SOCIETE GENERALE

30.06.2024 | CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited figures)

SUMMARY OF CONSOLIDATED FINANCIAL STATEMENTS

1. CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET - ASSETS

(In EUR m)		30.06.2024	31.12.2023
Cash, due from central banks		223,220	223,048
Financial assets at fair value through profit or loss	Notes 3.1, 3.2 and 3.4	530,826	495,882
Hedging derivatives	Notes 3.2 and 3.4	5,352	10,585
Financial assets at fair value through other comprehensive income	Notes 3.3 and 3.4	92,138	90,894
Securities at amortised cost	Notes 3.5, 3.8 and 3.9	30,353	28,147
Due from banks at amortised cost	Notes 3.5, 3.8 and 3.9	78,415	77,879
Customer loans at amortised cost	Notes 3.5, 3.8 and 3.9	455,438	485,449
Revaluation differences on portfolios hedged against interest rate risk	Note 3.2	(1,259)	(433)
Insurance and reinsurance contracts assets	Note 4.3	473	459
Tax assets	Note 6	4,583	4,717
Other assets	Note 4.4	77,131	69,765
Non-current assets held for sale	Note 2.3	28,661	1,763
Investments accounted for using the equity method		387	227
Tangible and intangible fixed assets	Note 8.3	61,356	60,714
Goodwill	Note 2.2	5,070	4,949
Total		**1,592,144**	**1,554,045**

CONSOLIDATED BALANCE SHEET - LIABILITIES

(In EUR m)		30.06.2024	31.12.2023
Due to central banks		9,522	9,718
Financial liabilities at fair value through profit or loss	Notes 3.1, 3.2 and 3.4	407,702	375,584
Hedging derivatives	Notes 3.2 and 3.4	12,189	18,708
Debt securities issued	Notes 3.6 and 3.9	161,886	160,506
Due to banks	Notes 3.6 and 3.9	105,778	117,847
Customer deposits	Notes 3.6 and 3.9	540,355	541,677
Revaluation differences on portfolios hedged against interest rate risk	Note 3.2	(6,994)	(5,857)
Tax liabilities	Note 6	2,405	2,402
Other liabilities	Note 4.4	97,255	93,658
Non-current liabilities held for sale	Note 2.3	19,219	1,703
Insurance contracts related liabilities	Note 4.3	146,420	141,723
Provisions	Note 8.2	4,143	4,235
Subordinated debts	Note 3.9	15,852	15,894
Total liabilities		**1,515,732**	**1,477,798**
Shareholder's equity			
Shareholders' equity, Group share			
Issued common stocks and capital reserves	Note 7.1	20,966	21,186
Other equity instruments		9,357	8,924
Retained earnings		34,207	32,891
Net income		1,793	2,493
Sub-total		**66,323**	**65,494**
Unrealised or deferred capital gains and losses	Note 7.3	506	481
Sub-total equity, Group share		**66,829**	**65,975**
Non-controlling interests		9,583	10,272
Total equity		**76,412**	**76,247**
Total		**1,592,144**	**1,554,045**

CONSOLIDATED INCOME STATEMENT

(In EUR m)		1st semester of 2024	2023	1st semester of 2023
Interest and similar income [(1)]	Note 3.7	28,487	53,087	26,310
Interest and similar expense	Note 3.7	(23,632)	(42,777)	(20,621)
Fee income	Note 4.1	5,177	10,063	4,864
Fee expense	Note 4.1	(2,209)	(4,475)	(2,216)
Net gains and losses on financial transactions [(1)]		5,695	10,290	5,831
o/w net gains and losses on financial instruments at fair value through profit or loss		*5,848*	*10,327*	*5,911*
o/w net gains and losses on financial instruments at fair value through other comprehensive income		*(88)*	*(9)*	*(61)*
o/w net gains and losses from the derecognition of financial instruments at amortised cost		*(65)*	*(28)*	*(19)*
Net income from insurance activities	Note 4.3	1,909	3,539	1,682
Expenses from insurance services	Note 4.3	(1,029)	(1,978)	(859)
Net income and expenses from reinsurance held	Note 4.3	(32)	17	(5)
Finance income or expenses from insurance contracts issued recognised in profit or loss [(1)]	Note 4.3	(3,023)	(6,285)	(3,679)
Finance income or expenses from reinsurance contracts held recognised in profit or loss [(1)]	Note 4.3	4	5	3
Cost of credit risk of financial assets from insurance activities	Note 3.8	1	7	3
Income from other activities	Note 4.2	13,506	21,005	7,936
Expenses from other activities	Note 4.2	(11,524)	(17,394)	(6,291)
Net banking income		**13,330**	**25,104**	**12,958**
Other operating expenses	Note 5	(8,737)	(16,849)	(8,668)
Amortisation, depreciation and impairment of tangible and intangible fixed assets		(813)	(1,675)	(830)
Gross operating income		**3,780**	**6,580**	**3,460**
Cost of credit risk	Note 3.8	(787)	(1,025)	(348)
Operating income		**2,993**	**5,555**	**3,112**
Net income from investments accounted for using the equity method		13	24	12
Gain or loss on other assets		(88)	(113)	(98)
Value adjustments on goodwill		-	(338)	-
Earnings before tax		**2,918**	**5,128**	**3,026**
Income tax	Note 6	(653)	(1,679)	(753)
Consolidated net income		**2,265**	**3,449**	**2,273**
Non-controlling interests		472	956	505
Net income, Group share		**1,793**	**2,493**	**1,768**
Earnings per ordinary share	Note 7.2	**1.81**	**2.17**	**1.73**
Diluted earnings per ordinary share	Note 7.2	**1.81**	**2.17**	**1.73**

(1) The Interest and similar income and Net gains and losses on financial transactions lines include in particular the gains and losses on the investments of insurance activities. These amounts must be assessed by taking into account the financial gains and losses arising from the measurement of the insurance and reinsurance contracts associated with these investments, which are presented in the finance income or expenses from insurance contracts issued (see Note 4.3).

STATEMENT OF NET INCOME AND UNREALISED OR DEFERRED GAINS AND LOSSES

(In EUR m)	1st semester of 2024	2023	1st semester of 2023
Consolidated net income	**2,265**	**3,449**	**2,273**
Unrealised or deferred gains and losses that will be reclassified subsequently into income	**360**	**(166)**	**4**
Translation differences	433	(356)	(148)
Revaluation differences for the period	*434*	*(429)*	*(221)*
Reclassified into income	*(1)*	*73*	*73*
Revaluation of debt instruments at fair value through other comprehensive income [(1)]	(807)	2,402	418
Revaluation differences for the period	*(911)*	*2,374*	*338*
Reclassified into income	*104*	*28*	*80*
Revaluation of insurance contracts at fair value through other comprehensive income [(1)]	827	(2,134)	(238)
Revaluation of hedging derivatives	(88)	(68)	16
Revaluation differences of the period	*(83)*	*(36)*	*23*
Reclassified into income	*(5)*	*(32)*	*(7)*
Related tax	(5)	(10)	(44)
Unrealised or deferred gains and losses that will not be reclassified subsequently into income	**(340)**	**(177)**	**223**
Actuarial gains and losses on defined benefit plans	9	12	18
Revaluation of own credit risk of financial liabilities at fair value through profit or loss	(468)	(257)	278
Revaluation of equity instruments at fair value through other comprehensive income	-	1	1
Related tax	119	67	(74)
Total unrealised or deferred gains and losses	**20**	**(343)**	**227**
Net income and unrealised or deferred gains and losses	**2,285**	**3,106**	**2,500**
o/w Group share	*1,834*	*2,085*	*1,893*
o/w non-controlling interests	*451*	*1,021*	*607*

(1) The line Revaluation of debt instruments at fair value through other comprehensive income includes the revaluation gains and losses on the investments of insurance activities at fair value through other comprehensive income. These amounts must be assessed by taking into account the financial gains and losses arising from the measurement of the insurance contracts associated with these investments, which are presented in the finance income or expenses from insurance contracts issued (see Note 4.3).

CHANGES IN SHAREHOLDERS' EQUITY

(In EUR m)	Shareholders' equity, Group share							
	Issued common stocks and capital reserves	**Other equity instruments**	**Retained earnings**	**Net income, Group share**	**Unrealised or deferred gains and losses**	**Total**	**Non-controlling interests**	**Total consolidated shareholder's equity**
At 1 January 2023	**21,248**	**9,136**	**35,697**	**-**	**889**	**66,970**	**6,356**	**73,326**
Increase in common stock and issuance / redemption and remuneration of equity instruments	(914)	1,000	(348)	-	-	(262)	(51)	(313)
Elimination of treasury stock	862	-	(56)	-	-	806	-	806
Equity component of share-based payment plans	71	-	-	-	-	71	-	71
1st Semester 2023 Dividends paid (see Note 7.2)	-	-	(1,362)	-	-	(1,362)	(434)	(1,796)
Effect of changes of the consolidation scope	-	-	(20)	-	-	(20)	3,533	3,513
Sub-total of changes linked to relations with shareholders	***19***	***1,000***	***(1,786)***	***-***	***-***	***(767)***	***3,048***	***2,281***
1st Semester 2023 Net income	-	-	-	1,768	-	1,768	505	2,273
Change in unrealised or deferred gains and losses	-	-	-	-	125	125	102	227
Other changes	-	-	(89)	-	-	(89)	(34)	(123)
Sub-total	***-***	***-***	***(89)***	***1,768***	***125***	***1,804***	***573***	***2,377***
At 30 June 2023	**21,267**	**10,136**	**33,822**	**1,768**	**1,014**	**68,007**	**9,977**	**77,984**
Increase in common stock and issuance / redemption and remuneration of equity instruments	(219)	(1,212)	(795)	-	-	(2,226)	(19)	(2,245)
Elimination of treasury stock	99	-	(6)	-	-	93	-	93
Equity component of share-based payment plans	39	-	-	-	-	39	-	39
2nd Semester 2023 Dividends paid (see Note 7.2)	-	-	-	-	-	-	(65)	(65)
Effect of changes of the consolidation scope	-	-	(14)	-	-	(14)	(10)	(24)
Sub-total of changes linked to relations with shareholders	***(81)***	***(1,212)***	***(815)***	***-***	***-***	***(2,108)***	***(94)***	***(2,202)***
2nd Semester 2023 Net income	-	-	-	725	-	725	451	1,176
Change in unrealised or deferred gains and losses	-	-	-	-	(533)	(533)	(37)	(570)
Other changes	-	-	(116)	-	-	(116)	(25)	(141)
Sub-total	***-***	***-***	***(116)***	***725***	***(533)***	***76***	***389***	***465***
At 31 December 2023	**21,186**	**8,924**	**32,891**	**2,493**	**481**	**65,975**	**10,272**	**76,247**
Allocation to retained earnings	2	-	2,507	(2,493)	(16)	-	-	-
At 1 January 2024	**21,188**	**8,924**	**35,398**	**-**	**465**	**65,975**	**10,272**	**76,247**
Increase in common stock and issuance / redemption and remuneration of equity instruments (see Note 7.1)	-	433	(366)	-	-	67	(551)	(484)
Elimination of treasury stock (see Note 7.1)	(249)	-	(98)	-	-	(347)	-	(347)
Equity component of share-based payment plans	27	-	-	-	-	27	-	27
1st Semester 2024 Dividends paid (see Note 7.2)	-	-	(719)	-	-	(719)	(600)	(1,319)
Effect of changes of the consolidation scope (see Note 7.1)	-	-	20	-	-	20	26	46
Sub-total of changes linked to relations with shareholders	***(222)***	***433***	***(1,163)***	***-***	***-***	***(952)***	***(1,125)***	***(2,077)***
1st Semester 2024 Net income	-	-	-	1,793	-	1,793	472	2,265
Change in unrealised or deferred gains and losses	-	-	-	-	41	41	(21)	20
Other changes	-	-	(28)	-	-	(28)	(15)	(43)
Sub-total	***-***	***-***	***(28)***	***1,793***	***41***	***1,806***	***436***	***2,242***
At 30 June 2024	**20,966**	**9,357**	**34,207**	**1,793**	**506**	**66,829**	**9,583**	**76,412**

CASH FLOW STATEMENT

(In EUR m)	1st semester of 2024	2023	1st semester of 2023
Consolidated net income (I)	**2,265**	**3,449**	**2,273**
Amortisation expense on tangible and intangible fixed assets (including operational leasing)	5,058	7,710	3,020
Depreciation and net allocation to provisions	172	(346)	(93)
Net income/loss from investments accounted for using the equity method	(13)	(24)	(12)
Change in deferred taxes	(188)	209	10
Net income from the sale of long-term assets and subsidiaries	(45)	(101)	(23)
Other changes	2,538	4,748	2,760
Non-cash items included in net income and other adjustments excluding income on financial instruments at fair value through profit or loss (II)	**7,522**	**12,196**	**5,662**
Income on financial instruments at fair value through profit or loss	3,605	(379)	721
Interbank transactions	(7,707)	(18,239)	(21,838)
Customers transactions	2,916	23,841	22,066
Transactions related to other financial assets and liabilities	1,316	9,753	12,543
Transactions related to other non-financial assets and liabilities	3,118	6,802	778
Net increase/decrease in cash related to operating assets and liabilities (III)	**3,248**	**21,778**	**14,270**
Net cash inflow (outflow) related to operating activities (A) = (I) + (II) + (III)	**13,035**	**37,423**	**22,205**
Net cash inflow (outflow) related to acquisition and disposal of financial assets and long-term investments	(2,291)	(206)	1,207
Net cash inflow (outflow) related to tangible and intangible fixed assets	(6,196)	(11,867)	(5,123)
Net cash inflow (outflow) related to investment activities (B)	**(8,487)**	**(12,073)**	**(3,916)**
Cash flow from/to shareholders	(1,712)	(3,928)	(1,573)
Other net cash flow arising from financing activities	(907)	26	(724)
Net cash inflow (outflow) related to financing activities (C)	**(2,619)**	**(3,902)**	**(2,297)**
Effect of changes in foreign exchange rates on cash and cash equivalents (D)	(584)	(2,320)	(2,429)
Net inflow (outflow) in cash and cash equivalents (A) + (B) + (C) + (D)	**1,345**	**19,128**	**13,563**
Cash, due from central banks (assets)	223,048	207,013	207,013
Due to central banks (liabilities)	(9,718)	(8,361)	(8,361)
Current accounts with banks (see Note 3.5)	39,798	34,672	34,672
Demand deposits and current accounts with banks (see Note 3.6)	(11,131)	(10,455)	(10,455)
Cash and cash equivalents at the start of the year	**241,997**	**222,869**	**222,869**
Cash, due from central banks (assets)	223,220	223,048	215,376
Due to central banks (liabilities)	(9,522)	(9,718)	(9,468)
Current accounts with banks (see Note 3.5)	43,034	39,798	41,943
Demand deposits and current accounts with banks (see Note 3.6)	(13,390)	(11,131)	(11,421)
Cash and cash equivalents at the end of the year	**243,342**	**241,997**	**236,430**
Net inflow (outflow) in cash and cash equivalents	**1,345**	**19,128**	**13,561**

2. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - SIGNIFICANT ACCOUNTING PRINCIPLES

1. INTRODUCTION

ACCOUNTING STANDARDS

The condensed interim consolidated financial statements of the Societe Generale group ("the Group") for the 6-month period ending 30 June 2024 were prepared and are presented in accordance with IAS (*International Accounting Standard*) 34 "Interim Financial Reporting". The Group consists of the Societe Generale parent company (including the Societe Generale foreign branches) and all the entities in France and abroad that it controls either directly or indirectly (subsidiaries and joint arrangements) or on which it exercises significant influence (associates).

The Notes annexed to the interim consolidated financial statements should be read in conjunction with the audited consolidated statements of the financial year ending 31 December 2023 as contained in the 2024 Universal Registration Document. However, the assumptions and estimates used in the preparation of these half-yearly consolidated financial statements have been adjusted to take into account uncertainties related to the macroeconomic circumstances. Furthermore, as the Group's businesses are neither seasonal nor cyclical in nature, its first-half year results are thus not influenced by such factors.

PRESENTATION OF THE FINANCIAL STATEMENTS

In the absence of a model imposed by the IFRS accounting framework, the format of the primary statements was set out in line with the format recommended by the French accounting standard-setter, the *Autorité des Normes Comptables (ANC*), in Recommendation N° 2022-01 of 8 April 2022.

The Notes annexed to the half-yearly consolidated financial statements relate to events and transactions that are significant to an understanding of the developments in the Group's financial position and performance during the first half of 2024. The disclosures provided in these Notes focus on information that is both relevant and material to the financial statements of the Societe Generale group, its businesses, and the circumstances in which it conducted its operations during this period.

REPORTING CURRENCY

The reporting currency of the consolidated accounts is the euro.

The amounts reported in the financial statements and notes are expressed in millions of euro, unless otherwise stated. The effects of rounding may generate discrepancies between the amounts shown on the financial statements and those shown in the Notes.

2. NEW ACCOUNTING STANDARDS APPLIED BY THE GROUP AS AT 1 JANUARY 2024

Amendments to IFRS 16 “Lease Liability in a Sale and Leaseback” (early application in 2023)

AMENDMENTS TO IFRS 16 “LEASES LIABILITY IN A SALE AND LEASEBACK”

These amendments provide clarifications on the subsequent measurement of leaseback transactions when the initial sale of the asset meets the criteria of IFRS 15 “Revenue from contract with customers” to be recognised as a sale. These amendments specify in particular how to subsequently measure the lease liability resulting from these leaseback transactions, made of variable lease payments that do not depend on an index or a rate.

These amendments have no impact on the Group's consolidated financial statements.

3. ACCOUNTING STANDARDS, AMENDMENTS OR INTERPRETATIONS TO BE APPLIED BY THE GROUP IN THE FUTURE

The IASB published accounting standards and amendments, some of which have not yet been adopted by the European Union as at 30 June 2024. Their application will be mandatory at the earliest, for the financial years starting on 1 January 2025 or from their adoption by the European Union. They are thus not applied by the Group as at 30 June 2024.
The provisional timetable for the application of the standards with the strongest impact for the Group is as follows:

2025
- Amendments to IAS 21 "The Effects of Changes in Foreign Exchange Rates"

2026
- Amendments to IFRS 9 "Classification and Measurement of Financial Instruments"

2027
- IFRS 18 "Presentation and disclosures in financial statements"

AMENDMENTS TO IAS 21 “THE EFFECTS OF CHANGES IN FOREIGN EXCHANGE RATES”

Published on 15 August 2023.

These amendments specify the circumstances in which a currency is considered convertible, and the procedure for assessing the exchange rate of a non-convertible currency. They also detail the supplementary information to provide in the Notes to the financial statements for non-convertible currencies.

The provisions of these amendments are already being applied to prepare the Group’s financial statements.

AMENDMENTS TO IFRS 9 "CLASSIFICATION AND MEASUREMENT OF FINANCIAL INSTRUMENTS"

Published on 30 May 2024.

These amendments provide clarifications on the classification of financial assets, and in particular on how to assess the consistency of the contractual flows of a financial asset with a basic lending arrangement. They thus clarify the classification of financial assets with Environmental, Social and Governance (ESG) characteristics and similar features.

Clarifications are also provided on the classification of contractually linked instruments and financial assets guaranteed solely through the provision of security rights.

These amendments also clarify the derecognition of a financial liability settled through electronic transfer.

New disclosures are also required regarding the equity instruments initially designated at fair value through other comprehensive income as well as the financial assets and liabilities with conditional characteristics, such as the instruments with ESG factors.

The impact of these amendments on the Group's financial statements are currently being analysed.

IFRS 18 "PRESENTATION AND DISCLOSURE IN FINANCIAL STATEMENTS"

Published 9 April 2024.

This standard will replace IAS 1 "Presentation of Financial statements".

It will require presenting the income statement in a structured way by mandatory sub-totals and organised in three categories of income and expenses: operating, investing and financing.

Regarding the entities for which investing in assets or providing financing to customers is a main business activity, such as entities in the bank and insurance sectors, the standard provides for an adapted presentation of the income and expenses relating to these activities amidst the operating income and expenses.

IFRS 18 requires, as well, presenting in the Notes to the financial statements alternate performance measures defined by the Management of the entity ("Management-defined performance measures (MPMs)") and used in Financial communication (justification for using these MPMs, calculation method, reconciliation between the MPMs and the subtotals required by the standard).

The standard also provides guidelines for the aggregation and disaggregation of quantitative information in the primary financial statements and accompanying notes ("the Notes").

IFRS 18 will be applicable to financial years starting from 1 January 2027.

The impacts of this standard on the Group's financial statements are currently being examined.

4. USE OF ESTIMATES AND JUDGEMENT

With a view to the preparation of the Group's consolidated financial statements, in application of the accounting principles and methods described in the notes to the consolidated financial statements, General Management formulates assumptions and estimates that may have an impact on the amounts recognised in the income statement or as Unrealised or deferred capital gains and losses, on the valuation of balance sheet assets and liabilities and on the information shown in the related Notes.

In order to make these estimates and assumptions, General Management uses the information available on the date of preparation of the consolidated financial statements and may exercise its judgment. Valuations based on these estimates inherently involve risks and uncertainties regarding their materialisation in the future; consequently, the future final outcome of the transactions concerned may differ from these estimates and have a significant impact on the financial statements.

The assumptions and estimates made for the preparation of these consolidated, half-yearly, financial statements take account of the uncertainties about the current macroeconomic context. The impact of these circumstances on the assumptions and estimates selected is detailed in sub-section 5 of this Note.

Estimates apply in particular to the determination of the fair value of financial instruments, of the asset impairments and provisions recognised as balance sheet liabilities, of the real estate guarantees, of the insurance contracts liabilities, as well as of the tax assets and liabilities on the balance sheet and of the goodwill. They also apply to the analysis of the characteristics of the contractual cash flows of financial assets, the determination of the effective interest rate of the financial instruments measured at amortised cost as well as to the assessment of control for the determination of the scope of consolidated entities. The Group also uses estimates and judgment to determine the lease period to be considered for the recognition of the right-of-use assets and lease liabilities, and to reassess the residual value of operating lease assets (in particular the fleet of motor vehicles) and prospectively adjust their deprecation plans.

To assess the impairments and provisions for credit risk, the exercise of judgment and the recourse to estimates concern more specifically the assessment of the deterioration in credit risk (also taking into account the aggravating factor of transition climate risk) observed since the initial recognition of the financial assets and the measurement of the amount of credit losses expected on these financial assets. Concerning the valuation of insurance contract assets and liabilities, the exercise of judgment and the recourse to estimates mainly concern the valuation of future cash flows (premiums, claims, services, directly related costs), the level of adjustment for non-financial risks and the pace of recognition in the income statement of the contractual service margin.

5. MACROECONOMIC CONTEXT

Global business has demonstrated resilience despite the high interest rate environment. We expect a deceleration in the United States, where we observe the first signs of slowdown in household consumption after the resilience witnessed during the last few quarters. In Europe, the situation is less dynamic. In China, stimulus measures have averted a more severe slowdown related to real-estate, however without allowing for structural change.

Monetary policy is expected to ease on both sides of the Atlantic, as the ECB has already lowered its rates by 25 basis points during the first semester. The persisting inflation in the United States owing to specific factors might delay monetary easing and support the dollar.

The European budgetary rules are back in force and several countries might find it difficult to comply with them. The yield spreads between sovereign bonds of countries in the euro area might thus come under pressure, forcing the ECB to intervene. Environmental issues might increase volatility in the economic outlook and burden already stressed public finance.

Geopolitical risk remains high owing to the ongoing international conflicts and key elections in 2024, in particular elections in France and in the United States.

In this context, the Group updated the macroeconomic scenarios selected to prepare the consolidated financial statements.

These macroeconomic scenarios are taken into account in the credit loss measurement models including forward-looking data (see Note 3.8) and are also used in tests regarding deferred tax assets recovery (see Note 6).

5.1 Macroeconomic scenarios

As at 30 June 2024, the Group has selected three macroeconomic scenarios to help understand the uncertainties related to the current macroeconomic context.

The assumptions selected to build these scenarios are described below:

- The central scenario ("SG Central") predicts a continued business slowdown in the euro area in 2024, and only a modest rebound in growth in 2025. The gradual decrease in inflation towards the ECB target 2% would be coupled with an increase in the unemployment rate. The ECB would continue lowering its interest rates after a first cut in June, it would however continue scaling down its balance sheet at least until 2025 (reducing its direct purchases on the market). In the U.S.A. also, growth is expected to slow for the 2024-2025 period, interest rates to decrease, and inflation to remain on a downward trend while unemployment is expected to increase again.
- The favourable scenario ("SG Favourable") describes an accelerated economic growth compared to the trajectory projected in the central scenario, this growth may result from improved supply conditions owing to a positive shock on productivity or from unexpectedly improved demand conditions. In both cases, stronger growth would have a positive impact on employment and the profitability of Companies.

- The stressed scenario ("SG Stress") corresponds to a crisis situation leading to a negative deviation in GDP compared to the central scenario. This scenario may result from a financial crisis (2008 crisis, euro area crisis…), an exogenous crisis (Covid-19-like pandemic) or a combination of both.

These scenarios are developed by the Economic and Sector Research Division of Societe Generale for all the entities of the Group based, in particular, on the information published by the statistical institutes in each country.

Forecasts from institutions (IMF, Global Bank, ECB, OECD…) and the consensus among market economists serve as a reference to challenge the Group's.

5.2 Financial instruments: expected credit losses

The scenarios provided by the Group economists are incorporated into the expected credit loss provisioning models over a three-year horizon, followed by a two-year period to gradually return by the fifth year to the average probability of default observed during the calibration period. The assumptions made by the Group with a view to developing these macroeconomic scenarios were updated during the second quarter 2024 to account for the uncertainties about the macroeconomic context.

VARIABLES

The GDP growth rate, profit margin of companies in France, unemployment rates, inflation rate in France and the yield on France ten-year government bonds are the main variables used in the expected credit losses measurement models.

