

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, Societe Generale, the Certificates, or the Company (as defined below).

3,000,000 European Style Cash Settled Short Certificates

relating to the Common Stock of Netflix, Inc.

with a Daily Leverage of -3x

issued by

SG Issuer

(Incorporated in Luxembourg with limited liability)

unconditionally and irrevocably guaranteed by

Societe Generale

Issue Price: S\$5.00 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 Societe Generale (the “**Guarantor**”), and is supplemental to and should be read in conjunction with a base listing document dated 13 June 2025 including such further base listing documents as may be issued from time to time (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 an inverse 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 13 June 2025 (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 30 January 2026.

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.

29 January 2026

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) circuit breakers are automatic mechanisms adopted in the U.S. stock market. Circuit breakers are invoked if the stock markets experience extreme broad-based declines or extreme volatility within a single stock, which are designed to slow the effects of extreme price movement through coordinated trading halts across securities markets in the U.S. stock market when severe price declines reach levels that may exhaust market liquidity.

Circuit breakers implemented by the Relevant Stock Exchange for the Underlying Stock may result in a temporary trading halt of the Underlying Stock on the Relevant Stock Exchange for the Underlying Stock, or under extreme circumstances, closure of the U.S. stock market (including all trading on the Relevant Stock Exchange for the Underlying Stock) before normal close of the trading session in the U.S. stock market.

Investors should be aware of the risk of potential high volatility in the trading prices of the Certificates upon commencement and throughout the trading hours of the SGX-ST on a trading day in Singapore in response to any overnight trigger of circuit breakers resulting in temporary trading halt of the Underlying Stock during the trading day of the Relevant Stock Exchange for the Underlying Stock immediately prior to such Singapore trading day;

- (c) 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;
- (d) 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;
- (e) 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 risen sharply;
- (f) 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;

- (g) 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;
- (h) 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;
- (i) 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.

The suspension may be lifted and trading in the Underlying Stock may resume outside or during the trading hours of the SGX-ST. If trading in the Underlying Stock resumes, trading in the Certificates will resume either in accordance with the scheduled trading resumption timing (if any) as specified in the announcement(s) to be published in respect of the resumption of trading in the Underlying Stock. Please note that the price of the Certificates may be highly volatile following the resumption of trading in the Certificates;

- (j) 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;
- (k) 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;
- (l) 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 Short Certificates on Single Equities” section of this document for more information;
- (m) 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;
- (n) 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);
- (o) investors holding their position beyond market close of the SGX-ST 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 Inverse Strategy (as described below) including the Stock Borrowing Cost (as defined below) and Rebalancing Cost (as defined

below). Due to the difference in trading hours of the SGX-ST and the Relevant Stock Exchange for the Underlying Stock, unless investors exit their position within the same SGX-ST trading day, they would bear the annualised costs;

- (p) 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;

- (q) investors should note that there are leveraged risks because the Certificates integrate an inverse 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;
- (r) 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 3 times the inverse 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;
- (s) the Underlying Stock to which the Certificates relate are only quoted during US trading hours. This means that the Air Bag Mechanism (as defined below) can only be triggered when the SGX-ST is not open for trading. There is therefore a specific risk that overnight, investors in the Certificates incur a significant or even entire loss of the amounts invested in the Certificates, without being able to exit their investments in the Certificates;
- (t) investors should note that the Air Bag Mechanism reduces the impact on the Leverage Inverse Strategy if the Underlying Stock rises further, but will also maintain a reduced exposure to the Underlying Stock in the event the Underlying Stock starts to fall after the Air Bag Mechanism is triggered, thereby reducing its ability to recoup losses;
- (u) 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 increase in the Underlying Stock, where there is an approximately 33% 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 the following trading day or (ii) a sharp intraday increase in the price of the Underlying Stock of approximately 33% 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 should note that the Air Bag Mechanism may only be triggered during the trading of the Relevant Stock Exchange for the Underlying Stock. Investors may refer to pages 54 to 55 of this document for more information;

- (v) investors should note that the Certificates are issued over an Underlying Stock which is listed on an exchange with different trading hours from the SGX-ST. There may be a risk arising from the time difference between the trading hours of the Relevant Stock Exchange for the Underlying Stock (based on New York time) and the trading hours of the SGX-ST. As such, (i) the price of the Underlying Stock may not be available during the trading hours of the Certificates on SGX-ST; (ii) Air Bag Mechanism may be triggered during the trading hours of the Relevant Stock Exchange for the Underlying Stock, which would not be during SGX-ST trading hours; (iii) the trigger of an Air Bag Mechanism, when the Certificates are not open for trading, will lead to a different Leverage Inverse Strategy Closing Level, i.e. the value of the Certificates subsequently during the SGX-ST trading hours will be based on a different Leverage Inverse Strategy Closing Level reference for the purpose of the Leveraged Return calculation compared to a case where no Air Bag Mechanism would have been triggered; and (iv) given the Relevant Stock Exchange for the Underlying Stock is not open for trading during the SGX-ST trading hours, the market price of the Certificates may be affected by the derived spot price of the Underlying Stock on the Related Exchange during SGX-ST trading hours (which may deviate from the published price of the Underlying Stock), consequentially the market price of the Certificates during SGX-ST trading hours may deviate from the published price of the Underlying Stock during the US trading hours on the same day. There is therefore a specific risk that investors in the Certificates may incur a significant or even entire loss of the amounts invested in the Certificates, without being able to exit their investments in the Certificates.

In particular, please note that the trading price of the Underlying Stock may be volatile during a time in which the SGX-ST is not open for trading of the Certificates. Outside the trading hours of the SGX-ST, investors will not be able to sell or trade in the Certificates even if the trading price of the Underlying Stock is highly volatile.

Market news and/or corporate announcements relating to the Underlying Stock (including corporate event announcements or other price sensitive information) may be released outside the trading hours of the Relevant Stock Exchange for the Underlying Stock (based on New York time), but during the trading hours of the SGX-ST (based on Singapore time). The trading price of the Certificates may become highly volatile during the relevant trading hours of the SGX-ST in response to such market/corporate news pending opening of the Underlying Stock. The market and investors may not have sufficient time to digest fully, and/or assess the potential impact of, such corporate news on the Underlying Stock and hence the Certificates.

Investors may refer to pages 54 to 55 of this document for more information;

- (w) 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;

- (x) 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;
- (y) 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;
- (z) 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;

- (aa) 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;
- (bb) 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;
- (cc) the Certificates are linked to the Underlying Stock and subject to the risk that the price of the Underlying Stock may rise. 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;
- (dd) the value of the Certificates depends on the Leverage Inverse Strategy performance built in the Certificate. The Calculation Agent will make the Leverage Inverse Strategy last closing level and a calculation tool available to the investors on a website;
- (ee) 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;
- (ff) 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;

(gg) U.S. withholding tax

The Issuer has determined that these Certificates are not “delta-one” instruments for the purposes of IRS Notice 2024-44 and are therefore not Specified Warrants for purposes of the Section 871(m) Regulations 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”. Investors are advised that the Issuer’s determination is binding on all Non-U.S. Holders of the Certificates, but it is not binding on the United States Internal Revenue Service (the “IRS”) and the IRS may therefore disagree with the Issuer’s determination. In addition, if any Holder of Certificates also holds an offsetting derivative position in the Underlying Stock that when combined with the Certificates provide “delta-one” exposure to the Underlying Stock, such Holder may have liability under Section 871(m). Certificate Holders should consult with their own tax advisers regarding the potential application of Section 871(m) to the Certificates, including with respect to any other positions the Certificate Holder holds in the Underlying Stock.

Potential investors are advised to consider the discussion 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” and “TAXATION—TAXATION IN THE UNITED STATES OF AMERICA—Foreign Account Tax Compliance Act Withholding” and to consult their own tax adviser on the tax impacts of the acquisition, holding, disposal and redemption of the Certificates. The requirement to pay such taxes may reduce the effective yield on the Certificates and may also have an adverse impact on their value;

(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 is still subject to further discussions and as a result its precise legal application date is unknown. As such, 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.

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.

Before taking a resolution measure, including implementing the Bail-in Power, or exercising the power to write down or convert relevant capital instruments, the Resolution Authority must ensure that a fair, prudent and realistic valuation of the assets and liabilities of the institution is carried out by a person independent from any public authority.

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 the 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 imposes 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:	3,000,000 European Style Cash Settled Short Certificates relating to the Common Stock of Netflix, Inc. (the “ Underlying Stock ”)
ISIN:	LU2079535550
Company:	Netflix, Inc. (RIC: NFLX.OQ)
Underlying Price and Source:	The closing price of the Underlying Stock on 29 January 2026 (Reuters)
Calculation Agent:	Societe Generale
Strike Level:	Zero
Daily Leverage:	-3x (within the Leverage Inverse Strategy as described below)
Notional Amount per Certificate:	SGD 5.00
Management Fee (p.a.) ³ :	0.40%
Gap Premium (p.a.) ⁴ :	13.00%, is a hedging cost against extreme market movements beyond US market close on the same trading day.
Stock Borrowing Cost ⁵ :	The annualised costs for borrowing stocks in order to take an inverse exposure on the Underlying Stock.
Rebalancing Cost ⁵ :	The transaction costs (if applicable), computed as a function of leverage and daily inverse performance of the Underlying Stock.
Launch Date:	26 January 2026
Closing Date:	29 January 2026
Expected Listing Date:	30 January 2026

³ 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.

⁴ Please note that the Gap Premium is calculated on a 360-day basis.

⁵ These costs are embedded within the Leverage Inverse Strategy. Please note that the Stock Borrowing Cost may be changed on giving 5 Business Days’ notice to investors. Any change in the Stock Borrowing Cost will be announced on the SGXNET.

Last Trading Date:	The date falling 5 Business Days immediately preceding the Expiry Date, currently being 18 July 2028
Expiry Date:	The Business Day immediately following the Valuation Date, currently being 25 July 2028
Board Lot:	100 Certificates
Valuation Date:	24 July 2028 or if such day is not an Underlying Stock Business Day, the immediately following Underlying Stock Business Day and subject to the Market Disruption Event provisions.
Settlement Date:	No later than five Settlement Business Days following the Expiry Date, currently being 1 August 2028.
Exercise:	<p>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.</p>
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 Short Certificates on Single Equities” section on pages 46 to 60 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 $(1 - \text{Management Fee} \times (\text{ACT}(t-1;t) \div 360)) \times (1 - \text{Gap Premium}(t-1) \times (\text{ACT}(t-1;t) \div 360))$</p> <p>Where:</p> <p>“t” refers to “Observation Date” which means each Underlying Stock Business Day (subject to Market Disruption Event) from (and</p>

including) the Underlying Stock Business Day immediately preceding the Expected Listing Date to the Valuation Date; and

ACT (t-1;t) means the number of calendar days between the Underlying Stock Business Day immediately preceding the Observation Date (such Underlying Stock Business Day being noted “t-1”) (included) and the Observation Date “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 Inverse 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.

Please refer to the “Information relating to the European Style Cash Settled Short Certificates on Single Equities” section on pages 46 to 60 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 Inverse Strategy (as described below) on the Valuation Date

The calculation of the closing level of the Leverage Inverse Strategy is set out in the “Specific Definitions relating to the Leverage Inverse Strategy” section on pages 22 to 26 below.

Initial Exchange Rate: 1.2633

Final Exchange Rate:	The rate for the conversion of United States Dollar to Singapore Dollar 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:	<p>The “Air Bag Mechanism” refers to the mechanism built in the Leverage Inverse Strategy and which is designed to reduce the Leverage Inverse Strategy exposure to the Underlying Stock during extreme market conditions. If the Underlying Stock rises by 20% or more (“Air Bag Trigger Price”) during the trading day of the Relevant Stock Exchange for the Underlying Stock (which represents an approximately 60% loss after a 3 times inverse leverage), the Air Bag Mechanism is triggered and the Leverage Inverse Strategy is adjusted intra-day during the trading hours of the Relevant Stock Exchange for the Underlying Stock. The Air Bag Mechanism reduces the impact on the Leverage Inverse Strategy if the Underlying Stock rises further, but will also maintain a reduced exposure to the Underlying Stock in the event the Underlying Stock starts to fall after the Air Bag Mechanism is triggered, thereby reducing its ability to recoup losses.</p> <p>The Leverage Inverse Strategy is floored at 0 and the Certificates cannot be valued below zero.</p> <p>Please refer to the “Extraordinary Strategy Adjustment for Performance Reasons (“Air Bag Mechanism”)” section on pages 25 to 26 below and the “Description of Air Bag Mechanism” section on pages 52 to 53 of this document for further information of the Air Bag Mechanism.</p>
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:	United States Dollar (“ USD ”)
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 (“ SGX-ST ”)

Relevant Stock Exchange for the Underlying Stock: NASDAQ

Related Exchange: Each exchange or quotation system, or alternative trading system, where trading has a material effect (as determined by the Calculation Agent) on the overall market for the Underlying Stock when the Relevant Stock Exchange for the Underlying Stock is not open for trading

Underlying Stock Business Day, Business Day or Settlement Business Day: An “**Underlying Stock Business Day**” means a day on which NASDAQ is open for dealings in the United States during its normal trading hours and banks are open for business in the United States.

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.

Warrant Agent: The Central Depository (Pte) Limited (“**CDP**”)

Clearing System: CDP

Fees and Charges: Normal transaction and brokerage fees shall apply to the trading of the Certificates on the SGX-ST. Investors should note that they may be required to pay stamp taxes or other documentary charges in accordance with the laws and practices of the country where the Certificates are transferred. Investors who are in any doubt as to their tax position should consult their own independent tax advisers. In addition, investors should be aware that tax regulations and their application by the relevant taxation authorities change from time to time. Accordingly, it is not possible to predict the precise tax treatment which will apply at any given time.

Investors holding position beyond market close of the SGX-ST 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 Inverse Strategy including the Stock Borrowing 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. Due to the difference in trading hours of the SGX-ST and the Relevant Stock Exchange for the Underlying Stock, unless investors exit their position within the same SGX-ST trading day, they would bear such annualised costs.

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 Inverse Strategy

Description of the Leverage Inverse Strategy

The Leverage Inverse Strategy is designed to track a 3 times daily leveraged inverse exposure to the Underlying Stock.

At the end of each trading day of the Underlying Stock, the exposure of the Leverage Inverse Strategy to the Underlying Stock is reset within the Leverage Inverse Strategy in order to retain a daily leverage of 3 times the inverse 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 Inverse 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 Inverse Strategy Formula

LSL_t means, for any Observation Date(t), the Leverage Inverse Strategy Closing Level as of such day (t).

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

On Observation Date(1):

$$LSL_1 = 1000$$

On each subsequent Observation Date(t):

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

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

$$LR_{t-1,t} = \text{Leverage} \times \left(\frac{S_t}{S_{t-1} \times R_{factor_t}} - 1 \right)$$

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

$$FC_{t-1,t} = (\text{Leverage} - 1) \times \frac{\text{Rate}_{t-1} \times \text{ACT}(t-1, t)}{\text{DayCountBasisRate}}$$

SB_{t-1,t} means the Stock Borrowing Cost between Observation Date(t-1) (included) and Observation Date(t) (excluded) calculated as follows:

$$SB_{t-1,t} = -\text{Leverage} \times \frac{\text{CB} \times \text{ACT}(t-1, t)}{\text{DayCountBasisRate}}$$

CB means the Cost of Borrowing applicable that is equal to 4.00%.

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

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

TC	<p>means the Transaction Costs applicable (including brokerage fees 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>0.20%</p>
Leverage	-3
S_t	means, in respect of each Observation Date(t), the Closing Price of the Underlying Stock as of such Observation Date(t), subject to the adjustments and provisions of the Conditions.
Rate_t	means, in respect of each Observation Date(t), the US SOFR Secured Overnight Financing Rate, as published on Bloomberg Screen SOFRRATE Index page or any successor page, being the rate as of such Observation Date (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 Bloomberg page.
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 gross of any applicable withholding taxes.</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 (such Underlying Stock Business Day being noted “t-1”) (included) and the Observation Date “t” (excluded).
DayCountBasis Rate	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> <p>(i) a Reference Rate Cessation;</p> <p>(ii) an Administrator/Benchmark Event; or</p> <p>(iii) a Reference Rate is, with respect to over-the-counter derivatives transactions which reference such Reference Rate, the subject of any market-wide</p>

development formally agreed upon by the International Swaps and Derivative Association (ISDA) or the Asia Securities Industry & Financial Markets Association (ASIFMA), pursuant to which such Reference Rate is, on a specified date, replaced with a risk-free rate (or near risk-free rate) established in order to comply with the recommendations in the Financial Stability Board's paper titled "Reforming Major Interest Rate Benchmarks" dated 22 July 2014.

Reference Rate Cessation

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

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

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

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

**Administrator/
Benchmark
Event**

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

**Reference
Rate(s)**

means the rate(s) used in the Leverage Inverse 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 Inverse 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 Inverse Strategy Level in accordance with the following provisions:

(1) for $k = 1$:

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

(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:

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

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

means the Intraday Rebalancing Cost of the Leverage Inverse Strategy in respect of $IR(k)$ on a given Intraday Restrike Date, calculated as follows:

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

$IS_{IR(k)}$

means the Underlying Stock Price in respect of $IR(k)$ computed as follows:

(1) for $k=0$

$$IS_{IR(0)} = S_{IRD-1} \times R_{factor_{IRD}}$$

(2) for $k=1$ to n

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

(3) with respect to $IR(C)$

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

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

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 kth 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 increase at any Calculation Time of the Underlying Stock price by 20% 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 increase at any Calculation Time of the Underlying Stock price by 20% 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 Inverse Strategy Level.
TimeReferenceOpening	means the scheduled opening time for the Relevant Stock Exchange for the Underlying Stock (or any successor thereto).
TimeReferenceClosing	means the scheduled closing time 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 13 June 2025, made by SG Issuer (the “**Issuer**”) and Societe Generale (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 Societe Generale, Tour Societe Generale, 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 Societe Generale 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, Societe Generale 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 Societe Generale 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:	Netflix, Inc.
The Certificates:	European Style Cash Settled Short Certificates relating to the Underlying Stock
Number:	3,000,000 Certificates
Form:	The Certificates will be issued subject to, and with the benefit of, a master instrument by way of deed poll dated 13 June 2025 (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 30 January 2026.
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 SHORT CERTIFICATES ON SINGLE EQUITIES

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

European style cash settled short 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 Inverse 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 fall and are seeking short-term leveraged inverse 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 beyond market close of the SGX-ST: 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 Inverse Strategy including the Stock Borrowing Cost and Rebalancing Cost. Due to the difference in trading hours of the SGX-ST and the Relevant Stock Exchange for the Underlying Stock, unless investors exit their position within the same SGX-ST trading day, they would bear the annualised costs.

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

Illustration of the Calculation of Cash Settlement Amount

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

Value of Certificates	=	$t^6=0$	x	$t=1$	x	$t=2$	x ...	$t=i$
		Notional Amount		Leverage Inverse Strategy daily performance ⁷ x Daily Fees		Leverage Inverse Strategy daily performance x Daily Fees		Leverage Inverse Strategy Daily performance x Daily Fees

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

Final Value of Certificates	=	$t=0$	x	Final Reference Level x Final Exchange Rate <div style="text-align: center;">÷</div> Initial Reference Level x 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 within SGX-ST trading hours, 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.

⁶ "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 on which no Market Disruption Event occurs.

⁷ Leverage Inverse Strategy daily performance is computed as the Leverage Inverse Strategy Closing Level on Business Day (t) divided by the Leverage Inverse 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:	Common Stock of Netflix, Inc.
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:	5.00 SGD
Notional Amount per Certificate:	5.00 SGD
Management Fee (p.a.):	0.40%
Gap Premium (p.a.):	13.00%
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):

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

$$\text{HFF}(1) = 100\% \times \left(1 - 0.40\% \times \frac{1}{360}\right) \times \left(1 - 13.00\% \times \frac{1}{360}\right)$$

$$\text{HFF}(1) = 100.0000\% \times 99.9989\% \times 99.9639\% \approx 99.9628\%$$

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

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

$$\text{HFF (2)} = 99.9628\% \times \left(1 - 0.40\% \times \frac{3}{360}\right) \times \left(1 - 13.00\% \times \frac{3}{360}\right)$$

$$\text{HFF (2)} = 99.9628\% \times 99.9967\% \times 99.8917\% \approx 99.8512\%$$

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 99.4430% as illustrated below:

Date	HFF
03/07/2018	100.0000%
04/07/2018	99.9628%
05/07/2018	99.9256%
06/07/2018	99.8884%
09/07/2018	99.7768%
10/07/2018	99.7397%
11/07/2018	99.7026%
12/07/2018	99.6655%
13/07/2018	99.6284%
16/07/2018	99.5171%
17/07/2018	99.4801%
18/07/2018	99.4430%

Cash Settlement Amount

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

$$\begin{aligned} \text{Closing Level} &= [(\text{Final Reference Level} \times \text{Final Exchange Rate}) / (\text{Initial Reference Level} \times \text{Initial Exchange Rate}) - \text{Strike Level}] \times \text{Hedging Fee Factor} \\ &= [(1200 \times 1) / (1000 \times 1) - 0] \times 99.4430\% \\ &= 119.33\% \end{aligned}$$

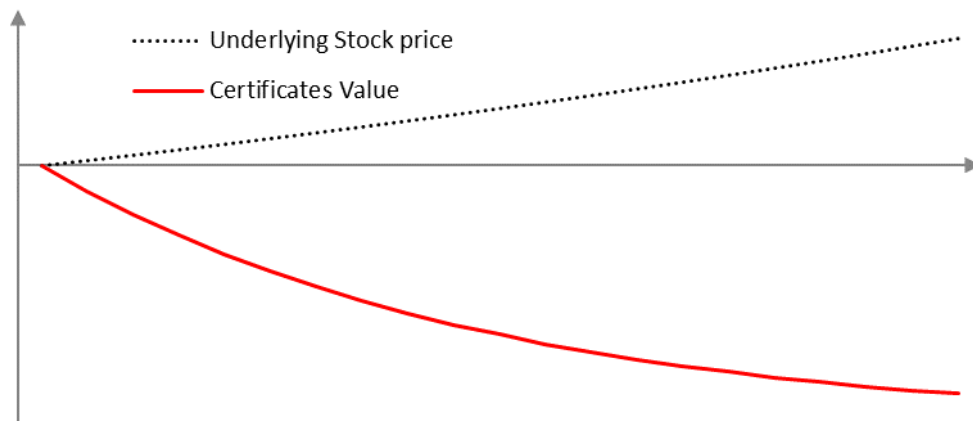
$$\begin{aligned} \text{Cash Settlement Amount} &= \text{Closing Level} \times \text{Notional Amount per Certificate} \\ &= 119.33\% \times 5.00 \text{ SGD} \\ &= 5.967 \text{ SGD} \end{aligned}$$

Illustration on how returns and losses can occur under different scenarios

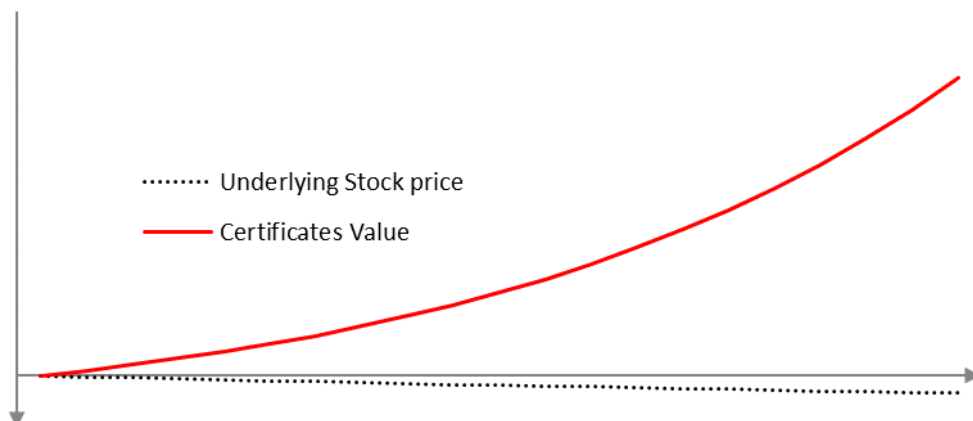
The examples are purely hypothetical and do not take fees and charges payable by investors into consideration. The examples highlight the effect of the Underlying Stock performance on the value of the Certificates and do not take into account the possible influence of fees or any other market parameters.

1. Illustrative examples

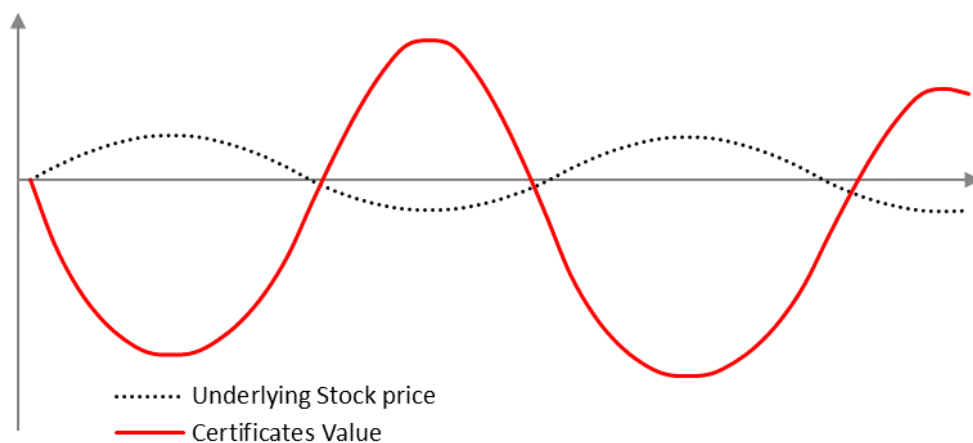
Scenario 1 – Upward Trend (during US trading hours)



Scenario 2 – Downward Trend (during US trading hours)



Scenario 3 – Volatile Market (during US trading hours)



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 US trading day	10,000.0	10,200.0	10,404.0	10,612.1	10,824.3	11,040.8
Accumulated Return	0.00%	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		-6.0%	-6.0%	-6.0%	-6.0%	-6.0%
Value at end of US trading day	5.00	4.70	4.42	4.15	3.90	3.67
Accumulated Return	0.00%	-6.00%	-11.64%	-16.94%	-21.93%	-26.61%

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 US trading day	10,000.0	9,800.0	9,604.0	9,411.9	9,223.7	9,039.2
Accumulated Return	0.00%	-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		6.0%	6.0%	6.0%	6.0%	6.0%
Value at end of US trading day	5.00	5.30	5.62	5.96	6.31	6.69
Accumulated Return	0.00%	6.00%	12.36%	19.10%	26.25%	33.82%

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 US trading day	10,000.0	10,200.0	9,996.0	10,195.9	9,992.0	10,191.8
Accumulated Return	0.00%	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		-6.0%	6.0%	-6.0%	6.0%	-6.0%
Value at end of US trading day	5.00	4.70	4.98	4.68	4.96	4.67
Accumulated Return	0.00%	-6.00%	-0.36%	-6.34%	-0.72%	-6.68%

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, the following events occur:

- **Observation Period:** the price of the Underlying Stock is observed and its maximum 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 thereafter
- **Reset Period:** the Leverage Inverse Strategy is reset using the maximum 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 Inverse Strategy after the reset.

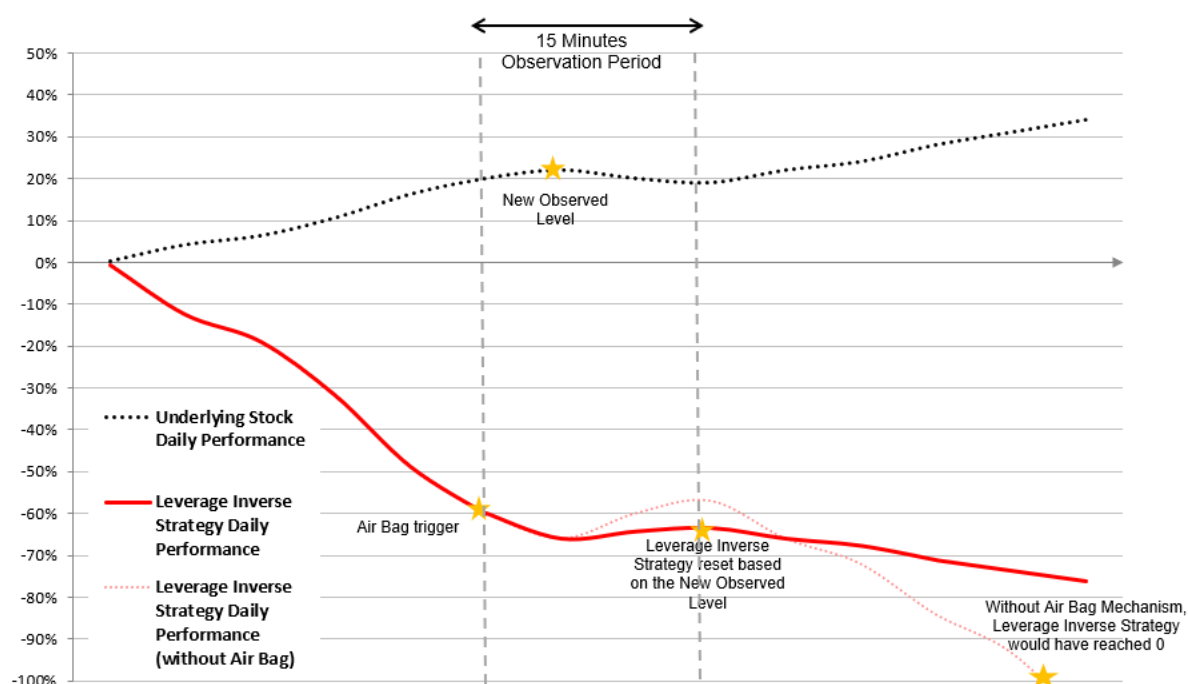
With **Market Close** defined as:

- the Underlying Stock closing time with respect to the Observation Period

The performance of the Leverage Inverse Strategy will be the inverse of the Underlying Stock.

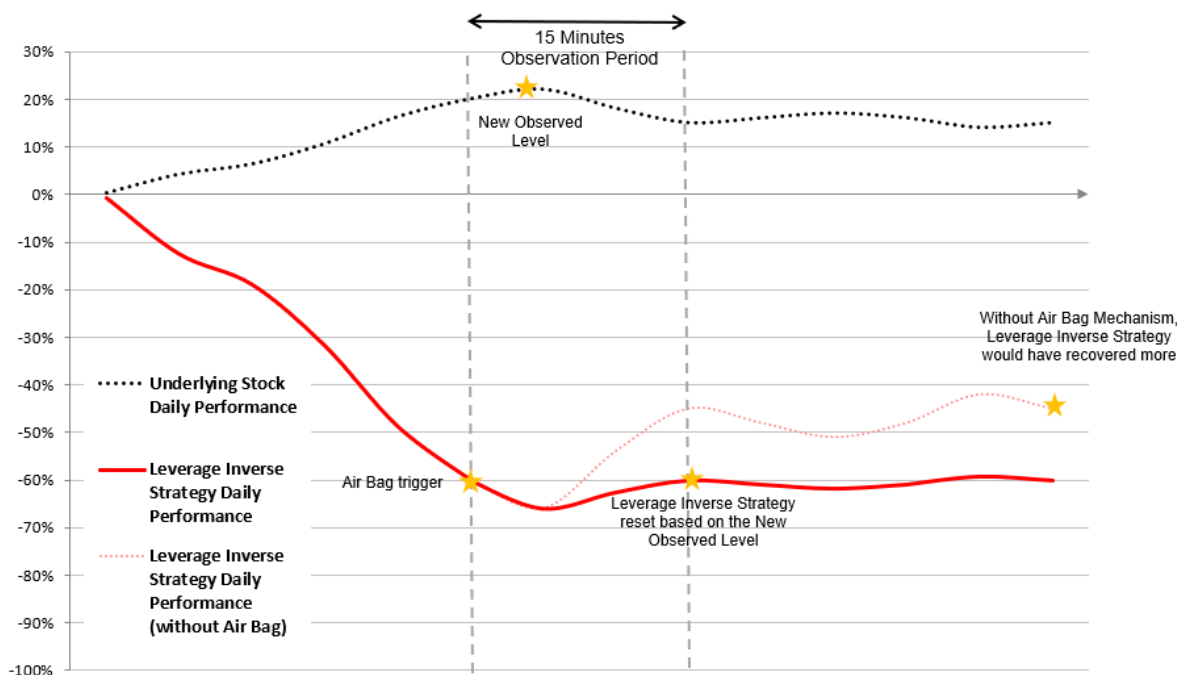
Illustrative examples of the Air Bag Mechanism⁸

Scenario 1 – Upward Trend after Air Bag trigger (during US trading hours)

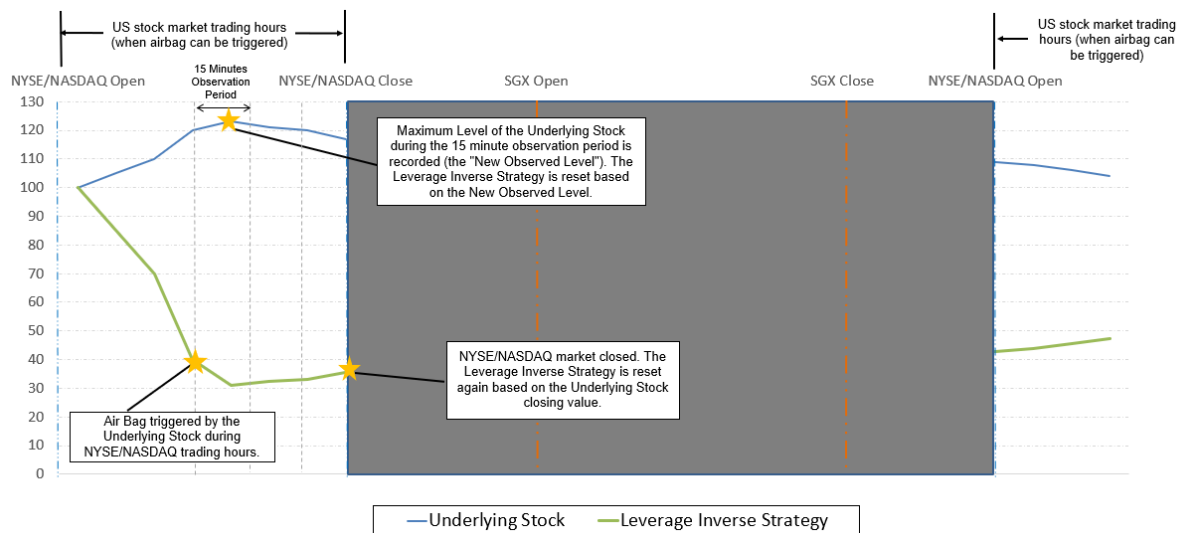


⁸ The illustrative examples are not exhaustive. The illustrative examples above are designed to illustrate the impact of the Air Bag Mechanism on the assumption that there will be a residual value in the Certificates following the Air Bag triggers. Please refer to “Scenarios where the investor may lose the entire value of the investment” on pages 54 to 55 on hypothetical scenarios when investors may lose their entire value of the investment.

Scenario 2 – Downward Trend after Air Bag trigger (during US trading hours)



- The Air Bag Mechanism can only be triggered during trading hours of the Relevant Stock Exchange for the Underlying Stock

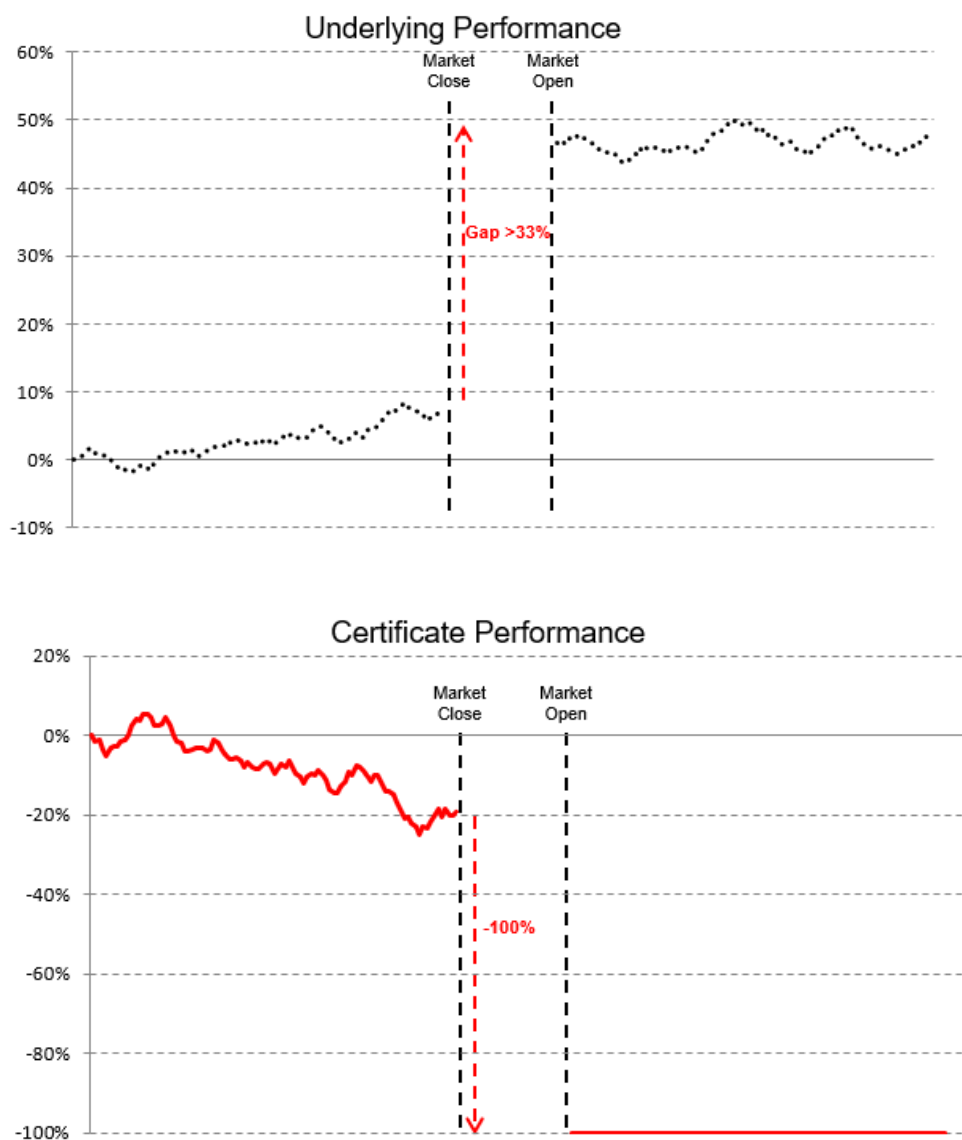


Scenarios where the investor may lose the entire value of the investment

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.

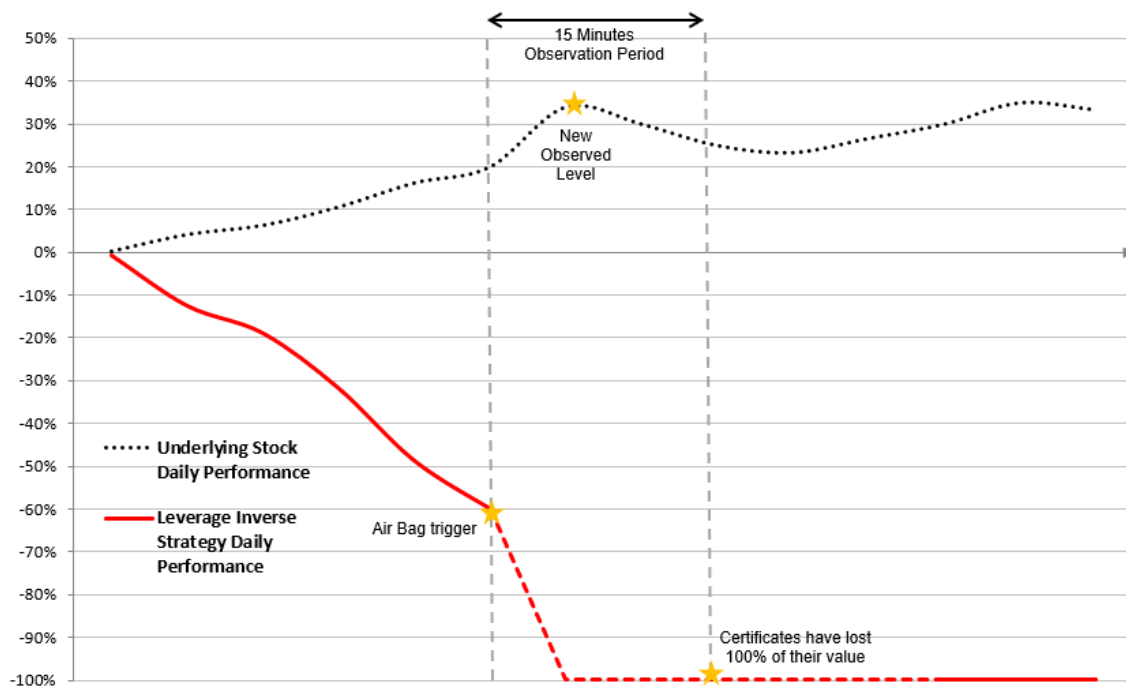
Scenario 1 – Rise of the Underlying Stock outside of US trading hours

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 of the Relevant Stock Exchange for the Underlying Stock. 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 approximately 33% or more above the closing price on the previous trading day of the Relevant Stock Exchange for the Underlying Stock, the Air Bag Mechanism may only be triggered during the trading hours of the Relevant Stock Exchange for the Underlying Stock, and the Certificates would lose their entire value in such event. In such case, as the Certificates became valueless during the US trading hours, at subsequent SGX-ST open, the DMM may not provide any quotation on the Certificates and the Issuer may apply to suspend trading of the Certificates.



Scenario 2 – Sharp intraday rise of the Underlying Stock during US trading hours

Although the Air Bag Mechanism is designed to reduce the exposure to the Underlying Stock during extreme market conditions, the Certificates can lose 100% of their value in the event the price of the Underlying Stock rises by approximately 33% 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. In such case, as the Certificates became valueless during the US trading hours, at subsequent SGX-ST open, the DMM may not provide any quotation on the Certificates and the Issuer may apply to suspend trading of the Certificates.



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 rises by 20% 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:

$$LR_{t-1,t} = \text{Leverage} \times \left(\frac{S_t}{S_{t-1} \times Rfactor_t} - 1 \right) = -3 \times \left(\frac{51}{100 \times 50\%} - 1 \right) = -6\%$$

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)
5.00	4.70	-6%

In such case an Intraday Restrike Event would occur if the Underlying Stock price rises to \$60, which is 20% above \$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:

$$LR_{t-1,t} = \text{Leverage} \times \left(\frac{S_t}{S_{t-1} \times Rfactor_t} - 1 \right) = -3 \times \left(\frac{202}{100 \times 200\%} - 1 \right) = -3\%$$

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)
5.00	4.85	-3%

In such case an Intraday Restrike Event would occur if the Underlying Stock price rises to \$240, which is 20% above \$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:

$$LR_{t-1,t} = \text{Leverage} \times \left(\frac{S_t}{S_{t-1} \times Rfactor_t} - 1 \right) = -3 \times \left(\frac{84}{100 \times 80\%} - 1 \right) = -15\%$$

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)
5.00	4.25	-15%

In such case an Intraday Restrike Event would occur if the Underlying Stock price rises to \$96, which is 20% above \$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:

$$LR_{t-1,t} = \text{Leverage} \times \left(\frac{S_t}{S_{t-1} \times Rfactor_t} - 1 \right) = -3 \times \left(\frac{85}{100 \times 83.33\%} - 1 \right) = -6\%$$

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)
5.00	4.70	-6%

In such case an Intraday Restrike Event would occur if the Underlying Stock price rises to \$100, which is 20% above \$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:

$$LR_{t-1,t} = \text{Leverage} \times \left(\frac{S_t}{S_{t-1} \times Rfactor_t} - 1 \right) = -3 \times \left(\frac{84}{100 \times 80\%} - 1 \right) = -15\%$$

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)
5.00	4.25	-15%

In such case an Intraday Restrike Event would occur if the Underlying Stock price rises to \$96, which is 20% above \$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 NASDAQ at www.nasdaq.com and/or the Company's web-site at ir.netflix.net. The Issuer has not independently verified any of such information.

Netflix, Inc. (the “**Company**” or “**Netflix**”) operates as a subscription streaming service and production company. The Company offers a wide variety of TV shows, movies, anime, and documentaries on internet-connected devices. Netflix serves customers worldwide.

The information set out in Appendix I of this document relates to the annual report of the Company and its subsidiaries for the fiscal year ended 31 December 2025 and has been extracted and reproduced from an announcement by the Company released on 23 January 2026 in relation to the same. Further information relating to the Company may be located on the web-site of NASDAQ at www.nasdaq.com.

INFORMATION RELATING TO THE DESIGNATED MARKET MAKER

Societe Generale 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 Business Days immediately preceding the Expiry Date

In addition, the DMM may not provide quotations 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) when trading in the Underlying Stock is suspended or limited in a material way for any reason (including price quote limits activated by the Relevant Stock Exchange for the Underlying Stock or otherwise⁹), for the avoidance of doubt, the DMM is not obliged to provide quotation for the Certificate at any time when the Underlying Stock is not negotiated/traded for any reason during the last trading session of the Relevant Stock Exchange for the Underlying Stock;
- (iv) when trading of the Underlying Stock on any Related Exchange, or access to pricing information of the Underlying Stock on any Related Exchange is suspended, not available, or limited in a material way for any reason (including price quote limits activated by the Related Exchange on such Underlying Stock or otherwise);
- (v) where the Certificates are suspended from trading for any reason including, but without limitation, as a result of trading in the Underlying Stock on any Related Exchange being suspended, or trading generally on any Related Exchange being suspended;
- (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 the Relevant Stock Exchange for the Underlying Stock⁹ or any Related Exchange for the Underlying Stock, or

⁹ Price quote limits activated by the Relevant Stock Exchange for the Underlying Stock are not applicable to the market making of the Certificates (as defined herein).

any act of God, war, riot, public disorder, explosion, terrorism or otherwise) in the Underlying Stock, or in trading of the Underlying Stock on any Related Exchange;

- (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 SGX-ST, the Relevant Stock Exchange for the Underlying Stock or any Related Exchange experiences exceptional price movement and volatility;
- (xi) when any Related Exchange(s) relating to the trading of the Underlying Stock and the Relevant Stock Exchange for the Underlying Stock are not open for dealings concurrently;
- (xii) when it is a public holiday in Singapore and the SGX-ST is not open for dealings; and
- (xiii) during trading hours of the SGX-ST on any Business Day when it is a public holiday in the United States and the Relevant Stock Exchange for the Underlying Stock is not open for dealings.

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

SUPPLEMENTAL INFORMATION RELATING TO THE ISSUER

The information set out in Appendix II of this document is a reproduction of the Issuer's condensed interim financial statements as at and for the six-month period ended 30 June 2025.

The information below sets out the updated information relating to the Issuer and supersedes in its entirety the section in Appendix 2 of the Base Listing Document entitled **"4. Management and Supervision"**:

"Pursuant to SG Issuer's Articles of Association, SG Issuer is managed by a board of directors under the supervision of a supervisory board. The members of the board of directors as at 12 August 2025 are Yves Cacclin, Thierry Bodson, Olivier Pelsser, François Caralp, Laurent Simonet and Samuel Worobel (each individually a **"Director"** and collectively the **"Board of Directors"**). The members of the supervisory board as at 12 August 2025 are Peggy Veniant Cottin, Laurent Weil, Emanuele Maiocchi, Faouzi Borgi and Gregory Claudy. Save for Gregory Claudy who is an independent director, all members of the Board of Directors and the Supervisory Board hold full-time positions within the Societe Generale Group.

The business address of Yves Cacclin, Thierry Bodson, Olivier Pelsser, Peggy Veniant Cottin and Emanuele Maiocchi as at 12 August 2025 is 11, avenue Emile Reuter, L-2420 Luxembourg. The business address of François Caralp, Laurent Simonet, Samuel Worobel, Laurent Weil and Faouzi Borgi as at 12 August 2025 is Tour Societe Generale, 17, Cours Valmy, F-92897 Paris-La Défense 7, France. The business address of Gregory Claudy as at 12 August 2025 is 225a, rue du Burgknapp, B-6717 Heinstert."

SUPPLEMENTAL INFORMATION RELATING TO THE GUARANTOR

The information set out in Appendix III of this document is a reproduction of the press release dated 30 October 2025 containing the Guarantor's consolidated financial results for the third quarter ended 30 September 2025.

On 6 November 2025, the share capital of Societe Generale changed to EUR 958,618,482.50, divided into 766,894,786 ordinary shares with a nominal value of EUR 1.25 each.

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 Dollar. 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 2025 or the Guarantor since 30 September 2025, 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. Societe Generale, 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 Societe Generale at the above address for the attention of Societe Generale 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 Societe Generale,

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 ANNUAL REPORT FOR THE FISCAL YEAR ENDED 31 DECEMBER 2025 OF NETFLIX, INC. AND ITS SUBSIDIARIES

The information set out below is a reproduction of the annual report of the Company and its subsidiaries for the fiscal year ended 31 December 2025 and has been extracted and reproduced from an announcement by the Company released on 23 January 2026 in relation to the same.

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark One)

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2025
OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission File Number: 001-35727

Netflix, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

77-0467272

(I.R.S. Employer Identification No.)

121 Albright Way, Los Gatos, California 95032

(Address and zip code of principal executive offices)

(408) 540-3700

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, par value \$0.001 per share	NFLX	NASDAQ Global Select Market

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically, every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

As of June 30, 2025 the aggregate market value of voting stock held by non-affiliates of the registrant, based upon the closing sales price for the registrant's common stock, as reported in the NASDAQ Global Select Market System, was \$565,657,747,980. Shares of common stock beneficially owned by each executive officer and director of the registrant and by each person known by the registrant to beneficially own 10% or more of the outstanding common stock have been excluded in that such persons may be deemed to be affiliates. This determination of affiliate status is not necessarily a conclusive determination for any other purpose.

As of December 31, 2025, there were 4,222,162,150 shares of the registrant's common stock, par value \$0.001, outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Parts of the registrant's Proxy Statement for the registrant's 2026 Annual Meeting of Stockholders are incorporated by reference into Part III of this Annual Report on Form 10-K.

NETFLIX, INC.
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PART I

Forward-Looking Statements

This Annual Report on Form 10-K contains forward-looking statements within the meaning of the federal securities laws. These forward-looking statements include, but are not limited to, statements regarding: our core strategy; our ability to improve our content offerings and service; our future financial performance, including expectations regarding revenues, deferred revenue, operating income and margin, net income, expenses, and profitability; liquidity, including the sufficiency of our capital resources, cash requirements; net cash provided by (used in) operating activities, access to financing sources, and free cash flows; capital allocation strategies, including any stock repurchases or repurchase programs; stock price volatility; impact of foreign exchange rate fluctuations; expectations regarding hedging activity; impact of interest rate fluctuations; adequacy of existing facilities; future regulatory changes and their impact on our business; intellectual property; cybersecurity; price changes and testing; artificial intelligence (“AI”); accounting treatment for changes related to content assets; acquisitions; actions by competitors; membership growth, including impact of content and pricing changes on membership growth; partnerships; advertising; multi-household usage; member viewing patterns; dividends; future contractual obligations, including unknown content obligations and timing of payments; our global content and marketing investments, including investments in original programming, consumer products and live experiences; impact of work stoppages; content amortization; resolutions of tax examinations; tax expense; unrecognized tax benefits; deferred tax assets; tax deposits; resolutions of disputes and other proceedings; our ability to effectively manage change and growth; our company culture; expectations regarding the transaction with Warner Bros. Discovery, Inc. (“WBD”); and our ability to attract and retain qualified employees and key personnel. These forward-looking statements are subject to risks and uncertainties that could cause actual results and events to differ. A detailed discussion of these and other risks and uncertainties that could cause actual results and events to differ materially from such forward-looking statements is included throughout this filing and particularly in Item 1A: “Risk Factors” section set forth in this Annual Report on Form 10-K. All forward-looking statements included in this document are based on information available to us on the date hereof, and we assume no obligation to revise or publicly release any revision to any such forward-looking statement, except as may otherwise be required by law.

Item 1. Business

ABOUT US

Netflix, Inc. (“Netflix”, the “Company”, “registrant”, “we”, or “us”) is one of the world’s leading entertainment services offering TV series, films, games and live programming across a wide variety of genres and languages. Members can play, pause and resume watching as much as they want, anytime, anywhere, and can change their plans at any time.

Our core strategy is to grow our business globally within the parameters of our operating margin target. We strive to continuously improve our members' experience by offering compelling content that delights them and attracts new members. We aim to offer a range of pricing plans, including our ad-supported subscription plan, to meet a variety of consumer needs. We seek to drive conversation around our content to further enhance member joy, and we are continuously enhancing our user interface to help our members more easily choose content that they will find enjoyable.

BUSINESS SEGMENTS

We operate as one operating segment. Our revenues are primarily derived from monthly membership fees for services related to streaming content to our members. See Note 13, *Segment and Geographic Information*, in the accompanying notes to our consolidated financial statements for further detail.

COMPETITION

The market for entertainment video is intensely competitive and subject to rapid change. We compete with a broad set of activities for consumers’ leisure time, including other entertainment video providers, such as linear television, streaming entertainment providers (including those that provide pirated content), video gaming providers, open content platform providers, which provide access to user-generated and professionally produced content, as well as more broadly against other sources of entertainment, such as social media, that our members could choose in their moments of free time. We also compete against entertainment video providers and content producers in obtaining content for our service, both for licensed content and for original content projects.

While consumers may maintain simultaneous relationships with multiple entertainment sources, we strive for consumers to choose us in their moments of free time. We have often referred to this choice as our objective of “winning moments of truth.” In attempting to win these moments of truth with our members, we seek to continually improve our service, including both our technology and our content offerings.

INTELLECTUAL PROPERTY

We regard our trademarks, service marks, copyrights, patents, domain names, trade dress, trade secrets, proprietary technologies and similar intellectual property as important to our success. We use a combination of patent, trademark, copyright and trade secret laws and confidentiality agreements to protect our proprietary intellectual property. Our intellectual property rights extend to our technology, business processes, the content we produce and distribute through our service, and the consumer products and experiences based thereon. We use the intellectual property of third parties in creating some of our content, merchandising our products and marketing our service. Our ability to provide our members with content they can watch depends on studios, content providers and other rights holders licensing rights, including distribution rights, to such content and certain related elements thereof, such as the public performance of music contained within the content we distribute. The license periods and the terms and conditions of such licenses vary. Our ability to protect and enforce our intellectual property rights is subject to certain risks and from time to time we encounter disputes over rights and obligations concerning intellectual property. We cannot provide assurance that we will prevail in any intellectual property disputes.

REGULATION

The media landscape and the internet delivery of content have seen growing regulatory action. Historically, media has been highly regulated in many countries. We are seeing some of these legacy regulatory frameworks be updated and expanded to address services like ours. In particular, we are seeing some countries update their cultural support legislation to include services like Netflix. This includes investment obligations, levies, and content catalog quotas. Some even restrict the extent of ownership rights we can have both in our service and in our content. In certain countries, regulators are also looking at restrictions that could require formal reviews of and/or adjustments to content that appears on our service in their country. In general these regulations impact all services and may make operating in certain jurisdictions more expensive or restrictive as to the content offerings we may provide.

HUMAN CAPITAL

Our business is to entertain the world across different countries, cultures, languages and tastes. To entertain an audience this global, our Company needs to reflect the world and the variety of stories we tell. To help ensure our workforce is representative of the members we serve, we employ people in multiple countries around the world and work to maintain a global culture of inclusion. We view our employees and our culture as key to our success. As of December 31, 2025, we had approximately 16,000 full-time employees. Of these, approximately 10,900 (68%) were located in the United States and Canada, 2,500 (16%) in Europe, Middle East, and Africa, 1,900 (12%) in Asia-Pacific and 700 (4%) in Latin America. We also have a number of employees engaged in content production, some of whom are part-time or temporary, and whose numbers fluctuate throughout the year and may be covered by collective bargaining agreements.

We believe an important component of our success is our company culture as detailed in the “Netflix Culture Memo”, which was updated in 2024. Our culture is focused on excellence and creating an environment where talented people can thrive — lifting ourselves, each other and our audiences higher and higher. We engage employees and seek feedback through regular town halls, surveys, business reviews and memos, which we often share broadly, inviting comments. We aim to attract and retain great people — representing a broad array of perspectives and skills — to work together as a dream team. For more people and cultures to see themselves reflected on screen, it is important that our employee base represents the communities we serve.

We aim generally to pay our employees at their personal top of market, and they generally are able to choose the form of their compensation between cash and stock options. This permits employee compensation to be highly personalized and reflective of each employee's individual needs and preferences. We conduct pay equity analyses at least annually, and have adopted practices to help ensure that employees from underrepresented groups are not being underpaid based on gender identity (globally) and race or ethnicity (United States (“U.S.”)) relative to others doing the same or similar work under comparable circumstances. We aim to rectify any pay gaps that we find through this analysis.

We care about the health and well-being of our employees and their families and provide a variety of benefit programs based on region, including health benefits. In the U.S., employees generally receive an annual cash health benefit allowance that they may allocate to medical, dental and vision premiums in a way that makes sense for them. Employees have access to a host of other benefits, including mental health, childcare, family planning and a company match for charitable donations.

We believe that our approach to human capital resources has been instrumental in our growth, and has made Netflix a desirable destination for employees.

OTHER INFORMATION

We maintain a website at www.netflix.com. The contents of our website are not incorporated in, or otherwise to be regarded as part of, this Annual Report on Form 10-K. We make available, free of charge on our website, access to our Annual Report on Form 10-K, our Quarterly Reports on Form 10-Q, our Current Reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), as soon as reasonably practicable after we file or furnish them electronically with the Securities and Exchange Commission (“SEC”).

Investors and others should note that we announce material financial and other information to our investors using our investor relations website (*ir.netflix.net*), SEC filings, press releases, public conference calls and webcasts. We use these channels as well as social media and blogs to communicate with our members and the public about our company, our services and other issues. It is possible that the information we post on social media and blogs could be deemed to be material information. Therefore, we encourage investors, the media, and others interested in our company to review the information we post on the social media channels and blogs listed on our investor relations website.

Item 1A. Risk Factors

If any of the following risks actually occur, our business, financial condition and results of operations could be harmed. In that case, the trading price of our common stock could decline, and you could lose all or part of your investment.

Risks Related to Our Business

If our efforts to attract and retain members are not successful, our business will be adversely affected.

We must continually add new members both to replace canceled memberships and to grow our business beyond our current membership base. Our ability to continue to attract and retain members will depend in part on our ability to consistently provide our members in countries around the globe with compelling content choices that keep our members engaged with our service, effectively drive conversation around our content and service, as well as provide a quality experience for choosing and enjoying TV series, films and games. Our penetration and growth rates have fluctuated and vary across the jurisdictions where we provide our service. In countries where we have been operating for many years or where we are highly penetrated, our membership growth is slower than in newer or less penetrated countries. Furthermore, the relative service levels, content offerings, pricing and related features of competitors to our service may adversely impact our ability to attract and retain members. Competitors include other entertainment video providers, such as linear television, streaming entertainment providers (including those that provide pirated content), video gaming providers, open content platform providers, which provide access to user-generated and professionally produced content, as well as more broadly against other sources of entertainment, such as social media, that our members could choose in their moments of free time.

Members cancel our service for many reasons, including a perception that they do not use the service sufficiently, that they need to cut household expenses, dissatisfaction with content, including any advertisements that may appear on our service, a preference for competitive services and customer service issues that they believe are not satisfactorily resolved. Adverse macroeconomic conditions, including as a result of inflation, may also adversely impact our ability to attract and retain members. If we do not grow as expected, given, in particular, that our content costs are largely fixed in nature, we may not be able to adjust our expenditures or increase our revenues, including by adjusting membership pricing, commensurate with the lowered growth rate such that our margins, liquidity and results of operations may be adversely impacted. If we are unable to successfully compete with current and new competitors in providing compelling content, retaining our existing members and attracting new members, our business will be adversely affected.

If we do not continuously provide value to our members, including making improvements to our service in a manner that is favorably received by them, our revenue, results of operations and business will be adversely affected.

If consumers do not perceive our service offering to be of value, including if we introduce new or adjust existing features, adjust pricing or service offerings, or change the mix of content in a manner that is not favorably received by them, we may not be able to attract and retain members, and accordingly, our revenue and results of operations may be adversely affected. We expanded our entertainment video offering to include games and live programming. If our efforts to sustain and improve our existing TV and film offering, as well as develop and expand our video entertainment options, are not done in a manner valued by our current and future members, our ability to attract and retain members may be negatively impacted. We may also seek to extend our business into new products and services to help drive growth. For example, we continue to expand our offering of consumer products and live experiences. To the extent we cannot successfully find and develop new products, experiences and services to help drive growth, or we do not realize the expected benefits or generate additional revenue from such new products, experiences, and services, our future results of operations and growth may be adversely impacted.

We have and may, from time to time, adjust our membership pricing, our membership plans, or our pricing model itself, including for example, the lower-priced ad-supported subscription plan. Similarly, we have increased enforcement of and will continue to enforce our terms of use to limit multi-household usage and shared viewing outside of a household. These and other adjustments we make may not be well-received by consumers, and could negatively impact our ability to attract and retain members, revenue and our results of operations. In addition, many of our members rejoin our service or originate from word-of-mouth advertising from existing members. If our efforts to satisfy our existing members or adjustments to our service are not successful, we may not be able to attract or retain members, and as a result, our ability to maintain and/or grow our business will be adversely affected.

Changes in competitive offerings for entertainment video could adversely impact our business.

The market for entertainment video is intensely competitive and subject to rapid change. Through new and existing distribution channels, consumers have increasing options to access entertainment video. The various economic models underlying these channels include subscription, which may be bundled with other services, transactional, ad-supported and piracy-based models. All of these have the potential to capture meaningful segments of the entertainment video market. We face competition from traditional providers of entertainment video, including broadcasters and cable network operators, as well as internet based e-commerce or entertainment video providers and platforms. Several of these competitors have long operating histories, large customer bases, strong brand recognition, exclusive rights to certain content, large content libraries, and significant financial, marketing and other resources. They may offer more compelling content or secure better terms

from suppliers, adopt more aggressive pricing and devote more resources to product development, technology, infrastructure, content acquisitions and marketing. New entrants may enter the market or existing providers may adjust their services with unique offerings or approaches to providing entertainment video. In addition, new technological developments, including the development and use of generative AI, are rapidly evolving. If our competitors gain an advantage by using such technologies more effectively to satisfy consumer demand, our ability to compete successfully and our results of operations could be adversely impacted. Companies also may enter into business combinations or alliances that strengthen their competitive positions. Piracy also threatens to damage our business, as its fundamental proposition to consumers is so compelling and difficult to compete against: virtually all content for free. In light of the compelling consumer proposition, piracy services are subject to rapid global growth, and our efforts to prevent that growth may be insufficient. If we are unable to successfully or profitably compete with current and new competitors and win moments of truth, our business will be adversely affected, and we may not be able to increase or maintain market share, revenues or profitability.

