

CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2024



LA POSTE
GROUPE

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CONSOLIDATED INCOME STATEMENT

<i>(in € millions)</i>	Note	2024	2023
Revenue from commercial activities	7	27,055	26,888
Net banking income	8	7,514	7,185
Operating revenue	6.2	34,569	34,073
Purchases and other expenses	9	(15,814)	(16,053)
Personnel expenses	10	(14,006)	(13,605)
Taxes other than on income	11	(302)	(505)
Depreciation, amortisation, provisions and impairment	12	(2,723)	(2,904)
Other operating expenses and income	13	664	689
Proceeds from asset disposals		523	(50)
Net operating expenses		(31,658)	(32,428)
Share in net profit/(loss) of jointly-controlled companies	20	39	35
Operating profit/(loss)		2,950	1,680
Cost of net debt	14.1	(235)	(211)
Other financial items	14.2	(29)	(28)
Net financial income/(expense)	14	(264)	(239)
Share in net profit/(loss) of other equity-accounted companies	20	(164)	(169)
Profit/(loss) before income tax		2,522	1,272
Income tax benefit/(expense)	15.1	(800)	(496)
CONSOLIDATED NET PROFIT/(LOSS)		1,722	776
Attributable to non-controlling interests		312	262
NET PROFIT/(LOSS) ATTRIBUTABLE TO OWNERS OF THE PARENT		1,410	514

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Amounts net of tax (in € millions)	2024	2023
CONSOLIDATED NET PROFIT/(LOSS)	1,722	776
OTHER COMPREHENSIVE INCOME RECOGNISED IN EQUITY		
Items that may be reclassified to profit or loss	(1,053)	(577)
Change in unrealised gains and losses on financial instruments	463	8,334
<i>Reclassification to profit or loss</i>	799	2,300
Translation adjustments	(1,099)	322
<i>Reclassification to profit or loss</i>		
Share in other comprehensive income of equity-accounted companies that may be reclassified to profit or loss	41	(44)
Remeasurement of insurance and reinsurance contracts	(457)	(9,189)
Items that will not be reclassified to profit or loss	103	1,659
Actuarial gains and losses on employee benefits	(12)	(27)
Change in credit risk of financial liabilities designated as at fair value through profit or loss	8	(1)
Remeasurement of equity instruments at fair value through other comprehensive income (excluding instruments sold during the year)	115	1,684
Share in other comprehensive income of equity-accounted companies that will not be reclassified to profit or loss	(8)	3
Fair value adjustments to direct participating insurance contracts through OCI		
Total other comprehensive income/(loss) recognised in equity (net of tax)	(950)	1,082
TOTAL COMPREHENSIVE INCOME/(LOSS)	772	1,858
Total comprehensive income/(loss) attributable to non-controlling interests	(294)	507
TOTAL COMPREHENSIVE INCOME/(LOSS) ATTRIBUTABLE TO OWNERS OF THE PARENT	1,066	1,351

CONSOLIDATED BALANCE SHEET

ASSETS

<i>(in € millions)</i>	Note	31 Dec. 2024	31 Dec. 2023
Goodwill	16	5,954	5,942
Intangible assets	17	4,949	5,513
Property, plant and equipment	18	6,813	6,865
Right-of-use assets	19	3,605	3,628
Investments in equity-accounted companies	20	1,678	1,811
Other non-current financial assets	22	564	582
Deferred tax assets	15.5	1,662	1,920
Non-current assets		25,225	26,261
Inventories and work-in-progress	24.1	209	215
Trade and other receivables	24.2	5,190	5,670
Other current financial assets	22	300	283
Income tax credit		379	921
Other accruals – Assets		192	160
Cash and cash equivalents	25.1	4,172	3,650
Assets and disposal groups held for sale	26	17,302	53
Current assets		27,744	10,952
Cash, central banks	25.2	27,812	40,577
Financial assets at fair value through profit or loss	23.1	203,882	218,089
Hedging derivatives	23.2	486	677
Financial assets at fair value through OCI	23.3	217,945	212,678
Securities at amortised cost	23.4	36,256	33,104
Loans and advances to credit institutions at amortised cost	23.5	75,673	70,914
Loans and advances to customers at amortised cost	23.6	128,958	125,999
Revaluation differences on portfolios hedged against interest rate risks		490	181
Insurance contracts issued – Assets	23.7	917	1,343
Reinsurance contracts held - Assets	23.7	6,523	8,891
Other financial assets and accruals	23.7	8,961	8,596
Investment property	23.8	6,590	7,262
Assets specific to banking and insurance activities		714,493	728,311
TOTAL ASSETS		767,462	765,524

EQUITY AND LIABILITIES

<i>(in € millions)</i>	Note	31 Dec. 2024	31 Dec. 2023
Share capital and share premium		7,104	7,104
Reserves		18,761	18,264
Cumulative gains and losses on financial instruments and insurance/reinsurance contracts reclassifiable to profit or loss		(3,853)	(3,910)
Translation reserve		(793)	(292)
Perpetual hybrid subordinated notes		744	744
Net profit/(loss) attributable to owners of the parent		1,410	514
Equity attributable to owners of the parent		23,373	22,424
Non-controlling interests		7,202	8,345
CONSOLIDATED EQUITY		30,575	30,769
Bonds and other debt ^(a)	29.1	10,969	11,945
Lease liabilities ^(a)	29.1	4,071	4,078
Provisions for contingencies and losses ^(a)	28	837	953
Employee benefits ^(a)	31	2,144	2,143
Deferred tax liabilities (non-current)	15.5	1,245	1,563
Trade and other payables ^(a)	33	9,115	10,140
Income tax liabilities (current)		116	199
Other accruals – Liabilities (current)		245	262
Liabilities directly associated with assets held for sale (current)	26	16,283	64
Non-current liabilities		15,864	16,869
Current liabilities		29,161	14,478
Financial liabilities at fair value through profit or loss	32.1	17,559	13,585
Hedging derivatives	32.2	1,958	2,183
Liabilities due to credit institutions	32.3	31,038	33,576
Customer deposits	32.4	225,576	224,995
Debt securities	32.5	32,835	34,314
Revaluation differences on portfolios hedged against interest rate risks		(161)	(331)
Insurance contracts issued and reinsurance contracts held	32.6	366,784	378,485
Other financial liabilities and accruals	32.7	6,231	7,151
Subordinated debt	32.8	10,042	9,450
Liabilities specific to banking and insurance activities		691,862	703,408
TOTAL EQUITY AND LIABILITIES		767,462	765,524
<i>(a) Of which current portion:</i>			
<i>Bonds and other debt</i>		1,285	1,513
<i>Lease liabilities</i>		851	812
<i>Provisions for contingencies and losses</i>		708	828
<i>Employee benefits</i>		563	663
<i>Trade and other payables</i>		9,110	10,137

CHANGES IN CONSOLIDATED EQUITY – 2024

Amounts net of tax (in € millions)	Share capital and share premium	Retained earnings	Translation reserves	Financial instrument reserves reclassifiable to profit or loss	Cumulative gains & losses on ins. & reins. contracts reclassifiable to profit or loss	Perpetual hybrid subordinated notes	Other reserves	ATTRIBUTABLE TOTAL	Non-controlling interests	TOTAL
Consolidated equity at 31 December 2023	7,104	514	(292)	(19,463)	15,553	744	18,264	22,424	8,345	30,769
Dividend payments									(417)	(417)
Remuneration of perpetual hybrid subordinated notes ^(a)							(159)	(159)		(159)
Put options written over non-controlling interests				1			(18)	(17)	(103)	(120)
Transactions with non-controlling interests							(35)	(35)	(10)	(45)
Appropriation of 2023 net profit/(loss)		(514)					514			
Comprehensive income for the period		1,410	(502)	484	(429)		103	1,066	(294)	772
Of which:										
- Net profit/(loss)		1,410						1,410	312	1,722
- Reserves reclassifiable to profit or loss			(502)	484	(429)			(447)	(606)	(1,053)
- Cumulative gains and losses on financial instruments not reclassifiable to profit or loss							123	123		123
- Actuarial gains and losses							(20)	(20)		(20)
Other ^(b)				1			93	94	(319)	(225)
CONSOLIDATED EQUITY AT 31 DECEMBER 2024	7,104	1,410	(793)	(18,977)	15,124	744	18,761	23,373	7,202	30,575

(a) Remuneration of hybrid subordinated notes from La Poste (€23 million), La Banque Postale (€52 million) and CNP Assurances (€84 million).

(b) The change in non-controlling interests includes a decrease of €556 million relating to the repayment of perpetual deeply-subordinated notes by CNP Assurances.

CHANGES IN CONSOLIDATED EQUITY - 2023

Amounts net of tax (in € millions)	Share capital and share premium	Retained earnings	Translation reserves	Financial instrument reserves reclassifiable to profit or loss	Cumulative gains & losses on ins. & reins. contracts reclassifiable to profit or loss	Perpetual hybrid subordinated notes	Other reserves	ATTRIBUTABLE TOTAL	Non-controlling interests	TOTAL
Consolidated equity at 31 December 2022 - reported	6,788	1,203	(422)	(3,301)		744	12,534	17,546	7,767	25,313
First-time application of IFRS 17 ^(a)		(192)	38	(24,312)	24,708		3,593	3,835	320	4,155
Consolidated equity at 31 December 2022	6,788	1,011	(384)	(27,613)	24,708	744	16,127	21,381	8,087	29,468
Issuance of perpetual notes									1	1
Dividend payments ^(b)	316						(421)	(105)	(358)	(463)
Remuneration of perpetual hybrid subordinated notes ^(c)							(151)	(151)		(151)
Put options written over non-controlling interests							31	31	(3)	28
Transactions with non-controlling interests			(16)	3			(25)	(38)	(61)	(99)
Appropriation of 2022 net profit/(loss)		(1,011)					1,011			
Comprehensive income for the period		514	108	8,146	(9,076)		1,659	1,351	507	1,858
Of which:										
- Net profit		514						514	262	776
- Reserves reclassifiable to profit or loss			108	8,146	(9,076)			(822)	245	(577)
- Cumulative gains and losses on financial instruments not reclassifiable to profit or loss							1,683	1,683		1,683
- Actuarial gains and losses							(24)	(24)		(24)
Other				1	(79)		33	(45)	172	127
CONSOLIDATED EQUITY AT 31 DECEMBER 2023	7,104	514	(292)	(19,463)	15,553	744	18,264	22,424	8,345	30,769

(a) Restated for the first-time application of IFRS 17.