The variables with the stronger impact on the determination of expected credit losses (GDP growth percentage for the major countries in which the Group operates and corporate profit margin in France) for each scenario are detailed hereinafter:

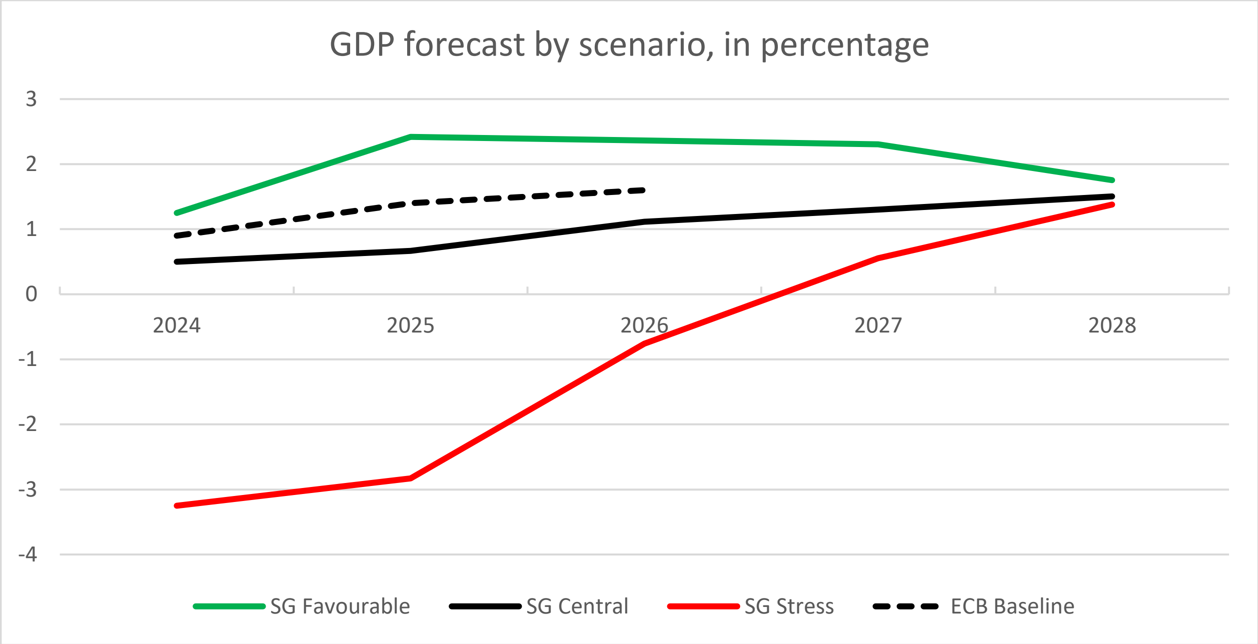
"SG Favourable" scenario	**2024**	**2025**	**2026**	**2027**	**2028**
France GDP	1.2	2.4	2.4	2.3	1.8
Corporate profit margin in France	32.9	32.7	32.8	32.8	32.5
Euro area GDP	1.3	2.5	2.3	2.3	1.7
United States GDP	2.4	3.3	3.1	3.0	2.5
China GDP	5.1	5.7	5.1	4.8	4.0
Czech Republic GDP	2.3	3.8	3.4	3.3	2.6
Romania GDP	3.6	4.6	4.1	4.2	3.5

"SG Central" scenario	**2024**	**2025**	**2026**	**2027**	**2028**
France GDP	0.5	0.7	1.1	1.3	1.5
Corporate profit margin in France	32.4	32.4	32.4	32.3	32.3
Euro area GDP	0.5	0.8	1.1	1.3	1.4
United States GDP	1.7	1.5	1.8	2.0	2.2
China GDP	4.4	4.0	3.8	3.8	3.8
Czech Republic GDP	1.6	2.0	2.1	2.3	2.3
Romania GDP	2.8	2.8	2.8	3.2	3.2

"SG Stress" scenario	**2024**	**2025**	**2026**	**2027**	**2028**
France GDP	(3.3)	(2.8)	(0.8)	0.6	1.4
Corporate profit margin in France	30.8	30.2	30.2	30.1	31.8
Euro area GDP	(3.2)	(2.7)	(0.8)	0.6	1.3
United States GDP	(2.1)	(2.0)	0.0	1.3	2.1
China GDP	0.6	0.5	1.9	3.0	3.7
Czech Republic GDP	(2.2)	(1.5)	0.2	1.5	2.2
Romania GDP	(0.9)	(0.7)	0.9	2.5	3.1

These simulations assume that the historical relationships between the key economic variables and the risk parameters remain unchanged. In reality, these correlations may be impacted by geopolitical or climatic events, or by changes in behaviour, legal environment or credit granting policy.

The graph below compares the GDP forecasts in the euro area used by the Group for each scenario with the scenarios published by the ECB in June 2024.



WEIGHTING OF THE MACROECONOMIC SCENARIOS

The probabilities used are based on the differences observed over the past 25 years between the forecasts made by a consensus of economists regarding the US GDP and the actual scenario that occurred (forecast similar to the actual scenario, significantly optimistic or pessimistic).

In order to better account for a possible turnaround in the cycle, the Group applies a methodology for weighting the scenarios (primarily based on the observed output gaps for the Unites States and the euro area), and assigns a higher weight to the SG Central scenario when the economy is depressed. Conversely, the methodology provides for a higher weight to be assigned to the SG Stress scenario when the economy moves towards the peak of the cycle. Accordingly, the weight applied to the SG Central scenario is set at 60% as at 30 June 2024.

Presentation of the changes in weights:

	30.06.2024	31.12.2023	30.06.2023
SG Central	60%	62%	62%
SG Stress	30%	28%	28%
SG Favourable	10%	10%	10%

CALCULATION OF EXPECTED CREDIT LOSSES AND SENSITIVITY ANALYSIS

Credit risk costs as at 30 June 2024, excluding insurance subsidiaries, amount to a net expense of EUR 787 million, increasing by EUR 439 million (+126%) compared to 30 June 2023 (EUR 1,025 million as at 31 December 2023).

Sensitivity tests have been performed to measure the impact of the changes in weights on the models. The sectoral adjustments (see Note 3.8) have been taken into account in these sensitivity tests. The scope of these tests includes the Stage 1 and Stage 2 outstanding loans subject to a statistical modelling of the impacts of the macroeconomic variables (which accounts for 88% of the expected credit losses on the outstanding loans concerned as at 31 December 2023).

The results of these tests, taking into account of the effect on the classification of 72% of the total outstanding loans concerned, show that, in the event of a 100% weighting:

- of the SG Stress scenario, the impact would be an additional allocation of EUR 477 million;
- of the SG Favourable scenario, the impact would be a reversal of EUR 364 million;
- of the SG Central scenario, the impact would be a reversal of EUR 248 million.

STATE GUARANTEED LOANS (*PGE*)

Until 30 June 2022, the Group offered to its crisis-impacted customers (professionals and corporate customers) the granting of State Guaranteed Loan facilities (*PGE*), with contractual characteristics similar to those of basic loans (SPPI criteria); these loans are held by the Group under a management model aimed at collecting their contractual flows until maturity; accordingly, these loans have been recorded in the consolidated balance sheet under Customer loans at amortised cost.

As at 30 June 2024, following the repayments made at the end of the moratorium period, the remaining outstanding balance of the PGE granted by the Group amounts to some EUR 7.4 billion (including EUR 1.4 billion of outstanding loans classified as Stage 2 and EUR 1 billion as Stage 3). The residual amount of PGE recorded on the balance sheet of the France retail network as at 30 June 2024 is EUR 6.2 billion (including EUR 1.2 billion classified as Stage 2 and EUR 0.9 billion as Stage 3); the State guarantee on these loans covers, on average, 90% of their amount.

The expected credit losses recognised as at 30 June 2024 for PGE (French State Guaranteed Loans) amount to some EUR 200 million including EUR 150 million booked by the French retail network (including EUR 20 million classified as Stage 2 and EUR 120 million as Stage 3).

CONSEQUENCES OF THE WAR IN UKRAINE

The table below shows the changes in balance sheet and off-balance sheet exposures (measured at amortised cost or at fair value through OCI) booked by the Group's entities located in Russia, on one side, and by the Group's entities outside Russia for Russian counterparties or subsidiaries of Russian groups, on the other side.

	30.06.2024		31.12.2023		30.06.2023	
(In EUR billion)	**Exposure at default**	**Gross outstanding / commitments**	**Exposure at default**	**Gross outstanding / commitments**	**Exposure at default**	**Gross outstanding / commitments**
Onshore exposures on consolidated subsidiaries	-	-	0	0	0	0
Offshore exposures (1)	0.6	0.8	0.9	1	1.6	1.7
Rosbank residual exposures	0.1	0.1	0.1	0.1	0.1	0.1
Total	**0.7**	**0.9**	**1**	**1.1**	**1.7**	**1.8**

(1) Offshore exposures (exc. Private Banking and residual exposures linked to the disposal of Rosbank) correspond to the exposures on Russian counterparties or subsidiaries of Russian groups booked outside Russia.

Exposures in Russia and Ukraine

The LeasePlan Russia subsidiary has been sold in the first half-year 2024. The Group has no more subsidiary in Russia.

The Group remains present in Ukraine through its ALD AUTOMOTIVE UKRAINE LIMITED LIABILITY COMPANY subsidiary which shows a balance sheet total of EUR 87.5 million as at 30 June 2024.

Offshore exposures

The Group also holds assets on Russian counterparties; their volume decreased between 31 December 2023 and 30 June 2024 (owing in particular to asset disposals and to incident-free reimbursements from customers). These outstanding assets including the residual exposures on Rosbank have been classified as “sensitive” from the very beginning of the conflict (see Note 3.8) and downgraded to Stage 2 of impairment for credit or to Stage 3 if necessary.

The consequences of these classifications, as well as the account taken of new macroeconomic scenarios to determine the credit losses expected as at 30 June 2024, are described in Note 3.8.

Furthermore, to take account of these specific risk exposures the Group supplemented the expected credit losses through a post-model adjustment also described in Note 3.8.

6. HYPERINFLATION IN TURKEY AND GHANA

Publications of the International Practices Task Force of the Centre for Audit Quality, a standard reference for identifying countries with hyperinflation, show that Turkey and Ghana are regarded as hyperinflationary economies, since 2022 and 2023 respectively.

Accordingly, the Group applies the provisions of IAS 29 (“Financial Reporting in Hyperinflationary Economies”) to prepare the separate financial statements presented in Turkish pound of the entities of the Ayvens group located in Turkey (including the LEASEPLAN OTOMOTIV SERVIS VE TICARET A.S Turkish subsidiary acquired in the first half of 2023) and separate the financial statements presented in cedi of the SOCIETE GENERALE GHANA PLC entity located in Ghana (before their conversion in euros as part of the consolidation process) since 1 January 2022 and 1 January 2023, respectively.

The accounts of the SG ISTANBUL subsidiary have however not been restated, the impact being non-significant.

Under IAS 29, the accounting value of some balance sheet items measured at cost is adjusted, as at closing date, for the effects of the inflation observed over the period. In the accounts of the entities concerned, these adjustments are primarily applied to fixed assets (including in particular the leased vehicle fleet, buildings), as well as to the different components of equity.

The inflation adjustments of the assets concerned and of the equity items as well as of the income and expenses of the period, are recognised as income or expenses on foreign exchange transactions under Net gains and losses on financial transactions.

Thus restated, the financial statements of the entities concerned are converted into euro based on the exchange rate applicable as at closing date.

As at 30 June 2024, a gain of EUR 95.3 million has been recognised under Net gains and losses on financial transactions for the inflation adjustments of the period. After taking account of the adjustments on the other income and expenses items of the period, the effect of hyperinflation restatements on the net consolidated income before tax amounts to EUR 69 million.

7. POST CLOSING EVENTS

Disposal of Societe Generale Benin

Societe Generale has signed an agreement with the State of Benin which plans the total divestment of Societe Generale group’s shares (93.43%) in Societe Generale Benin, including its branch Societe Generale Togo. According to the commitments made, the State of Benin would take over all activities operated by this subsidiary, as well as all Societe Generale’s client portfolios and all employees within this entity. The announcement of this agreement, of which the expected completion date could take place by the end of the first quarter of 2025, will have a negative accounting impact of approximately EUR -25 million on the Group's third quarter of 2024 results.

This divestment project is subject to the approval of the entities' governance bodies, the usual conditions precedent and the validation of the relevant financial and regulatory authorities.

Exposures in Russia

Societe Generale received at the end of July 2024 an amount of EUR 301 million which clears its last exposures in Russia related to its past local presence through Rosbank. Those exposures, valued at zero or provisioned in the Group accounts, have been recovered in accordance with applicable laws and after approvals of involved regulatory authorities secured until the end of July 2024. The financial elements linked to this operation will be booked in the third quarter 2024 accounts, they will generate a positive contribution to the Group net income comprised between EUR 200 and EUR 250 million after tax.

NOTE 2 - CONSOLIDATION

NOTE 2.1 - CONSOLIDATION SCOPE

The consolidation scope includes subsidiaries and structured entities under the Group’s exclusive control, joint arrangements (joint ventures and joint operations) and associates whose financial statements are significant relative to the Group’s consolidated financial statements, notably regarding Group consolidated total assets and gross operating income.

The main changes to the consolidation scope as at 30 June 2024, compared with the scope applicable at the closing date of 31 December 2023, are as follow:

SALE OF SOCIETE GENERALE TCHAD

The Group sold the totality of its holding in SG Tchad, its Chadian subsidiary. This sale led to a reduction of EUR 0.3 billion in the total Group’s balance sheet.

CREATION OF A PARTNERSHIP BETWEEN SOCIETE GENERALE AND ALLIANCEBERSTEIN

As at 1 April 2024, Societe Generale and AllianceBernstein launched Bernstein, a partnership combining their cash equities and equity research businesses.

The partnership is organised under two separate legal vehicles: Sanford C. Bernstein Holdings Limited, covering Europe and Asia activities, with a head office in London, and Bernstein North America Holdings LLC, covering North America activities, with a head office in New York, complemented by major hubs in Paris and Hong Kong, and multiple regional offices.

Since 1 April 2024, the entity Sanford C. Bernstein Holdings Limited, fully controlled by the Group (stake of 51%) is fully consolidated, and the entity Bernstein North America Holdings LLC, over which the Group has significant influence (stake of 33.33%) is consolidated by using equity method.

Options may allow Societe Generale, subject to regulatory approvals, to own 100% of both entities within five years.

Sanford C. Bernstein Holdings Limited (entity fully consolidated)

As at 1 April 2024, Societe Generale acquired 51% of the holding company Sanford C. Bernstein Holdings Limited for a purchase price of EUR 108 million.

Due to the short timeline between the acquisition's finalisation and publishing of interim financial statements, as at 30 June 2024, the Group has recognised the identifiable assets and liabilities of its new subsidiary at their carrying amounts. The Group has 12 months to finalise the valuation of identifiable assets and liabilities of the holding company at their acquisition date fair value and the calculation of the goodwill (See Note 2.2).

The put option negociated to redeem non-controlling interests (49%) is recognised as a liability representing the present value of the discounted strike price for an amount of EUR 61 million with an impact in equity, Group share, of EUR 17 million.

As at 30 June 2024, the Group recognised a provisional goodwill of EUR 26 million.

(In EUR m)	**Temporary allocation as at 30 June 2024**
Tangible and intangible fixed assets	3
Due from banks	251
Net tax assets	7
Customer deposits	(80)
Net other assets and liabilities	(18)
Provisions	(3)
FAIR VALUE OF ASSETS AND LIABILITIES ACQUIRED (C)	160
NON-CONTROLLING INTERESTS [(1)] (B)	78
PURCHASE PRICE (A)	108
GOODWILL (A) + (B) - (C)	**26**

(1) Non-controlling interests are measured based on the proportionate share in the recognised amounts of the revalued identifiable net assets.

Bernstein North America Holdings LLC (entity consolidated by equity method)

As at 1 April 2024, Societe Generale acquired 33.33% of the holding company Bernstein North America Holdings LLC for a purchase price of EUR 180 million.

NOTE 2.2 - GOODWILL

The table below shows, by operating segment (Note 8.1), the changes in net value of the cash-generating units (CGU) goodwill over the first half of 2024:

Table 2.2.B

(In EUR m)	**Value as at 31.12.2023**	**Acquisitions and other increases**	**Disposals and other decreases**	**Impairment**	**Value as at 30.06.2024**
French Retail and Private Banking	**1,149**	**-**	**-**	**-**	**1,149**
French Retail and Private Banking	1,149	-	-	-	1,149
Insurances	**348**	**-**	**(2)**	**-**	**346**
Insurances	348	-	(2)	-	346
International Banking	**831**	**-**	**-**	**-**	**831**
Europe	831	-	-	-	831
Africa, Mediterranean Basin and Overseas	-	-	-	-	-
Mobility and Leasing Services	**2,564**	**97**	**-**	**-**	**2,661**
Equipment and Vendor Finance	-	-	-	-	-
Auto-Leasing Financial Services (1)	2,019	97	-	-	2,116
Consumer finance	545	-	-	-	545
Global Markets and Investor Services	**-**	**26**	**-**	**-**	**26**
Global Markets and Investor Services (1)	-	26	-	-	26
Financing and Advisory	**57**	**-**	**-**	**-**	**57**
Financing and Advisory	57	-	-	-	57
Total	**4,949**	**123**	**(2)**	**-**	**5,070**

(1) The increases in goodwill relate to the acquisition of Sanford C. Bernstein Holdings Limited (see Note 2.1) and the completion of LeasePlan's purchase price allocation (see below).

FINALISATION OF THE GOODWILL CALCULATION RELATED TO THE ACQUISITION OF LEASEPLAN BY ALD

On 22 May 2023, following the approval of ALD's Board of Directors and relevant regulatory authorities' approvals, ALD acquired 100% of LeasePlan for a consideration of EUR 4,969 million.

This purchase price includes an earn out consideration initially estimated to EUR 70 million in the consolidated financial statements as at 31 December 2023. The earn-out mechanism will last until 31 December 2024, subject to an additional 6-month period in limited circumstances.

As at 30 June 2024, the Group assessment of the earn out consideration at closing date of the transaction is EUR 142 million: this adjustment of EUR 72 million is the result of additional information brought to the Group's attention on the facts and circumstances that existed at the acquisition date.

As the purchase price allocation exercise is finalised, any subsequent variations of the earn-out fair value will be accounted through the income statement.

In the first semester 2024, the Group finalised the purchase price allocation of LeasePlan. The amount of goodwill, provisionally estimated at EUR 1,396 million in the Group's consolidated financial statements as at 31 December 2023, has thus been adjusted to reach the final amount of EUR 1,493 million as at 30 June 2024.

The table below shows the adjustments of EUR 97 million made in the first half of 2024, in addition to the adjustments of EUR -230 million made in 2023.

(In EUR m)	Certified balance sheet at acquisition date	Fair value adjustment	Provisional allocation as at 31 December 2023	Variation	Final allocation as at 30 June 2024
Cash, due from central banks	3,812	-	3,812		3,812
Customer loans at amortised cost	615	-	615		615
Net non-current assets and liabilities held for sale (1)	617	33	650		650
Tangible and intangible fixed assets	23,891	330	24,221	2	24,223
o/w Assets under operating leases	20,983	429	21,412	60	21,472
Debts securities issued	(9,327)	7	(9,320)		(9,320)
Due to bank	(2,687)	(7)	(2,694)		(2,694)
Customer deposits	(11,334)	33	(11,301)		(11,301)
Net tax assets/liabilities	(505)	(64)	(569)	17	(552)
Net other assets and liabilities	(1,298)	(102)	(1,400)	(44)	(1,444)
FAIR VALUE OF ASSETS AND LIABILITIES ACQUIRED (C)	3,784	230	4,014	(25)	3,989
NON-CONTROLLING INTERESTS (2) (B)	513	-	513		513
TOTAL PURCHASE PRICE (A)	4,897	-	4,897	72	4,969
GOODWILL (A) + (B) - (C)	**1,626**	**(230)**	**1,396**	**97**	**1,493**

(1) Amount after elimination of intragroup transactions.

(2) Other equity instruments issued.

Main adjustments to LeasePlan's identifiable assets and liabilities fair value done during the first semester of 2024 relate to:

- A net increase of EUR 2 million in property, plant and equipment and intangible assets, which breaks down into:
  - Additional decrease of EUR 63 million in the value of LeasePlan's software at the date of the acquisition due to a completion rate adjustment for ongoing IT developments, corrections of the scope of the software and confirmation of impairment items already existing at the acquisition date;
  - Increase in leased assets of EUR 60 million and customer relationships intangible of EUR 4.6 million;
- A decrease of EUR 44 million in other net assets and liabilities mainly due to:
  - A decrease of EUR 23 million in the stake in the Please entity following an update of the valuation (the activity has been discontinued in 2022) and of the percentage of ownership by the Group;
  - A decrease of EUR 18 million related to allowance for expected credit losses on trade receivables as a result of alignment to the methodology applied by the Group;
- An increase of EUR 17 million in net deferred tax asset arising from the adjustments above.

IMPAIRMENT TEST OF CGU

The Group performs an annual impairment test as at 31 December for each CGU to which goodwill had been allocated.

The recoverable amount of a CGU is calculated using the discounted cash flow (DCF) method based on future distributable dividends applied to the entire CGU.

In the absence of any indication of impairment during the first semester of 2024, the Group has not carried out new impairment tests for the CGUs. These tests will be performed as at 31 December 2024.

NOTE 2.3 - NON-CURRENT ASSETS HELD FOR SALE AND RELATED DEBT

Table 2.3.A

(In EUR m)	30.06.2024	31.12.2023
Assets	**28,661**	**1,763**
Fixed assets and Goodwill	617	122
Financial assets	26,820	1,335
Financial assets at fair value through profit or loss	*917*	*4*
Financial assets at fair value through equity	*812*	-
Securities at the amortised cost	*854*	*350*
Due from banks	*626*	*20*
Customer loans	*23,611*	*961*
Assets from insurance and reinsurance contracts	9	-
Other assets	1,215	306
Liabilities	**19,219**	**1,703**
Allowances	271	44
Financial liabilities	15,912	1,609
Financial liabilities at fair value through profit or loss	*4*	-
Debt securities issued	*1,293*	-
Due to banks	*4,413*	*42*
Customer deposits	*10,024*	*1,542*
Subordinated debt	*178*	*25*
Liabilities from insurance and reinsurance contracts	1,428	-
Other liabilities	1,608	50

On 11 April 2024, Societe Generale signed a memorandum of understanding with the BPCE Group for the sale of the activities of Societe Generale Equipment Finance (SGEF).

On 12 April 2024, the Societe Generale group entered into an agreement with the Saham Group for the sale of Societe Generale Marocaine de Banques and its subsidiaries.

As at 30 June 2024, the Non-current assets held for sale and Non-current liabilities held for sale items encompass the assets and liabilities related to consolidated subsidiaries:

Societe Generale Equipment Finance (SGEF)	**Moroccan subsidiaries**	**Other subsidiaries**
○ GEFA BANK GMBH ○ FRAER LEASING SPA ○ SOCIETE GENERALE EQUIPMENT FINANCE LIMITED ○ SG LEASING SPA ○ SG EQUIPMENT FINANCE IBERIA, E.F.C, S.A. ○ SG EQUIPMENT FINANCE USA CORP. ○ SG EQUIPMENT FINANCE ITALY S.P.A. ○ SG EQUIPMENT FINANCE SCHWEIZ AG ○ SG EQUIPMENT LEASING POLSKA SP Z.O.O. ○ SG EQUIPMENT FINANCE BENELUX BV ○ SOCIETE GENERALE LEASING AND RENTING CO. LTD ○ SG EQUIPMENT FINANCE HUNGARY ZRT ○ PHILIPS MEDICAL CAPITAL FRANCE ○ SOCIETE GENERALE EQUIPMENT FINANCE S/A - ARRENDAMENTO MERCANTIL ○ SGEF SA ○ PHILIPS MEDICAL CAPITAL GMBH ○ SG EQUIPMENT FINANCE BENELUX B.V. BELGIAN BRANCH ○ SG EQUIPMENT FINANCE (DECEMBER) LIMITED ○ GEFA VERSICHERUNGSDIENST GMBH	○ SG MAROCAINE DE BANQUES ○ LA MAROCAINE VIE ○ SOCIETE D'EQUIPEMENT DOMESTIQUE ET MENAGER "EQDOM ○ INVESTIMA SA ○ ATHENA COURTAGE ○ SOCIETE GENERALE OFFSHORE ○ FONCIMMO ○ SOGEFINANCEMENT MAROC	○ SOCIETE GENERALE BURKINA FASO ○ SOCIETE GENERALE DE BANQUES EN GUINEE EQUATORIALE (1) ○ SOCIETE GENERALE MAURITANIE (1) ○ SHINE

(1) The Group maintains its intention to sell the subsidiaries SOCIETE GENERALE DE BANQUES EN GUINEE EQUATORIALE and SOCIETE GENERALE MAURITANIE. The assets and liabilities of these entities are presented in Table 2.3.A since 30 June 2023.

NOTE 3 - FINANCIAL INSTRUMENTS

NOTE 3.1 - FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

OVERVIEW

Table 3.1.A

(In EUR m)	30.06.2024		31.12.2023	
	Assets	**Liabilities**	**Assets**	**Liabilities**
Trading portfolio	397,262	302,673	366,087	281,335
Financial assets measured mandatorily at fair value through profit or loss	118,163		114,651	
Financial instruments measured at fair value through profit or loss using the fair value option	15,401	105,029	15,144	94,249
Total	**530,826**	**407,702**	**495,882**	**375,584**
o/w securities purchased/sold under resale/repurchase agreements	*144,726*	*152,277*	*159,119*	*139,145*

1. TRADING PORTFOLIO

ASSETS

Table 3.1.B

(In EUR m)	30.06.2024	31.12.2023
Bonds and other debt securities	48,108	39,427
Shares and other equity securities	105,363	71,694
Securities purchased under resale agreements	144,680	159,073
Trading derivatives [(1)]	91,378	83,535
Loans, receivables and other trading assets	7,733	12,358
Total	**397,262**	**366,087**
o/w securities lent	*19,267*	*14,509*

(1) See Note 3.2 Financial derivatives.

LIABILITIES

Table 3.1.C

(In EUR m)	30.06.2024	31.12.2023
Amounts payable on borrowed securities	42,218	42,483
Bonds and other debt instruments sold short	6,932	7,306
Shares and other equity instruments sold short	1,386	2,091
Securities sold under repurchase agreements	149,361	137,019
Trading derivatives (1)	100,718	89,803
Borrowings and other trading liabilities	2,058	2,633
Total	**302,673**	**281,335**

(1) See Note 3.2 Financial derivatives.