We face risks, such as unforeseen costs and potential liability in connection with content we acquire, produce, license and/or distribute through our service.

As a producer and distributor of content, we face potential liability for negligence, copyright and trademark infringement, or other claims based on the nature and content of materials that we acquire, produce, license and/or distribute. We also may face potential liability for content used in promoting our service, including marketing materials. We devote significant resources toward the development, production, marketing and distribution of original programming. We believe that original and exclusive programming can help differentiate our service from other offerings, enhance our brand and otherwise attract and retain members. To the extent our programming does not meet our expectations, in particular, in terms of costs, viewing and popularity, our business, including our brand and results of operations may be adversely impacted. As a content producer, we are responsible for production costs and other expenses, such as ongoing guild payments, and take on risks associated with production, such as completion and key talent risk. Further, negotiations or renewals related to entertainment industry collective bargaining agreements have, and in the future, could negatively impact timing and costs associated with our productions. We contract with third parties related to the development, production, marketing and distribution of our original programming. We may face potential liability or may suffer significant losses in connection with these arrangements, including but not limited to if such third parties violate applicable law, become insolvent or engage in fraudulent behavior. To the extent we create and sell physical or digital merchandise relating to our programming, and/or license such rights to third parties, we could become subject to product liability, intellectual property or other claims related to such merchandise. We may decide to remove content from our service, not to place licensed or produced content on our service or discontinue or alter production of original content if we believe such content might not be well received by our members, is prohibited by law, or could be damaging to our brand or business.

To the extent we do not accurately anticipate costs or mitigate risks, including for content that we obtain but ultimately does not appear on or is removed from our service, or if we become liable for content we acquire, produce, license and/or distribute, our business may suffer. Litigation to defend these claims could be costly and the expenses and damages arising from any liability or unforeseen production risks could harm our results of operations. We may not be indemnified against claims or costs of these types and we may not have insurance coverage for these types of claims.

If we are not able to manage change and growth, our business could be adversely affected.

We are expanding our operations, scaling our streaming service to effectively and reliably handle anticipated growth in both members and features related to our services, such as introducing games and advertising on our service, as well as offering live programming and expanding our consumer products and experiences. We are also scaling our own studio operations to produce original content. As our international offering evolves, we are managing and adjusting our business to address varied content offerings, consumer customs and practices, in particular those dealing with e-commerce and streaming video, as well as differing legal and regulatory environments. As we scale our streaming service and introduce new features such as our ad-supported subscription plan and live programming, we are developing technology and utilizing third-party “cloud” computing, technology and other services. As we scale our content production, including games, and introduce new features and expand our consumer products and experience offerings, we are building out expertise in a number of disciplines, including creative, marketing, legal, finance, licensing, merchandising and other resources, which requires significant resources and management attention. Further, we may expand our content and service offerings in a manner that is not well received by consumers. As we grow our operations, we may face integration and operational challenges as well as potential unknown liabilities and reputational concerns in connection with partners we work with or companies we may acquire or control. If we are not able to manage the growing complexity of our business, including improving, refining or evolving our corporate culture, as well as our systems and operational practices related to our streaming operations and original content, our business may be adversely affected.

If we fail to maintain a positive reputation concerning our service and the content we offer, including any advertisements, we may not be able to attract or retain members, we may face regulatory scrutiny and our operating results may be adversely affected.

We believe that a positive reputation concerning our service is important in attracting and retaining members. To the extent our content, including any advertisements that may appear on our service, is perceived as low quality, offensive or otherwise not compelling to consumers, our ability to establish and maintain a positive reputation may be adversely impacted. To the extent our content, including any advertisements, is deemed controversial or offensive by government regulators, we may face direct or indirect retaliatory action or behavior, including being

required to remove such content from our service, our entire service could be banned and/or become subject to heightened regulatory scrutiny across our business and operations. We could also face consumer boycotts or cancellation campaigns, which could adversely affect our business. Furthermore, to the extent our response to government action or our marketing, customer service and public relations efforts are not effective or result in negative reaction, our ability to establish and maintain a positive reputation may likewise be adversely impacted. There is a focus from regulators, investors, members and other stakeholders on environmental, social, and governance (“ESG”) matters, both in the United States and internationally, including the adoption of new disclosure and regulatory frameworks. To the extent we are unable to meet regulatory or industry standards or investor expectations on ESG issues or the content we distribute and the manner in which we produce content creates ESG-related concerns, our reputation may be harmed.

Our business could be adversely impacted by costs and challenges associated with strategic acquisitions and investments.

From time to time, we acquire or invest in businesses, content, and technologies that support our business. The risks associated with such acquisitions or investments (some of which may be unforeseen) include the difficulty of integrating solutions, operations, and personnel; inheriting liabilities and exposure to litigation; failure to realize anticipated benefits and expected synergies; and diversion of management’s time and attention, among other acquisition-related risks.

We may not be successful in overcoming such risks, and such acquisitions and investments may negatively impact our business. In addition, if we do not complete an announced acquisition transaction or integrate an acquired business successfully and in a timely manner, we may not realize the benefits of the acquisition to the extent anticipated. Acquisitions and investments may contribute to fluctuations in our quarterly financial results. These fluctuations could arise from transaction-related costs and charges associated with eliminating redundant expenses or write-offs of impaired assets recorded in connection with acquisitions and investments, and could negatively impact our financial results. See Risk Factors – “We have a substantial amount of indebtedness and other obligations, including streaming content obligations, which could adversely affect our financial position, and we may not be able to generate sufficient cash to service our debt and other obligations,” “The WBD transaction may not be completed on the currently contemplated timeline or terms, or at all,” and “The WBD transaction may cause our financial results to differ from expectations, we may not achieve the anticipated benefits of the WBD transaction, and the WBD transaction may disrupt our current plans or operations” for additional information.

We rely upon a number of partners to make our service available on their devices.

We currently offer members the ability to receive streaming content through a host of internet-connected devices, including TVs, digital video players, TV set-top boxes and mobile devices. We have agreements with various cable, satellite and telecommunications operators to make our service available through the TV set-top boxes of these service providers, some of which compete directly with us or have investments in competing streaming content providers. In many instances, our agreements also include provisions by which the partner bills consumers directly for the Netflix service or otherwise offers services or products in connection with offering our service. If partners or other providers do a better job of connecting consumers with content they want to watch, for example through multi-service discovery interfaces (including those powered by generative AI), our service may be adversely impacted. We intend to continue to broaden our relationships with existing partners and to increase our capability to stream content and offer games to other platforms and partners over time. If we are not successful in maintaining existing and creating new relationships, or if we encounter technological, content licensing, regulatory, business or other impediments to delivering our streaming content to our members via these devices, our ability to retain members and grow our business could be adversely impacted.

Our agreements with our partners are typically between one and three years in duration and our business could be adversely affected if, upon expiration, a number of our partners do not continue to provide access to our service or are unwilling to do so on terms acceptable to us, which terms may include the degree of accessibility and prominence of our service. Furthermore, devices are manufactured and sold by entities other than Netflix and while these entities should be responsible for the devices’ performance, the connection between these devices and our service may nonetheless result in consumer dissatisfaction toward us and such dissatisfaction could result in claims against us or otherwise adversely impact our business. In addition, technology changes to our streaming functionality may require that partners update their devices, and from time to time, lead us to stop supporting the delivery of our service on certain legacy devices. If partners do not update or otherwise modify their devices, or if we discontinue support for certain devices, our service and our members’ use and enjoyment could be negatively impacted.

We are subject to payment processing risk.

Our members pay for our service using a variety of different payment methods, including credit and debit cards, gift cards, prepaid cards, direct debit, online wallets and direct carrier and partner billing. We rely on internal systems and those of third parties to process payments. Acceptance and processing of these payment methods are subject to certain rules, regulations, and industry standards, including data storage requirements, additional authentication requirements for certain payment methods, and require payment of interchange and other fees. To the extent there are increases in payment processing fees, material changes in the payment ecosystem, such as large re-issuances of payment cards, delays in receiving payments from payment processors, changes to rules, regulations or industry standards concerning payments, loss of payment partners and/or disruptions or failures in our payment processing systems, partner systems or payment products, including products we use to update payment information, our revenue, operating expenses and results of operations could be adversely impacted. In certain

instances, we leverage third parties such as our cable and other partners to bill members on our behalf. If these third parties become unwilling or unable to continue processing payments on our behalf, we would have to transition members or otherwise find alternative methods of collecting payments, which could adversely impact member acquisition and retention. In addition, from time to time, we encounter fraudulent use of payment methods, which could impact our results of operations and if not adequately controlled and managed could create negative consumer perceptions of our service. If we are unable to maintain our fraud and chargeback rate at acceptable levels, card networks may impose fines, our card approval rate may be impacted and we may be subject to additional card authentication requirements. The termination of our ability to process payments on any major payment method would significantly impair our ability to operate our business.

If government regulations relating to the internet or other areas of our business change, we may need to alter the manner in which we conduct our business, or incur greater operating expenses.

The adoption or modification of laws or regulations relating to the internet or other areas of our business could limit or otherwise adversely affect the manner in which we currently conduct our business. As our service and others like us gain traction in international markets, governments are increasingly looking to introduce new or extend legacy regulations to these services, in particular those related to broadcast media and tax. For example, European law enables individual member states to impose levies and other financial obligations on media operators that provide services in their jurisdiction. Several European Union (EU) Member States have and others may, over time, impose financial and regulatory obligations on us. In addition, the continued growth and development of the market for online commerce may lead to more stringent consumer protection laws, which may impose additional burdens on us. Rules governing new technological developments, including generative AI, are nascent and rapidly evolving such that the impact on areas related to our business remains uncertain. If we are required to comply with new regulations or legislation or new interpretations of existing regulations or legislation, this compliance could cause us to incur additional expenses or alter our business model. Additionally, ongoing enforcement of the Digital Markets Act in the EU and similar regulations in other territories, such as Japan, could change how we and other app developers interact with digital gatekeepers, such as Apple and Google, although we are not in scope of these regulations.

Changes in laws or regulations that adversely affect the growth, popularity or use of the internet, including laws impacting net neutrality, requiring payment of network access fees or payment of network support taxes, could decrease the demand for our service and increase our cost of doing business. In July 2025, in an important joint statement with the United States, the EU committed not to adopt or maintain such network usage fees, although the risk of de facto obligations remains in the EU and in certain other jurisdictions. Certain laws intended to prevent network operators from discriminating against the legal traffic that traverse their networks have been implemented in many countries, including across the EU and several U.S. states. In others, the laws may be nascent, evolving or non-existent. For example, in January 2025, a U.S. federal appeals court overturned the Federal Communications Commission's net neutrality rules. Given uncertainty around these rules, including changing interpretations, amendments or repeal, coupled with potentially significant political and economic power of local network operators, we could experience discriminatory or anti-competitive practices that could impede our growth, cause us to incur additional expense or otherwise negatively affect our business.

We are engaged in legal proceedings that could cause us to incur unforeseen expenses and could occupy a significant amount of our management's time and attention.

From time to time, we are subject to litigation or claims that could negatively affect our business operations and financial position. As we have grown, we have seen a rise in the number of litigation matters against us. These matters have included copyright and other claims related to our content, products, patent infringement claims, tax litigation, employment related litigation, as well as consumer and securities class actions, each of which are typically expensive to defend. Litigation disputes could cause us to incur unforeseen expenses, result in content unavailability, service disruptions, and otherwise occupy a significant amount of our management's time and attention, any of which could negatively affect our business operations and financial position. We also receive inquiries and subpoenas and other types of information requests from government authorities, and we may become subject to related claims and other actions related to our business activities. While the ultimate outcome of investigations, inquiries, information requests and related legal proceedings is difficult to predict, such matters can be expensive, time-consuming and distracting, and adverse resolutions or settlements of those matters may result in, among other things, modification of our business practices, reputational harm or costs and significant payments, any of which could negatively affect our business operations and financial position.

Our advertising offering is subject to various risks and uncertainties, which may adversely affect our business.

We have limited experience and operating history offering advertising on our service, and our advertising revenue may not grow as we expect. Our ability to generate advertising revenue is subject to various risks and will depend on a number of factors, including:

- our ability to attract and retain advertisers;
- fluctuations in membership plan mix and member engagement;
- the quantity or quality of ads shown to our members;
- our ability to compete effectively for advertising spend;
- the impact of seasonal, cyclical or other shifts in advertising spend, including the impact of macroeconomic conditions;

- the availability, accuracy, utility, and security of analytics and measurement solutions offered by us or third parties that demonstrate the value of our ads to marketers, or our ability to further improve such tools;
- changes in the way advertising on devices, connected TVs or on personal computers is measured or priced;
- adverse legal developments relating to advertising, targeting, or measurement tools;
- changes in third-party policies, which may negatively impact the ability to measure, deliver and select ads to be served;
- regulatory, legislative and industry developments relating to the collection and use of information and other privacy considerations, including regulations related to ad targeting and measurement tools;
- any liability or reputational harm from advertisements shown on our service;
- our relationship with third-party service providers for the management, operation, sale and technology to support advertisements on our service;
- our ability to develop and expand an advertising sales and advertising technology organization team;
- our ability to develop the technology, data, and related infrastructure to support advertising and drive value to advertisers;
- the impact of our content and reputation on advertisers' willingness to spend with us; and
- any member dissatisfaction due to advertisements.

Risks Related to Intellectual Property

If studios, content providers or other rights holders refuse to license streaming content or other rights upon terms acceptable to us, our business could be adversely affected.

Our ability to provide our members with content they can enjoy depends on obtaining various rights from third parties upon terms acceptable to us, including necessary distribution rights, to such content and certain related elements thereof, such as the public performance of music contained within the content we distribute. The license periods and the terms and conditions of such rights vary. As content providers develop their own streaming services, they may be unwilling to provide us with access to certain content, including popular series or movies. If the studios, content providers and other rights holders are not or are no longer willing or able to license us content upon terms acceptable to us, our ability to stream content to our members may be adversely affected and/or our costs could increase. Certain licenses for content provide for the studios or other content providers to withdraw content from our service relatively quickly. Because of these provisions and other actions we may take, content available through our service can be withdrawn on short notice. As competition increases, we see the cost of certain programming increase. As we seek to differentiate our service, we are often focused on securing certain exclusive rights when obtaining content, including original content. We are also focused on programming an overall mix of content that delights our members in a cost efficient manner. Within this context, we are selective about the titles we add and renew to our service. If we do not maintain a compelling mix of content, our member acquisition and retention may be adversely affected.

Music and certain authors' performances contained within content we distribute may require us to obtain licenses for such distribution. In this regard, we engage in negotiations with collection management organizations ("CMOs") and similar entities that hold certain rights to music and/or other interests in intellectual property (e.g., remuneration rights) in connection with streaming content into various territories. If we are unable to reach mutually acceptable terms with these organizations, we could become involved in litigation and/or could be enjoined from distributing certain content, which could adversely impact our business. Additionally, pending and ongoing litigation and negotiations between certain CMOs and other third parties in various territories could adversely impact our negotiations with CMOs, or result in music publishers represented by certain CMOs unilaterally withdrawing rights, and thereby adversely impact our ability to reach licensing agreements reasonably acceptable to us. Failure to reach such licensing agreements could expose us to potential liability for copyright infringement or otherwise increase our costs. Additionally, as the market for the digital distribution of content grows, a broader role for CMOs in the remuneration of authors, performers and other beneficiaries of neighboring rights is likely to expose us to greater distribution expenses in certain markets.

If our trademarks and other proprietary rights are not adequately protected to prevent use or appropriation by third parties, the value of our brand and other intangible assets may be diminished, and our business may be adversely affected.

We rely and expect to continue to rely on a combination of confidentiality and license agreements with our employees, consultants and third parties with whom we have relationships, as well as trademark, copyright, patent and trade secret protection laws, to protect our proprietary rights. We may also seek to enforce our proprietary rights through court proceedings or other legal actions. We have filed and we expect to file from time to time for trademark, copyright, and patent applications. Nevertheless, these applications may not be approved, third parties may challenge any copyrights, patents or trademarks issued to or held by us, third parties may knowingly or unknowingly infringe our intellectual property rights, and we may not be able to prevent infringement or misappropriation without substantial expense to us. If the protection of our intellectual property rights is inadequate to prevent use or misappropriation by third parties, the value of our brand, content, and other intangible assets may be diminished, competitors may be able to more effectively mimic our service and methods of operations, the perception of our business and service to members and potential members may become confused in the marketplace, and our ability to attract members may be adversely affected.

We currently hold various domain names relating to our brand, including Netflix.com. Failure to protect our domain names could adversely affect our reputation and brand and make it more difficult for users to find our website and our service. We may be unable, without

significant cost or at all, to prevent third parties from acquiring domain names that are similar to, infringe upon or otherwise decrease the value of our trademarks and other proprietary rights.

Intellectual property claims against us could be costly and result in the loss of significant rights related to, among other things, our technology, business processes, and content.

Trademark, copyright, patent and other intellectual property rights are important to us and other companies. Our intellectual property rights extend to our technology, business processes, the content we produce and distribute through our service, and consumer products, experiences, and marketing assets based thereon. We use the intellectual property of third parties in creating some of our content, merchandising our products and experiences, and marketing our service. From time to time, third parties allege that we have infringed or otherwise violated their intellectual property rights. If we are unable to obtain sufficient rights, successfully defend our use, or develop non-infringing technology or otherwise alter our business practices on a timely basis in response to claims against us for infringement, misappropriation, misuse or other violation of third-party intellectual property rights, our business and competitive position may be adversely affected. In addition, the use or adoption of new and emerging technologies may increase our exposure to intellectual property claims. For example, the development and use of generative AI tools remain subject to uncertain legal frameworks, and the availability of copyright and other intellectual property protection for AI-generated material is uncertain. Many companies are devoting significant resources to developing patents that could potentially affect many aspects of our business. There are numerous patents that broadly claim means and methods of conducting business on the internet. We have not searched for patents relative to our technology. Defending ourselves against intellectual property claims, whether they are with or without merit or are determined in our favor, results in costly litigation and diversion of technical and management personnel. It also may result in our inability to use our current technology and products, our recommendation and merchandising technology or inability to market our service or merchandise our products. We may also have to remove content from our service, or remove consumer products or marketing materials from the marketplace. As a result of a dispute, we may have to develop non-infringing technology, enter into royalty or licensing agreements, adjust our content, merchandising or marketing activities or take other actions to resolve the claims. These actions, if required, may be costly or unavailable on terms acceptable to us.

Risks Related to Information Technology

Any significant disruption in or unauthorized access to our computer systems or those of third parties that we utilize in our operations, including those relating to cybersecurity or arising from cyber-attacks, could result in a loss or degradation of service, unauthorized access, disclosure or destruction of data, including member and corporate information, or theft of intellectual property, including digital content assets, which could adversely impact our business.

Our reputation and ability to attract, retain and serve our members is dependent upon the reliable performance and security of our computer systems and those of third parties that we utilize in our operations. These systems may be subject to damage or interruption from, among other things, earthquakes, adverse weather conditions, other natural disasters, public health issues such as pandemics or epidemics, terrorist attacks, rogue employees, power loss, telecommunications failures, cybersecurity risks and incidents, and other interruptions beyond our control. Interruptions in these systems, or with the internet in general, could make our service unavailable or degraded or otherwise hinder our ability to deliver our service. Service interruptions, errors in our software or the unavailability of computer systems or data used in our operations could diminish the overall attractiveness of our service to existing and potential members.

Our computer systems and those of third parties we use in our operations are subject to constantly evolving cybersecurity threats, including cyber-attacks such as computer viruses, malware, ransomware, denial of service attacks, physical or electronic break-ins, or insider threats, as well as misconfigurations in information systems, networks, software or hardware, and similar disruptions or errors. These systems and those of third parties with which we do business have experienced and may continue to experience directed attacks intended to lead to interruptions and delays in our service and operations as well as loss, misuse or theft of personal information (of third parties, employees, and our members) and other data, confidential information or intellectual property. We and many of the third parties we work with rely on open source software and libraries that are integrated into a variety of applications, tools and systems, which may increase our exposure to vulnerabilities. The addition of new features or upgrades also increases our exposure to vulnerabilities, and generative AI could intensify these cybersecurity risks. Additionally, outside parties may attempt to induce employees, vendors, partners, or users to disclose sensitive or confidential information in order to gain access to data. Any attempt by hackers to obtain our data (including member and corporate information) or intellectual property (including digital content assets), disrupt our service, or otherwise access our systems, or those of third parties we use, if successful, could harm our business, be expensive to remedy and damage our reputation. We have implemented certain systems and processes to thwart hackers and protect our data and systems. However, the techniques used to gain unauthorized access to data and software are constantly evolving, and we may be unable to anticipate, detect or prevent unauthorized access or address all cybersecurity incidents that occur. Because of our prominence, we (and/or third parties we use) have been and may continue to be a particularly attractive target for such attacks, and from time to time, we have experienced unauthorized releases of certain digital content assets and unintended disclosure of personal information due to incidents related to third parties. However, to date these unauthorized releases have not had a material impact on our service, systems or business. There is no assurance that hackers may not have a material impact on our service or systems in the future. We do not carry insurance to cover expenses related to such disruptions or unauthorized access. Efforts to prevent hackers from disrupting our service or otherwise accessing our systems are expensive to develop, implement and maintain. These efforts

require ongoing monitoring and updating as technologies change and efforts to overcome security measures become more sophisticated, and may limit the functionality of or otherwise negatively impact our service offering and systems. Any significant disruption to our service or access to our systems could result in a loss of members, damage our reputation, and adversely affect our business and results of operations. Further, a penetration of our systems or a third-party's systems or other misappropriation or misuse of personal information could subject us to business, regulatory, litigation and reputation risk, which could have a negative effect on our business, financial condition and results of operations.

We utilize our own communications and computer hardware systems located either in our facilities or in that of a third-party provider. In addition, we utilize third-party "cloud" computing services in connection with our business operations. We also utilize our own and third-party content delivery networks ("CDN") to help us stream content and offer games in high volume to Netflix members over the internet. Problems faced by us or our third-party "cloud" computing or other network providers, including technological or business-related disruptions, as well as cybersecurity threats and regulatory interference, could adversely impact the experience of our members.

We rely upon Amazon Web Services to operate certain aspects of our service and any disruption of or interference with our use of the Amazon Web Services operation would impact our operations and our business would be adversely impacted.

Amazon Web Services ("AWS") provides a distributed computing infrastructure platform for business operations, or what is commonly referred to as a "cloud" computing service. We have architected our software and computer systems to utilize data processing, storage capabilities and other services provided by AWS. Currently, we run the vast majority of our computing on AWS. Given this, along with the fact that we cannot easily switch our AWS operations to another cloud provider, any commercial disputes related to, disruption of or interference with our use of AWS would impact our operations and our business would be adversely impacted. While the retail side of Amazon competes with us, we do not believe that Amazon will use the AWS operation in a manner to gain competitive advantage against our service, although if it were to do so it could harm our business.

If the technology we use in operating our business fails, is unavailable, or does not operate to expectations, our business and results of operations could be adversely impacted.

We utilize a combination of proprietary and third-party technology to operate our business. This includes the technology that we have developed to recommend and merchandise content to our consumers as well as enable fast and efficient delivery of content to our members and their various consumer electronic devices. For example, we have built and deployed our own CDN. To the extent Internet Service Providers ("ISPs") do not interconnect with our CDN or charge us to access their networks, or if we experience difficulties in our CDN's operation, our ability to efficiently and effectively deliver our streaming content to our members could be adversely impacted and our business and results of operations could be adversely affected. Likewise, if our recommendation and merchandising technology does not enable us to predict and recommend titles that our members will enjoy or our competitors' technology provides a better experience to consumers, our ability to attract and retain members may be adversely affected. We also utilize third-party technology to help market our service, process payments, and otherwise manage the daily operations of our business. If our technology or that of third-parties we utilize in our operations fails or otherwise operates improperly, including as a result of "bugs" or other errors in our development and deployment of software, our ability to operate our service, retain existing members and add new members may be impaired. Any harm to our members' devices caused by software used in our operations could have an adverse effect on our business, results of operations and financial condition.

Changes in how network operators handle and charge for access to data that travel across their networks could adversely impact our business.

We rely upon the ability of consumers to access our service through the internet. If network operators block, restrict or otherwise impair access to our service over their networks, our service and business could be negatively affected. To the extent that network operators implement usage based pricing, including meaningful bandwidth caps, or otherwise try to monetize access to their networks by data providers, we could incur greater operating expenses and our member acquisition and retention could be negatively impacted. Furthermore, to the extent network operators create tiers of internet access service and either charge us for or prohibit us from being available through these tiers, our business could be negatively impacted.

Most network operators that provide consumers with access to the internet also provide these consumers with multichannel video programming. As such, many network operators have an incentive to use their network infrastructure in a manner adverse to our continued growth and success. While we believe that consumer demand, regulatory oversight and competition will help counterbalance these incentives, to the extent that network operators are able to provide preferential treatment to their data as opposed to ours or otherwise implement discriminatory network management practices, our business could be negatively impacted. The extent to which these incentives limit operator behavior differs across markets.

Risks Related to Privacy

Privacy concerns could limit our ability to collect and leverage member personal information and disclosure of member personal information could adversely impact our business and reputation.

In the ordinary course of business and in particular in connection with content acquisition, merchandising our service to our members and our advertising offering, we collect and utilize information supplied by our members and third parties, which may include personal information and other data. We are subject to laws, rules and regulations relating to privacy and the collection, use and security of personal information, including but not limited to Regulation (EU) 2016/679 (also known as the General Data Protection Regulation or “GDPR”) and the California Privacy Rights Act (“CPRA”). Any actual or perceived failure to comply with the GDPR, the California Consumer Privacy Act/CPRA, other data privacy laws or regulations, or related contractual or other obligations, or any perceived privacy rights violation, have and could in the future lead to investigations, claims, and proceedings by governmental entities and private parties, which to date have not been material but may result in significant damages for contract breach, and other significant costs, penalties, and other liabilities, as well as harm to our reputation and market position.

Other businesses have been criticized by privacy groups and governmental bodies for attempts to link personal identities and other information to data collected on the internet regarding users’ browsing and other habits. Increased regulation of data utilization practices, including self-regulation or findings under existing laws that limit our ability to collect, transfer and use personal information, could have an adverse effect on our business. In addition, if we were to disclose personal information about our members in a manner that was objectionable to them, our business reputation could be adversely affected, and we could face potential legal claims that could impact our operating results. Internationally, we may become subject to additional and/or more stringent legal obligations concerning our treatment of member and other personal information, such as laws regarding data localization, data transfer and/or restrictions on data export. Failure to comply with these obligations could subject us to liability, and to the extent that we need to alter our business model or practices to adapt to these obligations, we could incur additional expenses.

Our reputation and relationships with members would be harmed if member personal information, particularly billing data, were to be accessed by unauthorized persons.

We maintain personal information regarding our members, including names, age, gender and billing information. This personal information is maintained on our own systems as well as that of third parties we use in our operations. With respect to billing information, such as credit card numbers, we rely on encryption and authentication technology to secure such information. We take measures to protect against unauthorized intrusion into our members’ information. Despite these measures and technologies we, our payment processing services or other third-party services we use such as AWS, could experience an unauthorized intrusion into our members’ information. In the event of such a breach, current and potential members may become unwilling to provide the information to us necessary for them to remain or become members. We have notified and may in the future be required to notify regulators about any actual or perceived data breach (including various state Attorneys General, one or more EU data protection authorities, or other data protection authorities) as well as the individuals who are affected by the incident within strict time periods. Additionally, we could face legal claims or regulatory fines or penalties for such a breach. The costs relating to any data breach could be material, and we currently do not carry insurance against the risk of a data breach. We also maintain personal information concerning our employees, as well as personal information of others working on our productions. Should an unauthorized intrusion into our members’ or employees’ personal information and/or production personal information occur, our business could be adversely affected and our larger reputation with respect to data protection could be negatively impacted.

Risks Related to Liquidity

The long-term and largely fixed cost nature of our content commitments may limit our operating flexibility and could adversely affect our liquidity and results of operations.

In connection with licensing streaming content, we typically enter into multi-year commitments with studios and other content providers. We also enter into multi-year commitments for content that we produce, either directly or through third parties, including elements associated with these productions such as non-cancelable commitments under talent agreements. The payment terms of these agreements are not tied to member usage or the size of our membership base (“fixed cost”) but may be determined by costs of production or tied to such factors as titles licensed and/or theatrical exhibition receipts. Such commitments, to the extent estimable under accounting standards, are included in the Contractual Obligations section of Part II, Item 7, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and Note 9, Commitments and Contingencies in the accompanying notes to our consolidated financial statements included in Part II, Item 8, “Financial Statements and Supplementary Data” of this Annual Report on Form 10-K. Given the multiple-year duration and largely fixed cost nature of content commitments, if business performance does not meet our expectations, our margins may be adversely impacted. Further, we may be unable to react to any reduction in our cash flows from operations, including those caused by a downturn in the economy, by reducing our streaming content obligations in the near-term. Payment terms for certain content commitments, such as content we directly produce, will typically require more up-front cash payments than other content licenses or arrangements whereby we do not fund the production of such content. To the extent revenue growth does not meet our expectations, our liquidity and results of operations could be adversely affected as a

result of content commitments and accelerated payment requirements of certain agreements. In addition, the long-term and largely fixed cost nature of our content commitments may limit our flexibility in planning for, or reacting to changes in our business and the market segments in which we operate. If we license and/or produce content that is not favorably received by consumers in a territory, or is unable to be shown in a territory, acquisition and retention may be adversely impacted and given the long-term and fixed cost nature of our content commitments, we may not be able to adjust our content offerings quickly and our results of operations may be adversely impacted.

We may seek additional capital that may result in stockholder dilution or that may have rights senior to those of our common stockholders.

From time to time, we may seek to obtain additional capital, either through equity, equity-linked or debt securities. The decision to obtain additional capital will depend on, among other things, our business plans, operating performance and condition of the capital markets. Rising interest rates or any disruption in the capital markets could make it more difficult and expensive for us to raise additional capital or refinance our existing indebtedness. If we raise additional funds through the issuance of equity, equity-linked or debt securities, those securities may have rights, preferences or privileges senior to the rights of our common stock, and our stockholders may experience dilution. Any large equity or equity-linked offering could also negatively impact our stock price.

We have a substantial amount of indebtedness and other obligations, including streaming content obligations, which could adversely affect our financial position, and we may not be able to generate sufficient cash to service our debt and other obligations.

We have a substantial amount of indebtedness and other obligations, including streaming content obligations. Moreover, we may incur additional indebtedness in the future and incur other obligations, including any additional streaming content obligations. Our ability to make payments on our debt and other obligations will depend on our financial and operating performance, which is subject to prevailing economic and competitive conditions and to certain financial, business and other factors beyond our control. If we are unable to service our debt and other obligations from cash flows, we may need to refinance or restructure all or a portion of such obligations prior to maturity. If the financial markets become difficult or costly to access, including due to rising interest rates, fluctuations in foreign currency exchange rates or other changes in economic conditions, our ability to raise additional capital may be negatively impacted, and any refinancing or restructuring could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict our business operations.

As of December 31, 2025, we had the equivalent of \$14.5 billion aggregate principal amount of senior notes outstanding (“Notes”), some of which is denominated in currencies other than the U.S. dollar. In addition, we have entered into a revolving credit agreement that provides for a \$3 billion unsecured revolving credit facility. As of December 31, 2025, we have not borrowed any amount under this revolving credit facility. As of December 31, 2025, we had approximately \$5.7 billion of total content liabilities as reflected on our consolidated balance sheet, some of which is denominated in currencies other than the U.S. dollar. Such amount does not include streaming content commitments that do not meet the criteria for liability recognition, the amounts of which are significant. Our substantial indebtedness and other obligations, including streaming content obligations, may require us to use a substantial portion of our cash flow from operations to make debt service payments and pay our other obligations when due, limit our ability to borrow additional funds, limit our flexibility to plan for, or react to, changes in our business and industry and place us at a competitive disadvantage compared to our less leveraged competitors. For more information on our streaming content obligations, including those not on our consolidated balance sheet, see Note 9, *Commitments and Contingencies*, in the accompanying notes to our consolidated financial statements included in Part II, Item 8, “Financial Statements and Supplementary Data” of this Annual Report on Form 10-K.

In connection with our transaction with WBD to acquire WBD’s streaming and studios businesses, including its film and television studios, HBO Max and HBO (such transaction, the “WBD transaction”), we expect to incur and/or assume a substantial amount of additional indebtedness, which will materially increase the amount of our outstanding indebtedness and could subject us to additional risks. We have obtained commitments from financing sources to provide up to a \$42.2 billion senior unsecured bridge term loan facility, and we have entered into a \$5 billion senior unsecured revolving credit facility and a \$20 billion senior unsecured delayed draw term loan facility. We may draw on such facilities or issue or obtain other debt financing to finance a portion of the cash consideration for the WBD transaction. In addition, upon completion of the WBD transaction, we expect to assume additional outstanding debt of WBD. The terms of the indebtedness we may incur or assume in connection with the WBD transaction could vary materially and may include secured debt and/or debt with restrictive covenants that are more burdensome than those in our existing debt arrangements. To the extent these covenants remain in effect after closing, they could reduce the combined company’s operating and financial flexibility, and the substantial indebtedness to be incurred or assumed in connection with the WBD transaction could further exacerbate the risks described above.

Risks Related to International Operations

We could be subject to economic, political, regulatory and other risks arising from our international operations.

Operating in international markets requires significant resources and management attention and will subject us to economic, political, regulatory and other risks that may be different from or incremental to those in the U.S. In addition to the risks that we face in the U.S., our international operations involve risks that could adversely affect our business, including:

- the need to adapt our content and user interfaces for specific cultural and language differences;

- difficulties and costs associated with staffing and managing foreign operations;
- political or social unrest, global hostilities, and economic instability;
- compliance with laws such as the Foreign Corrupt Practices Act, UK Bribery Act and other anti-corruption laws, export controls and economic sanctions, and local laws prohibiting corrupt payments to government officials;
- difficulties in understanding and complying with local laws, regulations and customs in foreign jurisdictions;
- regulatory requirements or government action, whether in response to enforcement of actual or purported legal and regulatory requirements or otherwise, that results in disruption or non-availability of our service or particular content, administrative enforcement actions, fines, and civil and criminal liability, or increased operating costs in the applicable jurisdiction;
- application of foreign intellectual property laws, which requires the business to adapt to bespoke compliance rules, or changes to such laws, among other issues, may impact the economics of creating or distributing content, anti-piracy efforts, or our ability to protect or exploit intellectual property rights;
- adverse tax consequences such as those related to changes in tax laws or tax rates or their interpretations, and the related application of judgment in determining our global provision for income taxes, deferred tax assets or liabilities or other tax liabilities given the ultimate tax determination is uncertain;
- fluctuations in currency exchange rates, which have and may continue to impact revenues and expenses of our international operations and expose us to foreign currency exchange rate risk, and while we use derivative and non-derivative instruments to hedge certain exposures to fluctuations in exchange rates, the use of such hedging activities may not be effective in offsetting an adverse financial impact and may introduce or heighten counterparty risk and we may choose not to hedge certain exposures;
- rates of inflation;
- profit repatriation, currency control regulations and other restrictions on the transfer of funds;
- differing payment processing systems as well as consumer use and acceptance of electronic payment methods, such as payment cards;
- new and different sources of competition;
- censorship requirements that cause us to remove or edit popular content, leading to consumer disappointment, brand tarnishment or dissatisfaction with our service;
- low usage and/or penetration of internet-connected consumer electronic devices;
- different and more stringent user protection, data protection, privacy and other laws, including data localization and/or restrictions on data export, and local ownership requirements;
- availability of reliable broadband connectivity and wide area networks in targeted areas for expansion;
- differing laws and consumer understanding/attitudes regarding the illegality of piracy;
- negative impacts from trade disputes and evolving trade policy; and
- implementation of regulations designed to stimulate the local production of film and TV series in order to promote and preserve local culture and economic activity, including local content quotas, investment obligations, and levies to support local film funds. For example, the EU revised its Audio Visual Media Services Directive in 2018 to require that European works comprise at least thirty percent (30%) of media service providers' catalogs, and to require prominence of those works, and certain EU Member States have imposed additional investment obligations and levies.

These and other factors may cause us to adjust our business plans, including expanding or ceasing certain operations in certain countries, and the execution of our strategies. Our failure to manage any of these risks successfully could harm our international operations and our overall business, and results of our operations.

We are subject to taxation related risks in multiple jurisdictions.

We are a U.S.-based multinational company subject to tax in multiple U.S. and foreign tax jurisdictions. Significant judgment is required in determining our global provision for income taxes, deferred taxes and other tax liabilities and receivables, and in evaluating our tax positions and other tax attributes on a worldwide basis. We are subject to the periodic examination of our domestic and foreign tax returns by the Internal Revenue Service, state, local, and foreign tax authorities, some of whom are challenging our tax positions. We regularly assess the likelihood of adverse outcomes from these examinations in determining the adequacy of our provision for income taxes and other tax liabilities. We consider many factors when evaluating and estimating our tax positions and tax benefits, which may require periodic adjustments and may not accurately forecast actual tax audit outcomes. If the ultimate determination of income and other tax liabilities differ from the amounts recorded or accrued, our business, financial condition or results of operations may be adversely impacted.

Tax laws are regularly being re-examined and evaluated globally. New laws and interpretations of the law are taken into account for financial statement purposes in the quarter or year that they become applicable. Tax authorities are increasingly scrutinizing the tax positions of companies and we have tax audits pending in a number of jurisdictions. The U.S. federal and state governments, countries in the EU, as well as a number of other countries and organizations such as the Organization for Economic Cooperation and Development, are actively considering changes to existing tax laws that, if enacted, could increase our tax obligations in jurisdictions where we do business. If U.S. or other tax authorities change applicable tax laws or successfully challenge how or where our profits are currently recognized, our overall taxes could increase, and our business, financial condition or results of operations may be adversely impacted.

Risks Related to Human Resources

We may lose key employees or may be unable to hire qualified employees, and the failure to maintain and improve our company culture may adversely affect our business.

We rely on the continued service of our senior management, including our Co-Chief Executive Officers, Ted Sarandos and Greg Peters, members of our executive team and other key employees. In our industry, there is substantial and continuous competition for highly-skilled business, product development, technical, creative and other personnel. If we experience high executive turnover, fail to adapt our business practices to industry expectations, fail to maintain a positive reputation, fail to implement succession plans for key employees, encounter difficulties associated with the transition of members of our management team, are not successful in recruiting new personnel or in retaining and motivating existing personnel, in instilling our culture in new employees, or maintaining and improving our culture as we grow, our operations may be disrupted, which could adversely affect our results of operations.

Labor disputes may have an adverse effect on the Company's business.

We and our partners, suppliers, and vendors engage writers, directors, actors, other talent, trade employees and others who are subject to collective bargaining agreements in the motion picture industry, both in the U.S. and internationally. Additionally, the major U.S. guild collective bargaining agreements to which the Company is a signatory each expire in 2026, with the Writers Guild of America ("WGA") agreement expiring on May 1, 2026, and the Screen Actors Guild – American Federation of Television and Radio Artists ("SAG-AFTRA") and Directors Guild of America ("DGA") agreements both expiring on June 30, 2026. These and other expiring collective bargaining agreements may be renewed on terms that are unfavorable to us. Furthermore, if expiring collective bargaining agreements cannot be renewed, affected unions have, and could in the future, take action in the form of strikes or work stoppages. Such work stoppages have resulted, and may in the future result, in halted productions and delays in our ability to provide new content to our members. Such actions, as well as higher costs or operating complexities in connection with these collective bargaining agreements or a significant labor dispute, could have an adverse effect on our business by causing delays in production, added costs or by reducing profit margins, and our ability to provide new content to our members could likewise be delayed or dropped.

Risks Related to Our Stock Ownership

Provisions in our charter documents and under Delaware law could discourage a takeover that stockholders may consider favorable, although we have announced plans to modify some of these provisions over time.

Our charter documents in their current form may discourage, delay or prevent a merger or acquisition that a stockholder may consider favorable because they:

- authorize our board of directors, without stockholder approval, to issue up to 10,000,000 shares of undesignated preferred stock;
- prohibit our stockholders from acting by written consent; and
- establish advance notice requirements for proposing matters to be approved by stockholders at stockholder meetings.

As a Delaware corporation, we are also subject to certain Delaware anti-takeover provisions. Under Delaware law, a corporation may not engage in a business combination with any holder of 15% or more of its capital stock unless the holder has held the stock for three years or, among other things, the board of directors has approved the transaction. Our board of directors could rely on Delaware law to prevent or delay an acquisition of us.

In addition, a merger or acquisition may trigger retention payments to certain executive employees under the terms of our Amended and Restated Executive Severance and Retention Incentive Plan, thereby increasing the cost of such a transaction.

Our stock price is volatile.

The price at which our common stock has traded has fluctuated significantly. The price may continue to be volatile due to a number of factors including the following, some of which are beyond our control:

- variations in our operating results, including our membership acquisition and retention, revenues, operating income, net income, net cash provided by operating activities and free cash flow;
- variations between our actual operating results and the expectations of securities analysts, investors and the financial community;
- announcements of developments affecting our business, including mergers and acquisitions, such as the WBD transaction, systems or expansion plans by us or others;
- competition, including the introduction of new competitors, their pricing strategies and services;
- market volatility in general;
- the level of demand for our stock, including the amount of short interest in our stock;
- the impact of our current stock repurchase program and any future stock repurchase program we may adopt;
- the operating results of our competitors; and
- other risks and uncertainties described in these risk factors.

As a result of these and other factors, investors in our common stock may not be able to resell their shares at or above their original purchase price.

Following certain periods of volatility in the market price of our securities, we became the subject of securities litigation. We may experience more such litigation following future periods of volatility. This type of litigation may result in substantial costs and a diversion of management's attention and resources.

Preparing and forecasting our financial results requires us to make judgments and estimates which may differ materially from actual results.

Given the dynamic nature of our business, and the inherent limitations in predicting the future, forecasts of our revenues, operating margins, net income, cash flow, and other financial and operating data may differ materially from actual results. Also, predicting consumer adoption of various pricing strategies, such as the ad-supported subscription plan or efforts to limit multi-household usage, and new revenue streams, such as advertising revenue, is inherently difficult given the lack of operating history with respect to such offerings, and actual results may differ significantly from the expectations of our management, securities analysts or investors. Such discrepancies could cause a decline in the trading price of our common stock. In addition, the preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America also requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported periods. We base such estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances, but actual results may differ from these estimates. For example, we estimate the content amortization pattern, beginning with the month of first availability, of any particular licensed or produced television series, documentary or feature film based upon various factors including historical and estimated viewing patterns. If actual viewing patterns differ from these estimates, the pattern and/or period of amortization would be changed and could affect the timing or recognition of content amortization. If we revise such estimates it could result in greater in-period expenses, which could cause us to miss our earnings guidance or negatively impact the results we report which could negatively impact our stock price. Further, events outside of our control may cause actual results to differ from our forecast.

Risk Factors Related to the WBD Transaction

The WBD transaction may not be completed on the currently contemplated timeline or terms, or at all.

Consummation of the WBD transaction is conditioned on, among other things, obtaining necessary governmental and regulatory approvals. If any of the conditions to the WBD transaction are not satisfied, it could delay or prevent the WBD transaction from occurring, which could result in Netflix's obligation to pay a \$5.8 billion termination fee in certain specified circumstances. Further, as a condition to their approval of the WBD transaction, regulatory agencies may impose requirements, limitations or costs or require divestitures or place restrictions on the conduct of WBD's streaming and studios businesses after the closing. These requirements, limitations, costs, divestitures or restrictions could jeopardize or delay the consummation of the WBD transaction, may result in a material adverse effect on WBD's streaming and studios businesses or may reduce the anticipated benefits of the WBD transaction.

The WBD transaction may cause our financial results to differ from expectations, we may not achieve the anticipated benefits of the WBD transaction, and the WBD transaction may disrupt our current plans or operations.

The success of the WBD transaction will depend, in part, on our ability to successfully integrate the acquired businesses and realize the anticipated benefits, including synergies. Difficulties in integrating the acquired businesses may result in the failure to realize anticipated synergies in the expected timeframes, in operational challenges, and in the diversion of management's attention from ongoing business opportunities, challenges and risks, as well as in unforeseen expenses associated with the WBD transaction, which may have an adverse impact on our financial results.

Item 1B. Unresolved Staff Comments

None.

Item 1C. Cybersecurity

We have an enterprise-wide information security program designed to identify, protect, detect and respond to and manage reasonably foreseeable cybersecurity risks and threats. To protect our information systems from cybersecurity threats, we use various security tools that help prevent, identify, escalate, investigate, resolve and recover from identified vulnerabilities and security incidents in a timely manner. These include, but are not limited to, internal reporting, monitoring and detection tools, and a bug bounty program to allow security researchers to assist us in identifying vulnerabilities in our products before they are exploited by malicious threat actors. We also maintain a third party security program to identify, prioritize, assess, mitigate and remediate third party risks; however, we rely on the third parties we use to implement security programs commensurate with their risk, and we cannot ensure in all circumstances that their efforts will be successful.

We regularly assess risks from cybersecurity and technology threats and monitor our information systems for potential vulnerabilities. We use a widely-adopted risk quantification model to identify, measure and prioritize cybersecurity and technology risks and develop related security controls and safeguards. We conduct regular reviews and tests of our information security program and also leverage audits by our internal audit team, tabletop exercises, penetration and vulnerability testing, red team exercises, simulations, and other exercises to evaluate the effectiveness of our information security program and improve our security measures and planning. We also engage an external auditor to conduct an annual payment card industry data security standard review of our security controls protecting payment information, as well as third-party penetration testing of our cardholder environment and related systems. The results of these assessments are reported to the Audit Committee.

Our systems and those of third parties with which we do business have experienced and may continue to experience directed attacks intended to lead to interruptions and delays in our service and operations as well as loss, misuse or theft of personal information (of third parties, employees, and our members) and other data, confidential information or intellectual property, and we have experienced unauthorized releases of certain digital content assets and unintended disclosure of personal information due to incidents related to third parties. Generative AI could intensify these cybersecurity risks. However, to date these incidents have not had a material impact on our service, systems or business. Any significant disruption to our service or access to our systems could result in a loss of members and adversely affect our business and results of operation. Further, a penetration of our systems or a third-party's systems or other misappropriation or misuse of personal information could subject us to business, regulatory, litigation and reputation risk, which could have a negative effect on our business, financial condition and results of operations. See "Risk Factors - Any significant disruption in or unauthorized access to our computer systems or those of third parties that we utilize in our operations, including those relating to cybersecurity or arising from cyber-attacks, could result in a loss or degradation of service, unauthorized access, disclosure or destruction of data, including member and corporate information, or theft of intellectual property, including digital content assets, which could adversely impact our business."

The Senior Director, Security, Privacy & Assurance leads our global information security organization responsible for overseeing the Netflix information security program. Our Senior Director, Security, Privacy & Assurance has over 20 years of experience in information security and held senior leadership roles overseeing cybersecurity programs at other companies. Team members who support our information security program have relevant educational and industry experience, including holding similar positions at large technology companies. The teams provide regular reports to senior management and other relevant teams on various cybersecurity threats, assessments and findings.

The Board oversees our annual enterprise risk assessment, where we assess key risks within the company, including security and technology risks and cybersecurity threats. The Audit Committee of the Board oversees our cybersecurity risk and receives regular reports from our Senior Director, Security, Privacy & Assurance on various cybersecurity matters, including risk assessments, mitigation strategies, areas of emerging risks, incidents and industry trends, and other areas of importance.

Item 2. Properties

We have leased principal properties in both Los Gatos, California, which is the location of our corporate headquarters, and in Los Angeles, California. In addition, we own and lease various office and production space throughout the world.

We believe that our existing facilities are adequate to meet current requirements, and that suitable additional or substitute space will be available as needed to accommodate any further physical expansion of operations and for any additional offices.

Item 3. Legal Proceedings

Information with respect to this item may be found in Note 9 *Commitments and Contingencies* in the accompanying notes to our consolidated financial statements included in Part II, Item 8, “Financial Statements and Supplementary Data” of this Annual Report on Form 10-K, under the caption “Legal Proceedings” which information is incorporated herein by reference.

Item 4. Mine Safety Disclosures

Not applicable.

PART II

Item 5. Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Market Information

Our common stock is traded on the NASDAQ Global Select Market under the symbol “NFLX”.

Stock Split

On November 14, 2025, the Company completed a ten-for-one forward stock split of the Company's issued common stock (the "Stock Split"). Each shareholder as of the record date of November 10, 2025 received nine additional shares of common stock for every share held. References made to share or per share amounts in the accompanying consolidated financial statements and applicable disclosures have been retroactively adjusted to reflect the Stock Split. See Note 10 *Stockholders' Equity* for additional information.

Holders

As of December 31, 2025, there were approximately 3,103 stockholders of record of our common stock, although there is a significantly larger number of beneficial owners of our common stock.

Dividend Policy

We have never declared or paid any cash dividends on our capital stock, and we do not currently anticipate paying any cash dividends in the foreseeable future.

Company Purchases of Equity Securities

Stock repurchases during the three months ended December 31, 2025 were as follows:

Period	Total Number of Shares Purchased ⁽¹⁾	Average Price Paid per Share ⁽²⁾	Total Number of Shares Purchased as Part of Publicly Announced Programs ⁽¹⁾	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Program ⁽¹⁾ (in thousands)
October 1 - 31, 2025	5,583,110	\$ 117.27	5,583,110	\$ 9,471,608
November 1 - 30, 2025	9,304,465	\$ 108.53	9,304,465	\$ 8,461,794
December 1 - 31, 2025	3,994,670	\$ 103.89	3,994,670	\$ 8,046,784
Total	<u>18,882,245</u>		<u>18,882,245</u>	

(1) In September 2023, the Company’s Board of Directors authorized the repurchase of up to \$10 billion of its common stock, with no expiration date, and in December 2024, the Board of Directors increased the share repurchase authorization by an additional \$15 billion, also with no expiration date. For further information regarding stock repurchase activity, see Note 10 *Stockholders' Equity* to the consolidated financial statements in this Annual Report.

(2) Average price paid per share includes costs associated with the repurchases but excludes the 1% excise tax on stock repurchases imposed by the Inflation Reduction Act of 2022.

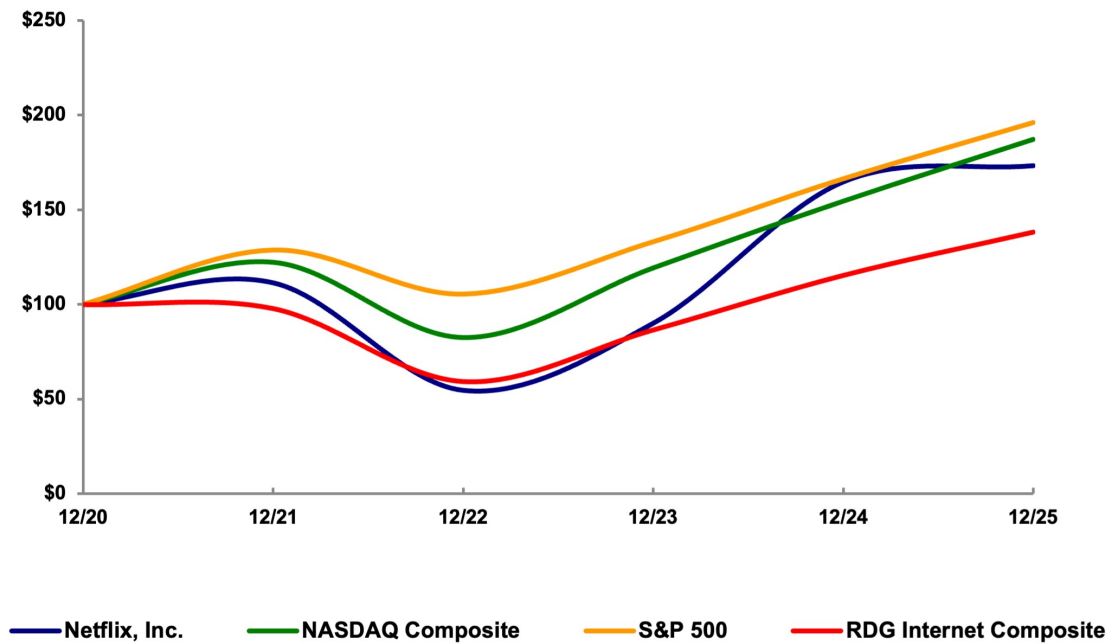
Stock Performance Graph

Notwithstanding any statement to the contrary in any of our previous or future filings with the Securities and Exchange Commission, the following information relating to the price performance of our common stock shall not be deemed “filed” with the Commission or “soliciting material” under the Exchange Act and shall not be incorporated by reference into any such filings.

The following graph compares, for the five year period ended December 31, 2025, the total cumulative stockholder return on the Company’s common stock, with the total cumulative return of the NASDAQ Composite Index, the S&P 500 Index and the RDG Internet Composite Index. Measurement points are the last trading day of each of the Company’s fiscal years ended December 31, 2020, December 31, 2021, December 31, 2022, December 31, 2023, December 31, 2024 and December 31, 2025. Total cumulative stockholder return assumes \$100 invested at the beginning of the period in the Company’s common stock, the stocks represented in the NASDAQ Composite Index, the stocks represented in the S&P 500 Index and the stocks represented in the RDG Internet Composite Index, respectively, and reinvestment of any dividends. Historical stock price performance should not be relied upon as an indication of future stock price performance.

COMPARISON OF 5 YEAR CUMULATIVE TOTAL RETURN*

Among Netflix, Inc., the NASDAQ Composite Index,
the S&P 500 Index and the RDG Internet Composite Index



*\$100 invested on 12/31/20 in stock or index, including reinvestment of dividends.
Fiscal year ending December 31.

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Item 6. [Reserved]

Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations

This section of this Form 10-K generally discusses 2025 and 2024 items and year-to-year comparisons between 2025 and 2024. Discussions of 2023 items and year-to-year comparisons between 2024 and 2023 that are not included in this Form 10-K can be found in “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in Part II, Item 7 of the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2024.

Results of Operations

The following represents our consolidated performance highlights⁽¹⁾:

	Year Ended December 31,			Change	
	2025	2024	2023	2025 vs. 2024	
(in thousands, except percentages)					
Financial Results:					
Streaming revenues	\$ 45,183,036	\$ 39,000,966	\$ 33,640,458	\$ 6,182,070	16 %
DVD revenues ⁽²⁾	\$ —	\$ —	\$ 82,839	\$ —	— %
Total revenues	\$ 45,183,036	\$ 39,000,966	\$ 33,723,297	\$ 6,182,070	16 %
Constant currency change in revenues ⁽³⁾					17 %
Operating income	\$ 13,326,603	\$ 10,417,614	\$ 6,954,003	\$ 2,908,989	28 %
Operating margin	29.5 %	26.7 %	20.6 %	2.8 %	
Net income	\$ 10,981,201	\$ 8,711,631	\$ 5,407,990	\$ 2,269,570	26 %

(1) During the year ended December 31, 2025, we discontinued the reporting of membership numbers, including average paying memberships and average monthly revenue per paying membership, focusing instead on revenue and operating margin as the primary financial metrics that we believe best represent our business performance.

(2) We discontinued our DVD-by-mail service in the year ended December 31, 2023. The discontinuance of our DVD business had an immaterial impact on our operations and financial results.

(3) See the “Non-GAAP Constant Currency Information” section below for additional details on our use of constant currency revenue.

Operating margin for the year ended December 31, 2025 increased by approximately three percentage points as compared to the prior comparative period, primarily driven by the growth in revenues outpacing the growth in cost of revenues, sales and marketing, and general and administrative expenses.

Net income for the year ended December 31, 2025 increased \$2,270 million as compared to the prior comparative period, primarily due to a \$2,909 million increase in operating income, driven by a \$6,182 million increase in revenues and partially offset by a \$2,237 million increase in cost of revenues primarily due to the increase in content amortization and other cost of revenues. The impact of higher operating income was partially offset by a \$487 million increase in the provision for income taxes.

Revenues

We primarily derive revenues from monthly membership fees for services related to streaming content to our members. We offer a variety of streaming membership plans, the price of which varies by country and the features of the plan. As of December 31, 2025, pricing on our paid plans ranged from the U.S. dollar equivalent of \$1 to \$37 per month, and pricing on our extra member sub accounts ranged from the U.S. dollar equivalent of \$2 to \$9 per month. We expect that from time to time the prices of our membership plans in each country may change and we may test other plan and price variations.

We also earn revenue from advertisements presented on our streaming service, consumer products, live experiences and various other sources. Revenues earned from sources other than monthly membership fees were not a material component of revenues for the years ended December 31, 2025, 2024, and 2023.

	Year Ended December 31,			Change	
	2025	2024	2023	2025 vs. 2024	
	(in thousands, except percentages)				
Revenues	\$ 45,183.036	\$ 39,000.966	\$ 33,723.297	\$ 6,182.070	16 %

Revenues for the year ended December 31, 2025 increased 16% as compared to the year ended December 31, 2024, primarily due to the growth in memberships, price increases, and increased advertising revenue, partially offset by unfavorable changes in foreign exchange rates, net of hedging.

The following table summarizes streaming revenues by region for the years ended December 31, 2025, 2024 and 2023. Total streaming revenues are inclusive of hedging gains (losses) of \$(91) million and \$124 million for the years ended December 31, 2025 and 2024, respectively. No hedging gains and losses were recognized in total streaming revenues for the year ended December 31, 2023. See Note 8 *Derivative Financial Instruments and Hedging Activities* to the consolidated financial statements for further information regarding the Company's derivative and non-derivative financial instruments.

	Year Ended December 31,			Change	
	2025	2024	2023	2025 vs. 2024	
	(in thousands, except revenue per membership and percentages)				
United States and Canada (UCAN)	\$ 19,957,152	\$ 17,359,369	\$ 14,873,783	\$ 2,597,783	15 %
Europe, Middle East, and Africa (EMEA)	14,514,646	12,387,035	10,556,487	2,127,611	17 %
Latin America (LATAM)	5,357,521	4,839,816	4,446,461	517,705	11 %
Asia-Pacific (APAC)	5,353,717	4,414,746	3,763,727	938,971	21 %
Total Streaming Revenues	\$ 45,183,036	\$ 39,000,966	\$ 33,640,458	\$ 6,182,070	16 %

Non-GAAP Constant Currency Information

We believe the non-GAAP financial measure of constant currency revenue is useful in analyzing period-to-period comparisons in revenues absent foreign currency fluctuations. However, this non-GAAP financial measure should be considered in addition to, not as a substitute for, or superior to other financial measures prepared in accordance with GAAP.

In order to exclude the effect of foreign currency rate fluctuations on revenue, we calculate current period revenue assuming foreign exchange rates had remained constant with foreign exchange rates from each of the corresponding months of the prior-year period and exclude the impact of hedging gains or losses realized as revenues. Constant currency percentage change in revenues is calculated as the percentage change between current period constant currency revenue and the prior comparative period revenue. The impact of hedging gains or losses is excluded from both the current and prior periods.

The table below summarizes constant currency streaming revenues by region for the year ended December 31, 2025 and the constant currency percentage change in streaming revenues by region for the year ended December 31, 2025 as compared to the year ended December 31, 2024:

	Year Ended December 31,				Change				
	2025				2024				2025 vs. 2024
	As Reported	Constant Currency Adjustment	Hedging (Gains) Losses Included in Revenues	Constant Currency Revenues	As Reported	Hedging (Gains) Losses Included in Revenues	Revenues Less Hedging Impact	Reported Change	Constant Currency Change
(in thousands, except percentages)									
UCAN	\$ 19,957,152	\$ 36,991	\$ (29,791)	\$ 19,964,352	\$ 17,359,369	\$ (11,181)	\$ 17,348,188	15 %	15 %
EMEA	14,514,646	(374,174)	137,768	14,278,240	12,387,035	(25,303)	12,361,732	17 %	16 %
LATAM	5,357,521	457,000	54,108	5,868,629	4,839,816	(58,454)	4,781,362	11 %	23 %
APAC	5,353,717	59,740	(70,942)	5,342,515	4,414,746	(29,073)	4,385,673	21 %	22 %
Total Streaming Revenues	\$ 45,183,036	\$ 179,557	\$ 91,143	\$ 45,453,736	\$ 39,000,966	\$ (124,011)	\$ 38,876,955	16 %	17 %

Cost of Revenues

Cost of revenues primarily consists of the amortization of content assets. Other costs of revenues include expenses associated with the acquisition, licensing and production of content, streaming delivery costs, and other operating costs.

Expenses related to the acquisition, licensing and production of content not included in content amortization may include payroll, stock-based compensation, facilities, and other personnel-related expenses, costs associated with obtaining rights to music included in our content, overall deals with talent, miscellaneous production-related costs and participations and residuals. Streaming delivery costs are primarily related to our global content delivery network (“Open Connect”). We have built our own Open Connect network to help us efficiently stream a high volume of content to our members over the internet. Delivery expenses, therefore, include equipment costs related to Open Connect, payroll and related personnel expenses and all third-party costs, such as cloud computing costs, associated with delivering content over the internet. Other operating costs include customer service and payment processing fees, including those we pay to our integrated payment partners, as well as other costs incurred in making our content available to members.

	Year Ended December 31,			Change	
	2025	2024	2023	2025 vs. 2024	
	(in thousands, except percentages)				
Cost of revenues	\$ 23,275,329	\$ 21,038,464	\$ 19,715,368	\$ 2,236,865	11 %
As a percentage of revenues	52 %	54 %	58 %		

The increase in cost of revenues for the year ended December 31, 2025 as compared to the year ended December 31, 2024 was primarily due to a \$1,121 million increase in content amortization relating to our existing and new content, coupled with a \$1,116 million increase in other cost of revenues, primarily driven by non-income tax assessments in Brazil. We do not expect that non-income taxes incurred in Brazil will materially impact our results of operations in future periods. See Note 9 *Commitments and Contingencies* in the accompanying notes to our consolidated financial statements for further detail on our non-income tax matters.

Sales and Marketing

Sales and marketing expenses consist primarily of expenses for promotional activities such as digital and television advertising, and certain payments made to marketing and advertising sales partners. Our marketing partners include consumer electronics (“CE”) manufacturers, multichannel video programming distributors (“MVPDs”), mobile operators, and ISPs. Our advertising sales partners include advertising technology providers and advertising agencies. Sales and marketing expenses also include payroll, stock-based compensation, facilities, and other related expenses for personnel that support advertising sales and marketing activities.

	Year Ended December 31,			Change	
	2025	2024	2023	2025 vs. 2024	
	(in thousands, except percentages)				
Sales and marketing	\$ 3,301,306	\$ 2,917,554	\$ 2,657,883	\$ 383,752	13 %
As a percentage of revenues	7 %	7 %	8 %		

The increase in sales and marketing expenses for the year ended December 31, 2025 as compared to the year ended December 31, 2024 was primarily driven by a \$222 million increase in marketing expenses, coupled with a \$149 million increase in personnel-related costs due to the growth in advertising sales headcount.