(b) La Poste dividends paid out in cash and shares (see Note 27.1).

(c) Remuneration of hybrid subordinated notes from La Poste (€23 million), La Banque Postale (€52 million) and CNP Assurances (€76 million).

CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	31 Dec. 2024			31 Dec. 2023		
		Group	Industrial and commercial activities	Banking and insurance activities	Group	Industrial and commercial activities	Banking and insurance activities
<i>(in € millions)</i>							
EBITDA	41.10	4,661	1,415	3,246	4,069	977	3,092
Changes in provisions for current assets and irrecoverable receivables		(73)	(73)		(49)	(49)	
Miscellaneous financial income and expenses		3	3		17	17	
Cash flows from/(used in) operating activities before cost of net debt and taxes	41.1	4,591	1,345	3,246	4,037	945	3,092
Changes in working capital requirement	41.3	(494)	(179)	(315)	132	67	65
Changes in balance of banking and insurance assets and liabilities	41.4	(12,516)		(12,516)	397		397
Taxes paid		(270)	779	(1,049)	(643)	(77)	(566)
Dividends paid by La Banque Postale to La Poste			1,348	(1,348)		576	(576)
Dividends received from equity accounted companies		111	25	86	105	25	80
Net cash from/(used in) operating activities		(8,578)	3,318	(11,896)	4,028	1,536	2,492
Purchases of property, plant and equipment and intangible assets	41.5	(1,658)	(1,252)	(406)	(1,946)	(1,471)	(475)
Purchases of financial assets		(84)	(62)	(22)	(135)	(84)	(51)
Proceeds from disposals of property, plant and equipment and intangible assets		85	84	1	119	119	
Proceeds from disposals of financial assets		27	27		32	25	7
Impact of changes in consolidation scope		657	471	186	(959)	(472)	(487)
Changes in financial assets held for cash management purposes		(2)	(2)		380	380	
Net cash from/(used in) investing activities		(975)	(734)	(241)	(2,509)	(1,503)	(1,006)
Capital increases		50	43	7	178	1	177
Dividends paid and remuneration of hybrid subordinated notes		(575)	(29)	(546)	(615)	(135)	(480)
Purchases of non-controlling interests		(95)	(95)		(127)	(63)	(64)
Interest paid		(226)	(226)		(157)	(157)	
Proceeds from new borrowings	41.6	1,152	652	500	3,159	2,659	500
Repayment of borrowings	41.7	(1,655)	(1,655)		(2,444)	(2,244)	(200)
Repayment of perpetual subordinated notes	41.7	(494)		(494)			
Repayment of lease liabilities		(907)	(874)	(33)	(892)	(850)	(42)
Other cash flows used in financing activities	41.8	(13)	(13)		(49)	(49)	
Intra-group flows			124	(124)		(86)	86
Net cash from/(used in) financing activities		(2,763)	(2,073)	(690)	(947)	(924)	(23)
Decrease/(increase) in cash and cash equivalents from banking activities before impact of changes in consolidation scope	41.9	12,828		12,828	(1,463)		(1,463)
Impact of subsidiaries held for sale		14	14		1	1	
Impact of changes in exchange rates		(3)	(3)		3	3	
Net (decrease)/increase in cash and cash equivalents		523	523		(887)	(887)	
Opening cash and cash equivalents		3,650	3,650		4,537	4,537	
Closing cash and cash equivalents		4,172	4,172		3,650	3,650	

GENERAL ITEMS

NOTE 1 SIGNIFICANT EVENTS OF THE YEAR

- 1.1 Bond issuances
- 1.2 Disposal of La Poste Telecom
- 1.3 Acquisition by CNP Assurances of exclusive control of La Mutuelle Générale's social protection business
- 1.4 Exclusive distribution agreement between CNP Assurances and Banco de Brasília
- 1.5 Planned disposal of CNP UnicREDIT Vita (CUV)
- 1.6 Planned disposal of the insurance business in Cyprus

1.1 Bond issuances

In 2024, La Poste Groupe carried out several bond issuances, as detailed below. These issuances qualify as debt instruments under IFRS 9 and IAS 32.

La Banque Postale bond issuance

On 29 January 2024, La Banque Postale Home Loan SFH carried out a €750 million green covered bond issuance, the proceeds of which will be used to finance green loans. The bonds are due in 2034 and pay interest at 3.125%.

On 13 February 2024, La Banque Postale issued €750 million worth of bonds due June 2030 paying interest at 3.5%.

On 1 October, La Banque Postale issued €500 million worth of bonds due April 2031 paying interest at 3.5%.

On 7 November 2024, La Banque Postale Home Loan SFH issued €1 billion worth of social covered bonds. The 6-year 2.750% bonds were placed at a final spread of MS +45 bps.

CNP Assurances notes issuance and repayment

On 10 July 2024, CNP Assurances issued €500 million worth of 30-year subordinated notes, paying interest at 4.875% until July 2034 and callable at the issuer's option after 9.5 years.

In November 2024, CNP Assurances retired €494 million worth of 4.25% perpetual subordinated notes issued in November 2014. The debt was classified in equity, under non-controlling interests, for €556 million (see 2024 consolidated statement of changes in equity).

1.2 Disposal of La Poste Telecom

On 15 November 2024, La Poste Groupe completed the sale of its 51% stake in La Poste Telecom to Bouygues Telecom.

The disposal proceeds totalled €496 million. The disposal gain, net of transaction costs, amounted to €513 million before tax.

Two new framework service and brand licensing agreements have been signed, providing for the continued payment to La Poste of a volume-based fee (with a guaranteed minimum) for the marketing of La Poste Mobile services in the post office network.

La Poste Groupe's equity-accounted share of La Poste Telecom's profit for the period from 1 January 2024 to the disposal date amounted to €14 million.

1.3 Acquisition by CNP Assurances of exclusive control of La Mutuelle Générale's social protection business

On 15 July 2024, CNP Assurances and La Mutuelle Générale announced the signing of binding agreements to establish a structured partnership in the field of social protection (individual and group health and personal protection insurance).

As of 31 December 2024, CNP Assurances had acquired a 65% interest and exclusive control of CNP Assurances Protection Sociale, the vehicle set up to receive La Mutuelle Générale's health and personal protection insurance business (excluding statutory contracts and mutual insurance activities). La Mutuelle Générale holds the other 35% of CNP Assurances Protection Sociale.

The acquisition price was €188 million, and negative goodwill of €146 million was recognised in the income statement.

CNP Assurances Protection Sociale provides personal protection insurance cover to the employees of La Poste and acquiring control of this company therefore also resulted in the recognition of a €291 million provision for employee benefits (see Note 31.1) in La Poste Groupe's financial statements.

In addition, as part of the purchase price allocation, the 25-year agreement signed by CNP Assurances Protection Sociale, setting out the terms and conditions for the management of La Mutuelle Générale's statutory and mutual insurance contracts, was recognised as an intangible asset in the amount of €47 million.

1.4 Exclusive distribution agreement between CNP Assurances and Banco de Brasília

On 1 July 2024, CNP Assurances' two Brazilian subsidiaries, CNP Consórcio et CNP Capitalização, signed an exclusive agreement for the distribution of certain products in the network of Banco de Brasília (BRB), the main financial institution in the Federal District of Brasília. Under the terms of the agreement, CNP Consórcio's consórcio products and

CNP Capitalização's savings products will be distributed exclusively by BRB to its 7.8 million customers for a period of 20 years.

The agreement is subject to the usual conditions precedent, including approval by the Brazilian competition authority.

The CNP Assurances group will pay an estimated BRL 150 million (approximately €25 million recognised under intangible assets) in exchange for the exclusive distribution rights. Of this amount, €100 million will be payable on inception of the agreement and the BRL 50 million balance will be payable in two instalments (BRL 20 million in year 3 and BRL 30 million in year 5), subject to the achievement of agreed sales targets.

1.5 Planned disposal of CNP UniCredit Vita (CUV)

On 24 September 2024, UniCredit informed CNP Assurances of its intention to exercise its call option on CNP Assurances' 51% interest in their Italian joint venture, CNP UniCredit Vita (CUV). This transaction, which is in line with the shareholders' agreement, remains subject to the usual regulatory approvals. Following the decision of UniCredit's Board, CUV's assets of €16,449 million and liabilities of €15,629 million were reclassified as held for sale in the consolidated balance sheet at 31 December 2024 (see Note 26), with no impact on the income statement.

1.6 Planned disposal of the insurance business in Cyprus

On 9 July 2024, La Poste Groupe announced the signature of an agreement for the sale of its subsidiary Cyprus Insurance Holdings (CIH). The proposed sale price amounts to €182 million, generating a capital loss estimated at around €27 million.

The deal is expected to be closed in early 2025, once the customary conditions precedent have been fulfilled, including obtaining the necessary regulatory approvals. The assets and liabilities reclassified as held for sale amount to €837 million and €654 million respectively, net of intra-group transactions between Cyprus Insurance Holdings and other Group entities.

NOTE 2 BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

- 2.1 Accounting basis
- 2.2 Valuation basis and use of estimates

La Poste, the parent company of **La Poste Groupe** ("La Poste Groupe" or "the group") has been a **société anonyme** (French public-owned limited company) since 1 March 2010, with its registered office at **9, rue du Colonel-Pierre-Avia, 75015 Paris, France**.