2. FINANCIAL INSTRUMENTS MANDATORILY AT FAIR VALUE THROUGH PROFIT OR LOSS

Table 3.1.D

(In EUR m)	30.06.2024	31.12.2023
Bonds and other debt securities	32,274	30,677
Shares and other equity securities	72,517	68,691
Loans, receivables and securities purchased under resale agreements	13,372	15,283
Total	**118,163**	**114,651**

The loans and receivables and securities purchased under resale agreements recorded in the balance sheet under Financial assets mandatorily at fair value through profit or loss are mainly:

- loans that include prepayment features with compensation that do not reflect the effect of changes in the benchmark interest rate;
- loans that include indexation clauses that do not permit to be recognised as basic loans (SPPI).

3. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS USING FAIR VALUE OPTION

ASSETS

Table 3.1.F

(In EUR m)	30.06.2024	31.12.2023
Bonds and other debt securities	14,071	13,821
Loans, receivables and securities purchased under resale agreements	68	68
Separate assets for employee benefits plans (1)	1,262	1,255
Total	**15,401**	**15,144**

(1) Including, as at 30 June 2024, EUR 1,072 million of plan assets for defined post-employment benefits compared to EUR 1,076 million as at 31 December 2023.

LIABILITIES

Financial liabilities measured at fair value through profit or loss in accordance with the fair value option predominantly consist of structured bonds issued by the Societe Generale group.

Table 3.1.G

	30.06.2024		31.12.2023	
(In EUR m)	Fair value	Amount redeemable at maturity	Fair value	Amount redeemable at maturity
Financial instruments measured using fair value option through profit or loss	105,029	108,217	94,249	99,500

The revaluation differences attributable to the Group's issuer credit risk are determined using valuation models taking into account the Societe Generale group's most recent financing conditions on the markets and the residual maturity of the related liabilities.

Changes in fair value attributable to own credit risk generated an equity unrealised loss of EUR 468 million. As at 30 June 2024, the total amount of changes in fair value attributable to own credit risk represents a total loss of EUR 402 million before tax.

NOTE 3.2 - FINANCIAL DERIVATIVES

1. TRADING DERIVATIVES

FAIR VALUE

Table 3.2.A

	30.06.2024		31.12.2023	
(In EUR m)	**Assets**	**Liabilities**	**Assets**	**Liabilities**
Interest rate instruments	44,713	42,321	42,479	38,681
Foreign exchange instruments	17,643	18,572	18,805	20,025
Equities & index Instruments	27,014	37,793	19,772	28,612
Commodities Instruments	109	101	84	208
Credit derivatives	1,559	490	1,986	963
Other forward financial instruments	340	1,441	409	1,314
Total	**91,378**	**100,718**	**83,535**	**89,803**

The Group uses credit derivatives in the management of its corporate credit portfolio, primarily to reduce individual, sectorial and geographical concentration and to implement a proactive risk and capital management approach. All credit derivatives, regardless of the management objective, are measured at fair value through profit or loss and cannot be qualified as hedging instruments for accounting purposes. Accordingly, they are recognised at fair value among trading derivatives.

COMMITMENTS (NOTIONAL AMOUNTS)

Table 3.2.B

(In EUR m)	30.06.2024	31.12.2023
Interest rate instruments	**11,929,976**	**10,688,510**
Firm instruments	10,047,166	8,733,370
Swaps	*7,961,672*	*6,927,744*
FRAs	*2,085,494*	*1,805,626*
Options	1,882,810	1,955,140
Foreign exchange instruments	**5,252,839**	**4,515,280**
Firm instruments	3,531,650	3,389,444
Options	1,721,189	1,125,836
Equity and index instruments	**1,014,192**	**924,940**
Firm instruments	149,975	143,886
Options	864,217	781,054
Commodities instruments	**21,789**	**19,471**
Firm instruments	16,646	13,723
Options	5,143	5,748
Credit derivatives	**132,117**	**133,748**
Other forward financial instruments	**36,391**	**25,456**
Total	**18,387,304**	**16,307,405**

2. HEDGING DERIVATIVES

According to the transitional provisions of IFRS 9, the Group made the choice to maintain the IAS 39 provisions related to hedge accounting. Consequently, equity instruments held (shares and other equity securities) do not qualify for hedge accounting regardless of their accounting category.

FAIR VALUE

Table 3.2.C

	30.06.2024		31.12.2023	
(In EUR m)	Assets	Liabilities	Assets	Liabilities
Fair value hedge	**5,014**	**11,627**	**10,113**	**18,182**
Interest rate instruments	5,009	11,625	10,112	18,181
Foreign exchange instruments	1	1	1	1
Equity and index Instruments	4	1	-	-
Cash flow hedge	**226**	**490**	**321**	**475**
Interest rate instruments	211	449	309	394
Foreign exchange instruments	11	10	5	56
Equity and index Instruments	4	31	7	25
Net investment hedge	**112**	**72**	**151**	**51**
Foreign exchange instruments	112	72	151	51
Total	**5,352**	**12,189**	**10,585**	**18,708**

The Group sets up hedging relationships recognised for accounting purposes as fair value hedges in order to protect its fixed-rate financial assets and liabilities (primarily loans/borrowings, securities issued and fixed-rate securities) against changes in long-term interest rates. The hedging instruments used mainly consist of interest rate swaps.

Furthermore, through some of its Corporate and Investment Banking operations, the Group is exposed to future cash flow changes in its short and medium-term funding requirements and sets up hedging relationships recognised for accounting purposes as cash flow hedges. Highly probable funding requirements are determined using historic data established for each activity and representative of balance sheet outstanding. These data may be increased or decreased by changes in management methods.

Finally, as part of their management of structural interest rate and exchange rate risks, the Group's entities set up fair value hedge for portfolios of assets or liabilities for interest rate risk as well as cash flow hedge and net investment hedge for foreign exchange risk.

As part of its structural interest rate risk management, the Group has adjusted the level of hedging of the fixed rate liabilities (i.e., customer deposits). While fixed-rate receiver swaps contracted out to hedge the interest rate risk, fixed-rate payer swaps were used into to reduce the hedge. Under IAS 39, these instruments were designated as portfolio hedging instruments (macro hedge accounting). In 2023 and 2024, the Group transferred to a trading portfolio both the swaps taken out to reduce the macro-hedge and the corresponding initial hedging swaps (receiver fix interest rate). The tables in this note include the effect of this reclassification. The remaining negative cumulative remeasurement adjustment to be amortised reduces liabilities over the residual life of the hedged instruments as at 30 June 2024, resulting from discontinued hedges corresponding to the swaps transferred to the trading portfolio, by EUR 2.4 billion.

As at 30 June 2024, the revaluation differences on macro-hedged fixed-rate assets portfolios and fixed-rate liabilities portfolios are still negative as a result of the high interest rate environment. On the asset side of the balance sheet, the revaluation difference on portfolios hedged against interest rate risk amounts to EUR -1,259 million as at 30 June 2024 (compared to EUR -433 million as at 31 December 2023); and on the liabilities side, the revaluation differences on portfolios hedged against interest rate risk amounts to EUR -6,994 million as at 30 June 2024 (against EUR -5,857 million as at 31 December 2023).

COMMITMENTS (NOTIONAL AMOUNTS)

Table 3.2.D

(In EUR m)	**30.06.2024**	**31.12.2023**
Interest rate instruments	**666,494**	**668,657**
Firm instruments	664,650	668,657
Swaps	*446,646*	*523,652*
FRAs	*218,004*	*145,005*
Options	1,844	-
Foreign exchange instruments	**8,209**	**8,355**
Firm instruments	8,209	8,355
Equity and index instruments	**383**	**226**
Firm instruments	383	226
Total	**675,086**	**677,238**

NOTE 3.3 - FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

OVERVIEW

Table 3.3.A

(In EUR m)	30.06.2024	31.12.2023
Debt instruments	91,873	90,630
Bonds and other debt securities	*91,868*	*90,614*
Loans and receivables and securities purchased under resale agreements	*5*	*16*
Shares and other equity securities	265	264
Total	**92,138**	**90,894**
o/w securities lent	*213*	*228*

1. DEBT INSTRUMENTS

CHANGES OF THE PERIOD

Table 3.3.B

(In EUR m)	2024
Balance as at 1 January	**90,630**
Acquisitions / disbursements	26,699
Disposals / redemptions	(24,054)
Transfers towards (or from) another accounting category	20
Change in scope and others	(1,141)
Changes in fair value during the period	(1,139)
Change in related receivables	(16)
Translation differences	874
Balance as at 30 June	**91,873**

CUMULATIVE UNREALISED GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY

Table 3.3.C

(In EUR m)	30.06.2024	31.12.2023
Unrealised gains	625	993
Unrealised losses	(4,106)	(3,666)
Total (1)	**(3,481)**	**(2,673)**

(1) Including EUR -3,103 million for insurance sector subsidiaries as at 30 June 2024 (EUR -2,298 million as at 31 December 2023). This amount must be understood as taking into account the financial income and expenses recorded directly in equity as part of the measurement of the associated insurance contracts for EUR +3,126 million as at 30 June 2024 (EUR +2,314 million as at 31 December 2023).

2. EQUITY INSTRUMENTS

The Group chose only in few cases to designate equity instruments to be measured at fair value through other comprehensive income.

NOTE 3.4 - FAIR VALUE OF FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE

1. FINANCIAL ASSETS MEASURED AT FAIR VALUE

Table 3.4.A

	30.06.2024				31.12.2023			
(In EUR m)	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Trading portfolio (excluding derivatives)	**143,040**	**158,444**	**4,400**	**305,884**	**104,493**	**171,245**	**6,814**	**282,552**
Bonds and other debt securities	37,795	9,788	525	48,108	32,843	6,275	308	39,426
Shares and other equity securities	105,238	125	-	105,363	71,524	170	-	71,694
Securities purchased under resale agreements	-	141,302	3,378	144,680	-	152,944	6,130	159,074
Loans, receivables and other trading assets	7	7,229	497	7,733	126	11,856	376	12,358
Trading derivatives	**375**	**88,524**	**2,479**	**91,378**	**6**	**81,276**	**2,253**	**83,535**
Interest rate instruments	362	42,688	1,663	44,713	5	40,806	1,668	42,479
Foreign exchange instruments	3	17,055	585	17,643	-	18,575	230	18,805
Equity and index instruments	10	26,867	137	27,014	1	19,581	189	19,771
Commodity instruments	-	109	-	109	-	84	-	84
Credit derivatives	-	1,465	94	1,559	-	1,820	166	1,986
Other forward financial instruments	-	340	-	340	-	410	-	410
Financial assets measured mandatorily at fair value through profit or loss	**78,703**	**21,034**	**18,426**	**118,163**	**72,451**	**23,683**	**18,517**	**114,651**
Bonds and other debt securities	29,095	1,642	1,537	32,274	26,750	2,579	1,347	30,676
Shares and other equity securities	49,582	8,683	14,252	72,517	45,701	9,169	13,822	68,692
Loans, receivables and securities purchased under resale agreements	26	10,709	2,637	13,372	-	11,935	3,348	15,283
Financial assets measured using fair value option through profit or loss	**13,656**	**1,745**	**-**	**15,401**	**13,732**	**1,412**	**-**	**15,144**
Bonds and other debt securities	13,656	415	-	14,071	13,732	89	-	13,821
Loans, receivables and securities purchased under resale agreements	-	68	-	68	-	68	-	68
Separate assets for employee benefit plans	-	1,262	-	1,262	-	1,255	-	1,255
Hedging derivatives	**-**	**5,353**	**-**	**5,353**	**-**	**10,585**	**-**	**10,585**
Interest rate instruments	-	5,220	-	5,220	-	10,421	-	10,421
Foreign exchange instruments	-	124	-	124	-	157	-	157
Equity and index instruments	-	9	-	9	-	7	-	7
Financial assets measured at fair value through other comprehensive income	**90,670**	**1,120**	**348**	**92,138**	**88,231**	**2,384**	**279**	**90,894**
Bonds and other debt securities	90,670	1,120	78	91,868	88,231	2,382	-	90,613
Shares and other equity securities	-	-	265	265	-	-	265	265
Loans and receivables	-	-	5	5	-	2	14	16
Total	**326,444**	**276,220**	**25,653**	**628,317**	**278,913**	**290,585**	**27,863**	**597,361**

2. FINANCIAL LIABILITIES MEASURED AT FAIR VALUE

Table 3.4.B

(In EUR m)	30.06.2024				31.12.2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Trading portfolio (excluding derivatives)	**8,752**	**187,252**	**5,951**	**201,955**	**9,396**	**177,622**	**4,514**	**191,532**
Amounts payable on borrowed securities	431	41,510	277	42,218	-	42,461	22	42,483
Bonds and other debt instruments sold short	6,931	1	-	6,932	7,305	1	-	7,306
Shares and other equity instruments sold short	1,386	-	-	1,386	2,091	-	-	2,091
Securities sold under repurchase agreements	-	143,690	5,671	149,361	-	132,532	4,487	137,019
Borrowings and other trading liabilities	4	2,051	3	2,058	-	2,628	5	2,633
Trading derivatives	**302**	**96,794**	**3,622**	**100,718**	**12**	**85,741**	**4,050**	**89,803**
Interest rate instruments	301	39,943	2,077	42,321	11	36,343	2,327	38,681
Foreign exchange instruments	-	18,173	399	18,572	1	19,563	461	20,025
Equity and index instruments	-	36,843	950	37,793	-	27,555	1,056	28,611
Commodity instruments	-	101	-	101	-	208	-	208
Credit derivatives	-	294	196	490	-	757	206	963
Other forward financial instruments	1	1,440	-	1,441	-	1,315	-	1,315
Financial liabilities measured using fair value option through profit or loss	**846**	**63,536**	**40,647**	**105,029**	**657**	**56,503**	**37,089**	**94,249**
Hedging derivatives	**-**	**12,189**	**-**	**12,189**	**-**	**18,708**	**-**	**18,708**
Interest rate instruments	-	12,074	-	12,074	-	18,575	-	18,575
Foreign exchange instruments	-	83	-	83	-	108	-	108
Equity and index instruments	-	32	-	32	-	25	-	25
Total	**9,900**	**359,771**	**50,220**	**419,891**	**10,065**	**338,574**	**45,653**	**394,292**

3. VARIATION IN LEVEL 3 FINANCIAL INSTRUMENTS

FINANCIAL ASSETS

Table 3.4.C

(In EUR m)	Balance as at 31.12.2023	Acquisitions	Disposals / redemp-tions	Transfer to Level 2	Transfer from Level 2	Gains and losses	Translation differences	Change in scope and others	Balance as at 30.06.2024
Trading portfolio (excluding derivatives)	**6,814**	**2,815**	**(1,831)**	**(2,472)**	**5**	**(960)**	**29**	**-**	**4,400**
Bonds and other debt securities	308	196	(194)	(1)	5	206	5	-	525
Securities purchased under resale agreements	6,130	2,202	(1,320)	(2,470)	-	(1,175)	11	-	3,378
Loans, receivables and other trading assets	376	417	(317)	(1)	-	9	13	-	497
Trading derivatives	**2,253**	**21**	**(1)**	**(478)**	**55**	**605**	**24**	**-**	**2,479**
Interest rate instruments	1,668	-	-	(404)	50	333	16	-	1,663
Foreign exchange instruments	230	1	(1)	(3)	-	356	2	-	585
Equity and index instruments	189	20	-	(14)	-	(58)	-	-	137
Credit derivatives	166	-	-	(57)	5	(26)	6	-	94
Financial assets measured mandatorily at fair value through profit or loss	**18,517**	**1,642**	**(1,516)**	**(100)**	**89**	**(146)**	**26**	**(86)**	**18,426**
Bonds and other debt securities	1,347	187	(12)	-	-	15	-	-	1,537
Shares and other equity securities	13,822	1,451	(921)	-	-	(15)	1	(86)	14,252
Loans, receivables and securities purchased under resale agreements	3,348	4	(583)	(100)	89	(146)	25	-	2,637
Financial assets measured at fair value through other comprehensive income	**279**	**83**	**-**	**-**	**-**	**-**	**-**	**(14)**	348
Debt instruments	-	78	-	-	-	-	-	-	78
Equity instruments	265	-	-	-	-	-	-	-	265
Loans and receivables	14	5	-	-	-	-	-	(14)	5
Total	**27,863**	**4,561**	**(3,348)**	**(3,050)**	**149**	**(501)**	**79**	**(100)**	**25,653**

FINANCIAL LIABILITIES

Table 3.4.D

(In EUR m)	Balance as at 31.12.2023	Issues	Redemptions	Transfer to Level 2	Transfer from Level 2	Gains and losses	Translation differences	Change in scope and others	Balance as at 30.06.2024
Trading portfolio (excluding derivatives)	**4,514**	**2,991**	**(971)**	**(1,520)**	**-**	**806**	**131**	**-**	**5,951**
Amounts payable on borrowed securities	22	-	-	(951)	-	1,206	-	-	277
Bonds and other debt instruments sold short	-	-	-	-	-	-	-	-	-
Securities sold under repurchase agreements	4,487	2,991	(971)	(568)	-	(399)	131	-	5,671
Borrowings and other trading liabilities	5	-	-	(1)	-	(1)	-	-	3
Trading derivatives	**4,050**	**345**	**(443)**	**(325)**	**122**	**(146)**	**19**	**-**	**3,622**
Interest rate instruments	2,327	2	**-**	(270)	117	(99)	-	-	2,077
Foreign exchange instruments	461	132	**(382)**	(1)	-	189	-	-	399
Equity and index instruments	1,056	211	(61)	(34)	-	(241)	19	-	950
Credit derivatives	206	-	-	(20)	5	5	-	-	196
Financial liabilities measured using fair value option through profit or loss	**37,089**	**8,404**	**(5,395)**	**(539)**	**196**	**632**	**260**	**-**	**40,647**
Total financial liabilities at fair value	**45,653**	**11,740**	**(6,809)**	**(2,384)**	**318**	**1,292**	**410**	**-**	**50,220**

4. VALUATION METHODS OF FINANCIAL INSTRUMENTS CARRIED AT FAIR VALUE ON THE BALANCE SHEET

For financial instruments recognised at fair value on the balance sheet, fair value is determined primarily on the basis of the prices quoted in an active market. These prices may be adjusted, if they are not available at the balance sheet date in order to incorporate the events that have an impact on prices and occurred after the closing of the stock markets but before the measurement date or in the event of an inactive market.

However, due notably to the varied characteristics of financial instruments traded over-the-counter on the financial markets, a large number of financial products traded by the Group does not have quoted prices in the markets.

For these products, fair value is determined using models based on valuation techniques commonly used by market participants to measure financial instruments, such as discounted future cash flows for swaps or the Black & Scholes formula for certain options and using valuation parameters that reflect current market conditions at the balance sheet date. These valuation models are validated independently by the experts from the Market Risk Department of the Group's Risk Division.

Furthermore, the inputs used in the valuation models, whether derived from observable market data or not, are checked by the Finance Division of Market Activities, in accordance with the methodologies defined by the Market Risk Department.

If necessary, these valuations are supplemented by additional reserves (such as bid-ask spreads and liquidity) determined reasonably and appropriately after an analysis of available information.

Derivatives and security financing transactions are subject to a Credit Valuation Adjustment (CVA) or Debt Valuation Adjustment (DVA). The Group includes all clients and clearing houses in this adjustment, which also reflects the netting agreements existing for each counterparty.

The CVA is determined based on the Group entity's expected positive exposure to the counterparty, the counterparty's probability of default and the amount of the loss given default. The DVA is determined symmetrically based on the negative expected exposure. These calculations are carried out over the life of the potential exposure, with a focus on the use of relevant and observable market data. Similarly, an adjustment to take into account the costs or profits linked to the financing of these transactions (FVA, Funding Value Adjustment) is also performed.

If the calculation of the CVA/DVA/FVA integrates a significant portion of non-observable market parameters, then these transactions are classified as Level 3 under the Group procedure.

Observable data must be independent, available, publicly distributed, based on a narrow consensus and/or backed up by transaction prices.

For example, consensus data provided by external counterparties are considered observable if the underlying market is liquid and if the prices provided are confirmed by actual transactions. For long maturities, these consensus data are not observable. This is the case for the implied volatility used for the valuation of equity options with maturities of more than five years. However, when the residual maturity of the instrument falls below five years, its fair value becomes sensitive to observable inputs.

In the event of unusual tensions on the markets, leading to a lack of the usual reference data used to measure a financial instrument, the Risk Division may implement a new model in accordance with pertinent available data, similar to methods used by other market players.

SHARES AND OTHER EQUITY SECURITIES

For listed shares, fair value is taken to be the quoted price on the balance sheet date.

The significant unlisted securities and the significant securities listed on an illiquid market will be valued primarily by using a developed valuation method: Discounted Cash Flows (DCF) or Discounted Dividend Model (DDM) and/or Market multiples.

For non-significant unlisted shares, fair value is determined depending on the type of financial instrument and according to one of the following methods:

- proportion of net asset value held;
- valuation based on a recent transaction involving the issuing company (third party buying into the issuing company's capital, appraisal by a professional valuation agent, etc.);
- valuation based on a recent transaction in the same sector as the issuing company (income multiple, asset multiple, etc.).

DEBT INSTRUMENTS HELD IN PORTFOLIO, ISSUES OF STRUCTURED SECURITIES MEASURED AT FAIR VALUE AND FINANCIAL DERIVATIVES INSTRUMENTS

The fair value of these financial instruments is determined based on the quoted price on the balance sheet date or prices provided by brokers on the same date, when available. For unlisted financial instruments, fair value is determined using valuation techniques. Concerning liabilities measured at fair value, the on-balance sheet amounts include changes in the Group's issuer credit risk.

OTHER DEBTS

For listed financial instruments, fair value is taken as their closing quoted price on the balance sheet date. For unlisted financial instruments, fair value is determined by discounting future cash flows to present value at market rates (including counterparty risks, non-performance and liquidity risks).

CUSTOMER LOANS

The fair value of loans and receivables is calculated, in the absence of an actively traded market for these loans, by discounting the expected cash flows to present value at a discount rate based on interest rates prevailing on the market at the reporting date for loans with broadly similar terms and maturities. These discount rates are adjusted for borrower credit risk.

5. ESTIMATES OF MAIN UNOBSERVABLE INPUTS

The following table provides, for Level 3 instruments, the ranges of values of the most significant unobservable inputs by main product type.

Table 3.4.E

Cash instruments and derivatives	Main products	Valuation techniques used	Significant unobservable inputs	Range of inputs min.	max.
Equities/funds	Simple and complex instruments or derivatives on funds, equities or baskets of stocks	Various option models on funds, equities or baskets of stocks	Equity volatilities	2.75%	134.61%
			Equity dividends	0.00%	13.82%
			Correlations	-80.00%	99.80%
			Hedge fund volatilities	NA	NA
			Mutual fund volatilities	1.70%	26.80%
Interest rates and Forex	Hybrid forex / interest rate or credit / interest rate derivatives	Hybrid forex interest rate or credit interest rate option pricing models	Correlations	-81.13%	87.09%
	Forex derivatives	Forex option pricing models	Forex volatilities	1.08%	26.33%
	Interest rate derivatives whose notional is indexed to prepayment behaviour in European collateral pools	Prepayment modelling	Constant prepayment rates	0.00%	20.00%
	Inflation instruments and derivatives	Inflation pricing models	Correlations	72.00%	90.00%
Credit	Collateralised Debt Obligations and index tranches	Recovery and base correlation projection models	Time to default correlations	0.00%	100.00%
			Recovery rate variance for single name underlyings	0.00%	100.00%
	Other credit derivatives	Credit default models	Time to default correlations	0.00%	100.00%
			Quanto correlations	0.00%	100.00%
			Credit spreads	0.0 bps	82.4 bps
Commodities	Derivatives on commodities baskets	Option models on commodities	Correlations	NA	NA
Long term equity investments	Securities held for strategic purposes	Net Book Value / Recent transactions	Not applicable	-	-

The table below shows the valuation of cash and derivative instruments on the balance sheet. When it comes to hybrid instruments, they are broken down according to the main unobservable inputs.

Table 3.4.F

	30.06.2024	
(In EUR m)	**Assets**	**Liabilities**
Equities/funds	13,421	24,128
Rates and Forex	10,325	25,896
Credit	94	196
Long term equity investments	1,813	-
Total	**25,653**	**50,220**

6. SENSITIVITY OF FAIR VALUE FOR LEVEL 3 INSTRUMENTS

Unobservable inputs are assessed carefully, particularly in this persistently uncertain economic environment and market. However, by their very nature, unobservable inputs inject a degree of uncertainty into the valuation of Level 3 instruments.

To quantify this, fair value sensitivity was estimated as at 30 June 2024 on instruments whose valuation requires certain unobservable inputs. This estimate was based either on a “standardised” variation in unobservable inputs, calculated for each input on a net position, or on assumptions in line with the additional valuation adjustment policies for the financial instruments in question.

The “standardised” variation corresponds to the standard deviation of consensus prices (TOTEM, etc.) used to measure an input nevertheless considered as unobservable. In cases of unavailability of these data, the standard deviation of historical data is then used to assess the input.

SENSITIVITY OF LEVEL 3 FAIR VALUE TO A "STANDARDISED" VARIATION IN UNOBSERVABLE INPUTS

Table 3.4.G

(In EUR m)	30.06.2024 Negative impact	30.06.2024 Positive impact	31.12.2023 Negative impact	31.12.2023 Positive impact
Shares and other equity instruments and derivatives	**(24)**	**44**	**(31)**	**52**
Equity volatilities	(15)	15	(16)	16
Dividends	(5)	5	(10)	10
Correlations	(4)	23	(5)	25
Hedge Fund volatilities	-	-	-	0
Mutual Fund volatilities	(0)	1	(0)	1
Rates or Forex instruments and derivatives	**(13)**	**24**	**(13)**	**25**
Correlations between exchange rates and/or interest rates	(13)	24	(13)	24
Forex volatilities	(0)	0	(0)	0
Constant prepayment rates	-	-	-	-
Inflation/inflation correlations	(0)	0	(0)	0
Credit instruments and derivatives	**(2)**	**3**	**(4)**	**4**
Time to default correlations	(0)	0	(0)	0
Quanto correlations	(0)	0	(0)	0
Credit spreads	(2)	3	(3)	3
Commodity derivatives	**NA**	**NA**	**NA**	**NA**
Commodities correlations	NA	NA	NA	NA
Long term securities	**NA**	**NA**	**NA**	**NA**

It should be noted that, given the already conservative valuation levels, this sensitivity is higher for a favourable impact on results than for an unfavourable impact. Moreover, the amounts shown above illustrate the uncertainty of the valuation as at the computation date based on a "standardised" variation in inputs. Future variations in fair value cannot be deduced or forecast from these estimates.