Technology and Development

Technology and development expenses consist primarily of payroll, stock-based compensation, facilities, and other related expenses for technology personnel responsible for making improvements to our service offerings, including testing, maintaining and modifying our user interface, our recommendations and infrastructure. Technology and development expenses also include costs associated with general use computer hardware and software.

	Year Ended December 31,			Change	
	2025	2024	2023	2025 vs. 2024	
	(in thousands, except percentages)				
Technology and development	\$ 3,391,390	\$ 2,925,295	\$ 2,675,758	\$ 466,095	16 %
As a percentage of revenues	8 %	8 %	8 %		

The increase in technology and development expenses for the year ended December 31, 2025 as compared to the year ended December 31, 2024 was primarily due to a \$438 million increase in personnel-related costs.

General and Administrative

General and administrative expenses consist of payroll, stock-based compensation, facilities, and other related expenses for corporate personnel. General and administrative expenses also include professional fees and other general corporate expenses.

	Year Ended December 31,			Change	
	2025	2024	2023	2025 vs. 2024	
	(in thousands, except percentages)				
General and administrative	\$ 1,888,408	\$ 1,702,039	\$ 1,720,285	\$ 186,369	11 %
As a percentage of revenues	4 %	4 %	5 %		

The increase in general and administrative expenses for the year ended December 31, 2025 as compared to the year ended December 31, 2024 was primarily due to a \$92 million increase in personnel-related costs and a \$64 million increase in third-party expenses. The increase in personnel-related costs was primarily driven by higher share-based compensation expense, while the increase in third-party expenses was attributable to higher legal fees and transaction-related costs, including those associated with the WBD transaction.

Interest Expense

Interest expense consists primarily of the interest associated with our outstanding debt obligations and the amortization of debt issuance costs. See Note 7 *Debt* in the accompanying notes to our consolidated financial statements for further detail on our debt obligations.

	Year Ended December 31,			Change	
	2025	2024	2023	2025 vs. 2024	
	(in thousands, except percentages)				
Interest expense	\$ 776,510	\$ 718,733	\$ 699,826	\$ 57,777	8 %
As a percentage of revenues	2 %	2 %	2 %		

Interest expense primarily consists of interest on our Notes of \$716 million for the year ended December 31, 2025. The increase in interest expense for the year ended December 31, 2025 as compared to the year ended December 31, 2024 was primarily driven by higher amortization of debt issuance costs, including approximately \$60 million related to financing arrangements entered into in connection with the WBD transaction. See Note 7 *Debt* for additional details regarding the financing arrangements associated with the WBD transaction.

Interest and Other Income (Expense)

Interest and other income (expense) consists primarily of foreign exchange gains and losses on foreign currency denominated balances, gains and losses on certain derivative instruments, and interest earned on cash, cash equivalents and short-term investments.

	Year Ended December 31,			Change	
	2025	2024	2023	2025 vs. 2024	
	(in thousands, except percentages)				
Interest and other income (expense)	\$ 172,459	\$ 266,776	\$ (48,772)	\$ (94,317)	(35)%
As a percentage of revenues	— %	1 %	— %		

Interest and other income (expense) decreased for the year ended December 31, 2025, primarily due to foreign exchange losses of \$123 million, net of the impacts of derivatives and hedging, compared to losses of \$18 million for the corresponding period in 2024. In the year

ended December 31, 2025, the foreign exchange losses were primarily driven by the non-cash loss of \$72 million from the remeasurement of our Senior Notes denominated in Euro, net of hedging impacts, coupled with the remeasurement of cash and content liability positions in currencies other than the functional currencies. The foreign exchange losses in the year ended December 31, 2024 were primarily driven by the remeasurement of cash and content liability positions in currencies other than the functional currencies, partially offset by a non-cash gain of \$122 million from the remeasurement of our Senior Notes denominated in Euro, net of hedging impacts.

Provision for Income Taxes

	Year Ended December 31,			Change	
	2025	2024	2023	2025 vs. 2024	
	(in thousands, except percentages)				
Provision for income taxes	\$ 1,741,351	\$ 1,254,026	\$ 797,415	\$ 487,325	39 %
Effective tax rate	14 %	13 %	13 %		

The increase in our effective tax rate for the year ended December 31, 2025, as compared to the year ended December 31, 2024, is primarily due to a decrease in tax benefits associated with federal research and development tax credits as well as the growth in income before taxes exceeding the growth in excess tax benefits from stock-based compensation. See Note 11 *Income Taxes* to the consolidated financial statements for further information regarding income taxes.

Liquidity and Capital Resources

	As of December 31,		Change	
	2025	2024	2025 vs. 2024	
	(in thousands, except percentages)			
Cash, cash equivalents, restricted cash and short-term investments	\$ 9,067,872	\$ 9,586,343	\$ (518,471)	(5)%
Short-term and long-term debt	14,462,836	15,582,804	(1,119,968)	(7)%

Cash, cash equivalents, restricted cash and short-term investments decreased \$518 million in the year ended December 31, 2025 primarily due to the repurchase of stock and repayment of debt, partially offset by cash provided by operations.

Debt, net of debt issuance costs and discounts, decreased \$1,120 million primarily due to approximately \$1,833 million in repayments of debt, partially offset by the remeasurement of our Euro-denominated notes in the year ended December 31, 2025. The amount of principal and interest on our outstanding notes due in the next twelve months is \$1,690 million. See Note 7 *Debt* in the accompanying notes to our consolidated financial statements.

Uses of Cash

Our primary uses of cash include the acquisition, licensing and production of content, marketing programs, streaming delivery, and personnel-related costs. Cash payment terms for non-original content have historically been in line with the amortization period. Investments in original content, and in particular content that we produce and own, require more cash upfront relative to licensed content. For example, production costs are paid as the content is created, well in advance of when the content is available on the service and amortized. We expect to continue to significantly invest in global content, particularly in original content, which will impact our liquidity. Our other uses of cash include strategic acquisitions and investments, as well as share repurchases. See the “*Material Cash Requirements*” section below for further detail on our expected use of cash in connection with the WBD transaction.

Financing Arrangements

On April 12, 2024, we entered into a five-year, \$3 billion unsecured revolving credit facility that matures on April 12, 2029 (the “Revolving Credit Agreement”). In May 2025, we established a \$3 billion commercial paper program (the “Commercial Paper Program”) under which we may issue short-term unsecured commercial paper notes. On December 4, 2025, we entered into a bridge commitment letter pursuant to which the commitment parties agreed to provide, subject to customary conditions, a \$59 billion senior unsecured bridge term loan facility to finance the purchase price for the WBD transaction, to pay fees, costs and expenses incurred in connection with the WBD transaction and, at our option, to refinance certain indebtedness (the “Bridge Facility Commitments”). On December 19, 2025, we replaced a portion of the Bridge Facility Commitments with a \$5 billion unsecured revolving credit facility and a \$20 billion unsecured delayed draw term loan facility (collectively, the “Transaction Credit Facilities”), which reduced the outstanding Bridge Facility Commitments to \$34 billion.

As of December 31, 2025, no amounts have been borrowed under the Revolving Credit Agreement, Commercial Paper Program, Bridge Facility Commitments, or the Transaction Credit Facilities.

On January 19, 2026, in connection with the Amended and Restated Merger Agreement (as defined below), the Company entered into a bridge facility incremental commitments agreement (the “Incremental Commitments Agreement”). The Incremental Commitments Agreement increased the existing commitments under the Company's Bridge Facility Commitments from \$34 billion to \$42.2 billion of senior unsecured bridge term loan commitments for the purpose of financing the purchase price under the Amended and Restated Merger Agreement, paying certain other fees, costs and expenses incurred in connection with the WBD transaction and, at the Company's option, refinancing certain indebtedness.

See Note 7 *Debt* and Note 14 *Subsequent Event* for further information on the financing arrangements the Company has entered into in connection with the WBD transaction.

We anticipate that we may periodically raise additional debt capital. Our ability to obtain this or any additional financing that we may choose or need, including for the refinancing of upcoming maturities or potential strategic acquisitions and investments, will depend on, among other things, our development efforts, business plans, operating performance, and the condition of the capital markets at the time we seek financing. We may not be able to obtain such financing on terms acceptable to us or at all. If we raise additional funds through the issuance of equity or debt securities, those securities may have rights, preferences or privileges senior to the rights of our common stock, and our stockholders may experience dilution.

Share Repurchases

In September 2023, the Board of Directors authorized the repurchase of up to \$10 billion of our common stock, with no expiration date, and in December 2024, the Board of Directors increased the share repurchase authorization by an additional \$15 billion, also with no expiration date. Stock repurchases may be effected through open market repurchases in compliance with Rule 10b-18 under the Exchange Act, including through the use of trading plans intended to qualify under Rule 10b5-1 under the Exchange Act, privately-negotiated transactions, accelerated stock repurchase plans, block purchases, or other similar purchase techniques and in such amounts as management deems appropriate. We are not obligated to repurchase any specific number of shares, and the timing and actual number of shares repurchased will depend on a variety of factors, including our stock price, general economic, business and market conditions, and alternative investment opportunities. We may discontinue any repurchases of our common stock at any time without prior notice. In the fiscal year ended December 31, 2025, the Company repurchased 86,536,215 shares of common stock for an aggregate amount of \$9.1 billion (excluding the 1% excise tax on stock repurchases as a result of the Inflation Reduction Act of 2022). As of December 31, 2025, \$8.0 billion remains available for repurchases.

Material Cash Requirements

We currently anticipate that cash flows from operations, available funds and access to financing sources, including under our Revolving Credit Facility, Commercial Paper Program, the Bridge Facility Commitments and the Transaction Credit Facilities, will continue to be sufficient to meet our cash needs for the next twelve months and beyond.

Our material cash requirements from known contractual and other obligations primarily relate to our content, debt and lease obligations. As of December 31, 2025, the expected timing of those payments are as follows:

Contractual obligations (in thousands):	Total	Next 12 Months	Beyond 12 Months
Content obligations ⁽¹⁾	\$ 24,039,228	\$ 11,528,030	\$ 12,511,198
Debt ⁽²⁾	18,091,887	1,690,445	16,401,442
Operating lease obligations ⁽³⁾	2,898,017	558,051	2,339,966
Total	<u>\$ 45,029,132</u>	<u>\$ 13,776,526</u>	<u>\$ 31,252,606</u>

- (1) As of December 31, 2025, content obligations were comprised of \$4.1 billion included in “Current content liabilities” and \$1.6 billion of “Non-current content liabilities” on the Consolidated Balance Sheets and \$18.4 billion of obligations that are not reflected on the Consolidated Balance Sheets as they did not then meet the criteria for recognition.

Content obligations include amounts related to the acquisition, licensing and production of content. An obligation for the production of content includes non-cancelable commitments under creative talent and employment agreements and other production related commitments. An obligation for the acquisition and licensing of content is incurred at the time we enter into an agreement to obtain future titles. Once a title becomes available, a content liability is recorded on the Consolidated Balance Sheets. Certain agreements include the obligation to license rights for unknown future titles, the ultimate quantity and/or fees for which are not yet determinable as of the reporting date. Traditional film output deals, or certain TV series license agreements where the number of seasons to be aired is unknown, are examples of these types of agreements. The contractual obligations table above does not include any estimated obligation for the unknown future titles, payment for which could range from less than one year to more than five years. However, these unknown obligations are expected to be significant and we believe could include approximately \$1 billion to \$4 billion over the next three years, with the payments for the vast majority of such amounts expected to occur after the next twelve months. The foregoing range is based on considerable management judgments and the actual amounts may differ. Once we know the title that we will receive and the license fees, we include the amount in the contractual obligations table above.

- (2) Debt obligations include our Notes consisting of principal and interest payments. See Note 7 *Debt* in the accompanying notes to our consolidated financial statements for further details.
- (3) Operating lease obligations are comprised of operating lease liabilities included in “Accrued expenses and other liabilities” and “Other non-current liabilities” on the Consolidated Balance Sheets, inclusive of imputed interest. Operating lease obligations also include additional obligations that are not reflected on the Consolidated Balance Sheets as they did not meet the criteria for recognition. As of December 31, 2025, the Company has additional operating leases for real estate that have not yet commenced which has been included above. The lease obligations associated with these leases were not material. See Note 5 *Balance Sheet Components* in the accompanying notes to our consolidated financial statements for further details regarding leases.

As of December 31, 2025, we had gross unrecognized tax benefits of \$566 million, of which \$409 million was classified in “Other non-current liabilities” in the Consolidated Balance Sheets. In addition to the material cash requirements summarized in the table above, we expect to pay deposits of approximately \$700 million related to non-income tax assessments in Brazil as described further in Note 9 *Commitments and Contingencies*. During the year ended December 31, 2025, we also paid tax deposits of approximately \$200 million related to certain direct taxes that exceeded our regularly recurring obligations.

Other Planned Uses of Cash and Debt Capital

On December 4, 2025, we entered into a definitive agreement and plan of merger with WBD to acquire WBD's streaming and studios businesses, including its film and television studios, HBO Max and HBO, which was amended and restated by the parties thereto on January 19, 2026 (as so amended and restated, the "Amended and Restated Merger Agreement"). WBD is a leading global media and entertainment company and will separate its Global Linear Networks business, Discovery Global, into a new publicly-traded company prior to the closing of the WBD transaction. Under the terms of the Amended and Restated Merger Agreement, each WBD stockholder will receive \$27.75 in cash (as may be adjusted in accordance with the terms of the Amended and Restated Merger Agreement) for each share of WBD common stock outstanding as of immediately prior to the closing of the WBD transaction, for a total equity value of approximately \$72.0 billion and an enterprise value of approximately \$82.7 billion (in each case, as of December 4, 2025). The total equity value and enterprise value of the WBD transaction may fluctuate based on WBD's capitalization as of the closing of the WBD transaction. We expect the WBD transaction to close in 12-18 months from December 4, 2025, subject to receipt of required regulatory approvals, approval of WBD stockholders, the consummation of the separation and distribution of Discovery Global and other customary closing conditions. See Note 6 *Acquisitions* and Note 9 *Commitments and Contingencies* for further information.

Cash Flows

The following table summarizes our cash flows:

	Year Ended December 31,			Change	
	2025	2024	2023	2025 vs. 2024	
	(in thousands)				
Net cash provided by operating activities	\$ 10,149,273	\$ 7,361,364	\$ 7,274,301	\$ 2,787,909	38 %
Net cash provided by (used in) investing activities	1,041,688	(2,181,784)	541,751	3,223,472	148 %
Net cash used in financing activities	(10,345,623)	(4,074,427)	(5,950,803)	6,271,196	154 %

Net cash provided by operating activities for the year ended December 31, 2025 increased \$2,788 million as compared to the year ended December 31, 2024, primarily driven by a \$2,270 million or 26% increase in net income and a \$1,646 million increase in adjustments for non-cash expenses, partially offset by a \$705 million increase in payments for content assets and \$423 million in unfavorable changes in working capital.

Net cash provided by (used in) investing activities for the year ended December 31, 2025 increased \$3,223 million as compared to the year ended December 31, 2024, primarily due to net cash inflows of \$1,747 million from maturities, sales and purchases of investments in the year ended December 31, 2025 as compared to cash outflows of \$1,742 million from purchases of investments in the corresponding period in 2024, partially offset by a \$249 million increase in purchases of property and equipment.

Net cash used in financing activities for the year ended December 31, 2025 increased \$6,271 million as compared to the year ended December 31, 2024, primarily driven by changes in cash flows related to the issuance and repayment of debt. The increase in financing cash outflows was primarily driven by no proceeds from the issuance of debt in the year ended December 31, 2025, as compared to proceeds from the issuance of debt of \$1,794 million, in the corresponding period in 2024, coupled with a \$1,433 million increase in repayments of debt. In addition, repurchases of common stock increased \$2,863 million in the year ended December 31, 2025 as compared to the corresponding period in 2024.

Indemnifications

The information set forth under Note 9 *Commitments and Contingencies* in the accompanying notes to our consolidated financial statements included in Part II, Item 8, "Financial Statements and Supplementary Data" of this Annual Report on Form 10-K is incorporated herein by reference.

Critical Accounting Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported periods. The Securities and Exchange Commission ("SEC") has defined a company's critical accounting policies as the ones that are most important to the portrayal of a company's financial condition and results of operations, and which require a company to make its most difficult and subjective judgments. Based on this definition, we have identified the critical accounting policies and judgments addressed below. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances. Actual results may differ from these estimates.

Content

We acquire, license and produce content, including original programming, in order to offer our members unlimited viewing of video entertainment. The content licenses are for a fixed fee and specific windows of availability. Payment terms for certain content licenses and the production of content require more upfront cash payments relative to the amortization expense. Payments for content, including additions to content assets and the changes in related liabilities, are classified within “Net cash provided by operating activities” on the Consolidated Statements of Cash Flows.

We recognize content assets (licensed and produced) as “Content assets, net” on the Consolidated Balance Sheets. For licensed content, we capitalize the fee per title and record a corresponding liability at the gross amount of the liability when the license period begins, the cost of the title is known and the title is accepted and available for streaming. For produced content, we capitalize costs associated with the production, including development costs, direct costs and production overhead, as costs are incurred.

Based on factors including historical and estimated viewing patterns, we amortize the content assets (licensed and produced) in “Cost of revenues” on the Consolidated Statements of Operations over the shorter of each title's contractual window of availability, estimated period of use or ten years, beginning with the month of first availability. The amortization is on an accelerated basis, as we typically expect more upfront viewing, and film amortization is more accelerated than TV series amortization. On average, over 90% of a licensed or produced content asset is expected to be amortized within four years after its month of first availability. We review factors that impact the amortization of the content assets on a regular basis. Our estimates related to these factors require considerable management judgment.

In the normal course of business, we, or a third-party producing content on our behalf, may qualify for tax incentives through eligible spend on productions. The accounting for tax incentives is dependent on the particular type of incentive, including the nature of the benefit and the location the incentive is earned. In general, tax incentives are realized as cash receipts and may be received prior to or after a title launches on our service. Any amounts we are eligible for through qualified production spend but have not received, are recognized in “Other current assets” or “Other non-current assets” on the Consolidated Balance Sheets as receivables. Tax incentives are generally accounted for as a reduction to the cost basis of content assets (presented in “Content assets, net”) and reduce content amortization over the life of the title (as presented in “Cost of revenues”) on the Consolidated Statements of Operations.

Our business model is subscription based as opposed to a model generating revenues at a specific title level. Content assets (licensed and produced) are predominantly monetized as a group and therefore are reviewed in the aggregate at a group level when an event or change in circumstances indicates a change in the expected usefulness of the content or that the fair value may be less than unamortized cost. To date, we have not identified any such event or changes in circumstances. If such changes are identified in the future, these aggregated content assets will be stated at the lower of unamortized cost or fair value. In addition, unamortized costs for assets that have been, or are expected to be, abandoned are written off.

Income Taxes

We record a provision for income taxes for the anticipated tax consequences of our reported results of operations using the asset and liability method. Deferred income taxes are recognized by applying enacted statutory tax rates applicable to future years to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases as well as net operating loss and tax credit carryforwards. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. The measurement of deferred tax assets is reduced, if necessary, by a valuation allowance when it is more likely than not they will not be realized.

Although we believe our assumptions, judgments and estimates are reasonable, changes in tax laws or our interpretation of tax laws and the resolution of any tax audits could significantly impact the amounts provided for income taxes in our consolidated financial statements.

In evaluating our ability to recover our deferred tax assets, in full or in part, we consider all available positive and negative evidence, including our past operating results, our forecast of future earnings and future taxable income, and prudent and feasible tax planning strategies. The assumptions utilized in determining future taxable income require significant judgment and are consistent with the plans and estimates we are using to manage the underlying business. Actual operating results in future years could differ from our current assumptions, judgments and estimates.

We do not recognize certain tax benefits from uncertain tax positions within the provision for income taxes. We may recognize a tax benefit only if it is more likely than not the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such positions are then measured based on the largest benefit that has a greater than 50% likelihood of being realized upon settlement. Due to uncertainties in any tax audit outcome, our estimates of the ultimate settlement of our unrecognized tax positions may change and the actual tax benefits may differ significantly from the estimates.

See Note 11 *Income Taxes* to the consolidated financial statements for further information regarding income taxes.

Recent Accounting Pronouncements

The information set forth under Note 1 to the consolidated financial statements under the caption “Basis of Presentation and Summary of Significant Accounting Policies” is incorporated herein by reference.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

We are exposed to market risks related to interest rate changes, which affect the market values of our investments and debt, as well as foreign currency fluctuations.

Interest Rate Risk

At December 31, 2025, our cash equivalents were generally invested in money market funds and time deposits. Interest paid on such funds fluctuates with the prevailing interest rate.

As of December 31, 2025, we had \$14.5 billion of debt, consisting of fixed rate unsecured debt in twelve tranches due between 2026 and 2054. Refer to Note 7 *Debt* to the consolidated financial statements for details about all issuances. The fair value of our debt will fluctuate with movements of interest rates, increasing in periods of declining rates of interest and declining in periods of increasing rates of interest. The fair value of our debt will also fluctuate based on changes in foreign currency rates, as discussed below.

Foreign Currency Risk

We operate our business globally and transact in multiple currencies. Currencies denominated in other than the U.S. dollar accounted for 56% of revenue and 31% of operating expenses for the year ended December 31, 2025. We therefore have foreign currency risk related to these currencies, which are primarily the Euro, British pound, Brazilian real, Mexican peso, Canadian dollar, and Argentine peso.

Accordingly, volatility in exchange rates, and in particular a weakening of foreign currencies relative to the U.S. dollar, may negatively affect our revenue and operating income as expressed in U.S. dollars. Our revenues, on a constant currency basis, would have been approximately \$271 million higher for the year ended December 31, 2025 than our reported revenues of \$45,183 million. See Part II, Item 7, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” for further information regarding our non-GAAP financial measure of constant currency.

We enter into foreign exchange forward contracts to mitigate fluctuations in forecasted U.S. dollar-equivalent revenues from changes in foreign currency exchange rates. These contracts may reduce, but do not entirely eliminate, the effect of foreign currency exchange fluctuations, and we may choose not to hedge certain exposures. We designate these contracts as cash flow hedges of forecasted foreign currency revenue and initially record the gains or losses on these derivative instruments as a component of accumulated other comprehensive income (“AOCI”) within Stockholders’ equity in the Consolidated Balance Sheets and reclassify the amounts into “Revenues” on the Consolidated Statements of Operations in the same period the forecasted transaction affects earnings. If the U.S. dollar weakened by 10% as of December 31, 2025 and December 31, 2024, the amount recorded in AOCI related to our foreign exchange contracts, before taxes, would have been approximately \$2,296 million and \$1,850 million lower, respectively. This adverse change in AOCI would be expected to offset a corresponding favorable foreign currency change in the underlying forecasted revenues when recognized in earnings.

We enter into foreign exchange forward contracts to mitigate fluctuations in forecasted and firmly committed U.S. dollar-equivalent transactions related to the licensing and production of content assets from changes in foreign currency exchange rates. These contracts may reduce, but do not entirely eliminate, the effect of foreign currency exchange fluctuations, and we may choose not to hedge certain exposures. We designate these contracts as cash flow hedges and initially record the gains or losses on these derivative instruments as a component of AOCI and reclassify the amounts into “Cost of Revenues” to offset the hedged exposures as they affect earnings, which occurs as the underlying hedged content assets are amortized. If the U.S. dollar strengthened by 10% as of December 31, 2025 and December 31, 2024, the amount recorded in AOCI related to our foreign exchange contracts, before taxes, would have been approximately \$237 million and \$187 million lower, respectively. This adverse change in AOCI would be expected to offset a corresponding favorable foreign currency change in the underlying exposures when recognized in earnings.

We use non-derivative instruments to mitigate foreign exchange risk related to our net investments in certain foreign subsidiaries. These non-derivative instruments may reduce, but do not entirely eliminate, the effect of foreign currency exchange fluctuations, and we may choose not to hedge certain exposures. We designate a portion of our foreign currency-denominated Senior Notes in Euro as net investment hedges and the gains or losses on these non-derivative instruments are reported as a component of AOCI and remain in AOCI until the hedged net investment is sold or liquidated, at which point the amounts recognized in AOCI are reclassified into earnings.

We have also experienced and will continue to experience fluctuations in our net income as a result of gains (losses) on the settlement and the remeasurement of monetary assets and liabilities denominated in currencies that are not the functional currency. We enter into foreign exchange forward contracts to mitigate the foreign exchange risk on intercompany transactions and monetary assets and liabilities that are not denominated in the functional currencies of the Company and its subsidiaries. These contracts may reduce, but do not entirely eliminate, the effect of foreign currency exchange fluctuations, and we may choose not to hedge certain exposures. Certain contracts are not designated as hedging instruments and the gains or losses on these derivative instruments are recorded in “Interest and other income (expense)” in the

Consolidated Statements of Operations. We also designate certain contracts as fair value hedges to mitigate the foreign exchange risk on the remeasurement of our foreign-currency denominated debt. The gains or losses on these derivative instruments included in the assessment of hedge effectiveness are recorded in “Interest and other income (expense),” net with the offsetting foreign currency remeasurement gains and losses on the hedged items. If an adverse change in exchange rates of 10% was applied to our monetary assets and liabilities denominated in currencies other than the functional currencies as of December 31, 2025 and December 31, 2024, income before income taxes would have been approximately \$1 million and \$38 million lower, respectively, after considering the offsetting impact of the foreign currency exchange contracts and our net investment hedges.

Item 8. Financial Statements and Supplementary Data

The consolidated financial statements and accompanying notes listed in Part IV, Item 15(a)(1) of this Annual Report on Form 10-K are included immediately following Part IV hereof and incorporated by reference herein.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures**(a) Evaluation of Disclosure Controls and Procedures**

Our management, with the participation of our co-Chief Executive Officers and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the period covered by this Annual Report on Form 10-K. Based on that evaluation, our co-Chief Executive Officers and Chief Financial Officer concluded that our disclosure controls and procedures as of the end of the period covered by this Annual Report on Form 10-K were effective in providing reasonable assurance that information required to be disclosed by us in reports that we file or submit under the Exchange Act, is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, and that such information is accumulated and communicated to our management, including our co-Chief Executive Officers and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosures.

Our management, including our co-Chief Executive Officers and Chief Financial Officer, does not expect that our disclosure controls and procedures or our internal controls will prevent all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within Netflix have been detected.

(b) Management's Annual Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rule 13a-15(f) of the Exchange Act). Our management assessed the effectiveness of our internal control over financial reporting as of December 31, 2025. In making this assessment, our management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") in *Internal Control—Integrated Framework* (2013 framework). Based on our assessment under the framework in *Internal Control—Integrated Framework* (2013 framework), our management concluded that our internal control over financial reporting was effective as of December 31, 2025. The effectiveness of our internal control over financial reporting as of December 31, 2025 has been audited by Ernst & Young LLP, an independent registered public accounting firm, as stated in their report that is included herein.

(c) Changes in Internal Control Over Financial Reporting

There was no change in our internal control over financial reporting that occurred during the quarter ended December 31, 2025 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of Netflix, Inc.

Opinion on Internal Control Over Financial Reporting

We have audited Netflix, Inc.'s internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, Netflix, Inc. (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2025 and 2024, the related consolidated statements of operations, comprehensive income, stockholders' equity and cash flows for each of the three years in the period ended December 31, 2025, and the related notes and our report dated January 23, 2026 expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Annual Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

San Jose, California
January 23, 2026

Item 9B. Other Information

Rule 10b5-1 Trading Plans

The adoption or termination of contracts, instructions or written plans for the purchase or sale of our securities by our Section 16 officers and directors for the three months ended December 31, 2025, each of which is intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) under the Exchange Act (“Rule 10b5-1 Plan”), were as follows:

Name	Title	Action	Date Adopted	Expiration Date	Aggregate # of Securities to be Purchased/Sold ⁽¹⁾
Spencer Neumann ⁽²⁾	Chief Financial Officer	Adoption	10/23/2025	12/31/2026	314,880
Greg Peters ⁽³⁾	Co-CEO and Director	Termination	10/30/2025	N/A	1,585,830
Greg Peters ⁽⁴⁾	Co-CEO and Director	Adoption	10/30/2025	12/31/2029	2,951,230
Ann Mather ⁽⁵⁾	Director	Adoption	11/7/2025	12/31/2026	23,430

(1) Aggregated shares covered have been adjusted to reflect the effect of the Stock Split. See Note 1 *Organization and Summary of Significant Accounting Policies* for further information regarding the Stock Split.

(2) Spencer Neumann, Chief Financial Officer, entered into a pre-arranged stock trading plan pursuant to Rule 10b5-1 on October 23, 2025. Mr. Neumann's plan provides for the potential exercise of vested stock options and the associated sale of up to 314,880 shares of Netflix common stock. The plan expires on December 31, 2026, or upon the earlier completion of all authorized transactions under the plan.

(3) On October 30, 2025, Greg Peters, Co-CEO and a member of the Board of Directors, terminated a pre-arranged stock trading plan pursuant to Rule 10b5-1, which was adopted on October 30, 2024. The plan provided for the potential exercise and sale of vested stock options, as well as the sale of Performance Share Units (PSUs) that were expected to vest during the term of the 10b5-1 plan (assuming vest at 100% of the target award amount) for up to 1,585,830 shares of Netflix common stock until November 1, 2027 or the earlier completion of all authorized transactions under the plan.

(4) Upon termination of Mr. Peters' prior plan (described in footnote 3), on October 30, 2025, Mr. Peters entered into a pre-arranged stock trading plan pursuant to Rule 10b5-1 that provides for the potential exercise of vested stock options and the associated sale of up to 2,951,230 shares of Netflix common stock. This figure includes 380,720 PSUs that are expected to vest during the term of the 10b5-1 plan, which are assumed to vest at 100% of the target award amount. The actual number of PSUs that may vest can vary between 0% - 200% of the target award of PSUs, subject to the achievement of certain performance conditions as set forth in the PSU award agreement, less shares to be withheld for tax withholding obligations. The plan expires on December 31, 2029, or upon the earlier completion of all authorized transactions under the plan.

(5) Ann Mather, a member of the Board of Directors, entered into a pre-arranged stock trading plan pursuant to Rule 10b5-1 on November 7, 2025. Ms. Mather's plan provides for the potential exercise of vested stock options and the associated sale of up to 23,430 shares of Netflix common stock. The plan expires on December 31, 2026, or upon the earlier completion of all authorized transactions under the plan.

Other than those disclosed above, none of our directors or officers adopted or terminated a “non-Rule 10b5-1 trading arrangement” as defined in Item 408 of Regulation S-K.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not applicable.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

Information regarding our directors and executive officers is incorporated by reference from the information contained under the sections “Proposal One: Election of Directors,” “Our Company Executive Officers,” and “Other Information” in our Proxy Statement for the Annual Meeting of Stockholders.

The Company has adopted an insider trading policy which governs transactions in our securities by the Company and its directors, officers, employees, consultants, and contractors, which the Company believes is reasonably designed to promote compliance with insider trading laws, rules and regulations, and any listing standards applicable to the Company. A copy of our insider trading policy is filed with this Annual Report on Form 10-K as Exhibit 19.1.

Item 11. Executive Compensation

Information required by this item is incorporated by reference from information contained under the sections “Compensation Discussion and Analysis” and “Compensation of Named Executive Officers and Other Matters” in our Proxy Statement for the Annual Meeting of Stockholders.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

Information required by this item is incorporated by reference from information contained under the sections “Security Ownership of Certain Beneficial Owners and Management” and “Equity Compensation Plan Information” in our Proxy Statement for the Annual Meeting of Stockholders.

Item 13. Certain Relationships and Related Transactions, and Director Independence

Information required by this item is incorporated by reference from information contained under the section “Certain Relationships and Related Transactions” and “Director Independence” in our Proxy Statement for the Annual Meeting of Stockholders.

Item 14. Principal Accountant Fees and Services

Information with respect to principal independent registered public accounting firm fees and services is incorporated by reference from the information under the caption “Proposal Two: Ratification of Appointment of Independent Registered Public Accounting Firm” in our Proxy Statement for the Annual Meeting of Stockholders.

PART IV

Item 15. Exhibits, Financial Statement Schedules

(a) The following documents are filed as part of this Annual Report on Form 10-K:

(1) Financial Statements:

The financial statements are filed as part of this Annual Report on Form 10-K under “Item 8. Financial Statements and Supplementary Data.”

(2) Financial Statement Schedules:

The financial statement schedules are omitted as they are either not applicable or the information required is presented in the financial statements and notes thereto under “Item 8. Financial Statements and Supplementary Data.”

(3) Exhibits:

See Exhibit Index immediately following the signature page of this Annual Report on Form 10-K.

Item 16. Form 10-K Summary

None.

NETFLIX, INC.
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Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of Netflix, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Netflix, Inc. (the Company) as of December 31, 2025 and 2024, the related consolidated statements of operations, comprehensive income, stockholders' equity and cash flows for each of the three years in the period ended December 31, 2025, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), and our report dated January 23, 2026 expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Content Amortization

Description of the Matter

As disclosed in Note 1 to the consolidated financial statements “Organization and Summary of Significant Accounting Policies”, the Company acquires, licenses and produces content, including original programming (“Content”). The Company amortizes Content based on factors including historical and estimated viewing patterns.

Auditing the amortization of the Company’s Content is complex and subjective due to the judgmental nature of amortization which is based on an estimate of future viewing patterns. Estimated viewing patterns are based on historical and forecasted viewing. If actual viewing patterns differ from these estimates, the pattern and/or period of amortization would be changed and could affect the timing of recognition of content amortization.

How We Addressed the Matter in Our Audit

We obtained an understanding, evaluated the design and tested the operating effectiveness of controls over the content amortization process. For example, we tested controls over management’s review of the content amortization method and the significant assumptions, including the historical and forecasted viewing hour consumption, used to develop estimated viewing patterns. We also tested management’s controls to determine that the data used in the model was complete and accurate.

To test content amortization, our audit procedures included, among others, evaluating the content amortization method, testing the significant assumptions used to develop the estimated viewing patterns and testing the completeness and accuracy of the underlying data. For example, we assessed management’s assumptions by comparing them to current viewing trends and current operating information including comparing previous estimates of viewing patterns to actual results. We also performed sensitivity analyses to evaluate the potential changes in the content amortization recorded that could result from changes in the assumptions.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2012.
San Jose, California
January 23, 2026

NETFLIX, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share data)

	Year ended December 31,		
	2025	2024	2023
Revenues	\$ 45,183,036	\$ 39,000,966	\$ 33,723,297
Cost of revenues	23,275,329	21,038,464	19,715,368
Sales and marketing	3,301,306	2,917,554	2,657,883
Technology and development	3,391,390	2,925,295	2,675,758
General and administrative	1,888,408	1,702,039	1,720,285
Operating income	13,326,603	10,417,614	6,954,003
Other income (expense):			
Interest expense	(776,510)	(718,733)	(699,826)
Interest and other income (expense)	172,459	266,776	(48,772)
Income before income taxes	12,722,552	9,965,657	6,205,405
Provision for income taxes	(1,741,351)	(1,254,026)	(797,415)
Net income	\$ 10,981,201	\$ 8,711,631	\$ 5,407,990
Earnings per share:			
Basic	\$ 2.58	\$ 2.03	\$ 1.22
Diluted	\$ 2.53	\$ 1.98	\$ 1.20
Weighted-average shares of common stock outstanding:			
Basic	4,249,512	4,295,191	4,415,712
Diluted	4,343,863	4,392,608	4,494,966

See accompanying notes to consolidated financial statements.

NETFLIX, INC.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(in thousands)

	Year ended December 31,		
	2025	2024	2023
Net income	\$ 10,981,201	\$ 8,711,631	\$ 5,407,990
Other comprehensive income (loss):			
Foreign currency translation adjustments, net of income tax benefit (expense) of \$33 million, \$(7) million, and \$0, respectively	72,011	(247,949)	113,384
Net change in unrealized gains (losses) on available-for-sale securities, net of income tax benefit (expense) of \$1 million, \$(1) million, and \$0, respectively	(2,511)	2,511	—
Cash flow hedges:			
Net unrealized gains (losses)	(1,071,168)	921,227	(120,023)
Reclassification of net (gains) losses included in net income	68,962	(96,795)	—
Net change, net of income tax benefit (expense) of \$301 million, \$(246) million, and \$36 million, respectively	(1,002,206)	824,432	(120,023)
Fair value hedges:			
Net change in unrealized gains (losses) excluded from the assessment of effectiveness, net of income tax benefit (expense) of \$3 million, \$(2) million, and \$0, respectively	(9,838)	7,113	—
Total other comprehensive income (loss)	(942,544)	586,107	(6,639)
Comprehensive income	<u>\$ 10,038,657</u>	<u>\$ 9,297,738</u>	<u>\$ 5,401,351</u>

See accompanying notes to consolidated financial statements.

NETFLIX, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Year Ended December 31,		
	2025	2024	2023
Cash flows from operating activities:			
Net income	\$ 10,981,201	\$ 8,711,631	\$ 5,407,990
Adjustments to reconcile net income to net cash provided by operating activities:			
Additions to content assets	(17,096,617)	(16,223,617)	(12,554,703)
Change in content liabilities	(610,838)	(779,135)	(585,602)
Amortization of content assets	16,422,166	15,301,517	14,197,437
Depreciation and amortization of property, equipment and intangibles	333,389	328,914	356,947
Stock-based compensation expense	368,449	272,588	339,368
Foreign currency remeasurement loss (gain) on debt	72,348	(121,539)	176,296
Other non-cash items	577,451	494,778	512,075
Deferred income taxes	(442,056)	(590,698)	(459,359)
Changes in operating assets and liabilities:			
Other current assets	(790,661)	22,180	(181,003)
Accounts payable	(8,039)	121,353	93,502
Accrued expenses and other liabilities	881,218	191,899	103,565
Deferred revenue	254,917	77,844	178,708
Other non-current assets and liabilities	(793,655)	(446,351)	(310,920)
Net cash provided by operating activities	10,149,273	7,361,364	7,274,301
Cash flows from investing activities:			
Purchases of property and equipment	(688,220)	(439,538)	(348,552)
Acquisitions	(17,194)	—	—
Purchases of investments	(169,965)	(1,742,246)	(504,862)
Proceeds from maturities and sales of investments	1,917,067	—	1,395,165
Net cash provided by (used in) investing activities	1,041,688	(2,181,784)	541,751
Cash flows from financing activities:			
Proceeds from issuance of debt	—	1,794,460	—
Repayments of debt	(1,833,450)	(400,000)	—
Proceeds from issuance of common stock	666,965	832,887	169,990
Repurchases of common stock	(9,127,167)	(6,263,746)	(6,045,347)
Taxes paid related to net share settlement of equity awards	(46,165)	(8,285)	—
Other financing activities	(5,806)	(29,743)	(75,446)
Net cash used in financing activities	(10,345,623)	(4,074,427)	(5,950,803)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	386,519	(416,331)	82,684
Net increase in cash, cash equivalents and restricted cash	1,231,857	688,822	1,947,933
Cash, cash equivalents and restricted cash, beginning of year	7,807,337	7,118,515	5,170,582
Cash, cash equivalents and restricted cash, end of year	\$ 9,039,194	\$ 7,807,337	\$ 7,118,515
Supplemental disclosure:			
Interest paid	718,611	674,502	684,504

See accompanying notes to consolidated financial statements.

NETFLIX, INC.

CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share data)

	As of December 31,	
	2025	2024
Assets		
Current assets:		
Cash and cash equivalents	\$ 9,033,681	\$ 7,804,733
Short-term investments	28,678	1,779,006
Other current assets	3,957,832	3,516,640
Total current assets	13,020,191	13,100,379
Content assets, net	32,778,392	32,452,462
Property and equipment, net	2,004,350	1,593,756
Other non-current assets	7,794,060	6,483,777
Total assets	\$ 55,596,993	\$ 53,630,374
Liabilities and Stockholders' Equity		
Current liabilities:		
Current content liabilities	\$ 4,084,854	\$ 4,393,681
Accounts payable	900,612	899,909
Accrued expenses and other liabilities	3,220,869	2,156,544
Deferred revenue	1,775,730	1,520,813
Short-term debt	998,865	1,784,453
Total current liabilities	10,980,930	10,755,400
Non-current content liabilities	1,579,476	1,780,806
Long-term debt	13,463,971	13,798,351
Other non-current liabilities	2,957,128	2,552,250
Total liabilities	28,981,505	28,886,807
Commitments and contingencies (Note 9)		
Stockholders' equity:		
Preferred stock, \$0.001 par value; 10,000,000 shares authorized at December 31, 2025 and December 31, 2024; no shares issued and outstanding at December 31, 2025 and December 31, 2024	—	—
Common stock, \$0.001 par value; 49,900,000,000 shares authorized at December 31, 2025 and December 31, 2024; 4,222,162,150 and 4,277,571,000 issued and outstanding at December 31, 2025 and December 31, 2024, respectively	7,286,410	6,252,126
Treasury stock at cost (346,541,145 and 259,534,600 shares at December 31, 2025 and December 31, 2024)	(22,372,658)	(13,171,638)
Accumulated other comprehensive income (loss)	(580,382)	362,162
Retained earnings	42,282,118	31,300,917
Total stockholders' equity	26,615,488	24,743,567
Total liabilities and stockholders' equity	\$ 55,596,993	\$ 53,630,374

See accompanying notes to consolidated financial statements.

NETFLIX, INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(in thousands, except share data)

	Common Stock and Additional Paid-in Capital		Treasury Stock	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Total Stockholders' Equity
	Shares	Amount				
Balances as of December 31, 2022	4,453,467,760	\$ 4,637,601	\$ (824,190)	\$ (217,306)	\$17,181,296	\$20,777,401
Net income	—	—	—	—	5,407,990	5,407,990
Other comprehensive loss	—	—	—	(6,639)	—	(6,639)
Issuance of common stock	19,265,980	168,203	—	—	—	168,203
Repurchases of common stock	(145,137,900)	—	(6,098,010)	—	—	(6,098,010)
Stock-based compensation expense	—	339,368	—	—	—	339,368
Balances as of December 31, 2023	4,327,595,840	\$ 5,145,172	\$ (6,922,200)	\$ (223,945)	\$22,589,286	\$20,588,313
Net income	—	—	—	—	8,711,631	8,711,631
Other comprehensive income	—	—	—	586,107	—	586,107
Issuance of common stock	48,727,080	834,366	—	—	—	834,366
Repurchases of common stock	(98,619,350)	—	(6,241,153)	—	—	(6,241,153)
Shares withheld related to net share settlement of equity awards	(132,570)	—	(8,285)	—	—	(8,285)
Stock-based compensation expense	—	272,588	—	—	—	272,588
Balances as of December 31, 2024	4,277,571,000	\$ 6,252,126	\$ (13,171,638)	\$ 362,162	\$31,300,917	\$24,743,567
Net income	—	—	—	—	10,981,201	10,981,201
Other comprehensive loss	—	—	—	(942,544)	—	(942,544)
Issuance of common stock	31,597,695	665,835	—	—	—	665,835
Repurchases of common stock	(86,536,215)	—	(9,154,855)	—	—	(9,154,855)
Shares withheld related to net share settlement of equity awards	(470,330)	—	(46,165)	—	—	(46,165)
Stock-based compensation expense	—	368,449	—	—	—	368,449
Balances as of December 31, 2025	4,222,162,150	\$ 7,286,410	\$ (22,372,658)	\$ (580,382)	\$42,282,118	\$26,615,488

See accompanying notes to consolidated financial statements.

NETFLIX, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Organization and Summary of Significant Accounting Policies**Description of Business**

Netflix, Inc. (the “Company”) was incorporated on August 29, 1997 and began operations on April 14, 1998. The Company is one of the world’s leading entertainment services offering TV series, films, games and live programming across a wide variety of genres and languages. Members can play, pause and resume watching as much as they want, anytime, anywhere, and can change their plans at any time.

Basis of Presentation

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. Intercompany balances and transactions have been eliminated.

Stock Split

On November 14, 2025, the Company completed a ten-for-one forward stock split of the Company's issued common stock (the “Stock Split”). Each shareholder as of the record date of November 10, 2025 received nine additional shares of common stock for every share held. References made to share or per share amounts in the accompanying consolidated financial statements and applicable disclosures have been retroactively adjusted to reflect the Stock Split. See Note 10 *Stockholders' Equity* for additional information.

Use of Estimates

The preparation of consolidated financial statements in conformity with generally accepted accounting principles (“GAAP”) in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting periods. Significant items subject to such estimates and assumptions include the content asset amortization policy and the recognition and measurement of income tax assets and liabilities. The Company bases its estimates on historical experience and on various other assumptions that the Company believes to be reasonable under the circumstances. On an ongoing basis, the Company evaluates these assumptions, judgments and estimates. Actual results may differ from these estimates.

Recently issued accounting pronouncements not yet adopted

In November 2024, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2024-03, *Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*, requiring public entities to disclose additional information about specific expense categories in the notes to the financial statements on an interim and annual basis. ASU 2024-03 is effective for fiscal years beginning after December 15, 2026, and for interim periods beginning after December 15, 2027, with early adoption permitted. The Company is currently evaluating the impact of adopting ASU 2024-03.

In December 2025, the FASB issued ASU 2025-10, *Government Grants (Topic 832): Accounting for Government Grants Received by Business Entities*, which establishes authoritative guidance on the recognition, measurement, presentation, and disclosure of government grants. Under ASU 2025-10, government grants are recognized when it is probable that the entity will both comply with the conditions of the grant and the grant will be received. The ASU provides specific accounting models for grants related to assets and grants related to income, including options to recognize government grants as deferred income or as a reduction of the asset’s cost basis. The ASU also requires enhanced disclosures regarding the nature of government grants, significant terms and conditions, accounting policies applied, and amounts recognized in the financial statements. ASU 2025-10 is effective for fiscal years beginning after December 15, 2028, including interim periods within those fiscal years, with early adoption permitted. The Company is currently evaluating the impact of adopting ASU 2025-10.

In December 2025, the FASB issued ASU 2025-11, *Interim Reporting (Topic 270): Narrow-Scope Improvements*, which clarifies the guidance in Topic 270 to improve the consistency of interim financial reporting. The ASU provides a comprehensive list of required interim disclosures and introduces a disclosure principle requiring entities to disclose events since the end of the last annual reporting period that have a material impact on the entity. ASU 2025-11 is effective for fiscal years beginning after December 15, 2027, including interim periods within those fiscal years, with early adoption permitted. The Company is currently evaluating the impact of adopting ASU 2025-11.

Recently adopted accounting pronouncements

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, which requires public entities, on an annual basis, to provide disclosure of specific categories in the rate reconciliation, as well as disclosure of income taxes paid disaggregated by jurisdiction. ASU 2023-09 is effective for fiscal years beginning after December 15, 2024, with early adoption permitted. The Company adopted ASU 2023-09 for the year ended December 31, 2025, and applied the new disclosure requirements

prospectively to the current annual period. Prior period disclosures have not been adjusted to reflect the new disclosure requirements. See Note 11 *Income Taxes* in the accompanying notes to the consolidated financial statements for further detail.

Cash Equivalents and Short-term Investments

The Company considers investments in instruments purchased with an original maturity of 90 days or less to be cash equivalents. The Company also classifies amounts in transit from payment processors for customer credit card and debit card transactions that it expects to settle within several days as cash equivalents.

The Company classifies short-term investments, which consist of marketable securities with original maturities in excess of 90 days as available-for-sale. Short-term investments are reported at fair value, with allowances for credit losses included in “Interest and other income (expense)” in the Consolidated Statements of Operations and unrealized gains and losses included in “Accumulated other comprehensive income (loss)” within Stockholders’ equity in the Consolidated Balance Sheets. The Company uses the specific identification method to determine cost in calculating realized gains and losses upon the sale of short-term investments.

Short-term investments are reviewed periodically for allowances for credit losses and impairment. When evaluating the investments, the Company reviews factors such as the extent to which the fair value of the security is less than the amortized cost basis, adverse conditions specifically related to the security, the financial condition of the issuer, the Company’s intent to sell, and whether it would be more likely than not that the Company would be required to sell the investments before the recovery of their amortized cost basis.

Content

The Company acquires, licenses and produces content, including original programming, in order to offer members unlimited viewing of video entertainment. The content licenses are for a fixed fee and specific windows of availability. Payment terms for certain content licenses and the production of content require more upfront cash payments relative to the amortization expense. Payments for content, including additions to content assets and the changes in related liabilities, are classified within “Net cash provided by operating activities” on the Consolidated Statements of Cash Flows.

The Company recognizes content assets (licensed and produced) as “Content assets, net” on the Consolidated Balance Sheets. For licensed content, the Company capitalizes the fee per title and records a corresponding liability at the gross amount of the liability when the license period begins, the cost of the title is known and the title is accepted and available for streaming. For produced content, the Company capitalizes costs associated with the production, including development costs, direct costs and production overhead, as costs are incurred.

Based on factors including historical and estimated viewing patterns, the Company amortizes the content assets (licensed and produced) in “Cost of revenues” on the Consolidated Statements of Operations over the shorter of each title’s contractual window of availability, estimated period of use or ten years, beginning with the month of first availability. The amortization is on an accelerated basis, as the Company typically expects more upfront viewing, and film amortization is more accelerated than TV series amortization. On average, over 90% of a licensed or produced content asset is expected to be amortized within four years after its month of first availability. The Company reviews factors impacting the amortization of the content assets on a regular basis. The Company’s estimates related to these factors require considerable management judgment.

In the normal course of business, the Company, or a third-party producing content on the Company’s behalf, may qualify for tax incentives through eligible spend on productions. The accounting for tax incentives is dependent on the particular type of incentive, including the nature of the benefit and the location the incentive is earned. In general, tax incentives are realized as cash receipts and may be received prior to or after a title launches on the Company’s service. Any amounts the Company is eligible for through qualified production spend but has not received, are recognized in “Other current assets” or “Other non-current assets” on the Company’s Consolidated Balance Sheets as receivables. Tax incentives are generally accounted for as a reduction to the cost basis of the Company’s content assets (presented in “Content assets, net”) and reduce content amortization over the life of the title (as presented in “Cost of revenues”) on the Consolidated Statements of Operations.

The Company’s business model is subscription based as opposed to a model generating revenues at a specific title level. Content assets (licensed and produced) are predominantly monetized as a group and therefore are reviewed in the aggregate at a group level when an event or change in circumstances indicates a change in the expected usefulness of the content or that the fair value may be less than unamortized cost. To date, the Company has not identified any such event or changes in circumstances. If such changes are identified in the future, these aggregated content assets will be stated at the lower of unamortized cost or fair value. In addition, unamortized costs for assets that have been, or are expected to be, abandoned are written off.

Acquisitions

The Company uses its best estimates and assumptions to assign fair value to the tangible and intangible assets acquired and liabilities assumed at the acquisition date. In addition, uncertain tax positions, tax-related valuation allowances and pre-acquisition contingencies of an entity acquired in a business combination are recorded as of the acquisition date.

Property and Equipment

Property and equipment are carried at cost less accumulated depreciation. Depreciation is calculated using the straight-line method over the shorter of the estimated useful lives of the respective assets, generally up to 30 years, or the expected lease term for leasehold improvements, if applicable.

Trade Receivables

Trade receivables primarily consist of membership and advertising fees due to the Company. The Company evaluates the need for an allowance for credit losses based on historical collection trends, the financial condition of its payment partners, and external market factors.

Revenue Recognition

The Company's primary source of revenues is from monthly membership fees. Members are billed in advance of the start of their monthly membership and revenues are recognized ratably over each monthly membership period. Revenues are presented net of the taxes that are collected from members and remitted to governmental authorities. The Company is the principal in all its relationships where partners, including consumer electronics ("CE") manufacturers, multichannel video programming distributors ("MVPDs"), mobile operators and internet service providers ("ISPs"), provide access to the service as the Company retains control over service delivery to its members. In circumstances in which the price that the member pays is established by a partner and there is no standalone price for the Netflix service (for instance, in a bundle), the net amount collected from the partner is recognized as revenue.

The Company also earns revenue from advertisements presented on its streaming service, consumer products, live experiences and various other sources. Revenues earned from sources other than monthly membership fees were not a material component of revenues for the years ended December 31, 2025, 2024, and 2023. See Note 2 *Revenue Recognition* to the consolidated financial statements for further information regarding revenues.

Sales and Marketing

Sales and marketing expenses consist primarily of expenses for promotional activities such as digital and television advertising, and certain payments made to marketing and advertising sales partners. Our marketing partners include CE manufacturers, MVPDs, mobile operators, and ISPs. Our advertising sales partners include advertising technology providers and advertising agencies. Sales and marketing expenses also include payroll, stock-based compensation, facilities, and other related expenses for personnel that support advertising sales and marketing activities. Marketing expenses are expensed as incurred. Advertising expenses were \$2,001 million, \$1,779 million and \$1,732 million for the years ended December 31, 2025, 2024 and 2023, respectively.

Income Taxes

The Company records a provision for income taxes for the anticipated tax consequences of the reported results of operations using the asset and liability method. Deferred income taxes are recognized by applying enacted statutory tax rates applicable to future years to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases as well as net operating loss and tax credit carryforwards. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. The measurement of deferred tax assets is reduced, if necessary, by a valuation allowance for any tax benefits for which future realization is uncertain. The Company accounts for the tax effects of global intangible low tax income as a current period expense.

The Company does not recognize certain tax benefits from uncertain tax positions within the provision for income taxes. The Company may recognize a tax benefit only if it is more likely than not the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such positions are then measured based on the largest benefit that has a greater than 50% likelihood of being realized upon settlement. The Company recognizes interest and penalties related to uncertain tax positions in income tax expense. See Note 11 *Income Taxes* to the consolidated financial statements for further information regarding income taxes.

Foreign Currency

The functional currency for the Company's subsidiaries is determined based on the primary economic environment in which the subsidiary operates. The Company translates the assets and liabilities of its non-U.S. dollar functional currency subsidiaries into U.S. dollars using exchange rates in effect at the end of each period. Revenues and expenses for these subsidiaries are translated using rates that approximate those in effect during the period. Gains and losses from these translations are recognized in cumulative translation adjustment included in "Accumulated other comprehensive income" in Stockholders' equity on the Consolidated Balance Sheets.

The Company remeasures monetary assets and liabilities that are not denominated in the functional currency at exchange rates in effect at the end of each period. Gains and losses from these remeasurements are recognized in "Interest and other income (expense)" in the Consolidated Statements of Operations. Foreign exchange losses were \$123 million, \$18 million, and \$293 million for the years ended

December 31, 2025, 2024, and 2023, respectively. These losses were primarily due to the non-cash remeasurement of our Senior Notes denominated in Euro and the remeasurement of cash and content liability positions denominated in currencies other than functional currencies. Foreign exchange losses for the years ended December 31, 2025 and December 31, 2024 were net of hedging impacts. No hedging gains or losses were recognized in the Consolidated Statements of Operations in the year ended December 31, 2023. See Note 8 *Derivative Financial Instruments and Hedging Activities* for further information.

Derivative Financial Instruments and Hedging Activities

The Company uses derivative and non-derivative instruments to manage foreign exchange risk related to its ongoing business operations with the primary objective of reducing earnings and cash flow volatility associated with fluctuations in foreign exchange rates.

The Company recognizes derivative instruments at fair value as either assets (presented in “Other current assets” and “Other non-current assets”) or liabilities (presented in “Accrued expenses and other liabilities” and “Other non-current liabilities”) on the Company’s Consolidated Balance Sheets. The Company classifies derivative instruments in the Level 2 category within the fair value hierarchy.

Cash flow hedges

The Company enters into forward contracts to manage the foreign exchange risk on forecasted revenue transactions denominated in currencies other than the U.S. dollar, as well as the foreign exchange risk on forecasted transactions and firm commitments related to the licensing and production of foreign currency-denominated content assets. These forward contracts are designated as cash flow hedges of foreign currency firm commitments and forecasted transactions and generally have maturities of 36 months or less. The hedging contracts may reduce, but do not entirely eliminate, the effect of foreign currency exchange movements, and the Company may choose not to hedge certain exposures.

The gain or loss on derivative instruments designated as cash flow hedges of forecasted foreign currency revenue is initially reported as a component of accumulated other comprehensive income (“AOCI”) and reclassified into “Revenues” on the Consolidated Statements of Operations in the same period the forecasted transaction affects earnings. The gain or loss on derivative instruments designated as cash flow hedges of firmly committed or forecasted transactions related to the licensing and production of content assets is initially reported as a component of AOCI and reclassified into “Cost of Revenues” on the Consolidated Statements of Operations in the same period the hedged transaction affects earnings, which occurs as the underlying hedged content assets are amortized. Cash flows from hedging activities are classified in the same category as the cash flows for the underlying item being hedged within “Net cash provided by operating activities” on the Consolidated Statements of Cash Flows.

In the event that the likelihood of occurrence of the underlying forecasted transactions is determined to be probable not to occur, the gains or losses on the related cash flow hedges are reclassified from AOCI to “Interest and other income (expense)” in the Consolidated Statements of Operations in the period of dedesignation.

Fair value hedges

The Company designates forward contracts as fair value hedges to manage the foreign exchange risk on its foreign-currency denominated debt. These hedges may reduce, but do not entirely eliminate, the effect of foreign currency exchange movements, and the Company may choose not to hedge the full amount of its exposure. The gain or loss on derivative instruments designated as fair value hedges included in the assessment of hedge effectiveness is recognized in “Interest and other income (expense),” net with the offsetting foreign currency remeasurement gains and losses on the hedged items. The Company excludes forward points from the assessment of hedge effectiveness and recognizes the initial value of the excluded component over the life of the hedging instrument in “Interest and other income (expense)” on the Consolidated Statements of Operations. The difference between changes in fair value of the excluded component and the amount recognized in earnings is recognized as a component in AOCI. Cash flows from hedging activities are classified in the same category as the cash flows for the underlying item being hedged within “Net cash provided by (used in) financing activities” on the Consolidated Statements of Cash Flows.

Net investment hedges

The Company designates a portion of its foreign currency-denominated debt as net investment hedges to manage the foreign exchange risk on its investment in certain foreign subsidiaries. These hedges may reduce, but do not entirely eliminate, the effect of foreign currency exchange movements, and the Company may choose not to hedge certain exposures. The gains or losses on these non-derivative instruments are reported as a component of AOCI as part of the cumulative translation adjustment on the Company’s Consolidated Balance Sheets. The accumulated gains and losses remain in AOCI until the hedged net investment is sold or liquidated, at which point the amounts recognized in AOCI are reclassified into earnings.

Derivative instruments not designated as hedging instruments

The Company enters into forward contracts to manage the foreign exchange risk on intercompany transactions and monetary assets and liabilities that are not denominated in the functional currencies of the Company and its subsidiaries. These derivative instruments are not designated as hedging instruments and may reduce, but do not entirely eliminate, the effect of foreign currency exchange movements. The gains or losses on derivative instruments not designated as hedging instruments are recorded in “Interest and other income (expense)” in the

Consolidated Statements of Operations. Cash flows related to these derivative instruments are classified within “Net cash provided by operating activities” on the Consolidated Statements of Cash Flows.

See Note 8 *Derivative Financial Instruments and Hedging Activities* to the consolidated financial statements for further information regarding the Company’s derivative and non-derivative financial instruments.

Stock-Based Compensation

The Company grants non-qualified stock options to its employees on a monthly basis. For certain executive officers, the Company grants restricted stock units (“RSUs”) and performance-based restricted stock units (“PSUs”). Stock-based compensation expense is based on the fair value of the stock awards at the grant date and is recognized, net of forfeitures, over the requisite service period. See Note 10 *Stockholders' Equity* to the consolidated financial statements for further information regarding stock-based compensation.

2. Revenue Recognition

The following table summarizes streaming revenues by region for the years ended December 31, 2025, 2024 and 2023. Total streaming revenues are inclusive of hedging gains (losses) of \$(91) million and \$124 million for the years ended December 31, 2025 and 2024, respectively. No hedging gains and losses were recognized in total streaming revenues for the year ended December 31, 2023. See Note 8 *Derivative Financial Instruments and Hedging Activities* for further information.

	Year Ended December 31,		
	2025	2024	2023
	(in thousands)		
United States and Canada (UCAN)	\$ 19,957,152	\$ 17,359,369	\$ 14,873,783
Europe, Middle East, and Africa (EMEA)	14,514,646	12,387,035	10,556,487
Latin America (LATAM)	5,357,521	4,839,816	4,446,461
Asia-Pacific (APAC)	5,353,717	4,414,746	3,763,727
Total Streaming Revenues	<u>\$ 45,183,036</u>	<u>\$ 39,000,966</u>	<u>\$ 33,640,458</u>

Deferred revenue consists of membership fees billed that have not been recognized, as well as gift and other prepaid memberships that have not been fully redeemed. As of December 31, 2025, total deferred revenue was \$1,776 million, the vast majority of which was related to membership fees billed that are expected to be recognized as revenue within the next month. The remaining deferred revenue balance, which is related to gift cards and other prepaid memberships, will be recognized as revenue over the period of service after redemption, which is expected to occur over the next 12 months. Deferred revenue increased \$255 million from \$1,521 million as of December 31, 2024 to \$1,776 million as of December 31, 2025. Deferred revenue balances may fluctuate due to the number of paid memberships and the price of our memberships.

3. Earnings per Share

On November 14, 2025, the Company completed the Stock Split to all shareholders of record as of November 10, 2025.

Outstanding share and per-share amounts disclosed for all periods provided have been retroactively adjusted to reflect the effects of the Stock Split.

Basic earnings per share is computed using the weighted-average number of outstanding shares of common stock during the period. Diluted earnings per share is computed using the weighted-average number of outstanding shares of common stock and, when dilutive, potential outstanding shares of common stock during the period. Potential outstanding shares of common stock are calculated using the treasury-stock method and consist of incremental shares issuable upon the assumed exercise of stock options and vesting of time-based and performance-based restricted stock units. The computation of earnings per share, as adjusted for the Stock Split, is as follows:

	Year Ended December 31,		
	2025	2024	2023
	(in thousands, except per share data)		
Basic earnings per share:			
Net income	\$ 10,981,201	\$ 8,711,631	\$ 5,407,990
Shares used in computation:			
Weighted-average shares of common stock outstanding	4,249,512	4,295,191	4,415,712
Basic earnings per share	<u>\$ 2.58</u>	<u>\$ 2.03</u>	<u>\$ 1.22</u>
Diluted earnings per share:			
Net income	\$ 10,981,201	\$ 8,711,631	\$ 5,407,990
Shares used in computation:			
Weighted-average shares of common stock outstanding	4,249,512	4,295,191	4,415,712
Effect of dilutive stock-based awards	94,351	97,417	79,254
Weighted-average number of shares	<u>4,343,863</u>	<u>4,392,608</u>	<u>4,494,966</u>
Diluted earnings per share	<u>\$ 2.53</u>	<u>\$ 1.98</u>	<u>\$ 1.20</u>

The following table summarizes the potential shares of common stock excluded from the diluted calculation, as adjusted for the Stock Split, as their inclusion would have been anti-dilutive:

	Year Ended December 31,		
	2025	2024	2023
	(in thousands)		
Stock-based awards	818	2,432	41,091

4. Cash, Cash Equivalents, Restricted Cash, and Short-term Investments

The Company classifies short-term investments, which consist of marketable securities with original maturities in excess of 90 days as available-for-sale (“AFS”). The Company does not buy and hold securities principally for the purpose of selling them in the near future. The Company’s policy is focused on the preservation of capital, liquidity and return. From time to time, the Company may sell certain securities but the objectives are generally not to generate profits on short-term differences in price.