Prior to this, it was an independent state-owned entity, that was already subject to the same financial management and accounting policies as commercial businesses. La Poste Groupe is a large **multi-business services group**.

The group's consolidated financial statements for the year ended 31 December 2024 were approved for issue by the Board of Directors (meeting on 27 February 2025) and are subject to the approval of the General Meeting. No change in the company's name occurred in 2024.

Group address: 9, rue du Colonel Avia, 75015 Paris, France
Principal place of business: 9, rue du Colonel Avia, 75015 Paris, France

2.1 Accounting basis

Pursuant to European Regulation No. 1606/2002 of 19 July 2002, the consolidated financial statements of La Poste Groupe for the year ended 31 December 2024 were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. These standards are available on the website of the European Commission:

[EUR-Lex - 02023R1803-20240109 - EN - EUR-Lex \(europa.eu\)](https://eur-lex.europa.eu/lexuris/ui/02023R1803-20240109-EN).

Except for the standards and interpretations effective for annual reporting periods beginning on or after 1 January 2024, the accounting principles applied at 31 December 2024, as described in Note 3, are unchanged from those applied at 31 December 2023.

The consolidated financial statements are presented in millions of euros.

2.1.1 Standards and interpretations effective for annual reporting periods beginning on 1 January 2024

The following narrow-scope amendments mandatorily effective for reporting periods beginning on or after 1 January 2024 had no material impact on La Poste Groupe's financial statements for the year ended 31 December 2024.

Amendment to IAS 1 – Non-current Liabilities with Covenants

The amendment to IAS 1 concerns situations where the borrower would not have complied with covenants within 12 months after the reporting period and would not therefore have the right to defer settlement of the liability. It clarifies that if the covenant is not complied with at the reporting date, the liability is not reclassified as current, but information must be disclosed in the notes to the financial statements concerning the risk that the liability could become repayable within 12 months of the reporting period.

Amendments to IAS 7 and IFRS 7 – Supplier Finance Arrangements

These amendments require more detailed disclosures about reverse factoring arrangements, in which the supplier is paid using financing from a bank, and their effects on an entity's cash flows or exposure to liquidity risk. The additional disclosures concern the main features of supplier financing arrangements, the amounts paid to suppliers and supplier payment terms.

Amendments to IFRS 16 – Lease Liability in a Sale and Leaseback

This amendment only concerns sale and leaseback transactions. It confirms that the seller-lessee recognises the sale for the amount of the gain or loss related to the rights transferred to the buyer-lessor and recognises the leaseback by recording a lease liability that reflects the variable lease payments.

2.1.2 Standards and interpretations effective after 31 December 2024

The group has not early adopted any standard or interpretation mandatorily effective after 31 December 2024.

IFRS 18 – Presentation of Financial Statements and Disclosures has been published by the IASB. The new standard has not yet been adopted by the European Union and will be applicable for accounting periods beginning on or after 1 January 2027 (including comparative data for 2026). La Poste is in the process of analysing its impact on the group.

2.2 Valuation basis and use of estimates

When preparing the financial statements, the group uses the best possible assumptions and makes the best possible estimates based on information available at the reporting date and management judgements. These assumptions and estimates may be subject to varying degrees of uncertainty concerning actual future outcomes, due to many factors such as changes in interest rates and/or exchange rates.

As a result, actual amounts may differ from the estimates and assumptions used.

The main items concerned are as follows:

- calculation of employee benefits;
- calculation of right-of-use assets and lease liabilities;
- measurement of goodwill and other assets and liabilities recognised on business combinations;
- assumptions used in particular for impairment tests on goodwill, other intangible assets and property, plant and equipment;
- measurement of insurance contracts under IFRS 17;
- measurement of financial instruments not listed on organised markets;
- credit risk estimates;
- deferred tax assets;
- assumptions and estimates used to measure hedge effectiveness;
- estimates of provisions for contingencies and losses.

NOTE 3 SIGNIFICANT ACCOUNTING POLICIES

- 3.1 Basis of consolidation
- 3.2 Foreign currency transactions
- 3.3 Consolidation of the La Banque Postale segment
- 3.4 Operating revenue
- 3.5 Income tax and tax consolidation
- 3.6 Intangible assets
- 3.7 Property, plant and equipment and investment properties
- 3.8 Leases
- 3.9 Impairment of goodwill, other intangible assets, property, plant and equipment, investment property measured using the cost model and right-of-use assets (IFRS 16)
- 3.10 Other assets
- 3.11 Financial assets and liabilities of banking and insurance activities
- 3.12 Insurance contracts (IFRS 17)
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- 3.15 Bond debt and derivative financial instruments relating to the management of bond debt
- 3.16 Provisions
- 3.17 Employee benefits
- 3.18 Assets held for sale
- 3.19 Statement of cash flows

3.1 Basis of consolidation

3.1.1 Consolidation methods

Full consolidation

Companies controlled by the group are consolidated using the full-consolidation method.

Control is defined as having power over the relevant activities of the investee, exposure to variable returns from involvement in the investee and the ability to use the power over the investee to affect the amount of the investor's returns.

Equity method

Joint ventures and associates are accounted for using the equity method.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

Joint control is the sharing of control of an arrangement by a limited number of partners or shareholders, so that the financial and operating policy decisions of the investee require the unanimous consent of the parties sharing control.

An associate is an entity over which the group has significant influence.

Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of the investee.

Investments accounted for using the equity method are initially recognised at cost in the balance sheet under "Investments in equity-accounted companies" and their carrying amount is adjusted thereafter for the post-acquisition change in the group's share of their net assets, and less impairment losses.

Their profits or losses are presented in the consolidated income statement under "Share in profits of jointly-controlled companies", or under "Share in profits of other equity-accounted companies" when the group has only a significant influence.

Non-material controlled entities

Non-material and/or dormant entities, whose consolidation would not have a material impact on the presentation of a true and fair view of the net assets, financial position or profits and losses of the group's business activities, are not consolidated.

3.1.2 Consolidation rules

Intra-group transactions

All material transactions between consolidated companies, and proceeds on internal disposals, are eliminated.

Translation of financial statements of foreign companies

The consolidated financial statements are presented in euros, which is the functional and presentation currency of La Poste, the group's parent company.

The financial statements of group companies that use a functional currency other than the presentation currency are translated into the presentation currency as follows: the balance sheets are translated into euros at the period-end exchange rate and the income statements are translated into euros at the average exchange rate for the period. Any resulting translation differences are recognised directly in the consolidated balance sheet in equity, under "Translation reserve".

Goodwill and fair value adjustments resulting from the acquisition of a foreign operation are treated as the assets and liabilities of the foreign operation and converted at the period-end exchange rate.

Translation differences stemming from transactions consisting of net investments between group companies are recognised in the balance sheet in equity under "Translation reserve". Translation differences arising on the translation of loans and other foreign exchange instruments designated as hedging instruments for these net investments are charged to equity on consolidation.

When a foreign operation is disposed of, the translation differences initially recorded in equity are recognised in the income statement under disposal gains and losses.

3.1.3 Business combinations

Business combinations are recognised using the acquisition method, in line with IFRS 3 – Business Combinations.

When an exclusively controlled company is first consolidated, the acquisition cost corresponds to the fair value of the assets transferred, equity instruments issued or liabilities incurred or assumed at the date of exchange for control, and any adjustments to the cost contingent on future events.

Goodwill is the excess of the cost of a business combination over the group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities.

Negative goodwill (or a gain from a bargain purchase) is recognised in profit or loss on the acquisition date.

Goodwill is not amortised but is subject to impairment tests annually or more frequently when there are indications that it may have been impaired, using the method described in Note 3.9.

3.1.4 Transactions involving non-controlling interests Acquisitions and disposals

Acquisitions and disposals of non-controlling interests that do not result in a change in control over the company in question are recognised in equity.

Put options written over non-controlling interests (NCI puts)

Pursuant to IAS 32 – Financial Instruments: Presentation, La Poste Groupe recognises a financial liability for put options granted to non-controlling shareholders of consolidated subsidiaries. When the value of the liability exceeds the value of the non-controlling interests, IFRS does not specify how it should be recognised.

La Poste Groupe has elected to recognise the difference between the liability and value of the non-controlling interests under reserves attributable to owners of the parent. Subsequent changes in the liability relating to variations in the estimated strike price of the NCI put and of the carrying amount of the non-controlling interests are recognised in attributable reserves.

3.2 Foreign currency transactions

Transactions denominated in foreign currencies are recognised based on the applicable exchange rates at the recognition date.

At the reporting date, monetary assets and liabilities denominated in foreign currencies are translated at the applicable period-end exchange rate.

Translation differences arising on transactions denominated in foreign currencies are recognised in the income statement under "Other financial items", in the "Net foreign exchange gains/(losses)" line (see Note 14.2).

Banking and insurance activities

IAS 21 defines monetary assets and liabilities as assets and liabilities to be received or paid in a fixed or determinable number of units of currency, for example a loan or vanilla bond. Based on this definition, an equity instrument is a non-monetary asset.

At the reporting date, unrealised or realised exchange differences on monetary assets and liabilities

denominated in foreign currencies are recognised in the income statement.

Exchange differences on assets denominated in foreign currencies and measured at fair value through profit or loss are recognised in profit or loss together with other changes in value.

Exchange differences on equities denominated in foreign currencies and measured at fair value through other comprehensive income not reclassifiable to profit or loss are also recognised in other comprehensive income not reclassifiable to profit or loss; however, the gains and losses accumulated in equity are not subsequently reclassified to profit or loss on disposal of the assets or otherwise.

3.3 Consolidation of the La Banque Postale segment

To improve the clarity of the financial statements, items specific to La Banque Postale, corresponding to banking and insurance activities are presented on separate lines in the group's consolidated balance sheet and income statement. A detailed presentation of these items is provided in the notes, in accordance with IFRS requirements.

The group has elected not to present its insurance activities as separate items in assets and in the income statement, but rather to include them in existing balance sheet and income statement captions.