7. DEFERRED MARGIN RELATED TO MAIN UNOBSERVABLE INPUTS

At initial recognition, financial assets and liabilities are measured at fair value, that is to say the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

When this fair value differs from transaction price and the instrument's valuation technique uses one or more unobservable inputs, this difference representative of a commercial margin is deferred in time to be recorded in the income statement, from case to case, at maturity of the instrument, at the time of sell or transfer, over time, or when the inputs become observable.

The table below shows the amount remaining to be recognised in the income statement due to this difference, less any amounts recorded in the income statement after initial recognition of the instrument.

Table 3.4.H

(In EUR m)	2024
Deferred margin as at 1 January	**1,080**
Deferred margin on new transactions during the period	237
Margin recorded in the income statement during the period	(336)
o/w amortisation	*(188)*
o/w switch to observable inputs	*(7)*
o/w disposed, expired or terminated	*(141)*
Deferred margin as at 30 June	**981**

NOTE 3.5 - LOANS, RECEIVABLES AND SECURITIES AT AMORTISED COST

Table 3.5.A

(In EUR m)	30.06.2024 Carrying amount	30.06.2024 o/w impairment	31.12.2023 Carrying amount	31.12.2023 o/w impairment
Due from banks	78,415	*(21)*	77,879	*(23)*
Customer loans	455,438	*(9,051)*	485,449	*(10,070)*
Securities	30,353	*(83)*	28,147	*(84)*
Total	**564,206**	***(9,155)***	**591,475**	***(10,177)***

1. DUE FROM BANKS

Table 3.5.B

(In EUR m)	30.06.2024	31.12.2023
Current accounts	43,034	39,798
Deposits and loans	12,768	12,939
Securities purchased under resale agreements	22,134	24,622
Subordinated and participating loans	230	200
Related receivables	330	383
Due from banks before impairments (1)	**78,496**	**77,942**
Credit loss impairments	(21)	(23)
Revaluation of hedged items	(60)	(40)
Total	**78,415**	**77,879**

(1) As at 30 June 2024, the amount due from banks classified as Stage 3 impairment (credit impaired) is EUR 31 million compared to EUR 37 million at 31 December 2023. The accrued interests included in this amount are limited to interests recognised in net income by applying the effective interest rate to the net carrying amount of the financial asset (see Note 3.7).

2. CUSTOMER LOANS

Table 3.5.C

(In EUR m)	30.06.2024	31.12.2023
Overdrafts	20,109	21,629
Other customer loans	409,999	428,614
Lease financing agreements	21,658	31,165
Securities purchased under resale agreements	8,050	9,413
Related receivables	4,855	4,845
Customer loans before impairments (1)	**464,671**	**495,666**
Credit loss impairment	(9,051)	(10,070)
Revaluation of hedged items	(182)	(147)
Total	**455,438**	**485,449**

(1) As at 30 June 2024, the amount due from customers classified as Stage 3 impairment (credit impaired) is EUR 15,228 million compared to EUR 15,711 million at 31 December 2023. The accrued interests included in this amount are limited to interests recognised in net income by applying the effective interest rate to the carrying amount to the net carrying amount of the financial asset (see Note 3.7).

3. SECURITIES

Table 3.5.F

(In EUR m)	30.06.2024	31.12.2023
Government securities	13,204	14,303
Negotiable certificates, bonds and other debt securities	17,060	13,731
Related receivables	264	256
Securities before impairments	**30,528**	**28,290**
Impairment	(83)	(84)
Revaluation of hedged items	(92)	(59)
Total	**30,353**	**28,147**

NOTE 3.6 - DEBTS

1. DUE TO BANKS

Table 3.6.A

(In EUR m)	30.06.2024	31.12.2023
Demand deposits and current accounts	13,390	11,131
Overnight deposits and borrowings	1,836	1,049
Term deposits (1)	80,337	100,307
Related payables	1,358	1,464
Revaluation of hedged items	(1,275)	(1,082)
Securities sold under repurchase agreements	10,132	4,978
Total	**105,778**	**117,847**

(1) Including term-deposits linked to governments and central banks, and in particular long-term refinancing operations set up by the ECB (Targeted Longer-Term Refinancing Operations – TLTRO).

TLTRO

The Group subscribed via Societe Generale and Crédit du Nord to TLTRO III (Targeted Longer-Term Refinancing Operations) borrowings through quarterly drawdowns staggered between December 2019 and December 2021. These long-term refinancing operations were offered by the European Central Bank to banks at attractive rates in order to maintain favourable credit conditions in the eurozone. The residual amount of TLTRO borrowings on the liabilities side of the balance sheet is EUR 10 billion as at 30 June 2024 (EUR 24 billion as at 31 December 2023), following repayments of EUR 14 billion in the first half of 2024.

As at 30 June 2024, the total cost of TLTRO borrowings, including interest and bonuses, was therefore around 3.4%. In the first half of 2024, total interest and related expenses on TLTRO borrowings amounted to EUR 335 million (EUR 1.2 billion as at 31 December 2023).

2. CUSTOMER DEPOSITS

Table 3.6.B

(In EUR m)	30.06.2024	31.12.2023
Regulated savings accounts	123,094	122,172
Demand	*101,444*	*99,105*
Term	*21,650*	*23,067*
Other demand deposits [1]	252,160	262,954
Other term deposits [1]	155,426	146,878
Related payables	2,845	1,841
Revaluation of hedged items	(56)	(3)
Total customer deposits	**533,469**	**533,842**
Securities sold to customers under repurchase agreements	6,886	7,835
Total	**540,355**	**541,677**

(1) Including deposits linked to governments and central administrations.

3. DEBT SECURITIES ISSUED

Table 3.6.D

(In EUR m)	30.06.2024	31.12.2023
Term savings certificates	127	173
Bond borrowings	33,661	31,285
Interbank certificates and negotiable debt instruments	129,541	130,393
Related payables	1,576	1,321
Revaluation of hedged items	(3,019)	(2,666)
Total	**161,886**	**160,506**
o/w floating-rate securities	*94,345*	*95,247*

NOTE 3.7 - INTEREST INCOME AND EXPENSE

Table 3.7.A

(In EUR m)	1st semester of 2024			2023			1st semester of 2023		
	Income	Expense	Net	Income	Expense	Net	Income	Expense	Net
Financial instruments at amortised cost	17,761	(14,341)	3,420	32,266	(24,720)	7,546	14,835	(11,151)	3,684
Central banks	*3,640*	*(206)*	*3,434*	*6,698*	*(368)*	*6,330*	*2,842*	*(164)*	*2,678*
Bonds and other debt securities	*620*	*(2,729)*	*(2,109)*	*1,188*	*(4,096)*	*(2,908)*	*550*	*(1,793)*	*(1,243)*
Due from/to banks	*2,307*	*(2,647)*	*(340)*	*4,038*	*(6,375)*	*(2,337)*	*2,031*	*(3,099)*	*(1,068)*
Customer loans and deposits	*9,855*	*(7,785)*	*2,070*	*17,931*	*(12,133)*	*5,798*	*8,332*	*(5,340)*	*2,992*
Subordinated debt	*-*	*(377)*	*(377)*	*-*	*(700)*	*(700)*	*-*	*(340)*	*(340)*
Securities lending/borrowing	*2*	*(4)*	*(2)*	*9*	*(13)*	*(4)*	*4*	*(9)*	*(5)*
Repo transactions	*1,337*	*(593)*	*744*	*2,402*	*(1,035)*	*1,367*	*1,076*	*(406)*	*670*
Hedging derivatives	7,969	(9,129)	(1,160)	15,919	(17,748)	(1,829)	9,116	(9,335)	(219)
Financial instruments at fair value through other comprehensive income (1)	1,399	(133)	1,266	2,779	(260)	2,519	1,241	(110)	1,131
Lease agreements	697	(29)	668	1,258	(47)	1,211	543	(22)	521
Real estate lease agreements	*163*	*(27)*	*136*	*295*	*(45)*	*250*	*139*	*(22)*	*117*
Non-real estate lease agreements	*534*	*(2)*	*532*	*963*	*(2)*	*961*	*404*	*-*	*404*
Subtotal interest income/expense on financial instruments using the effective interest method	**27,826**	**(23,632)**	**4,194**	**52,222**	**(42,775)**	**9,447**	**25,735**	**(20,618)**	**5,117**
Financial instruments mandatorily at fair value through profit or loss	662	-	662	865	(2)	863	576	(2)	574
Total Interest income and expense	**28,488**	**(23,632)**	**4,856**	**53,087**	**(42,777)**	**10,310**	**26,311**	**(20,620)**	**5,691**
o/w interest income from impaired financial assets	*153*	*-*	*153*	*273*	*-*	*273*	*129*	*-*	*129*

(1) Including 600 million euros for insurance subsidiaries in 1st semester 2024 (1,237 million euros in 2023 et 665 million euros in 1st semester 2023). This amount must be considered by taking into account the financial income and expenses of insurance contracts (see Note 4.3, Table 4.3.D).

These interest expenses include the refinancing cost of financial instruments at fair value through profit or loss, the results of which are classified in net gains or losses on these instruments (see Note 3.1). Given that income and expenses booked in the income statement are classified by type of instrument rather than by purpose, the net income generated by activities in financial instruments at fair value through profit or loss must be assessed as a whole.

NOTE 3.8 - IMPAIRMENT AND PROVISIONS

METHOD FOR ESTIMATING EXPECTED CREDIT LOSSES

The method for calculating the impairments and provisions for expected credit losses in Stage 1 and Stage 2 is founded on the Basel framework which served as a basis for selecting the valuation methods for the calculation parameters (probability of default and credit loss rate on the outstanding loans under an advanced Basel approach - IRBA and IRBF - and provisioning rate for the outstanding loans under the standardised Basel approach).

The Group's portfolios have been segmented in order to ensure homogeneity of the risk characteristics and a better correlation with macroeconomic variables, both global and local. This segmentation allows for all the Group specificities to be addressed. It is consistent with or similar to the one specified in the Basel framework in order to ensure uniqueness of the historical records of defaults and losses.

The measurement of expected credit losses is performed based on the parameters mentioned below, supplemented with internal analyses relating to the credit quality of each counterparty, individually or statistically.

MACROECONOMIC CONTEXT

During the first half of 2024, the Group revised the parameters used in the models based on the updated macroeconomic scenarios that take into account the recent economic developments (see Note 1).

To account for the uncertainties related to the macroeconomic environment, the Group updated the model and post-model adjustments in the first half of 2024.

The effects of these adjustments in the determination of expected credit losses are described hereinafter.

UPDATE OF THE MODELS AND IMPACT ON THE ESTIMATION OF EXPECTED CREDIT LOSSES

As at 30 June 2024, the updates of macroeconomic variables and probabilities of default as well as the updated weightings of the scenarios resulted in a EUR 4 million increase in the amount of impairments and provisions for credit risk:

- the impact of the revised macroeconomic variables and probabilities of default is a EUR 14 million decrease;
- the impact of the updated weighting of the macroeconomic scenarios described in Note 1 is a EUR 18 million increase.

Furthermore, owing to the geopolitical context related to the war in Ukraine, all of our Russian counterparties including the residual exposures on Rosbank had been classified "sensitive" (concept of watch list) since the onslaught of the conflict and the associated outstanding loans had been transferred to Stage 2. The amount of these outstanding loans as at 30 June 2024 is EUR 0.7 billion (EUR 1.1 billion as at 31 December 2023). Further analysis resulted in the identification amidst this population and since the beginning of the war in Ukraine, of the outstanding loans that needed to be transferred to Stage 3 (EUR 0.2 billion as at 30 June 2024). The impact of these transfers on the calculation of the expected credit losses amounts to EUR 132 million as at 30 June 2024 (including the additional adjustment detailed in the "Other adjustments" sub-section).

Adjustments supplementing the application of the models

Sectoral adjustments

The Group may supplement the models with sectoral adjustments relating to the possible revision of the expected credit loss estimates (with no impact on the classification of the outstanding loans) for some sectors.

These adjustments make it possible to better anticipate the default/recovery cycle in some sectors that have a cyclical business and have been subject to peaks of default in the past, or that are most exposed to the current crises and on which the Group's exposure exceeds a threshold which is annually reviewed and set by the Risk Division.

These sectoral adjustments are examined and updated quarterly by the Risk Division and approved depending on the materiality threshold by General Management.

The main sectors concerned as at 30 June 2024 are commercial real-estate, non-food retail, building and construction, residential medico-social industry and road freight transport.

The total sectoral adjustments (excluding the additional sectoral adjustments described in the "Other adjustments" paragraph below) thus amount to EUR 681 million as at 30 June 2024 (EUR 667 million as at 31 December 2023). This increase is mainly due to a rise on the residential medico-social industry, road freight transport and building and construction sectors. These sectors have been identified by the Group's Department of Economic studies as particularly exposed were a lasting stagflation scenario to occur; and they had until then been subject to adjustment by an independent expert (as described in the "Other adjustments" paragraph below).

Other adjustments

Adjustments based on expert opinion and with no impact on the classification have also been made to reflect the heightened credit risk on some portfolios when it has not been captured through a line-by-line analysis of the outstanding stock:

- for the scope of entities that have no developed models to estimate the correlations between the macroeconomic variables and the default rate; and
- for the scopes on which models are developed, when these models cannot reflect future risks not observed in the past or risks that are idiosyncratic to portfolios or entities and not included in the models.

The amount of these adjustments is EUR 492 million as at 30 June 2024 (EUR 699 million as at 31 December 2023). These adjustments result from taking account of:

- the specific risk on the portfolio of offshore loans to Russian corporate customers owing to the geopolitical situation. This adjustment is estimated by applying to the expected credit losses models of this portfolio degraded scenarios (weighted for a probability of occurrence) for which probabilities of default and prospects of recovery take into account the uncertainties related to this environment;
- the risks resulting from the specific economic context, such as the lasting effects of the increased inflation and interest rates since 2022 on the vulnerable customers and the most exposed portfolios, not taken into account in the models.

  Two major methods are used to estimate these adjustments:

  - the application to the parameters of the expected credit losses models, of more stringent probabilities of default reflecting the economic shock expected according to the Group's economic scenarios;
  - the application of sectoral adjustments using the above-mentioned method to the sectors identified by the Group's Department of Economic and sectoral studies as most exposed in case of occurrence of a lasting stagflation scenario. Owing to the sharp reduction in the probability of occurrence of this scenario, this adjustment has not been applied as at 30 June 2024.

1. OVERVIEW

In accordance with the application of IFRS 9 “Financial instruments” by the insurance subsidiaries (see Note 1), the impairments and provisions of these subsidiaries are included in the tables below.

PRESENTATION OF BALANCE SHEET AND OFF-BALANCE SHEET OUTSTANDING AMOUNTS

Table 3.8.A

(In EUR m)		30.06.2024	31.12.2023
Debt instruments at fair value through other comprehensive income	Note 3.3	91,873	90,630
Securities at amortised cost	Note 3.5	30,353	28,147
Due from banks at amortised cost	Note 3.5	78,415	77,879
Due from central banks (1)		221,075	220,725
Customer loans at amortised cost	Note 3.5	455,438	485,449
Guarantee deposits paid	Note 4.4	52,044	51,611
Others		8,697	6,239
o/w other miscellaneous receivables bearing credit risk	*Note 4.4*	*8,404*	*6,076*
o/w due from clearing houses bearing credit risk	*Note 4.4*	*293*	*163*
Net value of accounting outstanding amounts (balance sheet)		**937,895**	**960,680**
Impairment of loans at amortised cost	Note 3.8	9,532	10,505
Gross value of accounting outstanding amounts (balance sheet)		**947,427**	**971,185**
Financing commitments		200,334	210,511
Guarantee commitments		81,138	80,560
Gross value of off balance-sheet accounting amounts		**281,472**	**291,071**
Total of accounting amounts (balance-sheet and off balance-sheet)		**1,228,899**	**1,262,256**

(1) Included in line Cash, due from central banks.

OUTSTANDING AMOUNTS SUBJECT TO IMPAIRMENT AND PROVISIONS BY IMPAIRMENT STAGE AND BY ACCOUNTING CATEGORY

Table 3.8.B

	30.06.2024				31.12.2023			
	Group without Insurance activities		Insurance		Group without Insurance activities		Insurance	
(In EUR m)	Outstanding amounts	Impairment /provisions	Outstanding amounts	Impairment /provisions	Outstanding amounts	Impairment /provisions	Outstanding amounts	Impairment /provisions
Financial assets at fair value through other comprehensive income	**41,731**	**4**	**50,142**	**5**	**37,729**	**3**	**52,901**	**13**
Performing assets outstanding (Stage 1)	41,620	2	50,016	3	37,727	1	51,704	4
Underperforming assets outstanding (Stage 2)	111	2	126	2	2	2	1,197	9
Doubtful assets outstanding (Stage 3)	-	-	-	-	-	-	-	-
Financial assets at amortised cost [(1)]	**846,045**	**9,532**	**7,486**	**-**	**873,390**	**10,505**	**7,165**	**-**
Performing assets outstanding (Stage 1)	788,677	914	7,401	-	812,925	1,048	7,085	-
Underperforming assets outstanding (Stage 2)	41,357	1,768	85	-	44,063	1,973	80	-
Doubtful assets outstanding (Stage 3)	16,011	6,850	-	-	16,402	7,484	-	-
o/w lease financing	***21,672***	***643***	**-**	**-**	***31,165***	***883***	**-**	**-**
Performing assets outstanding (Stage 1)	*15,593*	*86*	-	-	*24,798*	*127*	-	-
Underperforming assets outstanding (Stage 2)	*4,800*	*146*	-	-	*4,668*	*163*	-	-
Doubtful assets outstanding (Stage 3)	*1,279*	*411*	-	-	*1,699*	*593*	-	-
Financing commitments	**207,474**	**440**	**-**	**-**	**210,511**	**447**	**-**	**-**
Performing assets outstanding (Stage 1)	195,527	139	-	-	195,733	154	-	-
Underperforming assets outstanding (Stage 2)	11,610	228	-	-	14,540	235	-	-
Doubtful assets outstanding (Stage 3)	337	73	-	-	238	58	-	-
Guarantee commitments	**81,138**	**327**	**-**	**-**	**80,560**	**372**	**-**	**-**
Performing assets outstanding (Stage 1)	77,409	51	-	-	76,503	59	-	-
Underperforming assets outstanding (Stage 2)	2,968	68	-	-	3,370	84	-	-
Doubtful assets outstanding (Stage 3)	761	208	-	-	687	229	-	-
Total of accounting amounts (balance-sheet and off balance-sheet)	**1,176,388**	**10,303**	**57,628**	**5**	**1,202,190**	**11,327**	**60,066**	**13**

(1) Including Central Banks for EUR 221,075 million as at 30 June 2024 (versus EUR 220,725 million as at 31 December 2023).

In order to disclose its exposure to credit risk, the Group has decided to tabulate its assets outstanding and impairment by stage of impairment of the financial assets at amortised cost by Basel category, by geographical area, and by rating of the counterparty. Due to the absence of significant exposure to credit risk for insurance activities, assets measured at fair value through other comprehensive income as well as for financing and guarantee commitments, this information is not presented below.

GROUP ASSETS AT AMORTISED COST WITHOUT INSURANCE ACTIVITIES: OUTSTANDING AMOUNTS AND IMPAIRMENTS BY BASEL PORTFOLIO

Table 3.8.C

	30.06.2024							
	Assets at amortised cost				Impairment			
(In EUR m)	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Sovereign	250,112	5,317	93	**255,522**	3	2	59	**64**
Institutions	143,841	573	70	**144,484**	7	2	20	**29**
Corporates	220,251	18,226	8,937	**247,414**	568	1,208	3,577	**5,353**
o/w SME	*36,561*	*4,881*	*3,124*	***44,566***	*179*	*331*	*1,496*	***2,006***
Retail	173,016	17,195	6,898	**197,109**	333	554	3,187	**4,074**
o/w VSB	*17,243*	*2,557*	*2,323*	***22,123***	*65*	*175*	*1,105*	***1,345***
Others	1,457	46	13	**1,516**	3	2	7	**12**
Total	**788,677**	**41,357**	**16,011**	**846,045**	**914**	**1,768**	**6,850**	**9,532**

Table 3.8.D

	31.12.2023							
	Assets at amortised cost				Impairment			
(In EUR m)	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Sovereign	255,852	4,492	73	**260,417**	5	3	59	**67**
Institutions	142,862	542	88	**143,492**	7	1	21	**29**
Corporates	227,438	20,608	8,663	**256,709**	622	1,312	3,709	**5,643**
o/w SME	*41,869*	*6,212*	*3,560*	***51,641***	*213*	*364*	*1,825*	***2,402***
Retail	185,088	18,373	7,564	**211,025**	411	655	3,688	**4,754**
o/w VSB	*24,447*	*2,911*	*2,690*	***30,048***	*104*	*236*	*1,412*	***1,752***
Others	1,685	48	14	**1,747**	3	2	7	**12**
Total	**812,925**	**44,063**	**16,402**	**873,390**	**1,048**	**1,973**	**7,484**	**10,505**

The financial assets measured at fair value through other comprehensive income mainly correspond to cash management for own account and to the management of the portfolio of HQLA (High Quality Liquid Assets) securities included in the liquidity reserves. These assets mainly correspond to Sovereigns classified in Stage 1.

The financing and guarantee commitments mainly correspond to outstanding amounts not drawn by Corporate customers. These assets are mainly classified in Stage 1.

GROUP ASSETS AT AMORTISED COST WITHOUT INSURANCE ACTIVITIES: OUTSTANDING AMOUNTS AND IMPAIRMENTS BY GEOGRAPHICAL ZONE

The geographic area chosen corresponds to the country of the counterparty. When this information is unavailable, it is the country of the issuing entity that is used.

Table 3.8.E

	30.06.2024							
	Assets at amortised cost				Impairment			
(In EUR m)	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
France	424,828	18,912	9,994	**453,734**	477	1,010	3,757	**5,244**
Western European countries (excl. France)	119,963	10,099	1,583	**131,645**	154	187	715	**1,056**
Eastern European countries EU	61,566	6,583	979	**69,128**	151	269	503	**923**
Eastern Europe excluding EU	3,928	1,301	216	**5,445**	3	52	35	**90**
North America	103,453	1,573	667	**105,693**	19	120	158	**297**
Latin America and Caribbean	4,755	273	320	**5,348**	2	8	119	**129**
Asia-Pacific	43,738	112	288	**44,138**	8	1	88	**97**
Africa and Middle East	26,446	2,504	1,964	**30,914**	100	121	1,475	**1,696**
Total	**788,677**	**41,357**	**16,011**	**846,045**	**914**	**1,768**	**6,850**	**9,532**

Over 80% of all financing and guarantee commitments have Western Europe, North America or France as their country of counterparty.

Table 3.8.F

	31.12.2023							
	Assets at amortised cost				Impairment			
(In EUR m)	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
France	443,958	20,646	9,026	**473,630**	511	1,042	3,431	**4,984**
Western European countries (excl. France)	134,142	10,521	1,717	**146,380**	201	259	754	**1,214**
Eastern European countries EU	62,572	6,670	919	**70,161**	154	276	518	**948**
Eastern Europe excluding EU	3,503	1,173	206	**4,882**	2	103	32	**137**
North America	93,778	1,775	537	**96,090**	18	106	127	**251**
Latin America and Caribbean	5,582	468	367	**6,417**	2	8	106	**116**
Asia-Pacific	33,894	301	288	**34,483**	13	3	125	**141**
Africa and Middle East	35,496	2,509	3,342	**41,347**	147	176	2,391	**2,714**
Total	**812,925**	**44,063**	**16,402**	**873,390**	**1,048**	**1,973**	**7,484**	**10,505**

GROUP ASSETS AT AMORTISED COST WITHOUT INSURANCE ACTIVITIES: SUBJECT TO IMPAIRMENT AND PROVISIONS BY RATING OF COUNTERPARTY [1]

Classification in Stage 1 or Stage 2 does not depend on the absolute probability of default but on the elements that make it possible to assess the significant increase in credit risk (see accounting principles), including the relative change in the probability of default since initial recognition. Therefore, there is no direct relationship between the counterparty rating, presented in the table below, and the classification by stage of impairment.