The following tables summarize the Company's cash, cash equivalents, restricted cash and short-term investments as of December 31, 2025 and 2024:

As of December 31, 2025								
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value	Cash and cash equivalents	Short-term investments	Other Current Assets	Non-current Assets
(in thousands)								
Cash	\$ 5,214,163	\$ —	\$ —	\$ 5,214,163	\$ 5,208,710	\$ —	\$ 5,369	\$ 84
Level 1 securities:								
Money market funds	3,259,240	—	—	3,259,240	3,259,180	—	—	60
Level 2 securities:								
Time Deposits ⁽¹⁾	594,469	—	—	594,469	565,791	28,678	—	—
	<u>\$ 9,067,872</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 9,067,872</u>	<u>\$ 9,033,681</u>	<u>\$ 28,678</u>	<u>\$ 5,369</u>	<u>\$ 144</u>
As of December 31, 2024								
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value	Cash and cash equivalents	Short-term investments	Other Current Assets	Non-current Assets
(in thousands)								
Cash	\$ 4,866,753	\$ —	\$ —	\$ 4,866,753	\$ 4,864,207	\$ —	\$ 2,472	\$ 74
Level 1 securities:								
Money market funds	2,676,314	—	—	2,676,314	2,676,256	—	—	58
Level 2 securities:								
Time Deposits ⁽¹⁾	301,374	—	—	301,374	264,270	37,104	—	—
Government securities	1,738,642	3,260	—	1,741,902	—	1,741,902	—	—
	<u>\$ 9,583,083</u>	<u>\$ 3,260</u>	<u>\$ —</u>	<u>\$ 9,586,343</u>	<u>\$ 7,804,733</u>	<u>\$ 1,779,006</u>	<u>\$ 2,472</u>	<u>\$ 132</u>

(1) The majority of the Company's time deposits are international deposits, which mature within one year.

Other current assets and non-current assets primarily consist of restricted cash for deposits related to self-insurance. The fair value of AFS securities, cash equivalents and short-term investments included in the Level 2 category is based on observable inputs, such as quoted prices for similar assets at the measurement date; quoted prices in markets that are not active; or other inputs that are observable, either directly or indirectly.

See Note 7 *Debt* and Note 8 *Derivative Financial Instruments and Hedging Activities* to the consolidated financial statements for further information regarding the fair value of the Company’s senior notes and derivative financial instruments.

5. Balance Sheet Components

Content Assets, Net

Content assets consisted of the following:

	As of December 31,	
	2025	2024
	(in thousands)	
Licensed content, net	\$ 12,138,578	\$ 12,422,309
Produced content, net		
Released, less amortization	10,687,444	10,151,543
In production	9,210,735	9,317,367
In development and pre-production	741,635	561,243
	20,639,814	20,030,153
Content assets, net	<u>\$ 32,778,392</u>	<u>\$ 32,452,462</u>

As of December 31, 2025, approximately \$6,381 million, \$2,280 million, and \$1,469 million of the \$12,139 million unamortized cost of the licensed content is expected to be amortized in each of the next three years. As of December 31, 2025, approximately \$4,309 million, \$2,784 million, and \$1,840 million of the \$10,687 million unamortized cost of the produced content that has been released is expected to be amortized in each of the next three years.

The following table summarizes the amortization of content assets:

	Year Ended December 31,		
	2025	2024	2023
	(in thousands)		
Licensed content	\$ 8,713,558	\$ 7,689,014	\$ 7,145,446
Produced content ⁽¹⁾	7,708,608	7,612,503	7,051,991
Total	<u>\$ 16,422,166</u>	<u>\$ 15,301,517</u>	<u>\$ 14,197,437</u>

(1) Tax incentives earned on qualified production spend generally reduce the cost-basis of content assets and result in lower content amortization over the life of the title. For the years ended December 31, 2025, 2024 and 2023, tax incentives resulted in lower content amortization on produced content of approximately \$1,000 million, \$899 million and \$835 million, respectively.

Property and Equipment, Net

Property and equipment and accumulated depreciation consisted of the following:

	As of December 31,		Estimated Useful Lives (in Years)
	2025	2024	
	(in thousands)		
Land	\$ 155,664	\$ 85,000	
Buildings and improvements	537,082	475,684	30 years
Leasehold improvements	1,263,051	1,026,593	Over life of lease
Furniture and fixtures	157,984	134,987	3 years
Information technology	572,407	446,419	3-5 years
Corporate aircraft	99,164	99,175	8-10 years
Machinery and equipment	30,879	15,135	3-5 years
Capital work-in-progress	285,010	228,300	
Property and equipment, gross	3,101,241	2,511,293	
Less: Accumulated depreciation	(1,096,891)	(917,537)	
Property and equipment, net	<u>\$ 2,004,350</u>	<u>\$ 1,593,756</u>	

Leases

The Company has entered into operating leases primarily for real estate. These leases generally have terms which range from 1 year to 15 years, and often include one or more options to renew. These renewal terms can extend the lease term from 1 year to 20 years, and are included in the lease term when it is reasonably certain that the Company will exercise the option. These operating leases are included in “Other non-current assets” on the Company's Consolidated Balance Sheets, and represent the Company’s right to use the underlying asset for the lease term. The Company’s obligations to make lease payments are included in “Accrued expenses and other liabilities” and “Other non-current liabilities” on the Company's Consolidated Balance Sheets. Operating lease right-of-use assets and liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. The Company has entered into various short-term operating leases with an initial term of twelve months or less. These leases are not recorded on the Company's Consolidated Balance Sheets. All operating lease expense is recognized on a straight-line basis over the lease term. Because the rate implicit in each lease is not readily determinable, the Company uses its incremental borrowing rate to determine the present value of the lease payments. The Company has certain contracts for real estate which may contain lease and non-lease components which it has elected to treat as a single lease component.

The components of lease costs for the years ended December 31, 2025, 2024 and 2023 were as follows:

	Year ended December 31,		
	2025	2024	2023
	(in thousands)		
Operating lease cost	\$ 503,637	\$ 468,282	\$ 430,856
Short-term lease cost	207,324	197,691	207,822
Total lease cost	<u>\$ 710,961</u>	<u>\$ 665,973</u>	<u>\$ 638,678</u>

Information related to the Company's operating right-of-use assets and related operating lease liabilities were as follows:

	Year ended December 31,		
	2025	2024	2023
	(in thousands)		
Cash paid for operating lease liabilities	\$ 506,624	\$ 509,296	\$ 451,525
Right-of-use assets obtained in exchange for new operating lease obligations	465,420	442,391	196,639

	As of December 31,	
	2025	2024
	(in thousands, except lease term and discount rate)	
Operating lease right-of-use assets, net	\$ 2,207,161	\$ 2,102,310
Current operating lease liabilities	\$ 460,475	\$ 428,482
Non-current operating lease liabilities	2,052,526	1,983,688
Total operating lease liabilities	<u>\$ 2,513,001</u>	<u>\$ 2,412,170</u>
Weighted-average remaining lease term	7.0 years	6.9 years
Weighted-average discount rate	3.8 %	3.5 %

Maturities of operating lease liabilities as of December 31, 2025 were as follows (in thousands):

Due in 12 month period ended December 31,		
2026	\$	555,684
2027		481,542
2028		422,982
2029		351,107
2030		292,154
Thereafter		782,470
		2,885,939
Less imputed interest		(372,938)
	Total operating lease liabilities \$	2,513,001

Other Current Assets

Other current assets consisted of the following:

	As of	
	December 31, 2025	December 31, 2024
	(in thousands)	
Trade receivables	\$ 2,031,476	\$ 1,335,304
Prepaid expenses	498,054	431,924
Other ⁽¹⁾	1,428,302	1,749,412
Total other current assets	\$ 3,957,832	\$ 3,516,640

(1) \$552 million and \$653 million of receivables related to tax incentives earned on production spend are included in Other as of December 31, 2025 and 2024, respectively.

6. Acquisitions

In December 2025, the Company completed an acquisition which was accounted for as a business combination for a total purchase price of approximately \$28 million, consisting of cash consideration.

On December 4, 2025, the Company entered into a definitive agreement and plan of merger with Warner Bros. Discovery, Inc. ("WBD"), to acquire WBD's streaming and studios businesses, including its film and television studios, HBO Max and HBO (such transaction, the "WBD transaction"), which was then amended by the parties thereto on January 19, 2026 (as so amended and restated, the "Amended and Restated Merger Agreement"). WBD is a leading global media and entertainment company and will separate its Global Linear Networks business, Discovery Global, into a new publicly-traded company prior to the closing of the WBD transaction. See Note 9 *Commitments and Contingencies* for further details.

7. Debt

As of December 31, 2025, the Company had aggregate outstanding notes of \$14,463 million, net of \$56 million of issuance costs and discounts, with varying maturities (the “Notes”). As of December 31, 2024, the Company had aggregate outstanding notes of \$15,583 million, net of \$70 million of issuance costs and discounts. Each of the Notes are senior unsecured obligations of the Company. Interest is payable semi-annually at fixed rates.

A portion of the outstanding Notes is denominated in foreign currency (comprised of €4,700 million) and is remeasured into U.S. dollars at each balance sheet date (with remeasurement loss, net of hedging impacts, totaling \$72 million for the year ended December 31, 2025). See Note 8 *Derivative Financial Instruments and Hedging Activities* to the consolidated financial statements for further information regarding the Company’s derivative and non-derivative financial instruments.

The following table provides a summary of the Company’s outstanding debt and the fair values based on quoted market prices in less active markets as of December 31, 2025 and December 31, 2024:

	Principal Amount at Par		Issuance Date	Maturity	Level 2 Fair Value as of	
	December 31, 2025	December 31, 2024			December 31, 2025	December 31, 2024
	(in millions)				(in millions)	
5.875% Senior Notes	—	800	February 2015	February 2025	—	801
3.000% Senior Notes ⁽¹⁾	—	487	April 2020	June 2025	—	487
3.625% Senior Notes	—	500	April 2020	June 2025	—	497
4.375% Senior Notes	1,000	1,000	October 2016	November 2026	1,006	998
3.625% Senior Notes ⁽¹⁾	1,526	1,346	May 2017	May 2027	1,550	1,375
4.875% Senior Notes	1,600	1,600	October 2017	April 2028	1,634	1,607
5.875% Senior Notes	1,900	1,900	April 2018	November 2028	1,998	1,970
4.625% Senior Notes ⁽¹⁾	1,292	1,139	October 2018	May 2029	1,363	1,220
6.375% Senior Notes	800	800	October 2018	May 2029	857	848
3.875% Senior Notes ⁽¹⁾	1,409	1,242	April 2019	November 2029	1,455	1,293
5.375% Senior Notes	900	900	April 2019	November 2029	939	918
3.625% Senior Notes ⁽¹⁾	1,292	1,139	October 2019	June 2030	1,322	1,174
4.875% Senior Notes	1,000	1,000	October 2019	June 2030	1,025	996
4.900% Senior Notes	1,000	1,000	August 2024	August 2034	1,025	982
5.400% Senior Notes	800	800	August 2024	August 2054	777	782
	<u>\$ 14,519</u>	<u>\$ 15,653</u>			<u>\$ 14,951</u>	<u>\$ 15,948</u>

(1) The following Senior Notes have a principal amount denominated in Euro: 3.000% Senior Notes for €470 million, 3.625% Senior Notes for €1,300 million, 4.625% Senior Notes for €1,100 million, 3.875% Senior Notes for €1,200 million, and 3.625% Senior Notes for €1,100 million.

In the year ended December 31, 2025, the Company repaid upon maturity the \$800 million aggregate principal amount of its 5.875% Senior Notes, the €470 million aggregate principal amount of its 3.000% Senior Notes, and the \$500 million aggregate principal amount of its 3.625% Senior Notes.

Each of the Notes are repayable in whole or in part upon the occurrence of a change of control, at the option of the holders, at a purchase price in cash equal to 101% of the principal plus accrued interest. The Company may redeem the Notes prior to maturity in whole or in part at an amount equal to the principal amount thereof plus accrued and unpaid interest and an applicable premium. The Notes include, among other terms and conditions, limitations on the Company’s ability to create, incur or allow certain liens, and consolidate or merge with, or convey, transfer or lease all or substantially all of the Company’s and its subsidiaries assets, to another person. Certain of the Notes additionally limit the ability to enter into sale and lease-back transactions and create, assume, incur or guarantee additional indebtedness of certain of the Company’s subsidiaries. As of December 31, 2025 and December 31, 2024, the Company was in compliance with all related covenants.

Revolving Credit Facility

On April 12, 2024, the Company entered into a five-year, \$3 billion unsecured revolving credit facility that matures on April 12, 2029 (the “Revolving Credit Agreement”), to replace its previous \$1 billion unsecured revolving credit facility. As of December 31, 2025, no amounts have been borrowed under the Revolving Credit Agreement.

The borrowings under the Revolving Credit Agreement bear interest, at the Company's option, of either (i) a floating rate per annum equal to a base rate (the "Alternate Base Rate") plus an applicable margin or (ii) a per annum rate equal to an adjusted term SOFR rate (the "Adjusted Term SOFR Rate") plus an applicable margin. The applicable margin for Alternate Base Rate loans will range from 0.00% to 0.25%, and the applicable margin for Adjusted Term SOFR Rate loans will range from 0.75% to 1.25%, each based on the Company's credit ratings.

The Revolving Credit Agreement contains customary affirmative covenants and negative covenants (and customary baskets and exceptions with respect thereto) for a credit facility of this size and type and requires the Company to maintain a minimum ratio of consolidated EBITDA to consolidated interest expense of 3.0 to 1.0 as of the last day of each fiscal quarter. As of December 31, 2025 and December 31, 2024, the Company was in compliance with all related covenants and ratios.

Commercial Paper Program

In May 2025, the Company established a \$3 billion commercial paper program (the "Commercial Paper Program") under which it may issue short-term unsecured commercial paper notes. Net proceeds from this program may be used for general corporate purposes. There were no borrowings outstanding under the Commercial Paper Program as of December 31, 2025.

WBD Financing

On December 4, 2025, the Company entered into a bridge commitment letter pursuant to which the commitment parties agreed to provide, subject to the satisfaction of customary closing conditions, a \$59 billion senior unsecured bridge term loan facility to finance the purchase price for the WBD transaction, to pay fees, costs and expenses incurred in connection with the WBD transaction and, at the Company's option, to refinance certain indebtedness (the "Bridge Facility Commitments"). As of December 31, 2025, no amounts have been utilized under the Bridge Facility Commitments and the Bridge Facility Commitments have been reduced on a dollar-for-dollar basis by the amounts of the Transactions Revolving Credit Agreement and the DDTL Credit Agreement described below to \$34 billion.

On December 19, 2025, the Company entered into a \$5 billion senior unsecured revolving credit facility (the "Transactions Revolving Credit Agreement"). Borrowings under the Transactions Revolving Credit Agreement may be used for working capital and general corporate purposes and to finance the purchase price for the WBD transaction, to pay fees, costs and expenses incurred in connection with the WBD transaction and, at the Company's option, to refinance certain indebtedness. Revolving loans under the Transactions Revolving Credit Agreement may be borrowed, repaid and reborrowed until the date that is the earliest of (i) the date that is the third anniversary of the date of the consummation of the WBD transaction, (ii) the date the Amended and Restated Merger Agreement is terminated in accordance with its terms and (iii) December 19, 2030, at which time all amounts borrowed must be repaid. Borrowings under the Transactions Revolving Credit Agreement bear interest, at the Company's option, at either (i) the Alternate Base Rate plus an applicable margin or (ii) a per annum rate equal to a term SOFR rate (the "Term SOFR Rate") plus an applicable margin. The applicable margin for Alternate Base Rate loans will range from 0% to 0.10%, and the applicable margin for Term SOFR Rate loans will range from 0.60% to 1.10%, each based on the Company's credit ratings. The Transactions Revolving Credit Agreement contains customary affirmative covenants and negative covenants (and customary baskets and exceptions with respect thereto) for a credit facility of this size and type. The Transactions Revolving Credit Agreement requires the Company to maintain a minimum ratio of consolidated EBITDA to consolidated interest expense of 3.0 to 1.0 as of the last day of each fiscal quarter. As of December 31, 2025, the Company was in compliance with all related covenants and ratios and no amounts have been borrowed under the Transactions Revolving Credit Agreement.

On December 19, 2025, the Company entered into a senior unsecured delayed draw credit facility (the "DDTL Credit Agreement"). The DDTL Credit Agreement provides for a two-year \$10 billion unsecured delayed draw term loan credit facility (the "2Y DDTL Facility") and a three-year \$10 billion unsecured delayed draw term loan credit facility (the "3Y DDTL Facility"). Borrowings under each of the 2Y DDTL Facility and the 3Y DDTL Facility may be used to finance the purchase price for the WBD transaction, to pay fees, costs and expenses incurred in connection with the WBD transaction and, at the Company's option, to refinance certain indebtedness. Delayed draw term loans under the DDTL Credit Agreement will bear interest, at the Company's option, at either (i) the Alternate Base Rate plus an applicable margin or (ii) the Term SOFR Rate plus an applicable margin. For the 2Y DDTL Facility, the applicable margin for Alternate Base Rate loans will range from 0% to 0.125%, and the applicable margin for Term SOFR Rate loans will range from 0.850% to 1.125%, each based on the Company's credit ratings. For the 3Y DDTL Facility, the applicable margin for Alternate Base Rate loans will range from 0% to 0.25%, and the applicable margin for Term SOFR Rate loans will range from 0.95% to 1.25%, each based on the Company's credit ratings. The DDTL Credit Agreement contains customary affirmative covenants and negative covenants (and customary baskets and exceptions with respect thereto) for a credit facility of this size and type. The DDTL Credit Agreement requires the Company to maintain a minimum ratio of consolidated EBITDA to consolidated interest expense of 3.0 to 1.0 as of the last day of each fiscal quarter. As of December 31, 2025, the Company was in compliance with all related covenants and ratios and no amounts have been borrowed under the DDTL Credit Agreement.

See Note 9 *Commitments and Contingencies* and Note 14 *Subsequent Event* for further information on the financing arrangements the Company has entered into in connection with the WBD transaction.

8. Derivative Financial Instruments and Hedging Activities

The Company uses derivative and non-derivative instruments to manage foreign exchange risk related to its ongoing business operations with the primary objective of reducing earnings and cash flow volatility associated with fluctuations in foreign exchange rates.

Notional Amount of Derivative Contracts

The net notional amounts of the Company's outstanding derivative instruments were as follows:

		As of December 31,	
		2025	2024
		(in thousands)	
Derivatives designated as hedging instruments:			
Foreign exchange contracts			
Cash flow hedges	\$	21,066,760	\$ 18,508,390
Fair value hedges		2,884,792	3,819,817
Derivatives not designated as hedging instruments:			
Foreign exchange contracts		1,555,502	1,432,136
Total	\$	25,507,054	\$ 23,760,343

As of December 31, 2025 and December 31, 2024, approximately \$1.9 billion and \$1.0 billion, respectively, of the Company's Euro-denominated Senior Notes were designated as hedges of the foreign exchange risk of the Company's net investment in certain foreign subsidiaries.

As of December 31, 2025 and December 31, 2024, the carrying amount of the Company's Euro-denominated Senior Notes (included in "Long-term debt" on the Company's Consolidated Balance Sheets), which were designated as the hedged items in fair value hedges, was approximately \$2.9 billion and \$3.6 billion, respectively.

See Note 7 *Debt* for further information on the Company's debt obligations.

Fair Value of Derivative Contracts

The fair value of the Company's outstanding derivative instruments was as follows:

		As of December 31, 2025			
		Derivative Assets		Derivative Liabilities	
		Other current assets	Other non-current assets	Accrued expenses and other liabilities	Other non-current liabilities
		(in thousands)			
Derivatives designated as hedging instruments:					
Foreign exchange contracts	\$	192,828	\$ 88,985	\$ 426,341	\$ 214,574
Derivatives not designated as hedging instruments:					
Foreign exchange contracts		3,463	—	11,704	—
Total	\$	196,291	\$ 88,985	\$ 438,045	\$ 214,574
		As of December 31, 2024			
		Derivative Assets		Derivative Liabilities	
		Other current assets	Other non-current assets	Accrued expenses and other liabilities	Other non-current liabilities
		(in thousands)			
Derivatives designated as hedging instruments:					
Foreign exchange contracts	\$	580,065	\$ 406,677	\$ 303,425	\$ 83
Derivatives not designated as hedging instruments:					
Foreign exchange contracts		16,211	—	14,492	—
Total	\$	596,276	\$ 406,677	\$ 317,917	\$ 83

The Company classifies derivative instruments in the Level 2 category within the fair value hierarchy. These instruments are valued using industry standard valuation models that use observable inputs such as interest rate yield curves, and forward and spot prices for currencies.

As of December 31, 2025, the pre-tax net accumulated loss on our foreign currency cash flow hedges included in AOCI on the Consolidated Balance Sheets expected to be recognized in earnings within the next 12 months is \$275 million.

Master Netting Agreements

In order to mitigate counterparty credit risk, the Company enters into master netting agreements with its counterparties for its foreign currency exchange contracts which permit the parties to settle amounts on a net basis under certain conditions. The Company has elected to present its derivative assets and liabilities on a gross basis on its Consolidated Balance Sheets.

The Company also enters into collateral security arrangements with its counterparties that require the parties to post cash collateral when certain contractual thresholds are met. Cash collateral received is presented in “Accrued expenses and other liabilities” representing the Company’s obligation to return counterparty cash collateral. Cash collateral posted is presented in “Other current assets” representing the Company’s right to reclaim the cash collateral. The Company does not offset the fair value of its derivative instruments against the fair value of cash collateral posted or received.

The potential offsetting effect to the Company’s derivative assets and liabilities under its master netting agreements and collateral security agreements were as follows:

	As of December 31, 2025					
			Gross Amount Not Offset in the Consolidated Balance Sheets			
	Gross Amount Recognized in the Consolidated Balance Sheets	Gross Amount Offset in the Consolidated Balance Sheets	Net Amount Presented in the Consolidated Balance Sheets	Financial Instruments	Collateral Received and Posted	Net Amount
	(in thousands)					
Derivative assets	\$ 285,276	\$ —	\$ 285,276	\$ (282,469)	\$ —	\$ 2,807
Derivative liabilities	652,619	—	652,619	(282,469)	—	370,150
	As of December 31, 2024					
			Gross Amount Not Offset in the Consolidated Balance Sheets			
	Gross Amount Recognized in the Consolidated Balance Sheets	Gross Amount Offset in the Consolidated Balance Sheets	Net Amount Presented in the Consolidated Balance Sheets	Financial Instruments	Collateral Received and Posted	Net Amount
	(in thousands)					
Derivative assets	\$ 1,002,953	\$ —	\$ 1,002,953	\$ (316,320)	\$ (1,800)	\$ 684,833
Derivative liabilities	318,000	—	318,000	(316,320)	—	1,680

Effect of Derivative and Non-Derivative Instruments on Consolidated Financial Statements

The pre-tax gains (losses) on the Company’s cash flow hedges, fair value hedges, and net investment hedges recognized in AOCI were as follows:

	Year Ended December 31,		
	2025	2024	2023
	(in thousands)		
Cash flow hedges:			
Foreign exchange contracts			
Amount included in the assessment of effectiveness	\$ (1,393,364)	\$ 1,195,738	\$ (155,730)
Fair value hedges:			
Foreign exchange contracts			
Amount excluded from the assessment of effectiveness	(71,999)	(14,334)	—
Net investment hedges:			
Foreign currency-denominated debt			
Amount included in the assessment of effectiveness	(144,656)	32,400	—
Total	<u>\$ (1,610,019)</u>	<u>\$ 1,213,804</u>	<u>\$ (155,730)</u>

The gains (losses) on hedged items and derivative instruments recognized in the Consolidated Statement of Operations were as follows:

	Year Ended December 31,		
	2025		
	Revenues	Cost of Revenues	Interest and other income (expense)
	(in thousands)		
Total amounts presented in the Consolidated Statements of Operations	\$ 45,183,036	\$ 23,275,329	\$ 172,459
Gains (losses) on derivatives in cash flow hedging relationship			
Foreign exchange contracts			
Amount of gains (losses) reclassified from AOCI	(91,143)	1,437	—
Gains (losses) on derivatives in fair value hedging relationship			
Foreign exchange contracts			
Hedged items	—	—	(470,441)
Derivatives designated as hedging instruments	—	—	481,416
Amount excluded from assessment of effectiveness and recognized in earnings based on amortization approach	—	—	(59,201)
Losses on derivatives not designated as hedging instruments			
Foreign exchange contracts	—	—	(97,865)

	Year Ended December 31,		
	2024		
	Revenues	Cost of Revenues	Interest and other income (expense)
	(in thousands)		
Total amounts presented in the Consolidated Statements of Operations	\$ 39,000,966	\$ 21,038,464	\$ 266,776
Gains on derivatives in cash flow hedging relationship			
Foreign exchange contracts			
Amount of gains reclassified from AOCI	124,010	1,629	—
Gains (losses) on derivatives in fair value hedging relationship			
Foreign exchange contracts			
Hedged items	—	—	196,660
Derivatives designated as hedging instruments	—	—	(201,239)
Amount excluded from assessment of effectiveness and recognized in earnings based on amortization approach	—	—	(23,567)
Gains on derivatives not designated as hedging instruments			
Foreign exchange contracts	—	—	63,291

No gains or losses on derivative instruments were reclassified from AOCI into the Consolidated Statements of Operations in the year ended December 31, 2023.

9. Commitments and Contingencies

Content

At December 31, 2025, the Company had \$24.0 billion of obligations comprised of \$4.1 billion included in “Current content liabilities” and \$1.6 billion of “Non-current content liabilities” on the Consolidated Balance Sheets and \$18.4 billion of obligations that are not reflected on the Consolidated Balance Sheets as they did not yet meet the criteria for recognition.

At December 31, 2024, the Company had \$23.2 billion of obligations comprised of \$4.4 billion included in “Current content liabilities” and \$1.8 billion of “Non-current content liabilities” on the Consolidated Balance Sheets and \$17.0 billion of obligations that are not reflected on the Consolidated Balance Sheets as they did not yet meet the criteria for recognition.

The expected timing of payments for these content obligations is as follows:

	As of December 31,	
	2025	2024
	(in thousands)	
Less than one year	\$ 11,528,030	\$ 11,424,696
Due after one year and through three years	8,376,160	8,113,910
Due after three years and through five years	3,041,538	2,809,834
Due after five years	1,093,500	900,491
Total content obligations	\$ 24,039,228	\$ 23,248,931

Content obligations include amounts related to the acquisition, licensing and production of content. Obligations that are in non-U.S. dollar currencies are translated to the U.S. dollar at period end rates. An obligation for the production of content includes non-cancelable commitments under creative talent and employment agreements as well as other production related commitments. An obligation for the acquisition and licensing of content is incurred at the time the Company enters into an agreement to obtain future titles. Once a title becomes available, a content liability is recorded on the Consolidated Balance Sheets. Certain agreements include the obligation to license rights for unknown future titles, the ultimate quantity and/or fees for which are not yet determinable as of the reporting date. Traditional film output deals, or certain TV series license agreements where the number of seasons to be aired is unknown, are examples of such license agreements. The Company does not include any estimated obligation for these future titles beyond the known minimum amount. However, the unknown obligations are expected to be significant.

Acquisitions

On December 4, 2025, the Company entered into a definitive agreement and plan of merger with WBD to acquire WBD's streaming and studios businesses, including its film and television studios, HBO Max and HBO, which was then amended by the parties thereto on January 19, 2026, by the Amended and Restated Merger Agreement. Under the terms of the Amended and Restated Merger Agreement, each WBD stockholder will receive \$27.75 in cash (as may be adjusted in accordance with the terms of the Amended and Restated Merger Agreement) for each share of WBD common stock outstanding as of immediately prior to the closing of the WBD transaction, for a total equity value of approximately \$72.0 billion and an enterprise value of approximately \$82.7 billion (in each case, as of December 4, 2025). The total equity value and enterprise value of the WBD transaction may fluctuate based on WBD's capitalization as of the closing of the WBD transaction. The Company expects the WBD transaction to close in 12-18 months from December 4, 2025, subject to receipt of required regulatory approvals, approval of WBD stockholders, the consummation of the separation and distribution of Discovery Global and other customary closing conditions. The Amended and Restated Merger Agreement provides that, upon termination of the Amended and Restated Merger Agreement under specified circumstances, a termination fee of \$5.8 billion may be payable by Netflix to WBD. See Note 7 *Debt* and Note 14 *Subsequent Event* for further information on the financing arrangements the Company has entered into in connection with its transaction with WBD.

Legal Proceedings

From time to time, in the normal course of its operations, the Company is subject to litigation matters and claims, including claims relating to employee relations, business practices and patent infringement. Litigation can be expensive and disruptive to normal business operations. Moreover, the results of complex legal proceedings are difficult to predict and the Company's view of these matters may change in the future as the litigation and events related thereto unfold. The Company expenses legal fees as incurred. The Company records a provision for contingent losses when it is both probable that a liability has been incurred and the amount of the loss can be reasonably estimated. An unfavorable outcome to any legal matter, if material, could have an adverse effect on the Company's operations or its financial position, liquidity or results of operations.

The Company is involved in litigation matters not listed herein but does not consider the matters to be material either individually or in the aggregate at this time. The Company's view of the matters not listed may change in the future as the litigation and events related thereto unfold.

Non-Income Taxes

The Company is routinely under audit by various tax authorities with regard to non-income tax matters. The subject matter of non-income tax audits primarily arises from disputes on the tax treatment and tax rate applied to our revenue in certain jurisdictions. We accrue, as operating expenses, non-income taxes that may result from examinations by, or any negotiated agreements with, these tax authorities when a loss is probable and reasonably estimable.

Similar to other U.S. companies doing business in Brazil, the Company is involved in a number of matters with the local tax authorities as they pertain to non-income tax assessments. There is inherent complexity and uncertainty regarding these matters, and the final outcomes may be materially different from our expectations. During the year ended December 31, 2025, developments in another taxpayer's judicial proceedings influenced our evaluation of the Company's most significant non-income tax matter in Brazil and we now believe that it is probable that a loss will be incurred. The cumulative loss recognized as an operating expense in the third quarter of the current year related to non-income tax assessments with the Brazilian tax authorities was approximately \$619 million. We continue to accrue incremental non-income taxes that the Company believes are probable of being assessed.

Guarantees—Indemnification Obligations

In the ordinary course of business, the Company has entered into contractual arrangements under which it has agreed to provide indemnification of varying scope and terms to business partners and other parties with respect to certain matters, including, but not limited to, losses arising out of the Company's breach of such agreements and out of intellectual property infringement claims made by third parties. In these circumstances, payment may be conditional on the other party making a claim pursuant to the procedures specified in the particular contract.

The Company's obligations under these agreements may be limited in terms of time or amount, and in some instances, the Company may have recourse against third parties for certain payments. In addition, the Company has entered into indemnification agreements with its directors and certain of its officers that will require it, among other things, to indemnify them against certain liabilities that may arise by reason of their status or service as directors or officers. The terms of such obligations vary.

It is not possible to make a reasonable estimate of the maximum potential amount of future payments under these or similar agreements due to the conditional nature of the Company's obligations and the unique facts and circumstances involved in each particular agreement. No amount has been accrued in the accompanying consolidated financial statements with respect to these indemnification guarantees.

10. Stockholders' Equity

Voting Rights

The holders of each share of common stock shall be entitled to one vote per share on all matters to be voted upon by the Company's stockholders.

Equity Incentive Plans

The Netflix, Inc. 2020 Stock Plan is a stockholder-approved plan that provides for the grant of incentive stock options to employees and for the grant of non-statutory stock options, stock appreciation rights, restricted stock and restricted stock units to employees, directors and consultants.

Restricted Stock Unit Awards

The Company grants time-based restricted stock unit ("RSU") awards and performance-based restricted stock unit ("PSU") awards to certain executive officers. RSU awards vest quarterly over a three-year period subject to the executive's continued employment or service with the Company through the vesting date. PSU awards have performance periods ranging from one to three years and vest depending on the Company's achievement of predetermined market-based performance targets.

Stock Split

On October 30, 2025, the Company's Board of Directors approved the Stock Split to all shareholders of record as of November 10, 2025. The Stock Split was effected on November 14, 2025.

On November 14, 2025, the Company's Board of Directors adopted an amendment to the Company's Amended and Restated Certificate of Incorporation, to proportionately increase the number of shares of the Company's authorized common stock from 4,990,000,000 to 49,900,000,000.

References made to share or per-share amounts disclosed for all periods presented have been retroactively adjusted to reflect the effects of the Stock Split.

Stock Option Activity

The following table summarizes the activities related to the Company's stock options, as adjusted for the Stock Split:

	Options Outstanding		Weighted-Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value (in thousands)
	Number of Shares	Weighted-Average Exercise Price (per share)		
Balances as of December 31, 2022	198,968,610	\$ 24.22		
Granted	17,292,180	37.25		
Exercised	(19,265,980)	8.73		
Expired	(43,720)	3.64		
Balances as of December 31, 2023	196,951,090	\$ 26.89		
Granted	5,758,560	62.09		
Exercised	(48,460,480)	17.22		
Expired	(59,150)	5.61		
Balances as of December 31, 2024	154,190,020	\$ 31.25		
Granted	4,171,629	108.79		
Exercised	(30,638,245)	21.73		
Expired	(43,600)	9.11		
Balances as of December 31, 2025	<u>127,679,804</u>	\$ 36.07	4.79	\$ 7,430,160
Vested and exercisable as of December 31, 2025	<u>127,679,804</u>	\$ 36.07	4.79	\$ 7,430,160

The aggregate intrinsic value in the table above represents the total pretax intrinsic value (the difference between the Company's closing stock price on the last trading day of 2025 and the exercise price, multiplied by the number of in-the-money options) that would have been

received by the option holders had all option holders exercised their options on the last trading day of 2025. This amount changes based on the fair market value of the Company's common stock.

A summary of the amounts related to option exercises, is as follows:

	Year Ended December 31,		
	2025	2024	2023
	(in thousands)		
Total intrinsic value of options exercised	\$ 2,560,914	\$ 2,352,829	\$ 610,594
Cash received from options exercised	666,965	832,887	169,990

The total fair value of stock options that vested during the years ended December 31, 2025, 2024 and 2023 was \$251 million, \$242 million and \$311 million, respectively.

Restricted Stock Unit Activity

The following table summarizes the activities related to the Company's unvested RSUs and PSUs, as adjusted for the Stock Split:

	Unvested Restricted Stock Units	
	Number of Shares	Weighted-Average Grant-Date Fair Value (per share)
Balances as of December 31, 2023	—	\$ —
Granted	1,599,780	68.64
Vested	(266,600)	56.20
Forfeited	—	—
Balances as of December 31, 2024	1,333,180	\$ 71.12
Granted ⁽¹⁾	1,227,850	111.18
Vested ⁽¹⁾	(959,450)	76.48
Forfeited	(16,320)	93.12
Balances as of December 31, 2025	1,585,260	\$ 98.68

(1) Amounts exclude 264,300 incremental PSU awards that will be granted and 528,600 incremental PSU awards that will vest based on the achievement of market-based performance targets during the performance period ended December 31, 2025, but have not been settled as of December 31, 2025.

The total fair value of RSUs that vested during the year ended December 31, 2025 and December 31, 2024 was \$52 million and \$15 million, respectively. No RSUs or PSUs were granted in the year ended December 31, 2023.

Stock-Based Compensation

The following table summarizes total stock-based compensation expense and the related income tax impact:

	Year Ended December 31,		
	2025	2024	2023
	(in thousands)		
Total stock-based compensation expense	\$ 368,449	\$ 272,588	\$ 339,368
Total income tax impact on provision	54,338	43,876	61,588

As of December 31, 2025, \$47 million of total unrecognized compensation cost related to unvested RSUs and PSUs is expected to be recognized over a weighted-average period of 1.53 years.

Stock Repurchases

In September 2023, the Board of Directors authorized the repurchase of up to \$10 billion of the Company's common stock, with no expiration date, and in December 2024, the Board of Directors increased the share repurchase authorization by an additional \$15 billion, also with no expiration date. Stock repurchases may be effected through open market repurchases in compliance with Rule 10b-18 under the Exchange Act, including through the use of trading plans intended to qualify under Rule 10b5-1 under the Exchange Act, privately-negotiated

transactions, accelerated stock repurchase plans, block purchases, or other similar purchase techniques and in such amounts as management deems appropriate. The Company is not obligated to repurchase any specific number of shares, and the timing and actual number of shares repurchased will depend on a variety of factors, including the Company's stock price, general economic, business and market conditions, and alternative investment opportunities. The Company may discontinue any repurchases of its common stock at any time without prior notice. During the year ended December 31, 2025, the Company repurchased 86,536,215 shares for an aggregate amount of \$9.1 billion (excluding the 1% excise tax on stock repurchases as a result of the Inflation Reduction Act of 2022). As of December 31, 2025, \$8.0 billion remains available for repurchases. Shares repurchased by the Company are accounted for when the transaction is settled. As of December 31, 2025, there were no unsettled share repurchases. Direct costs incurred to acquire the shares are included in the total cost of the shares.

Accumulated Other Comprehensive Income (Loss)

The following table summarizes the changes in accumulated balances of other comprehensive income (loss):

	Foreign Currency Translation Adjustments	Net Investment Hedge Gains (Losses)	Change in Unrealized Gains (Losses) on Cash Flow Hedges	Change in Unrealized Gains (Losses) on Excluded Component of Fair Value Hedges	Change in Unrealized Gains (Losses) on AFS Securities	Tax (Expense) Benefit	Total
	(in thousands)						
Balances as of December 31, 2022	\$ (217,306)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ (217,306)
Other comprehensive income (loss) before reclassifications	113,384	—	(155,730)	—	—	35,707	(6,639)
Amounts reclassified from accumulated other comprehensive income (loss)	—	—	—	—	—	—	—
Net change in accumulated other comprehensive income (loss)	113,384	—	(155,730)	—	—	35,707	(6,639)
Balances as of December 31, 2023	(103,922)	—	(155,730)	—	—	35,707	(223,945)
Other comprehensive income (loss) before reclassifications	(272,911)	32,400	1,195,738	(14,334)	3,260	(279,408)	664,745
Amounts reclassified from accumulated other comprehensive income (loss)	—	—	(125,639)	23,567	—	23,434	(78,638)
Net change in accumulated other comprehensive income (loss)	(272,911)	32,400	1,070,099	9,233	3,260	(255,974)	586,107
Balances as of December 31, 2024	(376,833)	32,400	914,369	9,233	3,260	(220,267)	362,162
Other comprehensive income (loss) before reclassifications	183,218	(144,656)	(1,393,364)	(71,999)	(3,139)	373,107	(1,056,833)
Amounts reclassified from accumulated other comprehensive income (loss)	—	—	89,706	59,201	(121)	(34,497)	114,289
Net change in accumulated other comprehensive income (loss)	183,218	(144,656)	(1,303,658)	(12,798)	(3,260)	338,610	(942,544)
Balances as of December 31, 2025	<u>\$ (193,615)</u>	<u>\$ (112,256)</u>	<u>\$ (389,289)</u>	<u>\$ (3,565)</u>	<u>\$ —</u>	<u>\$ 118,343</u>	<u>\$ (580,382)</u>

The following tables summarize the amounts reclassified from AOCI to the Consolidated Statement of Operations:

	Year Ended December 31,				
	2025				
	Revenues	Cost of Revenues	Interest and other income (expense)	Provision for Income Taxes	Total Reclassifications
	(in thousands)				
Gains (losses) on available-for-sale securities					
Amount of gains (losses) reclassified from AOCI	\$ —	\$ —	\$ 121	\$ (23)	\$ 98
Gains (losses) on derivatives in cash flow hedging relationship					
Foreign exchange contracts					
Amount of gains (losses) reclassified from AOCI	(91,143)	1,437	—	20,744	(68,962)
Gains (losses) on derivatives in fair value hedging relationship					
Foreign exchange contracts					
Amount excluded from assessment of effectiveness and recognized in earnings based on amortization approach	—	—	(59,201)	13,776	(45,425)
Total	\$ (91,143)	\$ 1,437	\$ (59,080)	\$ 34,497	\$ (114,289)

	Year Ended December 31,				
	2024				
	Revenues	Cost of Revenues	Interest and other income (expense)	Provision for Income Taxes	Total Reclassifications
	(in thousands)				
Gains (losses) on derivatives in cash flow hedging relationship					
Foreign exchange contracts					
Amount of gains (losses) reclassified from AOCI	\$ 124,010	\$ 1,629	\$ —	\$ (28,844)	\$ 96,795
Gains (losses) on derivatives in fair value hedging relationship					
Foreign exchange contracts					
Amount excluded from assessment of effectiveness and recognized in earnings based on amortization approach	—	—	(23,567)	5,410	(18,157)
Total	\$ 124,010	\$ 1,629	\$ (23,567)	\$ (23,434)	\$ 78,638

No amounts were reclassified from AOCI into the Consolidated Statements of Operations in the year ended December 31, 2023.

11. Income Taxes

Income before provision for income taxes was as follows:

	Year Ended December 31,		
	2025	2024	2023
	(in thousands)		
United States	\$ 12,198,273	\$ 9,101,391	\$ 5,602,762
Foreign	524,279	864,266	602,643
Income before income taxes	<u>\$ 12,722,552</u>	<u>\$ 9,965,657</u>	<u>\$ 6,205,405</u>

The components of provision for income taxes for all periods presented were as follows:

	Year Ended December 31,		
	2025	2024	2023
	(in thousands)		
Current tax provision:			
Federal	\$ 1,317,011	\$ 1,093,667	\$ 854,170
State	311,863	214,814	181,684
Foreign	561,577	536,915	304,539
Total current	2,190,451	1,845,396	1,340,393
Deferred tax provision:			
Federal	(155,477)	(520,510)	(412,760)
State	(34,115)	(41,700)	(55,475)
Foreign	(259,508)	(29,160)	(74,743)
Total deferred	(449,100)	(591,370)	(542,978)
Provision for income taxes	\$ 1,741,351	\$ 1,254,026	\$ 797,415

A reconciliation of the provision for income taxes to the amount computed by applying the 21% statutory U.S. federal income tax rate to income before income taxes after the adoption of ASU 2023-09 is as follows:

	Year Ended December 31,	
	2025	
	(in thousands)	Percent
Tax at U.S. Statutory Rate	\$ 2,671,734	21.0 %
State and Local Income Taxes ⁽¹⁾	191,271	1.5 %
Foreign Tax Effects		
Brazil		
Withholding tax on services	238,233	1.9 %
Others	(77,189)	(0.6)%
Other foreign jurisdictions	23,290	0.2 %
Effect of Cross-Border Tax Laws		
Foreign-derived intangible income	(656,828)	(5.2)%
Foreign tax credit for withholding taxes	(292,148)	(2.3)%
Other	32,815	0.3 %
Tax Credits		
Research and development tax credits	(184,709)	(1.5)%
Other	(9,748)	(0.1)%
Changes in Valuation Allowances	(8,615)	(0.1)%
Nontaxable and Nondeductible items		
Share-based payment awards	(393,156)	(3.1)%
Others	80,904	0.6 %
Changes in Unrecognized Tax Benefits	130,400	1.0 %
Other Adjustments	(4,903)	0.1 %
Effective Tax Rate	\$ 1,741,351	13.7 %

(1) The states and local jurisdictions that contribute to the majority (greater than 50%) of the tax effect in this category include New York state and city, California, Illinois, New Jersey, and New Mexico.

A reconciliation of the provision for income taxes to the amount computed by applying the 21% statutory U.S. federal income tax rate to income before income taxes for years prior to the adoption of ASU 2023-09 is as follows:

	Year Ended December 31,	
	2024	2023
	(in thousands)	
Expected tax expense at U.S. federal statutory tax rate	\$ 2,092,710	\$ 1,303,123
State income taxes, net of federal income tax effect	166,311	104,717
Foreign earnings at other than U.S. rates	13,909	(32,292)
Research and development tax credit	(185,312)	(87,036)
Excess tax benefits on stock-based compensation	(435,909)	(119,043)
Foreign-derived intangible income deduction	(502,968)	(426,597)
Nontaxable and nondeductible items	70,386	41,782
Other	34,899	12,761
Provision for income taxes	\$ 1,254,026	\$ 797,415
Effective Tax Rate	13 %	13 %

The components of deferred tax assets and liabilities were as follows:

	As of December 31,	
	2025	2024
	(in thousands)	
Deferred tax assets:		
Stock-based compensation	\$ 438,684	\$ 440,889
Tax credits and net operating loss carryforwards	835,529	834,402
Capitalized research expenses	969,243	1,075,474
Accruals and reserves	370,568	152,142
Operating lease liabilities	520,170	522,489
OCI hedging losses	116,492	—
Unrealized losses	41,988	12,157
Other	29,426	18,197
Total deferred tax assets	3,322,100	3,055,750
Valuation allowance	(617,575)	(540,272)
Net deferred tax assets	2,704,525	2,515,478
Deferred tax liabilities:		
Depreciation & amortization	(32,780)	(370,709)
Operating right-of-use lease assets	(448,313)	(449,661)
OCI hedging gains	—	(220,009)
Acquired intangibles	(261,493)	(282,187)
Other	(7,136)	(15,354)
Total deferred tax liabilities	(749,722)	(1,337,920)
Net deferred tax assets	\$ 1,954,803	\$ 1,177,558

The following table shows the deferred tax assets and liabilities within our Consolidated Balance Sheets:

	As of December 31,	
	2025	2024
	(in thousands)	
Total deferred tax assets:		
Other non-current assets	\$ 2,062,078	\$ 1,290,160
Total deferred tax liabilities:		
Other non-current liabilities	(107,275)	(112,602)
Net deferred tax assets	<u>\$ 1,954,803</u>	<u>\$ 1,177,558</u>

As of December 31, 2025, for tax return purposes, the Company had \$823 million of California R&D tax credit carryforwards which can be carried forward indefinitely, \$1,018 million of state net operating loss carryforwards, which will begin to expire in 2029, \$48 million of U.S. foreign tax credit carryforwards which will begin to expire in 2033, \$190 million of foreign net operating loss carryforwards which will begin to expire in 2026 and \$51 million of foreign local tax credit carryforwards, which can be carried forward indefinitely.

In evaluating its ability to realize the net deferred tax assets, the Company considered all available positive and negative evidence, including its past operating results and the forecast of future market growth, forecasted earnings, future taxable income, and prudent and feasible tax planning strategies. As of December 31, 2025, the valuation allowance of \$618 million was primarily related to California R&D tax credits, state net operating loss carryforwards, and U.S. foreign tax credits that the Company does not expect to realize.

The unrecognized tax benefits that are not expected to result in payment or receipt of cash within one year are classified as “Other non-current liabilities” and a reduction of deferred tax assets, which is classified as “Other non-current assets” in the Consolidated Balance Sheets. As of December 31, 2025 and 2024, the total amount of gross unrecognized tax benefits was \$566 million and \$432 million, respectively, of which \$336 million and \$251 million, respectively, if recognized, would favorably impact the Company’s effective tax rate. The aggregate changes in the Company’s total gross amount of unrecognized tax benefits are summarized as follows:

	As of December 31,		
	2025	2024	2023
	(in thousands)		
Balance at the beginning of the year	\$ 432,280	\$ 327,105	\$ 226,977
Increases related to tax positions taken during the current period	96,108	93,325	65,630
Increases related to tax positions taken during prior periods	50,285	15,751	76,794
Decreases related to tax positions taken during prior periods	(3,195)	(3,901)	(10,117)
Decreases related to settlements with taxing authorities	(9,115)	—	(32,179)
Decreases related to expiration of statute of limitations	—	—	—
Balance at the end of the year	<u>\$ 566,363</u>	<u>\$ 432,280</u>	<u>\$ 327,105</u>

The Company includes interest and penalties related to unrecognized tax benefits within the provision for income taxes and in “Other non-current liabilities” in the Consolidated Balance Sheets. During the years ended December 31, 2025, 2024 and 2023, the Company recorded \$38 million, \$16 million, and \$25 million, respectively, of net interest and penalties in the provision for income taxes. The amount of interest and penalties accrued at December 31, 2025 and 2024 was \$82 million and \$44 million, respectively.

The Company files U.S. federal, state and foreign tax returns. The Company is currently under examination by the IRS for years 2016 through 2022 and is subject to examination for 2023 and 2024. The Company is also generally subject to examination by various state and foreign jurisdictions for years 2018 through 2024. While the Company is in various stages of inquiry and examination with certain taxing authorities and believes that its tax positions will more likely than not be sustained, it is nonetheless possible that future obligations related to these matters could arise. The Company believes that adequate amounts have been reserved for any adjustments that may ultimately result from an examination.

The amounts of cash income taxes paid by the Company were as follows:

	Year Ended December 31, 2025 (in thousands)
Federal	\$ 1,120,172
State and local	273,976
Foreign	
Brazil	275,106
Korea	195,302
All other foreign	355,828
Income taxes, net of amounts refunded	\$ 2,220,384

The amount of cash income taxes paid by the Company during the years ended December 31, 2024 and 2023 was \$1,642 million and \$1,155 million, respectively.

12. Employee Benefit Plan

The Company maintains a 401(k) savings plan covering substantially all of its employees. Eligible employees may contribute up to 80% of their annual salary through payroll deductions, but not more than the statutory limits set by the Internal Revenue Service. The Company matches employee contributions at the discretion of the Board. During the years ended December 31, 2025, 2024 and 2023, the Company's matching contributions totaled \$144 million, \$128 million and \$114 million, respectively.

Multiemployer Benefit Plans

The Company contributes to various multiemployer defined pension plans under the terms of collective bargaining agreements that cover our union-represented employees. The risks of participating in multiemployer pension plans are different from single-employer plans such that (i) contributions made by the Company to the multiemployer pension plans may be used to provide benefits to employees of other participating employers; (ii) if the Company chooses to stop participating in the multiemployer pension plans, it may be required to pay those plans an amount based on the underfunded status of the plan; and (iii) if a company stops contributing to the multiemployer pension plan, the unfunded obligations of the plan may become the obligation of the remaining participating employers. The Company also contributes to various other multiemployer benefit plans that provide health and welfare benefits to both active and retired participants. The Company does not participate in any multiemployer benefit plans that are individually significant to the Company.

The following table summarizes the Company's contributions to multiemployer pension and health plans for the years ended December 31, 2025, 2024 and 2023, respectively:

	Year Ended December 31,		
	2025	2024	2023
	(in thousands)		
Pension benefits	\$ 92,643	\$ 89,707	\$ 57,285
Health benefits	127,671	134,079	85,157
Total contributions	\$ 220,314	\$ 223,786	\$ 142,442

13. Segment and Geographic Information

The Company operates as one operating segment. The Company's chief operating decision maker ("CODM") is its co-chief executive officers, who review financial information presented on a consolidated basis. The CODM uses consolidated operating margin and net income to assess financial performance and allocate resources. These financial metrics are used by the CODM to make key operating decisions, such as the determination of the rate at which the Company seeks to grow global operating margin and the allocation of budget between cost of revenues, sales and marketing, technology and development, and general and administrative expenses.

The following table presents selected financial information with respect to the Company's single operating segment for the years ended December 31, 2025, 2024 and 2023:

	Year Ended December 31,		
	2025	2024	2023
	(in thousands)		
Revenues	\$ 45,183,036	\$ 39,000,966	\$ 33,723,297
Less:			
Content amortization	16,422,166	15,301,517	14,197,437
Other cost of revenues	6,853,163	5,736,947	5,517,931
Sales and marketing	3,301,306	2,917,554	2,657,883
Technology and development	3,391,390	2,925,295	2,675,758
General and administrative	1,888,408	1,702,039	1,720,285
Operating income	13,326,603	10,417,614	6,954,003
Operating margin	29.5 %	26.7 %	20.6 %
Other income (expense)			
Interest expense	(776,510)	(718,733)	(699,826)
Interest and other income (expense) ⁽¹⁾	172,459	266,776	(48,772)
Income before income taxes	12,722,552	9,965,657	6,205,405
Provision for income taxes	(1,741,351)	(1,254,026)	(797,415)
Net income	\$ 10,981,201	\$ 8,711,631	\$ 5,407,990

(1) Includes interest income of \$295 million, \$294 million and \$281 million for the years ended December 31, 2025, 2024 and 2023, respectively.

See the consolidated financial statements for other financial information regarding the Company's operating segment.

Total U.S. revenues were \$18.5 billion, \$16.1 billion and \$13.8 billion for the years ended December 31, 2025, 2024 and 2023, respectively. See Note 2 *Revenue Recognition* for additional information about streaming revenue by region.

The Company's long-lived tangible assets, as well as the Company's operating lease right-of-use assets recognized on the Consolidated Balance Sheets were located as follows:

	As of December 31,	
	2025	2024
	(in thousands)	
United States	\$ 3,075,477	\$ 2,769,828
International	1,136,034	926,238

14. Subsequent Event

On January 19, 2026, the Company entered into the Amended and Restated Merger Agreement, which amended and restated in its entirety the agreement and plan of merger entered into with WBD and the other parties thereto on December 4, 2025. See Note 6 *Acquisitions* and Note 9 *Commitments and Contingencies* for further information.

Also on January 19, 2026, in connection with the Amended and Restated Merger Agreement, the Company entered into a bridge facility incremental commitments agreement (the "Incremental Commitments Agreement"). The Incremental Commitments Agreement increased the existing commitments under the Company's bridge commitment letter, dated as of December 4, 2025, from \$34 billion to \$42.2 billion of senior unsecured bridge term loan commitments for the purpose of financing the purchase price under the Amended and Restated Merger Agreement, paying certain other fees, costs and expenses incurred in connection with the transaction with WBD and, at the Company's option, refinancing certain indebtedness.

EXHIBIT INDEX

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
2.1+	Amended and Restated Agreement and Plan of Merger, dated as of January 19, 2026, by and among Netflix, Inc., Nightingale Sub, Inc., Warner Bros. Discovery, Inc. and New Topco 25, Inc.	8-K	001-35727	2.1	January 20, 2026	
3.1	Amended and Restated Certificate of Incorporation	8-K	001-35727	3.1	June 8, 2022	
3.2	Certificate of Amendment of Amended and Restated Certificate of Incorporation	8-K	001-35727	3.1	November 14, 2025	
3.3	Amended and Restated Bylaws	8-K	001-35727	3.2	February 24, 2023	
4.1	Form of Common Stock Certificate	S-1/A	333-83878	4.1	April 16, 2002	
4.2	Indenture, dated as of October 27, 2016, by and between the Company and Wells Fargo Bank, National Association, as Trustee.	8-K	001-35727	4.1	October 27, 2016	
4.3	Indenture, dated as of May 2, 2017, by and between the Company and Wells Fargo Bank, National Association, as Trustee.	8-K	001-35727	4.1	May 3, 2017	
4.4	Indenture, dated as of October 26, 2017, by and between the Company and Wells Fargo Bank National Association, as Trustee	8-K	001-35727	4.1	October 26, 2017	
4.5	Indenture, dated as of April 26, 2018, by and between the Company and Wells Fargo Bank National Association, as Trustee	8-K	001-35727	4.1	April 26, 2018	
4.6	Indenture, dated as of October 26, 2018, by and between the Company and Wells Fargo Bank National Association, as Trustee (6.375% Senior Notes due 2029).	8-K	001-35727	4.1	October 26, 2018	
4.7	Indenture, dated as of October 26, 2018, by and between the Company and Wells Fargo Bank National Association, as Trustee (4.625% Senior Notes due 2029).	8-K	001-35727	4.3	October 26, 2018	
4.8	Indenture, dated as of April 29, 2019, by and between the Company and Wells Fargo Bank National Association, as Trustee (5.375% Senior Notes due 2029).	8-K	001-35727	4.1	April 29, 2019	
4.9	Indenture, dated as of April 29, 2019, by and between the Company and Wells Fargo Bank National Association, as Trustee (3.875% Senior Notes due 2029).	8-K	001-35727	4.3	April 29, 2019	
4.10	Indenture, dated as of October 25, 2019, by and between the Company and Wells Fargo Bank National Association, as Trustee (4.875% Senior Notes due 2030).	8-K	001-35727	4.1	October 25, 2019	
4.11	Indenture, dated as of October 25, 2019, by and between the Company and Wells Fargo Bank National Association, as Trustee (3.625% Senior Notes due 2030).	8-K	001-35727	4.3	October 25, 2019	
4.12	Indenture, dated as of July 29, 2024, by and between the Company and Computershare Trust Company, National Association, as Trustee.	S-3	333-281071	4.1	July 29, 2024	
4.13	Supplemental Indenture, dated as of August 1, 2024, by and between the Company and Computershare Trust Company, National Association, as Trustee.	8-K	001-35727	4.2	August 1, 2024	
4.14	Description of the Registrant's Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934					X
10.1†	Form of Indemnification Agreement entered into by the registrant with each of its executive officers and directors	S-1/A	333-83878	10.1	March 20, 2002	
10.2†	2011 Stock Plan					X
10.3†	2020 Stock Plan					X
10.4†	Description of Director Equity Compensation Plan	8-K	001-35727	Item 5.02	January 24, 2018	
10.5†	Amended and Restated Performance Bonus Plan	8-K	001-35727	10.1	December 9, 2022	
10.6†	Form of Stock Option Agreement under the 2011 Stock Plan	10-K	001-35727	10.11	January 27, 2022	

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
10.7†	Form of Stock Option Agreement under the 2020 Stock Plan	10-K	001-35727	10.11	January 26, 2023	
10.8†	Form of Stock Option Agreement under the 2020 Stock Plan (Options Subject to Vesting)	8-K	001-35727	10.1	December 23, 2022	
10.9†	Netflix, Inc. 2020 Stock Plan Form of Restricted Stock Unit Award Agreement	8-K	001-35727	10.1	December 8, 2023	
10.10†	Netflix, Inc. 2020 Stock Plan Form of Performance-Based Restricted Stock Unit Award Agreement	8-K	001-35727	10.2	December 8, 2023	
10.11†	Netflix, Inc. Executive Officer Severance Plan	8-K	001-35727	10.3	December 8, 2023	
10.12†	Netflix, Inc. Executive Officer Severance Plan, as Amended Effective as of January 1, 2026	8-K	001-35727	10.1	November 4, 2025	
10.13†	Form Consent Letter to Amendment of the Netflix, Inc. Executive Officer Severance Plan	8-K	001-35727	10.2	November 4, 2025	
10.14†	Form of Award Amendment Consent Letter	8-K	001-35727	10.3	November 4, 2025	
10.15	Commitment Letter, dated as of December 4, 2025, by and among Netflix, Inc., Wells Fargo Bank, National Association, Wells Fargo Strategic Capital, Inc., Wells Fargo Securities, LLC, BNP Paribas, BNP Paribas Securities Corp., HSBC Bank USA, National Association, HSBC Continental Europe, HSBC Bank plc, HSBC Bank Middle East Limited and HSBC Securities (USA) Inc.	8-K	001-35727	10.1	December 5, 2025	
10.16	Senior Unsecured Revolving Credit Agreement, dated as of December 19, 2025, among Netflix, Inc., the lenders party thereto and Wells Fargo Bank, National Association, as the administrative agent.	8-K	001-35727	10.1	December 22, 2025	
10.17	Senior Unsecured Delayed Draw Term Loan Credit Agreement, dated as of December 19, 2025, among Netflix, Inc., the lenders party thereto and Wells Fargo Bank, National Association, as the administrative agent.	8-K	001-35727	10.2	December 22, 2025	
10.18	Bridge Facility Incremental Commitments Agreement, dated as of January 19, 2026, by and among Netflix, Inc., Wells Fargo Bank, National Association, Wells Fargo Securities, LLC, BNP Paribas, BNP Paribas Securities Corp., HSBC Bank plc and HSBC Securities (USA) Inc.	8-K	001-35727	10.1	January 20, 2026	
19.1	Netflix, Inc. Insider Trading Policy					X
21.1	List of Significant Subsidiaries					X
23.1	Consent of Ernst & Young LLP					X
24	Power of Attorney (see signature page)					
31.1	Certification of Co-Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002					X
31.2	Certification of Co-Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002					X
31.3	Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002					X
32.1*	Certifications of Co-Chief Executive Officers and Chief Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002					X
97.1	Netflix, Inc. Clawback Policy	10-K	001-35727	97.1	January 26, 2024	

<u>Exhibit Number</u>	<u>Exhibit Description</u>	<u>Incorporated by Reference</u>				<u>Filed Herewith</u>
		<u>Form</u>	<u>File No.</u>	<u>Exhibit</u>	<u>Filing Date</u>	
101	The following financial statements from the Company's Annual Report on Form 10-K for the year ended December 31, 2025, formatted in Inline XBRL: (i) Consolidated Statements of Operations, (ii) Consolidated Statements of Comprehensive Income, (iii) Consolidated Statements of Cash Flows, (iv) Consolidated Balance Sheets, (v) Consolidated Statements of Stockholders' Equity and (vi) Notes to Consolidated Financial Statements, tagged as blocks of text and including detailed tags					X
104	The cover page from the Company's Annual Report on Form 10-K for the year ended December 31, 2025, formatted in Inline XBRL					X

* These certifications are not deemed filed by the SEC and are not to be incorporated by reference in any filing we make under the Securities Act of 1933 or the Securities Exchange Act of 1934, irrespective of any general incorporation language in any filings.

† Indicates a management contract or compensatory plan

+ Annexes, schedules and/or exhibits have been omitted pursuant to Item 601(a)(5) of Regulation S-K promulgated by the SEC. Netflix agrees to furnish supplementally a copy of any omitted annexes, schedules or exhibits to the SEC upon request.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Netflix, Inc.

Dated: January 23, 2026

By: /s/ TED SARANDOS
Ted Sarandos
Co-Chief Executive Officer
(principal executive officer)

Dated: January 23, 2026

By: /s/ GREG PETERS
Greg Peters
Co-Chief Executive Officer
(principal executive officer)

POWER OF ATTORNEY

KNOWN ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Ted Sarandos, Greg Peters, and Spencer Neumann, and each of them, as his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place, and stead, in any and all capacities, to sign any and all amendments to this Report, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming that all said attorneys-in-fact and agents, or any of them or their or his substitute or substituted, may lawfully do or cause to be done by virtue thereof.