The accounting policies applied to the banking and insurance activities are described in Notes 3.11 and 3.12 respectively.

In addition, specific disclosures concerning the insurance activities' assets are provided in Note 36.2.

Cost of risk

The banking activities' cost of risk includes impairment losses and reversals on financial assets at amortised cost and at fair value through other comprehensive income reclassifiable to profit or loss, lease receivables, financial guarantees and financing commitments, structured credit discounts, recoveries on impaired assets covered by allowances and losses on irrecoverable receivables. Cost of risk is included in operating profit, below net banking income.

The insurance activities' cost of risk includes impairment losses and reversals on irrecoverable receivables relating to financial investments underlying insurance contracts. It is included in net banking income.

3.4 Operating revenue

Revenue from commercial activities

Revenue from the sale of goods and services is recognised upon transfer of the significant risks and rewards of ownership of an asset to the customer. It is thus recorded as and when the related service is provided, with the exception of revenue from sales of postage stamps and pre-paid envelopes, which is recognised at the time of sale (except in exceptional circumstances).

The transit time for mail and parcel traffic is taken into account in the measurement of revenue at the reporting date.

Net banking income

Net banking income in the consolidated income statement is the net balance of banking income and expenses for La Banque Postale and all its subsidiaries, including CNP Assurances' insurance businesses. It is measured in accordance with the accounting policies applicable to banks. A breakdown of net banking income is provided in Note 8.

Banking activities

Interest income and expenses presented in Note 8 include interest on financial instruments at amortised cost and financial instruments at fair value through other comprehensive income, and accrued interest on fair value hedges.

Fee income and expenses presented in Note 8 are recognised in profit or loss for the period in which the related obligations are fulfilled, as follows:

- fees for services provided over time are recognised in profit or loss as the services are delivered;

This concerns fees for managing payment media.

- one-off fees and commissions and fees for an important action are recognised in profit or loss when the service is performed or the action is carried out;

This concerns asset management contract commissions and payment incident fees.

- variable fees and commissions are recognised in profit or loss only when it is highly probable that the recognised amounts will not subsequently be reduced significantly;

- fees that are considered as equivalent to interest are an integral part of the effective interest rate calculation. They fall within the scope of IFRS 9 and are therefore included in interest income and expenses.

This concerns loan origination fees.

Insurance activities

The insurance activities are accounted for in accordance with IFRS 17. The related accounting principles are described in Note 3.12.

3.5 Income tax and tax consolidation

The La Poste parent company has opted for a tax consolidation regime and is the head of the tax group. Deferred taxes are recognised whenever there is a temporary difference between the carrying amount of an asset or liability in the balance sheet and its tax base. Deferred taxes recognised in prior periods are adjusted to reflect any changes in tax rates. The corresponding impact is recorded as an increase or decrease in the deferred tax expense in the income statement unless it relates to items recognised directly in equity, in which case the tax is recognised in equity.

All deferred tax liabilities related to taxable temporary differences are recognised. Deferred tax assets resulting from temporary differences, the carryforward of tax losses or tax credits are recognised if it is probable that they will be recovered (i.e., to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised). This is determined based on a schedule for all

deferred tax bases, using the entity's best estimate of future changes in its taxable profit (see Note 15).

Deferred tax assets and liabilities are offset within the same taxable entity.

The income tax consequences of dividend payments on financial instruments classified as equity instruments are recognised in profit or loss.

3.6 Intangible assets

IAS 38 – Intangible Assets defines an intangible asset as an identifiable non-monetary asset without physical substance. An asset is identifiable if it either is separable or arises from contractual or other legal rights.

Intangible assets primarily consist of software and leasehold rights and are recognised at acquisition cost less amortisation and any impairment losses.

Software is amortised on a straight-line basis over its useful life (usually one to three years). Leasehold rights are not amortised.

Research and development expenditure

Expenditure on research is recognised as an expense when it is incurred.

Development expenditure is recognised as an intangible asset if all of the recognition criteria set out in IAS 38 are met. The asset is amortised on a straight-line basis over its useful life (three years on average, five years maximum) from the day it is commissioned.

Development expenditure that does not meet the above criteria is recognised as an expense when it is incurred.

Contractual customer relationships

When an insurance business is acquired, the fair value of the future economic benefits expected to flow to the group from the current contractual customer relationships is recognised as an intangible asset, provided that a sufficiently reliable estimate can be made of premium renewals. Contractual customer relationships are amortised on a straight-line basis over their estimated useful life, reflecting the period during which the economic benefits are expected to be consumed.

This concerns individual death/disability insurance in Brazil (10-year amortisation period) and individual death/disability insurance in France (15-year amortisation period).

When an asset management business is acquired, the fair value of the future economic benefits expected to flow to the group from the current contractual customer relationships is measured. Based on this measurement, an intangible asset is recognised in respect of the acquired management contracts and dedicated funds managed on behalf of institutional customers. The intangible asset is amortised on a straight-line basis over the estimated life of the contractual customer relationships, as determined on a run-off basis taking into account the probability of the contracts being renewed.

Amortisation and impairment charges relating to contractual customer relationships are presented in Note 12.

Distribution agreements

The value of a distribution agreement represents the future cash flows expected to be generated by new business written through the partner network under the agreement.

These intangible assets are estimated on the basis of the specific terms and conditions of each distribution contract; they are amortised over the life of the distribution contract, taking into account any residual value.

Amortisation and impairment charges relating to distribution agreements are presented in Note 12.

3.7 Property, plant and equipment and investment properties

Property, plant and equipment consists primarily of land, buildings, technical facilities, equipment, tools, and computer hardware. These assets are recognised at cost less depreciation and any impairment losses.

3.7.1 Acquisition cost of property, plant and equipment

The cost of an item of property, plant and equipment is only capitalised if it gives rise to a resource controlled by the group as a result of past events and it is probable that future economic benefits associated with the item will flow to the group.

The cost of the asset includes any additional costs directly attributable to acquiring the asset and to bringing it to the condition necessary for it to be capable of operating.

Borrowing costs are included in the acquisition cost of qualifying assets, in accordance with IAS 23 – Borrowing Costs.

Investment grants received for the acquisition of property, plant and equipment are presented as a liability in the balance sheet and recognised in profit or loss on a straight-line basis over the useful life of the asset.

3.7.2 Breakdown of the original value of property, plant and equipment by component

A component is a part of property, plant and equipment that has a different useful life, or that generates economic benefits at a rate that differs from that of the asset as a whole.

La Poste Groupe has identified the following components:

ASSET	COMPONENTS
Property portfolio	Shell, roofing, joinery and external work, major equipment items, small equipment items, fixtures and fittings, land
Sorting machines	Mechanical parts, intelligence, peripherals A fourth component (feeders and measuring instruments) has been identified for TPGD parcel sorting machines
Sorting-area equipment	Mechanical parts, intelligence
Automated teller machines (ATMs)	Machine, installation

3.7.3 Depreciation periods

Property, plant and equipment is depreciated on a straight-line basis over its useful life. The average useful lives are as follows:

ASSET	DEPRECIATION PERIOD
Shell	20 to 80 years
Roofing	20 to 60 years
Joinery and external work	20 to 40 years
Major equipment items	15 to 20 years
Small equipment items, fixtures and fittings	5 to 10 years
Sorting machines	5 to 15 years
Sorting-area equipment	5 to 8 years
Office equipment and computer hardware	3 to 5 years
Office furniture	10 years
ATMs	5 to 10 years
Transport vehicles	3 to 5 years

Land is not depreciated.

3.7.4 Special case of investment property

Classification on the group's balance sheet

At 31 December 2024, virtually all investment property was within the scope of La Banque Postale's insurance businesses. They are thus presented in assets specific to banking and insurance activities.

Investment property for other activities represents a non-material amount and is presented under property, plant and equipment.

Principles

Investment property is property (land or building) held to earn rentals or for capital appreciation or both, rather than for use in the production or supply of goods or services or for administrative purposes, or for sale in the ordinary course of business.

The group has elected to measure investment property using the cost model, as allowed by IAS 40, except for properties held in portfolios underlying direct participating insurance contracts and investment contracts with discretionary participation features measured using the VFA model, which are measured at fair value.

The principles for the recognition of impairment losses on properties measured using the cost model are described in Note 3.9.

The fair values of properties measured using the cost model are also disclosed in these notes to the financial statements. Fair value is the price that would be received to sell a property or shares in a non-trading property company in an orderly transaction. It is determined on the basis of five-year valuations performed by a qualified expert recognised by the French insurance regulator (ACPR). In the period between two five-year valuations, fair value is estimated at each year-end and the amounts obtained are certified by a qualified expert.

3.8 Leases

The following principles concern leases in which the group is the lessee.

The principles applied to external leases where the group is the lessor are described in Note 3.11 – Assets and liabilities of banking and insurance activities.

Under IFRS 16, a contract – regardless of its legal form – is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. When the asset is not identified, the contract is qualified as a contract for the provision of services.

For all external leases for which the group is the lessee, IFRS 16 has the following consequences:

- recognition of a lease liability equal to the present value of the lease payments not paid for the remainder of the lease term (non-cancellable period as well as both periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option);
- recognition of a right-of-use asset, depreciated over the term of the lease.

At 1 January 2019, La Poste Groupe elected to use the modified retrospective approach.

The group thus applied the following practical expedients provided for in the standard:

- exclusion of leases for which the underlying asset is of low value;
- exclusion of leases with a remaining term of 12 months or less;
- option not to capitalise initial direct costs incurred to obtain leases;
- adjustment of the right-of-use asset by the amount of any provisions for onerous leases as an alternative to impairment testing.

Application of IFRS 16 has not resulted in any change in the reported amounts of finance leases within the meaning of IAS 17. The group has elected not to apply IFRS 16 to leases on intangible assets.

Lease terms are determined based on an analysis of any termination and extension options. The group's open-ended leases may be terminated by either party at any time subject to a non-material penalty at most (including any fixtures installed under the lease).

