	—	—	(700)	(4,594)
Others, net	13,371	—	(516)	—	(90)	—	—	—	(508)	12,257
Fair value changes of preferred shares	—	(382)	—	—	—	—	—	—	—	(382)
Income before tax	51,538	(382)	(448)	—	90	(5)	(1,575)	614	(1,208)	48,624
Income tax expense	(6,878)	—	247	46	—	—	—	—	—	(6,585)
Net income	44,660	(382)	(201)	46	90	(5)	(1,575)	614	(1,208)	42,039
Net income attributable to non-controlling interests shareholders	3,301	(94)	21	(53)	(83)	—	(394)	—	—	2,698
Net income attributable to the Company's ordinary shareholders	41,359	(288)	(222)	99	173	(5)	(1,181)	614	(1,208)	39,341
Net income	44,660	(382)	(201)	46	90	(5)	(1,575)	614	(1,208)	42,039
Foreign currency translation adjustments	1,020	(88)	(13)	—	—	—	—	—	—	919
Fair value on equity instruments at fair value through other comprehensive income	—	—	(29)	—	—	—	—	—	—	(29)
Total comprehensive income	45,680	(470)	(243)	46	90	(5)	(1,575)	614	(1,208)	42,929
Total comprehensive income attributable to non-controlling interests shareholders	3,803	(94)	13	(53)	(83)	—	(394)	—	—	3,192
Total comprehensive income attributable to the Company's ordinary shareholders	41,877	(376)	(256)	99	173	(5)	(1,181)	614	(1,208)	39,737

Notes to the Consolidated Financial Statements (Continued)

35 Reconciliation between U.S. GAAP and IFRS Accounting Standards (Continued)

As of December 31, 2023								
IFRSs adjustments								
Amounts as reported under U.S. GAAP	Preferred shares <i>Note i</i>	Investments measured at fair value <i>Note ii</i>	Share-based compensation <i>Note iii</i>	Lease accounting <i>Note iv</i>	Redeemable equity securities <i>Note v</i>	Impairment of long-lived assets <i>Note vi</i>	Amounts as reported under IFRSs	
(RMB in millions)								
Property, equipment and software, net	70,035	—	—	—	—	(950)	69,085	
Land use rights, net	39,563	—	—	—	—	(822)	38,741	
Operating lease right-of-use assets	20,863	—	—	—	(1,538)	—	19,325	
Investments in equity investees	56,746	—	(33,642)	—	—	—	23,104	
Marketable securities and other investments	80,840	—	(2,765)	—	—	—	78,075	
Financial assets at fair value through profit or loss	—	—	38,125	—	—	—	38,125	
Financial assets at fair value through other comprehensive income	—	—	300	—	—	—	300	
Deferred tax assets	1,744	—	5	(696)	—	—	1,053	
Total assets	628,958	—	2,023	(696)	(1,538)	—	626,975	
Deferred tax liabilities	9,267	—	584	—	—	—	9,851	
Other non-current liabilities	1,055	—	—	—	—	560	1,615	
Preferred shares	—	18,162	—	—	—	—	18,162	
Total liabilities	332,578	18,162	584	—	—	560	351,884	
Mezzanine equity	614	—	—	—	—	(614)	—	
Additional paid-in capital	184,204	8,413	—	13	—	(435)	192,195	
Retained earnings	44,051	(16,768)	1,532	(641)	(1,460)	(19)	25,367	
Accumulated other comprehensive income	903	194	(121)	—	—	—	976	
Total JD.com, Inc. shareholders' equity	231,858	(8,161)	1,411	(628)	(1,460)	(454)	221,238	
Non-controlling interests	63,908	(10,001)	28	(68)	(78)	508	53,853	
Total shareholders' equity	295,766	(18,162)	1,439	(696)	(1,538)	54	275,091	

Notes to the Consolidated Financial Statements (Continued)

35 Reconciliation between U.S. GAAP and IFRS Accounting Standards (Continued)

	As of December 31, 2024									
	IFRSs adjustments									
	Amounts as reported under U.S. GAAP		Investments			Redeemable	Impairment	Investment	Convertible	Amounts as reported under IFRSs
		Preferred	measured at	Share-based	Lease	equity	of long-lived	in JD	Senior	
		shares	fair value	compensation	accounting	securities	assets	Technology	Notes	
	Note i	Note ii	Note iii	Note iv	Note v	Note vi	Note vii	Note viii		
(RMB in millions)										
Property, equipment and software, net	82,737	—	—	—	—	—	(2,172)	—	—	80,565
Land use rights, net	36,833	—	—	—	—	—	(1,175)	—	—	35,658
Operating lease right-of-use assets	24,532	—	—	—	(1,448)	—	—	—	—	23,084
Investments in equity investees	56,850	—	(29,772)	—	—	—	—	1,340	—	28,418
Marketable securities and other investments	59,370	—	(2,907)	—	—	—	—	—	—	56,463
Financial assets at fair value through profit or loss	—	—	33,977	—	—	—	—	—	—	33,977
Financial assets at fair value through other comprehensive income	—	—	237	—	—	—	—	—	—	237
Deferred tax assets	2,459	—	185	(595)	—	—	—	—	—	2,049
Total assets	698,234	—	1,720	(595)	(1,448)	—	(3,347)	1,340	—	695,904
Financial liability at fair value through profit or loss	—	—	—	—	—	—	—	—	4,447	4,447
Deferred tax liabilities	9,498	—	554	—	—	—	—	—	—	10,052
Other non-current liabilities	835	—	—	—	—	424	—	—	—	1,259
Preferred shares	—	18,658	—	—	—	—	—	—	—	18,658
Unsecured senior notes	24,770	—	—	—	—	—	—	—	(3,230)	21,540
Total liabilities	384,937	18,658	554	—	—	424	—	—	1,217	405,790
Mezzanine equity	484	—	—	—	—	(484)	—	—	—	—
Additional paid-in capital	182,404	8,855	—	68	—	(276)	—	726	—	191,777
Retained earnings	76,573	(17,056)	1,310	(542)	(1,287)	(24)	(2,509)	614	(1,208)	55,871
Accumulated other comprehensive income	1,421	106	(155)	—	—	—	—	—	(9)	1,363
Total JD.com, Inc. shareholders' equity	239,347	(8,095)	1,155	(474)	(1,287)	(300)	(2,509)	1,340	(1,217)	227,960
Non-controlling interests	73,466	(10,563)	11	(121)	(161)	360	(838)	—	—	62,154
Total shareholders' equity	312,813	(18,658)	1,166	(595)	(1,448)	60	(3,347)	1,340	(1,217)	290,114

Notes

(i) Preferred shares

Under U.S. GAAP, preferred shares of the Group are accounted for as mezzanine equity or non-controlling interests, depending on whether the redeemable features exist or not. The preferred shares with redeemable features are classified as mezzanine equity because they are contingently redeemable upon the occurrence of certain events outside of the Group's control. This kind of preferred shares are recorded initially at fair value, net of issuance costs at the date of issuance. Accretion to the respective redemption value of the preferred shares is recognized over the period from the issuance date to the earliest redemption date.

Notes to the Consolidated Financial Statements (Continued)

35 Reconciliation between U.S. GAAP and IFRS Accounting Standards (Continued)

Notes (continued)

(i) *Preferred shares (Continued)*

Under IFRSs, since the Group does not have an unconditional right to avoid delivering cash, the preferred shares represent liability. With certain embedded features otherwise to be bifurcated, the entire preferred shares are designated as financial liabilities at fair value through profit or loss and are initially recognized at fair value, while subsequently changes in the fair value are recognized in profit or loss. The issuance costs are recorded in profit or loss.

(ii) *Investments measured at fair value*

Under U.S. GAAP, the Group uses measurement alternative to record the investments without readily determinable fair values at cost, less impairment, adjusted for subsequent observable price changes on a nonrecurring basis, and reports changes in the carrying value of the equity investments in profit or loss. Changes in the carrying value of the equity investments are required to be made whenever there are observable price changes in orderly transactions for the identical or similar investment of the same issuer. Those investments include convertible redeemable preferred shares, ordinary shares with preferential rights issued by privately held companies and equity investments in unlisted entities, in the form of ordinary shares without significant influence. In addition, the Group accounts for certain investments in private equity funds over which the Group does not have the ability to exercise significant influence under the existing practical expedient, and estimates fair value using net asset value per share (or its equivalent) of the investment. The Group also applies the equity method of accounting to account for certain equity investments in private equity funds.

Under IFRSs, the aforementioned investments are classified as financial assets at fair value through profit or loss and measured at fair value, except for certain equity investments not held for trading but held for long-term strategic purposes, which are designated as financial assets at fair value through other comprehensive income. Fair value changes of these investments are recognized in profit or loss or other comprehensive income, respectively.

(iii) *Share-based compensation*

Under U.S. GAAP, for awards that ordinarily give rise to a tax deduction under existing tax law, deferred taxes are computed on the basis of the compensation expense that is recognized for financial reporting purposes. In addition, tax benefits in excess of or less than the related deferred tax assets are recognized in profit or loss in the period in which the amount of the deduction is determined (typically when an award vests or, in the case of options, is exercised or expires).

Under IFRSs, for awards that will give rise to a tax deduction under the applicable tax law, deferred taxes are computed on the basis of the hypothetical tax deduction for the share-based payment that corresponds to the percentage earned to date (i.e., the intrinsic value of the award on the reporting date multiplied by the percentage vested). In addition, tax benefits less than or equal to the related deferred tax assets are recognized in profit or loss, otherwise are recognized in equity.

(iv) *Lease accounting*

Lease classification and measurement

Under U.S. GAAP, the amortization of the right-of-use assets and interest expense related to the lease liabilities are recorded together as lease expense to produce a straight-line recognition effect in profit or loss.

Under IFRSs, the amortization of the right-of-use assets is on a straight-line basis while the interest expense related to the lease liabilities are measured at amortized cost.

Sale-and-leaseback arrangements

Under U.S. GAAP, if the sale-and-leaseback transaction qualifies as a sale, the entire gain on the transaction would be recognized.

Under IFRSs, for sale-and-leaseback transactions that qualify as a sale, the gain would be limited to the amount related to the residual portion of the asset sold. The amount of the gain related to the underlying asset leased back to the lessee would be offset against the lessee's right-of-use assets.

Notes to the Consolidated Financial Statements (Continued)

35 Reconciliation between U.S. GAAP and IFRS Accounting Standards (Continued)

Notes (continued)

(v) *Redeemable equity securities*

Under U.S. GAAP, certain financial instruments of the Group in the form of shares with redemption features embedded are classified as mezzanine equity, when the realization of the redemption feature is subject to certain conditions that are not solely within the Group's control.

Under IFRSs, these financial instruments are classified as liabilities when the Group has an obligation to purchase its own equity instruments for cash or another financial asset, irrespective of whether the obligation is unconditional or conditional.

(vi) *Impairment of long-lived assets*

Under U.S. GAAP, the Group takes a two-step approach to calculate an asset or asset group impairment by comparing the asset or asset group's carrying amount with the sum of future undiscounted cash flows as a test of recoverability, and record the amount by which the carrying value exceeds the fair value as impairment loss when the carrying amount is not recoverable.

Under IFRSs, the Group takes a one-step approach to calculate an asset or cash generating unit impairment by recording the amount by which the carrying value exceeds the recoverable amount as an impairment loss when impairment indicators exist.

(vii) *Investment in JD Technology*

Under U.S. GAAP, for the modification of redemption terms and sequent redemptions/new shares issuance carried out by JD Technology as disclosed in Note 6, the Group's indirectly acquired equity interests was accomplished through a transaction under common control. Accordingly, the Group recognizes its investment in JD Technology based on its proportionate share of JD Technology's net assets and records the difference between the proceeds transferred and the carrying amounts of its investment in JD Technology in additional paid-in capital.

Under IFRSs, the indirect acquisition of equity interests in JD Technology is accounted for in the same way as a purchase of additional interests in the investee. The carrying value of the Group's investment in JD Technology does not change before and after the transaction.