Pursuant to the requirements of the Securities and Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
/s/ TED SARANDOS _____ Ted Sarandos	Co-Chief Executive Officer and Director (principal executive officer)	January 23, 2026
/s/ GREG PETERS _____ Greg Peters	Co-Chief Executive Officer and Director (principal executive officer)	January 23, 2026
/s/ SPENCER NEUMANN _____ Spencer Neumann	Chief Financial Officer (principal financial officer)	January 23, 2026
/s/ JEFFREY KARBOWSKI _____ Jeffrey Karbowski	Chief Accounting Officer (principal accounting officer)	January 23, 2026
/s/ REED HASTINGS _____ Reed Hastings	Chairman and Director	January 23, 2026
/s/ RICHARD BARTON _____ Richard Barton	Director	January 23, 2026
/s/ MATHIAS DÖPFNER _____ Mathias Döpfner	Director	January 23, 2026
/s/ JAY C. HOAG _____ Jay C. Hoag	Director	January 23, 2026
/s/ LESLIE J. KILGORE _____ Leslie J. Kilgore	Director	January 23, 2026
/s/ STRIVE MASIYIWA _____ Strive Masiyiwa	Director	January 23, 2026
/s/ ANN MATHER _____ Ann Mather	Director	January 23, 2026
/s/ ELINOR MERTZ _____ Elinor Mertz	Director	January 23, 2026

/s/ SUSAN RICE			
Susan Rice	Director		January 23, 2026
/s/ BRAD SMITH			
Brad Smith	Director		January 23, 2026
/s/ ANNE SWEENEY			
Anne Sweeney	Director		January 23, 2026

**DESCRIPTION OF THE REGISTRANT'S SECURITIES
REGISTERED PURSUANT TO SECTION 12 OF THE
SECURITIES EXCHANGE ACT OF 1934**

The following description sets forth certain material terms and provisions of the securities of Netflix, Inc. (the “Company”) that are registered under Section 12 of the Securities Exchange Act of 1934, as amended. This description also summarizes relevant provisions of Delaware law. The following summary does not purport to be complete and is subject to, and is qualified in its entirety by reference to, the applicable provisions of Delaware law and our amended and restated certificate of incorporation, as amended (the “Charter”) and our amended and restated bylaws (the “Bylaws”), copies of which are incorporated by reference as an exhibit to the Annual Report on Form 10-K of which this Exhibit 4.14 is a part. We encourage you to read our Charter, our Bylaws and the applicable provisions of Delaware law for additional information.

Our Charter authorizes us to issue up to 49,900,000,000 shares of common stock, par value \$0.001 per share, and 10,000,000 shares of preferred stock, par value \$0.001 per share, in one or more series.

Holders of our common stock are entitled to one vote per share on all matters to be voted upon by the stockholders. Subject to the preferences that may be applicable to any outstanding shares of preferred stock, common stockholders are entitled to receive ratably such dividends, if any, as may be declared from time to time by our board of directors out of funds legally available for that purpose. In the event of our liquidation, dissolution or winding up, the common stockholders are entitled to share ratably in all assets remaining after payment of liabilities, subject to prior distribution rights of any shares of preferred stock then outstanding. Common stockholders have no preemptive or conversion rights or other subscription rights. There are no redemption or sinking fund provisions applicable to the common stock. The common stock currently outstanding is fully paid and nonassessable.

The transfer agent and registrar for the common stock is Computershare Trust Company.

Our common stock is listed on The Nasdaq Stock Market LLC under the trading symbol “NFLX.”

Our board of directors is authorized, without any action by the stockholders, subject to any limitations prescribed by law, to designate and issue preferred stock in one or more series and to designate the powers, preferences and rights of each series, which may be greater than the rights of the common stock. It is not possible to state the actual effect of the issuance of any shares of preferred stock upon the rights of holders of the common stock until our board of directors determines the specific rights of the holders of such preferred stock. However, the effects might include, among other things:

- impairing the dividend rights of the common stock;
- diluting the voting power of the common stock;
- impairing the liquidation rights of the common stock; and
- delaying, deferring or preventing a change in control.

Anti-Takeover Provisions

Certain provisions of Delaware law and our Charter and Bylaws could make the following more difficult:

- our acquisition by means of a tender offer;
- acquisition of control by means of a proxy contest or otherwise; and

- removal of our incumbent officers and directors.

These provisions, summarized below, are expected to discourage certain types of coercive takeover practices and inadequate takeover bids, and are designed to encourage persons seeking to acquire control of the Company to negotiate with the board of directors. The Company believes that the benefits of increased protection against an unfriendly or unsolicited proposal to acquire or restructure the Company outweigh the disadvantages of discouraging such proposals. Among other things, negotiation of such proposals could result in an improvement of their terms.

Delaware Anti-Takeover Law. Delaware corporations may elect not to be governed by Section 203 of the General Corporation Law of Delaware (the “DGCL”), *i.e.*, Delaware’s anti-takeover law. The Company has not made this election. Delaware’s anti-takeover law provides that an “interested stockholder,” defined as a person who owns 15% or more of the outstanding voting stock of a corporation or a person who is an associate or affiliate of the corporation and, within the preceding three-year period, owned 15% or more of the outstanding voting stock, may not engage in specified business combinations with the corporation for a period of three years after the date on which the person became an interested stockholder. The law defines the term “business combination” to encompass a wide variety of transactions with or caused by an interested stockholder, including mergers, asset sales and transactions in which the interested stockholder receives or could receive a benefit on other than a pro rata basis with other shareholders. With the affirmative vote of the holders of a majority of the voting power of all then-outstanding shares of our capital stock entitled to vote in the election of directors, voting together as a single class, we may amend our Charter in the future to no longer be governed by the anti-takeover law. This amendment would have the effect of allowing any person who owns at least 15% of our outstanding voting stock to pursue a takeover transaction that was not approved by our board of directors. However, because the Company has not elected to opt-out of this provision, for transactions not approved in advance by our board of directors, the provision might discourage takeover attempts that might result in a premium over the market price for shares of our common stock.

Limitations of Director Liability and Indemnification. Our Charter provides that directors shall not be personally liable to the corporation or to its stockholders for monetary damages for breach of fiduciary duty as a director, except to the extent such exemption from liability or limitation thereof is not permitted under the DGCL. Delaware law currently provides that this waiver may not apply to liability:

- for any breach of the director’s duty of loyalty to us or our stockholders;
- for acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law;
- under Section 174 of the DGCL (governing distributions to stockholders); or
- for any transaction from which the director derived any improper personal benefit.

In the event the DGCL is amended to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of our directors will be eliminated or limited to the fullest extent permitted by the DGCL, as so amended. Our Bylaws further provide that we will indemnify each of our directors and officers, trustees, fiduciaries, employees and agents to the fullest extent permitted by Delaware law.

Election and Removal of Directors. Directors are elected for a one-year term expiring at the next annual meeting of stockholders. Our Charter provides that a director can only be removed from the board of directors only by the affirmative vote of stockholders holding a majority of the outstanding voting power of all classes of stock entitled to vote in an election of directors, voting together as a single class, and, as long as the board of directors is classified, such removal may be only for cause. The board of directors has the exclusive right to increase or decrease the size of the board and to fill vacancies on the board. These provisions may tend to discourage a third party from

making a tender offer or otherwise attempting to obtain control of the Company because they generally make it more difficult for stockholders to replace a majority of the directors.

Stockholder Meetings. Under our Charter, only our chairman of the board, a chief executive officer, president, the board of directors pursuant to a resolution adopted by a majority of the total number of authorized directors or the corporate secretary upon the request, in accordance with and subject to our Bylaws, by stockholders holding an aggregate net long position of not less than 20% of the outstanding shares of common stock continuously for at least one year may call a special meeting of stockholders.

Requirements for Advance Notification of Stockholder Nominations and Proposals. Our Bylaws contain advance notice procedures with respect to stockholder proposals and the nomination of candidates for election as directors, other than nominations made by or at the direction of the board of directors or a committee of the board of directors.

Elimination of Stockholder Action by Written Consent. Our Charter eliminates the right of stockholders to act by written consent without a meeting. This provision will make it more difficult for stockholders to take action opposed by the board of directors.

No Cumulative Voting. Our Charter does not provide for cumulative voting in the election of directors, which, under Delaware law, precludes stockholders from cumulating their votes in the election of directors, frustrating the ability of minority stockholders to obtain representation on the board of directors.

Undesignated Preferred Stock. The authorization of undesignated preferred stock makes it possible for the board of directors, without stockholder approval, to issue preferred stock with voting or other rights or preferences that could impede the success of any attempt to obtain control of the Company. These and other provisions may have the effect of deferring hostile takeovers or delaying changes in the control or management of the Company.

Amendment of Certain Provisions in the Bylaws. Our Bylaws require the affirmative vote of the holders of at least a majority of the outstanding voting power of our stock entitled to vote generally in the election of directors, voting as a single class, to amend any provision of our Bylaws concerning:

- number of directors;
- election and qualification of directors;
- resignation of directors and filling of vacancies on the board of directors;
- removal of directors;
- indemnification of the directors, officers, employees and agents of the Company; and
- amendments to our Bylaws.

NETFLIX, INC.

2011 STOCK PLAN

1. Purposes of the Plan. The purposes of this Plan are:

- to attract and retain the best available personnel for positions of substantial responsibility,
- to provide additional incentive to Employees, Directors and Consultants, and
- to promote the success of the Company's business.

The Plan permits the grant of Incentive Stock Options, Nonstatutory Stock Options, Stock Appreciation Rights, Restricted Stock and Restricted Stock Units.

2. Definitions. As used herein, the following definitions will apply:

(a) "Administrator" means the Board or any of its Committees as will be administering the Plan, in accordance with Section 4 of the Plan.

(b) "Applicable Laws" means the requirements relating to the administration of equity-based awards under U.S. state corporate laws, U.S. federal and state securities laws, the Code, any stock exchange or quotation system on which the Common Stock is listed or quoted and the applicable laws of any foreign country or jurisdiction where Awards are, or will be, granted under the Plan.

(c) "Award" means, individually or collectively, a grant under the Plan of Options, Stock Appreciation Rights, Restricted Stock or Restricted Stock Units.

(d) "Award Agreement" means the written or electronic agreement setting forth the terms and provisions applicable to each Award granted under the Plan. Each Award Agreement is subject to the terms and conditions of the Plan.

(e) "Board" means the Board of Directors of the Company.

(f) "Change in Control" means the occurrence of any of the following events:

(i) A change in the ownership of the Company which occurs on the date that any one person, or more than one person acting as a group ("Person"), acquires ownership of the stock of the Company that, together with the stock held by such Person, constitutes more than 50% of the total voting power of the stock of the Company; provided, however, that for purposes of this subsection (i), the acquisition of additional stock by any one Person, who is considered to own more than 50% of the total voting power of the stock of the Company will not be considered a Change in Control; or

(ii) A change in the effective control of the Company which occurs on the date that a majority of members of the Board is replaced during any twelve (12) month period by Directors whose appointment or election is not endorsed by a majority of the members of the Board prior to the date of the appointment or election. For purposes of this clause (ii), if any Person is considered to be in effective control of the Company, the acquisition of additional control of the Company by the same Person will not be considered a Change in Control; or

(iii) A change in the ownership of a substantial portion of the Company's assets which occurs on the date that any Person acquires (or has acquired during the twelve (12) month period ending on the date of the most recent acquisition by such person or persons) assets from the Company that have a total gross fair market value equal to or more than 50% of the total gross fair market value of all of the assets of the Company

immediately prior to such acquisition or acquisitions; provided, however, that a transfer to an entity that is controlled by the Company's stockholders immediately after the transfer will not constitute a change in the ownership of a substantial portion of the Company's assets. For purposes of this subsection (iii), gross fair market value means the value of the assets of the Company, or the value of the assets being disposed of, determined without regard to any liabilities associated with such assets.

For purposes of this Section 2(f), persons will be considered to be acting as a group if they are owners of a corporation that enters into a merger, consolidation, purchase or acquisition of stock, or similar business transaction with the Company.

(g) "Code" means the Internal Revenue Code of 1986, as amended. Any reference to a section of the Code herein will be a reference to any successor or amended section of the Code.

(h) "Committee" means a committee of Directors or Officers or other Employees appointed by the Board in accordance with Section 4 hereof. Each Committee must satisfy Applicable Laws.

(i) "Common Stock" means the common stock of the Company.

(j) "Company" means Netflix, Inc., a Delaware corporation, or any successor thereto.

(k) "Consultant" means any person, including an advisor, engaged by the Company or a Parent or Subsidiary to render services to such entity.

(l) "Determination Date" means the latest possible date that will not jeopardize the qualification of an Award granted under the Plan as "performance-based compensation" under Section 162(m) of the Code.

(m) "Director" means a member of the Board.

(n) "Disability" means total and permanent disability as defined in Section 22(e)(3) of the Code, provided that in the case of Awards other than Incentive Stock Options, the Administrator in its discretion may determine whether a permanent and total disability exists in accordance with uniform and non-discriminatory standards adopted by the Administrator from time to time.

(o) "Earnings Per Share" means the Company's after-tax Profit, divided by a weighted average number of common shares outstanding and dilutive common equivalent shares deemed outstanding

(p) "Employee" means any person, including Officers and Directors, employed by the Company or any Parent or Subsidiary of the Company. Neither service as a Director nor payment of a director's fee by the Company will be sufficient to constitute "employment" by the Company.

(q) "Exchange Act" means the Securities Exchange Act of 1934, as amended.

(r) "Exchange Program" means a program under which (i) outstanding Awards are surrendered or cancelled in exchange for Awards of the same type (which may have higher or lower exercise prices and different terms), Awards of a different type, and/or cash, and/or (ii) the exercise price of an outstanding Award is reduced. Notwithstanding the preceding, the term Exchange Program does not include any action described in Section 12 or Section 13.

(s) "Fair Market Value" means, as of any date, the last quoted per share selling price for Shares on the Nasdaq Global Select Market on the relevant date, or if there were no sales on such date, the arithmetic mean of the highest and lowest quoted selling prices on the nearest day before and the nearest day after the relevant date, as determined by the Administrator. Notwithstanding the preceding, for federal, state, and local

income tax reporting purposes, fair market value shall be determined by the Administrator (or its delegate) in accordance with uniform and nondiscriminatory standards adopted by it from time to time.

(t) “Fiscal Year” means the fiscal year of the Company.

(u) “Incentive Stock Option” means an Option intended to qualify as an incentive stock option within the meaning of Section 422 of the Code and the regulations promulgated thereunder.

(v) “Nonstatutory Stock Option” means an Option that by its terms does not qualify or is not intended to qualify as an Incentive Stock Option.

(w) “Officer” means a person who is an officer of the Company within the meaning of Section 16 of the Exchange Act and the rules and regulations promulgated thereunder.

(x) “Option” means a stock option granted pursuant to the Plan.

(y) “Option Agreement” means the written or electronic agreement setting forth the terms and provisions applicable to each Option granted under the Plan. Each Option Agreement is subject to the terms of the Plan.

(z) “Parent” means a “parent corporation,” whether now or hereafter existing, as defined in Section 424(e) of the Code.

(aa) “Participant” means the holder of an outstanding Award.

(bb) “Performance Goals” means the goal(s) (or combined goal(s)) determined by the Administrator in its discretion to be applicable to a Participant for a Performance Period. As determined by the Administrator, the Performance Goals applicable to each Participant shall provide for a targeted level or levels of achievement using one or more of the following measures: (a) Earnings Per Share, (b) Profit, (c) Return on Equity, (d) Revenue, (e) Subscriber Metrics, and (f) Total Shareholder Return. Any criteria used may be measured, as applicable, (i) in absolute terms, (ii) in relative terms (including, but not limited, the passage of time and/or against other companies or financial metrics), (iii) on a per share and/or share per capita basis, (iv) against the performance of the Company as a whole or against particular segments or products of the Company and/or (v) on a pre-tax or after-tax basis. Prior to the Determination Date, the Administrator shall determine whether any element(s) (for example, but not by way of limitation, the effect of mergers or acquisitions) shall be included in or excluded from the calculation of any Performance Goal with respect to any Participants (whether or not such determinations result in any Performance Goal being measured on a basis other than generally accepted accounting principles).

(cc) “Performance Period” means the time period during which the performance objectives or continued status as an Employee, Director or Consultant must be met.

(dd) “Period of Restriction” means the period during which the transfer of Shares of Restricted Stock are subject to restrictions and therefore, the Shares are subject to a substantial risk of forfeiture, as provided in Section 7. Notwithstanding any contrary provision of the Plan, (i) a Period of Restriction that expires solely as the result of continued employment or service shall expire in full no earlier than the three (3) year anniversary of the Grant date, and (ii) a Period of Restriction that does not expire solely as the result of continued employment or service shall expire in full no earlier than the one (1) year anniversary of the Grant date, unless determined otherwise by the Administrator at its discretion solely by reason of death, Disability, retirement or major capital change.

(ee) “Plan” means this 2011 Stock Plan.

(ff) “Profit” means income.

(gg) “Restricted Stock” means Shares issued pursuant to an Award of Restricted Stock under Section 7 of the Plan.

(hh) “Restricted Stock Unit” or “RSU” means a bookkeeping entry representing an amount equal to the Fair Market Value of one Share, granted pursuant to Section 8. Each Restricted Stock Unit represents an unfunded and unsecured obligation of the Company.

(ii) “Return on Equity” means the percentage equal to the Company’s after-tax Profit divided by average stockholder’s equity.

(jj) “Revenue” means the Company’s net revenues generated from third parties.

(kk) “Rule 16b-3” means Rule 16b-3 of the Exchange Act or any successor to Rule 16b-3, as in effect when discretion is being exercised with respect to the Plan.

(ll) “Section 16(b)” means Section 16(b) of the Exchange Act.

(mm) “Service Provider” means an Employee, Director or Consultant.

(nn) “Share” means a share of the Common Stock, as adjusted in accordance with Section 13 of the Plan.

(oo) “Stock Appreciation Right” means an Award, granted alone or in connection with an Option, that pursuant to Section 9 is designated as a Stock Appreciation Right.

(pp) “Subscriber Metrics” means the objective and measurable goals approved by the Administrator that relate to the acquisition, retention and/or satisfaction of subscribers.

(qq) “Subsidiary” means a “subsidiary corporation”, whether now or hereafter existing, as defined in Section 424(f) of the Code.

(rr) “Tax Obligations” means tax and social insurance liability obligations and requirements in connection with the Awards, including, without limitation, (a) all federal, state, and local taxes (including the Participant’s FICA obligation) that are required to be withheld by the Company or the employing Subsidiary, (b) the Participant’s and, to the extent required by the Company (or the employing Subsidiary), the Company’s (or the employing Subsidiary’s) fringe benefit tax liability, if any, associated with the grant, vesting, or sale of Shares, and (c) any other Company (or employing Subsidiary) taxes the responsibility for which the Participant has agreed to bear with respect to such Award (or exercise thereof or issuance of Shares thereunder).

(ss) “Total Shareholder Return” means the total return (change in share price plus reinvestment of any dividends) of a Share.

3. Stock Subject to the Plan.

(a) Stock Subject to the Plan. Subject to the provisions of Section 13 of the Plan, the maximum aggregate number of Shares that may be issued under the Plan, as adjusted pursuant to Section 13 of the Plan to reflect the 10-for-1 stock split of the Common Stock in 2025, is 57 million Shares. The Shares may be authorized, but unissued, or reacquired Common Stock. Any Shares subject to an Award of Restricted Stock or Restricted Stock Units will be counted against the numerical limits of this Section 3 as 1.9 Shares for every one (1) Share subject to the Award. If Shares acquired pursuant to an Award of Restricted Stock or Restricted Stock Units are forfeited to the Company or repurchased by the Company and otherwise would return to the Plan pursuant to Section 3(c), 1.9 times the number of Shares so forfeited or repurchased will return to the Plan and again will become available for issuance.

(b) Lapsed Awards. If an Award expires or becomes unexercisable without having been exercised in full, or, with respect to Restricted Stock or Restricted Stock Units, is forfeited to the Company or repurchased by the Company, the unpurchased Shares (or for Awards other than Options and Stock Appreciation

Rights, the forfeited or repurchased Shares) that were subject thereto will become available for future grant or sale under the Plan (unless the Plan has terminated). Upon exercise of a Stock Appreciation Right settled in Shares, the gross number of Shares covered by the portion of the Award so exercised will cease to be available under the Plan. Shares that have actually been issued under the Plan under any Award will not be returned to the Plan and will not become available for future distribution under the Plan; provided, however, that if unvested Shares of Restricted Stock or Restricted Stock Units are repurchased by the Company or are forfeited to the Company, such Shares will become available for future grant under the Plan. Shares used to pay the exercise or purchase price of an Award and/or to satisfy the tax withholding obligations related to an Award will not become available for future grant or sale under the Plan. To the extent an Award under the Plan is paid out in cash rather than Shares, such cash payment will not reduce the number of Shares available for issuance under the Plan. Notwithstanding the foregoing provisions of this Section 3(b), subject to adjustment provided in Section 13, the maximum number of Shares that may be issued upon the exercise of Incentive Stock Options will equal the aggregate Share number stated in Section 3(a), plus, to the extent allowable under Section 422 of the Code and the Treasury Regulations promulgated thereunder, any Shares that become available for issuance under the Plan under this Section 3(b).

(c) Share Reserve. The Company, during the term of this Plan, will at all times reserve and keep available such number of Shares as will be sufficient to satisfy the requirements of the Plan.

4. Administration of the Plan.

(a) Procedure.

(i) Multiple Administrative Bodies. Different Committees with respect to different groups of Service Providers may administer the Plan.

(ii) Section 162(m). To the extent that the Administrator determines it to be desirable to qualify Awards granted hereunder as “performance-based compensation” within the meaning of Section 162(m) of the Code, the Plan will be administered by a Committee of two (2) or more “outside directors” within the meaning of Section 162(m) of the Code.

(iii) Rule 16b-3. To the extent desirable to qualify transactions hereunder as exempt under Rule 16b-3, the transactions contemplated hereunder will be structured to satisfy the requirements for exemption under Rule 16b-3.

(iv) Other Administration. Other than as provided above, the Plan will be administered by (A) the Board or (B) one or more Committees, each of which committee will be constituted to satisfy Applicable Laws.

(b) Powers of the Administrator. Subject to the provisions of the Plan, and in the case of a Committee, subject to the specific duties delegated by the Board to such Committee, the Administrator will have the authority, in its discretion:

- (i) to determine the Fair Market Value;
- (ii) to select the Service Providers to whom Awards may be granted hereunder;
- (iii) to determine the number of Shares to be covered by each Award granted hereunder;
- (iv) to approve forms of Award Agreements for use under the Plan;
- (v) to determine the terms and conditions, not inconsistent with the terms of the Plan, of any Award granted hereunder.

Such terms and conditions include, but are not limited to, the exercise price, the time or times when Awards may be exercised (which may be based on performance criteria), any vesting acceleration or waiver of forfeiture restrictions, and any restriction or limitation regarding any Award or the Shares relating thereto, based in each case on such factors as the Administrator will determine;

(vi) to determine the terms and conditions of any Exchange Program (provided that no Exchange Program shall be implemented unless the approval of the stockholders of the Company is obtained for such Exchange Program);

(vii) to construe and interpret the terms of the Plan and Awards granted pursuant to the Plan;

(viii) to prescribe, amend and rescind rules and regulations relating to the Plan, including (but not limited to) rules and regulations for automatic grants of Awards pursuant to such procedures as the Committee may establish from time to time, and rules and regulations relating to sub-plans established for the purpose of satisfying applicable foreign laws;

(ix) to modify or amend each Award (subject to Section 18 of the Plan), including but not limited to the discretionary authority to extend the post-termination exercisability period of Awards and to extend the maximum term of an Option (subject to Section 6(b) of the Plan regarding Incentive Stock Options);

(x) to allow Participants to satisfy Tax Obligations in such manner as prescribed in Section 14 of the Plan;

(xi) to authorize any person to execute on behalf of the Company any instrument required to effect the grant of an Award previously granted by the Administrator;

(xii) to allow a Participant to defer the receipt of the payment of cash or the delivery of Shares that would otherwise be due to such Participant under an Award; and

(xiii) to make all other determinations deemed necessary or advisable for administering the Plan.

(c) Effect of Administrator's Decision. The Administrator's decisions, determinations and interpretations will be final and binding on all Participants and any other holders of Awards.

(d) No Liability. Under no circumstances shall the Company, any Parent or Subsidiary, the Administrator, or the Board incur liability for any indirect, incidental, consequential or special damages (including lost profits) of any form incurred by any person, whether or not foreseeable and regardless of the form of the act in which such a claim may be brought, with respect to the Plan or the Company's, any Parent's or Subsidiary's, the Administrator's or the Board's roles in connection with the Plan.

5. Eligibility. Nonstatutory Stock Options, Stock Appreciation Rights, Restricted Stock and Restricted Stock Units may be granted to Service Providers. Incentive Stock Options may be granted only to Employees.

6. Stock Options.

(a) Limitations. Each Option will be designated in the applicable Option Agreement as either an Incentive Stock Option or a Nonstatutory Stock Option. However, notwithstanding such designation, to the extent that the aggregate Fair Market Value of the Shares with respect to which Incentive Stock Options are exercisable for the first time by the Participant during any calendar year (under all plans of the Company and any Parent or Subsidiary) exceeds one hundred thousand dollars (\$100,000), such Options will be treated as Nonstatutory Stock Options. For purposes of this Section 6(a), Incentive Stock Options will be taken into account in the order in which they were granted. The Fair Market Value of the Shares will be determined as of the time the Option with respect to such Shares is granted. The Administrator, in its sole discretion, shall determine the number of Shares subject to each Option, provided that during any Fiscal Year, no Participant shall be granted Options (and/or SARs) covering more than 15,000,000 Shares. Notwithstanding the foregoing, during the Fiscal Year in which a Participant first becomes an Employee, he or she may be granted Options (and/or SARs) to purchase up to a total of

an additional 15,000,000 Shares. The Administrator may grant Incentive Stock Options, Nonqualified Stock Options, or a combination thereof.

(b) Term of Option. The term of each Option will be stated in the Award Agreement. In the case of an Incentive Stock Option, the term will be ten (10) years from the date of grant or such shorter term as may be provided in the Option Agreement. Moreover, in the case of an Incentive Stock Option granted to a Participant who, at the time the Incentive Stock Option is granted, owns stock representing more than ten percent (10%) of the total combined voting power of all classes of stock of the Company or any Parent or Subsidiary, the term of the Incentive Stock Option will be five (5) years from the date of grant or such shorter term as may be provided in the Award Agreement.

(c) Option Exercise Price and Consideration.

(i) The per Share exercise price for the Shares to be issued pursuant to the exercise of an Option will be determined by the Administrator, but will be no less than one hundred percent (100%) of the Fair Market Value per Share on the date of grant. In addition, in the case of an Incentive Stock Option granted to an Employee who owns stock representing more than ten percent (10%) of the voting power of all classes of stock of the Company or any Parent or Subsidiary, the per Share exercise price will be no less than one hundred ten percent (110%) of the Fair Market Value per Share on the date of grant. Notwithstanding the foregoing provisions of this Section 6(c)(i), Options may be granted with a per Share exercise price of less than one hundred percent (100%) of the Fair Market Value per Share on the date of grant pursuant to a transaction described in, and in a manner consistent with, Code Section 424(a).

(ii) Waiting Period and Exercise Dates. At the time an Option is granted, the Administrator will fix the period within which the Option may be exercised and will determine any conditions that must be satisfied before the Option may be exercised.

(iii) Form of Consideration. The Administrator will determine the acceptable form of consideration for exercising an Option, including the method of payment, which will be specified in the Option Agreement. In the case of an Incentive Stock Option, the Administrator will determine the acceptable form of consideration at the time of grant. Such consideration may consist entirely of: (1) cash; (2) check; (3) other Shares, provided that such Shares have a Fair Market Value on the date of surrender equal to the aggregate exercise price of the Shares as to which such Option will be exercised and provided further that accepting such Shares will not result in any adverse accounting consequences to the Company, as the Administrator determines in its sole discretion; (4) consideration received by the Company under a broker-assisted (or other) cashless exercise program (whether through a broker or otherwise) implemented by the Company in connection with the Plan; (5) by net exercise; (6) such other consideration and method of payment for the issuance of Shares to the extent permitted by Applicable Laws; or (7) any combination of the foregoing methods of payment.

(d) Exercise of Option.

(i) Procedure for Exercise; Rights as a Stockholder. Any Option granted hereunder will be exercisable according to the terms of the Plan and at such times and under such conditions as determined by the Administrator and set forth in the Option Agreement. An Option may not be exercised for a fraction of a Share.

An Option will be deemed exercised when the Company receives: (1) notice of exercise (in such form as the Administrator may specify from time to time) from the person entitled to exercise the Option, and (2) full payment for the Shares with respect to which the Option is exercised (together with applicable withholding taxes). Full payment may consist of any consideration and method of payment authorized by the Administrator and permitted by the Award Agreement and the Plan. Shares issued upon exercise of an Option will be issued in the name of the Participant or, if requested by the Participant, in the name of the Participant and his or her spouse. Until the Shares are issued (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), no right to vote or receive dividends or any other rights as a stockholder will exist with respect to the Shares subject to an Option, notwithstanding the exercise of the Option.

The Company will issue (or cause to be issued) such Shares promptly after the Option is exercised. No adjustment will be made for a dividend or other right for which the record date is prior to the date the Shares are issued, except as provided in Section 13 of the Plan.

Subject to Section 3(b), exercising an Option in any manner will decrease the number of Shares thereafter available, both for purposes of the Plan and for sale under the Option, by the number of Shares as to which the Option is exercised.

(ii) Termination of Relationship as a Service Provider. If a Participant ceases to be a Service Provider, other than upon the Participant's termination as the result of the Participant's death or Disability, the Participant may exercise his or her Option within such period of time as is specified in the Option Agreement to the extent that the Option is vested on the date of termination (but in no event later than the expiration of the term of such Option as set forth in the Option Agreement). In the absence of a specified time in the Option Agreement, the Option will remain exercisable for three (3) months following the Participant's termination. Unless otherwise provided by the Administrator, if on the date of termination the Participant is not vested as to his or her entire Option, the Shares covered by the unvested portion of the Option will revert to the Plan. If after termination the Participant does not exercise his or her Option within the time specified by the Administrator, the Option will terminate, and the Shares covered by such Option will revert to the Plan.

(iii) Disability of Participant. If a Participant ceases to be a Service Provider as a result of the Participant's Disability, the Participant may exercise his or her Option within such period of time as is specified in the Option Agreement to the extent the Option is vested on the date of termination (but in no event later than the expiration of the term of such Option as set forth in the Option Agreement). In the absence of a specified time in the Option Agreement, the Option will remain exercisable for twelve (12) months following the Participant's termination. Unless otherwise provided by the Administrator, if on the date of termination the Participant is not vested as to his or her entire Option, the Shares covered by the unvested portion of the Option will revert to the Plan. If after termination the Participant does not exercise his or her Option within the time specified herein, the Option will terminate, and the Shares covered by such Option will revert to the Plan.

(iv) Death of Participant. If a Participant dies while a Service Provider, the Option may be exercised following the Participant's death within such period of time as is specified in the Option Agreement to the extent that the Option is vested on the date of death (but in no event later than the expiration of the term of such Option as set forth in the Option Agreement), by the Participant's designated beneficiary, provided such beneficiary has been designated prior to Participant's death in a form acceptable to the Administrator. If no such beneficiary has been designated by the Participant, then such Option may be exercised by the personal representative of the Participant's estate or by the person(s) to whom the Option is transferred pursuant to the Participant's will or in accordance with the laws of descent and distribution. In the absence of a specified time in the Option Agreement, the Option will remain exercisable for twelve (12) months following Participant's death. Unless otherwise provided by the Administrator, if at the time of death Participant is not vested as to his or her entire Option, the Shares covered by the unvested portion of the Option will immediately revert to the Plan. If the Option is not so exercised within the time specified herein, the Option will terminate, and the Shares covered by such Option will revert to the Plan.

7. Restricted Stock.

(a) Grant of Restricted Stock. Subject to the terms and provisions of the Plan, the Administrator, at any time and from time to time, may grant Shares of Restricted Stock to Service Providers in such amounts as the Administrator, in its sole discretion, will determine. The Administrator, in its sole discretion, shall determine the number of Shares to be granted to each Participant, provided that during any Fiscal Year, no Participant shall receive more than 5,000,000 Shares of Restricted Stock (and/or Restricted Stock Units). Notwithstanding the foregoing, during the Fiscal Year in which a Participant first becomes an Employee, he or she may be granted up to a total of an additional 5,000,000 Shares of Restricted Stock (and/or Restricted Stock Units).

(b) Restricted Stock Agreement. Each Award of Restricted Stock will be evidenced by an Award Agreement that will specify the Period of Restriction, the number of Shares granted, and such other terms and conditions as the Administrator, in its sole discretion, will determine. For purposes of qualifying grants of Restricted Stock as “performance-based compensation” under Section 162(m) of the Code, the Administrator, in its discretion, may set restrictions based upon the achievement of Performance Goals. The Performance Goals shall be set by the Administrator on or before the Determination Date. In granting Restricted Stock that is intended to qualify under Section 162(m) of the Code, the Administrator shall follow any procedures determined by it from time to time to be necessary or appropriate to ensure qualification of the Restricted Stock under Section 162(m) of the Code (e.g., in determining the Performance Goals). Unless the Administrator determines otherwise, the Company as escrow agent will hold Shares of Restricted Stock until the restrictions on such Shares have lapsed.

(c) Transferability. Except as provided in this Section 7, Shares of Restricted Stock may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated until the end of the applicable Period of Restriction.

(d) Other Restrictions. The Administrator, in its sole discretion, may impose such other restrictions on Shares of Restricted Stock as it may deem advisable or appropriate.

(e) Removal of Restrictions. Except as otherwise provided in this Section 7, Shares of Restricted Stock covered by each Restricted Stock grant made under the Plan will be released from escrow as soon as practicable after the last day of the Period of Restriction or at such other time as the Administrator may determine. The Administrator, in its discretion, may accelerate the time at which any restrictions will lapse or be removed.

(f) Voting Rights. During the Period of Restriction, Service Providers holding Shares of Restricted Stock granted hereunder may exercise full voting rights with respect to those Shares, unless the Administrator determines otherwise.

(g) Dividends and Other Distributions. During the Period of Restriction, Service Providers holding Shares of Restricted Stock will be entitled to receive all dividends and other distributions paid with respect to such Shares, unless the Administrator provides otherwise. If any such dividends or distributions are paid in Shares, the Shares will be subject to the same restrictions on transferability and forfeitability as the Shares of Restricted Stock with respect to which they were paid.

(h) Return of Restricted Stock to Company. On the date set forth in the Award Agreement, the Restricted Stock for which restrictions have not lapsed will revert to the Company and again will become available for grant under the Plan.

8. Restricted Stock Units.

(a) Grant. Restricted Stock Units may be granted at any time and from time to time as determined by the Administrator. The Administrator shall have complete discretion in determining the number of Restricted Stock Units granted to each Participant, provided that during any Fiscal Year, no Participant shall be granted more than a total of 5,000,000 Restricted Stock Units (and/or Shares of Restricted Stock). Notwithstanding the foregoing, during the Fiscal Year in which a Participant first becomes an Employee, he or she may be granted up to a total of an additional 5,000,000 Restricted Stock Units (and/or Shares of Restricted Stock). After the Administrator determines that it will grant Restricted Stock Units under the Plan, it will advise the Participant in an Award Agreement of the terms, conditions, and restrictions related to the grant, including the number of Restricted Stock Units.

(b) Vesting Criteria and Other Terms. The Administrator will set vesting criteria in its discretion, which, depending on the extent to which the criteria are met, will determine the number of Restricted Stock Units that will be paid out to the Participant. The Administrator may set vesting criteria based upon the achievement of Company-wide, business unit, or individual goals (including, but not limited to, continued employment), or any other basis determined by the Administrator in its discretion. For purposes of qualifying grants of RSUs as “performance-based compensation” under Section 162(m) of the Code, the Administrator, in its discretion, may determine that the performance objectives applicable to RSUs shall be based on the achievement of

Performance Goals. The Performance Goals shall be set by the Administrator on or before the Determination Date. In granting RSUs that are intended to qualify under Section 162(m) of the Code, the Administrator shall follow any procedures determined by it from time to time to be necessary or appropriate to ensure qualification of the RSUs under Section 162(m) of the Code (e.g., in determining the Performance Goals).

(c) Earning Restricted Stock Units. Upon meeting the applicable vesting criteria, the Participant will be entitled to receive a payout as determined by the Administrator. Notwithstanding the foregoing, at any time after the grant of Restricted Stock Units, the Administrator, in its sole discretion, may reduce or waive any vesting criteria that must be met to receive a payout.

(d) Form and Timing of Payment. Payment of earned Restricted Stock Units will be made as soon as practicable after the date(s) determined by the Administrator and set forth in the Award Agreement. The Administrator, in its sole discretion, may only settle earned Restricted Stock Units in cash, Shares, or a combination of both.

(e) Cancellation. On the date set forth in the Award Agreement, all unearned Restricted Stock Units will be forfeited to the Company.

9. Stock Appreciation Rights.

(a) Grant of Stock Appreciation Rights. Subject to the terms and conditions of the Plan, a Stock Appreciation Right may be granted to Service Providers at any time and from time to time as will be determined by the Administrator, in its sole discretion. The Administrator shall have complete discretion to determine the number of SARs granted to any Participant, provided that during any Fiscal Year, no Participant shall be granted SARs (and/or Options) covering more than a total of 15,000,000 Shares. Notwithstanding the foregoing, during the Fiscal Year in which a Participant first becomes an Employee, he or she may be granted SARs (and/or Options) covering up to a total of an additional 15,000,000 Shares.

(b) Number of Shares. The Administrator will have complete discretion to determine the number of Stock Appreciation Rights granted to any Service Provider.

(c) Exercise Price and Other Terms. The per share exercise price for the Shares to be issued pursuant to exercise of a Stock Appreciation Right will be determined by the Administrator and will be no less than one hundred percent (100%) of the Fair Market Value per Share on the date of grant. Otherwise, the Administrator, subject to the provisions of the Plan, will have complete discretion to determine the terms and conditions of Stock Appreciation Rights granted under the Plan.

(d) Stock Appreciation Right Agreement. Each Stock Appreciation Right grant will be evidenced by an Award Agreement that will specify the exercise price, the term of the Stock Appreciation Right, the conditions of exercise, and such other terms and conditions as the Administrator, in its sole discretion, will determine.

(e) Expiration of Stock Appreciation Rights. A Stock Appreciation Right granted under the Plan will expire upon the date determined by the Administrator, in its sole discretion, and set forth in the Award Agreement. Notwithstanding the foregoing, the rules of Section 6(b) relating to the maximum term and Section 6(d) relating to exercise also will apply to Stock Appreciation Rights.

(f) Payment of Stock Appreciation Right Amount. Upon exercise of a Stock Appreciation Right, a Participant will be entitled to receive payment from the Company in an amount determined by multiplying:

- (i) The difference between the Fair Market Value of a Share on the date of exercise over the exercise price; times
- (ii) The number of Shares with respect to which the Stock Appreciation Right is exercised.

At the discretion of the Administrator, the payment upon Stock Appreciation Right exercise may be in cash, in Shares of equivalent value, or in some combination thereof.

10. Compliance With Code Section 409A. Awards will be designed and operated in such a manner that they are either exempt from the application of, or comply with, the requirements of Code Section 409A such that the grant, payment, settlement or deferral will not be subject to the additional tax or interest applicable under Code Section 409A, except as otherwise determined in the sole discretion of the Administrator. The Plan and each Award Agreement under the Plan is intended to meet the requirements of Code Section 409A and will be construed and interpreted in accordance with such intent, except as otherwise determined in the sole discretion of the Administrator. To the extent that an Award or payment, or the settlement or deferral thereof, is subject to Code Section 409A the Award will be granted, paid, settled or deferred in a manner that will meet the requirements of Code Section 409A, such that the grant, payment, settlement or deferral will not be subject to the additional tax or interest applicable under Code Section 409A, except as otherwise determined in the sole discretion of the Administrator.

11. Leaves of Absence/Transfer Between Locations. Unless the Administrator provides otherwise, vesting of Awards granted hereunder will be suspended during any unpaid leave of absence. A Participant will not cease to be an Employee in the case of (a) any leave of absence approved by the Company or (b) transfers between locations of the Company or between the Company, its Parent, or any Subsidiary. For purposes of Incentive Stock Options, no such leave may exceed three (3) months, unless reemployment upon expiration of such leave is guaranteed by statute or contract. If reemployment upon expiration of a leave of absence approved by the Company is not so guaranteed, then six (6) months following the first (1st) day of such leave, any Incentive Stock Option held by the Participant will cease to be treated as an Incentive Stock Option and will be treated for tax purposes as a Nonstatutory Stock Option.

12. Transferability of Awards. Unless determined otherwise by the Administrator, an Award may not be sold, pledged, assigned, hypothecated, transferred, or disposed of in any manner other than by will or by the laws of descent or distribution and may be exercised, during the lifetime of the Participant, only by the Participant. If the Administrator makes an Award transferable, such Award will contain such additional terms and conditions as the Administrator deems appropriate. Unless otherwise determined by the Administrator, the Participant may, subject to such terms and conditions as the Administrator deems advisable, assign or transfer all or part of a vested Nonstatutory Stock Options during a Participant's lifetime to a (a) Participant's spouse, former spouse or dependant pursuant to a court-approved domestic relations order that relates to the provision of child support, alimony payments or marital property rights, or (b) trust or other similar estate planning entity that is solely for the benefit of the Participant and/or the Participant's immediate family. In such case, the transferee shall receive and hold the Option subject to the provisions of this Section 12, and there shall be no further assignment or transfer of the Option.

13. Adjustments; Dissolution or Liquidation; Merger or Change in Control.

(a) Adjustments. In the event that any dividend or other distribution (whether in the form of cash, Shares, other securities, or other property), recapitalization, stock split, reverse stock split, reorganization, merger, consolidation, split-up, spin-off, combination, repurchase, or exchange of Shares or other securities of the Company, or other change in the corporate structure of the Company affecting the Shares occurs, the Administrator, in order to prevent diminution or enlargement of the benefits or potential benefits intended to be made available under the Plan, will adjust the number and class of Shares that may be delivered under the Plan and/or the number, class, and price of Shares covered by each outstanding Award, and the numerical Share limits in Section 3 of the Plan.

(b) Dissolution or Liquidation. In the event of the proposed dissolution or liquidation of the Company, the Administrator will notify each Participant as soon as practicable prior to the effective date of such proposed transaction. To the extent it has not been previously exercised, an Award will terminate immediately prior to the consummation of such proposed action.

(c) Change in Control. In the event of a merger or Change in Control, each outstanding Award will be treated as the Administrator determines without a Participant's consent, including, without limitation, that (i) Awards will be assumed, or substantially equivalent Awards will be substituted, by the acquiring or succeeding corporation (or an affiliate thereof) with appropriate adjustments as to the number and kind of shares and prices; (ii) upon written notice to a Participant, that the Participant's Awards will terminate immediately prior to the

consummation of such merger or Change in Control; (iii) outstanding Awards will vest and become exercisable, realizable, or payable, or restrictions applicable to an Award will lapse, in whole or in part prior to or upon consummation of such merger or Change in Control, and, to the extent the Administrator determines, terminate upon the effectiveness of such merger or Change in Control; (iv) (A) the termination of an Award in exchange for an amount of cash and/or property, if any, equal to the amount that would have been attained upon the exercise of such Award or realization of the Participant's rights as of the date of the occurrence of the transaction (and, for the avoidance of doubt, if as of the date of the occurrence of the transaction the Administrator determines in good faith that no amount would have been attained upon the exercise of such Award or realization of the Participant's rights, then such Award may be terminated by the Company without payment), or (B) the replacement of such Award with other rights or property selected by the Administrator in its sole discretion; or (v) any combination of the foregoing. In taking any of the actions permitted under this subsection 13(c), the Administrator will not be obligated to treat all Awards, all Awards held by a Participant, or all Awards of the same type, similarly.

In the event that the successor corporation does not assume or substitute for the Award, the Participant will fully vest in and have the right to exercise all of his or her outstanding Options and Stock Appreciation Rights, including Shares as to which such Awards would not otherwise be vested or exercisable, all restrictions on Restricted Stock and Restricted Stock Units will lapse, and, with respect to Awards with performance-based vesting, all performance goals or other vesting criteria will be deemed achieved at one hundred percent (100%) of target levels and all other terms and conditions met. In addition, if an Option or Stock Appreciation Right is not assumed or substituted in the event of a Change in Control, the Administrator will notify the Participant in writing or electronically that the Option or Stock Appreciation Right will be exercisable for a period of time determined by the Administrator in its sole discretion, and the Option or Stock Appreciation Right will terminate upon the expiration of such period.

For the purposes of this subsection (c), an Award will be considered assumed if, following the Change in Control, the Award confers the right to purchase or receive, for each Share subject to the Award immediately prior to the Change in Control, the consideration (whether stock, cash, or other securities or property) received in the Change in Control by holders of Common Stock for each Share held on the effective date of the transaction (and if holders were offered a choice of consideration, the type of consideration chosen by the holders of a majority of the outstanding Shares); provided, however, that if such consideration received in the Change in Control is not solely common stock of the successor corporation or its Parent, the Administrator may, with the consent of the successor corporation, provide for the consideration to be received upon the exercise of an Option or Stock Appreciation Right or upon the payout of a Restricted Stock Unit, for each Share subject to such Award, to be solely common stock of the successor corporation or its Parent equal in fair market value to the per share consideration received by holders of Common Stock in the Change in Control.

Notwithstanding anything in this Section 13(c) to the contrary, an Award that vests, is earned or paid-out upon the satisfaction of one or more performance goals will not be considered assumed if the Company or its successor modifies any of such performance goals without the Participant's consent; provided, however, a modification to such performance goals only to reflect the successor corporation's post-Change in Control corporate structure will not be deemed to invalidate an otherwise valid Award assumption.

14. Tax Withholding.

(a) Withholding Requirements. Prior to the delivery of any Shares or cash pursuant to an Award (or exercise thereof), the Company will have the power and the right to deduct or withhold, or require a Participant to remit to the Company, an amount sufficient to satisfy an amount sufficient to satisfy all Tax Obligations with respect to such Award (or exercise thereof).

(b) Withholding Arrangements. The Administrator, in its sole discretion and pursuant to such procedures as it may specify from time to time, may permit a Participant to satisfy such Tax Withholding obligation, in whole or in part by (without limitation) (a) paying cash, (b) electing to have the Company withhold otherwise deliverable cash or Shares having a Fair Market Value equal to the minimum statutory amount required to be withheld, or (c) delivering to the Company already-owned Shares having a Fair Market Value equal to the minimum statutory amount required to be withheld. The Fair Market Value of the Shares to be withheld or delivered will be determined as of the date that the taxes are required to be withheld.

15. No Effect on Employment or Service. Neither the Plan nor any Award will confer upon a Participant any right with respect to continuing the Participant's relationship as a Service Provider with the Company, nor will they interfere in any way with the Participant's right or the Company's right to terminate such relationship at any time, with or without cause, to the extent permitted by Applicable Laws.

16. Date of Grant. The date of grant of an Award will be, for all purposes, the date on which the Administrator makes the determination granting such Award, or such other later (but not earlier) date as is determined by the Administrator. Notice of the determination will be provided to each Participant within a reasonable time after the date of such grant.

17. Term of Plan. Subject to Section 21 of the Plan, the Plan will become effective upon its adoption by the Board. It will continue in effect for a term of ten (10) years from the date adopted by the Board, unless terminated earlier under Section 18 of the Plan.

18. Amendment and Termination of the Plan.

(a) Amendment and Termination. The Board or its delegate may at any time amend, alter, suspend or terminate the Plan.

(b) Stockholder Approval. The Company will obtain stockholder approval of any Plan amendment to the extent necessary and desirable to comply with Applicable Laws.

(c) Effect of Amendment or Termination. No amendment, alteration, suspension or termination of the Plan will impair the rights of any Participant, unless mutually agreed otherwise between the Participant and the Administrator, which agreement must be in writing and signed by the Participant and the Company. Termination of the Plan will not affect the Administrator's ability to exercise the powers granted to it hereunder with respect to Awards granted under the Plan prior to the date of such termination.

19. Conditions Upon Issuance of Shares.

(a) Legal Compliance. Shares will not be issued pursuant to the exercise of an Award unless the exercise of such Award and the issuance and delivery of such Shares will comply with Applicable Laws and will be further subject to the approval of counsel for the Company with respect to such compliance.

(b) Investment Representations. As a condition to the exercise of an Award, the Company may require the person exercising such Award to represent and warrant at the time of any such exercise that the Shares are being purchased only for investment and without any present intention to sell or distribute such Shares if, in the opinion of counsel for the Company, such a representation is required.

20. Inability to Obtain Authority. The inability of the Company to obtain authority from any regulatory body having jurisdiction, which authority is deemed by the Company's counsel to be necessary to the lawful issuance and sale of any Shares hereunder, will relieve the Company of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority will not have been obtained.

21. Stockholder Approval. The Plan will be subject to approval by the stockholders of the Company within twelve (12) months after the date the Plan is adopted by the Board. Such stockholder approval will be obtained in the manner and to the degree required under Applicable Laws.

* * *

NETFLIX, INC.

2020 STOCK PLAN

1. Purposes of the Plan. The purposes of this Plan are:

- to attract and retain the best available personnel for positions of substantial responsibility,
- to provide additional incentive to Employees, Directors and Consultants, and
- to promote the success of the Company's business.

The Plan permits the grant of Incentive Stock Options, Nonstatutory Stock Options, Stock Appreciation Rights, Restricted Stock, Restricted Stock Units and Dividend Equivalents.

2. Definitions. As used herein, the following definitions will apply:

(a) "Administrator" means the Board or any of its Committees as will be administering the Plan, in accordance with Section 4 of the Plan.

(b) "Applicable Laws" means the requirements relating to the administration of equity-based awards under U.S. state corporate laws, U.S. federal and state securities laws, the Code, any stock exchange or quotation system on which the Common Stock is listed or quoted and the applicable laws of any non-U.S. country or jurisdiction where Awards are, or will be, granted under the Plan.

(c) "Award" means, individually or collectively, a grant under the Plan of Options, Stock Appreciation Rights, Restricted Stock, Restricted Stock Units or Dividend Equivalents.

(d) "Award Agreement" means the written or electronic agreement setting forth the terms and provisions applicable to each Award granted under the Plan. Each Award Agreement is subject to the terms and conditions of the Plan.

(e) "Board" means the Board of Directors of the Company.

(f) "Change in Control" means the occurrence of any of the following events:

(i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) ("Person") becomes the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities; or

(ii) A change in the effective control of the Company which occurs on the date that a majority of members of the Board is replaced during any twelve (12) month period by Directors whose appointment or election is not endorsed by a majority of the members of the Board prior to the date of the appointment or election. For purposes of this clause (ii), if any Person is considered to be in effective control of the Company, the acquisition of additional control of the Company by the same Person will not be considered a Change in control; or

(iii) There is consummated an agreement for the sale or disposition by the Company of all or substantially all of the Company's assets, other than (A) a sale or disposition by the Company of all or substantially all of the Company's assets to an entity, more than fifty percent (50%) of the combined voting power of the voting securities of which are owned by stockholders of the Company following the completion of such transaction in substantially the same proportions as their ownership of the Company immediately prior to such sale or (B) a sale or disposition of all or substantially all of the Company's assets immediately following which the

individuals who comprise the Board immediately prior thereto constitute at least a majority of the board of directors of the entity to which such assets are sold or disposed of, if such entity is a Subsidiary, the ultimate Parent thereof; or

(iv) The consummation of a merger or consolidation of the Company, with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its Parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company, or such surviving entity or its Parent outstanding immediately after such merger or consolidation.

(g) "Code" means the U.S. Internal Revenue Code of 1986, as amended. Any reference to a section of the Code herein will be a reference to any successor or amended section of the Code.

(h) "Committee" means a committee of Directors or Officers or other Employees appointed by the Board in accordance with Section 4 hereof. Each Committee must satisfy Applicable Laws.

(i) "Common Stock" means the common stock of the Company.

(j) "Company." means Netflix, Inc., a Delaware corporation, or any successor thereto.

(k) "Consultant" means any person, including an advisor, engaged by the Company or a Parent or Subsidiary to render services to such entity.

(l) "Director" means a member of the Board.

(m) "Disability." means total and permanent disability as defined in Section 22(e)(3) of the Code, provided that in the case of Awards other than Incentive Stock Options, the Administrator in its discretion may determine whether a permanent and total disability exists in accordance with uniform and non-discriminatory standards adopted by the Administrator from time to time.

(n) "Dividend Equivalent" means any right granted under Section 10 of the Plan.

(o) "Earnings Per Share" means the Company's after-tax Profit, divided by a weighted average number of common shares outstanding and dilutive common equivalent shares deemed outstanding.

(p) "Effective Time" means the date the Plan is adopted by the Board, at 12:01 a.m. Pacific Time on such date.

(q) "Employee" means any person, including Officers and Directors, employed by the Company or any Parent or Subsidiary of the Company. Neither service as a Director nor payment of a director's fee by the Company will be sufficient to constitute "employment" by the Company.

(r) "Exchange Act" means the U.S. Securities Exchange Act of 1934, as amended.

(s) "Excise Tax" means the excise tax imposed by Section 4999 of the Code.

(t) "Exchange Program" means a program under which (i) outstanding Awards are surrendered or cancelled in exchange for Awards of the same type (which may have higher or lower exercise prices and different terms), Awards of a different type, and/or cash, and/or (ii) the exercise price of an outstanding Award is reduced. Notwithstanding the preceding, the term Exchange Program does not include any action described in Section 13 or Section 14.

(u) "Fair Market Value" means, as of any date, the last quoted per share selling price for Shares on the Nasdaq Global Select Market on the relevant date, or if there were no sales on such date, the arithmetic mean of the highest and lowest quoted selling prices on the nearest day before and the nearest day after the relevant date, as determined by the Administrator. Notwithstanding the preceding, for U.S. and non-U.S. federal, state, and local income tax reporting and withholding purposes, fair market value shall be determined by the Administrator (or its delegate) in accordance with uniform and nondiscriminatory standards adopted by it from time to time consistent with Applicable Laws.

(v) "Fiscal Year" means the fiscal year of the Company.

(w) "Incentive Stock Option" means an Option intended to qualify as an incentive stock option within the meaning of Section 422 of the Code and the regulations promulgated thereunder.

(x) "Misconduct" means that the Company has been required to prepare an accounting restatement due to material noncompliance, as a result of misconduct, with any financial reporting requirement under the securities laws, and the Administrator or its delegate has determined in its sole discretion that a Participant (i) had knowledge of the material noncompliance or circumstances giving rise to such noncompliance and willfully failed to take reasonable steps to bring it to the attention of appropriate individuals within the Company; or (ii) knowingly engaged in practices which materially contributed to the circumstances that enabled such material noncompliance to occur.

The Administrator or its delegate shall determine in its sole discretion whether the Participant has engaged in Misconduct, and its determination shall be conclusive and binding on all interested persons; provided that no Officer, Director or Employee shall participate in any decision regarding the determination of Misconduct or forfeiture with respect to his or her own Awards.

(y) "Nonstatutory Stock Option" means an Option that by its terms does not qualify or is not intended to qualify as an Incentive Stock Option.

(z) "Officer" means a person who is an officer of the Company within the meaning of Section 16 of the Exchange Act and the rules and regulations promulgated thereunder.

(aa) "Option" means a stock option granted pursuant to the Plan.

(bb) "Option Agreement" means the written or electronic agreement setting forth the terms and provisions applicable to each Option granted under the Plan. Each Option Agreement is subject to the terms of the Plan.

(cc) "Parent" means a "parent corporation," whether now or hereafter existing, as defined in Section 424(e) of the Code.

(dd) "Participant" means the holder of an outstanding Award.

(ee) "Performance-Based Award" means an Award that is earned or becomes vested on account of achievement of one or more Performance Goals.

(ff) "Performance Goals" means the goal(s) (or combined goal(s)) determined by the Administrator in its discretion to be applicable to a Participant for a Performance Period. As determined by the Administrator, the Performance Goals applicable to each Participant shall provide for a targeted level or levels of achievement based on measures including, but not limited to, the following: (a) Earnings Per Share, (b) Profit, (c) Return on Equity, (d) Revenue, (e) Subscriber Metrics, and (f) Total Shareholder Return. Any criteria used may be measured, as applicable, (i) in absolute terms, (ii) in relative terms (including, but not limited, the passage of time and/or against other companies or financial metrics), (iii) on a per share and/or share per capita basis, (iv) against the performance of the Company as a whole or against particular segments or products of the Company and/or (v) on a

pre-tax or after-tax basis. The Administrator shall determine whether any element(s) (for example, but not by way of limitation, the effect of mergers or acquisitions) shall be included in or excluded from the calculation of any Performance Goal with respect to any Participants (whether or not such determinations result in any Performance Goal being measured on a basis other than generally accepted accounting principles).

(gg) "Performance Period" means the time period during which the performance objectives or continued status as an Employee, Director or Consultant must be met.

(hh) "Period of Restriction" means the period during which the transfer of Shares of Restricted Stock are subject to restrictions and therefore, the Shares are subject to a substantial risk of forfeiture, as provided in Section 7. Notwithstanding any contrary provision of the Plan, (i) a Period of Restriction that expires solely as the result of continued employment or service shall expire in full no earlier than the three (3) year anniversary of the grant date, and (ii) a Period of Restriction that does not expire solely as the result of continued employment or service shall expire in full no earlier than the one (1) year anniversary of the grant date, unless determined otherwise by the Administrator at its discretion solely by reason of death, Disability, retirement or major capital change.

(ii) "Plan" means this 2020 Stock Plan.

(jj) "Prior 162(m)" means Section 162(m) of the Code as in effect prior to its amendment by the Tax Cuts and Jobs Act, P.L. 115-97, including the regulations and guidance promulgated in respect of Section 162(m) of the Code as in effect prior to such amendment.

(kk) "Prior Award" means, individually or collectively, a grant under the Prior Plan of Options, Stock Appreciation Rights, Restricted Stock or Restricted Stock Units.

(ll) "Prior Plan" means the Company's 2011 Stock Plan.

(mm) "Profit" means income.

(nn) "Restricted Stock" means Shares issued pursuant to an Award of Restricted Stock under Section 7 of the Plan.

(oo) "Restricted Stock Unit" or "RSU" means a bookkeeping entry representing an amount equal to the Fair Market Value of one Share, granted pursuant to Section 8. Each Restricted Stock Unit represents an unfunded and unsecured obligation of the Company.

(pp) "Return on Equity" means the percentage equal to the Company's after-tax Profit divided by average stockholder's equity.

(qq) "Revenue" means the Company's net revenues generated from third parties.

(rr) "Rule 16b-3" means Rule 16b-3 of the Exchange Act or any successor to Rule 16b-3, as in effect when discretion is being exercised with respect to the Plan.

(ss) "Section 16(b)" means Section 16(b) of the Exchange Act.

(tt) "Section 162(m) Grandfathering" means the regulations or other guidance promulgated in respect of transition rules under Section 162(m) of the Code, as Section 162(m) of the Code is in effect from time to time on or after this adoption of this Plan dated March 4, 2020, extending the deductibility of each Prior Award intended to be "qualified performance-based compensation" under Prior Section 162(m).

(uu) "Service Provider" means an Employee, Director or Consultant.

(vv) "Share" means a share of the Common Stock, as adjusted in accordance with Section 14 of the Plan.

(ww) "Stock Appreciation Right" or "SAR" means an Award, granted alone or in connection with an Option, that pursuant to Section 9 is designated as a Stock Appreciation Right.

(xx) "Stockholder Approval Date" means the date of stockholder approval of the Plan in accordance with Section 24 herein.

(yy) "Subscriber Metrics" means the objective and measurable goals approved by the Administrator that relate to the acquisition, retention and/or satisfaction of subscribers.

(zz) "Subsidiary," means a "subsidiary corporation," whether now or hereafter existing, as defined in Section 424(f) of the Code.

(aaa) "Successor" means, in the event of a Change in Control, the acquiring or succeeding company (or an affiliate thereof).

(bbb) "Tax Obligations" means tax and social insurance liability obligations and requirements in connection with the Awards, including, without limitation, (a) all U.S. and non-U.S. federal, state, and local taxes (including the Participant's FICA obligation) that are required to be withheld by the Company or the employing Subsidiary, (b) the Participant's and, to the extent required by the Company (or the employing Subsidiary), the Company's (or the employing Subsidiary's) fringe benefit tax liability, if any, associated with the grant, vesting, or sale of Shares, and (c) any other Company (or employing Subsidiary) taxes the responsibility for which the Participant has agreed to bear with respect to such Award (or exercise thereof or issuance of Shares thereunder).

(ccc) "Total Shareholder Return" means the total return (change in share price plus reinvestment of any dividends) of a Share.

3. Stock Subject to the Plan.

(a) Stock Subject to the Plan. Subject to the provisions of Section 14 of the Plan, the maximum aggregate number of Shares that may be issued under the Plan, as adjusted pursuant to Section 14 of the Plan to reflect the 10-for-1 stock split of the Common Stock in 2025, is equal to the sum of the following (the "Share Limit"): (A) 175,000,000 Shares, plus (B) the number of Shares available for additional award grant purposes under the Prior Plan as of the Effective Time, plus (C) the number of Shares subject to Prior Awards that are outstanding as of the Effective Time which expire or become unexercisable without having been exercised in full after the Effective Time, plus (D) the number of Shares subject to restricted stock and restricted stock unit awards granted under the Prior Plan that are outstanding and unvested at the Effective Time that are forfeited or repurchased by the Company without having become vested; provided that in no event shall the Share Limit exceed 417,246,280 Shares (which is the sum of the 175,000,000 Shares set forth above, plus the number of Shares available under the Prior Plan for additional award grant purposes as of the Effective Time, plus the aggregate number of Shares subject to outstanding Prior Awards as of the Effective Time). The Shares may be authorized, but unissued, or reacquired Common Stock. Any Shares subject to an Award of Restricted Stock or Restricted Stock Units will be counted against the numerical limits of this Section 3 as 2.39 Shares for every one (1) Share subject to the Award. If Shares acquired pursuant to an Award of Restricted Stock or Restricted Stock Units are forfeited to the Company or repurchased by the Company and otherwise would return to the Plan pursuant to Section 3(c), 2.39 times the number of Shares so forfeited or repurchased will return to the Plan and again will become available for issuance.

(b) Lapsed Awards. If an Award expires or becomes unexercisable without having been exercised in full, or, with respect to Restricted Stock or Restricted Stock Units, is forfeited to the Company or repurchased by the Company, the unpurchased Shares (or for Awards other than Options and Stock Appreciation Rights, the forfeited or repurchased Shares) that were subject thereto will become available for future grant or sale under the Plan. Upon exercise of a Stock Appreciation Right settled in Shares, the gross number of Shares covered

by the portion of the Award so exercised will cease to be available under the Plan. Shares that have actually been issued under the Plan under any Award will not be returned to the Plan and will not become available for future distribution under the Plan; provided, however, that if unvested Shares of Restricted Stock or Restricted Stock Units are repurchased by the Company or are forfeited to the Company, such Shares will become available for future grant under the Plan. Shares used to pay the exercise or purchase price of an Award and/or to satisfy the tax withholding obligations related to an Award will not become available for future grant or sale under the Plan. To the extent an Award under the Plan is paid out in cash rather than Shares, such cash payment will not reduce the number of Shares available for issuance under the Plan. Shares actually issued pursuant to Awards transferred under any Exchange Program to reprice options or stock appreciation rights will not become available for grant under the 2020 Plan. Notwithstanding the foregoing provisions of this Section 3(b), subject to adjustment provided in Section 14, the maximum number of Shares that may be issued upon the exercise of Incentive Stock Options will equal the aggregate Share number stated in Section 3(a), plus, to the extent allowable under Section 422 of the Code and the Treasury Regulations promulgated thereunder, any Shares that become available for issuance under the Plan under this Section 3(b).