Discount rates were determined at the transition date and are measured in subsequent periods, in accordance with the standard, in reference to the lessee's incremental borrowing rate for each term, taking into account the timetable of debt repayments. They are based on the risk-free rate for the currency of the lease, the group's credit risk and the estimated additional credit risk for subsidiaries.

At the transition date, the group used the term of each lease as at the commencement date so as to ensure consistency with the method used to determine the carrying amount of the right-of-use asset mentioned below.

With regard to the right-of-use asset, the group opted for the transition on 1 January 2019 to apply to most of its leases the provision whereby the carrying amount of the right-of-use asset is determined as if the standard had been applied on the commencement date of the lease, taking into account any subsequent changes to the contract.

Lease liabilities presented in the balance sheet result from the application of IFRS 16 as of 1 January 2019 (see Note 19).

3.9 Impairment of goodwill, other intangible assets, property, plant and equipment, investment property measured using the cost model and right-of-use assets (IFRS 16)

Goodwill and other intangible assets with indefinite useful lives are systematically tested for impairment at least annually, and whenever an indication of impairment is identified.

Other intangible assets and property, plant and equipment are only tested for impairment when there is an indication that they may be impaired.

An impairment test involves comparing the carrying amount of an asset, or of the cash-generating unit to which it belongs, with its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. Where the recoverable amount of a capitalised asset or group of assets falls below the carrying amount, an impairment loss is recognised to reduce the carrying amount to the recoverable amount, starting with any goodwill.

Fair value less costs of disposal is the amount that could be obtained by selling an asset at the measurement date in an arms' length transaction, net of any disposal costs.

The value in use of an asset or group of assets is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

The value in use of goodwill and certain other assets is generally determined using cash flow projections based on financial budgets/forecasts approved by the group. These forecasts generally cover a five-year period within the group, beyond which cash flows are extrapolated using a low growth rate, usually corresponding to inflation. These cash flows are discounted by applying the weighted average cost of capital for each relevant asset or group of assets.

Impairment of investment property

One indicator of impairment, used by the group, is a fall in value to more than 20% below cost.

If there is an indication of impairment, the recoverable amount of the property concerned is estimated. The recoverable amount of a property is the higher of its value in use and its market price less costs to sell, as determined by annual independent valuations of the group's entire property portfolio.

3.10 Other assets

Inventories and work-in-progress

Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

The value of inventories is measured using the weighted average cost method, and includes all costs of purchase and other costs incurred in bringing the inventories to their present location and condition.

Trade receivables

When initially recognised, trade receivables on commercial activities are recognised at their nominal value, which in practice corresponds to the fair value of the receivables.

Provisions are calculated on an individual basis, based on an assessment of the risk of non-recovery.

Other current financial assets

These primarily include the current portion of the fair value of derivative financial instruments relating to La Poste's bond debt (see Notes 3.15 and 29).

Other non-current financial assets

This item includes notably (see Note 22):

- **loans granted for social housing**, recognised at amortised cost using the effective interest rate method. Loss allowances are set aside to take into account the maturities and repayment terms of these loans, as well as the estimated risk of non-recovery;
- **unconsolidated equity investments**. Under IFRS 9 an irrevocable election may be made upon initial recognition of each instrument, to present subsequent changes in fair value in other comprehensive income not classifiable to profit or loss.

This option is most frequently used for unconsolidated equity investments.

When this option is used, the cumulative unrealised gain or loss in other comprehensive income is not transferred to profit or loss on disposal of the instrument but reclassified to consolidated reserves. Only the dividends received on the instrument affect profit or loss.

3.11 Financial assets and liabilities of banking and insurance activities

On the balance sheet, the specific assets and liabilities of banking and insurance activities are grouped together in dedicated items, whose content is similar to that presented in the La Banque Postale group's financial statements.

3.11.1 General principles for the recognition of financial assets and liabilities

Financial instruments

IFRS 9 defines a financial instrument as any contract that gives rise to the recognition of a financial asset by one party and the recognition of a financial liability or an equity instrument by the other party. The contractual right of one party to receive cash is offset by the obligation of the other party to pay cash, and vice versa.

Initial recognition

At initial recognition, financial assets and liabilities are measured at fair value plus or minus transaction costs directly attributable to their acquisition (with the exception of financial assets and liabilities recognised at fair value through profit or loss, for which transaction costs are recognised as an expense on initial recognition).

In practice, fair value generally corresponds to the instrument's transaction price.

Date of initial recognition

Securities are initially recognised at their fair value on the settlement/delivery date and derivatives are initially recognised at their fair value on the trade date. Changes in fair value between the trade date and the settlement/delivery date are recorded in profit or loss.

Loans and receivables are initially recognised at their fair value on the disbursement date.

3.11.2 Recognition of financial assets

Under IFRS 9, financial assets are classified based on the business model for managing the asset and the characteristics of the asset's contractual cash flows (application of the Solely Payments of Principal and Interest or SPPI criterion).

Business models

A business model corresponds to the way a group of financial assets is managed together to generate income. It describes the way in which the assets are managed. The group identifies business models based on objective and observable facts such as the business' organisation, IT system, internal reports, risk-monitoring process, or past management decisions (past disposals, for example).

There are three types of business model:

- a business model whose objective is achieved by holding financial assets in order to collect contractual cash flows ("hold to collect" model);
- a business model whose objective is achieved by collecting contractual cash flows and selling the financial assets ("hold to collect and sell" model);
- a business model for other financial assets that is neither a "hold to collect" nor a "hold to collect and sell" model ("other" model).

This model primarily concerns financial assets held for trading.

Identification of the business model is documented within each of the group's business lines.

A change of business model results solely from the discontinuation or launch of a material line of business and is therefore very rare. One example would be the disposal of a business line previously managed according to the "hold to collect" model: in this case, the entity no longer sells this type of financial instrument and reclassifies all the assets concerned to a "Trading" business model.

In the event of a change of business model applied prospectively, debt instruments that pass the SPPI test are automatically reclassified as of 1 July or 1 January following the effective date of the change of model. Debt instruments that do not pass the SPPI test are not reclassified.

Basic lending arrangement criterion, or the "SPPI" test

The objective of the SPPI test is to ensure that the instrument's contractual cash flows consist "solely of payments of principal and interest" on the principal amount outstanding. In other words, the instrument must have the features of a "basic lending arrangement".

Principal is defined as the fair value of the financial instrument at initial recognition in the balance sheet.

Interest can include several components, of which:

- compensation for the passage of time, i.e. the time value of money;
- compensation for the credit risk on the loaned amount;
- compensation for liquidity or administrative costs; and;
- a profit margin.

Financial assets that meet the basic lending arrangement criterion are debt instruments such as traditional loans, fixed and variable-rate bonds and trade receivables. They also include responsible finance (green and social loans, impact finance, sustainability-linked loans) for which the contractual cash flows pass the SPPI test.

Financial assets that do not meet the basic lending arrangement criterion include debt instruments such as units in UCITS or structured securities.

By definition, derivatives and equity instruments such as equities and non-consolidated equity investments do not meet the basic lending arrangement criterion.

Under IFRS 9, financial assets are classified in one of the four categories described in sections 3.11.3 to 3.11.5.

3.11.3 Financial assets at amortised cost

Debt instruments that are managed to collect contractual cash flows until maturity ("hold to collect" model) and whose contractual flows consist solely of payments of principal and interest on the principal amount outstanding (i.e., meeting the basic lending arrangement or SPPI test criterion) are classified as financial assets at amortised cost.

The objective of the "hold to collect" business model is to hold the assets over a long period or until maturity to collect the contractual cash flows. "Hold to collect" instruments may be sold only in the following limited circumstances: due to an increase in the credit risk, or where the assets are close to maturity, or, in the case of frequent sales, where the amounts involved are not

material, or where the sale is a one-off transaction representing a material or non-material amount.

After initial recognition, financial assets at amortised cost are measured using the effective interest method, with application of the impairment requirements of IFRS 9.

The effective interest rate is the rate that exactly discounts estimated future cash flows through the expected life of the financial asset to its initial fair value. Effective interest includes transaction costs and all fees and points paid (arrangement fees, commitment fees – when drawdown is deemed more likely than not – or participation fees) and all other premiums or discounts. This effective interest rate corresponds to the yield to maturity.

Within the group, this category of financial assets includes most loans and advances to customers and credit institutions, as well as most of the debt securities that make up the investments of the banking activity.

Contract modifications (commercial renegotiations)

Loans may be restructured if the borrower is experiencing financial difficulties (see Note 3.11.6) or renegotiated as a commercial gesture in favour of borrowers that are not in financial difficulty or insolvent. In this latter case, the group may renegotiate a loan to reflect changed market conditions, with the aim of maintaining or developing its business relationship with the customer, without waiving any payments of principal or interest. Except in specific cases where the change resulting from the renegotiation is not considered material, on the renegotiation date, the renegotiated loan is derecognised and a new loan is recognised based on the renegotiated terms.

3.11.4 Financial assets at fair value through OCI reclassifiable to profit or loss

Debt instruments that are managed to collect the contractual cash flows and sell the assets ("hold to collect and sell" model), with contractual flows that consist solely of payments of principal and interest on the principal amount outstanding (meeting the basic lending arrangement or SPPI test criterion), are classified as financial assets at fair value through other comprehensive income reclassifiable to profit or loss.

They are initially recognised at fair value and fall within the scope of IFRS 9 impairment requirements.

Accrued or earned income is qualified as Interest income and recognised in the income statement under net banking income at the effective interest rate.

At the reporting date, financial instruments in this category are measured in the balance sheet at fair value and changes in fair value excluding revenue are recognised in other comprehensive income reclassifiable to profit or loss, except for foreign exchange differences on foreign currency monetary assets, recognised directly in profit or loss.

In accordance with the credit risk impairment model, changes in expected credit losses on these instruments are recognised in profit or loss, under cost of risk (banking activities – see Note 12) or net banking income (insurance activities – see Note 8), by adjusting the amount accumulated in equity that is reclassifiable to profit or loss.