In addition, under U.S. GAAP, JD Technology has recognized the changes of fair value of relevant shareholders' investments due to the modification of redemption terms, which has further affected the Group's results of equity investees using equity-method. However, there is no such impact in profit or loss under IFRSs.

(viii) *Convertible Senior Notes*

Under U.S. GAAP, the Convertible Senior Notes are accounted for as debt in their entirety and are measured at amortized cost, with debt issuance cost amortized and recognized as interest expenses using the effective interest method.

Under IFRSs, the Convertible Senior Notes are hybrid instruments, each of which consists of a host debt contract and embedded derivatives. The conversion feature is not accounted for as equity as it will not be settled by delivering a fixed number of the Group's own equity instruments and receiving a fixed amount of cash or another financial asset and is recognized as a separate derivative liability measured at fair value through profit or loss as it meet the separation conditions under IFRS 9. The embedded repurchase and redemption options of Convertible Senior Notes are closely related to the host debt contracts and therefore not accounted for as derivatives separately. The host debt contract is initially measured as the difference between the fair value of the entire hybrid instruments and the fair value of the conversion feature. Subsequent to the initial recognition, the host debt contracts are accounted for at amortized cost with interest expenses recognized using the effective interest method, and the changes in fair value of the conversion feature are recognized in profit or loss.

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
<i>o/w net gains and losses on financial instruments at fair value through profit or loss</i>	Note 3.1	11,149	10,327
<i>o/w net gains and losses on financial instruments at fair value through other comprehensive income</i>		(89)	(9)
<i>o/w net gains and losses from the derecognition of financial assets at amortised cost</i>		(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)
<i>Revaluation differences for the period</i>	874	(429)
<i>Reclassified into income</i>	(54)	73
Revaluation of debt instruments at fair value through other comprehensive income	172	2,402
<i>Revaluation differences for the period</i>	66	2,374
<i>Reclassified into income</i>	106	28
Revaluation of insurance contracts at fair value through other comprehensive income	(252)	(2,134)
Revaluation of hedging derivatives	(70)	(68)
<i>Revaluation differences of the period</i>	(35)	(36)
<i>Reclassified into income</i>	(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
<i>o/w Group share</i>	4,775	2,085
<i>o/w non-controlling interests</i>	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

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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.

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:

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.

“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

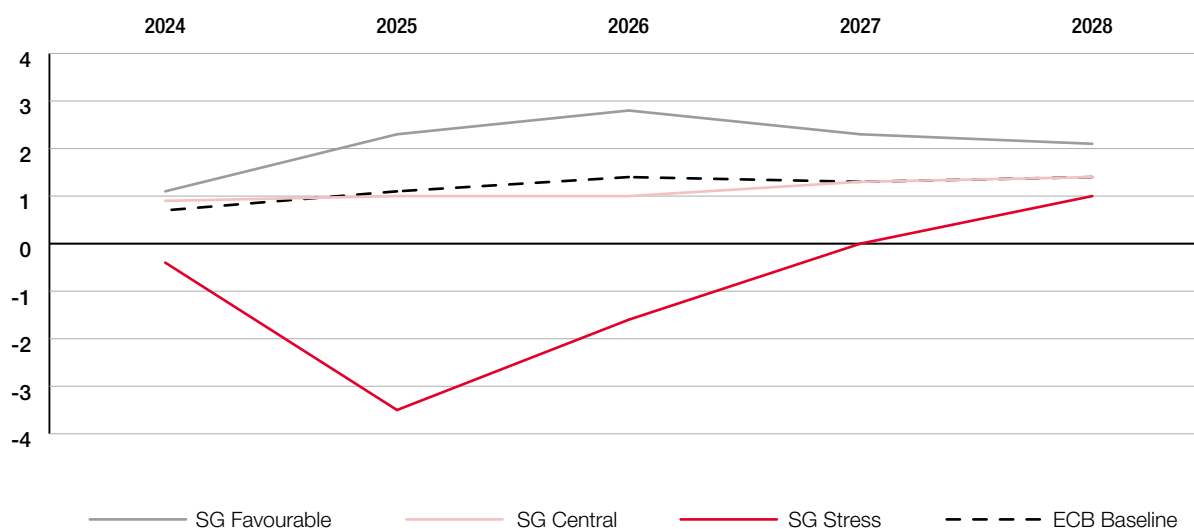
“SG Central” scenario	2025	2026	2027	2028	2029
France GDP	0.9	1.1	1.3	1.5	1.3
Disposable income of households in France	0.3	0.6	0.6	0.8	0.8
Eurozone GDP	1.0	1.0	1.3	1.4	1.2
United States GDP	1.5	1.8	2.0	2.2	2.0
Developed countries GDP ⁽¹⁾	1.3	1.5	1.6	1.8	1.6

“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

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 purpose, 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 loses 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 negotiated 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.

DISPOSAL 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.

Coincidentally, 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



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	Acquisitions and 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 Komerční 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**

(In EURm)	Joint ventures		Associates		Total investments accounted for using the equity method	
	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	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023
(In EURm)						
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:

(In EURm)	Asset financing		Asset management		Others	
	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 these 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 than 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
<i>Financial assets at fair value through profit or loss</i>	95	4
<i>Financial assets at fair value through equity</i>	2,904	-
<i>Securities at the amortised cost</i>	535	350
<i>Due from banks</i>	199	20
<i>Customer loans</i>	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
<i>Financial liabilities at fair value through profit or loss</i>	15	-
<i>Due to banks</i>	3,714	42
<i>Customer deposits</i>	12,620	1,542
<i>Subordinated debt</i>	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 its subsidiary 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.).

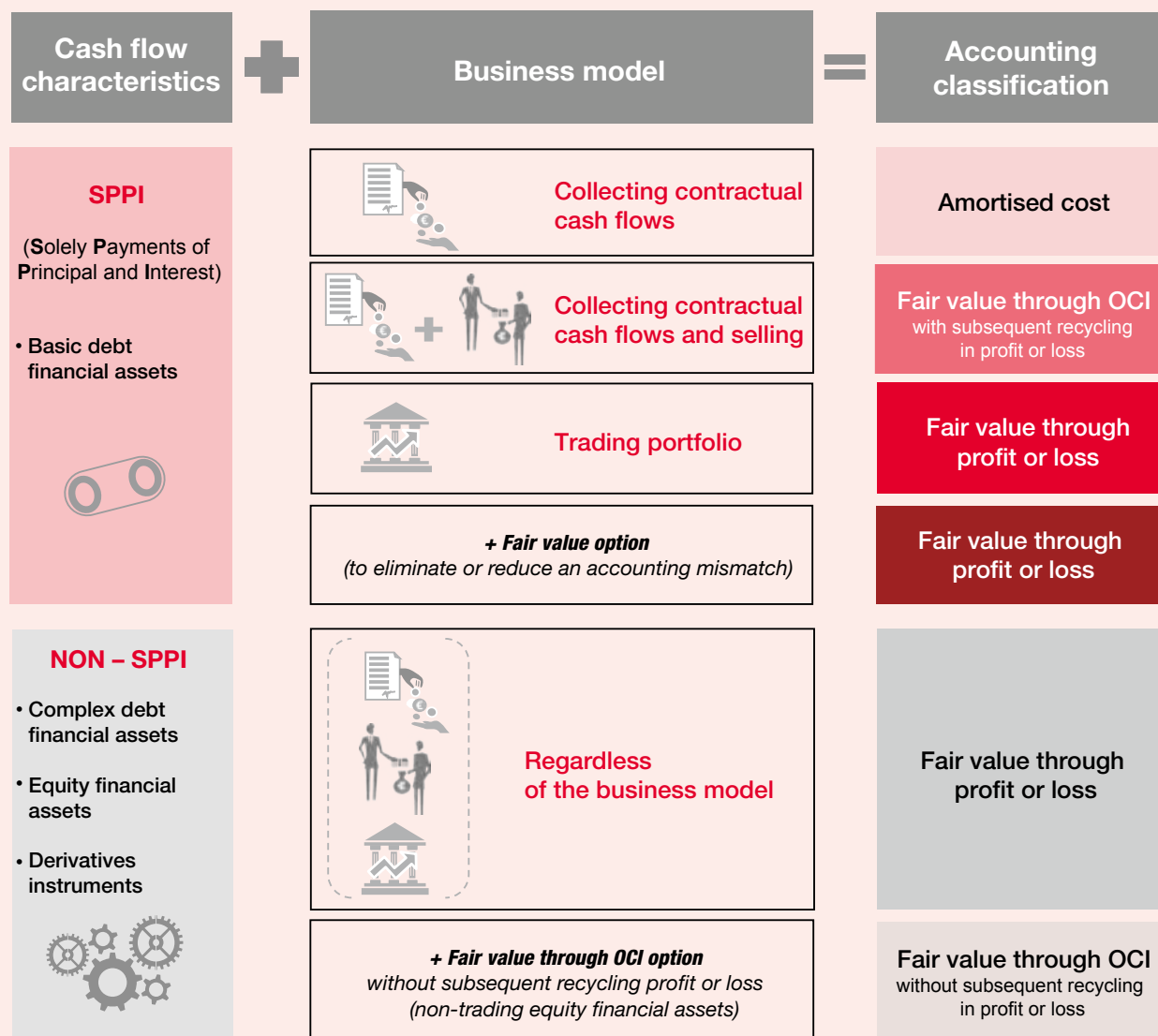
In the financial statements, the classification and valuation of financial assets and liabilities depend on their contractual characteristics and the way the entity manages those financial instruments.

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 exchange 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	
	Assets	Liabilities	Assets	Liabilities
(In EURm)				
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
<i>o/w securities purchased/sold under resale/repurchase agreements</i>	<i>148,255</i>	<i>139,880</i>	<i>159,119</i>	<i>139,145</i>

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
<i>o/w securities lent</i>	<i>23,081</i>	<i>14,509</i>

(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.

(In EURm)	31.12.2024		31.12.2023	
	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
<i>Net gain/loss on fair value hedging derivatives</i>	1,495	3,141
<i>Revaluation of hedged items attributable to hedged risks⁽³⁾</i>	(1,621)	(2,973)
<i>Ineffective cut of the cash flow hedges</i>	7	1
Net gain/loss on foreign exchange transactions	943	1,145
TOTAL⁽⁴⁾	11,149	10,327
<i>o/w gains on financial instruments at fair value through other comprehensive income</i>	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

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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

(In EURm)	31.12.2024		31.12.2023	
	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
<i>Swaps</i>	8,093,140	6,927,744
<i>FRAs</i>	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

(In EURm)	31.12.2024		
	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
<i>Due from banks, at amortised cost</i>	1,466	(30)	30
<i>Customer loans, at amortised cost</i>	11,976	(73)	104
<i>Securities at amortised cost</i>	3,889	(106)	(47)
<i>Financial assets at fair value through other comprehensive income</i>	31,008	524	(19)
<i>Customer loans (macro hedged)⁽¹⁾</i>	70,233	(292)	483
Hedged liabilities	285,247	(9,108)	(2,172)
<i>Debt securities issued</i>	70,889	(1,881)	(814)
<i>Due to banks</i>	20,749	(678)	(398)
<i>Customer deposits</i>	13,365	31	(29)
<i>Subordinated debts</i>	15,238	(1,303)	142
<i>Customer deposits (macro hedged)⁽¹⁾</i>	165,006	(5,277)	(1 073)
Hedge of currency risk			(0)
Hedged liabilities	201	0	(0)
<i>Subordinated debts</i>	201	0	(0)
Hedge of equity risk			(1)
Hedged liabilities	47	24	(1)
<i>Other liabilities</i>	47	24	(1)
TOTAL			(1,622)

31.12.2023

(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			(2,973)
Hedged assets	97,107	(189)	3,111
<i>Due from banks, at amortised cost</i>	1,382	(56)	45
<i>Customer loans, at amortised cost</i>	8,016	(145)	160
<i>Securities at amortised cost</i>	2,391	(59)	202
<i>Financial assets at fair value through other comprehensive income</i>	26,455	504	971
<i>Customer loans (macro hedged)⁽¹⁾</i>	58,863	(433)	1,733
Hedged liabilities	166,359	(10,743)	(6,084)
<i>Debt securities issued</i>	41,632	(2,666)	(1,756)
<i>Due to banks</i>	20,426	(1,082)	(850)
<i>Customer deposits</i>	13,856	(3)	(83)
<i>Subordinated debts</i>	10,815	(1,135)	(280)
<i>Customer deposits (macro hedged)⁽¹⁾</i>	79,630	(5,857)	(3,115)
Hedge of currency risk			1
Hedged liabilities	195	1	1
<i>Subordinated debts</i>	195	1	1
Hedge of equity risk			(0)
Hedged liabilities	2	(0)	(0)
<i>Other liabilities</i>	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					
(In EURm)	Commitments (notional amounts)	Fair value ⁽²⁾		Change in fair value booked during the period	Ineffectiveness recognised during the period
		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					
(In EURm)	Commitments (notional amounts)	Fair value ⁽²⁾		Change in fair value booked during the period	Ineffectiveness recognised during the period
		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.