(c) Share Reserve. The Company, during the term of this Plan, will at all times reserve and keep available such number of Shares as will be sufficient to satisfy the requirements of the Plan.

(d) Successor to the Prior Plan. The Plan is intended as the successor to the Prior Plan. Following the Stockholder Approval Date, no additional stock awards may be granted under the Prior Plan. In addition, from and after 12:01 a.m. Pacific Time on the Stockholder Approval Date, all outstanding stock awards granted under the Prior Plan will remain subject to the terms of the Prior Plan; provided, however, that any Shares subject to Prior Awards that are outstanding as of the Effective Time which expire or become unexercisable without having been exercised in full after the Effective Time and any Shares subject to restricted stock and restricted stock unit awards granted under the Prior Plan that are outstanding and unvested as of the Effective Time that are forfeited or repurchased by the Company without having become vested will become available for issuance for Awards under the Plan (as further described in Section 3(a) herein). All Awards granted on or after 12:01 a.m. Pacific Time on the Stockholder Approval Date will be subject to the terms of the Plan.

4. Administration of the Plan.

(a) Procedure.

(i) Multiple Administrative Bodies. Different Committees with respect to different groups of Service Providers may administer the Plan.

(ii) Rule 16b-3. To the extent desirable to qualify transactions hereunder as exempt under Rule 16b-3, the transactions contemplated hereunder will be structured to satisfy the requirements for exemption under Rule 16b-3.

(iii) Other Administration. Other than as provided above, the Plan will be administered by (A) the Board or (B) one or more Committees, each of which committee will be constituted to satisfy Applicable Laws.

(iv) Prior Section 162(m). Notwithstanding anything to the contrary herein, no provision of this Plan is intended to result in non-deductibility of Prior Awards that were intended to be deductible in accordance with Prior Section 162(m), and any Prior Awards granted under the Prior Plan and that are outstanding as of the date the adoption of the Plan shall remain subject to the Prior Plan to the extent necessary to comply with Section 162(m) of the Code. The Company intends to avail itself of transition relief applicable to such Prior Awards, if any, in connection with Section 162(m) of the Code (including, without limitation, in accordance with the Section 162(m) Grandfathering) to the maximum extent permitted by regulations and other guidance promulgated to implement such transition relief. The determination by the Company regarding whether transition relief is available shall be made in its sole discretion.

(b) Powers of the Administrator. Subject to the provisions of the Plan, and in the case of a Committee, subject to the specific duties delegated by the Board to such Committee, the Administrator will have the authority, in its discretion:

- (i) to determine the Fair Market Value;
- (ii) to select the Service Providers to whom Awards may be granted hereunder;
- (iii) to determine the number of Shares to be covered by each Award granted hereunder;
- (iv) to approve forms of Award Agreements for use under the Plan;
- (v) to determine the terms and conditions, not inconsistent with the terms of the Plan, of any Award granted hereunder.

Such terms and conditions include, but are not limited to, the exercise price, the time or times when Awards may be exercised (which may be based on performance criteria), any vesting acceleration or waiver of forfeiture restrictions, and any restriction or limitation regarding any Award or the Shares relating thereto, based in each case on such factors as the Administrator will determine;

(vi) to determine the terms and conditions of any Exchange Program (provided that no Exchange Program shall be implemented unless the approval of the stockholders of the Company is obtained for such Exchange Program);

(vii) to construe and interpret the terms of the Plan and Awards granted pursuant to the Plan;

(viii) to prescribe, amend and rescind rules and regulations relating to the Plan, including (but not limited to) rules and regulations for automatic grants of Awards pursuant to such procedures as the Administrator may establish from time to time, and rules and regulations relating to sub-plans established for the purpose of satisfying applicable non-U.S. laws;

(ix) to modify or amend each Award (subject to Section 19 of the Plan), including but not limited to the discretionary authority to extend the post-termination exercisability period of Awards and to extend the maximum term of an Option (subject to Section 6(b) of the Plan regarding Incentive Stock Options);

(x) to allow Participants to satisfy Tax Obligations in such manner as prescribed in Section 15 of the Plan;

(xi) to authorize any person to execute on behalf of the Company any instrument required to affect the grant of an Award previously granted by the Administrator;

(xii) to allow a Participant to defer the receipt of the payment of cash or the delivery of Shares that would otherwise be due to such Participant under an Award; and

(xiii) to make all other determinations deemed necessary or advisable for administering the Plan.

(c) Effect of Administrator's Decision. The Administrator's decisions, determinations and interpretations will be final and binding on all Participants and any other holders of Awards.

(d) No Liability. Under no circumstances shall the Company, any Parent or Subsidiary, the Administrator, or the Board incur liability for any indirect, incidental, consequential or special damages (including lost profits) of any form incurred by any person, whether or not foreseeable and regardless of the form of the act in

which such a claim may be brought, with respect to the Plan or the Company's, any Parent's or Subsidiary's, the Administrator's or the Board's roles in connection with the Plan.

5. Eligibility. Nonstatutory Stock Options, Stock Appreciation Rights, Restricted Stock, Restricted Stock Units and Dividend Equivalents may be granted to Service Providers. Incentive Stock Options may be granted only to Employees.

6. Stock Options.

(a) Limitations. Each Option will be designated in the applicable Option Agreement as either an Incentive Stock Option or a Nonstatutory Stock Option. However, notwithstanding such designation, to the extent that the aggregate Fair Market Value of the Shares with respect to which Incentive Stock Options are exercisable for the first time by the Participant during any calendar year (under all plans of the Company and any Parent or Subsidiary) exceeds one hundred thousand dollars (\$100,000), such Options will be treated as Nonstatutory Stock Options. For purposes of this Section 6(a), Incentive Stock Options will be taken into account in the order in which they were granted. The Fair Market Value of the Shares will be determined as of the time the Option with respect to such Shares is granted. The Administrator, in its sole discretion, shall determine the number of Shares subject to each Option, provided that during any Fiscal Year, no Participant shall be granted Options (and/or SARs) covering more than 50,000,000 Shares. The Administrator may grant Incentive Stock Options, Nonqualified Stock Options, or a combination thereof. For the avoidance of doubt, Options may be granted pursuant to a Company compensation program or arrangement whereby Service Providers elect to receive Options in lieu of any or all cash compensation, unless provided otherwise by the Administrator.

(b) Term of Option. The term of each Option will be stated in the Award Agreement. In the case of an Incentive Stock Option, the term will be ten (10) years from the date of grant or such shorter term as may be provided in the Option Agreement. Moreover, in the case of an Incentive Stock Option granted to a Participant who, at the time the Incentive Stock Option is granted, owns stock representing more than ten percent (10%) of the total combined voting power of all classes of stock of the Company or any Parent or Subsidiary, the term of the Incentive Stock Option will be five (5) years from the date of grant or such shorter term as may be provided in the Award Agreement.

(c) Option Exercise Price and Consideration.

(i) The per Share exercise price for the Shares to be issued pursuant to the exercise of an Option will be determined by the Administrator, but will be no less than one hundred percent (100%) of the Fair Market Value per Share on the date of grant. In addition, in the case of an Incentive Stock Option granted to an Employee who owns stock representing more than ten percent (10%) of the voting power of all classes of stock of the Company or any Parent or Subsidiary, the per Share exercise price will be no less than one hundred ten percent (110%) of the Fair Market Value per Share on the date of grant. Notwithstanding the foregoing provisions of this Section 6(c)(i), Options may be granted with a per Share exercise price of less than one hundred percent (100%) of the Fair Market Value per Share on the date of grant pursuant to a transaction described in, and in a manner consistent with, Section 424(a) of the Code.

(ii) Waiting Period and Exercise Dates. At the time an Option is granted, the Administrator will fix the period within which the Option may be exercised and will determine any conditions that must be satisfied before the Option may be exercised.

(iii) Form of Consideration. The Administrator will determine the acceptable form of consideration for exercising an Option, including the method of payment, which will be specified in the Option Agreement. In the case of an Incentive Stock Option, the Administrator will determine the acceptable form of consideration at the time of grant. Such consideration may consist entirely of: (1) cash; (2) check; (3) other Shares, provided that such Shares have a Fair Market Value on the date of surrender equal to the aggregate exercise price of the Shares as to which such Option will be exercised and provided further that accepting such Shares will not result in any adverse accounting consequences to the Company, as the Administrator determines in its sole discretion; (4)

consideration received by the Company under a broker assisted (or other) cashless exercise program (whether through a broker or otherwise) implemented by the Company in connection with the Plan; (5) by net exercise; (6) such other consideration and method of payment for the issuance of Shares to the extent permitted by Applicable Laws; or (7) any combination of the foregoing methods of payment.

(d) Exercise of Option.

(i) Procedure for Exercise; Rights as a Stockholder. Any Option granted hereunder will be exercisable according to the terms of the Plan and at such times and under such conditions as determined by the Administrator and set forth in the Option Agreement. An Option may not be exercised for a fraction of a Share.

An Option will be deemed exercised when the Company receives: (1) notice of exercise (in such form as the Administrator may specify from time to time) from the person entitled to exercise the Option, and (2) full payment for the Shares with respect to which the Option is exercised (together with applicable withholding taxes). Full payment may consist of any consideration and method of payment authorized by the Administrator and permitted by the Award Agreement and the Plan. Shares issued upon exercise of an Option will be issued in the name of the Participant or, if requested by the Participant, in the name of the Participant and his or her spouse. Until the Shares are issued (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), no right to vote or receive dividends or any other rights as a stockholder will exist with respect to the Shares subject to an Option, notwithstanding the exercise of the Option. The Company will issue (or cause to be issued) such Shares promptly after the Option is exercised. No adjustment will be made for a dividend or other right for which the record date is prior to the date the Shares are issued.

Subject to Section 3(b), exercising an Option will decrease the number of Shares thereafter available, both for purposes of the Plan and for sale under the Option, by the number of Shares as to which the Option is exercised.

(ii) Termination of Relationship as a Service Provider. If a Participant ceases to be a Service Provider, other than upon the Participant's termination as the result of the Participant's death or Disability, the Participant may exercise his or her Option within such period of time as is specified in the Option Agreement to the extent that the Option is vested on the date of termination (but in no event later than the expiration of the term of such Option as set forth in the Option Agreement). In the absence of a specified time in the Option Agreement, the Option will remain exercisable for three (3) months following the Participant's termination.

Unless otherwise provided by the Administrator, if on the date of termination, the Participant is not vested as to his or her entire Option, the Shares covered by the unvested portion of the Option will revert to the Plan. If after termination the Participant does not exercise his or her Option within the time specified by the Administrator, the Option will terminate, and the Shares covered by such Option will revert to the Plan.

(iii) Disability of Participant. If a Participant ceases to be a Service Provider as a result of the Participant's Disability, the Participant may exercise his or her Option within such period of time as is specified in the Option Agreement to the extent the Option is vested on the date of termination (but in no event later than the expiration of the term of such Option as set forth in the Option Agreement). In the absence of a specified time in the Option Agreement, the Option will remain exercisable for twelve (12) months following the Participant ceasing to be a Service Provider as a result of the Participant's Disability. Unless otherwise provided by the Administrator, if on the date of termination, the Participant is not vested as to his or her entire Option, the Shares covered by the unvested portion of the Option will revert to the Plan. If after termination the Participant does not exercise his or her Option within the time specified herein, the Option will terminate, and the Shares covered by such Option will revert to the Plan.

(iv) Death of Participant. If a Participant dies while a Service Provider, the Option may be exercised following the Participant's death within such period of time as is specified in the Option Agreement to the extent that the Option is vested on the date of death (but in no event later than the expiration of the term of such Option as set forth in the Option Agreement), by the Participant's designated beneficiary, provided such

beneficiary has been designated prior to Participant's death in a form acceptable to the Administrator. If no such beneficiary has been designated by the Participant, then such Option may be exercised by the personal representative of the Participant's estate or by the person(s) to whom the Option is transferred pursuant to the Participant's will or in accordance with the laws of descent and distribution. In the absence of a specified time in the Option agreement, the Option will remain exercisable for twelve (12) months following Participant's death. Unless otherwise provided by the Administrator, if at the time of death Participant is not vested as to his or her entire Option, the Shares covered by the unvested portion of the Option will immediately revert to the Plan. If the Option is not so exercised within the time specified herein, the Option will terminate, and the Shares covered by such Option will revert to the Plan.

7. Restricted Stock.

(a) Grant of Restricted Stock. Subject to the terms and provisions of the Plan, the Administrator, at any time and from time to time, may grant Shares of Restricted Stock to Service Providers in such amounts as the Administrator, in its sole discretion, will determine. The Administrator, in its sole discretion, shall determine the number of Shares to be granted to each Participant, provided that during any Fiscal Year, no Participant shall receive more than 50,000,000 Shares of Restricted Stock (and/or Restricted Stock Units).

(b) Restricted Stock Agreement. Each Award of Restricted Stock will be evidenced by an Award Agreement that will specify the Period of Restriction, the number of Shares granted, and such other terms and conditions as the Administrator, in its sole discretion, will determine. Unless the Administrator determines otherwise, the Company as escrow agent will hold Shares of Restricted Stock until the restrictions on such Shares have lapsed.

(c) Transferability. Except as provided in this Section 7, Shares of Restricted Stock may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated until the end of the applicable Period of Restriction.

(d) Other Restrictions. The Administrator, in its sole discretion, may impose such other restrictions on Shares of Restricted Stock as it may deem advisable or appropriate.

(e) Removal of Restrictions. Except as otherwise provided in this Section 7, Shares of Restricted Stock covered by each Restricted Stock grant made under the Plan will be released from escrow as soon as practicable after the last day of the Period of Restriction or at such other time as the Administrator may determine. The Administrator, in its discretion, may accelerate the time at which any restrictions will lapse or be removed.

(f) Voting Rights. During the Period of Restriction, Service Providers holding Shares of Restricted Stock granted hereunder may exercise full voting rights with respect to those Shares, unless the Administrator determines otherwise.

(g) Dividends, Dividend Equivalents and Other Distributions. During the Period of Restriction, Participants holding Shares of Restricted Stock will be entitled to receive all dividends and other distributions paid with respect to such Shares, unless the Administrator provides otherwise. Notwithstanding the foregoing, any such rights to dividend, Dividend Equivalent, or other distribution payments are subject to the limitations described in Section 10.

(h) Return of Restricted Stock to Company. On the date set forth in the Award Agreement, the Restricted Stock for which restrictions have not lapsed will revert to the Company and again will become available for grant under the Plan.

8. Restricted Stock Units.

(a) Grant. Restricted Stock Units may be granted at any time and from time to time as determined by the Administrator. The Administrator shall have complete discretion in determining the number of Restricted Stock Units granted to each Participant, provided that during any Fiscal Year, no Participant shall be

granted more than a total of 50,000,000 Restricted Stock Units (and/or Shares of Restricted Stock). After the Administrator determines that it will grant Restricted Stock Units under the Plan, it will advise the Participant in an Award Agreement of the terms, conditions, and restrictions related to the grant, including the number of Restricted Stock Units.

(b) Vesting Criteria and Other Terms. The Administrator will set vesting criteria in its discretion, which, depending on the extent to which the criteria are met, will determine the number of Restricted Stock Units that will be paid out to the Participant. The Administrator may set vesting criteria based upon the achievement of Companywide, business unit, or individual goals (including, but not limited to, continued employment), or any other basis determined by the Administrator in its discretion. The Administrator, in its discretion, may determine that the performance objectives applicable to Restricted Stock Units shall be based on the achievement of Performance Goals.

(c) Earning Restricted Stock Units. Upon meeting the applicable vesting criteria, the Participant will be entitled to receive a payout as determined by the Administrator. Notwithstanding the foregoing, at any time after the grant of Restricted Stock Units, the Administrator, in its sole discretion, may reduce or waive any vesting criteria that must be met to receive a payout.

(d) Form and Timing of Payment. Payment of earned Restricted Stock Units will be made as soon as practicable after the date(s) determined by the Administrator and set forth in the Award Agreement. The Administrator, in its sole discretion, may only settle earned Restricted Stock Units in cash, Shares, or a combination of both.

(e) Dividends, Dividend Equivalents and Other Distributions. Dividends and other distributions declared during the period of time after a Restricted Stock Unit Award is granted and prior to such Award meeting the applicable vesting criteria and settling in Shares shall only become payable if (and to the extent) such Award vests and that the Administrator provides that the Award is accompanied by rights to dividends, Dividend Equivalents or other distributions. Notwithstanding the foregoing, any such rights to dividend, Dividend Equivalent, or other distribution payments are subject to the limitations described in Section 10.

(f) Cancellation. On the date set forth in the Award Agreement, all unearned Restricted Stock Units will be forfeited to the Company.

9. Stock Appreciation Rights.

(a) Grant of Stock Appreciation Rights. Subject to the terms and conditions of the Plan, a Stock Appreciation Right may be granted to Service Providers at any time and from time to time as will be determined by the Administrator, in its sole discretion. The Administrator shall have complete discretion to determine the number of SARs granted to any Participant, provided that during any Fiscal Year, no Participant shall be granted SARs (and/or Options) covering more than a total of 50,000,000 Shares.

(b) Number of Shares. The Administrator will have complete discretion to determine the number of Stock Appreciation Rights granted to any Service Provider.

(c) Exercise Price and Other Terms. The per share exercise price for the Shares to be issued pursuant to exercise of a Stock Appreciation Right will be determined by the Administrator and will be no less than one hundred percent (100%) of the Fair Market Value per Share on the date of grant. Otherwise, the Administrator, subject to the provisions of the Plan, will have complete discretion to determine the terms and conditions of Stock Appreciation Rights granted under the Plan.

(d) Stock Appreciation Right Agreement. Each Stock Appreciation Right grant will be evidenced by an Award Agreement that will specify the exercise price, the term of the Stock Appreciation Right, the conditions of exercise, and such other terms and conditions as the Administrator, in its sole discretion, will determine.

(e) Expiration of Stock Appreciation Rights. A Stock Appreciation Right granted under the Plan will expire upon the date determined by the Administrator, in its sole discretion, and set forth in the Award Agreement.

Notwithstanding the foregoing, the rules of Section 6(b) relating to the maximum term and Section 6(d) relating to exercise also will apply to Stock Appreciation Rights.

(f) Payment of Stock Appreciation Right Amount. Upon exercise of a Stock Appreciation Right, a Participant will be entitled to receive payment from the Company in an amount determined by multiplying:

- (i) The difference between the Fair Market Value of a Share on the date of exercise over the exercise price; times
- (ii) The number of Shares with respect to which the Stock Appreciation Right is exercised.

At the discretion of the Administrator, the payment upon Stock Appreciation Right exercise may be in cash, in Shares of equivalent value, or in some combination thereof.

10. Dividend Equivalents. The Administrator is hereby authorized to grant Dividend Equivalents to Service Providers under which the Participant shall be entitled to receive payments (in cash, Shares, other securities, other Awards or other property as determined in the discretion of the Administrator) equivalent to the amount of cash dividends paid by the Company to holders of Shares with respect to a number of Shares determined by the Administrator. Subject to the terms of the Plan and any applicable Award Agreement, such Dividend Equivalents may have such terms and conditions as the Administrator shall determine. Notwithstanding the foregoing: (i) the Administrator may not grant Dividend Equivalents to Participants in connection with grants of Options or Stock Appreciation Rights and (ii) dividend and Dividend Equivalent and other distribution amounts with respect to any Share underlying an Award may be accrued but not paid to a Participant until all conditions or restrictions relating to such Share have been satisfied or lapsed and shall be forfeited if all of such conditions or restrictions are never satisfied or lapse.

11. Compliance With Section 409A of the Code. The Plan as well as payments and benefits under the Plan are intended to be exempt from, or to the extent subject thereto, to comply with Section 409A of the Code, and, accordingly, to the maximum extent permitted, the Plan shall be interpreted in accordance therewith. Notwithstanding anything contained herein to the contrary, to the extent required in order to avoid accelerated taxation and/or tax penalties under Section 409A of the Code, a Participant shall not be considered to have terminated employment or service with the Company, or a Parent or Subsidiary, for purposes of the Plan and no payment shall be due to the Participant under the Plan or any Award until the Participant would be considered to have incurred a "separation from service" from the Company, its Parent or any Subsidiary within the meaning of Section 409A of the Code. Any payments described in the Plan that are due within the "short term deferral period" as defined in Section 409A of the Code shall not be treated as deferred compensation unless Applicable Law requires otherwise. Notwithstanding anything to the contrary in the Plan, to the extent that any Awards are payable upon a separation from service and such payment would result in the imposition of any individual tax and penalty interest charges imposed under Section 409A of the Code, the settlement and payment of such awards (or other amounts) shall instead be made on the first business day after the date that is six (6) months following such separation from service (or death, if earlier). Each amount to be paid or benefit to be provided under this Plan shall be construed as a separate identified payment for purposes of Section 409A of the Code. The Company makes no representation that any or all of the payments or benefits described in this Plan will be exempt from or comply with Section 409A of the Code and makes no undertaking to preclude Section 409A of the Code from applying to any such payment. The Participant shall be solely responsible for the payment of any taxes and penalties incurred under Section 409A.

12. Leaves of Absence/Transfer Between Locations. Unless the Administrator provides otherwise, vesting of Awards granted hereunder will be suspended during any unpaid leave of absence. A Participant will not

cease to be an Employee in the case of (a) any leave of absence approved by the Company or (b) transfers between locations of the Company or between the Company, its Parent, or any Subsidiary. For purposes of Incentive Stock Options, no such leave may exceed three (3) months, unless reemployment upon expiration of such leave is guaranteed by statute or contract. If reemployment upon expiration of a leave of absence approved by the Company is not so guaranteed, then six (6) months following the first (1) day of such leave, any Incentive Stock Option held by the Participant will cease to be treated as an Incentive Stock Option and will be treated for tax purposes as a Nonstatutory Stock Option.

13. Transferability of Awards. Unless determined otherwise by the Administrator, an Award may not be sold, pledged, assigned, hypothecated, transferred, or disposed of in any manner other than by will or by the laws of descent or distribution and may be exercised, during the lifetime of the Participant, only by the Participant. If the Administrator makes an Award transferable, such Award will contain such additional terms and conditions as the Administrator deems appropriate. Unless otherwise determined by the Administrator, the Participant may, subject to such terms and conditions as the Administrator deems advisable, assign or transfer all or part of a vested Nonstatutory Stock Options during a Participant's lifetime to a (a) Participant's spouse, former spouse or dependent pursuant to a court-approved domestic relations order that relates to the provision of child support, alimony payments or marital property rights, or (b) trust or other similar estate planning entity that is solely for the benefit of the Participant and/or the Participant's immediate family. In such case, the transferee shall receive and hold the Option subject to the provisions of this Section 13, and there shall be no further assignment or transfer of the Option.

14. Adjustments; Dissolution or Liquidation; Change in Control.

(a) Adjustments. In the event that any dividend or other distribution (whether in the form of cash, Shares, other securities, or other property), recapitalization, stock split, reverse stock split, reorganization, merger, consolidation, split-up, spin-off, combination, repurchase, or exchange of Shares or other securities of the Company, or other change in the corporate structure of the Company affecting the Shares occurs, the Administrator, in order to prevent diminution or enlargement of the benefits or potential benefits intended to be made available under the Plan, will adjust the number and class of Shares that may be delivered under the Plan and/or the number, class, and price of Shares covered by each outstanding Award, and the numerical Share limits in Section 3 of the Plan.

(b) Dissolution or Liquidation. In the event of the proposed dissolution or liquidation of the Company, the Administrator will notify each Participant as soon as practicable prior to the effective date of such proposed transaction. To the extent it has not been previously exercised, an Award will terminate immediately prior to the consummation of such proposed action.

(c) Change in Control.

(i) Assumption, Substitution or Continuation of Outstanding Awards. In the event of a Change in Control in which the Successor proposes to assume, substitute or continue equivalent awards (with such adjustments as may be required or permitted by Section 14(a) of the Plan, with appropriate adjustments as to the number and kind of shares and prices), any substitute equivalent award must (a) have a value at least equal to the value of the Award being substituted; (b) relate to a publicly-traded equity security of the Successor involved in the Change in Control or another publicly traded entity that is affiliated with the Successor following the Change in Control; (c) be the same type of award as the Award being substituted; (d) be vested to the extent the Award being substituted was vested at the time of the Change in Control and (e) have other terms and conditions (including by way of example, vesting and exercisability) that are the same or more favorable to the Participant than the terms and conditions of the Award being substituted, in each case, as reasonably determined by the Administrator (as constituted prior to the Change in Control) in good faith. If a Participant's Award is assumed, substituted or continued by the Successor pursuant to this Section 14(c)(i), then, subject to the remaining provisions of this Section 14(c), such Award will not vest or lapse solely as a result of the Change in Control but will instead remain outstanding under the terms pursuant to which it has been assumed, substituted, or continued and will continue to vest or lapse pursuant to such terms.

(A) For the purposes of Section 14(c) of the Plan, an Award will be considered assumed if, following the Change in Control, the Award confers the right to purchase or receive, for each Share subject to the Award immediately prior to the Change in Control, the consideration (whether stock, cash, or other securities or property) received in the Change in Control by holders of Common Stock for each Share held on the effective date of the transaction (and if holders were offered a choice of consideration, the type of consideration chosen by the holders of a majority of the outstanding Shares); provided, however, that if such consideration received in the Change in Control is not solely common stock of the Successor or its Parent, the Administrator may, with the consent of the Successor, provide for the consideration to be received upon the exercise of an Option or Stock Appreciation Right or upon the payout of a Restricted Stock Unit, for each Share subject to such Award, to be solely common stock of the Successor or its Parent equal in fair market value to the per share consideration received by holders of Common Stock in the Change in Control.

(ii) No Assumption, Substitution, or Continuation of Outstanding Awards. If for any reason outstanding Awards are not assumed, substituted, or continued pursuant to Section 14(c)(i), such outstanding Awards will be subject to the following rules, in each case effective immediately prior to such Change in Control but conditioned upon completion of such Change in Control, with any corresponding payments made as soon as reasonably practicable after the Change in Control, but no later than within 30 days following the date of the Change in Control:

(A) Options and Stock Appreciation Rights. All Options and Stock Appreciation Rights will become fully vested and exercisable. The Administrator will give Participants a reasonable opportunity (at least 30 days if practicable) to exercise any or all Options and Stock Appreciation Rights before the consummation of the transaction resulting in the Change in Control, provided that any such exercise will be contingent upon and subject to the occurrence of the Change in Control and if the Change in Control does not take place within a specified period after giving such notice for any reason whatsoever, the exercise will be null and void and such Options and Stock Appreciation Rights will be restored to their status as if there had been no Change in Control. If a Participant does not exercise all Options and Stock Appreciation Rights prior to the Change in Control, the Administrator will pay such Participant in exchange for the cancellation of each such unexercised Options and Stock Appreciation Rights the difference between the exercise price for such Option or the grant price for such Stock Appreciation Right and the per Share consideration provided to other similarly situated shareholders in such Change in Control; provided, however, that if the exercise price of such Option or the grant price of such Stock Appreciation Right exceeds the aforementioned consideration provided, then such unexercised Option or Stock Appreciation Right will be canceled and terminated without any payment.

(B) Vesting of Restricted Stock Units and Lapse of Restricted Stock Restrictions, for Awards that are not Performance-Based Awards. All restrictions imposed on Restricted Stock Units and Restricted Stock that are not performance-based will lapse and be of no further force and effect, such that all such Restricted Stock Units and Restricted Stock will become fully vested, and the Period of Restriction will expire for such Awards of Restricted Stock. Restricted Stock Units will be settled and paid in cash and/or Shares at the Administrator's discretion, and Restricted Stock will be paid in cash and/or Shares at the Administrator's discretion; provided, however that if any such payment is to be made in Shares, the Administrator may in its discretion, provide such holders the consideration provided to other similarly situated shareholders in such Change in Control.

(C) Vesting, Payment and Achievement of Performance-Based Awards. All Performance Based Awards for which the Performance Period has been completed as of the date of the Change Control but have not yet been paid will vest and be paid in cash and/or Shares at such time at the Administrator's discretion, with all Performance Goals to be deemed achieved at actual performance. Unless otherwise provided in the applicable Award Agreement, all Performance-Based Awards for which the Performance Period has not been completed as of the date of the Change in Control will, with respect to each Performance Goal or other vesting criteria, be deemed achieved at one hundred percent (100%) of target levels and all other terms and conditions met, and vest and be paid out for the entire Performance Period (and not pro rata), with the manner of payment to be made in cash or Shares at the Administrator's discretion; provided, however that if any such payment is to be made in Shares, the Administrator may in its reasonable discretion, provide such holders the consideration provided to other similarly situated shareholders in such Change in Control.

(D) Notwithstanding anything in Section 14(c) to the contrary, an Award that vests, is earned or paid-out upon the satisfaction of one or more Performance Goals will not be considered assumed if the Company or its Successor modifies any of such Performance Goals without the Participant's consent; provided, however, a modification to such Performance Goals only to reflect the Successor's post-Change in Control corporate structure will not be deemed to invalidate an otherwise valid Award assumption.

(iii) Termination, Amendment and Modifications of Change in Control Provisions. Notwithstanding any other provision of the Plan or any Award Agreement provision, the provisions of Section 14(c) of the Plan may not be terminated, amended, or modified in any manner that adversely affects any then-outstanding Award or Award Participant without the prior written consent of the Participant, unless for the purpose of complying with Applicable Laws and regulations.

(iv) Limitation on Change in Control Payments. Notwithstanding anything in Section 14(c) of the Plan to the contrary, if, with respect to a Participant, the acceleration of the vesting of an Award or the payment of cash in exchange for all or part of the Award (i) could be deemed a "parachute payment" within the meaning of Section 280G of the Code and (ii) but for Section 14(c) of the Plan, would be subject to an Excise Tax, then the "payments" to such Participant pursuant to Section 14(c) of the Plan shall be either (a) delivered in full, or (b) delivered as to such lesser extent which would result in no portion of such benefits being subject to the Excise Tax; whichever of the foregoing amounts, taking into account the applicable federal, state and local income taxes and the Excise Tax, results in the receipt by the Participant on an after-tax basis, of the greatest amount of benefits, notwithstanding that all or some portion of such benefits may be taxable under Section 4999 of the Code. Unless the Company and the Participant otherwise agree in writing, any determination required under this Section 14(c)(iv) shall be made in writing in good faith by an accounting firm chosen by the Administrator. If a reduction in benefits is required only under the Plan, the reduction will apply to the Participant's "payments" under Section 14(c) of the Plan, as applicable, provided further than such payments will be reduced (or acceleration of vesting eliminated) in the following order: the order specified by the Participant's Award Agreement, the order specified by any other written agreement between the Participant and the Company, the vesting acceleration of Options or Stock Appreciation Rights, then the vesting acceleration of equity awards other than Options or Stock Appreciation Rights. In the event that acceleration of vesting of Options, Stock Appreciation Rights or other equity awards is to be reduced, such acceleration of vesting shall be cancelled in the reverse order of the date of grant for the Participant's Options, Stock Appreciation Rights or other equity awards, as applicable. If two or more Options, Stock Appreciation Rights or other equity awards are granted on the same day, the Options, Stock Appreciation Rights or other equity awards, as applicable, will be reduced on a pro-rata basis. For purposes of making the calculations required by this Section 14(c)(iv), the accountant selected by the Administrator may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code. The Company and the Participant shall furnish to such accountants such information and documents as the accountants may reasonably request in order to make a determination under this Section 14(c)(iv).

15. Tax Withholding.

(a) Withholding Requirements. Prior to the delivery of any Shares or cash pursuant to an Award (or exercise thereof), the Company will have the power and the right to deduct or withhold, or require a Participant to remit to the Company, an amount sufficient to satisfy all Tax Obligations with respect to such Award (or exercise thereof).

(b) Withholding Arrangements. The Administrator, in its sole discretion and pursuant to such procedures as it may specify from time to time, may determine to permit the satisfaction of such withholding obligations for such Tax Obligations, in whole or in part, by any of the following methods (without limitation): (a) causing the Participant to tender a cash payment, (b) having the Company withhold otherwise deliverable cash or Shares having a Fair Market Value equal to the amount required to be withheld pursuant to the Tax Obligations but not to exceed the sum of all statutory maximum rates applicable in the Participant's jurisdiction(s) (provided, in the case of a Participant who is an "officer" of the Company as defined in Rule 16a-1(f) promulgated pursuant to the Exchange Act, or any successor law (or any successor rule), that any withholding amount that exceeds the amount

that is required to be withheld pursuant to the Tax Obligations for such Participant is approved in advance by the Administrator or the Board (such requirement, the "Section 16 Officer Condition")), (c) causing the Participant to deliver to the Company already owned Shares having a Fair Market Value equal to the amount required to be withheld pursuant to the Tax Obligations but not to exceed the sum of all statutory maximum rates applicable in the Participant's jurisdiction(s), subject to the Section 16 Officer Condition, or (d) having the Company withhold from proceeds of the sale of Shares issued pursuant to an Award either through a voluntary sale or through a mandatory sale arranged by the Company, provided that, in all instances, the satisfaction of the Tax Obligations will not result in any adverse accounting consequence to the Company, as the Committee may determine in its sole discretion. The Fair Market Value of the Shares to be withheld or delivered will be determined as of the date that the taxes are required to be withheld.

16. No Effect on Employment or Service. Neither the Plan nor any Award will confer upon a Participant any right with respect to continuing the Participant's relationship as a Service Provider with the Company or a Parent or Subsidiary, nor will they interfere in any way with the Participant's right or the right of the Company or a Parent or Subsidiary to terminate such relationship at any time, with or without cause, to the extent permitted by Applicable Laws.

17. Date of Grant. The date of grant of an Award will be, for all purposes, the date on which the Administrator makes the determination granting such Award, or such other later (but not earlier) date as is determined by the Administrator. Notice of the determination will be provided to each Participant within a reasonable time after the date of such grant.

18. Term of Plan. Subject to Section 24 of the Plan, the Plan will become effective upon its adoption by the Board. It will continue in effect for a term of ten (10) years from the date adopted by the Board, unless terminated earlier under Section 19 of the Plan.

19. Amendment and Termination of the Plan.

(a) Amendment and Termination. The Board or its delegate may at any time amend, alter, suspend or terminate the Plan.

(b) Stockholder Approval. The Company will obtain stockholder approval of any Plan amendment to the extent necessary and desirable to comply with Applicable Laws.

(c) Effect of Amendment or Termination. No amendment, alteration, suspension or termination of the Plan will impair the rights of any Participant, unless mutually agreed otherwise between the Participant and the Administrator, which agreement must be in writing and signed by the Participant and the Company. Termination of the Plan will not affect the Administrator's ability to exercise the powers granted to it hereunder with respect to Awards granted under the Plan prior to the date of such termination.

20. Conditions Upon Issuance of Shares.

(a) Legal Compliance. Shares will not be issued pursuant to the exercise of an Award unless the exercise of such Award and the issuance and delivery of such Shares will comply with Applicable Laws and will be further subject to the approval of counsel for the Company with respect to such compliance.

(b) Investment Representations. As a condition to the exercise of an Award, the Company may require the person exercising such Award to represent and warrant at the time of any such exercise that the Shares are being purchased only for investment and without any present intention to sell or distribute such Shares if, in the opinion of counsel for the Company, such a representation is required.

21. Inability to Obtain Authority. The inability of the Company to obtain authority from any regulatory body having jurisdiction, which authority is deemed by the Company's counsel to be necessary to the

lawful issuance and sale of any Shares hereunder, will relieve the Company of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority will not have been obtained.

22. Misconduct. Notwithstanding any other provision or term of this Plan or any Award Agreement, in the event that the Administrator or its delegate determines in its sole discretion that a Participant has engaged in Misconduct, the Administrator may, in its discretion, determine that the Participant shall not vest or otherwise earn Performance-Based Awards provided for pursuant to the terms of this Plan and their Award Agreements, and the Participant shall have no rights or entitlements whatsoever to the Performance-Based Awards thereafter, provided that such Performance-Based Awards were granted to such Participant, vested, or otherwise earned during the one-year period preceding the date on which the Company disclosed on Form 8-K or in other publicly-filed disclosure that it is required to restate its financial statements. The Administrator and its delegate expressly reserve all rights and remedies with respect to treatment of any such Performance-Based Awards, including, without limitation, withholding or rescinding any such Performance-Based Awards or demanding repayment for any cash proceeds that may have been distributed to a Participant in respect of any such Performance-Based Awards. Notwithstanding the foregoing, no Officer, Director or Employee shall participate in any decision regarding the determination of Misconduct or forfeiture with respect to his or her own Performance-Based Awards.

23. Choice of Law and Venue. The Plan shall be administered, construed and governed in accordance with the Code, and the laws of the State of Delaware, but without regard to its conflict of law rules. The Participant agrees to consent to personal jurisdiction of the state and federal courts situated within New Castle County, Delaware for purposes of enforcing this Plan, and waive any objection that the Participant might have to personal jurisdiction or venue in those courts.

24. Stockholder Approval. The Plan will be subject to approval by the stockholders of the Company within twelve (12) months after the date the Plan is adopted by the Board. Such stockholder approval will be obtained in the manner and to the degree required under Applicable Laws.

Insider Trading Policy

In order to take an active role in the prevention of insider trading violations by executive officers, directors, employees and other related individuals of Netflix, Inc. (the “Company”) and its subsidiaries, the Company has adopted this Insider Trading Policy (the “Policy”).

Statement of Intent

The Company opposes the misuse of material nonpublic information in the trading of securities and it is the intent of this Policy to implement procedures designed to prevent trading based on material nonpublic information regarding the Company, including any of its subsidiaries. The Company also wishes to discourage certain trading in its securities by its executive officers, directors, employees and other related individuals that may be contrary to the interests of our shareholders. The term "executive officer" herein shall have the same meaning as the term “officer” as defined under Rule 16a-1(f) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”).

It is also Company policy to comply with applicable securities laws concerning trading in Company securities on the Company’s behalf.

Definition of Material Nonpublic Information

It is not possible to define all categories of material information. However, information should be regarded as material if there is a substantial likelihood that it would be considered important to a reasonable investor in making an investment decision regarding transactions of the Company’s securities. Put another way, there must be a substantial likelihood that the information would be viewed by the reasonable investor as having significantly altered the total mix of information available in the market concerning the Company. Either positive or negative information may be material.

Questions concerning whether nonpublic information is material can be directed to the Compliance Officer.

Covered Parties

The Policy covers executive officers, directors and all employees of, or consultants or contractors to, the Company or its subsidiaries, as well as their immediate family members who reside with them, anyone else who lives in their household, and any other individuals who do not live in their household but whose transactions in Company securities are directed by them or are subject to their influence or control (such as parents or children who consult with them before trading in Company securities) (“Insiders”). This Policy applies to trades of Company securities in which an Insider has any “beneficial” or other interest, or over which they exercise investment control.

Covered Transactions

This Policy applies to all transactions in the Company’s securities, including common stock, options for common stock and any other securities the Company may issue from time to time, such as preferred stock, warrants and convertible debentures, as well as to derivative securities relating to the Company’s securities, whether or not issued by the Company, such as publicly-traded options. Transactions subject to this Policy include purchases, sales and bona fide gifts of the Company’s securities (which may include gifts to trusts for estate planning purposes, as well as donations to a charitable organization).

Prohibited Transactions

No Insider shall engage in any transaction involving the Company’s securities, including any offer to purchase or offer to sell, during any period commencing with the date that the Insider possesses material nonpublic information concerning the Company or its subsidiaries, and ending at the beginning of the trading day following the date of public disclosure of that information, or at such time as such nonpublic information is no longer material.

No Insider shall disclose (“tip”) material nonpublic information about the Company or its subsidiaries to any other person where such information may be used by such person to their profit by trading in the securities of companies to which such information relates, nor shall such Insider or related person make recommendations or express opinions on the basis of material nonpublic information as to trading in the Company’s securities.

No Insider shall engage in any transaction involving another company’s securities while in possession of material nonpublic information about such company when that information is obtained in the course of employment with, or the performance of services on behalf of, the Company and the other company is a business partner of the Company such as one with which the Company is discussing a proposed transaction, collaborator, customer, distributor, vendor or supplier.

Except for participation in the Company’s stock option program, no executive officer or director shall, at any time, engage in any transactions involving any hedging or derivatives of Company securities, including trading in futures and derivative securities and engaging in hedging activities relating to our securities, including exchange traded options, puts, calls, collars, forward sale contracts, equity swaps, exchange funds or other arrangements or instruments designed to hedge or offset decreases in the market value of our securities, provided that it shall not be a violation of this Policy for an executive officer or director to engage in any such transaction initiated prior to March 4, 2020.

Except as may otherwise be authorized under this Policy, executive officers and directors shall not initiate any transactions subsequent to March 4, 2020 that involve pledging any Company securities as collateral for a loan or holding them as security in a margin account.

Problematic Transactions

While employees (other than executive officers, except as otherwise provided) are not prohibited by this Policy from using Company securities as collateral for loans or in margin accounts with respect to the Company’s securities or engaging in transactions involving hedging or derivatives of Company securities, including by means of exchange traded options, puts, calls, collars, forward sale contracts, equity swaps, exchange funds or other arrangements or instruments designed to hedge or offset decreases in the market value of our securities, the Company discourages employees from such activity because, among other problems, these types of transactions may result in transactions in Company securities occurring outside the Open Window (defined below). Limit orders with brokers should not extend beyond any Open Window and be cancellable upon an imposition of a black-out period. Employees interested in trading outside of the Open Window should look into adopting a 10b5-1 trading plan, as described below. Exercising stock options issued pursuant to the Company’s stock option plan, as otherwise permitted under this Policy, is not considered problematic.

The Company’s Trading Window

The Company has determined that all executive officers, directors, and those other persons identified on Attachment 1 (as may be amended from time to time by the Compliance Officer), shall be prohibited from buying, selling or otherwise effecting transactions in any stock or other securities of the Company or derivative securities thereof EXCEPT during the following trading window:

Beginning at the open of market on the trading day following the date of public disclosure of the Company’s financial results for a preceding calendar quarter or year and ending at the close of market on the 10th day of the second calendar month of the current calendar quarter (the “Open Window”).

In addition, the Company, through the Compliance Officer, may authorize longer or additional trading windows in which buying, selling, gifting or otherwise effecting transactions in the Company’s securities would be permitted pursuant to this Policy as if it were the “Open Window.” Similarly, the Company, through the Compliance Officer, may impose special black-out periods during which certain persons will be prohibited from buying, selling or

otherwise effecting transactions in the Company's securities, even though the trading window would otherwise be open. If a special black-out period is imposed, the Company will notify affected individuals, who should thereafter not engage in any transaction involving the Company's securities and should not disclose to others the fact of such suspension of trading.

It should be noted that even during the Open Window, any person possessing material nonpublic information should not engage in any transactions in the Company's securities until the beginning of the trading day following the date of public disclosure of such information, whether or not the Company has recommended a suspension of trading to that person.

Pre-Clearance of Trades and Other Transactions

All executive officers and directors of the Company and other persons designated by the Compliance Officer as being subject to pre-clearance requirements must refrain from trading in or gifting the Company's securities, even during the Open Window, without first contacting the Company's Compliance Officer and obtaining pre-clearance to commence trading in the Company's securities.

In addition, all executive officers and directors are required to comply with Section 16 of the Exchange Act and related rules and regulations, which set forth reporting obligations as well as limitations on "short swing" transactions. The Company is available to assist in filing Section 16 reporting; however, the obligation to comply with Section 16 is personal. Please direct any inquiries concerning compliance to the Compliance Officer. Executive officers and directors who wish to pledge the Company's stock as collateral after March 4, 2020 must first contact the Company's Compliance Officer to request an exemption and pre-clearance to enter into the transaction.

Adoption and Effect of 10b5-1 Trading Plans

The Company permits all directors, executive officers and employees to adopt trading plans in accordance with Rule 10b5-1(c) under the Exchange Act ("10b5-1 trading plans"). A 10b5-1 trading plan must comply with the requirements of Rule 10b5-1 and may only be adopted or amended in an Open Window and when the person adopting the plan is not otherwise in possession of material nonpublic information about the Company, its subsidiaries or its securities. All 10b5-1 trading plans must be pre-approved by the Compliance Officer or his delegate. The restrictions on trading set forth in this Policy shall not apply to trades made pursuant to a 10b5-1 trading plan. More information concerning trading plans is available from the Compliance Officer.

Exemptions from this Policy

The exercise of stock options under the Company's stock option plan with a cash payment of the exercise price is exempt from this Policy, since the other party to these transactions is the Company itself and the price does not vary with the market, but is fixed by the terms of the option agreement, or the Company withholding a portion of the shares underlying the options to satisfy exercise price or tax withholding requirements. This exemption does not apply to the sale of any shares issued upon such exercise and it does not apply to a cashless exercise of options, which is accomplished by a sale of a portion of the shares issued upon exercise of an option.

Post-Termination Transactions

If a person is in possession of material nonpublic information when their service terminates, that individual should not trade in Company securities until that information has become public or is no longer material.

Consequences for Violation

Directors and employees who violate this Policy shall also be subject to disciplinary action by the Company, which may include ineligibility for future participation in the Company's equity stock option and other incentive plans or termination of employment or service.

Pursuant to U.S. federal and state securities laws, Insiders may be subject to criminal and civil fines and penalties as well as imprisonment for engaging in transactions in the Company's securities at a time when they are in possession of material nonpublic information regarding the Company or its subsidiaries. In addition, Insiders may be liable for improper transactions by any person (commonly referred to as a "tippee") to whom they have disclosed material nonpublic information regarding the Company or its subsidiaries or to whom they have made recommendations or expressed opinions on the basis of such information as to trading in the Company's securities.

Individual Responsibility

Every executive officer, director and employee, consultant and contractor has the individual responsibility to comply with this Policy, and the applicable laws of their jurisdiction. An Insider may, from time to time, have to forego a proposed transaction in the Company's securities even if he or she planned to make the transaction before learning of the material nonpublic information and even though the Insider believes he or she may suffer an economic loss or forego anticipated profit by waiting. **Trading in the Company's securities during the trading window (including with pre-clearance) should not be considered a "safe harbor," and all directors, executive officers and other persons should use good judgment at all times.**

Compliance Officer

- The Company's Chief Legal Officer shall serve as the Insider Trading Compliance Officer (the "Compliance Officer"). The duties of the Compliance Officer shall include, but not be limited to, the following:
- Pre-clearing transactions as required under this Policy.
- Assisting, as requested, in the preparation and filing of Section 16 reports (Forms 3, 4 and 5) for Section 16 reporting persons.
- Serving as the designated recipient at the Company of copies of reports filed with the Securities and Exchange Commission by Section 16 reporting persons under Section 16 of the Exchange Act.
- Circulating the Policy (and/or a summary thereof) to all employees, including Section 16 reporting persons, on an annual basis.
- Assisting the Company in implementation of the Policy.
- Coordinating with Company counsel regarding compliance activities with respect to Rule 144 requirements and regarding changing requirements and recommendations for compliance with Section 16 of the Exchange Act and insider trading laws to ensure that the Policy is amended as necessary to comply with such requirements.

The duties may be delegated by the Compliance Officer to such other individuals as the Compliance Officer deems appropriate.

* * * * *

Attachment 1

Persons subject to trading window restrictions

Insiders, as defined in the Company's Insider Trading Policy, except employees, contractors and consultants who are employed or retained through a direct or indirect subsidiary and who:

- are not included, as a matter of business practice, in the distribution of corporate information about the Company and its financial performance,
- are not integrated into the Company's email systems, and
- do not have access to consolidated financial data.

Notwithstanding the above, any person who is (1) eligible to participate in the Company's stock option program or (2) has been notified in writing by the Compliance Officer that the trading window applies to them, shall be subject to trading window restrictions.

NETFLIX, INC.
LIST OF SIGNIFICANT SUBSIDIARIES*

Legal Name	Jurisdiction	Percent Owned
Netflix International B.V.	The Netherlands	100 %
Netflix Studios, LLC	United States	100 %
Netflix México S. de R.L. de C.V.	Mexico	100 %
Netflix Pte. Ltd.	Singapore	100 %
Netflix Services France S.A.S.	France	100 %
Netflix Services UK Limited	United Kingdom	100 %
Netflix Services Germany GmbH	Germany	100 %
Netflix Worldwide Entertainment, LLC	United States	100 %

* Pursuant to Item 601(b)(21)(ii) of Regulation S-K, the names of other subsidiaries of Netflix Inc. are omitted because, considered in the aggregate, they would not constitute a significant subsidiary as of the end of the year covered by this report.

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the following Registration Statements:

- (1) Registration Statement (Form S-8 No. 333-89024) pertaining to Netflix.com, Inc. 1997 Stock Plan, as amended, Netflix, Inc. 2002 Stock Plan, Netflix, Inc. 2002 Employee Stock Purchase Plan, and Netflix.com, Inc. Stand-Alone Stock Option Agreements,
- (2) Registration Statement (Form S-8 No. 333-104250) pertaining to Netflix, Inc. 2002 Stock Plan and Netflix, Inc. 2002 Employee Stock Purchase Plan,
- (3) Registration Statement (Form S-8 No. 333-113198) pertaining to Netflix, Inc. 2002 Stock Plan and Netflix, Inc. 2002 Employee Stock Purchase Plan,
- (4) Registration Statement (Form S-8 No. 333-123501) pertaining to Netflix, Inc. 2002 Stock Plan and Netflix, Inc. 2002 Employee Stock Purchase Plan,
- (5) Registration Statement (Form S-8 No. 333-136403) pertaining to Netflix, Inc. Amended and Restated 2002 Stock Plan and Netflix, Inc. 2002 Employee Stock Purchase Plan,
- (6) Registration Statement (Form S-8 No. 333-145147) pertaining to Netflix, Inc. 2002 Employee Stock Purchase Plan,
- (7) Registration Statement (Form S-8 No. 333-160946) pertaining to Netflix, Inc. 2002 Employee Stock Purchase Plan,
- (8) Registration Statement (Form S-8 No. 333-177561) pertaining to Netflix, Inc. 2011 Stock Plan,
- (9) Registration Statement (Form S-8 No. 333-239465) pertaining to Netflix, Inc. 2020 Stock Plan,
- (10) Registration Statement (Form S-8 No. 333-239468) pertaining to Netflix, Inc. Post-Effective Amendment No.1 for the 2011 Stock Plan and the 2020 Stock Plan, and
- (11) Registration Statement (Form S-3ASR No. 333-281071) pertaining to Netflix, Inc.

of our reports dated January 23, 2026, with respect to the consolidated financial statements of Netflix, Inc. and the effectiveness of internal control over financial reporting of Netflix, Inc. included in this Annual Report (Form 10-K) of Netflix, Inc. for the year ended December 31, 2025.

/s/ Ernst & Young LLP

San Jose, California
January 23, 2026

**CERTIFICATION OF CO-CHIEF EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Ted Sarandos, certify that:

1. I have reviewed this Annual Report on Form 10-K of Netflix, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):
 - a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: January 23, 2026

By:

/s/ TED SARANDOS

Ted Sarandos
Co-Chief Executive Officer

**CERTIFICATION OF CO-CHIEF EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Greg Peters, certify that:

1. I have reviewed this Annual Report on Form 10-K of Netflix, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):
 - a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: January 23, 2026

By:

/s/ GREG PETERS

Greg Peters
Co-Chief Executive Officer

**CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Spencer Neumann, certify that:

1. I have reviewed this Annual Report on Form 10-K of Netflix, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):
 - a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: January 23, 2026

By: /s/ SPENCER NEUMANN
Spencer Neumann
Chief Financial Officer

Ted Sarandos
Co-Chief Executive Officer

Greg Peters
Co-Chief Executive Officer

Spencer Neumann
Chief Financial Officer

APPENDIX II

REPRODUCTION OF THE ISSUER'S CONDENSED INTERIM FINANCIAL STATEMENTS AS AT AND FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

The information set out below is a reproduction of the Issuer's condensed interim financial statements as at and for the six-month period ended 30 June 2025.

SG Issuer
Société Anonyme

Condensed interim financial statements,
Report of the Executive Board and Corporate Governance Statement and
Report of the Réviseur d'entreprises agréé on review of the condensed interim financial statements

As at and for the six-month period ended 30 June 2025

**10 Porte de France,
L-4360 Esch-Sur-Alzette
R.C.S. Luxembourg: B121.363**

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Executive Board Members

As at 30 June 2025

EXECUTIVE BOARD MEMBERS

Chairman:

Mr Yves CACCLIN

Employee of Société Générale Luxembourg
11, avenue Emile Reuter, L-2420 Luxembourg

Members:

Mr Thierry BODSON

Employee of Société Générale Luxembourg
11, avenue Emile Reuter, L-2420 Luxembourg

Mr Julien BOUCHAT *(until 17 April 2025)*

Employee of Société Générale Luxembourg
11, avenue Emile Reuter, L-2420 Luxembourg

Mr François CARALP

Employee of Société Générale
Tour Société Générale, 17, cours Valmy, F-92987 Paris-La Défense 7, France

Mr Youenn LE BRIS *(until 1 August 2025)*

Employee of Société Générale Luxembourg
11, avenue Emile Reuter, L-2420 Luxembourg

Mr Olivier PELSSER *(since 30 April 2025 and replacing Julien BOUCHAT)*

Employee of Société Générale Luxembourg
11, avenue Emile Reuter, L-2420 Luxembourg

Mr Laurent SIMONET

Employee of Société Générale
Tour Société Générale, 17, cours Valmy, F-92987 Paris-La Défense 7, France

Mr Samuel WOROBEL

Employee of Société Générale
Tour Société Générale, 17, cours Valmy, F-92987 Paris-La Défense 7, France

Supervisory Board Members

As at 30 June 2025

SUPERVISORY BOARD MEMBERS

Chairman:

Mr Laurent WEIL

Employee of Société Générale

Tour Société Générale, 17, cours Valmy, F-92987 Paris-La Défense 7, France

Vice-president:

Mrs Peggy VENIANT COTTIN

Employee of Société Générale Luxembourg

11, avenue Emile Reuter, L-2420 Luxembourg

Members:

Mr Faouzi BORGI

Employee of Société Générale

Tour Société Générale, 17, cours Valmy, F-92987 Paris - La Défense 7, France

Mr Gregory CLAUDY

Independent Director

225A, rue du Burgknapp, B-6717 Heinstert, Belgium

Mr Emanuele MAIOCCHI

Employee of Société Générale Luxembourg

11, avenue Emile Reuter, L-2420 Luxembourg

Audit Committee Members

As at 30 June 2025

AUDIT COMMITTEE MEMBERS

Chairman:

Mr Gregory CLAUDY

Independent Director

225A, rue du Burgknapp, B-6717 Heinstert, Belgium

Members:

Mr Emanuele MAIOCCHI

Employee of Société Générale Luxembourg

11, avenue Emile Reuter, L-2420 Luxembourg

Mrs Peggy VENIANT COTTIN

Employee of Société Générale Luxembourg

11, avenue Emile Reuter, L-2420 Luxembourg

Management and administration

As at 30 June 2025

MANAGEMENT AND ADMINISTRATION

Issuer

SG Issuer

10 Porte de France, L-4360 Esch-Sur-Alzette, Luxembourg

Guarantor (if applicable, as specified in the Final Terms)

Société Générale

29, boulevard Haussmann, F-75009 Paris, France

Arranger and Dealer

Société Générale

Tour Société Générale, 17, cours Valmy, F-92987 Paris - La Défense 7, France

Security Trustee and Security Agent Trustee

The Bank of New York Mellon Corporate Trustee Services Limited

One Canada Square, London E14 5AL, United Kingdom

Collateral Custodian

The Bank of New York Mellon S.A., Luxembourg Branch

Vertigo Building, Polaris, 2-4, rue Eugène Ruppert, L-2453 Luxembourg, Luxembourg

Collateral Monitoring Agent

The Bank of New York Mellon London Branch

One Canada Square, London E14 5AL, United Kingdom

Custodian Agent, Issuing and Paying Agent, Registrar, Exchange Agent and Transfer Agent

Société Générale Luxembourg

11, avenue Emile Reuter, L-2420 Luxembourg, Luxembourg

Paying Agents

Société Générale

29, boulevard Haussmann, F-75009 Paris, France

&

Société Générale, New York Branch

1221, avenue of the Americas, New York NY 10020, United States of America

Warrant Agent

Société Générale Luxembourg

11, avenue Emile Reuter, L-2420 Luxembourg, Luxembourg

Legal advisers and Réviseur d'entreprises agréé

As at 30 June 2025

LEGAL ADVISERS AND RÉVISEUR D'ENTREPRISES AGRÉÉ

Legal advisers

To the Arranger as to English, French and U.S. laws

Allen & Overy LLP

52, avenue Hoche, CS 90005, 75379 Paris Cedex 08, France

To the Trustee as to English Law

Allen & Overy LLP

1 Bishops Square, London E1 6AD, United Kingdom

To the Arranger as to Luxembourg Law

Allen & Overy Luxembourg

5, avenue John F. Kennedy, L-1855 Luxembourg, Luxembourg

Independent Auditor (Réviseur d'entreprises agréé)

PricewaterhouseCoopers Assurance, Société coopérative

2, rue Gerhard Mercator L-2182 Luxembourg

Report of the Executive Board and Corporate Governance Statement (continued)

As at 30 June 2025

REPORT OF THE EXECUTIVE BOARD AND CORPORATE GOVERNANCE STATEMENT

The Directors of SG Issuer (the "Company" or "SGIS") (each a « Director », collectively the « Executive Board ») present the condensed interim financial statements and the Report of the Executive Board and Corporate Governance Statement of the Company for the period from 1 January 2025 to 30 June 2025.

1. ACTIVITIES AND REVIEW OF THE DEVELOPMENT OF THE BUSINESS

The purpose of SG Issuer is to issue Notes and Warrants with all types of underlying including, without restriction, Shares, Index, Interest Rate, Dividend, Credit Risk, Foreign Exchange, Commodities, Funds, Warrants, allowing investors to access to the full pricing capabilities of Société Générale Group, which proposes an extensive range of investment strategies linked to these various asset classes.

Notes and Warrants issued by the Company can be sold in either Private Placements or Public Offerings.

- Notes are mainly Debt Securities, Bonds, and Certificates. Issuing proceeds raised by the sale of the Notes will be transferred to Société Générale S.A. ("Société Générale") through a Fully Funded Swap ("FFS"), which perfectly hedges SGIS for the full issue size.
- Warrants are financial products like Turbos, inline Warrants, daily Leverage Certificates, which aim to replicate the same financial exposure as buying (Call) or selling (Put) an asset such as a share or an index, at a predetermined price (strike price) on a predetermined date (expiry) and to offer different pay-off or exposures to investors. Positions in warrants are systematically hedged through an option with Société Générale, with strictly identical characteristics.

Payments in respect of the Notes and Warrants issued by the Company are unconditionally and irrevocably guaranteed by Société Générale.

On request of investors, the Company can issue Collateralised Notes or Warrants (respectively "secured Notes" or "secured Warrants") in order to propose an additional layer of protection to investors in case of default of Société Générale.

Notes and Warrants issuances are governed by the programs prepared by Société Générale.

The main programs for Notes are (i) the Debt Instruments Issuance Program, the Base Prospectus of which has been updated and approved by the CSSF on 30 May 2025 and (ii) the "Programme d'Emission de Titres de Créance", the Base Prospectus of which has been updated and approved by the CSSF on 12 June 2025. Similarly, the main program for Warrants is the Warrants Issuance Program, for which the last updates have been approved by the CSSF on 26 June 2025.

In addition, (i) the UK Debt Instrument Issuance Program has been approved by the FCA on 30 May 2025, ii) The German Debt Instruments Issuance Program has been approved by the CSSF on 5 June 2025 and iii) the Swiss Securities Issuance Program on 3 July 2025 by the SIX Exchange Regulation Ltd.

The state of business of the Company at the closing of the six-month period ended 30 June 2025 is adequately presented in the condensed interim financial statements published hereby.

Report of the Executive Board and Corporate Governance Statement (continued)

As at 30 June 2025

During the six-month period ended 30 June 2025, 30 441 new Notes were issued (among which 2 155 new secured Notes) and 749 new Warrants were issued¹. The net loss for the period from 1 January 2025 to 30 June 2025 amounts to KEUR 156.

During the six-month period ended 30 June 2024, 11 427 new Notes were issued (among which 57 new secured Notes) and 1 395 new Warrants were issued. The net loss for the period from 1 January 2024 to 30 June 2024 amounts to KEUR 8.

The Company did not exercise any research and development activity, does not have any branch, and did not acquire any own shares.

2. RISKS AND UNCERTAINTIES

The risks associated with the investment in the Notes or Warrants depend on several factors. Such factors will vary depending on the characteristics of the Notes or Warrants issued, in particular depending on the underlying type, the maturity, the secured / unsecured status of the Notes or Warrants, the interest rates incurred, the volatility of the underlying.

For each Note, the Company systematically hedges its position by contracting a FFS with Société Générale, with strictly identical characteristics. Also, for each Warrant, the Company systematically hedges its position by contracting an option with Société Générale, with strictly identical characteristics.

The legal documentation and the derivative instruments have been put in place in order to make sure that the assets match the liabilities at any time. Therefore, no market risk is supported by the Company. The risk management in relation to the Notes and Warrants is also described in Note 11 of the condensed interim financial statements.

3. FUTURE DEVELOPMENTS AND PERSPECTIVES

Further to the transfer of some notes from another vehicle of the Société Générale Group, the Company pursue its note issuance activity in 2025. In 2025, the Company also pursue its warrant issuances activity on the Asian markets.

4. INFORMATION ON LITIGATIONS

During the year ended 31 December 2020, SG Issuer, as the Issuer of Notes linked to the credit risk of a French corporate, and Société Générale, as the Guarantor, were brought before the Courts of Paris (alongside other French financial institutions) by end investors to obtain compensation for the financial loss they suffered on their investment in these securities. The French corporate was the subject of a “safeguard procedure”, which constitutes a credit event under the terms of the Notes which had a strong impact on the value of the Notes. These investors rely on unfounded allegations according to which SG Issuer and Société Générale were aware of the difficulties of the French corporate when setting up and marketing these Notes and that in doing so, they failed to meet their regulatory obligations (to act in an honest, fair and professional manner, to provide information on the product risks and to determine the suitability of the Notes for retail investors).

For this litigation, along with any other litigation relating to securities issued by SG Issuer, SG Issuer is entitled to an indemnification by Société Générale in respect of any sum due by SG Issuer regarding potential damages or attorneys' fees.

¹ The number of issued Notes and Warrants does not take into account the issuances which have been issued and cancelled during the same financial period.

Report of the Executive Board and Corporate Governance Statement (continued)

As at 30 June 2025

5. CORPORATE GOVERNANCE STATEMENT

The Executive Board of the Company is committed to maintain the standards of corporate governance enforced at the level of the European Union and at level of the Société Générale Group. This statement describes the Company's governance principles and practices.