Table 3.8.G

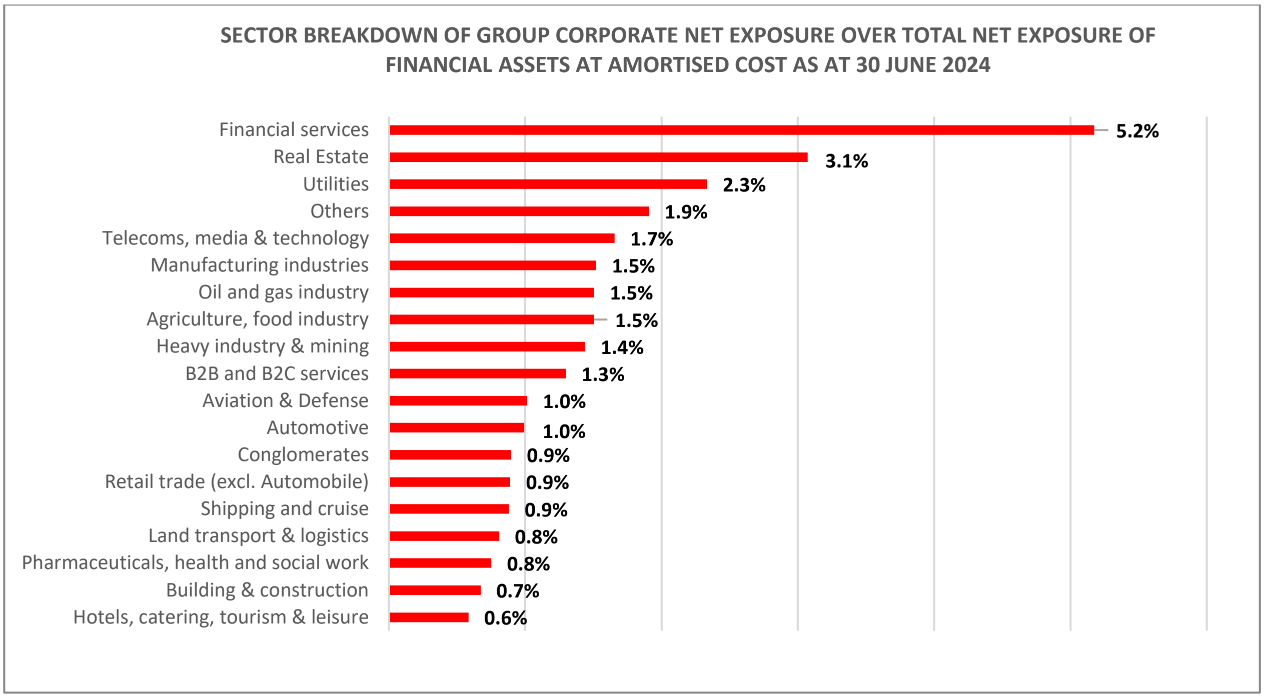
	30.06.2024							
	Assets at amortised cost				Impairment			
(In EUR m)	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
1	77,308	986	-	**78,294**	4	2	-	**6**
2	173,815	4,569	-	**178,384**	2	1	-	**3**
3	63,284	1,414	-	**64,698**	5	3	-	**8**
4	83,864	554	-	**84,418**	59	4	-	**63**
5	76,352	4,374	-	**80,726**	254	90	-	**344**
6	19,442	8,587	-	**28,029**	205	474	-	**679**
7	2,615	5,095	-	**7,710**	20	463	-	**483**
Default (8, 9, 10)	-	-	8,718	**8,718**	-	-	3,473	**3,473**
Other method	291,997	15,778	7,293	**315,068**	365	731	3,377	**4,473**
Total	**788,677**	**41,357**	**16,011**	**846,045**	**914**	**1,768**	**6,850**	**9,532**

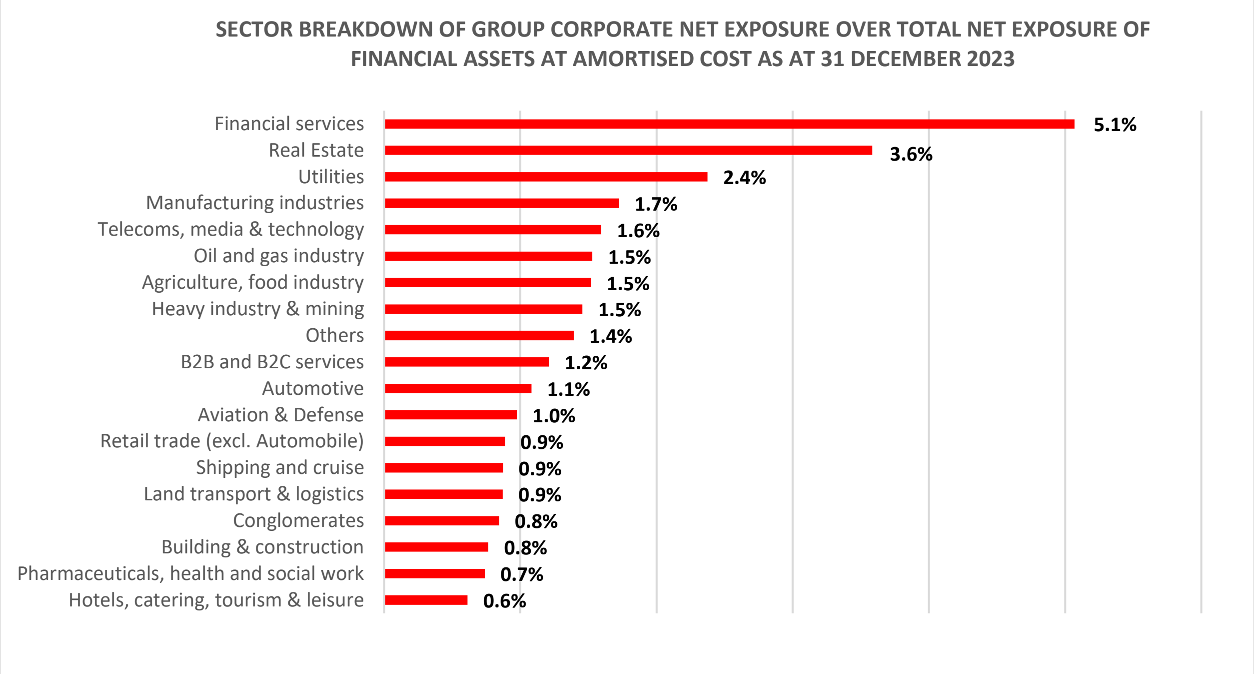
Table 3.8.H

	31.12.2023							
	Outstanding amounts				Impairment			
(In EUR m)	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
1	67,873	888	-	**68,761**	1	3	-	**4**
2	189,026	3,834	-	**192,860**	2	1	-	**3**
3	53,862	1,409	-	**55,271**	9	6	-	**15**
4	85,123	505	-	**85,628**	68	7	-	**75**
5	85,404	4,486	-	**89,890**	282	103	-	**385**
6	23,247	9,546	-	**32,793**	195	536	-	**731**
7	3,162	5,432	-	**8,594**	20	477	-	**497**
Default (8, 9, 10)	-	-	8,522	**8,522**	-	-	3,646	**3,646**
Other method	305,228	17,963	7,880	**331,071**	471	840	3,838	**5,149**
Total	**812,925**	**44,063**	**16,402**	**873,390**	**1,048**	**1,973**	**7,484**	**10,505**

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

The graphs below show the sectoral breakdown of the "Corporate" Basel portfolio (see Table 3.8.C and Table 3.8.D). The percentages presented correspond to the net amounts (gross amounts reduced by the corresponding impairment).





2. IMPAIRMENT OF FINANCIAL ASSETS

BREAKDOWN

In accordance with the application of IFRS 9 “Financial instruments” by the insurance subsidiaries (see Note 1), the impairment booked in these subsidiaries is presented below.

Table 3.8.I

(In EUR m)	**Amount as at 31.12.2023**	Allocations	Write-backs available	**Net impairment losses**	**Write-backs used**	**Currency and scope effects**	**Amount as at 30.06.2024**
Financial assets at fair value through other comprehensive income							
Impairment on performing outstanding (Stage 1)	5	4	(5)	(1)		1	5
Impairment on underperforming outstanding (Stage 2)	11	1	(1)	-		(7)	4
Impairment on doubtful outstanding (Stage 3)	-	-	-	-	-	-	-
Total	**16**	**5**	**(6)**	**(1)**	**-**	**(6)**	**9**
Financial assets measured at amortised cost	-	-	-	-	-	-	-
Impairment on performing assets outstanding (Stage 1)	1,048	414	(464)	(50)		(84)	914
Impairment on underperforming assets outstanding (Stage 2)	1,973	785	(913)	(128)		(77)	1,768
Impairment on doubtful assets outstanding (Stage 3)	7,484	2,390	(1,446)	944	(426)	(1,152)	6,850
Total	**10,505**	**3,589**	**(2,823)**	**766**	**(426)**	**(1,313)**	**9,532**
o/w lease financing and similar agreements	***883***	***228***	***(185)***	***43***	***(30)***	***(253)***	***643***
Impairment on performing assets outstanding (Stage 1)	*127*	*30*	*(38)*	*(8)*		*(33)*	*86*
Impairment on underperforming assets outstanding (Stage 2)	*163*	*59*	*(65)*	*(6)*		*(11)*	*146*
Impairment on doubtful assets outstanding (Stage 3)	*593*	*139*	*(82)*	*57*	*(30)*	*(209)*	*411*

GROUP VARIATIONS OF DEPRECIATION WITHOUT INSURANCE ACTIVITIES ACCORDING TO CHANGES IN THE AMOUNT OF FINANCIAL ASSETS AT AMORTISED COST

Due to lack of significant variations of depreciations on financial assets measured at fair value through other comprehensive income and on financial assets at amortised cost of insurance activities, this information is not presented in the table below.

Table 3.8.J

(In EUR m)	Stage 1	*Of which lease financing receivables*	Stage 2	*Of which lease financing receivables*	Stage 3	*Of which lease financing receivables*	**Total**
Amount as at 31.12.2023	1,048	*127*	1,973	*163*	7,484	*593*	**10,505**
Production & Acquisition (1)	171	*12*	45	*4*	124	*94*	**340**
Derecognition (2)	(125)	*(2)*	(143)	*(1)*	(409)	*(30)*	**(677)**
Transfer from stage 1 to stage 2 (3)	(50)	*(3)*	388	*32*	-	-	**338**
Transfer from stage 2 to stage 1 (3)	24	*1*	(157)	*(17)*	-	-	**(133)**
Transfer to stage 3 (3)	(9)	*(1)*	(130)	*(10)*	720	*64*	**581**
Transfer from stage 3 (3)	1	-	14	*2*	(59)	*(5)*	**(44)**
Allocations & Write-backs without stage transfer (3)	(49)	*(13)*	(122)	*(13)*	112	*(105)*	**(59)**
Currency effect	3	-	5	-	43	*3*	**51**
Scope effect	(105)	*(40)*	(81)	*(11)*	(1,159)	*(201)*	**(1,345)**
Other variations	5	*5*	(24)	*(3)*	(6)	*(2)*	**(25)**
Amount as at 30.06.2024	**914**	***86***	**1,768**	***146***	**6,850**	***411***	**9,532**

(1) The amounts of impairment presented in the line Production and Acquisition in Stage 2/Stage 3 could include contracts originated in Stage 1 and reclassified in Stage 2/Stage 3 during the period.

(2) Including repayments, disposals and debt waivers.

(3) The amounts presented in the transfers include variations due to amortisation. Transfers to Stage 3 correspond to outstanding amounts initially classified as Stage 1 which, during the period, were downgraded directly to Stage 3, or to Stage 2 and later to Stage 3.

BREAKDOWN OF TRANSFERS BETWEEN STAGES FOR FINANCIAL ASSETS AT AMORTISED COST OF THE GROUP WITHOUT INSURANCE ACTIVITIES FOR THE PERIOD

The amounts presented in the transfers below include variations due to amortisation and new drawdowns on the contracts active during the financial year.

To describe the transfers between steps:

- The starting stage corresponds to the stage of the outstanding balance as at 31 December of the previous year.
- The end stage corresponds to the stage of the outstanding balance at the end of the financial year (even in the event of several changes during the financial year).

Table 3.8.K

	Stage 1		Stage 2		Stage 3			
(In EUR m)	Outstanding amounts	Impairment	Outstanding amounts	Impairment	Outstanding amounts	Impairment	**Stock of outstanding amounts transferred as at 31 December**	**Stock of impairment associated with transferred outstanding amounts**
Transfer from Stage 1 to Stage 2	(10,004)	(50)	7,470	388	-	-	**7,470**	**388**
Transfer from Stage 2 to Stage 1	4,736	24	(5,542)	(157)	-	-	**4,736**	**24**
Transfer from Stage 3 to Stage 1	169	1	-	-	(172)	(21)	**169**	**1**
Transfer from Stage 3 to Stage 2	-	-	205	14	(235)	(38)	**205**	**14**
Transfer from Stage 1 to Stage 3	(1,025)	(9)	-	-	911	247	**911**	**247**
Transfer from Stage 2 to Stage 3	-	-	(2,049)	(130)	1,882	473	**1,882**	**473**
Currency effect on contracts that change Stage	4	-	7	-	-	-	**11**	**-**

3. CREDIT RISK PROVISIONS

BREAKDOWN

In accordance with the application of IFRS 9 “Financial instruments” by the insurance subsidiaries (see Note 1), the provisions of these subsidiaries are presented below.

Table 3.8.L

(In EUR m)	**Amount as at 31.21.2023**	Allocations	Write-backs available	**Net impairment losses**	**Currency and scope effects**	**Amount as at 30.06.2024**
Financing commitments						
Provisions on performing assets outstanding (Stage 1)	154	74	(87)	(13)	(2)	139
Provisions on underperforming assets outstanding (Stage 2)	235	88	(97)	(9)	2	228
Provisions on doubtful assets outstanding (Stage 3)	58	65	(64)	1	14	73
Total	**447**	**227**	**(248)**	**(21)**	**14**	**440**
Guarantee commitments						
Provisions on performing assets outstanding (Stage 1)	59	25	(31)	(6)	(2)	51
Provisions on underperforming assets outstanding (Stage 2)	84	30	(42)	(12)	(4)	68
Provisions on doubtful assets outstanding (Stage 3)	229	86	(69)	17	(38)	208
Total	**372**	**141**	**(142)**	**(1)**	**(44)**	**327**

GROUP VARIATIONS OF PROVISIONS WITHOUT INSURANCE ACTIVITIES ACCORDING TO CHANGES IN THE AMOUNT OF FINANCING AND GUARANTEE COMMITMENTS

Due to the absence of significant variations in the provisions on financing and guarantee commitments for insurance activities, this information is not presented in the table below.

Table 3.8.M

	Provisions								
	On financing commitments				On guarantee commitments				Total
(In EUR m)	Stage 1	Stage 2	Stage 3	**Total**	Stage 1	Stage 2	Stage 3	**Total**	
Amount as at 31.12.2023	154	235	58	**447**	59	84	229	**372**	**819**
Production & Acquisition (1)	27	9	6	**42**	12	7	3	**22**	**64**
Derecognition (2)	(25)	(5)	(10)	**(40)**	(7)	(11)	(1)	**(19)**	**(59)**
Transfer from stage 1 to stage 2 (3)	(5)	31	-	**26**	(3)	13	-	**10**	**36**
Transfer from stage 2 to stage 1 (3)	1	(7)	-	**(6)**	1	(2)	-	**(1)**	**(7)**
Transfer to stage 3 (3)	(1)	(6)	16	**9**	-	(6)	16	**10**	**19**
Transfer from stage 3 (3)	-	-	(1)	**(1)**	-	-	(2)	**(2)**	**(3)**
Allocations & Write-backs without stage transfer (3)	(8)	(31)	(2)	**(41)**	(8)	(18)	1	**(25)**	**(66)**
Currency effect	1	3	-	**4**	-	-	2	**2**	**6**
Scope effect	(5)	(1)	-	**(6)**	(3)	(2)	(37)	**(42)**	**(48)**
Other variations	-	-	6	**6**	-	3	(3)	**-**	**6**
Amount as at 30.06.2024	**139**	**228**	**73**	**440**	**51**	**68**	**208**	**327**	**767**

(1) The amounts of impairment presented in the Production and Acquisition line in Stage 2/Stage 3 may include originated contracts in Stage 1 reclassified in Stage 2/Stage 3 during the period.

(2) Including repayments, disposals and debt waivers.

(3) The amounts presented in transfers include variations due to amortisation. Transfers to Stage 3 correspond to outstanding amounts initially classified as Stage 1 which, during the period, were downgraded directly to Stage 3, or to Stage 2 and later to Stage 3.

DETAILS OF TRANSFERS BETWEEN STAGES FOR THE GROUP'S OFF-BALANCE SHEET COMMITMENTS EXCLUDING INSURANCE ACTIVITIES FOR THE PERIOD

The amounts presented in the transfers hereinafter include the variations due to amortisation and new drawdowns on the contracts active during the financial year.

To describe the transfers between steps:

- The starting stage corresponds to the stage of the outstanding balance as on 31 December of the previous year.
- The end stage corresponds to the stage of the outstanding balance at the end of the financial year (even in the event of several changes during the financial year).

Table 3.8.N

	Financing commitments							
	Stage 1		Stage 2		Stage 3			
(In EUR m)	Outstanding amounts subject to impairment and provisions	Provisions	Outstanding amounts subject to impairment and provisions	Provisions	Outstanding amounts subject to impairment and provisions	Provisions	**Stock of outstanding commitments transferred as at 31 December**	**Stock of provisions associated with transferred outstanding amounts**
Transfer from Stage 1 to Stage 2	(1,136)	(5)	962	31	-	-	**962**	**31**
Transfer from Stage 2 to Stage 1	539	1	(603)	(7)	-	-	**539**	**1**
Transfer from Stage 3 to Stage 1	5	-	-	-	(9)	-	**5**	**-**
Transfer from Stage 3 to Stage 2	-	-	23	-	(26)	(1)	**23**	**-**
Transfer from Stage 1 to Stage 3	(55)	(1)	-	-	49	-	**49**	**-**
Transfer from Stage 2 to Stage 3	-	-	(98)	(6)	97	16	**97**	**16**
Currency effect on contracts that change Stage	8	-	7	-	-	-	**15**	**-**

Table 3.8.O

	Guarantee commitments							
	Stage 1		Stage 2		Stage 3			
(In EUR m)	Outstanding amounts subject to impairment and provisions	Provisions	Outstanding amounts subject to impairment and provisions	Provisions	Outstanding amounts subject to impairment and provisions	Provisions	**Stock of outstanding commitments transferred as at 31 December**	**Stock of provisions associated with transferred outstanding amounts**
Transfer from Stage 1 to Stage 2	(612)	(3)	437	13	-	-	**437**	**13**
Transfer from Stage 2 to Stage 1	386	1	(434)	(2)	-	-	**386**	**1**
Transfer from Stage 3 to Stage 1	2	-	-	-	(2)	(1)	**2**	**-**
Transfer from Stage 3 to Stage 2	-	-	7	-	(8)	(1)	**7**	**-**
Transfer from Stage 1 to Stage 3	(23)	-	-	-	17	3	**17**	**3**
Transfer from Stage 2 to Stage 3	-	-	(139)	(6)	160	13	**160**	**13**
Currency effect on contracts that change Stage	2	-	4	-	-	-	**6**	**-**

4. QUALITATIVE INFORMATION OF CHANGES IN IMPAIRMENT/PROVISIONS ON CREDIT RISK

The variation in credit risk impairment and provisions since 31 December 2023 is mainly linked to:

- Covered losses on Stage 3 loans (EUR 421 million) included in the line derecognition. This is in line with the Group strategy of non-performing loans (NPL) monitoring, by selling its portfolios of exposures in default situation. Uncovered losses amount to EUR 106 million;
- Transfer of loans to Stage 3 due to default for EUR 3.1 billion of outstanding amounts. This transfer resulted in an increase in impairment and provisions of EUR 600 million.

  Particularly, this variation concerns:

  – EUR 1 billion of outstanding amounts for which the impairment and provisions amount to EUR 212 million as at 30 June 2024. These contracts were in Stage 1 as at 31 December 2023;

  – EUR 2.1 billion of outstanding amounts for which the impairment and provisions amount to EUR 388 million as at 30 June 2024. These contracts were in Stage 2 as at 31 December 2023;
- Transfer of loans to Stage 2 due to downgraded ratings, transfer to “sensitive” or 30 days overdue for EUR 9 billion. This transfer resulted in an increase in impairment and provisions of EUR 374 million;
- IFRS 5 entities classified as held for sale during the first semester 2024. This classification resulted a decrease in impairment and provisions of EUR 1,392 million, included in the line Scope effect.

5. COST OF CREDIT RISK

SUMMARY

Table 3.8.P

(In EUR m)	1st semester of 2024	2023	1st semester of 2023
Cost of credit risk of financial assets from insurance activities	1	7	3
Cost of credit risk	(787)	(1,025)	(348)
Total	**(786)**	**1,018**	**(345)**

Table 3.8.Q

(In EUR m)	1st semester of 2024	2023	1st semester of 2023
Net allocation to impairment losses	(765)	(940)	(362)
On financial assets at fair value through other comprehensive income	*1*	*12*	*8*
On financial assets at amortised cost	*(766)*	*(952)*	*(370)*
Net allocations to provisions	22	57	18
On financing commitments	*21*	*60*	*27*
On guarantee commitments	*1*	*(3)*	*(9)*
Losses not covered on irrecoverable loans	(106)	(333)	(90)
Amounts recovered on irrecoverable loans	60	200	102
Effect from guarantee not taken into account for the calculation of impairment	3	(2)	(13)
Total	**(786)**	**(1,018)**	**(345)**
o/w cost of credit risk on performing outstanding classified in Stage 1	*69*	*0*	*(17)*
o/w cost of credit risk on underperforming loans classified in Stage 2	*145*	*176*	*82*
o/w cost of credit risk on doubtful outstanding classified in Stage 3	*(1,000)*	*(1,194)*	*(410)*

NOTE 3.9 - FAIR VALUE OF FINANCIAL INSTRUMENTS MEASURED AT AMORTISED COST

1. FINANCIAL ASSETS MEASURED AT AMORTISED COST

Table 3.9.A

	30.06.2024	
(In EUR m)	**Carrying amount [2]**	**Fair value**
Due from banks	78,415	78,396
Customer loans [1]	455,438	436,368
Debt securities	30,353	29,867
Total	**564,206**	**544,631**

(1) Carrying amount consists of EUR 160,790 million of floating rate assets and EUR 294,648 million of fixed rate assets (including EUR 62,183 million fixed rate less than one year).

(2) Carrying amount does not include the revaluation differences on portfolios hedged against interest rate risk for an amount of EUR -1,259 million.

Table 3.9.B

	31.12.2023	
(In EUR m)	**Carrying amount [2]**	**Fair value**
Due from banks	77,879	77,853
Customer loans [1]	485,449	466,422
Debt Securities	28,147	27,801
Total	**591,475**	**572,076**

(1) Carrying amount consists of EUR 158,237 million of floating rate assets and EUR 327,212 million of fixed rate assets (including EUR 69,811 million fixed rate less than one year).

(2) Carrying amount does not include the revaluation differences on portfolios hedged against interest rate risk for an amount of EUR -433 million.

2. FINANCIAL LIABILITIES MEASURED AT AMORTISED COST

Table 3.9.C

	30.06.2024	
(In EUR m)	**Carrying amount [(2)]**	**Fair value**
Due to banks	105,778	105,848
Customer deposits [(1)]	540,355	539,596
Debt securities issued	161,886	160,668
Subordinated debt	15,852	15,335
Total	**823,871**	**821,447**

(1) Carrying amount consists of EUR 140,583 million of floating rate liabilities and EUR 399,772 million of fixed rate liabilities (including EUR 365,946 million fixed rate less than one year).

(2) Carrying amount does not include the revaluation differences on portfolios hedged against interest rate risk for an amount of EUR -6,994 million.

Table 3.9.D

	31.12.2023	
(In EUR m)	**Carrying amount [(2)]**	**Fair value**
Due to banks	117,847	117,793
Customer deposits [(1)]	541,677	540,624
Debt securities issued	160,506	159,282
Subordinated debt	15,894	15,129
Total	**835,924**	**832,828**

(1) Carrying amount consists of EUR 148,887 million of floating rate liabilities and EUR 392,790 million of fixed rate liabilities (including EUR 359,618 million fixed rate less than one year).

(2) Carrying amount does not include the revaluation differences on portfolios hedged against interest rate risk for an amount of EUR -5,857 million.

In a context of rising interest rates, financial assets, unlike financial liabilities, have a fair value significantly discounted compared to their book value. This asymmetry can be explained in particular by the fact that debts to customers are mainly composed of demand deposits whose fair value is equal to their nominal value due to their immediate contractual maturity. This asymmetry is partially reduced by taking into account the interest rate hedges applicable to these deposits.

NOTE 4 - OTHER ACTIVITIES

NOTE 4.1 - FEE INCOME AND EXPENSE

Table 4.1.A

	1st semester of 2024			2023			1st semester of 2023		
(In EUR m)	Income	Expense	Net	Income	Expense	Net	Income	Expense	Net
Transactions with banks	**66**	**(64)**	**2**	**134**	**(125)**	**9**	**65**	**(63)**	**2**
Transactions with customers	**1,531**		**1,531**	**2,979**		**2,979**	**1,474**		**1,474**
Financial instruments operations	**1,727**	**(1,444)**	**283**	**3,366**	**(2,976)**	**390**	**1,572**	**(1,512)**	**60**
Securities transactions	294	(517)	(223)	717	(1,268)	(551)	416	(681)	(265)
Primary market transactions	285		285	547		547	160		160
Foreign exchange transactions and financial derivatives	1,148	(927)	221	2,102	(1,708)	394	996	(831)	165
Loan and guarantee commitments	**523**	**(199)**	**324**	**1,004**	**(429)**	**575**	**496**	**(224)**	**272**
Various services	**1,331**	**(502)**	**829**	**2,580**	**(945)**	**1,635**	**1,257**	**(416)**	**841**
Asset management fees	157		157	316		316	144		144
Means of payment fees	504		504	1,018		1,018	512		512
Insurance product fees	74		74	208		208	86		86
Underwriting fees of UCITS	44		44	82		82	42		42
Other fees	552	(502)	50	956	(945)	11	474	(416)	58
Total	**5,177**	**(2,209)**	**2,968**	**10,063**	**(4,475)**	**5,588**	**4,864**	**(2,216)**	**2,648**

NOTE 4.2 - INCOME AND EXPENSE FROM OTHER ACTIVITIES

Table 4.2.A

	1st semester of 2024			2023			1st semester of 2023		
(In EUR m)	**Income**	**Expense**	**Net**	**Income**	**Expense**	**Net**	**Income**	**Expense**	**Net**
Real estate development	20	(8)	12	60	(4)	56	28	(1)	27
Real estate leasing	39	(30)	9	87	(174)	(87)	42	(27)	15
Equipment leasing (1)	13,121	(10,828)	2,293	20,107	(15,992)	4,115	7,408	(5,573)	1,835
Other activities	326	(658)	(332)	751	(1,224)	(473)	458	(690)	(232)
Total	**13,506**	**(11,524)**	**1,982**	**21,005**	**(17,394)**	**3,611**	**7,936**	**(6,291)**	**1,645**

(1) The amount recorded under this heading is mainly due to income and expenses related to long-term leasing and car fleet management businesses. Most of the Group's long-term lease agreements are 36-month to 48-month leases.

NOTE 4.3 - INSURANCE ACTIVITIES

The Group decided to present the Notes detailing the financial data of the insurance subsidiaries distinguishing between the data attributed to the insurance contracts within the scope of IFRS 17 (columns headed “Insurance contracts”) including the measurement of these contracts and the investments backing them. These data also distinguish between the insurance contracts issued with direct participation features measured using the VFA model and their underlying investments.

The financial data of the investment contracts without participation features and without insurance component (contracts within the scope of IFRS 9) as well as all financial instruments that are not backing insurance contracts within the scope of IFRS 17 (ex: financial instruments negotiated in the context of the investment of equity) are presented separately from the other financial data in the “Others” column.