(In EURm)	31.12.2024	31.12.2023
	Change in the fair value	Change in the fair value
Hedge of interest rate risk	86	2
Hedged assets	56	33
<i>Due from banks, at amortised cost</i>	11	30
<i>Financial assets at fair value through other comprehensive income</i>	25	(22)
<i>Customer loans (macro hedged)</i>	20	25
Hedged liabilities	30	(31)
<i>Debt securities issued</i>	30	80
<i>Due to banks</i>	(39)	(20)
<i>Customer deposits</i>	39	(91)
Hedge of currency risk	(30)	40
Hedged assets	(5)	(16)
<i>Financial assets at fair value through other comprehensive income</i>	(5)	(16)
Hedged liabilities	(18)	41
<i>Debt securities issued</i>	(18)	41
<i>Subordinated debts</i>	-	-
Forecast transactions	(7)	15
Hedge of equity risk	(36)	6
Forecast transactions	(36)	6
TOTAL	20	48

BREAKDOWN OF HEDGING INSTRUMENTS

	31.12.2024					
	Commitments (notional amounts)	Fair value		Changes in fair value recorded during the period		Cumulative change in fair value recorded in unrealised or deferred gains and losses
		Asset	Liability	Portion booked in unrealised or deferred gains and losses	Ineffectiveness recorded in the profit or loss	
(In EURm)						
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

	Commitments (notional amounts)	Fair value		Changes in fair value recorded during the period		Cumulative change in fair value recorded in unrealised or deferred gains and losses
		Asset	Liability	Portion booked in unrealised or deferred gains and losses	Ineffectiveness recorded in the profit or loss	
(In EURm)						
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	
	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
(In EURm)				
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					
	Commitments (notional amounts)	Carrying amount ⁽¹⁾		Changes in fair value recorded during the period ⁽²⁾		Cumulative change in fair value recorded in unrealised or deferred gains or losses
		Asset	Liability	Portion booked in unrealised or deferred gains and losses	Ineffectiveness recorded in the profit or loss ⁽³⁾	
(In EURm)						
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

	Commitments (notional amounts)	Carrying amount ⁽¹⁾		Changes in fair value recorded during the period ⁽²⁾		Cumulative change in fair value recorded in unrealised or deferred gains or losses
		Asset	Liability	Portion booked in unrealised or deferred gains and losses	Ineffectiveness recorded in the profit or loss ⁽³⁾	
(In EURm)						
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 Nth 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

(In EURm)	31.12.2024				31.12.2023			
	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

(In EURm)	31.12.2024				31.12.2023			
	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.	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.

	31.12.2024	
	Assets	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

(In EURm)

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

(In EURm)	31.12.2024		31.12.2023	
	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

(In EURm)	31.12.2024		31.12.2023	
	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
<i>Less than one year</i>	6,552	9,866
<i>From one to two years</i>	4,769	6,987
<i>From two to three years</i>	3,753	5,407
<i>From three to four years</i>	2,609	3,629
<i>From four to five years</i>	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
<i>Less than one year</i>	6,012	9,098
<i>From one to two years</i>	4,292	6,361
<i>From two to three years</i>	3,311	4,780
<i>From three to four years</i>	2,205	3,140
<i>From four to five years</i>	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
<i>Demand</i>	101,712	99,105
<i>Term</i>	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
<i>o/w floating-rate securities</i>	100,659	95,247

NOTE 3.7 Interest income and expenseMAKING 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.

(In EURm)	2024			2023		
	Income	Expense	Net	Income	Expense	Net
Financial instruments at amortised cost	34,678	(27,797)	6,881	32,266	(24,720)	7,546
<i>Central banks</i>	6,776	(408)	6,368	6,698	(368)	6,330
<i>Bonds and other debt securities</i>	1,366	(5,281)	(3,915)	1,188	(4,096)	(2,908)
<i>Due from/to banks⁽¹⁾</i>	4,375	(4,917)	(542)	4,038	(6,375)	(2,337)
<i>Customer loans and deposits</i>	19,716	(15,195)	4,521	17,931	(12,133)	5,798
<i>Subordinated debt</i>	-	(911)	(911)	-	(700)	(700)
<i>Securities lending/borrowing</i>	4	(6)	(2)	9	(13)	(4)
<i>Repo transactions</i>	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
<i>Real estate lease agreements</i>	315	(54)	261	295	(45)	250
<i>Non-real estate lease agreements</i>	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
<i>o/w interest income from impaired financial assets</i>	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
<i>Short-term loans</i>	7,738	7,132
<i>Export loans</i>	560	576
<i>Equipment loans</i>	2,992	2,647
<i>Housing loans</i>	2,995	2,878
<i>Other customer loans</i>	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 provisionsMAKING 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 ► <i>Maintained if the credit risk has not increased significantly</i>	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 homogeneity 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

(In EURm)	31.12.2024				31.12.2023			
	Group without Insurance activities		Insurance		Group without Insurance activities		Insurance	
	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

(In EURm)	31.12.2024							
	Assets at amortised cost				Impairment			
	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

(In EURm)	31.12.2023							
	Assets at amortised cost				Impairment			
	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.

(In EURm)	31.12.2024							
	Assets at amortised cost				Impairment			
	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.

(In EURm)	31.12.2023							
	Assets at amortised cost				Impairment			
	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.

(In EURm)	31.12.2024							
	Assets at amortised cost				Impairment			
	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.

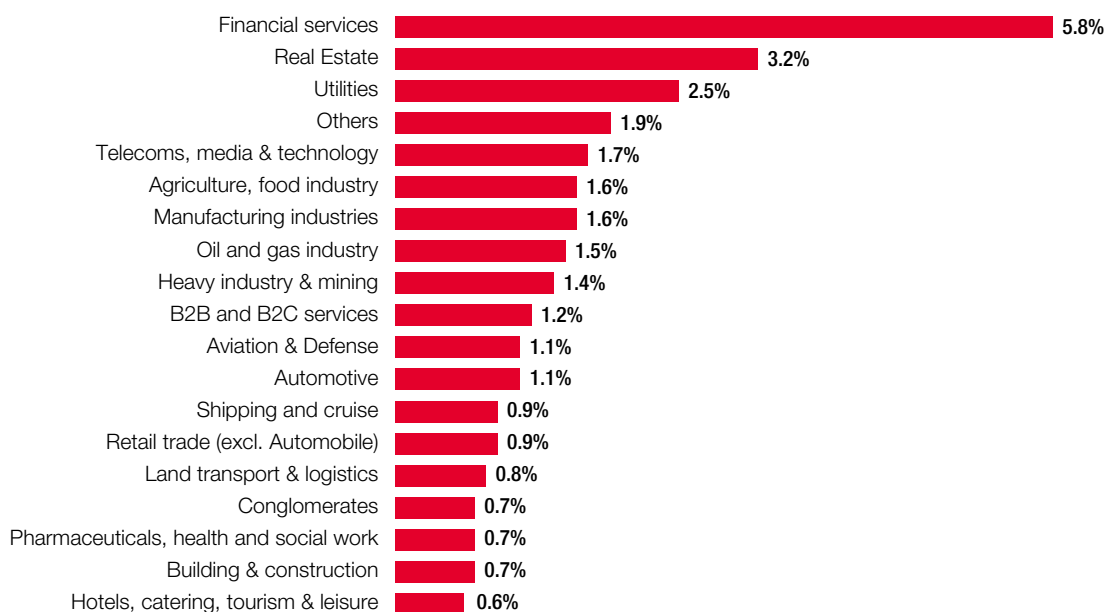
(In EURm)	31.12.2023							
	Outstanding amounts				Impairment			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
1	67,873	888	-	68,761	1	3	-	4
2	189,026	3,834	-	192,860	2	1	-	3
3	53,862	1,409	-	55,271	9	6	-	15
4	85,123	505	-	85,628	68	7	-	75
5	85,404	4,486	-	89,890	282	103	-	385
6	23,247	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.

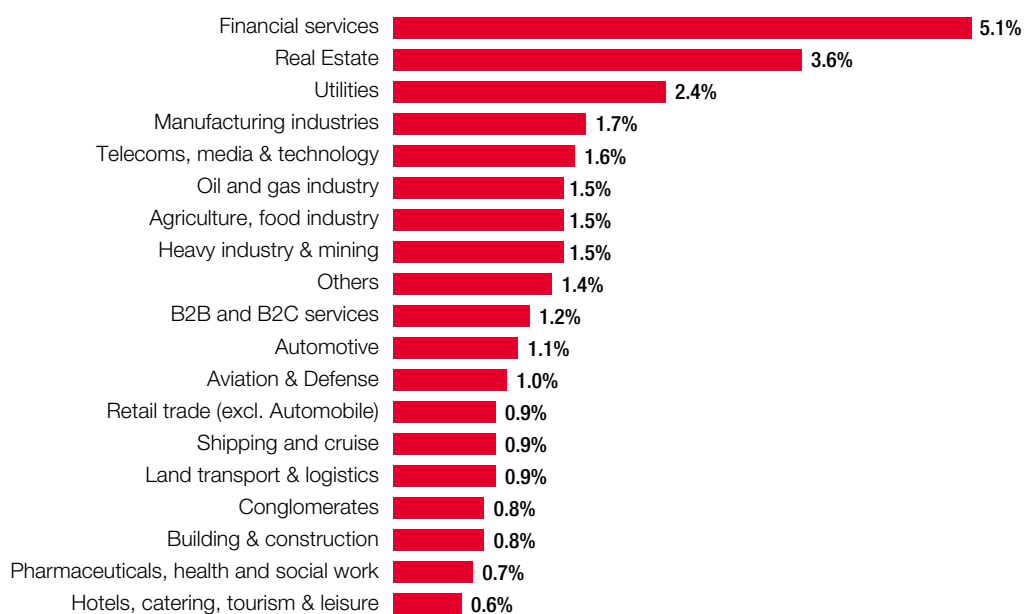
ASSETS AT AMORTISED COST (INSURANCE ACTIVITIES EXCLUDED): SECTORAL BREAKDOWN OF CORPORATE EXPOSURES ON THE TOTAL GROUP EXPOSURE OF FINANCIAL ASSETS AT AMORTISED COST (ALL BASEL CATEGORIES)

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 TOTAL NET EXPOSURE 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
<i>o/w lease financing and similar agreements</i>	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).

(In EURm)	Stage 1		Stage 2		Stage 3		Stock of outstanding amounts transferred as at 31 December	Stock of impairment associated with transferred outstanding amounts
	Outstanding amounts	Impairment	Outstanding amounts	Impairment	Outstanding amounts	Impairment		
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.