In compliance with its status, the Company is governed by an Executive Board and supervised by a dedicated Supervisory Board.

5.1. Executive board

The Executive Board supervises and controls the management and operations of the Company and is responsible for the Company system of risk management and internal control.

The Executive Board meetings are held on demand several times during the year.

The Board has quorum when more than half of its members are present. An opinion supported by more than half of the members present becomes a decision.

Key tasks of the Executive Board:

- Ensures that the supervision of accounting is organised and monitored appropriately;
- Reviews and approves the Company's financial statements and condensed interim financial statements;
- Supervises and controls operative management.

5.2. Supervisory board

The Supervisory Board ensures permanently and by all necessary means the control of the management of the Company carried out by the Executive Board. However, this supervision has to be translated in no way by an intervention in the management of the Company. The Supervisory Board can mandate advisory committees comprised of members of the Supervisory Board and/or of other non-members to lead different missions. The Supervisory Board can confer power or mandates permanently or temporary to these advisory committees. These advisory committees cannot have the effect of restricting the powers of the Executive Board.

5.3. Audit committee

The mission of the Audit Committee is to monitor the issues related to the preparation and control of accounting and financial information, to monitor the independence of the statutory auditors, as well as to monitor the efficiency of the internal control, measurement, supervision and risk control systems related to the accounting and financial processes. If needed, it gives recommendations and its opinion to the Supervisory Board.

An Audit Committee took place on 28 April 2025, during which the financial statements for the financial period ended 31 December 2024 and the external audit results were presented. At least one member of the committee must be independent, which is the case of the Chairman of the Company's Audit Committee.

Report of the Executive Board and Corporate Governance Statement (continued)

As at 30 June 2025

5.4. Internal audit

The Internal Audit of both Société Générale Luxembourg S.A. (“SG Luxembourg”) and Société Générale Group support the Company’s Executive Board in overseeing the Company’s activities and securing its operations by carrying out internal audits and providing consultative assistance. The objective of Internal Audit is to add value by making recommendations designed to improve the Company’s functioning. Internal Audit is an independent function, and its activities are based on international professional internal audit standards and rules of ethics.

The central task of Internal Audit is to audit the functioning of SG Issuer on a regular basis and evaluate its internal controls, risk management, and administrative function. The areas to be audited are determined by the projected financial and operational risks concerned. Internal Audit can also carry out special assignments at the request of management.

Internal Audit does not have any direct authority over the activities it reviews.

5.5. Controls framework

First level of controls is related to the execution of the procedures, guidelines and instructions established to ensure the proper and efficient functioning of the Company. They are executed by the involved teams in charge of the production.

A second level of control is ensured by SG Luxembourg: Outsourced Essential Services (“OES”) supervision (ensured by the Corporate department), Market Risk and Operational Risk (ensured by the Risk department), “Level 2 permanent control” activity (monitoring and assessment of the level 1 permanent control system).”

The Chief Financial Officer of the Company ensures the completeness of the procedural framework.

5.6. New products committee

All the new activities and businesses of the Company are analysed and authorised by a dedicated New Products Committee (NPC). All involved departments within SG Luxembourg are represented (operations, finance, risk, accounting standards, etc...) to assess the impact for the Company.

Report of the Executive Board and Corporate Governance Statement (continued)

As at 30 June 2025

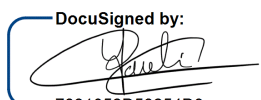
5.7. Service level agreements

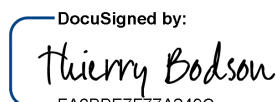
The Company and several of its service providers are subsidiaries of the Société Générale Group.

Service Level Agreements (“SLAs”) were signed by the Company with SG Luxembourg and with Société Générale. The SLAs govern the relations between the entities as well as their respective obligations. The services supplied by SG Luxembourg and Société Générale are listed in the appendices of the agreements (mainly General services, legal services, business continuity management services and financial services from SG Luxembourg and operational services – Middle Office and Back Office – from Société Générale). In particular, the calculation of the remuneration related to the issuance of the Notes is delegated to Société Générale Paris Middle office within the framework of the SLA.

Luxembourg, 25 September 2025

For the Executive Board

DocuSigned by:

7831052D58254D9...
Yves CACCLIN
Chairman of the Executive Board

DocuSigned by:

FA6BBE7F77A249C...
Thierry BODSON
Member of the Executive Board

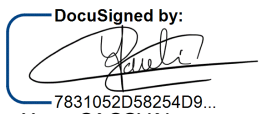
Global Statement for the condensed interim financial statements

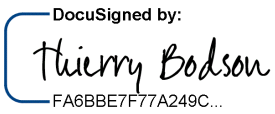
As at 30 June 2025

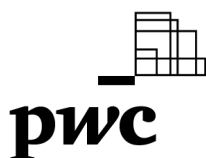
To the best of our knowledge, these condensed interim financial statements gives a true and fair view of the financial position of the Company as at 30 June 2025, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union, and the Report of the Executive Board (management report) includes a fair presentation of the development and performance of the business and the position of the Company, together with a description of the main risks and uncertainties that it faces.

Luxembourg, 25 September 2025

Executive Board Member
For the Executive Board

DocuSigned by:

7831052D58254D9...
Yves CACCLIN
Chairman of the Executive Board

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Thierry BODSON
Member of the Executive Board



Report on Review of Condensed Interim Financial Statements

To the Executive Board of
SG Issuer S.A.

We have reviewed the accompanying condensed interim financial statements of SG Issuer S.A. (the "Company"), which comprise interim statement of financial position as at 30 June 2025, and the interim statement of profit or loss and other comprehensive income, interim statement of changes in equity and interim statement of cash flows for the six-month period then ended, and material accounting policy information and other explanatory information.

Executive Board responsibility for the condensed interim financial statements

The Executive Board is responsible for the preparation and presentation of these condensed interim financial statements in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union, and for such internal control as the Executive Board determines is necessary to enable the preparation of condensed interim financial statements that are free from material misstatement, whether due to fraud or error.

Responsibility of the Réviseur d'entreprises agréé

Our responsibility is to express a conclusion on these condensed interim financial statements based on our review. We conducted our review in accordance with International Standard on Review Engagements (ISRE 2410 "Review of interim financial information performed by the independent auditor of the entity") as adopted for Luxembourg by the "Institut des Réviseurs d'Entreprises". This standard requires us to comply with relevant ethical requirements and conclude whether anything has come to our attention that causes us to believe that the condensed interim financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework.

A review of condensed interim financial statements in accordance with ISRE 2410 is a limited assurance engagement. The Réviseur d'entreprises agréé performs procedures, primarily consisting of making inquiries of management and others within the Company, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these condensed interim financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union.

Luxembourg, 25 September 2025

PricewaterhouseCoopers Assurance, Société coopérative
Represented by

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Condensed interim financial statements
As at 30 June 2025

Interim statement of financial position

	Note	('000 EUR) 30.06.2025	('000 EUR) 31.12.2024
Cash and cash equivalents	3, 11.4, 11.5	60,072	63,575
Financial assets at fair value through profit or loss			
- <i>Mandatorily measured at fair value through profit or loss</i>	4.1, 11.4, 11.5	52,760,662	49,117,912
- <i>Trading derivatives at fair value through profit or loss</i>	4.1, 11.4, 11.5	190,710	77,950
Loans and receivables	5	50,005	50,026
Other assets	6	427,975	292,904
Total assets		53,489,424	49,602,367
Financial liabilities at amortised cost	4.3, 11.4, 11.5	67,523	96,621
Financial liabilities at fair value through profit or loss			
- <i>Designated at fair value through profit or loss</i>	4.2, 11.4, 11.5	52,750,893	49,120,262
- <i>Trading derivatives at fair value through profit or loss</i>	4.2, 10, 11.4, 11.5	190,724	76,896
Other liabilities	6	478,235	306,067
Tax liabilities	7	5	87
Total liabilities		53,487,380	49,599,933
Share capital	8.1	2,000	2000
Share premium	8.1	-	-
Legal reserve	8.2.1	200	200
Other reserves	8.2.2	-	-
Profit for the financial period/year		(156)	234
Total equity		2,044	2,434
Total equity and liabilities		53,489,424	49,602,367

Condensed interim financial statements (continued)

As at 30 June 2025

Interim statement of profit or loss and other comprehensive income

		(‘000 EUR)	(‘000 EUR)
	Note	1st half of 2025	1st half of 2024
Interest income		1,288	2,025
Commission income	9.1	25,320	21,689
Total revenues		26,608	23,714
Interest expenses		(19,772)	(15,052)
Net result from financial instruments at fair value through profit or loss	9.2	(163)	(2)
Personnel expenses		(99)	(96)
Other operating expenses		(6,725)	(8,567)
Total expenses		(26,759)	(23,717)
Profit or (loss) before tax		(151)	(3)
Income tax	7	(5)	(5)
Profit or (loss) for the interim period		(156)	(8)
Total comprehensive income for the interim period		(156)	(8)

Condensed interim financial statements (continued)

As at 30 June 2025

Interim statement of changes in equity

	('000 EUR)	('000 EUR)	('000 EUR)	('000 EUR)	('000 EUR)	('000 EUR)	('000 EUR)
	Share capital	Share premium	Legal reserve	Other reserves	Total reserves	Profit or (loss) for the financial year/interim period	Total equity
As at 31 December 2023	2,000	-	200	-	200	15	2,215
Allocation of the result of the previous year before dividend distribution	-	-	-	15	15	(15)	-
Capital increase / Allocation to the share premium account (Note 8.1)	-	34,361	-	-	-	-	34,361
Dividend paid (Note 8.1)	-	-	-	(15)	(15)	-	(15)
Reimbursement of the share premium (Note 8.1)	-	(34,361)	-	-	-	-	(34,361)
Profit and other comprehensive income for the period from 1 January 2024 to 30 June 2024	-	-	-	-	-	(8)	(8)
As at 30 June 2024	2,000	-	200	-	200	(8)	2,192
Profit and other comprehensive income for the period from 1 July 2024 to 31 December 2024	-	-	-	-	-	242	242
As at 31 December 2024	2,000	-	200	-	200	234	2,434
Allocation of the result of the previous year before dividend distribution	-	-	-	234	234	(234)	-
Capital increase / Allocation to the share premium account (Note 8.1)	-	27,071	-	-	-	-	27,071
Dividend paid (Note 8.1)	-	-	-	(234)	(234)	-	(234)
Reimbursement of the share premium (Note 8.1)	-	(27,071)	-	-	-	-	(27,071)
Profit and other comprehensive income for the period from 1 January 2025 to 30 June 2025	-	-	-	-	-	(156)	(156)
As at 30 June 2025	2,000	-	200	-	200	(156)	2,044

Condensed interim financial statements (continued)

As at 30 June 2025

Interim statement of cash flows

	Notes	('000 EUR) 1 st half of 2025	('000 EUR) 1 st half of 2024
OPERATING ACTIVITIES			
Profit or (loss) for the financial period		(156)	(8)
Net change in fair value and foreign exchange difference	4.1, 4.2	15,480	(1,921)
Net (increase)/decrease in financial assets	4.1	(1,703,963)	(769,038)
Net increase/(decrease) in financial liabilities	4.2	1,648,355	755,560
(Increase)/decrease in other assets		(135,071)	1,899,589
Increase/(decrease) in tax liabilities and other liabilities		199,244	(1,853,149)
Taxes paid	8	(87)	(13)
NET CASH FLOWS FROM OPERATING ACTIVITIES		23,802	31,020
FINANCING ACTIVITIES			
Payment of capital surplus*	8.1	(27,071)	(34,361)
Dividend paid		(234)	(15)
NET CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES		(27,305)	(34,376)
Cash and cash equivalents as at the beginning of the period	3	63,575	42,010
Net increase/(decrease) in cash and cash equivalents		(3,503)	(3,356)
Cash and cash equivalents as at the end of the period		60,072	38,654
Additional information on operational cash flows from interest and dividends			
Interest paid		24,735	35,388
Interest received		2,685	2,025
Dividend received		-	-

* KEUR 27,071 for the period ended 30 June 2025 (and KEUR 34,361 for the period ended 30 June 2024) represent the share premium reimbursed by the Company to the shareholder (refer to Note 8.1).

Notes to the condensed interim financial statements

As at 30 June 2025

NOTE 1 - CORPORATE INFORMATION

SG Issuer (hereafter the "Company" or "SGIS") is a Luxembourg company incorporated on 16 November 2006 as a public limited liability company (Société Anonyme) for an unlimited period.

Since April 2013, the Company's corporate objects are to issue debt securities, bonds, certificates, warrants and any other debt securities or acknowledgements of debts or financial securities, whether or not accompanied by guarantees, with any type of underlying security, including, without limitation, company stock, any other capital security or security other than capital, index, currency, exchange rate, interest rate, dividend, credit risk, fund unit, investment company stock, term deposit, life assurance contract, loan, merchandise, term contract, option, warrant or option coupons, allocated or unallocated precious metals, unit of account, basket or any other factor or any other type of underlying securities and any combination of the latter.

To that effect, the Company may purchase, hold, dispose of, lend, loan or resell, by any means, including in particular the use of trusts, in trust or repurchase, any type of assets whatever their names and forms and whether or not accompanied by guarantees, in particular financial instruments (financial securities - stocks, fund units, bonds, certificates, warrants - or financial contracts - swaps, options or other) or any other debt securities, acknowledgements of debts or capital securities, receive or issue monetary loans (including loans convertible into shares of the Company) - within the group of companies to which the Company belongs - and to supply guarantees in any form (actual guarantees such as pledges, securities, mortgages or other - personal guarantees or any other form of guarantee) for their own account, for the account of the group of companies to which the Company belongs or on behalf of third parties.

The Company's financial year begins on 1 January and ends on 31 December each year.

The Company's capital is divided into 50,012 shares, of which 49,912 are held by Société Générale Luxembourg (hereafter "SG Luxembourg" or "SGL") and 100 are held by Société Générale S.A. (hereafter "Société Générale" or the "Parent Company").

The accounts of the Company are included in the consolidated accounts of Société Générale S.A., whose head-office is located at 29, boulevard Haussmann, 75009 Paris, France. It constitutes the largest as well as the smallest grouping of undertakings to which the Company belongs as a subsidiary.

Notes to the condensed interim financial statements (continued)

As at 30 June 2025

NOTE 2 - MATERIAL ACCOUNTING POLICIES**2.1 Basis of preparation****2.1.1 Statement of compliance**

The condensed interim financial statements as at and for the six-month period ended 30 June 2025 have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" as adopted by the European Union. The condensed interim financial statements as at and for the six-month period ended 30 June 2025 were approved and authorised for issue by the Supervisory Board on 25 September 2025.

The condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the annual financial statements as at 31 December 2024. The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the adoption of new and amended standards as set out in 2.2.

2.1.2 Basis of measurement of financial assets and financial liabilities

Financial assets and financial liabilities linked to the activity of the Company are measured at fair value through profit or loss (see notes 4.1, 4.2, 11.4, 11.5). Other financial assets and financial liabilities are measured at amortised cost (see note 4.3).

2.1.3 Functional and presentation currency

The financial statements are prepared in Euro ("EUR"), which is the Company's functional currency and the currency of its share capital. Unless stated otherwise, the amounts in the financial statements are expressed in thousands of EUR (KEUR). The value "0" indicates the presence of a number, which is rounded to zero, while "-" represents the value nil.

2.1.4 Use of estimates and judgments

The preparation of the Company's condensed interim financial statements requires the Executive Board to make judgments, estimates and assumptions that affect the reported amount of figures recorded in the statement of profit or loss and Other Comprehensive Income, on the unrealised or deferred gains and losses, on the valuation of assets and liabilities in the statement of financial position, and on information disclosed in the notes to the condensed interim financial statements.

In order to make these assumptions and estimates, the Executive Board uses information available at the date of preparation of the condensed interim financial statements and can exercise its judgment. By nature, valuations based on estimates include risks and uncertainties relating to their occurrence in the future. Consequently, actual future results may differ from these estimates and may then have a significant impact on the condensed interim financial statements.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. In the process of applying the Company's accounting policies, the Executive Board has made the following judgments and assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Existing circumstances and assumptions about future developments may change due to circumstances beyond Company's control and are reflected in the assumptions if and when they occur. Items with the most significant effect on the amounts recognised in the condensed interim financial statements with substantial Executive Board judgment and/or estimates are listed below with respect to judgments/estimates involved.

Notes to the condensed interim financial statements (continued)

As at 30 June 2025

The use of significant estimates and judgment mainly concerns the following topics:

- Fair value in the interim statement of financial position of financial instruments not quoted in an active market which are classified as financial assets and liabilities at fair value through profit or loss (see Notes 4.1 and 4.2);
- The analysis of the contractual cash flow characteristics of financial assets (see Note 2.3.3.1);
- The amount of impairment and provisions for credit risk related to financial assets measured at amortised cost (see Note 5).

2.1.5 Segment reporting

No dedicated management reporting information is presented for SGIS to a chief decision maker; only the annual financial statements and the condensed interim financial statements are presented to the Executive Board of SGIS in analysing the performance of the Company. The Company has mainly one geographical area related to its revenue, which is France.

The business of the Company is not seasonal. Therefore, the additional disclosure of financial information for the twelve months up to the end of the interim period and comparative information for the prior twelve-month period, encouraged in IAS 34.21, are not necessary and not provided.

2.2 New accounting standards and amendments

2.2.1 New accounting standards applicable as at 1 January 2025

Amendments to IAS 21 “Impacts to variations in foreign currency rates”

Published on 15 August 2023

These amendments specify the circumstances in which a currency is regarded as convertible as well as the methods for evaluating the exchange rate of a non-convertible currency. They also supplement the information to be disclosed in the annexes to the financial statements in cases where a currency is not convertible.

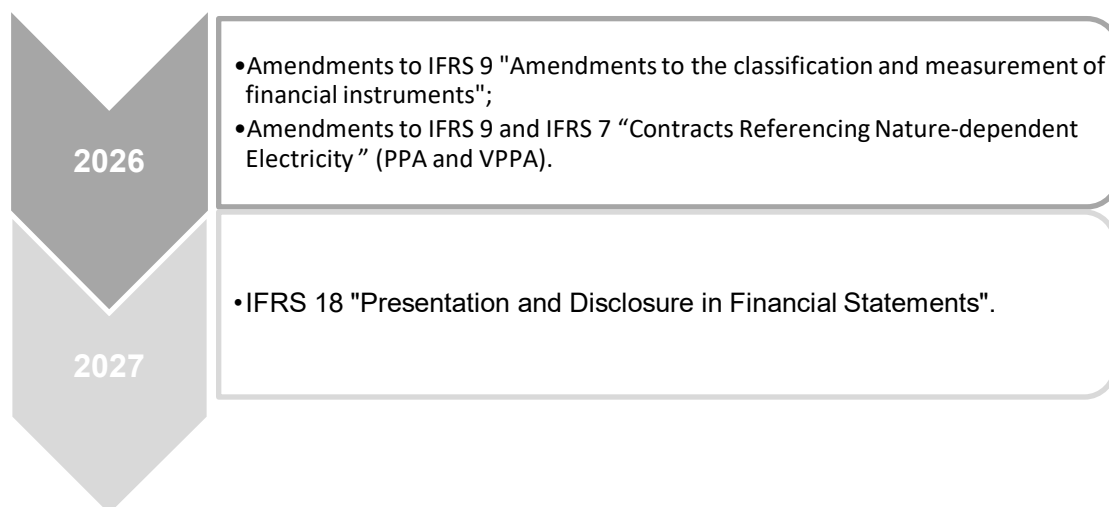
The provisions of these amendments have been already applied since 2024 to the preparation of the Company’s financial statements.

2.2.2 Accounting standards, amendments or interpretations to be applied by the Company in the future

The IASB published accounting standards and amendments, some of which have not been adopted by the European Union as at 30 June 2025. Their application is required for the financial years beginning on or after 1 January 2026 at the earliest or on the date of their adoption by the European Union. They have thus not been applied to the Company as at 30 June 2025. These standards are expected to be applied according to the following schedule:

Notes to the condensed interim financial statements (continued)

As at 30 June 2025



Amendments to IFRS 9 "Amendments to the classification and measurement of financial instruments"

Adopted by the European Union on 27 May 2025.

These amendments clarify the classification of financial assets, in particular on how to assess the consistency of the contractual flows of a financial asset under a standard loan contract. They clarify the classification of financial assets that feature environmental, social and governance (ESG) or similar aspects.

They also clarify the classification of financial instruments linked by contract and financial assets guaranteed solely by collateral.

In addition, these amendments clarify the derecognition of financial liabilities settled by electronic payment systems.

New disclosures are also required for equity instruments designated at their creation in order to be measured at fair value through other comprehensive income as well as for financial assets and liabilities with contingent features such as instruments comprising ESG features.

The amendments are not expected to have a material impact on the Company's interim condensed financial statements.

Amendments to IFRS 9 and IFRS 7 "Contracts referencing nature-dependent electricity" (PPA and VPPA)

Adopted by the European Union on 30 June 2025

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 may be unwound:

- 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 Société Générale Group-owned PPAs from the application scope of IFRS 9.

Notes to the condensed interim financial statements (continued)

As at 30 June 2025

The amendments are not expected to have a material impact on the Company's interim condensed financial statements.

IFRS 18 "Presentation and disclosure in financial statements"

Published on 9 April 2024.

This standard will replace 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 annexed to the financial statements of Management-defined performance measures (MPMs) that are used in financial communication (justification for the use of these MPMs, calculation method, reconciliation between the MPMs and the sub-totals 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 Company's financial statements is currently being analysed as not yet in force at the date of these financial statements.

2.3 Summary of material accounting policies

2.3.1 Foreign currency transactions

The Company maintains its books in EUR, which is its functional currency.

Assets and liabilities denominated in foreign currencies are translated into EUR at the exchange rates ruling at the reporting date. Foreign exchange differences arising on translation and realized exchange gains and losses are recognised in the interim statement of profit or loss and Other Comprehensive Income in the caption *"Net results from financial instruments at fair value through profit or loss"*.

Revenues and expenses in foreign currencies are translated into EUR at the exchange rates prevailing at the date of the transactions.

Notes to the condensed interim financial statements (continued)

As at 30 June 2025

The most important foreign currency positions for the Company are USD, JPY, GBP, HKD and CHF. The following foreign exchange rates were used:

	USD	JPY	GBP	HKD	CHF
30.06.2025	1.1720	169.17	0.85550	9.2001	0.9347
31.12.2024	1.0389	163.06	0.82918	8.0686	0.9412
30.06.2024	1.0705	171.94	0.84638	8.3594	0.9634

2.3.2 Cash and Cash equivalents

Cash and cash equivalents comprise only cash repayable on demand.

Cash and cash equivalents in the Company are subject to impairment under IFRS 9 and are presented net of impairment (cf. Note 2.3.3.3).

2.3.3 Financial instruments**2.3.3.1. Classification of financial instruments**Classification of financial assets

Financial assets are classified under IFRS 9 based on the characteristics of their contractual cash flows and on how they are managed (business models).

For the debt instruments held, SGIS has defined its business model as “held to collect” for the Fully Funded Swaps, for Cash and cash equivalents and for Loans and receivables. These assets are acquired in order to collect the contractual cash-flows attached to the assets. No sale has been made in the past years and no sale is anticipated in the future.

The Fully Funded Swaps (hereafter “FFS”) are economically assimilated to loans with embedded derivatives (the swap embedded in the FFS). This type of financial asset complies with the IFRS Accounting Standards definition of debt instruments (fixed maturity, coupon calculated as a rate, no right nor interest/control in an entity). As these financial assets of SGIS contain embedded derivatives that modify the cash flows of the entire contract, the contract does not pass the Solely Payments of Principles and Interest (or “SPPI”) test and consequently these financial assets are mandatorily measured at Fair Value through Profit or Loss (“FVTPL”).

Cash and cash equivalents and Loans and receivables are SPPI compliant and are thus measured at amortised cost. Cash and cash equivalents and Loans and receivables are subject to impairment under IFRS 9 and are presented net of impairment.

The Options held, covering the Warrants issued, are Trading derivatives and thus measured at FVTPL.

Purchases and sales of financial assets recorded under financial assets at fair value through profit or loss and Financial assets at fair value through other comprehensive income are recognised in the statement of financial position at the delivery-settlement date. Changes in fair value between the trade and settlement dates are recorded in the income statement or booked to shareholders’ equity depending on the accounting category of the relevant financial assets. Loans and receivables are recorded in statement of financial position on the date they are paid or at the maturity date for invoiced services. The trade date is the date on which the contractual commitment becomes binding and irrevocable for the Company.

Notes to the condensed interim financial statements (continued)

As at 30 June 2025

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 Company upon initial recognition to be carried at fair value through profit or loss in accordance with the fair value option.

The Company has designated at fair value through profit or loss the notes issued because mirror transactions (Fully Funded Swaps or “FFS”) that are used to mirror those notes are measured mandatorily at fair value through profit or loss and thus reduce the accounting mismatch.

- Financial liabilities at amortised cost:

These include the other non-derivative financial liabilities and are measured at amortised cost.

2.3.3.2. Valuation of financial instruments

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 input based on assumptions that market operators would use to set the price of the instrument in question.

Fair value hierarchy

The fair values of financial instruments include accrued interest as applicable.

For information purposes, in the notes to the condensed interim financial statements, the fair value of financial instruments is classified using a fair value hierarchy that reflects the significance of the inputs used according to 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 statement of financial position 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 statement of financial position date.

A financial instrument is considered 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 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.

Notes to the condensed interim financial statements (continued)

As at 30 June 2025

Where a financial instrument is traded in several markets to which the Company 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 quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

These are instruments measured using a financial model based on observable market inputs. 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 non derivative financial instruments carried at fair value on the statement of financial position 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 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 limited however. The valuation techniques used in this category are based on common methods shared by the main market participants.

Level 3 (L3): instruments valued using inputs that are not based on observable market data (referred to as unobservable inputs)

Level 3 instruments carried at fair value on the interim statement of financial position are predominantly instruments for which the sales margin is not immediately recognised in profit or loss.

In the context of SGIS, this sales margin is not applicable and hence not recognised because there is a corresponding offsetting margin on the funded swap.

Accordingly, Level 3 financial instruments include derivatives with longer maturities than those usually traded and/or with specifically tailored return profiles. Similarly, debt measured at fair value is classified as Level 3 where the valuation of the associated embedded derivatives is also based on unobservable inputs.

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 correlations between the different underlying are generally unobservable;

Notes to the condensed interim financial statements (continued)

As at 30 June 2025

- 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); 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 underlying).

At the level of SG Group, valuation models are determined in order to fully embed the impact of IFRS 13 as described above and use appropriate parameters and methodologies in order to determine L3 instruments valuation. Counterparty credit risk estimates relies on Credit Value Adjustments (CVA) and Debit Value Adjustments (DVA) calculations.

Different calculation methods can exist regarding the CVA-DVA / OCA (Own Credit Adjustment) impact calculation: derived from the yield discounting methodology, other from the Monte-Carlo EPE/ENE (Expected Positive / Negative Exposure). The methodology for calculation of CVA-DVA (OCA not applicable to the Company) applied to SGIS (the same as the SG Group) is the yield discounting methodology.

The valuation methods used by the Company to establish the fair value of financial instruments are detailed below.

The fair values of financial instruments include accrued interest as applicable.

- For Unsecured Notes and Fully Funded Swaps

The fair value for both the unsecured Notes (liabilities) and the Fully Funded Swap (FFS) (assets) is calculated by discounting the expected future cash flows with the risk-free curve. To take the credit adjustment into account, the risk-free curve is adjusted with Société Générale Group’s credit spread curve. A dedicated process has been implemented using Société Générale Group and SGIS operational teams’ input. This process is fully functional, constantly monitored as of today.

- For Secured and Repack Notes

Secured Notes are Notes which are collateralised with assets deposited on segregated or pooled accounts with external custodian (The Bank of New York Mellon S.A., Luxembourg Branch, hereafter “BNY Mellon Luxembourg”) and pledged in favour of the Note holders.

Repack Notes are Notes which allow investors to calibrate the funding yield of their structure by selecting a bond (the “Reference Bond”) issued by a third-party issuer (the “Reference Bond Issuer”).

The collateral assets are composed of eligible securities.

Notes to the condensed interim financial statements (continued)

As at 30 June 2025

Should Société Générale defaults, the pledge on the assets is to be enforced; the Notes holders are exposed to credit risk of the collateral (external securities). Therefore, as Société Générale and SGIS act solely as intermediary for risk transfer, the credit risk premium (external bonds issuers) shall not be adjusted with Société Générale credit spread. Thus, no additional credit adjustment is needed for the secured Notes.

The fair value of the Secured Notes and the Repack Notes and the associated FFS is computed, for each accounting period, by discounting the expected future cash flows by a composite Repo rate curve.

- For Warrants and Options

For financial instruments recognised at fair value in the interim statement of financial position, fair value is determined primarily on the basis of the prices quoted in an active market. These prices can be adjusted if none are available on the interim statement of financial position date or if the clearing value does not reflect transaction prices.

However, due especially to the varied characteristics of financial instruments traded over the counter on the financial markets, a large number of financial products traded by the Company does not have quoted prices in the markets.

The base models may not fully capture all factors relevant to the valuation of SGIS on these financial instruments such as credit risk (Credit Valuation Adjustment CVA), own credit (Debt Valuation Adjustment DVA) and/or funding costs (Funding Valuation Adjustment FVA). Therefore, SGIS applies various techniques (from the Group) to estimate the credit risk associated with its financial instruments measured at fair value.

The revaluation differences attributable to the Company's credit risk are thus determined using valuation models which take into account the most recent financing terms and conditions on the markets along with the residual maturity of the related liabilities.

- For secured notes issued by the Company, as investors are not exposed to the Company's risk, no own credit risk should impact the fair value of the instruments and as such, no adjustment has to be calculated;
- For unsecured notes, investors are not contractually exposed to the Company's credit risk but to Société Générale Group's own credit risk.

SGIS valuation models therefore reflects the absence of credit risk, and structured bonds are not impacted by Own Credit Adjustments within the entity.

Deferred margin related to main unobservable inputs

The Company does not apply deferred margin related to its main unobservable inputs as margin on Notes and Warrants issued are offset by a similar margin on Fully Funded Swaps and Options purchased.

2.3.3.3. Impairments and provisions

Some financial assets involve credit risk which exposes the Company to a potential loss if the counterparties were to be unable to respect their financial commitments. The Company is remunerated for bearing this risk by a portion of the contractual interest that it receives on those assets; this is known as the credit margin.

This potential loss, or expected credit loss, is recognised in profit or loss without waiting for the occurrence of a default event on a specific counterparty.

Notes to the condensed interim financial statements (continued)

As at 30 June 2025

For loans and receivables measured at amortised cost or fair value through other comprehensive income, the expected credit loss, as assessed by the Company, is recognised in profit or loss. On the interim statement of financial position, this potential loss is recognised as an impairment that reduces the carrying amount of assets measured at amortised cost. Impairments are written-back in case of a subsequent decrease of credit risk. No significant impairment is recognised on cash and cash equivalents, as the credit risk is immaterial. The Company does not have loan commitments or financial guarantees contracts.

The group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Impairment and provisions for credit risk

To determine the amount of impairment or loss allowances to be recorded at each reporting date, these exposures are classified into one of three categories based on the increase in credit risk observed since initial recognition. An impairment or loss allowance shall be recognised for the exposures in each category as follows:

- Exposures classified in Stage 1: At the initial recognition date, the exposures are systematically classified in Stage 1, unless they are underperforming/credit-impaired on acquisition. Stage 1 exposures are impaired for the amount of credit losses that the Company expects to incur within 12 months (12-month expected credit losses), based on past data and the current situation;
- Exposures classified in Stage 2: To identify Stage 2 exposures, the significant increase in credit risk is assessed by the Company, taking into account the counterparty's credit risk rating, the magnitude of the change in the counterparty's credit rating and the existence of payments delays of more than 30 days;
- Exposures classified in Stage 3 (doubtful outstanding): The Company determines whether or not there is objective evidence of impairment (default event).

Stage 2 and 3 exposures are impaired for the amount of credit losses that the Company expects to incur over the life of the exposures (lifetime expected credit losses), taking into consideration past data, the present situation and reasonable forecast changes in economic conditions, and relevant macroeconomic factors through to maturity.

Impairments / Reversal of impairments

Impairments / Reversal of impairments include net reversals of impairment and loss allowances for credit risk, losses on irrecoverable loans and amounts recovered on amortised receivables.

2.3.3.4. Offsetting financial assets and financial liabilities

A financial asset and a financial liability are offset and the net amount presented on the interim statement of financial position when the Company 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.

The financial instruments issued by the Company are subscribed by the investors through Société Générale as a lead manager during the issuance period and as a market maker for a secondary market. The instruments which are unsold are held by SG.

Notes to the condensed interim financial statements (continued)

As at 30 June 2025

The treatment is applied based on IAS 32 Paragraph 42: “A financial asset and a financial liability shall be offset and the net amount presented in the statement of financial position when, and only when, an entity:

- Currently has a legally enforceable right to set off the recognised amounts; and
- Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.”

In December 2014, a cash netting clause was added in the legal framework with Société Générale (Société Anonyme) and the Company consequently acquired a legally enforceable right to offset the recognised amount with the same counterparty (Société Générale). The assets (the Fully Funded Swaps) and the liabilities (the Notes) are settled (and intended to be settled) simultaneously.

In June 2017, the Company added a new cash netting clause in the legal framework with Société Générale and the Company consequently acquired a legally enforceable right to offset the recognised amount with the same counterparty (Société Générale). The assets (OTC Options) and the liabilities (the Warrants) are settled (and intended to be settled) simultaneously.

In application of IAS 32 - Offsetting a financial asset and a financial liability, the Company proceeds to the accounting netting of the non-sold amounts. The impact of the off-setting for the non-sold Notes and the corresponding Fully Funded Swaps and impact of the off-setting for the non-sold Warrants and the corresponding options are described in Note 4.1 and Note 4.2.

2.3.4 Other asset and other liabilities

Settlement accounts for trades are included in other assets or other liabilities and are presented separately in distinctive captions on assets or liabilities side (cf. Note 6).

2.3.5 Shareholders' equity

Equity are the resources contributed to the Company by external shareholders as capital, as well as the cumulative and undistributed results (retained earnings).

The statement “Changes in Shareholders' Equity” presents the various changes that affect the components of equity over the reporting period.

2.3.6 Interest income and interest expense

Interest is recognized as expense or income over the life of the financing service granted or received, proportionally to the principal amount outstanding.

Interest income and expense are recorded in the statement of profit or loss and Other Comprehensive Income 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).

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.

Notes to the condensed interim financial statements (continued)

As at 30 June 2025

Where a financial asset is classified in Stage 3 for impairment, subsequent interest income is measured at the effective interest rate applied to the net carrying amount of the financial asset with an offsetting entry equal to the outstanding financial asset before impairment.

2.3.7 Fee income and fee expense

Fee income and Fee expense combine fees on services rendered and received, as well as fees on pledged security granted 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 income and Interest expenses.

The Company recognizes 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 custody fees and administration costs are recognized as income over the life of the service;
- Fees for one-off services, such as issuance and listing fees are recognized as income when the service is provided.

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 recognized under Other Assets and Other Liabilities. For example: supplier contracts generate trade payables, accrued expenses or prepaid expenses.

Income related to the issuance of Notes and Warrants falls under the scope of IFRS 15 and as such, is considered separately as income generated by two services when the Company performs its activities:

- The issuing fee recognized upfront for the initiation and the structuration of the issuance;
- Account and security servicing during the lifecycle of the security.

2.3.8 Other operating expenses

The Company records operating expenses according to the type of services to which they refer.

Other operating expenses mainly include lease payments, building maintenance and other costs, travel and business expenses, outsourcing and advisory fees and marketing and advertising expenses.

2.3.9 Income tax

Income tax 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.

Notes to the condensed interim financial statements (continued)

As at 30 June 2025

2.3.9.1. Current tax

Current tax is based on the taxable profit 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 statement of profit or loss and Other Comprehensive Income.

The Company is included in the scope of consolidation of the group « Société Générale S.A. ».

Société Générale S.A. is subject to the OECD rules introducing a global minimum tax rate of 15% on the profits of the multinational companies (« Pillar 2 » rules), transposed into the European directive of 22 December 2022 and introduced in Luxembourg by the Law of 22 December 2023 which is in effect in 2024. In 2024, Société Générale S.A. set up dedicated processes to estimate amounts to be booked in relation with above mentioned “Pillar 2” rules. Société Générale S.A. will perform such processes on an annual basis for the subsequent years.

In Luxembourg, SGIS is part of a tax integration group led by SG Luxembourg. The Company has non-significant impact for “Pillar 2” rules for 2025 and 2024.

2.3.9.2. Deferred tax

Deferred taxes are recognized whenever the Company identifies a temporary difference between the accounting base and tax base for assets and liabilities that will affect future tax payments or from tax loss carried forward.

The amount is based on the tax rate enacted or substantively enacted which is expected to apply when the asset is realized, 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. The Company off-sets its deferred tax assets against liabilities as there is both legal rights to offset its current tax assets and liabilities and it is the Company’s intention to settle on a net basis.

2.3.9.3. Other commitments linked to secured Notes

In relation to each Serie of Secured Notes, in order to secure its obligations in respect of such Notes, the Company enters into a pledge agreement which is governed by the Luxembourg act dated 5 August 2005 on financial collateral arrangements, as amended. Under each pledge agreement, the Company grants first ranking security over the Collateral Assets contained in one or more accounts held by the Company with BNY Mellon Luxembourg (or such other custodian or account bank as is specified in the applicable Final Terms, pursuant to the terms of a custodian agreement between, inter alia, the Company and the collateral custodian).

The security granted under each pledge agreement is granted either in favour of:

- (i) in the case of English Law Notes, The Bank of New York Mellon Corporate Trustee Services Limited or such other security trustee as is specified in the applicable Final Terms as security trustee on behalf of itself and the relevant Noteholders and the other relevant Secured Parties (as defined in the Additional Terms and Conditions for Secured Notes) or,
- (ii) in the case of French Law Notes, directly in favour of the relevant Noteholders and the other relevant Secured Parties as represented by The Bank of New York Mellon Corporate Trustee Services Limited or such other security agent as is specified in the applicable Final Terms as security agent.

Notes to the condensed interim financial statements (continued)

As at 30 June 2025

Following the occurrence of a Secured Note Acceleration Event (as defined in the Additional Terms and Conditions for Secured Notes), all Noteholders whose Notes have become immediately due and payable is first entitled to claim for any outstanding amounts due to them under the terms of the Guarantee. If neither the Issuer nor the Guarantor (pursuant to the terms of the Guarantee) has paid all amounts due to Noteholders within a period of 3 Collateral Business Days following the occurrence of a Secured Note Acceleration Event, Noteholders may send a notice in writing to the Security Trustee (in the case of English Law Notes) or the Security Agent (in the case of French Law Notes) requesting that the relevant Pledge Agreement be enforced in accordance with the terms of the Base Prospectus.

The Company borrows the securities to be pledged from Société Générale Group. In accordance with IFRS 9, the borrowing of the securities to be pledged by the Company is not assimilated to the transfer of assets and thus does not result in recognition in the interim statement of financial position. The risks and rewards associated to the securities remain in Société Générale Group and as such are not presented in the Company's interim statement of financial position.

The pledged securities are accounted as an off balance-sheet commitment "Securities pledged". The committed amount is re-measured at each closing to reflect the value of the securities pledged.

2.4 Geopolitical crisis and macroeconomic context

Geopolitical uncertainties and customs tariffs are impacting the global economy. The US dollar continues to be regarded as a reserve currency, but signs of tension are appearing. In the eurozone, question marks over the industrial sector, such as technology gaps and structurally higher energy costs, will weigh heavily over the forecast horizon. The European Central Bank (ECB) is expected to cut interest rates but to continue quantitative tightening until 2026. China is expected to partially offset the impact of customs tariffs with temporary stimulus measures. Geoeconomic fragmentation is leading to a gradual reconfiguring of global value chains. Furthermore, the scenarios adopted assume that there will be no further geographical expansion of the current conflicts.

Against this backdrop, the Group Société Générale updated the macroeconomic scenarios chosen for the preparation of its interim consolidated financial statements.

These macroeconomic scenarios are taken into account in the credit loss measurement models including forward-looking data and are also used in tests of the recoverability of deferred tax assets.

The methodological framework defined by the Group Société Générale is applied at the level of the Company.

NOTE 3 - CASH AND CASH EQUIVALENTS

Cash and cash equivalents amount to KEUR 60,072 as at 30 June 2025 (31 December 2024: KEUR 63,575) and are mainly composed of cash held with SG Luxembourg and Société Générale.

As at 30 June 2025 and 31 December 2025, this caption only contains cash that is repayable on demand.

Notes to the condensed interim financial statements (continued)

As at 30 June 2025

NOTE 4 - FINANCIAL INSTRUMENTS**4.1. Financial assets at fair value through profit or loss**

	30.06.2025 (‘000 EUR)	31.12.2024 (‘000 EUR)
Financial assets at fair value through profit or loss		
- Mandatorily measured at fair value through profit or loss (Fully Funded Swaps)	52,760,662	49,117,912
- Trading derivatives (Options)	190,710	77,950
Total	52,951,372	49,195,862

As at 30 June 2025, financial assets mandatorily measured at fair value through profit or loss (Fully Funded Swaps) amount to KEUR 52,760,662 (31 December 2024: KEUR 49,117,912) and replicate all the Notes issued by the Company (see Note 4.2). Differences between Fully Funded Swaps and Notes arise due to late settlements.

As at 30 June 2025, Trading derivatives (Options) amount to KEUR 190,710 (31 December 2024: KEUR 77,950) and replicate all the Warrants issued by the Company (see Note 4.2). Differences between Options and Warrants arise due to late settlements.

As at 30 June 2025, the impact of the offsetting of financial assets and financial liabilities (decrease in the balance sheet) is KEUR 39,404,123 for the non-sold Notes and the corresponding Fully Funded Swaps (31 December 2024: KEUR 36,453,866 and KEUR 6,764,731 for the non-sold Warrants and the corresponding Options (31 December 2024: KEUR 5,492,093) (see Note 4.2).

The movements in financial assets at fair value through profit or loss were as follows:

	(‘000 EUR) Mandatorily measured at fair value through profit or loss	(‘000 EUR) Trading derivatives	(‘000 EUR) Total
As at 1 January 2025	49,117,912	77,950	49,195,862
Acquisition	13,385,947	143,132	13,529,079
Maturity/Disposal/Liquidation/Cancellation	(11,781,721)	(43,374)	(11,825,095)
Change in fair value and foreign exchange difference	2,038,524	13,002	2,051,526
As at 30 June 2025	52,760,662	190,710	52,951,372

Notes to the condensed interim financial statements (continued)

As at 30 June 2025

	('000 EUR) Mandatorily measured at fair value through profit or loss	('000 EUR) Trading derivatives	('000 EUR) Total
As at 1 January 2024	51,118,092	57,316	51,175,408
Acquisition	19,105,860	52,253	19,158,113
Maturity/Disposal/Liquidation/Cancellation	(19,275,209)	(25,816)	(19,301,025)
Change in fair value and foreign exchange difference	(1,830,831)	(5,803)	(1,836,634)
As at 31 December 2024	49,117,912	77,950	49,195,862

4.2. Financial liabilities at fair value through profit or loss

	30.06.2025 ('000 EUR)	31.12.2024 ('000 EUR)
Financial liabilities at fair value through profit or loss		
- Designated at fair value through profit or loss (Notes)	52,750,893	49,120,262
- Trading derivatives (Warrants)	190,724	76,896
Total	52,941,617	49,197,158

As at 30 June 2025, the Company has issued secured and unsecured Notes for a total amount of KEUR 52,750,893 (31 December 2024: KEUR 49,120,262):

- 28,286 unsecured Notes were issued (stock) for a total amount of KEUR 46,083,667 (31 December 2024: 24,334 unsecured Notes were issued (stock) for a total amount of KEUR 43,580,459);
- 2,155 secured Notes were issued (stock) for a total amount of KEUR 6,667,216 (31 December 2024: 1,030 secured Notes were issued (stock) for a total amount of KEUR 5,539,803).

In addition to the guarantee on first demand granted by Société Générale on unsecured and secured Notes, subscribers of the secured Notes issued by the Company benefit from additional collateral assets securing the payment due under the Notes terms, structured in form of a pledge governed by Luxembourg Law. This pledge may only be enforced following a default of the Company or Société Générale in its role of Guarantor.

Pledged collateral assets are deposited on an account held in the name of the Company with an authorised custodian not belonging to the Société Générale Group and are pledged in favour of the Notes holders.

As at 30 June 2025, securities deposited at The Bank of New York Mellon S.A./NV, Luxembourg Branch as collateral for secured issuances amount to KEUR 7,911,516 (31 December 2024: KEUR 7,251,220).

As at 30 June 2025, the Company also issued Warrants for a total amount of KEUR 190,724 (31 December 2024: KEUR 76,896). Refer to Note 10 for further details on Off-balance sheet items related to the Warrants activity.

As at 30 June 2025, the impact of the offsetting (decrease in the balance sheet) is KEUR 39,404,123 for the non-sold Notes and the corresponding Fully Funded Swaps (31 December 2024: KEUR 36,453,847 and KEUR 6,764,731 for the non-sold Warrants and the corresponding Options (31 December 2024: KEUR 5,492,093).

Notes to the condensed interim financial statements (continued)

As at 30 June 2025

The movements in financial liabilities at fair value through profit or loss were as follows:

	(‘000 EUR) Designated at fair value through profit or loss	(‘000 EUR) Trading derivatives	(‘000 EUR) Total
As at 1 January 2025	49,120,262	76,896	49,197,158
Acquisition	13,387,906	143,131	13,531,037
Cancelled/Liquidation/Maturity Disposal	(11,811,522)	(42,062)	(11,853,584)
Change in fair value and foreign exchange difference	2,054,247	12,759	2,067,006
As at 30 June 2025	52,750,893	190,724	52,941,617

	(‘000 EUR) Designated at fair value through profit or loss	(‘000 EUR) Trading derivatives	(‘000 EUR) Total
As at 1 January 2024	51,112,066	57,148	51,169,214
Acquisition	19,190,860	51,603	19,242,463
Cancelled/Liquidation/Maturity Disposal	(19,269,183)	(25,689)	(19,294,872)
Change in fair value and foreign exchange difference	(1,913,481)	(6,166)	(1,919,647)
As at 31 December 2024	49,120,262	76,896	49,197,158

4.3. Financial liabilities at amortised cost

As at 30 June 2025 and 31 December 2024, financial liabilities at amortised cost are mainly composed of a convertible bond of KEUR 48,000 issued by the Company and fully subscribed by SG Luxembourg, with maturity in 2026. Conversion may occur each year.

On this convertible bond, the Company pays to SG Luxembourg both variable interests calculated on Euribor 3M plus a margin of 0.26% (total rate of 2.615 % as at 30 June 2025) and activity related interests. The rate is renewed quarterly and this was the rate used during the 2nd quarter of 2025. Activity related interests mean an amount equal to 100% of the activity related profit generated by the Company.

The convertible bond maturity shall be automatically extended by successive periods of one year, unless either the Issuer or the Holder has exercised its right to terminate the bond on the scheduled maturity date. The conversion option belongs to the Holder.

Estimation of the fair value of financial liabilities at amortised cost is disclosed in Note 11.6.2.

Notes to the condensed interim financial statements (continued)

As at 30 June 2025

NOTE 5 - LOANS AND RECEIVABLES

As at 30 June 2025 and 31 December 2024, loans and receivables only consist in term deposits with SG Luxembourg, which represent the reinvestment of the Company's share capital, reserves and other available funds.

As at 30 June 2025, expected credit losses calculated on loans and receivables in accordance with IFRS 9 amounted to EUR 1 854 (31 December 2024: EUR 154).

The fair value of loans and receivables are presented in Note 11.5.

NOTE 6 - OTHER ASSETS AND OTHER LIABILITIES

As at 30 June 2025 and 31 December 2024, other assets and other liabilities are composed of :

	('000 EUR) 30.06.2025	('000 EUR) 31.12.2024
Settlement accounts on securities transactions	287,139	123,756
Miscellaneous receivables	140,836	169,148
Total other assets	427,975	292,904

	('000 EUR) 30.06.2025	('000 EUR) 31.12.2024
Settlement accounts on securities transactions	294,021	124,095
Deferred Income	7,217	6,576
Miscellaneous payables	176,997	175,396
Total other liabilities	478,235	306,067

Miscellaneous payables and receivables mainly consist of premium payables on Warrants and receivables on financial instruments replicating the Warrants issued. The variance is linked to the activity of the Company and the early settlement of some balances compared to prior year.

NOTE 7 - TAXATION

The Company is liable for all taxes applicable to Luxembourg commercial companies.

Since 2007, the Company has been part of a tax integration group led by SG Luxembourg with regard to Net Wealth Tax and Income Tax, as authorised by the article 164 bis LIR and has concluded a Tax Sharing Agreement (the "Agreement") with SG Luxembourg. Under the Agreement, the Company pays to SG Luxembourg, with respect to each financial year, an amount equal to the tax which would be levied on the profits of the Company in the absence of any tax consolidation with the Parent.

The rate of current tax applied as of 30 June 2025 is 24.24% (31 December 2024: 24.94%). The current tax rate includes the corporate tax and the municipal tax.

For the period ended 30 June 2025, tax expenses amount to KEUR 5 (30 June 2024: KEUR 5).

Notes to the condensed interim financial statements (continued)

As at 30 June 2025

NOTE 8 - SHAREHOLDERS' EQUITY

8.1. Share capital and Share premium

On 30 November 2020, 100 shares were sold by SG Luxembourg to Société Générale for a total amount of EUR 4,000. SG Luxembourg still held 49,907 shares amounting to EUR 1,996,280 for which it waived its entire voting rights. As at 31 December 2024, the subscribed and fully paid share capital amounted to EUR 2,000,440, divided into 50,011 shares with nominal value of EUR 40 each.

By resolution adopted on 15 January 2025, the Executive Board decided to increase the capital of the Company from EUR 2,000 440 to EUR 2,000 480 by the issue of a new share with a nominal value of EUR 40, subscribed by SG Luxembourg. In the context of the capital increase, the 2024 activity related interests amounting to KEUR 27,071 (31 December 2024: KEUR 34,361) have been allocated to the Share premium. It was then paid to the shareholders in July 2025.

As at 30 June 2025, the subscribed and fully paid share capital is EUR 2,000,480, divided into 50,012 shares with nominal value of EUR 40 each.

The Company manages its capital to ensure it will be able to continue as a going concern. The capital amount may be increased, subject to the approval of the Shareholders, if the Company's activity evolves, incurring specific additional risks.

8.2. Reserves

8.2.1 Legal reserve

In accordance with the Luxembourg law, the Company is required to allocate a minimum of 5% of its annual net profit to a Legal reserve until this reserve equals 10% of the subscribed share capital. This reserve may not be distributed.

As at 30 June 2025, the legal reserve amounts to KEUR 200 (31 December 2024: KEUR 200).

8.2.2 Other reserves

Since 2013, the Company is fiscally integrated in its parent company SG Luxembourg. SG Luxembourg constitutes the Net Wealth Tax reserve for the Company. As a consequence, no Net Wealth Tax reserve has been constituted by the Company since 2013.

During the first half of 2025, a dividend of KEUR 234 has been paid (31 December 2024: KEUR 15).

Notes to the condensed interim financial statements (continued)

As at 30 June 2025

NOTE 9 - INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME NOTES**NOTE 9.1 - COMMISSION INCOME**

Commission income can be broken down as follows:

	30.06.2025	30.06.2024
	('000 EUR)	('000 EUR)
Issuing upfront fees on Notes	21,938	19,246
Servicing fees on Notes	3,230	2,323
Commission on Warrants	152	120
Total	25,320	21,689

As at 30 June 2025, KEUR 7,217 are retained as deferred income under the caption "other liabilities" (30 June 2024: KEUR 6,366).

NOTE 9.2 - NET RESULT FROM FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT AND LOSS

	30.06.2025	30.06.2024
	('000 EUR)	('000 EUR)
Net gain on financial assets held for trading	14,698,862	11,872,037
Net gain on financial assets at fair value option	2,307,181	10,239,785
Net loss on financial liabilities held for trading	(14,698,258)	(11,872,025)
Net loss on financial liabilities at fair value option	(2,307,948)	(10,239,799)
Total	(163)	(2)

Notes to the condensed interim financial statements (continued)

As at 30 June 2025

NOTE 10 - OFF-BALANCE SHEET

As at 30 June 2025, financial instruments to be issued (commitment taken before 30 June 2025 with value date after 30 June 2025) amount to KEUR 12,700,911 (31 December 2024: KEUR 8,583,451).

Warrants issuance summary

The Warrants issued as at 30 June 2025 and 31 December 2024 break down as follows:

				30-Jun-25			31-Dec-24			
Warrant Type	Category of Underlying	Type of Underlying	Option Type	Quantity	Notional ('000 EUR)	Fair Value ('000 EUR)	Quantity	Notional ('000 EUR)	Fair Value ('000 EUR)	
Currency Warrant	Currency	Currency	Call	-	-	-	-	-	-	
			Put	-	-	-	-	-		
Equity Warrant	Equity	Ordinary Share	Call	410	8,793,118	58,379	136	1,891,844	13,188	
			Put	866	15,743,302	70,686	1,441	35,156,224	55,957	
		REIT	Call	3	94,750	-	1	31,976	2	
			Fund	Mutual Fund	Call	3	132,236	12	3	74,598
	Put	2			63,264	-	3	40,044	5,991	
	Funds	Fund	Fund	Call	-	-	-	-	-	-
Index Warrant	Equity	Mutual Fund	Call	-	-	-	-	-	-	
			Ordinary Share	Call	-	-	-	-	-	-
		Fund	Equity	Put	-	-	-	-	-	-
				Call	-	-	-	-	-	-
	Index	Index	Call	264	11,392,168	56,930	128	4,815,156	1,078	
			Put	147	7,239,354	4,717	12	318,210	381	
Fund Warrant	Fund	Mutual Fund	Call	-	-	-	-	-	-	
			Put	-	-	-	-	-	-	
		Fund	Call	-	-	-	-	-	-	
Total Call			Call	680	20,412,272	115,321	268	6,813,574	14,566	
Total Put			Put	1,015	23,099,920	75,403	1,456	35,514,478	62,330	
Total Warrants				1,695	43,512,192	190,724	1,724	42,328,052	76,896	

Notes to the condensed interim financial statements (continued)

As at 30 June 2025

NOTE 11 - RISK MANAGEMENT

The Company and several of its service providers are subsidiaries of the Société Générale Group and therefore benefit from Société Générale's internal control systems.

For any further information on the risks relating to the Group, investors and/or Noteholders should refer to the "Risk and Capital Adequacy" section of the Registration Document (<https://www.societegenerale.com>).

11.1. Market risk

Market risk is the risk that changes in market prices, such as interest rates, securities prices, and foreign exchange rates will affect the Company's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

The Company issues Notes and Warrants. The Notes are systematically hedged with Fully Funded Swaps concluded with Société Générale, with strictly identical characteristics. In the same way, the Warrants issued are hedged with Options concluded with Société Générale, with strictly identical characteristics.

The risks associated with the investment in the Notes and Warrants depend on several factors. Such factors vary depending on the characteristics of the Notes and Warrants issued, in particular depending on the underlying, the maturity of the Notes, the secured / unsecured status of the Notes, the interest rates incurred, the volatility of the underlying, etc. The main risks in relation to investments in Notes and Warrants issued by the Company are described in the Base Prospectus under the section "Risk Factor".

Because of its structure (perfect match between the assets and the liabilities), the impact of an immediate change of a market parameter would have no consequence on the net profit of the Company.

The Company is also exposed to structural interest rate risk, namely through the following transactions: reinvestment of available equity by participating interests or loans to the Company's treasury (SG Luxembourg) with hedged interest rate risk (fixed rate contracted with SG Luxembourg). The structural interest rate risk is monitored via the sensitivity of the economic value of the positions measured through modified duration.

Modified duration is calculated based on the change in the net present value of positions subsequent to a 1% change in the rate curve. Exposure monitoring is based on the determination of modified duration over the short (up to one year), medium (one to five years) and long (more than five years) term.

Climate and ESG matters have been considered in the fair value of the financial instruments. These are deemed to have a minor impact.

11.2. Foreign currency risk

Foreign currency risk can only arise on financial instruments that are denominated in a currency other than the functional currency in which they are measured. Translation-related risks are therefore not included in the assessment of the Company's exposure to currency risks.

Because of its structure (perfect match between the assets and the liabilities), the impact of an immediate change of a foreign exchange rates would have no consequence on the net profit of the Company.

Following explanation above, foreign currency risk is strictly limited.

Process of control allows to monitor it closely and to confirm that exposure of the entity to foreign currency risk remains in a very conservative limit.

Notes to the condensed interim financial statements (continued)

As at 30 June 2025

11.3. Credit risk

Credit risk is the risk that a third party will not be able to meet its contractual obligation.

The Company only contracts financial instruments with SG Luxembourg and Société Générale (its parent company). Therefore, the credit risk of the Company is limited to the credit risk on SG Luxembourg and Société Générale. Should this situation evolve, specific limits would be proposed to limit the credit risk incurred.

As at 30 June 2025 and 31 December 2024, no financial assets were past due. An Expected Credit Loss is calculated on deposits, amounting to KEUR (2) as of 30 June 2024 following an allocation of impairment of KEUR 1 on the period.

All the Notes and Warrants issued by the Company benefit from a guarantee provided by Société Générale, meaning that payments in respect of the instruments issued by the Company are unconditionally and irrevocably guaranteed by Société Générale (the Guarantor).

As at 30 June 2025, the rating of Société Générale is: A- from Fitch Ratings, A from R&I, A from Standard & Poor's and A1 from Moody's.

11.4. Interest rate risk

Interest rate risk is the risk that changes in market interest rates may adversely affect the value of the assets and liabilities of the Company.

Due to the financial instruments contracted by the Company with Société Générale to hedge the financial instruments issued, the Company is not significantly exposed to interest rate risk.

11.5. Liquidity risk

Liquidity risk is the risk that the Company may be unable to meet the payment obligations associated with its financial liabilities when they fall due.

The Company does not face any liquidity risk thanks to the perfect replication between the contractual obligations of:

- i) The financial instruments issued by the Company; and
- ii) The financial assets held for hedging by the Company.

As at 30 June 2025, analysis per remaining maturities is as follows:

30.06.2025 - EUR' 000	< 3 months	From 3 months to 1 year	From 1 to 5 years	> 5 years	Total
Cash and cash equivalents	60,072	-	-	-	60,072
Financial assets at fair value through profit or loss					
- Mandatorily measured at fair value through profit or loss	4,568,106	8,664,561	16,709,576	22,818,419	52,760,662
- Trading derivatives	24,947	58,814	102,979	3,950	190,710
Loans and receivables	-	48,203	800	1,002	50,006
 Financial liabilities at amortised cost	 723	 66,800	 -	 -	 67,523
Financial liabilities at fair value through profit or loss					
- Designated at fair value through profit or loss	4,567,299	8,663,849	16,705,376	22,814,369	52,750,893
- Trading derivatives	24,970	58,813	103,250	3,691	190,724
Tax liabilities	-	5	-	-	5

Notes to the condensed interim financial statements (continued)

As at 30 June 2025

As at 31 December 2024, analysis per remaining maturities is as follows:

31.12.2024 - EUR' 000	< 3 months	From 3 months to 1 year	From 1 to 5 years	> 5 years	Total
Cash and cash equivalents	63,575	-	-	-	63,575
Financial assets at fair value through profit or loss					
- Mandatorily measured at fair value through profit or loss	4,502,308	7,413,592	17,609,084	19,592,928	49,117,912
- Trading derivatives	17,036	32,857	27,897	160	77,950
Loans and receivables	48,026	200	800	1,000	50,026
 Financial liabilities at amortised cost	 69,550	 27,071	 -	 -	 96,621
Financial liabilities at fair value through profit or loss					
- Designated at fair value through profit or loss	4,410,064	7,413,257	17,618,922	19,678,019	49,120,262
- Trading derivatives	16,793	33,124	26,979	-	76,896

11.6. Fair Value measurement

According to the fair value hierarchy established by IFRS 13, Level 3 (L3) comprises products valued using inputs that are not based on observable market data (referred to as unobservable inputs).

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 Notes or the Black & Scholes formula for certain options and using valuation parameters that reflect current market conditions as at the interim statement of financial position date. These valuation models are validated independently by the experts from the Market Risk Department of the Group's Risk Division.

Furthermore, the parameters used in the valuation models, whether derived from observable market data or not, are checked by the Finance Division of Société Générale, in accordance with the methodologies defined by the Market Risk Department.

The Notes and the related Fully Funded Swaps are classified as Level 3 when the valuation of the associated embedded derivatives (underlyings of the Notes) is also based on unobservable market data.

On each element of an identified list of unobservable parameters, it comes to determining the uncertainty of marking, and cross sensitivities with this uncertainty for a confidence interval of the value of the positions.

In parallel, marking the levels of each of these parameters is collected and reported in the Note.

The methods for determining the level of uncertainty, as well as calculating the confidence interval from sensitivities depend on each parameter.

Transfers from Level 2 to Level 3 are determined at the end of each month and occur in case of a modification within a parameter (e.g. no longer linked to the deal, modification of the observability rule of the parameter).