The future cash flows of the assets and liabilities of the insurance contract assets and liabilities are discounted using a risk-free rate curve (swap rate curve) modified by an illiquidity premium per entity and per activity. The following table shows the average discount rates used:

Table 4.3.A

	30.06.2024						31.12.2023					
Average discount rate for the euro	**1 year**	**5 years**	**10 years**	**15 years**	**20 years**	**40 years**	**1 year**	**5 years**	**10 years**	**15 years**	**20 years**	**40 years**
Savings and retirement	4.38%	3.72%	3.68%	3.71%	3.61%	3.39%	4.27%	3.24%	3.31%	3.39%	3.34%	3.27%
Protection	3.88%	3.13%	3.02%	3.03%	2.94%	2.90%	3.74%	2.74%	2.77%	2.83%	2.74%	2.82%

1. EXCERPT FROM THE BALANCE SHEET OF THE INSURANCE ACTIVITY

The tables below present the carrying amount of the assets and liabilities recognised on the balance sheet of the Group’s insurance subsidiaries for:

- insurance contracts and investment contracts;
- investments made (whether or not backed by insurance contracts).

ASSET DETAILS

Table 4.3.B

(In EUR m)	30.06.2024 Insurance contracts With direct participations features	30.06.2024 Insurance contracts Other	30.06.2024 Other	30.06.2024 Total	31.12.2023 Insurance contracts With direct participations features	31.12.2023 Insurance contracts Other	31.12.2023 Other	31.12.2023 Total
Financial assets at fair value through profit or loss	**113,540**	**87**	**3,429**	**117,056**	**107,864**	**211**	**3,794**	**111,869**
Trading portfolio	517	-	69	586	547	-	20	567
Trading derivatives	*517*	-	*69*	*586*	*547*	-	*20*	*567*
Financial assets measured mandatorily at fair value through profit or loss	99,527	87	3,312	102,926	93,912	205	3,725	97,842
Bonds and other debt securities	*31,870*	*12*	*165*	*32,047*	*30,332*	*14*	*117*	*30,463*
Shares and other equity securities	*66,664*	*75*	*3,147*	*69,886*	*62,563*	*186*	*3,304*	*66,053*
Loans, receivables and securities puchased under resale agreements	*993*	-	-	*993*	*1,017*	*5*	*304*	*1,326*
Financial instruments measured using fair value option through profit or loss	13,496	-	48	13,544	13,405	6	49	13,460
Bonds and other debt securities	*13,496*	-	*48*	*13,544*	*13,405*	*6*	*49*	*13,460*
Hedging derivatives	**110**	**-**	**-**	**110**	**140**	**-**	**-**	**140**
Financial assets at fair value through other comprehensive income	**48,266**	**1,652**	**224**	**50,142**	**51,257**	**1,417**	**226**	**52,900**
Debt instruments	48,266	1,652	224	50,142	51,257	1,417	226	52,900
Bonds and other debt securities	*48,266*	*1,651*	*224*	*50,141*	*51,243*	*1,415*	*226*	*52,884*
Loans, receivables and securities purchased under resale agreements	-	*1*	-	*1*	*14*	*2*	-	*16*
Financial assets at amortised cost (1)	**776**	**243**	**5,903**	**6,922**	**718**	**614**	**5,368**	**6,700**
Investment Property	**712**	**-**	**2**	**714**	**729**	**-**	**1**	**730**
TOTAL INVESTMENTS OF INSURANCE ACTIVITIES (2)	**163,404**	**1,982**	**9,558**	**174,944**	**160,708**	**2,242**	**9,389**	**172,339**
Insurance contracts issued assets	-	12	-	12	-	81	-	81
Reinsurance contracts held assets	-	461	-	461	-	378	-	378
TOTAL INSURANCE AND REINSURANCE CONTRACTS ASSETS	**-**	**473**	**-**	**473**	**-**	**459**	**-**	**459**

(1) The financial assets at amortised cost are mainly related to debt securities at amortised cost and loans and receivables due from banks at amortised cost

(2) The Group has chosen to keep in the consolidated accounts investments made near Group companies measured at fair value through profit or loss in representation of unit-linked liabilities.

DETAIL OF LIABILITIES

Table 4.3.C

	30.06.2024				31.12.2023			
	Insurance contracts		Other	Total	Insurance contracts		Other	Total
(In EUR m)	*With direct participations features*	*Other*			*With direct participations features*	*Other*		
Financial liabilities at fair value through profit or loss	**232**	**-**	**4,081**	**4,313**	**82**	**-**	**4,017**	**4,099**
Trading portfolio	231	-	427	658	82	-	503	585
Borrowings and securities sold under repurchase agreements	-	-	*5*	*5*	-	-	-	-
Trading derivatives	*231*	-	*422*	*653*	*82*	-	*503*	*585*
Financial instruments measured using fair value option through profit or loss (1)	1	-	3,654	3,655	-	-	3,514	3,514
Hedging derivatives	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Debt securities issued	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Due to banks	**3,728**	**162**	**32**	**3,922**	**2,442**	**6**	**84**	**2,532**
Customer deposits	**-**	**-**	**4**	**4**	**-**	**-**	**4**	**4**
TOTAL OF FINANCIAL LIABILITIES FROM INSURANCE ACTIVITIES	**3,960**	**162**	**4,117**	**8,239**	**2,524**	**6**	**4,105**	**6,635**
Insurance contracts issued liabilities	143,697	2,723	-	146,420	138,976	2,746	-	141,722
Reinsurance contracts held liabilities	-	-	-	-	-	1	-	1
TOTAL INSURANCE AND REINSURANCE CONTRACTS LIABILITIES	**143,697**	**2,723**	**-**	**146,420**	**138,976**	**2,747**	**-**	**141,723**

(1) The financial instruments measured using the fair value option correspond to the unit-linked contracts without participation features.

2. PERFORMANCE OF INSURANCE ACTIVITIES

The tables below show the details of the income and expenses recognised in the income statement or in the gains and losses directly recognised in equity by the Group's insurance subsidiaries for:

- the commercial performance of insurance services presented within the Net income of insurance services,
- the financial performance related to the management of contracts resulting from:
  - the financial income and expenses recognised on insurance contracts;
  - the financial income and expenses recognised on the investments backed on contracts;
- the financial performance of the other investments.

2.1 DETAIL OF PERFORMANCE OF INSURANCE ACTIVITIES

Table 4.3.D

(In EUR m)	1st semester of 2024				2023				1st semester of 2023			
	Insurance contracts		Other	Total	Insurance contracts		Other	Total	Insurance contracts		Other	Total
	with direct participations features	*Other*			*with direct participations features*	*Other*			*with direct participations features*	*Other*		
Financial result of investments and other transactions from insurance activities	**3,164**	**19**	**85**	**3,268**	**6,527**	**110**	**124**	**6,761**	**3,924**	**1**	**80**	**4,005**
Interest and similar income	705	23	96	**824**	1,477	33	168	**1,678**	778	19	67	**864**
Interest and similar expense	(150)	(6)	(65)	**(221)**	(261)	(11)	(113)	**(385)**	(91)	(6)	(57)	**(154)**
Fee income	-	-	2	**2**	10	-	1	**11**	5	-	-	**5**
Fee expense	(5)	-	(1)	**(6)**	(16)	(3)	(3)	**(22)**	(26)	(5)	(1)	**(32)**
Net gains and losses on financial transactions	2,600	4	53	**2,657**	5,411	92	74	**5,577**	3,237	3	67	**3,307**
o/w gains and losses on financial instruments at fair value through profit or loss	*2,705*	*6*	*71*	***2,782***	*5,467*	*97*	*74*	***5,638***	*3,337*	*3*	*67*	***3,407***
o/w gains and losses on financial instruments at fair value through other comprehensive income	*(105)*	*(2)*	*-*	***(107)***	*(56)*	*-*	*-*	***(56)***	*(100)*	*-*	*-*	***(100)***
o/w gains and losses on financial instruments at amortised cost	*-*	*-*	*(18)*	***(18)***	*-*	*(5)*	*-*	***(5)***	*-*	*-*	*-*	***-***
Cost of credit risk from financial assets related to insurance activities	1	-	-	**1**	7	-	-	**7**	3	-	-	**3**
Net income from other activities [(1)]	13	(2)	-	**11**	(101)	(1)	(3)	**(105)**	18	(10)	4	**12**
Insurance service result	**526**	**322**		**848**	**958**	**620**		**1,578**	**490**	**328**		**818**
Income from insurance contracts issued	677	1,232		**1,909**	1,259	2,280		**3,539**	625	1,057		**1,682**
Insurance service expenses	(151)	(878)		**(1,029)**	(301)	(1,677)		**(1,978)**	(135)	(724)		**(859)**
Net income or expenses from reinsurance contracts held	-	(32)		**(32)**	-	17		**17**	-	(5)		**(5)**
Financial result of insurance services	**(2,998)**	**(21)**		**(3,019)**	**(6,245)**	**(35)**		**(6,280)**	**(3,657)**	**(19)**		**(3,676)**
Net finance income or expenses from insurance contracts issued	(2,998)	(25)		**(3,023)**	(6,245)	(40)		**(6,285)**	(3,657)	(22)		**(3,679)**
Net finance income or expenses from reinsurance contracts held	-	4		**4**	-	5		**5**	-	3		**3**
Unrealised or deferred gains and losses from investments that will be reclassified subsequently into income	**(824)**	**(13)**	**(10)**	**(847)**	**2,137**	**72**	**10**	**2,219**	**237**	**23**	**2**	**262**
Revaluation of debt instruments at fair value through other comprehensive income	(798)	(13)	(10)	**(821)**	2,099	72	10	**2,181**	233	23	2	**258**
Revaluation of hedging derivatives	(26)	-	-	**(26)**	38	-	-	**38**	4	-	-	**4**
Unrealised or deferred gains and losses from insurance contracts that will be reclassified subsequently into income	**833**	**(6)**		**827**	**(2,150)**	**16**		**(2,134)**	**(235)**	**(3)**		**(238)**
Revaluation of insurance contracts issued	810	17		**827**	(2,147)	17		**(2,130)**	(235)	(1)		**(236)**
Revaluation of the reinsurance contracts held	23	(23)		**-**	(3)	(1)		**(4)**	-	(2)		**(2)**

(1) The item Net income from other activities corresponds to Income from other activities and Expenses from other activities

3. DETAILS RELATING TO THE OUTSTANDING STOCK OF INSURANCE CONTRACTS

The Group elected not to show detailed information regarding the reinsurance contracts held owing to their low materiality Group-wide.

SUMMARY OF THE OUTSTANDING STOCK

Table 4.3.E

	30.06.2024				31.12.2023			
	Insurance contracts				Insurance contracts			
(In EUR m)	*With direct participations features*	*Other*	Other	Total	*With direct participations features*	*Other*	Other	Total
Insurance contracts issued assets	-	12	-	**12**	-	81	-	**81**
o/w insurance contracts measured under the general model	-	*31*	-	***31***	-	*46*	-	***46***
Insurance contracts issued liabilities	143,697	2,723	-	**146,420**	138,976	2,746	-	**141,722**
o/w insurance contracts measured under the general model	*143,697*	*1,713*	-	***145,410***	*138,976*	*1,474*	-	***140,450***
Reinsurance contracts held assets	-	461	-	**461**	-	378	-	**378**
o/w reinsurance contracts measured under the general model	-	*127*	-	***127***	-	*137*	-	***137***
Reinsurance contracts held liabilities	-	-	-	**-**	-	1	-	**1**
o/w reinsurance contracts measured under the general model	-	-	-	**-**	-	-	-	**-**
Investment contracts (1)	-	-	3,655	**3,655**	-	-	3,514	**3,514**

(1) Investment contracts with no discretionary participation features measured at fair value through profit or loss using the fair value option.

DETAILED NET INCOME FROM INSURANCE SERVICES

The table below shows the Net income from insurance services. The way in which the Insurance income and expenses are recognised are detailed in the accounting principles under the "Presentation of the financial performance of insurance contracts" heading.

Table 4.3.F

(In EUR m)	1st semester of 2024 Insurance contracts with direct participations features	Other	Total	2023 Insurance contracts with direct participations features	Other	Total	1st semester 2023 Insurance contracts with direct participations features	Other	Total
Income from insurance contracts issued	**677**	**1,232**	**1,909**	**1,259**	**2,280**	**3,539**	**625**	**1,057**	**1,682**
Contracts measured under the general model	677	521	1,198	1,259	1,040	2,299	625	516	1,141
Income of premiums (relating to changes in Liabilities for Remaining Coverage) relative to:									
- Deferred acquisition costs	*18*	*99*	*117*	*25*	*170*	*195*	17	89	106
- Expected claims and handling costs	*69*	*218*	*287*	*147*	*441*	*588*	71	218	289
- Expected non financial risk adjustment	*142*	*62*	*204*	*272*	*115*	*387*	136	57	193
- Expected contractual services margin	*447*	*142*	*589*	*815*	*314*	*1,129*	401	152	553
Contracts measured under the PAA	-	711	711	-	1,240	1,240	-	541	541
Insurance service expenses	**(151)**	**(878)**	**(1,029)**	**(301)**	**(1,677)**	**(1,978)**	**(135)**	**(724)**	**(859)**
Amortisation of acquisition costs	(18)	(161)	(179)	(25)	(288)	(313)	(17)	(150)	(167)
Net expenses for expected costs of claims, handling costs and non financial risk adjustment (changes in Liabilities Incurred Claims) - Incurred in the period	(131)	(985)	(1,116)	(276)	(1,645)	(1,921)	(121)	(891)	(1,012)
Changes in net expenses for expected costs of claims and handling costs (changes in Liabilities Incurred Claims) - Past services	-	265	265	-	265	265	3	314	317
Losses and reversals of losses on onerous contracts (changes in Liabilities for Remaining Coverage)	(2)	3	1	-	(9)	(9)	-	3	3
Net income or expenses from reinsurance contracts held	**-**	**(32)**	**(32)**	**-**	**17**	**17**	**-**	**(5)**	**(5)**
INSURANCE SERVICE RESULT	**526**	**322**	**848**	**958**	**620**	**1,578**	**490**	**328**	**818**

3.1 INSURANCE CONTRACTS MEASURED UNDER THE GENERAL MODEL AND THE SIMPLIFIED MODEL

TABLE OF RECONCILIATION OF THE INSURANCE CONTRACTS ASSETS AND LIABILITIES BY TYPE OF COVERAGE (REMAINING COVERAGE AND CLAIMS INCURRED)

Table 4.3.G

	2024					
	Remaining coverage		**Incurred claims** (measured under the general model)	**Incurred claims** (measured under the PAA)		**Total**
(In EUR m)	*Excluding the loss component*	*Loss component*		Present value of the future cash flows	Non financial risk adjustment	
Insurance contracts issued liabilities	139,155	32	986	1,444	106	141,723
Insurance contracts issued assets	(87)	4	33	(31)	-	(81)
NET BALANCE AS AT 1 JANUARY	**139,068**	**36**	**1,019**	**1,413**	**106**	**141,642**
Income from insurance contracts issued [(1)]	**(1,909)**	**-**	**-**	**-**	**-**	**(1,909)**
Insurance service expenses	**179**	**(1)**	**359**	**497**	**(5)**	**1,029**
Amortisation of acquisition costs	179	-	-	-	-	179
Net expenses for expected costs of claims, handling costs and non-financial risk adjustment (changes in Liabilities Incurred Claims) - Incurred in the period	-	-	629	468	19	1,116
Changes in net expenses for expected costs of claims and handling costs (changes in Liabilities Incurred Claims) - Past services	-	-	(270)	29	(24)	(265)
Losses and reversals of losses on onerous contracts (changes in Liabilities for Remaining Coverage)	-	(1)	-	-	-	(1)
Net finance income or expenses from insurance contracts issued [(2)]	**2,177**	**1**	**8**	**10**	**-**	**2,196**
Changes relative to the deposits component including in the insurance contract	**(6,356)**	**-**	**6,356**	**-**	**-**	**-**
Other changes	**(1,862)**	**2**	**130**	**233**	**1**	**(1,496)**
Cash flows:	**12,269**	**-**	**(6,722)**	**(601)**	**-**	**4,946**
Premiums received (as a reduction of premiums to be received included in the remaining coverage)	12,675	-	-	-	-	12,675
Costs of claims and handling costs (as a reduction of the incurred claims liabilities)	-	-	(6,722)	(601)	-	(7,323)
Paid acquisition costs (as a net adjustment of the remaining coverage following the transfer of deferred amounts or amortisations)	(406)	-	-	-	-	(406)
NET BALANCE AS AT 30 JUNE	**143,566**	**38**	**1,150**	**1,552**	**102**	**146,408**
Insurance contracts issued liabilities	143,631	38	1,117	1,532	102	146,420
Insurance contracts issued assets	(65)	-	33	20	-	(12)

(1) Of which, for the insurance contracts identified on the transition date (and measured under the general model excluding the VFA model): EUR 128 million using the modified retrospective approach. Income from insurance contracts issued with direct participation are not monitored because the Group does not subdivide these contracts into annual cohorts in accordance with the exemption adopted by the European Union.

(2) This heading includes the financial expenses and income that were recorded under the heading Revaluation of insurance contracts in equity within Gains and losses recognised directly in equity and which will be reclassified later in profit or loss.

Table 4.3.H

(In EUR m)	2023					
	Remaining coverage		Incurred claims (measured under the general model)	Incurred claims (measured under the PAA)		Total
	Excluding the loss component	*Loss component*		Present value of the future cash flows	Non financial risk adjustment	
Insurance contracts issued liabilities	134,009	21	944	820	80	135,874
Insurance contracts issued assets	(39)	5	(10)	2	-	(42)
NET BALANCE AS AT 1 JANUARY	**133,970**	**26**	**934**	**822**	**80**	**135,832**
Income from insurance contracts issued [1]	**(3,539)**	**-**	**-**	**-**	**-**	**(3,539)**
Insurance service expenses	**313**	**9**	**796**	**854**	**6**	**1,978**
Amortisation of acquisition costs	313	-	-	-	-	313
Net expenses for expected costs of claims, handling costs and non-financial risk adjustment (changes in Liabilities Incurred Claims) - Incurred in the period	-	-	987	893	41	1,921
Changes in net expenses for expected costs of claims and handling costs (changes in Liabilities Incurred Claims) - Past services	-	-	(191)	(39)	(35)	(265)
Losses and reversals of losses on onerous contracts (changes in Liabilities for Remaining Coverage)	-	9	-	-	-	9
Net finance income or expenses from insurance contracts issued [2]	**8,394**	**1**	**(5)**	**23**	**2**	**8,415**
Changes relative to the deposits component including in the insurance contract	**(14,635)**	**-**	**14,635**	-	-	-
Other changes	**(328)**	**-**	**128**	**499**	**18**	**317**
Cash flows:	**14,893**	**-**	**(15,470)**	**(785)**	**-**	**(1,362)**
Premiums received (as a reduction of premiums to be received included in the remaining coverage)	15,348	-	-	-	-	15,348
Costs of claims and handling costs (as a reduction of the incurred claims liabilities)	-	-	(15,470)	(785)	-	(16,255)
Paid acquisition costs (as a net adjustment of the remaining coverage following the transfer of deferred amounts or amortisations)	(455)	-	-	-	-	(455)
NET BALANCE AS AT 31 DECEMBER	**139,068**	**36**	**1,018**	**1,413**	**106**	**141,641**
Insurance contracts issued liabilities	139,155	32	985	1,444	106	141,722
Insurance contracts issued assets	(87)	4	33	(31)	-	(81)

(1) Of which, for the insurance contracts identified on the transition date (and measured under the general model): EUR 371 million using the modified retrospective approach. Income from insurance contracts issued with direct participation are not monitored because the Group does not subdivide these contracts into annual cohorts in accordance with the exemption adopted by the European Union.

(2) This heading includes the financial expenses and income that were recorded under the heading Revaluation of insurance contracts in equity within Gains and losses recognised directly in equity and which will be reclassified later in profit or loss.

3.2 CONTRACTS MEASURED UNDER THE GENERAL MODEL (INCLUDING INSURANCE CONTRACTS ISSUED WITH DIRECT PARTICIPATION)

TABLE OF RECONCILIATION OF THE INSURANCE CONTRACTS ASSETS AND LIABILITIES ISSUED BY ESTIMATE COMPONENTS (DISCOUNTED FUTURE CASH FLOWS, ADJUSTMENT FOR NON-FINANCIAL RISK AND CONTRACTUAL SERVICE MARGIN)

Table 4.3.I

	2024			
(In EUR m)	Present value of the future cash flows	Non financial risk adjustment	Contractual services margin	Total
Insurance contracts issued liabilities	127,374	3,844	9,232	140,450
Insurance contracts issued assets	(239)	57	136	(46)
NET BALANCE AS AT 1 JANUARY	**127,135**	**3,901**	**9,368**	**140,404**
Changes that relate to future services	**(711)**	**101**	**617**	**7**
Changes in estimates that adjust the CSM	(34)	(120)	154	-
Changes in estimates that result in losses and reversals on onerous contracts (ie, that do not adjust the CSM)	1	-	-	1
Effect of new contracts recognised in the year	(678)	221	463	6
Changes that relate to current services	**257**	**(123)**	**(589)**	**(455)**
Contractual services margin recognised in profit or loss for services provided	-	-	(589)	(589)
Change in non-financial risk adjustment for risk expired	-	(123)	-	(123)
Experiences adjustments	257	-	-	257
Changes that relate to past services (ie, changes in fullfilment cash flows relative to incurred claims)	**(190)**	**(80)**	**-**	**(270)**
Net finance income or expenses from insurance contracts issued (1)	**2,190**	**3**	**(8)**	**2,185**
Other changes	**(1,503)**	**(43)**	**(88)**	**(1,634)**
Cash flows:	**5,142**	**-**	**-**	**5,142**
Premiums received (as a reduction of premiums to be received included in the remaining coverage)	12,044	-	-	12,044
Costs of claims and handling costs (as a reduction of the incurred claims liabilities)	(6,722)	-	-	(6,722)
Paid acquisition costs (as a net adjustment of the remaining coverage following the transfer of deferred amounts or amortisations)	(180)	-	-	(180)
NET BALANCE AS AT 30 JUNE	**132,320**	**3,759**	**9,300**	**145,379**
Insurance contracts issued liabilities (2)	132,387	3,744	9,279	145,410
Insurance contracts issued assets (2)	(67)	15	21	(31)

(1) This heading includes the financial income and expenses that were recorded under the heading Revaluation of insurance contracts in equity within Gains and losses recognised directly in equity and which will be reclassified later in profit or loss.

(2) Of which, for the contractual service margin of the insurance contracts present on the transition date (and measured under the general model excluding the VFA model): EUR 222 million using the modified retrospective approach. The stock of contractual service margin of the insurance contracts present on the transition date is not monitored on the VFA model because the Group does not distinguish between annual cohorts on this scope (see exemption on annual cohorts in the Accounting Principles on contract groupings)

Table 4.3.J

(In EUR m)	2023 Present value of the future cash flows	Non financial risk adjustment	Contractual services margin	Total
Insurance contracts issued liabilities	123,297	3,452	8,118	134,867
Insurance contracts issued assets	(214)	40	134	(40)
NET BALANCE AS AT 1 JANUARY (1)	**123,083**	**3,492**	**8,252**	**134,827**
Changes that relate to future services	**(3,018)**	**767**	**2,266**	**15**
Changes in estimates that adjust the CSM	(2,582)	622	1,960	-
Changes in estimates that result in losses and reversals on onerous contracts (ie, that do not adjust the CSM)	11	1	-	12
Effect of new contracts recognised in the year	(447)	144	306	3
Changes that relate to current services	**311**	**(308)**	**(1,129)**	**(1,126)**
Contractual services margin recognised in profit or loss for services provided	-	-	(1,129)	(1,129)
Change in non-financial risk adjustment for risk expired	-	(308)	-	(308)
Experiences adjustments	311	-	-	311
Changes that relate to past services (ie, changes in fullfilment cash flows relative to incurred claims)	**(137)**	**(54)**	**-**	**(191)**
Net finance income or expenses from insurance contracts issued (2)	**8,370**	**1**	**18**	**8,389**
Other changes	**376**	**3**	**(39)**	**340**
Cash flows:	**(1,850)**	**-**	**-**	**(1,850)**
Premiums received (as a reduction of premiums to be received included in the remaining coverage)	13,954	-	-	13,954
Costs of claims and handling costs (as a reduction of the incurred claims liabilities)	(15,470)	-	-	(15,470)
Paid acquisition costs (as a net adjustment of the remaining coverage following the transfer of deferred amounts or amortisations)	(334)	-	-	(334)
NET BALANCE AS AT 31 DECEMBER	**127,135**	**3,901**	**9,368**	**140,404**
Insurance contracts issued liabilities (3)	127,374	3,844	9,232	140,450
Insurance contracts issued assets (3)	(239)	57	136	(46)

(1) Of which, for the contractual service margin of the insurance contracts present on the transition date (and measured under the general model): EUR 390 million using the modified retrospective approach. The stock of contractual service margin of the insurance contracts present on the transition date is not monitored on the VFA model because the Group does not distinguish between annual cohorts on this scope (see exemption on annual cohorts in the Accounting Principles on contract groupings).

(2) This heading includes the financial income and expenses that were recorded under the heading Revaluation of insurance contracts in equity within Gains and losses recognised directly in equity and which will be reclassified later in profit or loss.

(3) Of which, for the contractual service margin of the insurance contracts present on the transition date (and measured under the general model): EUR 255 million using the modified retrospective approach. The stock of contractual service margin of the insurance contracts present on the transition date is not monitored on the VFA model because the Group does not distinguish between annual cohorts on this scope (see exemption on annual cohorts in the Accounting Principles on contract groupings).