(In EURm)	Provisions								
	On financing commitments				On guarantee commitments				Total
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	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		Stock of outstanding commitments transferred as at 31 December	Stock of provisions associated with transferred outstanding amounts
	Outstanding amounts subject to impairment and provisions	Provisions	Outstanding amounts subject to impairment and provisions	Provisions	Outstanding amounts subject to impairment and provisions	Provisions		
(In EURm)								
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		Stock of outstanding commitments transferred as at 31 December	Stock of provisions associated with transferred outstanding amounts
	Outstanding amounts subject to impairment and provisions	Provisions	Outstanding amounts subject to impairment and provisions	Provisions	Outstanding amounts subject to impairment and provisions	Provisions		
(In EURm)								
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 irrecoverables 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)
<i>On financial assets at fair value through other comprehensive income</i>	1	12
<i>On financial assets at amortised cost</i>	(1,236)	(952)
Net allocations to provisions	43	57
<i>On financing commitments</i>	31	60
<i>On guarantee commitments</i>	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)
<i>o/w cost of risk on sound outstanding classified in Stage 1</i>	123	0
<i>o/w cost of risk on doubtful loans classified in Stage 2</i>	133	176
<i>o/w cost of risk on doubtful loans classified in Stage 3</i>	(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.

31.12.2023

(In EURm)	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

31.12.2024

(In EURm)	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.

31.12.2023

(In EURm)	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
<i>Issuance facilities</i>	83	83
<i>Confirmed credit lines</i>	222,046	210,499
<i>Others</i>	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**

(In EURm)	31.12.2024		31.12.2023	
	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	
	Carrying amount of transferred assets	Carrying amount of associated liabilities	Carrying amount of transferred assets	Carrying amount of associated liabilities
(In EURm)				
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

	31.12.2024	31.12.2023
(In EURm)		
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		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)	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		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 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

		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
	Amount of assets not subject to offsetting	Gross amount	Amount offset		Financial instruments recognised in the balance sheet	Cash collateral pledged	Financial instruments received as collateral	
(In EURm)								
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

		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
	Amount of assets not subject to offsetting	Gross amount	Amount offset		Financial instruments recognised in the balance sheet	Cash collateral pledged	Financial instruments pledged as collateral	
(In EURm)								
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.

(In EURm)	2024			2023		
	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.

(In EURm)	2024			2023		
	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

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 <i>Plan Épargne Retraite</i> – 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.

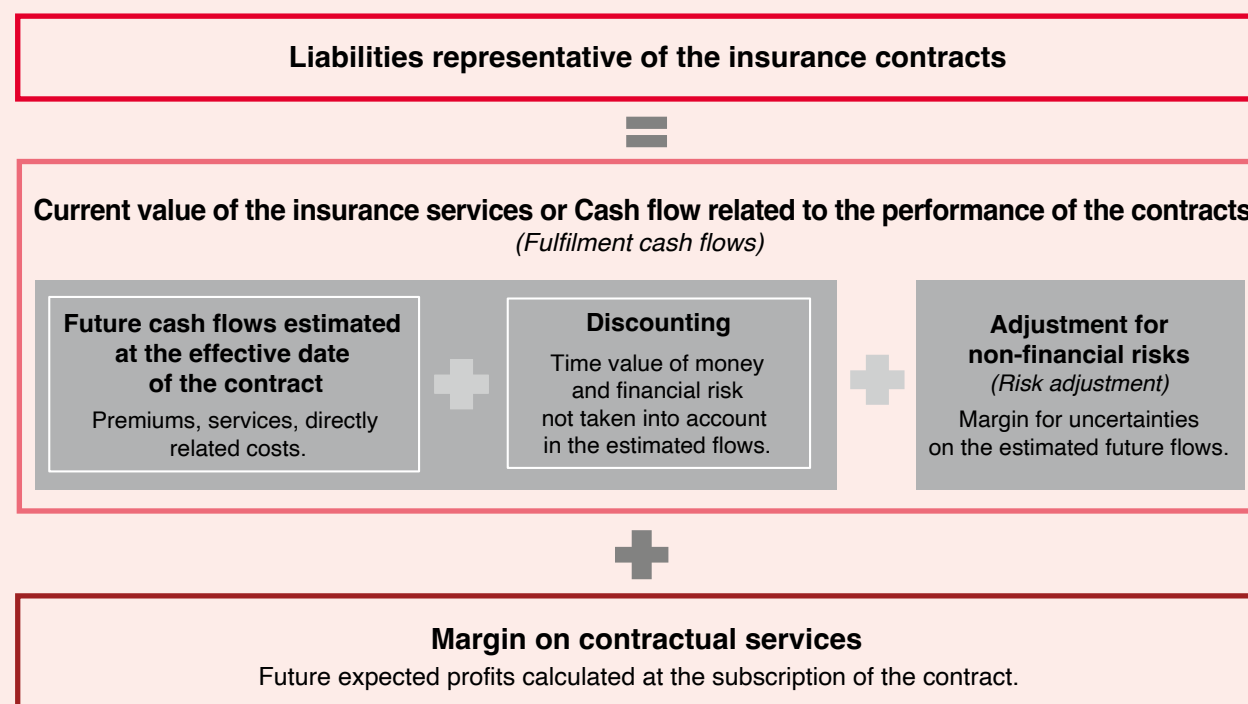
Measurement models

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:



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	<ul style="list-style-type: none"> ■ 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
<i>Recognition of the changes in fulfilment cash flows in relation to the changes in discounting rates and other financial variables</i>	■ 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
<i>Determination of the interest expense for the capitalisation of interest on the contractual service margin</i>	■ 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:

<i>Estimate of the fulfilment cash flows</i>	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).
<i>Measurement of the contractual service margin during initial recognition</i>	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.
<i>Measurement of the contractual service margin in the context of onerous underlying contracts</i>	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					
	1 year	5 years	10 years	15 years	20 years	40 years	1 year	5 years	10 years	15 years	20 years	40 years
Average discount rate for the euro												
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		Other	Total	Insurance contracts		Other	Total
	With direct participations features	Other			With direct participations features	Other		
(In EURm)								
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
<i>Shares and other equity securities</i>	-	-	-	-	-	-	-	-
<i>Trading derivatives</i>	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
<i>Bonds and other debt securities</i>	33,995	2	215	34,212	30,332	14	117	30,463
<i>Shares and other equity securities</i>	65,040	125	3,223	68,388	62,563	186	3,304	66,053
<i>Loans, receivables and securities purchased under resale agreements</i>	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
<i>Bonds and other debt securities</i>	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
<i>Bonds and other debt securities</i>	52,335	1,725	289	54,349	51,243	1,415	226	52,884
<i>Loans, receivables and securities purchased under resale agreements</i>	-	-	-	-	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

(In EURm)	31.12.2024				31.12.2023			
	Insurance contracts		Other	Total	Insurance contracts		Other	Total
	With direct participations features	Other			With direct participations features	Other		
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			
	With direct participations features	Other			With direct participations features	Other		
(In EURm)				Total				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 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
	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
(In EURm)		
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		Other	Total	Insurance contracts		Other	Total
	With direct participations features	Other			With direct participations features	Other		
(In EURm)								
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		
	with direct participations features	Other	Total	with direct participations features	Other	Total
(In EURm)						
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
<i>Income of premiums (relating to changes in liabilities for remaining coverage) relative to:</i>						
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
	Excluding the loss component	Loss component		Present value of the future cash flows	Non-financial risk adjustment	
(In EURm)						
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.

	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	
(In EURm)						
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)

(In EURm)	2024			
	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 fulfilment 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			
	Present value of the future cash flows	Non-financial risk adjustment	Contractual services margin	Total
(In EURm)				
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

(In EURm)	2024		2023	
	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



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)
<i>Including net expenses from share – based payments</i>	<i>(243)</i>	<i>(254)</i>

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

(In EURm)

	Plan assets		Separate assets	
	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

	31.12.2024			31.12.2023		
	Cash settled plans	Equity settled plans	Total plans	Cash settled plans	Equity settled plans	Total plans
(In EURm)						
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.

	2024	2023
(In EURm)		
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 December 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



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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

(In EURm)	2024		2023	
	%	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



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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.

<i>Issuance Date</i>	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		
	Deeply subordinated notes	Perpetual subordinated notes	Total	Deeply subordinated notes	Perpetual subordinated notes	Total
(In EURm)						
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:

(In EURm)	2024			2023		
	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**

(In EURm)	31.12.2024				
	Gross value	Tax	Net value	o/w	
				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				
	Gross value	Tax	Net value	o/w	
				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				
	Gross value	Tax	Net value	o/w	
				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

(In EURm)	2024										
	French Retail, Private Banking and Insurance			Global Banking and Investor Solutions			Mobility, International Retail Banking and Financial Services			Corporate Centre ⁽¹⁾	Total group Societe Generale
	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		
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

(In EURm)	French Retail, Private Banking and Insurance			Global Banking and Investor Solutions			Mobility, International Retail Banking and Financial Services			Corporate Centre ⁽¹⁾	Total group Societe Generale
	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		
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.

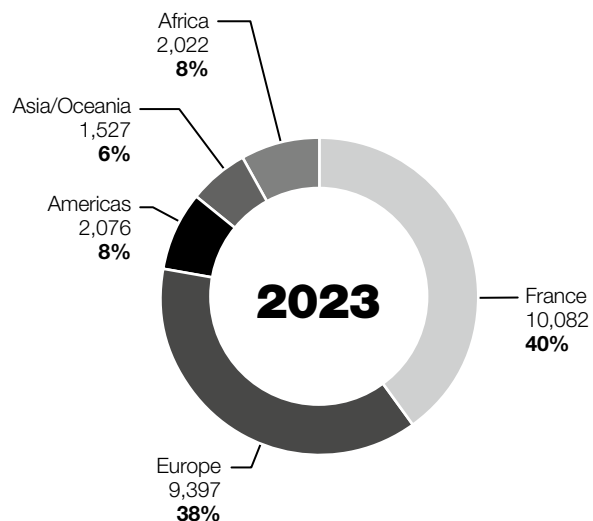
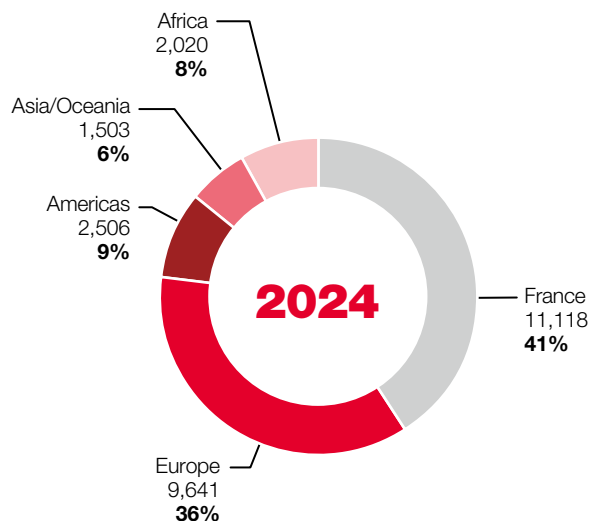
(2) Income and expenses, as well as assets and liabilities that are not directly related to business line activities are allocated to the Corporate Centre. Corporate Centre income includes, in particular, some consequences of the Group's centralised management of litigation and of transactions leading 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)