Notes to the condensed interim financial statements (continued)

As at 30 June 2025

11.6.1 Estimates of Level 3 instruments and other most significant unobservable inputs as at 30 June 2025 (by type of underlying)

Type of underlying	Assets In million EUR	Liabilities In million EUR	Main products	Valuation techniques used	Significant unobservable inputs	Range of inputs Min & Max
Equity / Funds	18,465	18,468	Simple and complex derivatives on funds, equities or baskets on stocks	Various option models on funds, equities or baskets on stocks	Equity volatilities	[3.00% ; 138.00%]
					Equity dividends	[0.00% ; 8.00%]
					Unobservable correlations	[-200.00% ; 200.00%]
					Hedge funds volatilities	[N/A]
					Mutual fund volatilities	[1.70% ; 26.80%]
Rates and Forex	13,009	13,006	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% ; 27.00%]
			Interest rate derivatives whose notional is indexed on the prepayment behaviour on European collateral pools	Prepayment modelling	Constant prepayment rates	[0.00% ; 20.00%]
			Inflation instruments and derivatives	Inflation pricing models	Inflation correlations	[83.00% ; 93.00%]
			Collateralised Debt Obligations and index tranches	Recovery and base correlation projection models	Time to default correlations	[0.00% ; 100.00%]
Credit and others	3,160	3,157			Recovery rate variance for single name underlying	[0.00% ; 100.00%]
					Time to default correlations	[0.00% ; 100.00%]
					Quanto correlations	[0.00% ; 100.00%]
			Other credit derivatives	Credit default models	Unobservable credit spreads	[0 bps ; 82.7401 bps]
Commodity	0	0	Derivatives on commodities baskets	Option models on commodities	Commodities correlations	N/A N/A
Total	34,634	34,631				

Notes to the condensed interim financial statements (continued)

As at 30 June 2025

Estimates of Level 3 instruments and other most significant unobservable inputs as at 31 December 2024 (by type of underlying)

Type of underlying	Assets In million EUR	Liabilities In million EUR	Main products	Valuation techniques used	Significant unobservable inputs	Range of unobservable inputs Min & Max
Equity / funds	16 297	16 295	Simple and complex derivatives on funds, equities or baskets on stocks	Various option models on funds, equities or baskets on stocks	Equity volatilities	[3% ; 166%]
					Equity dividends	[0.0% ; 11.0%]
					Unobservable correlations	[-200% ; 200%]
					Hedge funds volatilities	N/A
					Mutual funds volatilities	[1.7% ; 26.8%]
Rates and Forex	9 241	9 241	Hybrid forex / interest rate or credit / interest rate derivatives	Hybrid forex interest rate or credit interest rate option pricing models	Correlations	[-60% ; 90%]
			Forex derivatives	Forex option pricing models	Forex volatilities	[1% ; 25%]
			Interest rate derivatives whose notional is indexed on the prepayment behavior on European collateral pools	Prepayment modeling	Constant prepayment rates	[0.0% ; 20.0%]
			Inflation instruments and derivatives	Inflation pricing models	Inflation/ inflation correlations	[81% ; 92%]
			Collateralized Debt Obligations and index tranches	Recovery and base correlation projection models	Time to default correlations	[0% ; 100%]
Credit	3 780	3 780	Other credit derivatives	Credit default models	Recovery rate variance for single name underlying	[0% ; 100%]
					Time to default correlations	[0% ; 100%]
					Quanto correlations	[0% ; 100%]
					Unobservable credit spreads	[0bps ; 90.8 bps]
Commodity	-	-	Derivatives on commodities baskets	Option models on commodities	Commodities correlations	0
Total	29 318	29 316				

Unobservable inputs add a degree of uncertainty in the valuation of Level 3 instruments. However, by its very nature, and considering mirror transactions are concluded with Société Générale to hedge the financial liabilities issued by the Company, the Company has no market risk exposure. The impact of an immediate change in an unobservable parameter would have no consequence on the net profit or net equity of the Company.

Moreover, changes in an unobservable parameter would have by underlying a mirror effect on both assets and liabilities.

Finally, the Company considers that changes in the unobservable parameters would not a material impact on the profit or loss of the Company considering the mirroring in place for financial instruments (refer to Note 4).

Notes to the condensed interim financial statements (continued)

As at 30 June 2025

11.6.2. Carrying amounts and fair values of assets and liabilities not measured at fair value in the interim statement of financial position

	Carrying amount	Fair value
30.06.2025 - EUR' 000		
Cash and cash equivalents	60,072	60,072
Financial assets at fair value through profit or loss		
- Mandatorily measured at fair value through profit or loss	52,760,662	52,760,662
- <i>Trading derivatives</i>	190,710	190,710
Loans and receivables *	50,005	50,063
Other assets	427,975	427,975
Total	53,489,424	53,489,482
Financial liabilities at amortised cost *	67,523	67,631
Financial liabilities at fair value through profit or loss		
- <i>Designated at fair value through profit or loss</i>	52,750,893	52,750,893
- <i>Trading derivatives</i>	190,724	190,724
Other liabilities	478,235	484,689
Tax liabilities	5	5
Total	53,493,834	53,493,943
31.12.2024 - EUR' 000		
Cash and cash equivalents	63,575	63,575
Financial assets at fair value through profit or loss		
- Mandatorily measured at fair value through profit or loss	49,117,912	49,117,912
- <i>Trading derivatives</i>	77,950	77,950
Loans and receivables *	50,026	50,094
Other assets	292,904	292,904
Total	49,602,367	49,602,435
Financial liabilities at amortised cost *	96,621	96,728
Financial liabilities at fair value through profit or loss		
- <i>Designated at fair value through profit or loss</i>	49,120,262	49,120,262
- <i>Trading derivatives</i>	76,896	76,896
Other liabilities	306,067	306,067
Tax liabilities	87	87
Total	49,599,933	49,600,040

* For Loans and receivables and Financial liabilities at amortised cost, the fair values are calculated by discounting the expected future cash flows under a EUR risk-free curve adjusted with Société Générale Group credit spread curve (EUR swap curve from Bloomberg and Société Générale credit spread curve provided by Risk department Paris).

Determining fair value is dependent on many factors and can be an estimate of what value may be obtained in the open market at any point in time.

Regarding financial instruments at amortised cost with short term maturity (<1 year), the Company considers the difference between fair value and carrying amount as non-material. Regarding other assets and other liabilities, in consideration of their short-term nature, the Company considers the difference between fair value and carrying amount as non-material.

Notes to the condensed interim financial statements (continued)

As at 30 June 2025

11.6.3. The fair value hierarchy of IFRS 13

As at 30 June 2025, the Company determined the fair values of its financial instruments on the basis of the following hierarchy:

30.06.2025 - EUR' 000	Level 1	Level 2	Level 3	Total
<i>Financial assets at fair value through profit or loss</i>				
- Mandatorily measured at fair value through profit or loss	-	18,138,027	34,622,635	52,760,662
<i>Commodities instruments</i>	-	1,005	-	1,005
<i>Credit derivatives/securities</i>	-	803,807	3,159,643	3,963,450
<i>Equity and index securities</i>	-	15,070,796	18,459,696	33,530,492
<i>Foreign exchange instruments/securities</i>	-	177,925	2,578,508	2,756,433
<i>Interest rate instruments/securities</i>	-	1,985,095	10,037,494	12,022,589
<i>Other financial instruments</i>	-	99,399	387,294	486,693
- Trading derivatives	-	178,750	11,960	190,710
<i>Equity and Index instruments</i>	-	178,738	5,695	184,434
<i>Foreign exchange instruments / securities</i>	-	12	6,264	6,276
<i>Financial liabilities at fair value through profit or loss</i>				
- Designated at fair value through profit or loss	-	18,133,024	34,617,869	52,750,893
<i>Commodities instruments</i>	-	1,005	-	1,005
<i>Credit derivatives/securities</i>	-	803,790	3,156,980	3,960,770
<i>Equity and index securities</i>	-	15,065,849	18,461,944	33,527,793
<i>Foreign exchange instruments / securities</i>	-	177,914	2,578,508	2,756,422
<i>Interest rate instruments/securities</i>	-	1,985,084	10,033,143	12,018,227
<i>Other financial instruments</i>	-	99,382	387,294	486,676
- Trading derivatives	-	178,764	11,960	190,724
<i>Equity and Index instruments</i>	-	178,752	5,696	184,448
<i>Foreign exchange instruments / securities</i>	-	12	6,264	6,276
<i>Other financial instruments</i>	-	-	-	-

Notes to the condensed interim financial statements (continued)

As at 30 June 2025

As at 31 December 2024, the Company determined the fair values of its financial instruments on the basis of the following hierarchy:

31.12.2024 - EUR' 000	Level 1	Level 2	Level 3	Total
<i>Financial assets at fair value through profit or loss</i>				
- Mandatorily measured at fair value through profit or loss	-	19,815,438	29,302,474	49,117,912
<i>Commodities instruments</i>	-	1,546	-	1,546
<i>Credit derivatives/securities</i>	-	1,043,704	3,520,322	4,564,026
<i>Equity and index securities</i>	-	16,721,749	16,287,602	33,009,351
<i>Foreign exchange instruments/securities</i>	-	346,941	1,714,102	2,061,043
<i>Interest rate instruments/securities</i>	-	1,545,087	7,527,010	9,072,097
<i>Other financial instruments</i>	-	156,411	253,438	409,849
- Trading derivatives	-	62,432	15,518	77,950
<i>Equity and Index instruments</i>	-	62,134	9,527	71,661
<i>Foreign exchange instruments / securities</i>	-	298	5,991	6,289
<i>Financial liabilities at fair value through profit or loss</i>				
- Designated at fair value through profit or loss	-	19,819,729	29,300,533	49,120,262
<i>Commodities instruments</i>	-	1,546	0	1,546
<i>Credit derivatives/securities</i>	-	1,043,641	3,520,322	4,563,963
<i>Equity and index securities</i>	-	16,726,121	16,285,388	33,011,509
<i>Foreign exchange instruments/securities</i>	-	346,940	1,714,148	2,061,088
<i>Interest rate instruments/securities</i>	-	1,545,087	7,527,237	9,072,324
<i>Other financial instrument</i>	-	156,394	253,438	409,832
- Trading derivatives	-	61,378	15,518	76,896
<i>Equity and Index instruments</i>	-	61,080	9,527	70,607
<i>Foreign exchange instruments / securities</i>	-	298	5,991	6,289

Notes to the condensed interim financial statements (continued)

As at 30 June 2025

The following table describes the variation in Level 3 by financial instruments (in KEUR):

Financial assets at fair value through profit or loss	Balance at 01.01.2025	Acquisitions (issuance)	Change in fair value	Reimbursements	Transfers from L2 to L3	Transfers from L3 to L2	Balance at 30.06.2025
Mandatorily measured at fair value through P&L	29,302,474	7,673,510	2,977,174	(4,803,164)	702,580	(1,229,939)	34,622,635
Equity and index instruments	16,287,602	3,690,838	1,306,100	(2,541,433)	775,796	(1,059,207)	18,459,696
Foreign exchange instruments	1,714,101	1,407,001	(117,627)	(564,100)	145,782	(6,649)	2,578,508
Interest rate instruments	7,527,011	2,243,549	1,721,831	(1,129,757)	(314,258)	(10,882)	10,037,494
Credit derivatives/securities	3,520,322	183,017	80,361	(491,929)	7,209	(139,337)	3,159,643
Other financial instruments	253,438	149,105	(13,491)	(75,945)	88,051	(13,864)	387,294
Trading derivatives	15,518	-	1,502	(5 060)	-	-	11,960
Equity and index instruments	9,527	-	1,229	(5,060)	-	-	5,696
Other financial instruments	5,991	-	273	-	-	-	6,264

Financial liabilities at fair value through profit or loss	Balance at 01.01.2025	Acquisitions (issuance)	Change in fair value	Reimbursements	Transfers from L2 to L3	Transfers from L3 to L2	Balance at 30.06.2025
Designated at fair value through P&L	29,300,533	7,675,151	2,907,535	(4,827,166)	703,316	(1,141,500)	34,617,869
Equity and index instruments	16,285,388	3,693,362	1,243,725	(2,565,435)	775,672	(970,768)	18,461,944
Foreign exchange instruments	1,714,148	1,407,000	(117,673)	(564,100)	145,782	(6,649)	2,578,508
Interest rate instruments	7,527,237	2,243,527	1,717,276	(1,129,757)	(314,258)	(10,882)	10,033,143
Credit derivatives/securities	3,520,322	182,157	77,698	(491,929)	8,069	(139,377)	3,156,980
Other financial instruments	253,438	149,105	(13,491)	(75,945)	88,051	(13,864)	387,294
Trading derivatives	15,518	-	1,502	(5,060)	-	-	11,960
Equity and index instruments	9,527	-	1,229	(5,060)	-	-	5,696
Other financial instruments	5,991	-	273	-	-	-	6,264

Transfers from Level 3 to Level 2

The 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 high maturities these consensus data are not observable. This is the case for the implied volatility used for the valuation of 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 parameters.

Notes to the condensed interim financial statements (continued)

As at 30 June 2025

Transfers from Level 2 to Level 3

Transfers from Level 2 to Level 3 can occur in case of a modification within a parameter (no longer linked to the deal modification of the observability rule of the parameter etc...).

11.7 Operational risk

Operational risk is the risk of loss or fraud caused by defects or failures in internal procedures or systems human error or external events including IT risk and management risk. Particular attention is paid to compliance risk which receives enhanced monitoring.

The Company participates in the effort to strengthen the management and monitoring of operational risk led by the Société Générale Group. This effort is guided by the Operational Risk Department which reports to the Société Générale Group Risk Department and is relayed by different Group operational risk monitoring units responsible for implementing the policies and directives issued by the Société Générale Group and monitoring and controlling operational risks.

The monitoring arrangement mainly relies on four processes supervised by the operational risk departments: periodic risk and control self-assessment (RCSA) collecting internal data on losses due to operational errors with exhaustive real-time reporting of incidents pattern analyses and permanent control system.

These procedures are supplemented by a crisis management unit and a business continuity plan.

NOTE 12 - INFORMATION ON LITIGATIONS

During the year ended 31 December 2020, SG Issuer, as the Issuer of Notes linked to the credit risk of a French corporate, and Société Générale, as the Guarantor, were brought before the Courts of Paris (alongside other French financial institutions) by end investors to obtain compensation for the financial loss they suffered on their investment in these securities. The French corporate was the subject of a "safeguard procedure", which constitutes a credit event under the terms of the Notes which had a strong impact on the value of the Notes. These investors rely on unfounded allegations according to which SG Issuer and Société Générale were aware of the difficulties of the French corporate when setting up and marketing these Notes and that in doing so, they failed to meet their regulatory obligations (to act in an honest, fair and professional manner, to provide information on the product risks and to determine the suitability of the Notes for retail investors).

On 27 July 2021, the Company received a new letter from end investors in order to obtain compensation for the financial loss they suffered on their investment in securities issued by the Company. This letter relates to the same litigation described above.

For this litigation, along with any other litigation relating to securities issued by SG Issuer, SG Issuer is entitled to an indemnification by Société Générale in respect of any sum due by SG Issuer regarding potential damages or attorneys' fees.

No change on this case compared to 31 December 2024 financial statements.

NOTE 13 - SUBSEQUENT EVENTS

There was no subsequent event which could have a significant impact on the condensed interim financial information as at 30 June 2025.

APPENDIX III

REPRODUCTION OF THE PRESS RELEASE DATED 30 OCTOBER 2025 CONTAINING THE GUARANTOR'S CONSOLIDATED FINANCIAL RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2025

The information set out below is a reproduction of the press release dated 30 October 2025 containing the Guarantor's consolidated financial results for the third quarter ended 30 September 2025.

RESULTS AT 30 SEPTEMBER 2025

Press release

Paris, 30 October 2025 at 6.25 a.m.

ROTE OF 10.5% IN 9M 25, ABOVE THE 2025 TARGET

GROUP NET INCOME OF EUR 4.6BN IN 9M 25, UP +45% VS. 9M 24

STRONG REVENUE GROWTH, UP +6.7%¹ IN 9M 25 VS. 9M 24

COST / INCOME RATIO DECLINING SHARPLY TO 63.3% IN 9M 25

- **Group revenues of EUR 20.5bn in 9M 25, strongly up +6.7% vs. 9M 24** excluding asset disposals, above 2025 annual target >>+3%
- **Costs down -2.2% in 9M 25 vs. 9M 24** excluding asset disposals, above our 2025 annual target >> -1%
- **Cost / income ratio of 63.3% in 9M 25**, below the annual target of <65% for 2025
- **Contained cost of risk at 25bps in 9M 25**, at the lower end of the 2025 annual target of 25 to 30bps
- **Group net income of EUR 4.6bn in 9M 25, up +45% vs. 9M 24, ROTE of 10.5%**, above the 2025 full-year target of ~9%
- **In Q3 25, strong revenue growth of +3.0%², decrease in cost / income ratio to 61.0%, cost of risk within guidance at 26bps, Group net income of EUR 1.5bn and ROTE of 10.7%**
- **CETI ratio of 13.7% at the end of Q3 25**, around 340bps above the regulatory requirement
- **Completion of the EUR 1bn additional share buy-back programme** on 14 October 2025
- **Continued simplification of the business portfolio** with the completion of the disposals of subsidiaries in Guinea Conakry and Mauritania

Slawomir Krupa, Group Chief Executive Officer, commented:

"We are releasing today a very good set of results, which are again driven by strong revenue growth and continued improvement in our operational efficiency and profitability. Quarter after quarter through the cycle, we continue to execute our strategic roadmap with discipline by maintaining a strong capital position, strict cost control and prudent risk management. The very good commercial and financial performance achieved over the first nine months of the year allow us to move forward with confidence to achieve all our annual objectives. This positive dynamic is based above all on the trust of our clients and the collective commitment of our teams. I would like to thank them warmly. We are approaching the coming months with rigour and determination to carry out our strategic plan, in line with our ambition to create sustainable value for all our stakeholders."

¹ Excluding asset disposals

² Revenue growth of +3.0% excluding asset disposals and +7.7% excluding asset disposals and exceptional income received in Q3 24 for ~EUR 0.3bn

1. GROUP CONSOLIDATED RESULTS

In EURm	Q3 25	Q3 24	Change		9M 25	9M 24	Change	
Net banking income	6,655	6,837	-2.7%	+3.8%*	20,529	20,167	+1.8%	+7.1%*
Operating expenses	(4,060)	(4,327)	-6.2%	-0.5%*	(12,994)	(13,877)	-6.4%	-1.9%*
Gross operating income	2,595	2,511	+3.4%	+11.2%*	7,535	6,290	+19.8%	+27.2%*
Net cost of risk	(369)	(406)	-9.1%	-2.9%*	(1,068)	(1,192)	-10.4%	-4.3%*
Operating income	2,226	2,105	+5.8%	+13.9%*	6,467	5,098	+26.9%	+34.5%*
Net profits or losses from other assets	61	21	x 2.9	x 2.7*	338	(67)	n/s	n/s
Income tax	(483)	(535)	-9.7%	-2.0%*	(1,450)	(1,188)	+22.1%	+31.3%*
Net income	1,812	1,591	+13.9%	+22.1%*	5,369	3,856	+39.3%	+47.0%*
o/w non-controlling interests	291	224	+30.1%	+43.5%*	787	696	+13.0%	+21.6%*
Group net income	1,521	1,367	+11.3%	+18.7%*	4,582	3,160	+45.0%	+52.4%*
ROE	9.4%	8.4%			9.2%	6.2%		
ROTE	10.7%	9.6%			10.5%	7.1%		
Cost to income	61.0%	63.3%			63.3%	68.8%		

Asterisks* in the document refer to data at constant perimeter and exchange rates

Societe Generale's Board of Directors, at a meeting chaired by Lorenzo Bini Smaghi on 29 October 2025, reviewed the Societe Generale Group's results for the third quarter and first nine months of 2025.

Net banking income

Net banking income stood at EUR 6.7 billion, up +3.0% vs. Q3 24 excluding asset disposals¹.

French Retail, Private Banking and Insurance revenues were up +0.9% compared with Q3 24 and up +4.5% vs. Q3 24 excluding asset disposals. They stood at EUR 2.3 billion in Q3 25. Net interest income grew by +4.7% vs. Q3 24 excluding asset disposals. **Private Banking** assets under management (excluding the disposal of private banking activities in Switzerland and the United Kingdom) and life insurance outstandings rose by +7% and +6% in Q3 25 vs. Q3 24, respectively. Lastly, **BoursoBank** continued its strong commercial momentum with nearly 400,000 new clients during the quarter to reach a total of around 8.3 million clients at end-September 2025.

Global Banking and Investor Solutions reported revenues of EUR 2.5 billion in Q3 25, up +1.6% compared with a very high level in Q3 24. **Global Markets** posted stable revenues in Q3 25 vs. Q3 24. Despite the solid commercial momentum notably in derivatives, equity revenues were down -6.7% in Q3 25 compared with a very strong Q3 24, in particular driven by day-one accounting base effects, EUR/USD FX impact and volatility patterns. Fixed income and currencies recorded a strong increase in revenues of +12.4% compared with Q3 24, with a solid performance in financing and derivatives. The client activity was notably very sustained in rates and currencies. Securities Services posted a slight decrease in revenues of -1.3%, mainly due to the impact of lower interest rates which conceals a solid commercial performance. In addition, **Global Banking & Advisory** benefited from a solid performance in financing activities, particularly in the infrastructure and energy sectors, and fund financing. Lastly, despite robust commercial activity with corporate clients, **Global Transaction & Payment Services** recorded a decrease in revenues of -2.5% compared with Q3 24, also due to the fall in interest rates.

¹ Revenue growth of +7.7% excluding asset disposal and exceptional income received in Q3 24 for EUR 287m

In **Mobility, International Retail Banking and Financial Services**, revenues were down -6.2% vs. Q3 24 due to a perimeter effect related to disposals completed over the year. They are up +9.1% excluding asset disposals. **International Retail Banking** recorded a -13.3% fall in revenues vs. Q3 24 to EUR 0.9 billion, due to a perimeter effect related to the disposals completed in Africa (mainly Morocco, Guinea Conakry and Madagascar). They rose +4.6% at constant perimeter and exchange rates. Revenues from **Mobility and Financial Services** were up +1.0% vs. Q3 24, or +12.4% at constant perimeter and exchange rates. Ayvens' revenues grew by +13.2% vs. Q3 24, mainly driven by strongly improved margins. **Consumer Finance** reported a +6.6% increase in revenues, mainly driven by growth in net interest income.

The **Corporate Centre** recorded revenues of EUR -83 million in Q3 25.

For the first nine months of 2025, net banking income for the Group was up +1.8% vs. 9M 24 and +6.7% excluding asset disposals.

Operating expenses

Operating expenses came to EUR 4,060 million in Q3 25, down -6.2% vs. Q3 24 and -1.1% excluding asset disposals.

The cost-to-income ratio stood at 61.0% in Q3 25, down from Q3-24 (63.3%).

For the first nine months of 2025, operating expenses fell significantly by -6.4% vs. 9M 24 and -2.2% excluding asset disposals. The cost-to-income ratio stood at 63.3% in 9M 25, sharply down from 9M 24 (68.8%), above the 2025 guidance of <65%.

Cost of risk

The cost of risk for the quarter was 26 basis points, or EUR 369 million, in line with the guidance of between 25 and 30 basis points for 2025. This comprises a EUR 437 million provision for non-performing loans (around 31 basis points) and a reversal of a provision for performing loans for EUR -68 million.

At end-September, the Group had a stock of provisions for performing loans of EUR 2,946 million. The stock of S2 provisions represents 4% of the amount of stage 2 loans outstanding.

The gross non-performing loan ratio stood at 2.77%^{1,2} at 30 September 2025 and is stable vs. the level at end-June 2025. The net coverage ratio on the Group's non-performing loans stood at 82%³ at 30 September 2025 (after netting of guarantees and collateral).

Net profits from other assets

The Group recorded a net gain of +EUR 61 million in Q3 25, mainly related to the accounting impacts from the disposal of *Société Générale Guinée* completed in August 2025.

Group net income

Group net income stood at EUR 1,521 million for the quarter, an increase of +11.3%, equating to a Return on Tangible Equity (ROTE) of 10.7%.

In the first nine months of 2025, Group net income stood at EUR 4,582 million, up +45%, equating to a Return on Tangible Equity (ROTE) of 10.5%, higher than the guidance set for 2025 of ~9%.

¹ Ratio calculated according to EBA methodology published on 16 July 2019

² Ratio excluding loans outstanding of companies currently being disposed of in compliance with IFRS 5

³ Ratio of the sum of S3 provisions, guarantees and collaterals over gross outstanding non-performing loans

2. SUSTAINABLE DEVELOPMENT: DELIVERING ON OUR AMBITIONS

The Group is actively pursuing its efforts to promote sustainable finance, ~25% achieved at end-June 2025 on its EUR 500 billion target (2024-2030).

In September 2025, an update to the Sustainable Financing Framework ([link](#)) was published to reflect changing market practices and standards. This update refines the scope of eligible projects, for better alignment with the Group's goals.

Supporting its customers during their transition remains a priority for the Group. With this in mind, a programme has been launched that focuses specifically on water. The aim is to build on our expertise in this key area, creating a structured process for engagement with our major corporate clients and co-designing innovative financing solutions with them, so as to assess and manage risks and identify opportunities for adaptation.

As part of its roadmap, the Group is continually developing strategic partnerships. During the quarter, several initiatives illustrated this trend, such as:

- the initiative to unlock private investments in emerging market impact funds through OLG¹, a blended vehicle providing an innovative liquidity guarantee;
- the success of the new USD 500 million sustainable hybrid bond issuance with the West African Development Bank (BOAD);
- the partnership with IFC² in Ghana, which aims to increase sustainable production in the cocoa sector and improve market access for smallholder farmers.

¹ Octobre Liquidity Guarantee Facility co-founded by Octobre, Innpact, Cardano Development, with the support of the European Commission

² International Finance Corporation, a member of the World Bank Group

3. THE GROUP'S FINANCIAL STRUCTURE

At 30 September 2025, the Group's **Common Equity Tier 1** ratio stood at 13.7%¹, or around 340 basis points above the regulatory requirement, and up +15 basis points from 30 June 2025. Regarding liquidity, the Liquidity Coverage Ratio (LCR) was well above regulatory requirements at 147% at end-September 2025 (150% on average for the quarter), and the Net Stable Funding Ratio (NSFR) stood at 117% at end-September 2025.

All liquidity and solvency ratios are well above the regulatory requirements.

	30/09/2025	31/12/2024	Requirements
CET1 ⁽²⁾	13.7%	13.3%	10.26%
Tier 1 ratio ⁽²⁾	16.2%	16.1%	12.18%
Total Capital ⁽²⁾	18.8%	18.9%	14.75%
Leverage ratio ⁽²⁾	4.35%	4.34%	3.60%
TLAC (% RWA) ⁽²⁾	30.3%	29.7%	22.37%
TLAC (% leverage) ⁽²⁾	8.1%	8.0%	6.75%
MREL (% RWA) ⁽²⁾	33.5%	34.2%	27.48%
MREL (% leverage) ⁽²⁾	9.0%	9.2%	6.13%
End of period LCR	147%	162%	>100%
Period average LCR	150%	150%	>100%
NSFR	117%	117%	>100%

In EURbn	30/09/2025	31/12/2024
Total consolidated balance sheet	1,597	1,574
Shareholders' equity, Group share	70	70
Risk-weighted assets	388	390
O.w. credit risk	315	327
Total funded balance sheet	933	952
Customer loans	455	463
Customer deposits	604	614

As of 15 October 2025, the parent company has issued around EUR 17 billion of medium/long-term debt under its 2025 financing programme, including EUR 4.5 billion of pre-financing raised at end-2024. The subsidiaries have issued EUR 2.8 billion.

As of 15 October 2025, the parent company had completed its 2025 financing programme and had raised EUR 1.1 billion in pre-financing under its 2026 programme.

The Group is rated by four rating agencies: (i) FitchRatings - long-term rating "A-", stable outlook, senior preferred debt rating "A", short-term rating "F1"; (ii) Moody's - long-term rating (senior preferred debt) "A1", negative outlook, short-term rating "P-1"; (iii) R&I - long-term rating (senior preferred debt) "A", stable outlook; and (iv) S&P Global Ratings - long-term rating (senior preferred debt) "A", stable outlook, short-term rating "A-1".

¹ Based on a pay-out ratio of 50% of the 9M 25 Group net income restated for non-cash items and after deduction of interest on deeply subordinated notes and undated subordinated notes, pro forma including Q3 25 results. At the end of 9M 25, the total distribution accrual in millions of euros is equivalent to EUR 2.68 per share (taking into account a number of shares based on a completion rate of 76% at the end of September of the additional EUR 1bn share buy-back launched on 4 August 2025 and completed on 14 October 2025). It includes the interim dividend of EUR 0.61 paid in October 2025

² Including Basel IV phasing

4. FRENCH RETAIL, PRIVATE BANKING AND INSURANCE

In EURm	Q3 25	Q3 24	Change		9M 25	9M 24	Change	
Net banking income	2,281	2,260	+0.9%	+4.5%*	6,849	6,406	+6.9%	+10.4%*
Of which net interest income	1,072	1,064	+0.8%	+4.7%	3,170	2,793	+13.5%	+18.0%*
Of which fees	1,021	1,034	-1.2%	+2.1%	3,090	3,079	+0.3%	+3.2%*
Operating expenses	(1,498)	(1,585)	-5.5%	-0.3%*	(4,541)	(4,962)	-8.5%	-4.3%*
Gross operating income	783	675	+16.1%	+15.0%*	2,308	1,444	+59.8%	+58.1%*
Net cost of risk	(189)	(178)	+6.0%	+6.3%*	(505)	(597)	-15.4%	-15.6%*
Operating income	595	497	+19.7%	+18.1%*	1,803	847	x 2.1	x 2.1*
Net profits or losses from other assets	(5)	(1)	n/s	n/s	21	7	x 2.9	x 2.9*
Group net income	439	372	+18.1%	+16.4%*	1,348	643	x 2.1	x 2.1*
RONE	9.9%	8.2%			10.2%	5.1%		
Cost to income	65.7%	70.1%			66.3%	77.5%		

Commercial activity

SG Network, Private Banking and Insurance

The SG Network's deposits outstanding totalled EUR 221 billion in Q3 25, down -5% vs. Q3 24 and -2% compared with Q2 25 with stable retail deposits and continued growth of retail saving and investment products.

The SG Network's loans outstanding increased by +1% vs. Q3 24 to EUR 194 billion. Meanwhile, home loan production saw an increase of +74% vs. Q3 24.

The loan to deposit ratio stood at 88% in Q3 25.

Private Banking saw net inflows of EUR 1.9 billion in Q3 25, with annualised inflows in 9M 25 representing 7% of assets under management. Assets under management¹ grew by +7% vs. Q3 24 to a record level of EUR 135 billion in Q3 25. Net banking income amounted to EUR 312 million for the quarter, up by +1.5% at constant perimeter¹ and exchange rates. It came to EUR 981 million for the first nine months of the year, up +1.7% vs. 9M 24 at constant perimeter¹ and exchange rates.

Insurance, which covers activities in and outside France, once again posted a very strong commercial performance. Savings life insurance net inflows amounted to EUR 1.6 billion in Q3 25. Savings life insurance outstandings increased by +6% vs. Q3 24 to reach EUR 153 billion in Q3 25. The share of unit-linked products remained high at 41%.

BoursoBank

BoursoBank reached a total of around 8.3 million clients in Q3 25. The threshold of 8 million clients was reached in July 2025, around 18 months ahead of the target set in the Capital Markets Day strategic plan presented in September 2023. In Q3 25, the bank recorded a +22% increase in the number of clients vs. Q3 24, bringing growth in the number of clients to +1.5 million year on year, driven by a still high level of client acquisition during the quarter (nearly 400,000 new clients in Q3 25), while the churn rate remained low, at less than 4%.

Outstanding savings, including deposits and financial savings, reached EUR 75.6 billion in Q3 25, up +18% vs. Q3 24. Outstanding deposits rose sharply by +17% vs. Q3 24 to EUR 46 billion. Life insurance outstandings increased by +11% vs. Q3 24 to EUR 14 billion, with net inflows up 4x vs. Q3 24. Brokerage recorded a strong increase in stock market orders of +38% vs. Q3 24.

Loans outstanding rose by +8% compared with Q3 24, at EUR 16.9 billion in Q3 25.

¹ Excluding asset disposals (Switzerland and the United Kingdom)

Net banking income

During the quarter, revenues amounted to EUR 2,281 million (including PEL/CEL provision), up +0.9% from Q3 24 and +4.5% excluding asset disposals. Net interest income grew by +4.7% vs. Q3 24 excluding asset disposals. Fees were up +2.1% compared with Q3 24 excluding asset disposals.

For the first nine months of 2025, revenues totalled EUR 6,849 million (including PEL/CEL provision), up +6.9% compared with 9M 24 and +10.4% excluding asset disposals. Net interest income grew by +13.5% vs. 9M 24. It was up by +2.0% excluding asset disposals and the impact of short-term hedges in 9M 24. Fee income rose +3.2% vs. 9M 24 excluding asset disposals.

Operating expenses

During the quarter, operating expenses came to EUR 1,498 million, down -5.5% vs. Q3 24 and down -0.3% excluding asset disposals. The cost-to-income ratio stood at 65.7% in Q3 25, an improvement of 4.5 percentage points compared with Q3 24.

For the first nine months of 2025, operating expenses amounted to EUR 4,541 million, down -8.5% compared with 9M 24 and -4.3% excluding asset disposals. The cost-to-income ratio was 66.3%, an improvement of 11.2 percentage points compared with 9M 24.

Cost of risk

During the quarter, the cost of risk amounted to EUR 189 million or 33 basis points, compared to 25 basis points in Q2 25.

For the first nine months of 2025, the cost of risk was EUR 505 million, or 29 basis points.

Group net income

During the quarter, the Group net income totalled EUR 439 million. RONE stood at 9.9% in Q3 25.

In the first nine months of 2025, Group net income totalled EUR 1,348 million. RONE stood at 10.2% in 9M 25.

5. GLOBAL BANKING AND INVESTOR SOLUTIONS

In EUR m	Q3 25	Q3 24	Change		9M 25	9M 24	Change	
Net banking income	2,469	2,429	+1.6%	+4.1%*	8,012	7,689	+4.2%	+5.0%*
Operating expenses	(1,482)	(1,494)	-0.8%	+1.3%*	(4,868)	(4,898)	-0.6%	+0.1%*
Gross operating income	987	936	+5.5%	+8.6%*	3,144	2,791	+12.6%	+13.7%*
Net cost of risk	(51)	(27)	+88.4%	+88.4%*	(187)	(29)	x 6.5	x 6.5*
Operating income	936	909	+3.0%	+6.1%*	2,957	2,763	+7.0%	+8.0%*
Reported Group net income	734	704	+4.3%	+7.4%*	2,340	2,178	+7.5%	+8.4%*
RONE	17.4%	16.9%			17.6%	17.8%		
Cost to income	60.0%	61.5%			60.8%	63.7%		

Net banking income

Global Banking and Investor Solutions reported solid results for the quarter, with revenues of EUR 2,469 million, up +1.6% from the high level in Q3 24.

For the first nine months of 2025, revenues were up +4.2% compared with 9M 24 (EUR 8,012 million vs. EUR 7,689 million).

Global Markets and Investor Services reported revenues of EUR 1,587 million, up +0.3% for the quarter compared with Q3 24. In the first nine months of 2025, they amounted to EUR 5,262 million, up +3.7% vs. 9M-24.

Global Markets recorded a +0.5% rise in revenues to EUR 1,421 million during the quarter compared with a high level of revenues in Q3 24. For the first nine months of 2025, revenues totalled EUR 4,756 million, up +4.2% vs. 9M 24.

Equities recorded a -6.7% fall for the quarter, compared with a very strong Q3 24, mainly due to day-one accounting base effect, EUR/USD FX impact and volatility patterns. In addition, commercial activity was sound in derivatives. Revenues amounted to EUR 824 million for the quarter. For the first nine months of 2025, they totalled EUR 2,847 million, up +3.7% vs. 9M 24.

Fixed Income and Currencies strongly improved during the quarter at +12.4%, with revenues of EUR 597 million, driven by a sustained commercial momentum. There was a strong performance during the quarter for financing and derivatives activities and it leverages on a higher client activity in rates and currency products. In the first nine months of 2025, revenues were up +5.0% from 9M 24 at EUR 1,910 million.

Revenues from Securities Services were slightly down -1.3% compared with Q3 24 at EUR 167 million, affected by lower interest rates. Revenues were down -1.1% in the first nine months of 2025. Assets under custody and assets under administration amounted to EUR 5,449 billion and EUR 650 billion, respectively.

Revenues for the **Financial and Advisory business** totalled EUR 882 million for the quarter, an increase of +4.2% compared with Q3 24. For the first nine months of 2025, they totalled EUR 2,750 million, up +5.2% vs. 9M 24.

Global Banking & Advisory posted significant revenues for the quarter, up +6.9% from Q3 24, mainly driven by a dynamic activity in financing, particularly in key sectors of infrastructure and energy, as well as in fund financing. Activities in capital markets, both equity and debt, continued to grow as well as the volume of originated and distributed loans. In the first nine months of 2025, revenues grew by +7.1% vs. 9M 24.

Global Transaction & Payment Services posted a -2.5% fall in revenues for the quarter due to lower interest rates, partially offset by the solid commercial performance with corporate clients. In the first nine months of 2025, revenues were stable at +0.2% compared with 9M 24.

Operating expenses

Operating expenses came to EUR 1,482 million for the quarter, down -0.8% vs. Q3 24. The cost-to-income ratio stood at 60.0% in Q3 25.

During the first nine months of 2025, operating expenses contracted by -0.6% compared with 9M 24, while the cost-to-income ratio reached 60.8%, vs. 63.7% in 9M 24.

Cost of risk

During the quarter, the cost of risk was EUR 51 million, or 13 basis points vs. 7 basis points in Q3 24.

During the first nine months of 2025, the cost of risk was EUR 187 million, or 15 basis points vs. 2 basis points in 9M 24.

Group net income

Group net income increased +4.3% vs. Q3 24 to **EUR 734 million**. In the first nine months of 2025, it rose +7.5% to EUR 2,340 million.

Global Banking and Investor Solutions reported **RONE of 17.4% for the quarter and 17.6% for the first nine months of 2025**.

6. MOBILITY, INTERNATIONAL RETAIL BANKING AND FINANCIAL SERVICES

In EURm	Q3 25	Q3 24	Change		9M 25	9M 24	Change	
Net banking income	1,988	2,119	-6.2%	+8.7%*	6,024	6,437	-6.4%	+5.7%*
Operating expenses	(1,010)	(1,221)	-17.3%	-3.9%*	(3,249)	(3,832)	-15.2%	-4.1%*
Gross operating income	978	898	+8.9%	+25.7%*	2,775	2,605	+6.5%	+20.0%*
Net cost of risk	(131)	(201)	-35.0%	-25.4%*	(381)	(572)	-33.3%	-22.8%*
Operating income	847	697	+21.6%	+40.5%*	2,394	2,033	+17.7%	+31.6%*
Net profits or losses from other assets	(1)	94	n/s	n/s	(1)	98	n/s	n/s
Non-controlling interests	254	226	+12.5%	+23.8%*	712	632	+12.6%	+21.8%*
Group net income	393	373	+5.3%	+19.2%*	1,115	972	+14.7%	+27.8%*
RONE	14.9%	13.2%			13.8%	11.5%		
Cost to income	50.8%	57.6%			53.9%	59.5%		

Commercial activity

International Retail Banking

The solid commercial momentum in **International Retail Banking** continued in the third quarter of 2025, with a +4.2%* increase in loans outstanding vs. Q3 24 to EUR 62 billion and a +2.6%* increase in deposits vs. Q3 24 to EUR 76 billion.

In **Europe**, the strong growth in loans outstanding continued in both entities (+6.0%* vs. Q3 24, to EUR 47 billion in Q3 25), both for corporate and individual clients, particularly home loans. Deposits increased by +2.3%* vs. Q3 24, to EUR 58 billion in Q3 25. The loan to deposit ratio stood at 81% in Q3 25.

The **Africa, Mediterranean Basin and French Overseas Territories** region posted resilient loans outstanding (-1.3%* vs. Q3 24) at EUR 15 billion, with growth in the retail segment. Deposits outstanding of EUR 18 billion in Q3 25 continue to increase (+3.8%* vs. T3-24).

Mobility and Financial Services

The commercial activities of **Mobility and Financial Services** proved resilient this quarter in an environment still challenging globally.

Ayvens' earning assets remained at around EUR 53 billion at end-September 2025. They were broadly stable vs. Q3 24.

Consumer Finance loans outstanding slightly contracted (-2.1% vs. Q3 24), to EUR 22 billion in Q3 25.

Net banking income

Over the quarter, **Mobility, International Retail Banking and Financial Services** continued to deliver a solid performance during the quarter, with EUR 1,988 million in Q3 25, up 8.7%* vs. Q3 24. In the first nine months of the year, revenues grew by +5.7%* vs. 9M 24 to EUR 6,024 million.

International Retail Banking revenues increased by +4.6%* vs. Q3 24 to EUR 923 million in Q3 25, and +3.2%* vs. 9M 24 to EUR 2,756 million in 9M 25.

Europe recorded revenues of EUR 541 million in Q3 25, with an increase of +4.2%* vs. Q3 24, driven by strong growth in net interest income for both entities.

Revenues in **Africa, Mediterranean Basin and French Overseas Territories** reached EUR 382 million in Q3 25, up +5.2%* vs. Q3 24, driven by the upward momentum in fees during the quarter.

Mobility and Financial Services posted a solid performance with revenues up +12.4%* vs. Q3 24, to EUR 1,065 million in Q3 25. For the first nine months of the year, the increase was +7.8%* vs. 9M 24 to EUR 3,268 million.

Ayvens' revenues grew by +13.2%¹ vs. Q3 24 (stable¹ excluding depreciation adjustments² and non-recurring items³), to EUR 833 million in Q3 25. Margins³ increased sharply to 593 basis points in Q3 25, +72 basis points vs. Q3 24. The normalisation of the used car sales result per unit on the secondary market continued (EUR 1,110² in Q3 25 vs. EUR 1,234² in Q2 25 and EUR 1,420² in Q3 24). At company level, Ayvens reported a marked improvement in cost-to-income ratio of 53%⁴ in Q3 25, with higher margins and tight cost management. Synergies are delivering as planned.

Revenues from the **Consumer Finance** business increased by +6.6% vs. Q3 24 to EUR 234 million in Q3 25, with improving margins over the quarter, particularly in France.

Operating expenses

Over the quarter, operating expenses strongly declined by -3.9%* vs. Q3 24 at EUR 1,010 million in Q3 25 (including EUR 30 million in transformation charges). The cost-to-income ratio improved to 50.8% in Q3 25 vs. 57.6% in Q3 24. **In the first nine months of the year**, costs of EUR 3,249 million were down -4.1%* vs. 9M 24, while the cost-to-income ratio stood at 53.9% vs. 59.5% in 9M 24.

International Retail Banking costs amounted to EUR 479 million, up 2.5%* vs. Q3 24, in a local context that remains inflationary in certain countries. Also of note is the impact of the additional tax for banks in Romania (retroactive from 1 July 2025).

The two business lines of the **Mobility and Financial Services** division posted lower operating expenses (-9.0%* vs. Q3 24), at EUR 531 million in Q3 25.

Cost of risk

Over the quarter, the cost of risk amounted to EUR 131 million for the quarter, or 37 basis points, considerably lower than in Q3 24 (48 basis points).

In the first nine months of the year, the cost of risk stood at 34 basis points vs. 45 basis points in 9M 24.

Group net income

Over the quarter, Group net income came to EUR 393 million, up +19.2%* vs. Q3 24. RONE improved to 14.9% in Q3 25 vs. 13.2% in Q3 24. In International Retail Banking, RONE was 17.9% in 9M 25. It was 12.7% in Q3 25 in Mobility and Financial Services.

In the first nine months of the year, Group net income came to EUR 1,115 million, up +27.8%* vs. 9M 24. RONE improved to 13.8% in 9M 25 vs. 11.5% in 9M 24. In International Retail Banking, RONE was 16.8%. It was 11.6% in 9M 25 in Mobility and Financial Services.

¹ Ayvens revenues at SG level

² Excluding impacts of prospective depreciation and PPA

³ Excluding non-recurring items, mainly MtM of derivatives, hyperinflation in Turkey

⁴ As communicated in Ayvens Q3 25 results (excluding used car sales result and non-recurring items) vs. 63% in Q3 24

7. CORPORATE CENTRE

In EURm	Q3 25	Q3 24	Change		9M 25	9M 24	Change	
Net banking income	(83)	29	n/s	n/s	(356)	(365)	+2.5%	+2.5%*
Operating expenses	(70)	(27)	x 2.6	+10.2%*	(337)	(185)	+81.9%	+36.3%*
Gross operating income	(154)	2	n/s	n/s	(693)	(550)	-25.9%	-13.2%*
Net cost of risk	2	1	n/s	n/s	6	6	-10.8%	-10.8%*
Net profits or losses from other assets	67	(73)	n/s	n/s	317	(172)	n/s	n/s
Income tax	71	(20)	n/s	n/s	214	137	-56.5%	-40.0%*
Group net income	(45)	(82)	+44.8%	+58.7%*	(221)	(633)	+65.0%	+67.4%*

The Corporate Centre includes:

- the property management of the Group's head office,
- the Group's equity portfolio,
- the Treasury function for the Group,
- certain costs related to cross-functional projects, as well as various costs incurred by the Group that are not re-invoiced to the businesses.

Net banking income

During the quarter, **the Corporate Centre's net banking income totalled EUR -83 million**, vs. EUR +29 million in Q3 24, which included an exceptional income of EUR 287 million received to settle the remaining exposures in Russia linked to the Group's former local presence via Rosbank.

Operating expenses

During the quarter, **operating expenses totalled EUR -70 million**, vs. EUR -27 million in Q3-24.

Net profits from other assets

The **Corporate Centre recognised EUR +67 million in net profits from other assets** during the quarter, mainly related to completion of the disposal of *Societe Generale Guinée*.

Group net income

During the quarter, the **Corporate Centre's Group net income totalled EUR -45 million**, vs. EUR -82 million in Q3 24.

8. 2025 AND 2026 FINANCIAL CALENDAR

2025 and 2026 Financial communication calendar

6 February 2026	Fourth quarter and full year 2025 results
30 April 2026	First quarter 2026 results
27 May 2026	Combined General Meeting
30 July 2026	Second quarter and half year 2026 results

The Alternative Performance Measures, notably the notions of net banking income for the pillars, operating expenses, cost of risk in basis points, ROE, ROTE, RONE, net assets and tangible net assets are presented in the methodology notes, as are the principles for the presentation of prudential ratios.

This document contains forward-looking statements relating to the targets and strategies of the Societe Generale Group.

These forward-looking statements are based on a series of assumptions, both general and specific, in particular the application of accounting principles and methods in accordance with IFRS (International Financial Reporting Standards) as adopted in the European Union, as well as the application of existing prudential regulations.

These forward-looking statements have also been developed from scenarios based on a number of economic assumptions in the context of a given competitive and regulatory environment. The Group may be unable to:

- anticipate all the risks, uncertainties or other factors likely to affect its business and to appraise their potential consequences;
- evaluate the extent to which the occurrence of a risk or a combination of risks could cause actual results to differ materially from those provided in this document and the related presentation.

Therefore, although Societe Generale believes that these statements are based on reasonable assumptions, these forward-looking statements are subject to numerous risks and uncertainties, including matters not yet known to it or its management or not currently considered material, and there can be no assurance that anticipated events will occur or that the objectives set out will actually be achieved. Important factors that could cause actual results to differ materially from the results anticipated in the forward-looking statements include, among others, overall trends in general economic activity and in Societe Generale's markets in particular, regulatory and prudential changes, and the success of Societe Generale's strategic, operating and financial initiatives.

More detailed information on the potential risks that could affect Societe Generale's financial results can be found in the section "Risk Factors" in our Universal Registration Document filed with the French Autorité des Marchés Financiers (which is available on <https://investors.societegenerale.com/en>).

Investors are advised to take into account factors of uncertainty and risk likely to impact the operations of the Group when considering the information contained in such forward-looking statements. Other than as required by applicable law, Societe Generale does not undertake any obligation to update or revise any forward-looking information or statements. Unless otherwise specified, the sources for the business rankings and market positions are internal.

9. APPENDIX 1: FINANCIAL DATA

GROUP NET INCOME BY BUSINESSES

In EURm	Q3 25	Q3 24	Variation	9M 25	9M 24	Variation
French Retail, Private Banking and Insurance	439	372	+18.1%	1,348	643	x 2.1
Global Banking and Investor Solutions	734	704	+4.3%	2,340	2,178	+7.5%
Mobility, International Retail Banking & Financial Services	393	373	+5.3%	1,115	972	+14.7%
Businesses	1,566	1,449	+8.1%	4,804	3,793	+26.7%
Corporate Centre	(45)	(82)	+44.8%	(221)	(633)	+65.0%
Group	1,521	1,367	+11.3%	4,582	3,160	+45.0%

MAIN EXCEPTIONAL ITEMS

In EURm	Q3 25	Q3 24	9M 25	9M 24
Net Banking Income - Total exceptional items	0	287	0	287
Exceptional income received - Corporate Centre	0	287	0	287
 Operating expenses - Total one-off items and transformation charges	 (57)	 (62)	 (262)	 (541)
Transformation charges	(57)	(62)	(161)	(538)
Of which French Retail, Private Banking and Insurance	(15)	(12)	(48)	(139)
Of which Global Banking & Investor Solutions	(12)	(21)	(15)	(204)
Of which Mobility, International Retail Banking & Financial Services	(30)	(29)	(98)	(148)
Of which Corporate Centre	0	0	0	(47)
One-off items	0	0	(101)	(3)
Global Employee Share Ownership Plan	0	0	(101)	(3)
 Other one-off items - Total	 61	 13	 338	 13
Net profits or losses from other assets	61	13	338	13
Of which French Retail, Private Banking and Insurance	(5)	0	21	0
Of which Mobility, International Retail Banking & Financial Services	(1)	86	(1)	86
Of which Corporate Centre	67	(73)	317	(73)

CONSOLIDATED BALANCE SHEET

In EUR m	30/09/2025	31/12/2024
Cash, due from central banks	163,999	201,680
Financial assets at fair value through profit or loss	598,387	526,048
Hedging derivatives	7,815	9,233
Financial assets at fair value through other comprehensive income	105,165	96,024
Securities at amortised cost	50,172	32,655
Due from banks at amortised cost	79,974	84,051
Customer loans at amortised cost	443,703	454,622
Revaluation differences on portfolios hedged against interest rate risk	(480)	(292)
Insurance and reinsurance contracts assets	482	615
Tax assets	4,061	4,687
Other assets	74,806	70,903
Non-current assets held for sale	2,954	26,426
Investments accounted for using the equity method	451	398
Tangible and intangible fixed assets	60,157	61,409
Goodwill	5,084	5,086
Total	1,596,730	1,573,545

In EUR m	30/09/2025	31/12/2024
Due to central banks	10,430	11,364
Financial liabilities at fair value through profit or loss	436,932	396,614
Hedging derivatives	13,700	15,750
Debt securities issued	156,776	162,200
Due to banks	103,086	99,744
Customer deposits	528,713	531,675
Revaluation differences on portfolios hedged against interest rate risk	(6,533)	(5,277)
Tax liabilities	2,322	2,237
Other liabilities	92,691	90,786
Non-current liabilities held for sale	2,641	17,079
Insurance and reinsurance contracts liabilities	159,835	150,691
Provisions	4,076	4,085
Subordinated debts	12,592	17,009
Total liabilities	1,517,261	1,493,957
Shareholder's equity	-	-
Shareholders' equity, Group share	-	-
Issued common stocks and capital reserves	20,156	21,281
Other equity instruments	9,762	9,873
Retained earnings	36,162	33,863
Net income	4,582	4,200
Sub-total	70,662	69,217
Unrealised or deferred capital gains and losses	(837)	1,039
Sub-total equity, Group share	69,826	70,256
Non-controlling interests	9,643	9,332
Total equity	79,469	79,588
Total	1,596,730	1,573,545

10. APPENDIX 2: METHODOLOGY

1 –The financial information presented for the third quarter and first nine months of 2025 was examined by the Board of Directors on 29 October 2025 and has been prepared in accordance with IFRS as adopted in the European Union and applicable at that date. This information has not been audited.

2 - Net banking income

The pillars' net banking income is defined on page 38 of Societe Generale's 2025 Universal Registration Document. The terms "Revenues" or "Net Banking Income" are used interchangeably. They provide a normalised measure of each pillar's net banking income taking into account the normative capital mobilised for its activity.

3 - Operating expenses

Operating expenses correspond to the "Operating Expenses" as presented in note 5 to the Group's consolidated financial statements as at December 31st, 2024. The term "costs" is also used to refer to Operating Expenses. The Cost/Income Ratio is defined on page 38 of Societe Generale's 2025 Universal Registration Document.

4 - Cost of risk in basis points, coverage ratio for doubtful outstandings

The cost of risk is defined on pages 39 and 748 of Societe Generale's 2025 Universal Registration Document. This indicator makes it possible to assess the level of risk of each of the pillars as a percentage of balance sheet loan commitments, including operating leases.

In EURm		Q3 25	Q3 24	9M 25	9M 24
French Retail, Private Banking and Insurance	Net Cost Of Risk	189	178	505	597
	Gross loan Outstandings	231,967	234,420	231,843	236,286
	Cost of Risk in bp	33	30	29	34
Global Banking and Investor Solutions	Net Cost Of Risk	51	27	187	29
	Gross loan Outstandings	156,757	163,160	167,133	163,482
	Cost of Risk in bp	13	7	15	2
Mobility, International Retail Banking & Financial Services	Net Cost Of Risk	131	201	381	572
	Gross loan Outstandings	143,166	168,182	148,874	167,680
	Cost of Risk in bp	37	48	34	45
Corporate Centre	Net Cost Of Risk	(2)	(1)	(6)	(6)
	Gross loan Outstandings	26,488	25,121	26,161	24,356
	Cost of Risk in bp	(3)	(1)	(3)	(3)
Societe Generale Group	Net Cost Of Risk	369	406	1,068	1,192
	Gross loan Outstandings	558,378	590,882	574,011	591,804
	Cost of Risk in bp	26	27	25	27

The **gross coverage ratio for doubtful outstandings** is calculated as the ratio of provisions recognised in respect of the credit risk to gross outstandings identified as in default within the meaning of the regulations, without taking account of any guarantees provided. This coverage ratio measures the maximum residual risk associated with outstandings in default ("doubtful").

5 - ROE, ROTE, RONE

The notions of ROE (Return on Equity) and ROTE (Return on Tangible Equity), as well as their calculation methodology, are specified on pages 39 and 40 of Societe Generale's 2025 Universal Registration Document. This measure makes it possible to assess Societe Generale's return on equity and return on tangible equity.

RONE (Return on Normative Equity) determines the return on average normative equity allocated to the Group's businesses, according to the principles presented on page 40 of Societe Generale's 2025 Universal Registration Document. Starting from Q1 25 results, with restated historical data, normative return to businesses is based on a 13% capital allocation. The Q1 25 allocated capital includes the regulatory impacts related to Basel IV, applicable since 1 January 2025.

Group net income used for the ratio numerator is the accounting Group net income adjusted for "Interest paid and payable to holders of deeply subordinated notes and undated subordinated notes, issue premium amortisation". For ROTE, income is also restated for goodwill impairment.

Details of the corrections made to the accounting equity in order to calculate ROE and ROTE for the period are given in the table below:

ROTE calculation: calculation methodology

End of period (in EURm)	Q3 25	Q3 24	9M 25	9M 24
Shareholders' equity Group share	69,826	67,446	69,826	67,446
Deeply subordinated and undated subordinated notes	(9,372)	(8,955)	(9,372)	(8,955)
Interest payable to holders of deeply & undated subordinated notes, issue premium amortisation ⁽¹⁾	(40)	(45)	(40)	(45)
OCI excluding conversion reserves	419	560	419	560
Distribution provision ⁽²⁾	(1,834)	(1,319)	(1,834)	(1,319)
Distribution N-1 to be paid	-	-	-	-
ROE equity end-of-period	58,999	57,687	58,999	57,687
Average ROE equity	58,533	57,368	58,673	56,896
Average Goodwill ⁽³⁾	(4,176)	(4,160)	(4,180)	(4,079)
Average Intangible Assets	(2,740)	(2,906)	(2,787)	(2,933)
Average ROTE equity	51,618	50,302	51,706	49,884
Group net Income	1,521	1,367	4,582	3,160
Interest paid and payable to holders of deeply subordinated notes and undated subordinated notes, issue premium amortisation	(141)	(165)	(528)	(521)
Adjusted Group net Income	1,380	1,202	4,054	2,639
ROTE	10.7%	9.6%	10.5%	7.1%

¹ Interest net of tax

² The dividend to be paid is calculated based on a pay-out ratio of 50%, restated from non-cash items and after deduction of interest on deeply subordinated notes and on undated subordinated notes

³ Excluding goodwill arising from non-controlling interests

RONE calculation: Average capital allocated to Core Businesses (in EURm)

In EURm	Q3 25	Q3 24	Change	9M 25	9M 24	Change
French Retail , Private Banking and Insurance	17,787	18,222	-2.4%	17,629	16,653	+5.9%
Global Banking and Investor Solutions	16,861	16,680	+1.1%	17,693	16,334	+8.3%
Mobility, International Retail Banking & Financial Services	10,516	11,259	-6.6%	10,810	11,253	-3.9%
Core Businesses	45,164	44,683	+1.1%	46,132	44,240	+4.3%
Corporate Center	13,369	12,685	+5.4%	12,541	12,656	-0.9%
Group	58,533	57,368	+2.0%	58,673	56,896	+3.1%

6 - Net assets and tangible net assets

Net assets and tangible net assets are defined in the methodology, page 41 of the Group's 2025 Universal Registration Document. The items used to calculate them are presented below:

End of period (in EURm)	9M 25	H1 25	2024
Shareholders' equity Group share	69,826	68,293	70,256
Deeply subordinated and undated subordinated notes	(9,372)	(8,386)	(10,526)
Interest of deeply & undated subordinated notes, issue premium amortisation ⁽¹⁾	(40)	23	(25)
Book value of own shares in trading portfolio	(26)	(46)	8
Net Asset Value	60,388	59,884	59,713
Goodwill ⁽²⁾	(4,178)	(4,173)	(4,207)
Intangible Assets	(2,704)	(2,776)	(2,871)
Net Tangible Asset Value	53,506	52,935	52,635
Number of shares used to calculate NAPS ⁽³⁾	769,925	776,296	796,498
Net Asset Value per Share	78.4	77.1	75.0
Net Tangible Asset Value per Share	69.5	68.2	66.1

7 - Calculation of Earnings Per Share (EPS)

The EPS published by Societe Generale is calculated according to the rules defined by the IAS 33 standard (see pages 40-41 of Societe Generale's 2025 Universal Registration Document). The corrections made to Group net income in order to calculate EPS correspond to the restatements carried out for the calculation of ROE and ROTE.

The calculation of Earnings Per Share is described in the following table:

Average number of shares (thousands)	9M 25	H1 25	2024
Existing shares	796,533	800,317	801,915
Deductions			
Shares allocated to cover stock option plans and free shares awarded to staff	1,970	2,175	4,402
Other own shares and treasury shares	12,966	12,653	2,344
Number of shares used to calculate EPS⁽⁴⁾	781,597	785,488	795,169
Group net Income (in EURm)	4,582	3,061	4,200
Interest on deeply subordinated notes and undated subordinated notes (in EURm)	(528)	(387)	(720)
Adjusted Group net income (in EURm)	4,054	2,674	3,481
EPS (in EUR)	5.19	3.40	4.38

¹ Interest net of tax

² Excluding goodwill arising from non-controlling interests

³ The number of shares considered is the number of ordinary shares outstanding as at end of period, excluding treasury shares and buy-backs, but including the trading shares held by the Group (expressed in thousands of shares)

⁴ The number of shares considered is the average number of ordinary shares outstanding during the period, excluding treasury shares and buy-backs, but including the trading shares held by the Group (expressed in thousands of shares)

8 - Solvency and leverage ratios

Shareholder's equity, risk-weighted assets and leverage exposure are calculated in accordance with applicable CRR3/CRD6 rules, transposing the final Basel III text, also called Basel IV, including the procedures provided by the regulation for the calculation of phased-in and fully loaded ratios. The solvency ratios and leverage ratio are presented on a pro-forma basis for the current year's accrued results, net of dividends, unless otherwise stated.

9- Funded balance sheet, loan to deposit ratio

The funded balance sheet is based on the Group financial statements. It is obtained in two steps:

- A first step aiming at reclassifying the items of the financial statements into aggregates allowing for a more economic reading of the balance sheet. Main reclassifications:
 - Insurance: grouping of the accounting items related to insurance within a single aggregate in both assets and liabilities.
 - Customer loans: include outstanding loans with customers (net of provisions and write-downs, including net lease financing outstanding and transactions at fair value through profit and loss); exclude financial assets reclassified under loans and receivables in accordance with IFRS 9 (these positions have been reclassified in their original lines).
 - Wholesale funding: includes interbank liabilities and debt securities issued. Financing transactions have been allocated to medium/long-term resources and short-term resources based on the maturity of outstanding, more or less than one year.
 - Reclassification under customer deposits of the share of issues placed by French Retail Banking networks (recorded in medium/long-term financing), and certain transactions carried out with counterparties equivalent to customer deposits (previously included in short term financing).
 - Deduction from customer deposits and reintegration into short-term financing of certain transactions equivalent to market resources.
- A second step aiming at excluding the contribution of insurance subsidiaries, and netting derivatives, repurchase agreements, securities borrowing/lending, accruals and “due to central banks”.

The Group **loan/deposit ratio** is determined as the ratio of the customer loans by customer deposits as presented in the funded balance sheet.

NB (1) The sum of values contained in the tables and analyses may differ slightly from the total reported due to rounding rules.

(2) All the information on the results for the period (notably: press release, downloadable data, presentation slides and supplement) is available on Societe Generale's website www.societegenerale.com in the “Investor” section.

Societe Generale

Societe Generale is a top tier European Bank with around 119,000 employees serving more than 26 million clients in 62 countries across the world. We have been supporting the development of our economies for 160 years, providing our corporate, institutional, and individual clients with a wide array of value-added advisory and financial solutions. Our long-lasting and trusted relationships with the clients, our cutting-edge expertise, our unique innovation, our ESG capabilities and leading franchises are part of our DNA and serve our most essential objective - to deliver sustainable value creation for all our stakeholders.

The Group runs three complementary sets of businesses, embedding ESG offerings for all its clients:

- **French Retail, Private Banking and Insurance**, with leading retail bank SG and insurance franchise, premium private banking services, and the leading digital bank BoursoBank.
- **Global Banking and Investor Solutions**, a top tier wholesale bank offering tailored-made solutions with distinctive global leadership in equity derivatives, structured finance and ESG.
- **Mobility, International Retail Banking and Financial Services**, comprising well-established universal banks (in Czech Republic, Romania and several African countries), Ayvens (the new ALD I LeasePlan brand), a global player in sustainable mobility, as well as specialized financing activities.

Committed to building together with its clients a better and sustainable future, Societe Generale aims to be a leading partner in the environmental transition and sustainability overall. The Group is included in the principal socially responsible investment indices: DJSI (Europe), FTSE4Good (Global and Europe), Bloomberg Gender-Equality Index, Refinitiv Diversity and Inclusion Index, Euronext Vigeo (Europe and Eurozone), STOXX Global ESG Leaders indexes, and the MSCI Low Carbon Leaders Index (World and Europe).

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REGISTERED OFFICE OF THE ISSUER

SG Issuer
10, Porte de France,
L-4360 Esch-sur-Alzette,
Luxembourg

REGISTERED OFFICE OF THE GUARANTOR

Societe Generale
29, boulevard Haussmann
75009 Paris
France

ISSUER'S AUDITORS

**PricewaterhouseCoopers,
Société coopérative**
2, rue Gerhard Mercator
L-2182 Luxembourg

GUARANTOR'S STATUTORY AUDITORS

KPMG S.A
Tour Egho - 2 avenue
Gambetta
92400 Courbevoie
France

**PricewaterhouseCoopers
Audit**
63 rue de Villiers
92200 Neuilly-sur-Seine
France

WARRANT AGENT

THE CENTRAL DEPOSITORY (PTE) LIMITED

4 Shenton Way
#02-01 SGX Centre 2
Singapore 068807

LEGAL ADVISERS TO THE ISSUER

(as to Singapore law)

ALLEN & GLEDHILL LLP
One Marina Boulevard #28-00
Singapore 018989