When the securities are sold, the unrealised gain or loss previously accumulated in equity through other comprehensive income is transferred to net banking

income under “Net gain or loss on financial instruments at fair value through OCI” (see Note 8).

3.11.5 Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss is the default category under IFRS 9. Changes in fair value of assets classified in this category are recorded in the income statement.

The category includes debt securities that do not meet the basic lending arrangement criterion (units in UCITS, for example) and equity instruments that are not classified as financial assets at fair value through other comprehensive income not reclassifiable to profit or loss (see Note 36.2). It also includes all financial assets held under an “Other” business model (i.e. other than the “hold to collect” or “hold to collect and sell” models), corresponding to derivatives and other financial assets that are held for trading, i.e., acquired or issued with the intention to sell them in the short term.

In the case of the group, this category notably includes loans to local authorities eligible for sale to Caffil.

Also included in this category are assets that the group has designated as measured at fair value through profit or loss because they meet one of the following conditions:

- they eliminate or significantly reduce an accounting mismatch (irrevocable designation made on initial recognition), or
- the credit risk is hedged by a derivative (designation on initial recognition or at a later date).

3.11.6 Impairment of financial assets

The impairment method set out by IFRS 9 requires loss allowances to be recognised for expected credit losses (and not incurred losses as was previously the case), and for changes in credit risk since initial recognition of an asset to be taken into account.

IFRS 9 defines an impairment model applicable to all financial assets giving rise to a counterparty risk (excluding equity instruments) that are not measured at fair value through profit or loss, including all financial assets at amortised cost and at fair value through other comprehensive income reclassifiable to profit or loss. The model also applies to lease receivables, loan commitments and financial guarantee contracts.

A loss allowance corresponding to 12-month expected credit losses is recorded on initial recognition of financial assets measured at amortised cost and at fair value through other comprehensive income reclassifiable to profit or loss. The allowance is maintained at that amount provided that the credit risk does not increase significantly. 12-month expected credit losses correspond to the total loss given default, weighted by the 12-month probability of default. These assets are classified in bucket 1.

If the credit risk on a financial asset has increased significantly since initial recognition, the loss allowance is measured at an amount equal to the lifetime expected credit losses. Lifetime expected credit losses correspond to the total loss given default weighted by the lifetime probability of default. These assets are classified in bucket 2.

Financial assets that are credit impaired are classified in bucket 3 and the loss allowance corresponds to an amount equal to the lifetime expected credit losses.

For assets at amortised cost, the expected credit losses are recognised as a deduction from the value of the assets through profit or loss (under cost of risk, see Note 3.3 for details).

Significant increase in credit risk

Increase in credit risk is a relative concept based on changes in credit quality since the loan was originated. The group uses a certain number of indicators (described in Note 34) to detect a possible deterioration in credit quality of a counterparty.

Bucket 1 and bucket 2 impairment methodology

Expected credit losses correspond to the difference between the contractual cash flows that the entity has the right to receive and the cash flows that the entity expects to recover, discounted at the financial asset's effective interest rate.

The cash flows that the entity has the right to receive take account of all the contractual terms of the financial instrument over its expected lifetime (for example, early repayment options, extension options, etc.), and include cash flows from exercising contractual guarantees that are analysed as being integral to the asset.

Expected credit losses are estimated based on the probability of default by the counterparty. Probability of default corresponds to the probability of the debtor defaulting within a given time period.

For bucket 1, the time period is twelve months. For bucket 2, the time period is the lifetime of the instrument. The methodology for calculating expected credit losses is described in Note 35.

Within the group, impairment of credit is statistical (by homogeneous categories presenting similar risk characteristics), with the possibility of adjustment based on an expert's opinion in certain particular cases, notably for loans granted to corporates.

Measurement of expected credit losses under IFRS 9 takes into account reasonable and supportable information about past events, current conditions and forecasts of future economic conditions (“forward looking” information).

The forward looking component is obtained via an approach consisting of three modelled scenarios. The final loss allowance corresponds to the average of the scenarios weighted by each scenario's probability of occurrence. The methodology for calculating this component is described in Note 35.2.

Defaulted loans in bucket 3

IFRS 9 does not provide any definition of default. On the contrary, it encourages the use of a definition that is consistent with the one used by the entity for the purpose of its risk management policy.

European Banking Authority (EBA) guidelines concerning application of the definition of default in Article 178 of Regulation (EU) No 575/2013, applicable from 1 January 2021, and the provisions of Regulation (EU) No 2018/1845 of the European Central Bank in relation to the threshold for assessing the materiality of credit obligations past due, applicable from 31 December 2020 at the latest, must strengthen overall consistency in the practices of European credit institutions as regards the identification of defaulted loans.

The definition of defaulted loans has been clarified by the introduction of a relative threshold and an absolute threshold to be applied to payments past due for the purpose of identifying situations of default, by clarifying the criteria for reclassifying loans as performing after a probationary period and introducing explicit criteria for classifying restructured loans as defaulted loans.

The group has applied these new guidelines for the purpose of identifying defaulted loans since 2020. The clarifications are consistent with the criteria used to assess the impaired status of bucket 3 loans by applying the impairment requirements of IFRS 9 relating to the recognition of expected credit losses.

In addition to identifying defaulted loans on the basis of regulatory criteria applicable to payments past due, a financial asset is considered to be credit impaired when a credit event has occurred that is indicative of financial difficulties.

The group considers that there is an objective indication of default when:

- one or more missed payments are overdue by more than three months;
- an application for relief from excessive levels of consumer debt has been made to the Banque de France, even if no payment incident has occurred;
- legal proceedings are in progress;
- the loan is considered "high-risk" under the group's risk management policy.

As soon as a customer loan is qualified as in default (bucket 3), all the other receivables from the same customer are also transferred to bucket 3.

For home loans, allowances for defaulted home loans are calculated by weighting the regulatory "best estimate of the expected credit loss on the exposure at default" subject to certain accounting adjustments (such as the elimination of overweighting in risk monitoring analyses for the impact of an economic slowdown). The best estimate takes into account the period during which the loan is in default and the type of guarantee.

For lease finance and corporate loans, loss allowances are tracked monthly and adjusted as necessary based on expert judgement. An impairment loss is recognised for the difference between the carrying amount and the net present value of the expected cash flows, discounted at the original effective interest rate and determined after taking account of the financial position of the borrower and the present value of guarantees received.

Loans no longer classified in bucket 3

For home loans, in the event of reassessment of impaired home loans, all or part of the loss allowance may be reversed, and the loan removed from bucket 3 when all arrears have been settled and at least three consecutive monthly instalments have been paid on time (except for restructured loans, which are subject to a twelve-month probationary period prior to their removal from bucket 3).

For lease finance and corporate loans, the loans may be removed from bucket 3 following a probationary period during which no credit event occurs (90 days, except for restructured loans for which the probationary period to exit from bucket 3 is twelve months).

Write-offs

Writing off a financial asset means reducing its gross carrying amount when there is no longer a reasonable expectation of recovering the asset in its entirety or a portion thereof, or when repayment of all or part of the amount due has been waived.

The decision about when to write off a financial asset is guided by expert judgement based on knowledge of the matter (period during which the loan has been in default, loss allowance, amount involved, absence of any recent recoveries or other specific details). Amounts are only written off when all attempts at recovery have failed.

Restructured financial assets

Restructured loans are loans for which the original financial terms have been modified due to the borrower's financial difficulties.

Restructuring operations are defined according to two main criteria: the concessions granted by the lender and the borrower's financial difficulties.

To determine the accounting treatment, quantitative or qualitative analyses are performed to assess whether or not the restructuring qualifies as substantial.

Where the restructuring is considered as substantial, the restructured financial asset is derecognised and a new financial asset is recognised.

Where the restructuring is not considered as substantial, the loan remains on the balance sheet. The discount on interest payments decided at the time of the restructuring corresponds to the difference between the nominal value of the debt before the restructuring and the discounted value at the original effective rate of the new expected future cash flows. It is recorded in cost of risk in the income statement and as a deduction from the carrying amount of the loan in the balance sheet. The discount is then recognised through profit or loss in the interest margin, according to an actuarial method over the term of the loan.

Any waiver of principal is directly recorded in the income statement.

An asset continues to be classified as modified from the restructuring event and until derecognition.

Restructured assets classified in bucket 2 (credit-impaired loans) or bucket 3 (defaulted loans) may be returned to bucket 1 (healthy loans) following a probationary period (see Note 3.11.6).

The amounts of restructured assets are presented in Note 35.2.4.

The principles applied to financial assets that are renegotiated as a commercial gesture (loans to customers that are not in financial difficulty) are presented in Note 3.11.7.

3.11.7 Derecognition of financial assets and liabilities

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire or when these rights and substantially all the risks and rewards of ownership are transferred to a third party.

When certain risks and rewards of ownership are transferred but control of the financial asset is retained, the asset continues to be recognised to the extent of the entity's continuing involvement.

Financial liabilities are derecognised when the contractual obligation is extinguished, cancelled, or expires. A financial liability is derecognised following a contract modification (restructuring or commercial renegotiation) if the modification is qualified as substantial. If the modification is not substantial, the liability remains on the balance sheet. Qualitative and quantitative tests are performed to determine whether the terms of the existing debt and the new debt are substantially different.

Collateralised repurchase agreements

Securities sold under collateralised repurchase agreements are not derecognised and a liability is recognised for the obligation to return the cash received. This financial liability is recognised at amortised cost (see Notes 32.3 and 32.4), with the exception of transactions entered into as part of trading activities, which are recognised as liabilities at fair value through profit or loss (see Note 32.1). In subsequent reporting periods, the securities continue to be measured using the model applicable to their original category.

The acquirer does not recognise the securities received but records a receivable for the cash loaned to the seller. This receivable is carried in loans and receivables for its nominal amount (see Notes 23.5 and 23.6), except for transactions entered into as part of trading activities, which are recognised in financial assets at fair value through profit or loss (see Note 23.1).