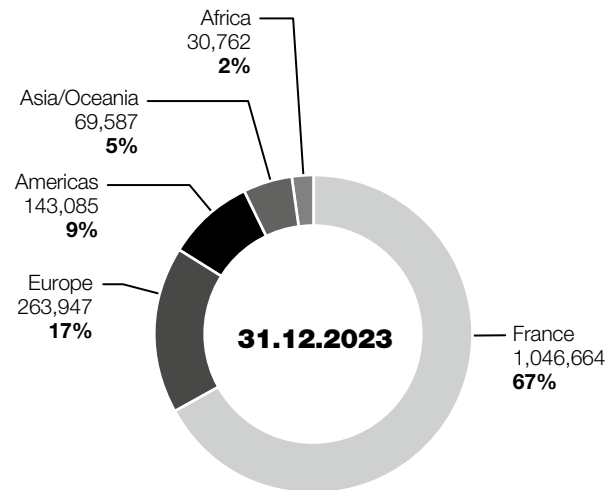
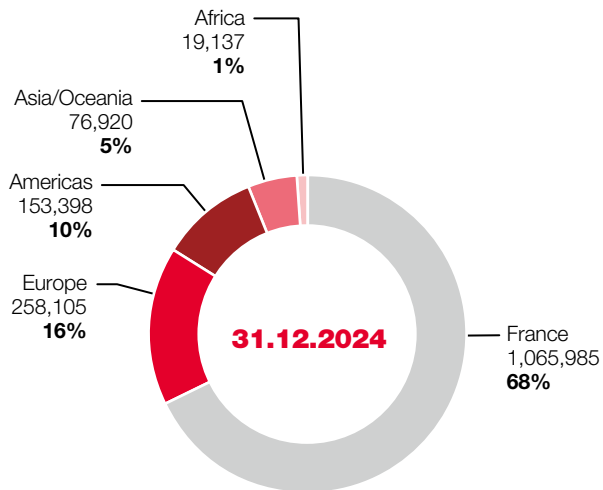
	31.12.2024
(In EURm)	Net banking income
France	11,118
Europe	9,641
Americas	2,506
Asia/Oceania	1,503
Africa	2,02
TOTAL	26,788

	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

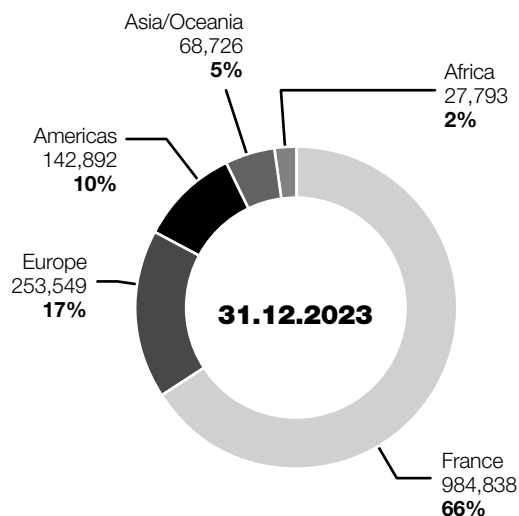
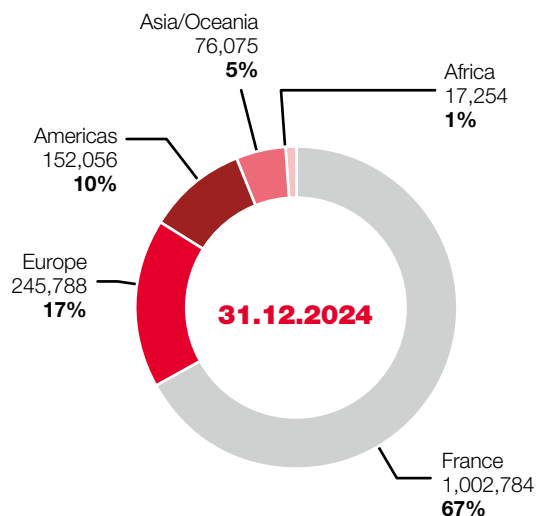


	31.12.2024
(In EURm)	Assets
France	1,065,985
Europe	258,105
Americas	153,398
Asia/Oceania	76,92
Africa	19,137
TOTAL	1,573,545

	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
<i>Less than 4 years old</i>	4	-	-	4
<i>Between 4 and 10 years old</i>	11	-	(4)	7
<i>More than 10 years old</i>	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

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.

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.

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 contract 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

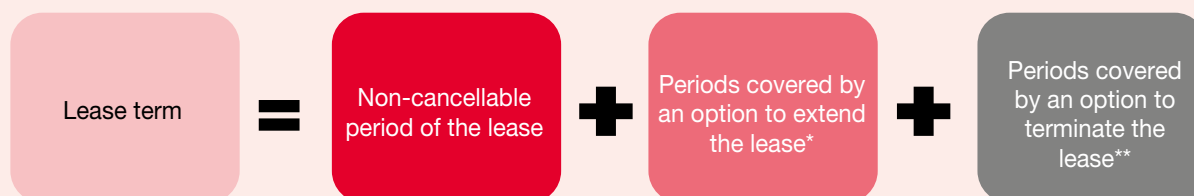
A contract may cover the lease of an asset by the lessor as well as the supply of additional services by that lessor. In this scenario, the lessee can separate the lease components from the non-lease components of the contract and treat them separately. The rental payments stipulated in the contract 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

(In EURm)	31.12.2024			
	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

(In EURm)	31.12.2023			
	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

				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
Country		Operating Segments	Method *				
Germany		RED & BLACK AUTO GERMANY 10	Mobility and Financial Services	FULL	100	100	100
	(6)	RED & BLACK AUTO GERMANY 11	Mobility and Financial Services	FULL	100	0	100
	(2)	RED & BLACK AUTO GERMANY 4 UG (HAFTUNGSBESCHRANKT)	Mobility and Financial Services	FULL	0	100	0
		RED & BLACK AUTO GERMANY 7	Mobility and Financial Services	FULL	100	100	100
		RED & BLACK AUTO GERMANY 8	Mobility and Financial Services	FULL	100	100	100
		RED & BLACK AUTO GERMANY 9 UG (HAFTUNGSBESCHRANKT)	Mobility and Financial Services	FULL	100	100	100
		SG EQUIPMENT FINANCE GmbH	Mobility and Financial Services	FULL	100	100	100
	(1)	SG FRANCFORT	Financial and Advisory	FULL	100	100	100
		SOCIETE GENERALE EFFEKTEN GmbH	Global Market and Investors Services	FULL	100	100	100
		SOCIETE GENERALE SECURITIES SERVICES GmbH	Global Market and Investors Services	FULL	100	100	100
	(1)	SOGECAP DEUTSCHE NIEDERLASSUNG	Insurance	FULL	100	100	100
	(1)	SOGESSUR DEUTSCHE NIEDERLASSUNG	Insurance	FULL	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

				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	
Country		Operating Segments	Method *					
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

				Group ownership interest		Group voting interest	
Country		Operating Segments	Method *	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

				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
Country		Operating Segments	Method *				
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
	SG EQUIPMENT FINANCE USA CORP.	Mobility and Financial Services	FULL	100	100	100
	SG MORTGAGE FINANCE CORP.	Financial and Advisory	FULL	100	100	100
	SG MORTGAGE SECURITIES, LLC	Global Market and Investors Services	FULL	100	100	100
	SG STRUCTURED PRODUCTS, INC.	Global Market and Investors Services	FULL	100	100	100
	(1) SOCIETE GENERALE (NEW YORK)	Global Market and Investors Services	FULL	100	100	100
	SOCIETE GENERALE FINANCIAL CORPORATION	Financial and Advisory	FULL	100	100	100
	SOCIETE GENERALE INVESTMENT CORPORATION	Global Market and Investors Services	FULL	100	100	100
	SOCIETE GENERALE LIQUIDITY FUNDING, LLC	Global Market and Investors Services	FULL	100	100	100
Finland						
	AXUS FINLAND OY	Mobility and Financial Services	FULL	52.59	52.59	100
	NF FLEET OY	Mobility and Financial Services	FULL	42.07	42.07	80
France						
	29 HAUSSMANN EQUILIBRE	Insurance	FULL	87.1	87.1	87.1
	29 HAUSSMANN EURO CREDIT – PART-C	Insurance	FULL	60.05	60.05	60.05
	(6) 29 HAUSSMANN EURO OBLIGATIONS D'ETATS – PART C	Insurance	FULL	44.93	0	44.93
	29 HAUSSMANN EURO RDT	Insurance	FULL	58.1	58.1	58.1
	29 HAUSSMANN SELECTION EUROPE – K	Insurance	FULL	45.23	45.23	45.23
	29 HAUSSMANN SELECTION MONDE	Insurance	FULL	68.7	68.7	68.7
	908 REPUBLIQUE	French Retail and Private Banking	ESI	50	40	50
	ADMINISTRATIVE AND MANAGEMENT SERVICES	Mobility and Financial Services	FULL	52.59	52.59	100
	AIR BAIL	Financial and Advisory	FULL	100	100	100
	AIX – BORD DU LAC – 3	French Retail and Private Banking	EJV	50	50	50
	ALFORTVILLE Baignade	French Retail and Private Banking	ESI	40	40	40
	(3) AMPERIM	French Retail and Private Banking	EJV	0	50	0
	(6) AMUNDI SMART BLENDED – I2-C EUR (C)	Insurance	FULL	99.97	0	99.97
	ANNEMASSE-ILOT BERNARD	French Retail and Private Banking	FULL	80	80	80

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	ANTALIS SA	Financial and Advisory	FULL	100	100	100
	(3) ANTARES	French Retail and Private Banking	ESI	0	45	45
	ANTARIUS	Insurance	FULL	100	100	100
	ARTISTIK	French Retail and Private Banking	ESI	30	30	30
	(6) AUBERVILLIERS 23 LANDY	French Retail and Private Banking	FULL	51	0	51
	AYVENS (ex-ALD)	Mobility and Financial Services	FULL	52.59	52.59	68.97
	BANQUE FRANCAISE COMMERCIALE OCEAN INDIEN	International Retail Banking	FULL	50	50	50
	BAUME LOUBIERE	French Retail and Private Banking	ESI	40	40	40
	BERCK RUE DE BOUVILLE	French Retail and Private Banking	ESI	25	25	25
	(6) BERGERIE CHATEL	French Retail and Private Banking	FULL	51	0	51
	BERLIOZ	Insurance	FULL	84.05	84.05	84.05
	BEZIERS-LA COURONDELLE	French Retail and Private Banking	EJV	50	50	50
	(6) BORDEAUX BOUTAUT	French Retail and Private Banking	FULL	51	0	51
	BOURSORAMA MASTER HOME LOANS FRANCE	French Retail and Private Banking	FULL	100	100	100
	BOURSORAMA SA	French Retail and Private Banking	FULL	100	100	100
	BREMANY LEASE SAS	Mobility and Financial Services	FULL	52.59	52.59	100
	(6) BRIE COSSIGNY	French Retail and Private Banking	FULL	70	0	70
	(6) BSG FRANCE SA	Global Market and Investors Services	FULL	51	0	100
	BUMPER FR 2022-1	Mobility and Financial Services	FULL	52.59	52.59	100
	(2) CARBURAUTO	French Retail and Private Banking	EJV	0	50	0
	CEGELEASE	French Retail and Private Banking	FULL	100	99.99	100
	CENTRE IMMO PROMOTION	French Retail and Private Banking	FULL	60	60	60
	(8) COMPAGNIE FONCIERE DE LA MEDITERRANEE (CFM)	Corporate Centre	FULL	100	100	100
	COMPAGNIE GENERALE DE LOCATION D'EQUIPEMENTS	Mobility and Financial Services	FULL	99.89	99.89	99.89