DETAILED EFFECT OF THE NEW CONTRACTS RECOGNISED DURING THE PERIOD

Table 4.3.K

	1st semester 2024		2023	
(In EUR m)	**Insurance contracts issued**	*o/w transfer of contracts*	**Insurance contracts issued**	*o/w transfer of contracts*
Present value of:				
Estimated cash outflows	10,470	-	6,846	-
o/w acquisitions costs	*180*	-	*334*	-
o/w costs of claims and handling costs	*10,290*	-	*6,512*	-
Estimated cash inflows	(11,154)	-	(7,296)	-
Non-financial risk adjustment	**221**	**-**	**144**	**-**
Contractual services margin	**463**	**-**	**306**	**-**
Loss component on onerous contracts	**5**	**-**	**3**	**-**
Total	**6**	**-**	**3**	**-**

3.3 DETAILS ON THE PROJECTED ITEMS RELATING TO THE MEASUREMENT OF CONTRACTS

EXPECTED RECOGNITION IN THE INCOME STATEMENT OF THE CONTRACTUAL SERVICE MARGIN DETERMINED AT THE END OF THE PERIOD (1)

Table 4.3.L

(In EUR m)	30.06.2024	31.12.2023
Expected years before recognising CSM in profit or loss	**Insurance contracts issued**	**Insurance contracts issued**
1 to 5 years	3,888	3,901
6 to 10 years	2,158	1,913
> 10 years	3,254	3,554
Total	**9,300**	**9,368**

(1) The contractual service margin determined at the end of the period does not include future new insurance contracts, and insurance contracts valued according to the simplified model.

NOTE 4.4 - OTHER ASSETS AND LIABILITIES

1. OTHER ASSETS

Table 4.4.A

(In EUR m)	**30.06.2024**	**31.12.2023**
Guarantee deposits paid (1)	52,044	51,611
Settlement accounts on securities transactions	6,531	2,835
o/w due from clearing houses bearing credit risk	*293*	*163*
Prepaid expenses	1,918	1,680
Miscellaneous receivables (2)	17,172	14,111
o/w miscellaneous receivables bearing credit risk (3)	*8,781*	*6,404*
Gross amount	**77,665**	**70,237**
Impairments	(534)	(472)
Credit risk (3)	*(377)*	*(328)*
Other risks	*(157)*	*(144)*
Net amount	**77,131**	**69,765**

(1) Mainly relates to guarantee deposits paid on financial instruments, their fair value is assumed to be the same as their book value net of impairment for credit risk.

(2) Miscellaneous receivables primarily include trade receivables, fee income and income from other activities to be received. The operating leases receivables equal to EUR 2,253 million as at 30 June 2024, compared to EUR 2,325 million as at 31 December 2023.

(3) Net value of miscellaneous receivables bearing credit risk amounts to EUR 8,404 million as at 30 June 2024, compared to EUR 6,076 million as at 31 December 2023 (see Note 3.8).

2. OTHER LIABILITIES

Table 4.4.B

(In EUR m)	**30.06.2024**	**31.12.2023**
Guarantee deposits received (1)	55,245	53,253
Settlement accounts on securities transactions	5,638	3,576
Expenses payable on employee benefits	2,411	2,566
Lease liability	2,103	2,065
Deferred income	1,615	1,643
Miscellaneous payables (2)	30,243	30,555
Total	**97,255**	**93,658**

(1) Mainly relates to guarantee deposits received on financial instruments, their fair value is assumed to be the same as their book value.

(2) Miscellaneous payables primarily include trade payables, fee expense and expense from other activities to be paid.

NOTE 5 - OTHER GENERAL OPERATING EXPENSES

Table 5.A

(In EUR m)		**1st semester of 2024**	**31.12.2023**	**1st semester of 2023**
Personnel expenses [1]	Note 5.1	(6,000)	(10,645)	(5,275)
Other operating expenses [1]	Note 5.2	(3,126)	(6,887)	(3,758)
Other general operating expenses attributable to the insurance contracts [2]		389	683	365
Total		**(8,737)**	**(16,849)**	**(8,668)**

(1) The amount of Personnel expenses and Other operating expenses (detailed in Note 5.1 and Note 5.2) are presented in the income statement before reallocation in the Net Banking Income of the expenses attributable to insurance contracts.

(2) The Other general operating expenses attributable to insurance contracts are recognised during the period as service expenses relating to the insurance and reinsurance contracts issued, except for acquisition costs which are recorded in the balance sheet to be recognised in profit or loss in subsequent periods.

On 5 February 2024, Societe Generale announced a reorganisation project at its head office in France in order to simplify its operations and structurally improve its operational efficiency (removal of hierarchical layers to streamline decision-making processes, resizing of certain teams due to project or process reviews).

The implementation of these organisational changes results in around 900 job cuts at the head office without forced departures (i.e. about 5% of the head office workforce).

This project has been provisioned for an amount of EUR 260 million.

NOTE 5.1 - PERSONNEL EXPENSES AND EMPLOYEE BENEFITS

NOTE 5.1.1 - PERSONNEL EXPENSES

Table 5.1.A

(In EUR m)	**1st semester of 2024**	**2023**	**1st semester of 2023**
Employee compensation	(4,355)	(7,708)	(3,745)
Social security charges and payroll taxes	(1,005)	(1,749)	(888)
Net pension expenses - defined contribution plans	(417)	(772)	(381)
Net pension expenses - defined benefit plans	(41)	(69)	(35)
Employee profit-sharing and incentives	(182)	(347)	(226)
Total	**(6,000)**	**(10,645)**	**(5,275)**
Including net expenses from share - based payments	*(83)*	*(254)*	*(117)*

NOTE 5.1.2 - EMPLOYEE BENEFITS

DETAIL OF PROVISIONS FOR EMPLOYEE BENEFITS

Table 5.2.A

(In EUR m)	**Provisions as at 31.12.2023**	Allocations	Write-backs available	**Net allocation**	**Write-backs used**	**Actuarial gains and losses**	**Currency and scope effects**	**Provisions as at 30.06.2024**
Post-employment benefits	**1,217**	45	(18)	**27**	**(38)**	**(43)**	**(130)**	**1,033**
Other long-term benefits	**646**	103	(62)	**41**	**(71)**	**-**	**(20)**	**596**
Termination benefits	**210**	345	(37)	**308**	**(62)**	**(10)**	**9**	**455**
Total	**2,073**	493	(117)	**376**	**(171)**	**(53)**	**(141)**	**2,084**

Law No. 2024-364 of 22 April 2024 provides a legal framework for employees' paid leave entitlements during illness and applies retroactively from 1 December 2009. The provision of EUR 12 million that had been booked as at 31 December 2023 following the judgments of the Court of Cassation on the subject has been adjusted to reach EUR 15.8 million as at 30 June 2024.

NOTE 5.1.3 - SHARE-BASED PAYMENT PLANS

2024 SOCIETE GENERALE FREE PERFORMANCE SHARES PLAN

The table below presents the 2024 free share allocation plan that does not concern the shares allocated to regulated population, under the article L.511-71 of the monetary and financial Code, whose remuneration is deferred, and the Chiefs Executive Officers and Management Committee members of Societe Generale.

Date of shareholders' agreement	17.05.2022
Date of Board of Directors' decision	07.03.2024
Number of free shares granted	1,567,969
Number of free shares outstanding at 30.06.2023	1,566,768
Vesting period	07.03.2024 - 15.03.2027
Performance conditions (1)	Yes
Fair value (% of the share price as at grant date)	84.10%
Method of valuation	Arbitrage

(1) For all the Group, the performance condition is based on the profitability level of Societe Generale group, the Net income, Group share.

2024 SOCIETE GENERALE FREE PERFORMANCE SHARES PLAN

The table below shows the 2024 performance shares plan allocated to regulated population, under the article L.511-71 of the monetary and financial Code, whose remuneration is deferred, and the Chiefs Executive Officers and Management Committee members of Societe Generale.

Date of General Meeting	17.05.2022				
Date of Board Meeting	07.03.2024				
Total number of shares granted	2,447,488				
	Performance condition	**Instalment**	**Vesting dates**	**Holding period end dates**	**Fair Value (in EUR)**
Sub-plan 2	Yes	1st instalment	15.03.2027	16.03.2028	18.46
		2nd instalment	15.03.2028	16.03.2029	17.04
Sub-plan 3	Yes	1st instalment	13.03.2026	01.10.2026	20.25
		2nd instalment	15.03.2027	01.10.2027	18.83
Sub-plan 4	Yes	1st instalment	15.03.2027	16.03.2028	18.46
		2nd instalment	15.03.2028	16.03.2029	17.04
Sub-plan 5	Yes	1st instalment	15.03.2029	16.03.2030	13.85
Sub-plan 6	Yes	1st instalment	15.03.2029	16.03.2030	13.85
Sub-plan 7	Yes	1st instalment	15.03.2027	16.03.2028	18.46
		2nd instalment	15.03.2028	16.03.2029	17.04
		3rd instalment	15.03.2029	16.03.2030	15.90

(1) The performance conditions are based on the profitability level of Societe Generale group and its core business or business activity. The specific performance conditions applicable to Executive Board members are yearly detailed in the Universal Registration Document.

(2) The valuation method used to calculate fair value is arbitrage based on a forward hedging strategy for these shares.

EMPLOYEE SHARE OWNERSHIP PLAN

On 22 May 2024, as part of the Group’s employee share ownership policy, Societe Generale offered its employees and now retired former employees the opportunity to subscribe to a reserved capital increase at a share price of 20.64 euros, this price includes a discount of 20% compared to the arithmetic average of the 20 average stock market prices preceding the day of the General Management's decision setting the price and the subscription period (the average prices have been weighted by the Volume-Weighted Average Price and each recorded daily on the regulated market of Euronext Paris). 9,055,606 shares were subscribed, representing, for the Group, an expense for the financial year 2024 of EUR 2.6 million after taking into account a legal non-transferability period of five years of the shares corrected for early releases.

NOTE 5.2 - OTHER OPERATING EXPENSES

Table 5.2.A

(In EUR m)	1st semester of 2024	2023	1st semester of 2023
Rentals	(246)	(449)	(192)
Taxes and levies	(461)	(1,126)	(964)
Data & telecom (excluding rentals)	(1,175)	(2,440)	(1,266)
Consulting fees	(575)	(1,319)	(602)
Other	(670)	(1,553)	(734)
Total	**(3,127)**	**(6,887)**	**(3,758)**

CONTRIBUTION TO BANK RESOLUTION MECHANISMS

The mechanism for financing resolution mechanisms within the European Banking Union in the form of the Single Resolution Fund (SRF) has achieved, as at 31 December 2023, its objective of an overall allocation greater than or equal to 1% of the covered deposits of all member institutions.

Therefore, no additional contribution has been called during the first half of 2024.

For institutions subject to the resolution mechanism but not subject to the SRF, the Group's contributions to the National Resolution Funds (NRFs) made in the first half of 2024 amount to EUR 29 million.

In a judgment delivered on 25 October 2023, the General Court of the European Union dismissed the action brought by a French credit institution against the Single Resolution Board (SRB) following the latter's refusal to reimburse it the security deposit related to the contributions provided in the form of irrevocable payment commitments. The return of the deposit, requested by the institution after the withdrawal of its authorisation obtained from the European Central Bank, had been refused by the SRB, which required, in order to honour it, the prior payment of the amount of the irrevocable payment commitment secured by this deposit. The institution concerned by this case has decided to appeal the judgment of the General Court of the European Union to the European Court of Justice. Societe Generale will keep abreast of developments in this matter and will then analyse the possible consequences on its financial statements.

NOTE 6 - INCOME TAX

1. BREAKDOWN OF THE TAX EXPENSE

Table 6.A

(In EUR m)	1st semester of 2024	2023	1st semester of 2023
Current taxes	(841)	(1,470)	(743)
o/w current taxes related to Pillar 2 taxes	*(6)*		
Deferred taxes	188	(209)	(10)
Total	**(653)**	**(1,679)**	**(753)**

PILLAR 2: TAX REFORM – GLOBAL MINIMUM CORPORATE TAX RATE

In October 2021, 137 of the 140 jurisdictions of the OECD Inclusive Framework on Base Erosion and Profit Shifting (BEPS) committed to the principle of establishing a global minimum corporate income tax rate of 15% to the profits by country of multinational groups with annual revenues exceeding EUR 750 million. A model of rules, referred to as “Pillar 2” published by the OECD on 20 December 2021 specifies the mechanism which applies in particular in Europe and in France since the adoption of European council directive (EU) 2022/2523 and its transposition into French law by article 4 of the French Finance act for 2024.

From 1 January 2024 on, the minimum level of tax will take the form of an additional “top-up” tax determined according to rules compliant with the directive.

Transitional Safe Harbour set out by the OECD for the first three fiscal years also included in the law.

Based on 2024 prospective data, or on data from the 2023 country-by-country-reporting reports when the 2024 prospective data was not available, the Pillar 2 effective tax rates estimated exceed 15% in most jurisdictions in which the Group operates. However, there is a limited number of jurisdictions in which a top-up tax would have to be paid in France or at the level of the jurisdiction when the latter has established an additional national tax.

As at 30 June 2024, the Group recognised a tax burden estimated at a EUR 6 million for this reason. Lastly in application of the provisions introduced by the amendments to IAS 12 adopted by the European Union on 8 November 2023, the Group applies the mandatory and temporary exception to the recognition of the deferred taxes associated with the additional taxes resulting from the Pillar 2 rules.

RECONCILIATION OF THE DIFFERENCE BETWEEN THE GROUP'S STANDARD TAX RATE AND ITS EFFECTIVE TAX RATE

Table 6.B

	1st semester of 2024				1st semester of 2023	
	%	M EUR	%	M EUR	%	M EUR
Income before tax, excluding net income from companies accounted for using the equity method and impairment losses on goodwill		**2,906**		**5,442**		**3,014**
Group effective tax rate	**22.49%**		**30.85%**		**24.98%**	
Permanent differences	2.39%	69	0.58%	31	-0.04%	(2)
Differential on securities with tax exemption or taxed at reduced	-0.37%	(11)	-0.24%	(13)	-0.33%	(10)
Tax rate differential on profits taxed outside France	1.51%	44	1.33%	72	1.21%	36
Changes in the measurement of deferred tax assets / liabilities	-0.19%	(6)	-6.69%	(364)	0.01%	0
Normal tax rate applicable to French companies (including 3.3% national contribution)	25.83%		25.83%		25.83%	

In compliance with the French tax provisions that define the ordinary corporate tax rate, the latter has been set at 25% (article 219 I of the French tax code), plus the existing national contribution (CSB) of 3.3% (article 235 ter ZC of the French tax code), which lead to a tax rate of 25.83%.

Long-term capital gains on affiliates are exempt from this corporate tax, except for a 12% fee on the gross amount in a net long term capital gains situation (article 219 I a quinquies of the French tax code).

Furthermore, under the parent-subsidiary regime, dividends from companies in which Societe Generale's equity interest is at least 5% are tax exempt, subject to taxation of a portion of fees and expenses of 1% or 5% at the full statutory tax rate (article 216 of the French tax code).

2. TAX ASSETS AND LIABILITIES

TAX ASSETS

Table 6.C

(In EUR m)	30.06.2024	31.12.2023
Current tax assets	837	1,026
Deferred tax assets	3,746	3,691
o/w deferred tax assets on tax loss carry-forwards	*2,094*	*1,832*
o/w deferred tax assets on temporary differences	*1,628*	*1,818*
o/w deferred tax on deferrable tax credits	*24*	*41*
Total	**4,583**	**4,717**

TAX LIABILITIES

Table 6.D

(In EUR m)	30.06.2024	31.12.2023
Current tax liabilities	1,069	933
Provisions for tax adjustments	37	41
Deferred tax liabilities	1,299	1,428
Total	**2,405**	**2,402**

The Group performs an annual review of its capacity to use tax loss carry-forwards, taking into account the tax system applicable to each tax entity (or tax group) concerned and a realistic forecast of its tax results. For this purpose, the tax results are determined based on the projected performance of the businesses. This performance corresponds to the estimated budget (scenario SG Central) over four years (from 2024 to 2027), extrapolated to 2028, which corresponds to a “normative” year.

The tax results also take into consideration the accounting and tax adjustments (including the reversal of the deferred tax assets and liabilities bases on temporary differences) applicable to the entities and jurisdictions concerned. These adjustments are determined on the basis of historical tax results and on the Group's tax expertise. An extrapolation of the tax results is performed from 2028 on and over a timeframe considered reasonable and depending on the nature of the activities carried out within each tax entity.

On principle, the appreciation of the selected macroeconomic factors and the internal estimates used to determine the tax results involve risks and uncertainties about their materialisation over the estimated timeframe for the absorption of the losses. These risks and uncertainties are especially related to possible changes in the applicable tax rules (computation of the tax result, as well as allocation rules for tax loss carry-forwards) or materialisation of the assumptions selected. These uncertainties are mitigated by robustness checks of the budgetary and strategic assumptions.

The projections confirm the probability that the Group will be able to offset the tax losses covered by deferred tax assets against future profits.

NOTE 7 - SHAREHOLDERS' EQUITY

NOTE 7.1 - TREASURY SHARES AND SHAREHOLDERS' EQUITY ISSUED BY THE GROUP

1. ORDINARY SHARES AND CAPITAL RESERVES

Table 7.1.A

(In EURm)	30.06.2024	31.12.2023
Issued capital	1,004	1,004
Issuing premiums and capital reserves	20,441	20,412
Elimination of treasury stock	(479)	(230)
Total	**20,966**	**21,186**

ORDINARY SHARES ISSUED BY SOCIETE GENERALE S.A.

Table 7.1.B

(Number of shares)	30.06.2024	31.12.2023
Ordinary shares	802,979,942	802,979,942
Including treasury stock with voting rights [(1)]	*15,537,609*	*6,736,010*
Including shares held by employees	*87,935,133*	*90,162,610*

(1) Excluding Societe Generale shares held for trading purposes or in respect of the liquidity contract.

As at 30 June 2024, 11,718,711 Societe Generale shares were acquired on the market at a cost price of EUR 280 million, for the purpose of cancellation, in accordance with the decision of the General Meeting of 22 May 2024.

As at 30 June 2024, Societe Generale S.A.'s fully paid up capital amounted to EUR 1,003,724,927.50 and was made up of 802,979,942 shares with a nominal value of EUR 1.25.

Societe Generale proposed on 22 May 2024, a capital increase reserved for Group employees and retirees as part of the Global Employee Share Ownership Plan, it results in the issuance of 9,055,606 new Societe Generale shares (see Note 5). The capital increase has been carried out on 25 July 2024.

2. TREASURY STOCK

As at 30 June 2024, the Group held 13,606,019 of its own shares as treasury stock, for trading purposes or for the active management of shareholders' equity, representing 1.69% of the capital of Societe Generale S.A.

The amount deducted by the Group from its equity for treasury shares (and related derivatives) came to EUR 479 million, including EUR 96 million in shares held for trading activities.

The change in treasury stock over the 1st semester of 2024 breaks down as follows:

Table 7.1.C

(In EURm)	**Liquidity contract**	**Trading activities**	**Treasury stock and active management of shareholders' equity**	**Total**
Disposals net of purchases	(0)	(60)	(189)	**(249)**
Capital gains net of tax on treasury stock and treasury share derivatives, booked under shareholders' equity	(0)	(1)	(97)	**(98)**

3. SHAREHOLDERS' EQUITY ISSUED BY THE GROUP

As at 30 June 2024, the amount of equity instruments issued by the Group is EUR 9,357 million. The increase of EUR 433 million in the first half of 2024 can be explained by the issuance of a perpetual deeply subordinated note in US dollar and the redemption of another one issued in Singapore dollar.

The amount of other equity instruments issued by the Group's subsidiaries and recognised under Non-controlling interests totaled EUR 800 million.

4. EFFECT OF THE CHANGES IN THE SCOPE OF CONSOLIDATION

The impact of changes in the consolidation scope recognised in shareholders' equity (EUR +20 million in Group share and EUR +26 million in Non-controlling interests) is mainly explained by put options sold to minority shareholders.

NOTE 7.2 - EARNINGS PER SHARE AND DIVIDENDS

1. EARNINGS PER SHARE

Table 7.2.A

(In EUR m)	1st semester of 2024	2023	1st semester of 2023
Net income, Group share	1,793	2,493	1,768
Attributable remuneration to subordinated and deeply subordinated notes	(353)	(753)	(377)
Issuance fees related to subordinated and deeply subordinated notes	(3)	(5)	(1)
Net income attributable to ordinary shareholders	**1,437**	**1,735**	**1,390**
Weighted average number of ordinary shares outstanding (1)	794,282,456	799,315,070	801,363,017
Earnings per ordinary share *(in EUR)*	**1.81**	**2.17**	**1.73**
Average number of ordinary shares used in the dilution calculation	-	-	-
Weighted average number of ordinary shares used in the calculation of diluted net earnings per share	794,282,456	799,315,070	801,363,017
Diluted earnings per ordinary share *(in EUR)*	**1.81**	**2.17**	**1.73**

(1) Excluding treasury shares.

2. DIVIDENDS PAID

Dividends paid by the Group for the first half of 2024 amounted to EUR 1,319 million and are detailed in the following table:

Table 7.2.B

	1st semester of 2024			2023		
(In EUR m)	Group Share	Non-controlling interests	Total	Group Share	Non-controlling interests	Total
Paid in shares	-	-	-	-	-	-
Paid in cash	(719)	(600)	(1,319)	(1,362)	(499)	(1,861)
Total	**(719)**	**(600)**	**(1,319)**	**(1,362)**	**(499)**	**(1,861)**

NOTE 8 - ADDITIONAL DISCLOSURES

NOTE 8.1 - SEGMENT REPORTING

Segment income takes intra-group transactions into account, while these transactions are eliminated from segment assets and liabilities.

Table 8.1.A

	1st half of 2024										
	French retail, Private Banking and Insurance			**Global Banking and Investor Solutions**			**International Retail, Mobility and Leasing Services**			**Corporate Centre [1]**	**Total Group Societe Generale**
(In EUR m)	French retail and Private Banking	Insurance	Total	Global Markets and Investors Services	Financial and Advisory	Total	Inter-national Retail Banking	Mobility and Leasing Services	Total		
Net banking income	3,796	339	4,136	3,485	1,760	5,244	2,073	2,222	4,295	(345)	13,330
Operating expenses [2]	(3,294)	(82)	(3,377)	(2,343)	(1,061)	(3,404)	(1,244)	(1,368)	(2,611)	(158)	(9,550)
Gross operating income	**502**	**257**	**759**	**1,142**	**699**	**1,840**	**829**	**855**	**1,684**	**(503)**	**3,780**
Cost of risk	(420)	(0)	(420)	(2)	1	(1)	(180)	(190)	(370)	5	(787)
Operating income	**83**	**257**	**339**	**1,140**	**699**	**1,839**	**649**	**664**	**1,313**	**(498)**	**2,993**
Net income from investments accounted for using the equity method	4	-	4	3	(0)	3	-	6	6	(0)	13
Net income / expense from other assets	7	1	8	1	(1)	(0)	(0)	4	4	(99)	(88)
Value adjustments on goodwill	-	-	-	-	-	-	-	-	-	-	-
Eearnings before Tax	**93**	**258**	**351**	**1,143**	**698**	**1,841**	**649**	**674**	**1,323**	**(598)**	**2,918**
Income tax	(22)	(65)	(87)	(274)	(103)	(377)	(166)	(169)	(334)	145	(653)
Consolidated Net Income	**71**	**193**	**265**	**870**	**595**	**1,464**	**483**	**506**	**989**	**(453)**	**2,265**
Non controlling interests	(1)	2	1	3	0	3	196	205	400	67	472
Net income, Group Share	**72**	**191**	**263**	**867**	**595**	**1,462**	**287**	**301**	**589**	**(521)**	**1,793**
Segment assets	**259,819**	**176,830**	**436,649**	**665,479**	**192,424**	**857,903**	**109,489**	**109,839**	**219,328**	**78,264**	**1,592,144**
Segment liabilities [3]	**298,737**	**166,068**	**464,805**	**665,911**	**110,136**	**776,047**	**93,060**	**57,400**	**150,460**	**124,420**	**1,515,732**

Table 8.1.B

	2023 *										
	French retail, Private Banking and Insurance			**Global Banking and Investor Solutions**			**International Retail, Mobility and Leasing Services**			**Corporate Centre (1)**	**Total Group Societe Generale**
(In EUR m)	French retail and Private Banking	Insurance	Total	Global Markets and Investors Services	Financial and Advisory	Total	Inter-national Retail Banking	Mobility and Leasing Services	Total		
Net banking income	7,433	620	8,053	6,273	3,369	9,642	4,192	4,315	8,507	(1,098)	25,104
Operating expenses (2)	(6,625)	(131)	(6,756)	(4,698)	(2,091)	(6,788)	(2,370)	(2,391)	(4,760)	(220)	(18,524)
Gross operating income	**808**	**489**	**1,297**	**1,575**	**1,279**	**2,854**	**1,822**	**1,925**	**3,747**	**(1,318)**	**6,580**
Cost of risk	(505)	(0)	(505)	20	(50)	(30)	(184)	(302)	(486)	(4)	(1,025)
Operating income	**303**	**489**	**792**	**1,596**	**1,228**	**2,824**	**1,638**	**1,623**	**3,261**	**(1,323)**	**5,555**
Net income from investments accounted for using the equity method	7	-	7	7	0	7	-	10	10	0	24
Net income / expense from other assets	9	(0)	9	0	1	1	(8)	(3)	(11)	(111)	(113)
Value adjustments on goodwill	(0)	-	(0)	-	-	-	-	-	-	(338)	(338)
Eearnings before Tax	**319**	**489**	**808**	**1,603**	**1,229**	**2,832**	**1,630**	**1,630**	**3,260**	**(1,771)**	**5,128**
Income tax	(81)	(127)	(208)	(379)	(139)	(517)	(431)	(394)	(824)	(130)	(1,679)
Consolidated Net Income	**238**	**362**	**600**	**1,224**	**1,090**	**2,314**	**1,199**	**1,236**	**2,436**	**(1,901)**	**3,449**
Non controlling interests	(0)	4	4	33	(0)	33	466	360	826	93	956
Net income, Group Share	**238**	**358**	**596**	**1,191**	**1,090**	**2,281**	**733**	**876**	**1,609**	**(1,994)**	**2,493**
Segment assets	**263,833**	**172,353**	**436,186**	**650,502**	**169,783**	**820,285**	**109,836**	**108,091**	**217,927**	**79,647**	**1,554,045**
Segment liabilities (3)	**289,846**	**158,076**	**447,922**	**670,821**	**80,101**	**750,922**	**88,969**	**53,760**	**142,729**	**136,225**	**1,477,798**

Table 8.1.C

	1st half of 2023 *										
	French retail, Private Banking and Insurance			**Global Banking and Investor Solutions**			**International Retail, Mobility and Leasing Services**			**Corporate centre (1)**	**Total Group Societe Generale**
(In EUR m)	French retail and Private Banking	Insurance	Total	Global Markets and Investors Services	Financing and Advisory	Total	International Banking	Mobility and Leasing Services	Total		
Net banking income	3,861	328	4,189	3,447	1,701	5,148	2,079	2,184	4,263	(642)	12,958
Operating expenses (2)	(3,402)	(62)	(3,464)	(2,576)	(1,133)	(3,709)	(1,211)	(1,029)	(2,240)	(85)	(9,498)
Gross operating income	**459**	**266**	**725**	**871**	**568**	**1,439**	**868**	**1,155**	**2,023**	**(727)**	**3,460**
Cost of risk	(198)	(0)	(198)	15	8	22	(53)	(121)	(174)	2	(348)
Operating income	**261**	**266**	**527**	**886**	**575**	**1,461**	**816**	**1,034**	**1,849**	**(725)**	**3,112**
Net income from investments accounted for using the equity method	5	-	5	4	0	4	-	3	3	1	12
Net income / expense from other assets	3	(0)	3	(0)	0	0	(1)	(0)	(1)	(100)	(98)
Value adjustments on goodwill	(0)	-	(0)	-	-	-	-	-	-	0	-
Eearnings before Tax	**269**	**266**	**535**	**889**	**576**	**1,465**	**815**	**1,036**	**1,851**	**(825)**	**3,026**
Income tax	(68)	(69)	(137)	(211)	(69)	(279)	(215)	(251)	(466)	129	(753)
Consolidated Net Income	**201**	**197**	**398**	**679**	**507**	**1,186**	**600**	**785**	**1,385**	**(696)**	**2,273**
Non controlling interests	(0)	2	2	17	0	18	236	201	437	50	505
Net income, Group Share	**201**	**195**	**396**	**662**	**507**	**1,168**	**364**	**584**	**948**	**(745)**	**1,768**
Segment assets	**270,751**	**163,704**	**434,455**	**666,520**	**168,468**	**834,988**	**108,425**	**107,840**	**216,265**	**92,721**	**1,578,430**
Segment liabilities (3)	**292,300**	**148,201**	**440,501**	**703,253**	**70,490**	**773,743**	**89,965**	**51,222**	**141,187**	**145,014**	**1,500,446**

* *Following the steering changes at the beginning of 2023, data have been reflected according to the new organisation.*

(1) *Income and expenses, as well as assets and liabilities that are not directly related to business line activities are allocated to the Corporate Centre. Corporate Centre income includes, in particular, some consequences of the Group's centralised management of litigation and of transactions leading to changes in the consolidation scope. Management fees incurred by banking entities in connection with the distribution of insurance contracts are considered as costs directly related to the performance of the contracts and are therefore included in the valuation of the latter and presented under Insurance services expense (see Note 1); this restatement is allocated to the Corporate Centre.*

(2) *These amounts include Personnel expenses, Other operating expenses and Amortisation, depreciation and impairment of tangible and intangible fixed assets.*

(3) *Segment liabilities correspond to debts (i.e. total liabilities excluding equity).*

NOTE 8.2 - PROVISIONS

OVERVIEW

Table 8.2.A

(In EUR m)	**Provisions as at 31.12.2023**	Allocations	Write-backs available	**Net allocation**	**Write-backs used**	**Currency and others**	**Provisions as at 30.06.2024**
Provisions for credit risk on off balance sheet commitments (see Note 3.8)	**819**	368	(390)	**(22)**	**-**	**(30)**	**767**
Provisions for employee benefits (see Note 5.1)	**2,073**	493	(117)	**376**	**(171)**	**(194)**	**2,084**
Provisions for mortgage savings plans and accounts commitments	**121**	3	(6)	**(3)**	**-**	**-**	**118**
Other provisions [1]	**1,222**	94	(81)	**13**	**(61)**	**-**	**1,174**
Total	**4,235**	**958**	**(594)**	**363**	**(232)**	**(224)**	**4,143**

(1) Including provisions for legal disputes, fines, penalties and commercial disputes.