Securities lending

Securities lending/borrowing transactions do not qualify as transfers of financial assets as defined in IFRS. Consequently, the loaned securities are not derecognised, but continue to be classified in their original accounting category and measured in accordance with the requirements of that category.

3.11.8 Financial liabilities

General principle for the classification of financial liabilities

All financial liabilities are classified by default as subsequently measured at amortised cost.

At each reporting date, financial liabilities are recorded in the balance sheet under "Liabilities due to credit institutions", "Customer deposits", "Debt securities" or "Subordinated debt".

They are measured using the effective interest rate except where they are the subject of a fair value hedge.

Liabilities due to credit institutions and customers

Liabilities due to credit institutions and customer deposits are broken down by original maturity and by type: demand (demand deposits, ordinary accounts) or term (regulated savings accounts). Liabilities due to credit institutions include loans represented by collateralised repurchase agreements.

Debt securities

Debt securities consist of money market securities issued by the group.

Subordinated debt

Subordinated debt is debt that is subordinate in ranking to all other debts of the issuer for repayment purposes in the case of a liquidation. It is measured at amortised cost, except where it is the subject of a fair value hedge.

Financial liabilities at fair value through profit or loss

Financial liabilities classified in this category correspond to derivatives and other financial liabilities held for trading and liabilities designated at initial recognition as measured at fair value through profit or loss because they fulfil the following conditions:

- they eliminate or significantly reduce an accounting mismatch –

this is the case for some of the group's structured issues;

- a group of financial liabilities is managed and its performance is evaluated on a fair value basis;
- the financial liabilities are hybrid financial instruments containing one or more embedded derivatives that are not closely linked to the host contract.

Changes in the fair value of financial liabilities classified in this category are recognised in profit or loss except for the portion relating to the group's own credit risk, which is recognised in other comprehensive income not reclassifiable to profit or loss. Gains and losses relating to the group's own credit risk that are accumulated in equity are not reclassified to profit or loss even in the event of early repayment of the debt.

Financial liabilities with embedded derivatives

An embedded derivative is a component of a hybrid contract. It is separated from the host contract and recorded separately when, from the inception of the contract, its economic characteristics and the related risks are not closely linked to those of the host contract, except where the entire hybrid contract is measured at fair value through profit or loss. Within the group, this category of liability notably includes structured issues (Euro Stoxx-indexed).

Reclassification of financial liabilities

The classification of a financial liability at initial recognition is definitive and no subsequent reclassification is permitted.

Derecognition of financial liabilities

Financial liabilities are derecognised when the contractual obligation is extinguished, cancelled, or expires.

3.11.9 Derivatives and hedge accounting

A derivative is a financial instrument or other contract that has the following three characteristics:

- its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable (sometimes called the “underlying”);
- it requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors;
- it is settled at a future date.

Derivatives are classified in two categories:

Derivatives held for trading

Derivatives are classified as held for trading, except for derivatives designated as hedging instruments. They are recognised in the balance sheet under “Financial instruments at fair value through profit or loss”. Changes in fair value and accrued interest are included in net banking income under “Net gains and losses on financial instruments at fair value through profit or loss” (see Note 8).

Derivatives are classified as “Assets or liabilities at fair value through profit or loss” by default, even if they represent an economic hedge of one or several transactions.

Hedging derivatives

Hedging derivatives are derivatives that comply with:

- the micro-hedge accounting requirements of IFRS 9 (with effect from 1 January 2020);
- the European Union provisions relating to fair value hedging of a portfolio of interest rate instruments (or macro-hedging). These provisions continue to apply pending a new standard on this subject.

A hedging relationship qualifies for hedge accounting only if there is formal designation and documentation of the hedging relationship (strategy for undertaking the hedge, designation of the hedged risk, the hedged item and the hedging instrument, description of the hedge effectiveness). Hedge effectiveness is assessed when the hedge is set up and at each subsequent reporting date. There are three types of hedging relationships: fair value hedge, cash flow hedge and hedge of a net investment in a foreign operation.

Fair value hedges

A fair value hedge is a hedge of the exposure to changes in the fair value of financial assets or liabilities.

Gains or losses attributable to the hedged risk are recognised in net banking income under “Net gains or losses on financial instruments at fair value through profit or loss” (see Note 8). The effective portion of the gain or loss on the hedging instrument offsets the loss or gain on the hedged item. The ineffective portion of the gain or loss, if any, is recognised in profit or loss. Accrued income or expenses and interest payments on the derivative are recognised in net banking income under “Interest income and expense” at the same time as the interest income and expense on the hedged item. When the hedging instrument is derecognised, hedge accounting is discontinued prospectively (i.e., changes in the fair value of the underlying item that relate to the hedged risk are no longer measured and recognised)

and the cumulative gain or loss on the hedged item is reclassified to profit or loss over the item’s remaining life or for as long as it is recognised on the balance sheet.

If the hedged item ceases to exist, the derivative no longer qualifies as a hedging instrument and is therefore presented in the balance sheet under “Assets at fair value through profit or loss”. Any gain or loss on the sale of the hedged item may be recognised in profit or loss, including the reclassification to profit or loss of the cumulative gain or loss in the balance sheet related to the previously hedged item.

Portfolio fair value hedges

Portfolio fair value hedging instruments are mainly interest rate swaps designated as fair value hedges of the group’s fixed-rate liabilities.

They are accounted for according to the same principles as those described previously. Fair value adjustments to the hedged positions are recorded in the banking activities’ balance sheet presented in Note 37, under “Revaluation differences on portfolios hedged against interest rate risks”.

Fair value macro-hedges are primarily used to hedge the interest rate risk on fixed-rate assets and liabilities, as well as on demand deposits on the basis allowed by the European Union.

The group uses the bottom-layer approach whereby only part of the total value of a portfolio of fixed rate items allocated to a time bucket (the bottom layer) is hedged by interest rate swaps. In the case of over-hedging, the group’s effectiveness test shows that part of the hedge is ineffective and the related derivative is systematically terminated.

Cash flow hedges

A cash flow hedge is a hedge of the exposure to variability in cash flows from financial assets or liabilities, firm commitments or highly probable future transactions. Cash flow hedges are used to hedge the variability of future cash flows on adjustable-rate assets and liabilities.

The effective portion of the change in the fair value of the hedging instrument is accumulated in the cash flow hedge reserve in equity and the ineffective portion is recognised in the income statement in “Net gains or losses on financial instruments at fair value through profit or loss”.

The portion corresponding to accrued income or expenses and interest rate payments on the hedging instrument is recognised in the income statement on a symmetrical basis with the interest income or expense relating to the hedged item.

The hedged item continues to be measured according to the principles that apply to its accounting category.

When the hedging instrument is derecognised, hedge accounting is discontinued. The cumulative gain or loss on the hedging instrument recorded in the cash flow hedge reserve is adjusted to the cumulative change in fair value of the hedged item through interest income or expense, or recognised immediately in profit or loss.

If the hedged item is sold or otherwise disposed of or the hedged future transaction is no longer expected to occur, the hedging instrument is reclassified in “Financial assets or liabilities at fair value through profit or loss”, and the gains and losses accumulated in the cash flow hedge reserve are reclassified immediately to profit or loss.

Hedges of a net investment in a foreign operation

Hedges of a net investment in a foreign operation are intended to protect against exchange rate fluctuations when a net investment is denominated in a currency other than the euro.

A hedge of a net investment in a foreign operation is recognised like a cash flow hedge.

The amounts recognised in equity for the effective portion of the hedge are reclassified to profit or loss when the net investment is deconsolidated.

This type of hedging is not used by the group's banking activities but is used by the industrial activities (see Note 34.4).

3.11.10 Offsetting of financial assets and liabilities

In accordance with IAS 32, a financial asset and liability are offset and the net amount presented in the balance sheet when, and only when, (i) the group has a legally enforceable right to set off the recognised amounts, and (ii) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. The legally enforceable right must be irrevocable and must be enforceable under all circumstances.

The legally enforceable right covers all transactions carried out by clearing houses and applies to the nominal amount of cash and interest included in the return cash flow.

Collateralised repurchase transactions that fulfil the above two criteria are set off in the balance sheet when:

- both sides of the transaction have the same maturity;
- both sides of the transaction are denominated in the same currency;
- the transaction is settled using a settlement/delivery system that guarantees delivery of the securities against receipt of the associated cash, i.e., the same central securities depository.

Offsetting primarily concerns repurchase transactions carried out with the LCH Clearnet and Eurex clearing houses.

3.11.11 Guarantee commitments

Financial guarantee contracts

The group has opted to account for financial guarantee commitments in accordance with IFRS 9. Under IFRS 9, a contract meets the definition of a financial guarantee contract if it includes an indemnity clause whereby the issuer is required to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantees issued by the entity are initially recognised at their fair value on the date of issue. They are subsequently measured at the higher of the amount of the obligation and the amount initially recognised, less the related fee income, where applicable.

Financial guarantees (which are not subsequently measured at fair value through profit or loss) are subject to the impairment requirements of IFRS 9, with any loss allowance recorded in liabilities. Financial guarantees are allocated to buckets and an allowance is recorded for expected losses in the same way as for financial assets at amortised cost or at fair value through other comprehensive income reclassifiable to profit. Changes in the loss allowance are recorded in cost of risk.

3.11.12 Financing commitments

Financing commitments that are not classified as derivatives are not recognised in the balance sheet.

However, in the same way as for financial guarantees, financing commitments (not classified as derivatives) are subject to the impairment requirements of IFRS 9, with any loss allowance recorded in liabilities.

3.11.13 Lease accounting – group as lessor

Leases where the group is lessor are classified as either operating leases or finance leases.

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee. Finance leases are analysed as financing granted to the lessee for the purchase of an asset.