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) CONTE	French Retail and Private Banking	EJV	0	50	0	50
	(6) COUNTRY 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
	ECHIQUEUR 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) GENEBAQUE	Corporate Centre	FULL	100	100	100	100
	(5) GENEAL 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) GENEIGIS I	Corporate Centre	FULL	100	100	100	100
	(8) GENEIGIS 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
		HIPPOLYTE	Financial and Advisory	FULL	100	100	100
		HYUNDAI CAPITAL FRANCE (ex-SEFIA)	Mobility and Financial Services	ESI	49.95	49.95	50
		ILOT AB	French Retail and Private Banking	FULL	80	80	80
		IMMOBILIERE PROMEX	French Retail and Private Banking	ESI	35	35	35
		INVESTIR IMMOBILIER NORMANDIE	French Retail and Private Banking	FULL	100	100	100
		INVESTISSEMENT 81	Insurance	FULL	100	100	100
		IVRY CHAUSSINAND	French Retail and Private Banking	FULL	64	64	64
		JSJ PROMOTION	French Retail and Private Banking	ESI	45	45	45
	(6)	JUSTE-SOGEPROM	French Retail and Private Banking	FULL	70	0	0
		LA CORBEILLERIE	French Retail and Private Banking	ESI	40	40	40
	(8)	LA FONCIERE DE LA DEFENSE	Corporate Centre	FULL	100	100	100
	(6)	LA RESERVE	French Retail and Private Banking	FULL	60	0	0
	(6)	LAGNY LECLERC	French Retail and Private Banking	FULL	51	0	0
		LEASEPLAN FRANCE SAS	Mobility and Financial Services	FULL	52.59	52.59	100
		LES ALLEES DE L'EUROPE	French Retail and Private Banking	ESI	34	34	34
		LES JARDINS D'ALHAMBRA	French Retail and Private Banking	ESI	35	35	35
		LES JARDINS DU VILLAGE	French Retail and Private Banking	FULL	80	80	80
		LES MESANGES	French Retail and Private Banking	FULL	55	55	55
	(6)	LES NOUVEAUX PARTENAIRES AURA	French Retail and Private Banking	FULL	70	0	0
	(6)	LES NOUVEAUX PARTENAIRES IDF	French Retail and Private Banking	FULL	70	0	0
		LES TROIS LUCS 13012	French Retail and Private Banking	FULL	100	100	100
		LES VILLAS VINCENTI	French Retail and Private Banking	ESI	30	30	30

				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
Country		Operating Segments	Method *				
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

				Group ownership interest		Group voting interest	
Country		Operating Segments	Method *	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
	SAS MERIGNAC OASIS URBAINE	French Retail and Private Banking	FULL	90	90	90
	SAS NORMANDIE RESIDENCES	French Retail and Private Banking	FULL	100	100	100
	SAS ODESSA DEVELOPPEMENT	French Retail and Private Banking	ESI	49	49	49
	SAS PAYSAGES	French Retail and Private Banking	FULL	51	51	51
	SAS PROJECTIM IMMOBILIER	French Retail and Private Banking	FULL	100	100	100
	(2) SAS ROANNE LA TRILOGIE	French Retail and Private Banking	ESI	0	41	0
	SAS SCENES DE VIE	French Retail and Private Banking	EJV	50	50	50
	SAS SOAX PROMOTION	Financial and Advisory	FULL	58.5	58.5	58.5
	SAS SOGEMYSJ	French Retail and Private Banking	FULL	51	51	51
	SAS SOJEPRIM	French Retail and Private Banking	FULL	100	100	100
	SAS TIR A L'ARC AMENAGEMENT	French Retail and Private Banking	EJV	50	50	50
	SAS TOUR D2	French Retail and Private Banking	JO	50	50	50
	SAS VILLENEUVE D'ASCQ – RUE DES TECHNIQUES BUREAUX	French Retail and Private Banking	EJV	50	50	50
	(3) SCCV 282 MONTOLIVET 12	French Retail and Private Banking	FULL	0	60	0
	SCCV ALFORTVILLE MANDELA	French Retail and Private Banking	ESI	49	49	49
	SCCV BAC GALLIENI	French Retail and Private Banking	FULL	51	51	51
	(3) SCCV BOIS-GUILLAUME PARC DE HALLEY	French Retail and Private Banking	EJV	0	50	0
	SCCV BOURG BROU	French Retail and Private Banking	FULL	60	60	60
	SCCV BRON CARAVELLE	French Retail and Private Banking	EJV	50	50	50
	SCCV CAEN CASERNE MARTIN	French Retail and Private Banking	FULL	100	100	100

					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
Country		Operating Segments	Method *					
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		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 GIGNAC MOUSSELINE	French Retail and Private Banking	FULL	70	70	70
	SCCV GIVORS ROBICHON	French Retail and Private Banking	FULL	85	85	85
	SCCV GOELETES GRAND LARGE	French Retail and Private Banking	EJV	50	50	50
	SCCV HEROUVILLE ILOT A2	French Retail and Private Banking	ESI	33.33	33.33	33.33
	SCCV ISTRES PAPAILLE	French Retail and Private Banking	FULL	70	70	70
	SCCV JA LE HAVRE 22 COTY	French Retail and Private Banking	ESI	40	40	40
	SCCV JDA OUISTREHAM	French Retail and Private Banking	EJV	50	50	50
	(3) SCCV KYMA MERIGNAC	French Retail and Private Banking	ESI	0	30	0
	SCCV LA BAULE – LES JARDINS D'ESCOUBLAC	French Retail and Private Banking	ESI	25	25	25
	SCCV LA MADELEINE – PRE CATELAN	French Retail and Private Banking	FULL	51	51	51
	(3) SCCV LA MADELEINE SAINT-CHARLES	French Retail and Private Banking	EJV	0	50	0
	SCCV LA PORTE DU CANAL	French Retail and Private Banking	EJV	50	50	50
	SCCV LACASSAGNE BRICKS	French Retail and Private Banking	ESI	49	49	49
	SCCV LE CENTRAL C1.4	French Retail and Private Banking	ESI	33.4	33.4	33.4
	SCCV LE CENTRAL C1.5A	French Retail and Private Banking	ESI	33.3	33.3	33.3
	SCCV LE CENTRAL C1.7	French Retail and Private Banking	ESI	33.3	33.3	33.3
	SCCV LES BASTIDES FLEURIES	French Retail and Private Banking	FULL	64.29	64.29	64.29
	(2) SCCV LES ECRIVAINS	French Retail and Private Banking	FULL	0	70	0
	SCCV LES HAUTS VERGERS	French Retail and Private Banking	FULL	55	55	55
	SCCV LES PATIOS D'OR DE FLEURY LES AUBRAIS	French Retail and Private Banking	FULL	64	64	80
	SCCV LES SUCRES	French Retail and Private Banking	EJV	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
	SCCV L'IDEAL – MODUS 1.0	French Retail and Private Banking	FULL	80	80	80
	SCCV LILLE – JEAN MACE	French Retail and Private Banking	ESI	33.4	33.4	33.4
	SCCV LOOS GAMBETTA	French Retail and Private Banking	ESI	35	35	35
	SCCV MARCQ EN BARŒUL GABRIEL PERI	French Retail and Private Banking	ESI	20	20	20
	SCCV MARQUETTE CALMETTE	French Retail and Private Banking	EJV	50	50	50
	SCCV MASSY NOUAILLE	French Retail and Private Banking	FULL	80	80	80
	SCCV MEHUL 34000	French Retail and Private Banking	FULL	70	70	70
	SCCV MONROC – LOT 3	French Retail and Private Banking	EJV	50	50	50
	SCCV MONS EQUATION	French Retail and Private Banking	EJV	50	50	50
	SCCV NICE ARENAS	French Retail and Private Banking	FULL	100	100	100
	SCCV NOGENT PLAISANCE	French Retail and Private Banking	FULL	60	60	60
	SCCV NOISY BOISSIERE	French Retail and Private Banking	FULL	51	51	51
	SCCV PARIS ALBERT	French Retail and Private Banking	EJV	50	50	50
	SCCV PRADES BLEU HORIZON	French Retail and Private Banking	EJV	50	50	50
	SCCV QUAI DE SEINE A ALFORTVILLE	French Retail and Private Banking	FULL	51	51	51
	SCCV QUAI NEUF BORDEAUX	French Retail and Private Banking	ESI	35	35	35
	(6) SCCV ROUEN RUE LOUIS BLANC	French Retail and Private Banking	EJV	50	0	50
	SCCV ROUSSET – LOT 03	French Retail and Private Banking	FULL	70	70	70
	SCCV SAINT JUST DAUDET	French Retail and Private Banking	FULL	80	80	80
	(6) SCCV SAINT NAZAIRE MDP ILOT V4	French Retail and Private Banking	FULL	80	0	80

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 SAY	French Retail and Private Banking	ESI	35	35	35
	(2) SCCV SENGHOR	French Retail and Private Banking	ESI	0	35	0
	SCCV SENSORIUM BUREAUX	French Retail and Private Banking	EJV	50	50	50
	SCCV SENSORIUM LOGEMENT	French Retail and Private Banking	EJV	50	50	50
	SCCV SOGAB ILE DE FRANCE	French Retail and Private Banking	FULL	80	80	80
	SCCV SOGAB ROMAINVILLE	French Retail and Private Banking	FULL	80	80	80
	SCCV SOGEPROM LYON HABITAT	French Retail and Private Banking	FULL	100	100	100
	SCCV SOPRAB IDF	French Retail and Private Banking	FULL	70	70	70
	SCCV ST MARTIN DU TOUCH ILOT S9	French Retail and Private Banking	EJV	50	50	50
	SCCV TOULOUSE LES IZARDS	French Retail and Private Banking	FULL	51	51	51
	SCCV TRETS CASSIN LOT 4	French Retail and Private Banking	FULL	70	70	70
	SCCV VERNONNET-FIESCHI	French Retail and Private Banking	FULL	51	51	51
	SCCV VILLA CHANZY	French Retail and Private Banking	ESI	40	40	40
	SCCV VILLA VALERIANE	French Retail and Private Banking	ESI	30	30	30
	SCCV VILLAS URBAINES	French Retail and Private Banking	FULL	80	80	80
	SCCV VILLENAVE D'ORNON GARDEN VO	French Retail and Private Banking	ESI	25	25	25
	SCCV VILLENEUVE BONGARDE T2	French Retail and Private Banking	FULL	51	51	51
	SCCV VILLENEUVE D'ASCQ-RUE DES TECHNIQUES	French Retail and Private Banking	EJV	50	50	50
	SCCV VILLENEUVE VILLAGE BONGARDE	French Retail and Private Banking	FULL	51	51	51
	(3) SCCV VILLEURBANNE TEMPO	French Retail and Private Banking	FULL	0	100	0
	SCCV WAMBRECHIES RESISTANCE	French Retail and Private Banking	EJV	50	50	50

					Group ownership interest		Group voting interest	
Country		Operating Segments	Method *	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

				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	
Country		Operating Segments	Method *					
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 SOGETIM	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

				Group ownership interest		Group voting interest	
Country		Operating Segments	Method *	As at 31.12.2024	As at 31.12.2023	As at 31.12.2024	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