Other provisions include provisions for restructuring (except staff costs), provisions for commercial litigation and provisions for future repayment of funds in connection with customer financing transactions.

Each quarter, the Group carries out a detailed examination of outstanding disputes that present a significant risk. The description of those disputes is presented in Note 9 “Information on risks and litigation”.

NOTE 8.3 - TANGIBLE AND INTANGIBLE FIXED ASSETS

CHANGES IN TANGIBLE AND INTANGIBLE FIXED ASSETS

Table 8.3.A

(In EUR m)	31.12.2023	Increases / allowances	Disposals / reversals	Revaluation	Other movements	30.06.2024
Intangible Assets	**3,562**	**131**	**(87)**	**-**	**(212)**	**3,394**
of which gross value	*9,990*	*476*	*(122)*	*-*	*(494)*	*9,850*
of which amortisation and impairments	*(6,428)*	*(345)*	*35*	*-*	*282*	*(6,456)*
Tangible Assets (w/o assets under operating leases)	**4,219**	**10**	**(48)**	**-**	**(204)**	**3,977**
of which gross value	*11,207*	*276*	*(187)*	*-*	*(482)*	*10,814*
of which amortisation and impairments	*(6,988)*	*(266)*	*139*	*-*	*278*	*(6,837)*
Assets under operating leases	**50,421**	**8,070**	**(7,011)**	**-**	**(2)**	**51,478**
of which gross value	*67,406*	*12,299*	*(10,917)*	*-*	*(112)*	*68,676*
of which amortisation and impairments	*(16,985)*	*(4,229)*	*3,906*	*-*	*110*	*(17,198)*
Investment Property (except insurancy activities)	**12**	**-**	**(2)**	**-**	**(1)**	**9**
of which gross value	*35*	*-*	*(2)*	*-*	*(3)*	*30*
of which amortisation and impairments	*(23)*	*-*	*-*	*-*	*2*	*(21)*
Investment Property (including insurancy activities)	**730**	**-**	**-**	**(10)**	**(6)**	**714**
Rights-of-use	**1,770**	**91**	**(40)**	**-**	**(37)**	**1,784**
of which gross value	*3,597*	*313*	*(148)*	*-*	*(57)*	*3,705*
of which amortisation and impairments	*(1,827)*	*(222)*	*108*	*-*	*20*	*(1,921)*
Total	**60,714**	**8,302**	**(7,188)**	**(10)**	**(462)**	**61,356**

NOTE 9 - INFORMATION ON RISKS AND LITIGATION

Every quarter, the Group reviews in detail the disputes presenting a significant risk. These disputes may lead to the recording of a provision if it becomes probable or certain that the Group will incur an outflow of resources for the benefit of a third party without receiving at least the equivalent value in exchange. These provisions for litigations are classified among the Other provisions included in the Provisions item in the liabilities of the balance-sheet.

No detailed information can be disclosed on either the recording or the amount of a specific provision given that such disclosure would likely seriously prejudice the outcome of the disputes in question.

- On 24 October 2012, the Court of Appeal of Paris confirmed the first judgment delivered on 5 October 2010, finding J. Kerviel guilty of breach of trust, fraudulent insertion of data into a computer system, forgery and use of forged documents. J. Kerviel was sentenced to serve a prison sentence of five years, two years of which are suspended, and was ordered to pay 4.9 billion of euros in damages to Societe Generale. On 19 March 2014, the Supreme Court confirmed the criminal liability of J. Kerviel. This decision puts an end to the criminal proceedings. On the civil front, on 23 September 2016, the Versailles Court of Appeal rejected J. Kerviel's request for an expert determination of the damage suffered by the bank, and therefore confirmed that the net accounting losses suffered by the Bank as a result of his criminal conduct amount to 4.9 billion of euros. It also declared J. Kerviel partially responsible for the damage caused to Societe Generale and sentenced him to pay to Societe Generale 1 million of euros. Societe Generale and J. Kerviel did not appeal before the Supreme Court. Societe Generale considers that this decision has no impact on its tax situation. However, as indicated by the Minister of the Economy and Finance in September 2016, the tax authorities have examined the tax consequences of this book loss and indicated that they intended to call into question the deductibility of the loss caused by the actions of J. Kerviel, amounting to 4.9 billion of euros. This proposed tax rectification has no immediate effect and will possibly have to be confirmed by an adjustment notice sent by the tax authorities when Societe Generale will be in a position to deduct the tax loss carry forwards arising from the loss from its taxable income. Such a situation will not occur for several years according to the Bank's forecasts. In view of the 2011 opinion of the French Supreme Administrative Court (*Conseil d'Etat*) and its established case law which was recently confirmed again in this regard, Societe Generale considers that there is no need to provision the corresponding deferred tax assets. In the event that the authorities decide, in due course, to confirm their current position, Societe Generale Group will not fail to assert its rights before the competent courts. By a decision handed down on 20 September 2018, the Investigation Committee of the reviewing and reassessment Criminal Court has furthermore declared inadmissible the request filed in May 2015 by J. Kerviel against his criminal sentence, confirming the absence of any new element or fact that could justify the reopening of the criminal file.

- Between 2003 and 2008, Societe Generale set up gold consignment lines with the Turkish group Goldas. In February 2008, Societe Generale was alerted to a risk of fraud and embezzlement of gold stocks held by Goldas. These suspicions were rapidly confirmed following the failure by Goldas to pay or refund gold worth 466.4 million of euros. Societe Generale brought civil proceedings against its insurers and various Goldas Group entities. Goldas launched various proceedings in Turkey and in the UK against Societe Generale. In the action brought by Societe Generale against Goldas in the UK, Goldas applied to have the action of Societe Generale struck-out and applied to the UK court for damages. On 3 April 2017, the UK court granted both applications and will, after an inquiry into damages, rule on the amount due to Goldas, if any. On 15 May 2018, the London Court of Appeal discharged entirely the inquiry into damages granted by the London High Court to Goldas but rejected Societe Generale's arguments relating to service of the claims issued against Goldas, which are therefore time-barred. On 18 December 2018, the Supreme Court refused permission to appeal to both Societe Generale and Goldas, which has therefore become definitive. On 16 February 2017, the Paris Commercial Court dismissed Societe Generale's claims against its insurers. Societe Generale filed an appeal against the Paris Commercial Court's decision. On 1 February 2023, the Paris Court of Appeals confirmed this decision. Societe Generale filed an appeal before the Supreme Court against this decision.

- In the early 2000s, the French banking industry decided to transition to a new digital system in order to streamline cheque clearing. To support this reform (known as EIC – *Echange d'Images Chèques*), which has contributed to the improvement of cheque payments security and to the fight against fraud, the Banks established several interbank fees (including the CEIC which was abolished in 2007). These fees were implemented under the aegis of the banking sector supervisory authorities, and to the knowledge of the public authorities.

  On 20 September 2010, the French competition authority ruled that the joint implementation and the setting of the amount of the CEIC and of two additional fees for related services were in breach of competition law. The authority fined all the participants to the agreement (including the *Banque de France*) a total of approximately 385 million of euros of penalties. On 2 December 2021, after several years of proceedings and two decisions of the Supreme Court, the Paris Court of Appeal overturned the decision of the French competition authority and ruled that (i) it was not proven that the establishment of the CEIC and the fees for related services on AOCT (cancellation of wrongly cleared transactions) as well as their collection had infringed the provisions of Article L. 420-1 of the French Commercial Code and of Article 101 of the Treaty on the Functioning of the European Union and, (ii) that its decision was giving rise to a right of restitution of the sums paid in execution of the overturned decision, namely approximatively 53.5 million of euros for Societe Generale and approximatively 7 million of euros for Crédit du Nord, together with interests at the legal rate. On 31 December 2021, the French competition authority filed an appeal before the Supreme court against this decision. The Supreme Court dismissed this appeal by a decision of June 28, 2023, putting a definitive end to this litigation.

- On 3 January 2023, Societe Generale Private Banking (Switzerland) ("SGPBS") entered into an agreement to settle litigation in the United States stemming from the Ponzi scheme of Robert Allen Stanford and his affiliates. On 21 February 2023, the US Receiver and the Official Stanford Investors Committee ("OSIC") filed a motion in US District Court for the Northern District of Texas seeking approval of the settlement. The settlement provides for the payment by SGPBS of 157 million of American dollars in exchange for the release of all claims. During the 7 June 2023 hearing, the Court granted the US Receiver's motion to approve the settlement. This order is now subject to an appeal. The settlement amount that SGPBS must pay is fully covered by a provision in the accounts of Societe Generale S.A. following a financial guarantee provided by Societe Generale S.A. to SGPBS. Each of the other defendant banks in this litigation also announced settlements in the first quarter of 2023 with the US Receiver and OSIC resolving their claims. These settlements were reached in advance of a jury trial that had been scheduled to start on 27 February 2023 (which ultimately did not take place).

  In the same matter, a pre-contentious claim (*requête en conciliation*) was initiated in Geneva in November 2022 by the Joint Liquidators of Stanford International Bank Limited ("SIBL"), appointed by the courts in Antigua, representing the same investors as those represented by the US plaintiffs. SGPBS was served with the statement of claim on 20 June 2023 and will defend itself against the claims in this proceeding.

- Notwithstanding the agreements reached in 2018 with the US authorities regarding certain London Interbank Offered Rates and the Euro Interbank Offered Rate ("the IBOR matter") and the dismissal on 30 November 2021 of the legal proceedings brought by the DOJ in this matter, the Bank continues to defend civil proceedings in the United States (as described below) and has responded to information requests received from other authorities, including the Attorneys General of various States of the United States and the New York Department of Financial Services.

  In the United States, Societe Generale, along with other financial institutions, was named as a defendant in putative class actions involving the setting of US Dollar Libor, Japanese Yen Libor, and Euribor rates and trading in instruments indexed to those rates. Societe Generale was also named in several individual (non-class) actions concerning the US Dollar Libor rate. All of these actions, which were pending in the US District Court in Manhattan (the "District Court"), are now definitively terminated.

As to US Dollar Libor, all claims against Societe Generale have now been dismissed. On 12 May 2023, Societe Generale and two other financial institutions entered into a settlement agreement to resolve a proposed class of over-the-counter (OTC) plaintiffs for a combined USD 90 million. On 17 October 2023, the District Court granted final settlement approval. The remaining USD Libor opt out actions have all been voluntarily dismissed as to Societe Generale, in some cases as a condition of settlements.

As to Japanese Yen Libor complaint brought by purchasers of Euroyen over-the-counter derivative products, plaintiffs and Societe Generale entered into a settlement agreement on 16 February 2024 to put a final end to this matter. The settlement received final approval from the Court on 18 June 2024. In the other action related to Japanese Yen Libor, brought by purchasers or sellers of Euroyen derivative contracts on the Chicago Mercantile Exchange, the District Court granted on 25 September 2020 defendants' motion for judgment on the pleadings and dismissed plaintiff's remaining claims. Plaintiff appealed to the Second Circuit. On 18 October 2022, as amended on 8 December 2022, the Second Circuit affirmed the District Court's dismissal of plaintiff's claims. On 2 October 2023, the U.S. Supreme Court denied a petition filed by plaintiff that sought review of the Second Circuit's ruling. As a result, the action is now concluded.

As to Euribor, Societe Generale and plaintiffs entered into a settlement agreement to put an end to this class action, which was finally approved by the District Court on 31 October 2023. As a result, this action is now concluded.

In Argentina, Societe Generale, along with other financial institutions, has been named as a defendant in litigation brought by a consumer association on behalf of Argentine consumers who held government bonds or other specified instruments that paid interest tied to US Dollar Libor. The allegations concern violations of Argentine consumer protection law in connection with alleged manipulation of the US Dollar Libor rate. Societe Generale has not yet been served with the complaint in this matter.

- On 10 December 2012, the French Supreme Administrative Court (*Conseil d'Etat*) rendered two decisions confirming that the "*précompte tax*" which used to be levied on corporations in France does not comply with EU law and defined a methodology for the reimbursement of the amounts levied by the tax authorities. However, such methodology considerably reduces the amount to be reimbursed. Societe Generale purchased in 2005 the "*précompte tax*" claims of two companies (Rhodia and Suez, now Engie) with a limited recourse on the selling companies. One of the above decisions of the French Supreme Administrative Court relates to Rhodia. Societe Generale has brought proceedings before the French administrative courts.

  Several French companies applied to the European Commission, which considered that the decisions handed down by the *Conseil d'Etat* on 10 December 2012, which were supposed to implement the decision rendered by the European Union Court of Justice (EUCJ) on 15 September 2011, breached a number of principles of European law. The European Commission subsequently brought infringement proceedings against the French Republic in November 2014, and since then confirmed its position by referring the matter to the EUCJ on 8 December 2016. The EUCJ rendered its judgement on 4 October 2018 and sentenced France on the basis that the *Conseil d'Etat* disregarded the tax on EU sub-subsidiaries in order to secure the *précompte* paid erroneously and failed to raise a preliminary question before the EUCJ. With regard to the practical implementation of the decision, Societe Generale has continued to assert its rights with the competent courts and the tax authorities. On 23 June 2020, the Administrative Court of Appeal of Versailles issued a ruling in favour of Engie on our 2002 and 2003 Suez claims, and ordered a financial enforcement in our favour. The Court held that the advance payment ("*précompte*") did not comply with the Parent-Subsidiary Directive. Further to proceedings brought before the *Conseil d'Etat*, the latter ruled that a question should be raised before the EUCJ in order to obtain a preliminary ruling on this issue. The EUCJ has confirmed on 12 May 2022 that the *précompte* did not comply with the Parent-Subsidiary Directive. The *Conseil d'Etat*, by an Engie judgment of 30 June 2023 took note of this incompatibility and confirmed the decision held by the Administrative Court of Appeal of Versailles with respect to the 2002 year, but referred the examination of the 2003 year to this same Court, which confirmed on 9 January 2024 the partial relief granted by the administration in the course of the proceedings. In parallel, a compensation litigation in relation to the Rhodia claim and the Suez claims (between 1999 and 2001) was brought in March 2023 before the European Commission and the Paris Administrative Court of Appeal, further to the negative judgements issued by the *Conseil d'Etat* in 2012 (Rhodia) and 2016 (Suez).

- Societe Generale, along with other financial institutions, was named as a defendant in a putative class action alleging violations of US antitrust laws and the CEA in connection with its involvement in the London Gold Market Fixing. The action is brought on behalf of persons or entities that sold physical gold, sold gold futures contracts traded on the CME, sold shares in gold ETFs, sold gold call options traded on CME, bought gold put options traded on CME, sold over-the-counter gold spot or forward contracts or gold call options, or bought over-the-counter gold put options. Societe Generale, along with three other defendants, has reached a settlement to resolve this action for 50 million of American dollar. By order dated 13 January 2022, the Court granted preliminary approval of the settlement. The final fairness hearing was held on 5 August 2022, and the settlement received final approval by order dated 8 August 2022. This matter is now concluded. Although Societe Generale's share of the settlement is not public, it was not material from a financial perspective. Societe Generale, along with other financial institutions, is also named as a defendant in two putative class actions in Canada (in the Ontario Superior Court in Toronto and Quebec Superior Court in Quebec City) involving similar claims. Societe Generale is defending the claims.

- Since August 2015, various former and current employees of the Societe Generale Group have been under investigation by German criminal prosecution and tax authorities for their alleged participation in the so called "CumEx" patterns in connection with withholding tax on dividends on German shares. These investigations relate inter alia to a fund administered by SGSS GmbH proprietary trading activities and transactions carried out on behalf of clients. The Group entities respond to the requests of the German authorities.

  Societe Generale Group entities may also be exposed to claims by third parties, including German tax offices, and become party to legal disputes initiated by clients involved in proceedings against the German tax administration.

- Societe Generale and certain of its subsidiaries are defendants in an action pending in the US Bankruptcy Court in Manhattan brought by the Trustee appointed for the liquidation of Bernard L. Madoff Investment Securities LLC (BLMIS). The action is similar to those brought by the BLMIS Trustee against numerous institutions and seeks recovery of amounts allegedly received by the Societe Generale entities indirectly from BLMIS through so-called "feeder funds" that were invested in BLMIS and from which the Societe Generale entities received redemptions. The suit alleges that the amounts that the Societe Generale entities received are avoidable and recoverable under the US Bankruptcy Code and New York state law. The BLMIS Trustee seeks to recover, in the aggregate, approximately 150 million or American dollars from the Societe Generale entities. The Societe Generale entities are defending the action. In decisions dated 22 November 2016 and 3 October 2018, the Court rejected most of the claims brought by the BLMIS Trustee. The Trustee appealed to the US Court of Appeals for the Second Circuit. By order dated 25 February 2019, the Second Circuit vacated the judgements and remanded for further proceedings. On 1 June 2020, the United States Supreme Court denied Defendant-Appellees' petition for a writ of certiorari. The case is now before the US Bankruptcy Court for further proceedings. The Societe Generale defendants filed a motion to dismiss on 29 April 2022. The motion was denied by order dated 7 October 2022. Discovery is proceeding.

- On 10 July 2019, Societe Generale was named as a defendant in a litigation filed in the US District Court in Miami by plaintiffs seeking compensation under the Cuban Liberty and Democratic Solidarity (*Libertad*) Act of 1996 (known as the Helms-Burton Act) stemming from the expropriation by the Cuban government in 1960 of Banco Nunez in which they are alleged to have held an interest. Plaintiff claims damages from Societe Generale under the terms of this statute. Plaintiff filed an amended complaint on 24 September 2019 adding three other banks as defendants and adding several new factual allegations as to Societe Generale. Societe Generale filed a motion to dismiss, which was fully briefed as at 10 January 2020. While the motion to dismiss was pending, plaintiffs filed an unopposed motion on 29 January 2020, to transfer the case to federal court in Manhattan, which the court granted on 30 January 2020. Plaintiffs filed a second amended complaint on 11 September 2020, in which it dropped the three other banks as defendants, added a different bank as an additional defendant, and added as additional plaintiffs who purport to be heirs of the founders of Banco Nunez. The court granted Societe Generale's motion to dismiss on 22 December 2021 but permitted plaintiffs to replead their claims. On 25 February 2022, plaintiffs filed an amended complaint, and on 11 April 2022, Societe Generale filed its motion to dismiss. By order entered 30 March 2023, the court granted Societe Generale's motion to dismiss. Plaintiffs have appealed.

- On 9 November 2020, Societe Generale was named as a defendant, together with another bank, in a similar Helms-Burton litigation filed in the US District Court in Manhattan (Pujol I) by the purported heirs of former owners, and personal representatives of estates of heirs or former owners, of Banco Pujol, a Cuban bank alleged to have been confiscated by the Cuban government in 1960. On 27 January 2021, Societe Generale filed a motion to dismiss. In response, as permitted by the judge's rules, plaintiffs chose to file an amended complaint and did so on 26 February 2021. Societe Generale filed a motion to dismiss the amended complaint on 19 March 2021, which was granted by the court on 24 November 2021. The court permitted plaintiffs to replead their claims. On 4 February 2022, plaintiffs filed an amended complaint, and on 14 March 2022, Societe Generale filed its motion to dismiss, which was granted by the court on 23 January 2023. Plaintiffs have appealed.

  On 16 March 2021, Societe Generale was named as a defendant, together with another bank, in a nearly identical Helms-Burton litigation filed in the US District Court in Manhattan (Pujol II) by the personal representative of one of the purported heirs to Banco Pujol who is also a plaintiff in Pujol I. The case was stayed pending developments in Pujol I. At the parties' request, following dismissal of Pujol I, the court lifted the stay on Pujol II and entered an order dismissing the case for the same reasons it dismissed Pujol I. Plaintiff has appealed.

- In the context of the sale of its Polish subsidiary Euro Bank to Bank Millennium on 31 May 2019 and of the indemnity granted to the latter against certain risks, Societe Generale continues to monitor the evolution of court cases related to CHF-denominated or CHF-indexed loans issued by Euro Bank.The reserve in this matter in Societe Generale SA's accounts takes into consideration the increase in the number of court cases regarding the loans subject of the sale and the substance of the decisions handed down by Polish courts.

- Like other financial institutions, Societe Generale is subject to audits by the tax authorities regarding its securities lending/borrowing activities as well as equity and index derivatives activities. The 2017, 2018, 2019 and 2020 audited years are subject to notifications of proposals of tax adjustments in respect of the application of a withholding tax. These proposals are contested by the Group. Given the significance of the matter, on 30 March 2023, the French Banking Federation has brought proceedings against the tax administration's doctrine. In this respect, on 8 December 2023, the French *Conseil d'Etat* ruled that the tax authorities may not extend the dividend withholding tax beyond its statutory scope, except if taxpayers engaged in an abusive behavior ("*abus de droit*"), thereby characterising the tax administration's position based on the concept of beneficial owner as illegal. In addition, further to raids conducted by the "*parquet national financier*" at the end of March 2023 at the premises of five banks in Paris, among which Societe Generale, the latter has been informed that it was subject to a preliminary investigation pertaining to the same issue. Societe Generale is defending the action.

- On 19 August 2022, a Russian fertiliser company, EuroChem North West-2 ("EuroChem"), a wholly owned subsidiary of EuroChem AG, filed a claim against Societe Generale S.A. and its Milan branch ("Societe Generale") before English courts. This claim relates to five on-demand bonds that Societe Generale issued to EuroChem in connection with a construction project in Kingisepp, Russia. On 4 August 2022, EuroChem made demands under the guarantees. Societe Generale explained it was unable to honour the claims due to international sanctions directly impacting the transactions, an assessment which EuroChem disputes. Societe Generale filed its defence submissions on 1 November 2022, to which EuroChem replied on 19 December 2022. Procedural timetables were notably discussed during several procedural hearings. As things currently stand, the trial (if any) is expected to take place in June 2025.

- SG Americas Securities, LLC ("SGAS") received a request for information in December 2022 from the US Securities and Exchange Commission ("SEC") focused on compliance with record-keeping requirements in connection with business-related communications on messaging platforms that were not approved by the firm. On 28 March 2023, SGAS and Societe Generale received a similar request from the US Commodity Futures Trading Commission ("CFTC"). These inquiries follow a number of regulatory settlements in 2022 with other firms covering similar matters. SGAS reached a settlement with the SEC, announced on 8 August 2023, and agreed to pay a penalty of 35 million of American dollars, take certain remedial actions, and engage an independent compliance consultant. Societe Generale and SGAS reached a settlement with the CFTC, also announced on 8 August 2023, and agreed to pay a penalty of 75 million of American dollars and take certain remedial actions.