					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
Country			Operating Segments	Method *				
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)	SOCIETE DE LA RUE EDOUARD VII	Corporate Centre	FULL	0	100	0	100
	(8)							
		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		Group voting interest	
			As at 31.12.2024	As at 31.12.2023	As at 31.12.2024	As at 31.12.2023
France	SOCIETE GENERALE FACTORING	Financial and Advisory	FULL	100	100	100
	SOCIETE GENERALE POUR LE DEVELOPPEMENT DES OPERATIONS DE CREDIT-BAIL IMMOBILIER "SOGEBAIL"	French Retail and Private Banking	FULL	100	100	100
	SOCIETE GENERALE REAL ESTATE	French Retail and Private Banking	FULL	100	100	100
	(8) SOCIETE GENERALE SCF	Corporate Centre	FULL	100	100	100
	SOCIETE GENERALE SECURITIES SERVICES HOLDING	Financial and Advisory	FULL	100	100	100
	(8) SOCIETE GENERALE SFH	Corporate Centre	FULL	100	100	100
	(8) SOCIETE GENERALE VENTURES	Corporate Centre	FULL	100	100	100
	(8) SOCIETE IMMOBILIERE DU 29 BOULEVARD HAUSSMANN	Corporate Centre	FULL	100	100	100
	(8) SOGE BEAUJOIRE	Corporate Centre	FULL	100	100	100
	(8) SOGE PERIVAL I	Corporate Centre	FULL	100	100	100
	(8) SOGE PERIVAL II	Corporate Centre	FULL	100	100	100
	(8) SOGE PERIVAL III	Corporate Centre	FULL	100	100	100
	(8) SOGE PERIVAL IV	Corporate Centre	FULL	100	100	100
	SOGEACT. SELEC. MON.	Insurance	FULL	99.78	99.78	99.78
	SOGEAX	French Retail and Private Banking	FULL	60	60	60
	(8) SOGECAMPUS	Corporate Centre	FULL	100	100	100
	SOGECAP	Insurance	FULL	100	100	100
	SOGECAP – DIVERSIFIED LOANS FUND	Insurance	FULL	100	100	100
	SOGECAP ACTIONS PROTEGEES – PART-C/D	Insurance	FULL	60.05	60.05	60.05
	SOGECAP DIVERSIFIE 1	Insurance	FULL	100	100	100
	(3) SOGECAP EQUITY OVERLAY (FEEDER)	Insurance	FULL	0	100	0
	SOGECAP LONG TERME N°1	Insurance	FULL	100	100	100
	(6) SOGECAP PROTECTED EQUITIES	Insurance	FULL	100	0	100
	(3) SOGECAPIMMO 2	Insurance	FULL	0	90.71	0
	(8) SOGEFIM HOLDING	Corporate Centre	FULL	100	100	100
	SOGEFIMUR	French Retail and Private Banking	FULL	100	100	100
	(5) SOGEFINANCEMENT	French Retail and Private Banking	FULL	0	100	0
	SOGEFINERG FRANCE	Financial and Advisory	FULL	100	100	100
	(8) SOGEFONTENAY	Corporate Centre	FULL	100	100	100
	SOGELEASE FRANCE	French Retail and Private Banking	FULL	100	100	100
	(8) SOGEMARCHE	Corporate Centre	FULL	100	100	100
	(8) SOGEPARTICIPATIONS	Corporate Centre	FULL	100	100	100
	SOGEPIERRE	Insurance	FULL	100	100	100
	SOGEPROM	French Retail and Private Banking	FULL	100	100	100

				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
Country		Operating Segments	Method *				
France		SOGEPROM ALPES HABITAT	French Retail and Private Banking	FULL	100	100	100
		SOGEPROM CENTRE-VAL DE LOIRE	French Retail and Private Banking	FULL	100	100	100
		SOGEPROM COTE D'AZUR	French Retail and Private Banking	FULL	100	100	100
		SOGEPROM ENTREPRISES	French Retail and Private Banking	FULL	100	100	100
		SOGEPROM LYON	French Retail and Private Banking	FULL	100	100	100
		SOGEPROM LYON AMENAGEMENT	French Retail and Private Banking	FULL	100	100	100
		SOGEPROM PARTENAIRES	French Retail and Private Banking	FULL	100	100	100
		SOGEPROM REALISATIONS	French Retail and Private Banking	FULL	100	100	100
		SOGEPROM SERVICES	French Retail and Private Banking	FULL	100	100	100
		SOGEPROM SUD REALISATIONS	French Retail and Private Banking	FULL	100	100	100
		SOGESSUR	Insurance	FULL	100	100	100
		SOGEVIMMO	Insurance	FULL	98.75	98.75	98.75
		ST BARNABE 13004	French Retail and Private Banking	EJV	50	50	50
	(6)	ST GERMAIN BENI	French Retail and Private Banking	FULL	51	0	51
		STAR LEASE	French Retail and Private Banking	FULL	100	100	100
		TEMSYS	Mobility and Financial Services	FULL	52.59	52.59	100
	(6)	THONON ALLINGES	French Retail and Private Banking	FULL	70	0	70
		TRANSACTIS	French Retail and Private Banking	EJV	50	50	50
		TREEZOR SAS	French Retail and Private Banking	FULL	96.09	95.35	96.09
		URBANISME ET COMMERCE PROMOTION	French Retail and Private Banking	FULL	100	100	100
		VALMINCO	Global Market and Investors Services	FULL	100	100	100
	(8)	VALMINVEST	Corporate Centre	FULL	100	100	100
	(6)	VAUBAN DESMAZIERES	French Retail and Private Banking	FULL	67	0	67

					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
Country			Operating Segments	Method *				
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
	HAMBROS (GUERNSEY NOMINEES) Ltd.	French Retail and Private Banking	FULL	100	100	100
	KLEINWORT BENSON INTERNATIONAL TRUSTEES LIMITED	French Retail and Private Banking	FULL	100	100	100
(1)	SG KLEINWORT HAMBROS BANK LIMITED GUERNSEY BRANCH	French Retail and Private Banking	FULL	100	100	100
India						
	ALD AUTOMOTIVE PRIVATE LIMITED	Mobility and Financial Services	FULL	52.59	52.59	100
	LEASE PLAN INDIA PRIVATE Ltd.	Mobility and Financial Services	FULL	52.59	52.59	100
	LEASEPLAN FLEET MANAGEMENT INDIA PVT. Ltd.	Mobility and Financial Services	FULL	52.59	52.59	100
(6)	SANFORD C. BERNSTEIN (INDIA) PRIVATE LIMITED	Global Market and Investors Services	FULL	51	0	100
(1)	SG MUMBAI	Financial and Advisory	FULL	100	100	100
(8)	SOCIETE GENERALE GLOBAL SOLUTION CENTRE INDIA	Corporate Centre	FULL	100	100	100
	SOCIETE GENERALE SECURITIES INDIA PRIVATE LIMITED	Global Market and Investors Services	FULL	100	100	100
Ireland						
(5)	ALD RE PUBLIC LIMITED COMPANY (ex-ALD RE DESIGNATED ACTIVITY COMPANY)	Mobility and Financial Services	FULL	0	52.59	100
	AYVENS IRELAND LIMITED (ex-LEASEPLAN FLEET MANAGEMENT SERVICES IRELAND Ltd.)	Mobility and Financial Services	FULL	52.59	52.59	100
	EURO INSURANCES DESIGNATED ACTIVITY COMPANY	Mobility and Financial Services	FULL	52.59	52.59	100
	IRIS SPV PLC SERIES MARK	Global Market and Investors Services	FULL	100	100	100
	IRIS SPV PLC SERIES SOGECAP	Insurance	FULL	100	100	100
(1)	LEASEPLAN DIGITAL BV (DUBLIN BRANCH)	Mobility and Financial Services	FULL	52.59	52.59	100
(1)	LEASEPLAN FINANCE BV (DUBLIN BRANCH OF LEASEPLAN FINANCE BV)	Mobility and Financial Services	FULL	52.59	52.59	100
	NB SOG EMER EUR – I	Insurance	FULL	100	100	100
(6)	SANFORD C. BERNSTEIN IRELAND LIMITED	Global Market and Investors Services	FULL	51	0	100
(1)	SG DUBLIN	Global Market and Investors Services	FULL	100	100	100
	SGBT FINANCE IRELAND DESIGNATED ACTIVITY COMPANY	Financial and Advisory	FULL	100	100	100
	SOCIETE GENERALE SECURITIES SERVICES, SGSS (IRELAND) LIMITED	Global Market and Investors Services	FULL	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
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
	BUMPER DE SA	Mobility and Financial Services	FULL	52.59	52.59	100
	CODEIS COMPARTIMENT A0084	Insurance	FULL	100	100	100
	CODEIS COMPARTIMENT A0076	Insurance	FULL	100	100	100
	(6) CODEIS COMPARTIMENT A0092	Global Market and Investors Services	FULL	100	0	100
	CODEIS SECURITIES SA	Global Market and Investors Services	FULL	100	100	100
	COVALBA	Financial and Advisory	FULL	100	100	100
	INFRAMEWA CO-INVEST SCSP	Insurance	FULL	60.05	60.05	60.05
	(6) ISCHIA INVESTMENTS SA	Financial and Advisory	FULL	100	0	100
	IVEFI SA	Financial and Advisory	FULL	100	100	100
	(1) LEASEPLAN GLOBAL PROCUREMENT (A LUXEMBOURGISH BRANCH OF LEASEPLAN GLOBAL BV)	Mobility and Financial Services	FULL	52.59	52.59	100
	MERIBOU INVESTMENTS SA	Financial and Advisory	FULL	100	100	100
	(6) MOOREA FUND – GLOBAL GROWTH ALLOCATION PORTFOLIO CLASS RE	Insurance	FULL	65.18	0	65.18
	(6) MOOREA FUND – SG CREDIT MILLESIME 2029 RE	Insurance	FULL	71.89	0	71.89
	MOOREA FUND SG CREDIT MILLESIME 2028 RE (EUR CAP)	Insurance	FULL	60.05	60.05	60.05
	MOOREA GLB BALANCED	Insurance	FULL	68.08	68.08	68.08
	MOOREA SUSTAINABLE US EQUITY RE	Insurance	FULL	60.05	60.05	60.05
	PIONEER INVESTMENTS DIVERSIFIED LOANS FUND	Insurance	FULL	100	100	100
	(6) PROCIDA INVESTMENTS SA	Financial and Advisory	FULL	100	0	100
	RED & BLACK AUTO LEASE GERMANY 3 SA	Mobility and Financial Services	FULL	52.59	52.59	100
	RED & BLACK AUTO LEASE GERMANY SA	Mobility and Financial Services	FULL	52.59	52.59	100
	SALINGER SA	Financial and Advisory	FULL	100	100	100
	SG ISSUER	Global Market and Investors Services	FULL	100	100	100
	SG LUCI	Financial and Advisory	FULL	100	100	100
	SGBT ASSET BASED FUNDING SA	Financial and Advisory	FULL	100	100	100
	SGBT CI	Financial and Advisory	FULL	100	100	100
	SGL ASIA	Financial and Advisory	FULL	100	100	100
	(8) SGL RE	Corporate Centre	FULL	100	100	100
	SOCIETE GENERALE CAPITAL MARKET FINANCE	Financial and Advisory	FULL	100	100	100
	SOCIETE GENERALE FINANCING AND DISTRIBUTION	Financial and Advisory	FULL	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
Luxembourg	SOCIETE GENERALE LIFE INSURANCE BROKER SA	Financial and Advisory	FULL	100	100	100
	SOCIETE GENERALE LUXEMBOURG	Financial and Advisory	FULL	100	100	100
	SOCIETE GENERALE LUXEMBOURG LEASING	Financial and Advisory	FULL	100	100	100
	SOCIETE GENERALE PRIVATE WEALTH MANAGEMENT SA	Financial and Advisory	FULL	100	100	100
	(2) SOCIETE GENERALE RE SA	Corporate Centre	FULL	0	100	0
	(8) SOCIETE IMMOBILIERE DE L'ARSENAL	Financial and Advisory	FULL	100	100	100
	SOGELIFE	Insurance	FULL	100	100	100
	SPIRE SA – COMPARTIMENT 2021-51	Insurance	FULL	100	100	100
	(2) SURYA INVESTMENTS SA	Financial and Advisory	FULL	0	100	0
	(6) VIVARA INVESTMENTS SA	Financial and Advisory	FULL	100	0	100
	ZEUS FINANCE LEASING SA	Mobility and Financial Services	FULL	52.59	52.59	100
Madagascar						
	(4) BFV – SOCIETE GENERALE	International Retail Banking	FULL	0	70	0
Malaysia						
	ALD MHC MOBILITY SERVICES MALAYSIA SDN BHD	Mobility and Financial Services	FULL	31.55	31.55	60
Morocco						
	(3) ALD AUTOMOTIVE SA (ex-ALD AUTOMOTIVE SA MAROC)	Mobility and Financial Services	FULL	0	27.06	0
	(4) ATHENA COURTAGE	International Retail Banking	FULL	0	58.26	0
	(4) FONCIMMO	International Retail Banking	FULL	0	57.67	0
	(4) INVESTIMA SA	International Retail Banking	FULL	0	38.14	0
	(4) LA MAROCAINE VIE	Insurance	FULL	0	79.24	0
	(4) SG MAROCAINE DE BANQUES	International Retail Banking	FULL	0	57.67	0
	(4) SOCIETE D'EQUIPEMENT DOMESTIQUE ET MENAGER "EQDOM"	International Retail Banking	FULL	0	32.37	0
	SOCIETE GENERALE AFRICAIN BUSINESS SERVICES SAS A.U (ex-SOCIETE GENERALE AFRICAN BUSINESS SERVICES SAS)	International Retail Banking	FULL	100	97.88	100
	(4) SOCIETE GENERALE DE LEASING AU MAROC	International Retail Banking	FULL	0	57.67	0
	(4) SOCIETE GENERALE OFFSHORE	International Retail Banking	FULL	0	57.64	0
	(4) SOGECAPITAL GESTION	International Retail Banking	FULL	0	57.65	0
	(4) SOGECAPITAL PLACEMENT	International Retail Banking	FULL	0	57.66	0
	(4) SOGEFINANCEMENT MAROC	International Retail Banking	FULL	0	57.67	0

				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
Country		Operating Segments	Method *				
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
(1)	BSG FRANCE SA NETHERLANDS BRANCH	Global Market and Investors Services	FULL	51	0	100
(6)	BUMPER NL 2020-1 BV	Mobility and Financial Services	FULL	52.59	52.59	100
	BUMPER NL 2022-1 BV	Mobility and Financial Services	FULL	52.59	52.59	100
(6)	BUMPER NL 2023-1 BV	Mobility and Financial Services	FULL	52.59	0	100
(6)	BUMPER NL 2024-1 BV	Mobility and Financial Services	FULL	52.59	0	100
	CAPEREA BV	Financial and Advisory	FULL	100	100	100
	FIRENTA BV	Mobility and Financial Services	FULL	52.59	52.59	100
	FORD FLEET MANAGEMENT BV	Mobility and Financial Services	FULL	26.35	26.35	50.11
	HERFSTTAFEL INVESTMENTS BV	Financial and Advisory	FULL	100	100	100
	HORDLE FINANCE BV	Financial and Advisory	FULL	100	100	100
(2)	LEASE BEHEER HOLDING BV	Mobility and Financial Services	FULL	0	52.59	0
	LEASE BEHEER VASTGOED BV	Mobility and Financial Services	FULL	52.59	52.59	100
	LEASEPLAN CN HOLDING BV	Mobility and Financial Services	FULL	52.59	52.59	100
	LEASEPLAN DIGITAL BV	Mobility and Financial Services	FULL	52.59	52.59	100
	LEASEPLAN FINANCE BV	Mobility and Financial Services	FULL	52.59	52.59	100
	LEASEPLAN GLOBAL BV	Mobility and Financial Services	FULL	52.59	52.59	100
	LEASEPLAN RECHTSHULP BV	Mobility and Financial Services	FULL	52.59	52.59	100
	LP GROUP BV	Mobility and Financial Services	FULL	52.59	52.59	100
	MONTALIS INVESTMENT BV	Financial and Advisory	FULL	100	100	100
(1)	SG AMSTERDAM	Financial and Advisory	FULL	100	100	100
	SG EQUIPMENT FINANCE BENELUX BV	Mobility and Financial Services	FULL	100	100	100
	SOGLEASE BV	Financial and Advisory	FULL	100	100	100
(2)	SOGLEASE FILMS	Financial and Advisory	FULL	0	100	0
	TRANSPORT PLAN BV	Mobility and Financial Services	FULL	52.59	52.59	100
(2)	TYNEVOR BV	Financial and Advisory	FULL	0	100	0
Peru						
	ALD AUTOMOTIVE PERU SAC	Mobility and Financial Services	FULL	52.59	52.59	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
	ESSEX 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

				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
Country		Operating Segments	Method *				
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

				Group ownership interest		Group voting interest	
Country		Operating Segments	Method *	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

				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
Country		Operating Segments	Method *				
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		Group voting interest		
				As at 31.12.2024	As at 31.12.2023	As at 31.12.2024	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 – EJ: 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.

Additional 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		
		KPMG	PWC	Total
<i>(In EURm excluded VAT)</i>				
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
<i>Including Network</i>		<i>20</i>	<i>20</i>	<i>40</i>

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		
		Ernst & Young et Autres	Deloitte et Associés	Total
<i>(In EURm excluded VAT)</i>				
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
<i>Including Network</i>		<i>9</i>	<i>14</i>	<i>23</i>

* 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 (<i>the audited parts of Note 10 are indicated as "Audited" in Chapter 4</i>)	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	How our audit addressed this risk
<p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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:</p> <ul style="list-style-type: none"> ■ 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. <p>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.</p>	<p>In response to this risk, our work consisted of:</p> <ul style="list-style-type: none"> ■ 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. <p>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.</p>

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
<p>As part of its trading activities, Société Générale holds financial instruments for trading purposes which are recognised in the balance sheet at fair value.</p> <p>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).</p> <p>If necessary, the valuations obtained may be supplemented using reserves or value adjustments to take into account certain specific trading, liquidity or counterparty risks.</p> <p>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.</p> <p>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.</p>	<p>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.</p> <p>We tested the effectiveness of the controls we deemed key to our audit, in particular those relating to:</p> <ul style="list-style-type: none"> ■ 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. <p>In addition, with the assistance of our valuation experts and using sampling techniques, we:</p> <ul style="list-style-type: none"> ■ 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. <p>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.</p>

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
<p>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.</p> <p>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.</p> <p>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.</p>	<p>Our approach involved:</p> <ul style="list-style-type: none"> ■ 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. <p>We also examined the appropriateness of the disclosures published in the consolidated financial statements.</p>

RECOVERABILITY OF DEFERRED TAX ASSETS IN FRANCE

(See Note 6 to the consolidated financial statements)

Description of risk	How our audit addressed this risk
<p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p>	<p>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:</p> <ul style="list-style-type: none"> ■ 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. <p>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.</p>

GENERAL IT CONTROLS RELATED TO MARKET ACTIVITIES

Description of risk	How our audit addressed this risk
<p>The market activities of the Global Banking & Investor Solutions (GBIS) division account for a significant proportion of the Group's earnings and balance sheet.</p> <p>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.</p> <p>In this context, the implementation of general IT controls within the systems used to prepare financial information is a key audit matter.</p>	<p>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.</p> <p>Our work consisted primarily in:</p> <ul style="list-style-type: none"> ■ 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
<p>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.</p> <p>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.</p> <p>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.</p>	<p>In response to this risk, we reviewed the residual value remeasurement process put in place by the Group.</p> <p>Our work consisted primarily in:</p> <ul style="list-style-type: none"> ■ 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. <p>We also assessed the appropriateness of the disclosures published in Note 8.3 "Tangible and intangible fixed assets", to the consolidated financial statements.</p>

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
<p>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.</p> <p>The determination of these liabilities is based on significant judgements concerning the data used, assumptions relating to future periods, and results from estimation techniques.</p> <p>The accounting measurement model used is based on the following principles:</p> <ul style="list-style-type: none"> ■ 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. <p>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.</p>	<p>In response to this risk, our work consisted primarily in:</p> <ul style="list-style-type: none"> ■ 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: <ul style="list-style-type: none"> ■ 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. <p>We also assessed the appropriateness of the disclosures published in the notes to the consolidated financial statements.</p>

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
<p>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.</p> <p>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.</p> <p>In 2023 and 2024, hedging transactions were transferred to the trading portfolio in order to adjust the hedging level of fixed-rate liabilities.</p> <p>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.</p> <p>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.</p>	<p>In response to this risk, our work consisted of:</p> <ul style="list-style-type: none"> ■ 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. <p>We also assessed the appropriateness of the disclosures published in the notes to the consolidated financial statements.</p>

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

Emmanuel Benoist

Ridha Ben Chamek

KPMG SA

Guillaume Mabilie

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
<i>of which securities and notes received under repurchase agreements</i>	277	279	(2)
Other Financial Accounts	154	159	(5)
<i>of which premiums on contingent instruments</i>	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
<i>Of which securities and notes sold under repurchase agreements</i>	263	246	17
Other financial accounts and provisions	151	153	(2)
<i>of which premiums on contingent instruments</i>	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 stabilisation 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 security 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

(In EURm)	2024			2023			Changes 2024/2023 (%)		
	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					
	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
(In EURm)												
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)						
<input checked="" type="checkbox"/> Legal deadlines (45 days end of month or 60 days invoice date)						
<input type="checkbox"/> 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)						
<input type="checkbox"/> Contractual deadlines (to be specified)						
<input checked="" type="checkbox"/> 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	Shine
BFV Societe Generale	
Euroclear	
Banco Societe Generale Moçambique SA	
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:

Threshold	Companies	Rising above threshold		Threshold	Companies	Falling below threshold	
		% of capital 31.12.2024	% of capital 31.12.2023			% of capital 31.12.2024	% of capital 31.12.2023
5%				5%			
	La foncière de La Défense	10%	0%		Skaleet	9.14%	12.16%
10%	SCI des Combeaux de Tigery	10%	0%	10%	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%
	Reed Shift S.L.D.	100%	0%		Canada inc.	0%	100%
					Societe Generale (Thailand) LTD	0%	99.98%
					BFV Societe Generale	0%	70%
					YUP Cameroun	0%	75%
66.66%				66.66%	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

(In EURm)	31.12.2024				31.12.2023			
	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 intent to cancel them are recorded as Long-term equity investments and presented under "Treasury stock" on the assets side of the balance sheet.

(In EURm)	31.12.2024			31.12.2023		
	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 *pro rata 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	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.

<i>(In EURm)</i>	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

<i>(In EURm)</i>	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.

(In EURm)	2024			2023		
	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)
<i>of which gain on revaluation of currency hedge of provisions</i>	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**ACCOUNTING 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.

(In EURm)	2024			2023		
	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 related 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.

Excess funding assets amounted to EUR 421 million.

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.

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			Net income of the period	Shareholder's equity
				Special reserves	Other reserves	Retained earnings		
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		Europe		Americas	
	2024	2023	2024	2023	2024	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		Total	
	2024	2023	2024	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	
Fixtures and fittings	Fire and safety equipment	10 years
	Finishing, surroundings	

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° 2023-05** 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			
	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
(In EURm)								
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

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 %)
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 – São 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				
Ilôt 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 Tchéque	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

(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
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

(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
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
<p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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:</p> <ul style="list-style-type: none"> ■ 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. <p>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.</p>	<p>In response to this risk, our work involved:</p> <ul style="list-style-type: none"> ■ 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. <p>We also assessed the appropriateness of the information relating to provisions and impairment on customer loans disclosed in the notes to the financial statements.</p>

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
<p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p>	<p>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.</p> <p>We tested the effectiveness of the controls we deemed key to our audit, in particular those relating to:</p> <ul style="list-style-type: none"> ■ 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. <p>In addition, with the assistance of our valuation specialists and using sampling techniques, we:</p> <ul style="list-style-type: none"> ■ 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. <p>In addition, we assessed the appropriateness of the disclosures in the notes to the financial statements with respect to the valuation of financial instruments.</p>

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
<p>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.</p> <p>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.</p> <p>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.</p>	<p>Our approach involved:</p> <ul style="list-style-type: none"> ■ 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. <p>We also examined the appropriateness of the disclosures relating to legal and tax risks in the financial statements.</p>

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
<p>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).</p> <p>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).</p> <p>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.</p>	<p>Our work involved:</p> <ul style="list-style-type: none"> ■ 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 knowledge 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. <p>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.</p>

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
<p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p>	<p>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:</p> <ul style="list-style-type: none"> ■ 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. <p>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.</p>

GENERAL IT CONTROLS RELATED TO MARKET ACTIVITIES

Description of risk	How our audit addressed this risk
<p>The markets activities of the Global Banking & Investment Solutions (GBIS) division account for a significant proportion of the Company's earnings and balance sheet.</p> <p>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.</p> <p>In this context, the implementation of general IT controls within the systems used to prepare financial information is a key audit matter.</p>	<p>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.</p> <p>Our work consisted primarily in:</p> <ul style="list-style-type: none"> ■ 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
Emmanuel Benoist Ridha Ben Chamek

KPMG SA
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