At the commencement date of the finance lease, the net investment in the lease – corresponding to the present value of future lease payments plus any residual value – is recognised as an asset, under “Loans and advances to customers”.

The interest component of lease payments is recorded under “Interest income” in the income statement.

Periodic lease payments are applied against the gross investment in the lease to reduce both the principal and the unearned finance income, based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. The interest rate used to measure the net investment in the lease is the interest rate implicit in the lease.

Lease receivables are subject to the impairment requirements of IFRS 9.

Lease receivables are allocated to buckets and an allowance is recorded for expected losses in the same way as for financial assets at amortised cost or at fair value through other comprehensive income reclassifiable to profit. Changes in the loss allowance are recorded in cost of risk.

3.12 Insurance contracts (IFRS 17)

Scope and application in conjunction with the other IFRSs

IFRS 17 – Insurance Contracts, which was adopted by the European Union (EU) on 19 November 2021, is mandatorily applicable from 1 January 2023. It replaces IFRS 4.

The new standard describes the principles for the recognition, measurement and presentation of insurance contracts falling within its scope, i.e., insurance and reinsurance contracts issued, reinsurance contracts held and financial investment contracts issued that include a discretionary participation feature (DPF).

Financial investment contracts without DPF (in particular unit-linked savings contracts without a traditional savings component (€) and/or without a guaranteed yield) are accounted for in accordance with IFRS 9.

IFRS 17 requires certain components of insurance contracts to be accounted for separately in accordance with the standards applicable to them. These include certain embedded derivatives, separate investment components and certain performance obligations such as the obligation to provide a non-insurance service or product.

For the group, contracts falling within the scope of IFRS 17 include:

- Insurance contracts that transfer a significant risk to the insurer. This category includes death & disability policies, pension contracts, property damage policies and unit-linked savings policies with a capital guarantee;
- Investment contracts with DPF. This category covers traditional savings contracts with DPF and unit-linked contracts that include a traditional savings component (€) with DPF.

Aggregation in groups of insurance contracts

IFRS 17 requires insurance liabilities to be measured at the level of each portfolio of contracts managed together and covering similar risks.

The portfolios defined in this way are divided into three profitability groups (IFRS 17.16):

- groups of contracts that are onerous (i.e. loss-making) at initial recognition.

A group of contracts is onerous if the sum of the fulfilment cash flows allocated to the contract, any previously recognised insurance acquisition cash flows and the cash flows arising from the contract at the date of initial recognition in total are a net cash outflow (IFRS 17.47);

- groups of contracts that at initial recognition have no significant possibility of becoming onerous subsequently;
- the remaining contracts in the portfolio.

The portfolios only comprise annual cohorts, i.e. contracts issued no more than one year apart. To avoid the economic reality of insurance contracts involving intergenerational pooling of risks not being properly reflected in the financial statements, the European Union has introduced an optional exemption from the application of this annual cohort requirement. The group has chosen to apply this exemption.

A contract is assigned to a level of profitability and accounting model upon initial recognition. The group of contracts or the accounting model may not be modified subsequently, except to reflect a change in the contract terms (IFRS 17.72).

Date of initial recognition

A group of insurance contracts is recognised from the earliest of the following dates:

- the start of the coverage period of the group of contracts;
- the date on which a policyholder's first payment becomes due or, if there is no due date, the date on which the first payment is received;
- in the case of a group of onerous contracts, the date on which the group becomes loss-making.

Groups of onerous contracts

Where a group of contracts is onerous, a loss is recognised immediately in the income statement. The loss component is monitored in the management accounts until the contract is derecognised or becomes profitable.

Three measurement models for groups of non-onerous contracts

There are three measurement models: the general model or Building Block Approach (BBA), which is the default model, the Variable Fee Approach (VFA), which

is an adaptation of the general model, and the Premium Allocation Approach (PAA). The BBA model applies to contracts that are not accounted for using one of the other two models (VFA or PAA).

The VFA model is mandatory for all direct participating contracts, such as contracts with segregated funds and variable capital contracts, as it allows the specific features of these contracts to be taken into account. Direct participating contracts are contracts that meet all of the following criteria: the policyholder is entitled to a share of a clearly identified pool of underlying items, the insurer expects to pay the policyholder an amount equal to a substantial share of the fair value returns on the underlying items, and the insurer expects a substantial proportion of any change in the amounts to be paid to the policyholder to vary with the change in fair value of the underlying items.

The group also uses this approach for insurance contracts with investment components.

This model may not be applied to reinsurance contracts.

The PAA model is a simplified version of the BBA model. It replaces the three liability blocks of the general model with a provision for unearned premiums.

Its application is optional and subject to conditions. IFRS 17 specifies that the PAA model may be used as long as it provides an acceptable approximation of the liabilities' value when the contracts in the group are written (i.e. the value is not materially different to that obtained using the BBA model, subject to the variability limits in IFRS 17.54), and for contracts where the period of cover is less than or equal to one year. It may also be applied to reinsurance contracts issued or held subject to compliance with the same criteria (IFRS 17.69). The liability recognised initially is equal to the premiums received less acquisition costs paid, adjusted for the impact of derecognising previously recognised deferred acquisition costs.

This initial liability is subsequently adjusted for liabilities recorded in respect of incurred claims, in the same way as for the BBA or VFA models, and the remaining coverage.

The group makes limited use of this model, which is applied primarily to certain Brazilian contracts that fulfil the related criteria.

Acquisition costs (VFA and BBA models)

These are the costs of selling, underwriting and creating a group of insurance contracts.

Acquisition costs recognised in the reporting period are calculated using metrics that are representative of the services rendered during the period (premiums, mathematical provisions, etc.). Insurance acquisition cash flows are allocated to groups of insurance contracts using a systematic and rational method.

The costs are amortised for each group of contracts.

Insurance liability building blocks (VFA and BBA)

Insurance liabilities are broken down into three blocks in the VFA and BBA models:

- **The first block, called Best Estimate, is the present value of future cash flows.**

It represents the insurance company's obligation towards its policyholders. The estimates of future cash flows encompass all future cash flows included in the boundary of each contract in the group (cash flows considered to be outside the insurance contract

boundary are those relating to future insurance contracts). They incorporate objective estimates of all reasonable and supportable information available on the amount, timing and certainty of future cash flows. They are the expected value (i.e., the probability-weighted average) of all possible outcomes. These future cash flows include premiums received, benefits paid, business acquisition costs and general expenses directly attributable to the execution of the insurance contracts.

Costs that are not directly attributable to insurance contracts are recognised directly in the income statement when incurred.

- **The second block, called the Risk Adjustment (RA)**, corresponds to the compensation an insurer requires for bearing the uncertainty about the amount and timing of future Best Estimate cash flows that arises from non-financial risks. It corresponds to the group's best estimate of its exposure to non-financial risk (insurance risk only) in an accounting environment and is based on a confidence level of between 80% and 100%. It is also in line with the five-year projection period used for the business plan. This adjustment is released to net banking income on the line "Insurance service expenses".

- **The third and final block, called the Contractual Service Margin (CSM)**, represents the unearned profit of a group of insurance contracts which will be released to profit over the life of the contracts as the services are provided. At the date of initial recognition, when it is positive – a sign that a contract is expected to be profitable – it is recorded in liabilities. It is then released to profit over the life of the contracts as the services are provided, based on the coverage units reflecting the proportion of services provided over the period under the contracts in the group. The coverage units are determined prospectively at the end of each reporting period, taking into account the probability of occurrence of insured events affecting the expected coverage period of the group of contracts.

The intra-group margin paid by CNP to La Banque Postale for the distribution and management of its insurance products is subject to specific accounting treatment, as described in Note 36.3).

Coverage units

When a group of contracts affects several reporting periods, an indicator of the insurance services provided during each period – referred to as the coverage unit – is defined to enable income and expenses to be allocated to each reporting period.

By way of example, the following coverage units are used for the main types of contract:

- savings/pensions: mathematical provisions;
- term creditor insurance: outstanding principal, principal at risk;
- individual death & disability insurance – funeral insurance: insured amount, principal at risk;
- individual death & disability insurance – long-term care insurance: insured amount for home improvements, number of contracts;
- term life insurance: premiums;
- group death & disability insurance: these are annual contracts and the total CSM is therefore recognised in profit in the reporting year.

Discount rate (VFA and BBA)

IFRS 17 requires the time value of money and the financial risks associated with future cash flows to be taken into account when estimating future cash flows, in cases where these risks are not taken into account in the estimates of these flows.

Depending on their nature, cash flows are discounted using the current yield curve (constructed using market information at the measurement date) or the yield curve at inception (constructed using historical data to obtain a measurement of liabilities on recognition).

The illiquidity premium is an adjustment resulting from differences between the liquidity characteristics of the group of insurance contracts and the liquidity of the assets used to establish the yield curve. It is applied to the risk-free yield curve, which is deemed to be liquid.

The illiquidity premium is estimated by the group based on the financial assets held by the insurance subsidiaries (property/infrastructure, equities and bonds), as adjusted to take account of the insurance contracts' characteristics and the matching of assets and liabilities.

The approach used to determine an illiquidity premium for a bond portfolio is comparable to the method suggested by the European Insurance and Occupational Pensions Authority (EIOPA) as part of its review of Solvency II, in terms of both calibration (macro-economic nature of the default probabilities underlying the credit spreads) and portfolio comparisons. The equity class was chosen because its volatility is lower than the market average, largely due to the insurance subsidiaries' asset management policy.

Experience adjustments

Experience adjustments are recorded for the difference between initial estimates of future cash flows and observed actual cash flows.

Experience adjustments leading to a change in fulfilment cash flows that relate to future insurance services adjust the CSM. Experience adjustments that relate to current or prior periods, and result from changes in estimates, are recognised in profit or loss for the period. Finally, the effects of the time value of money and financial risk on future cash flows are recognised in financial income or expense from insurance contracts.

Derecognition

An insurance contract is derecognised when:

- it is extinguished, i.e., when the contractual obligation expires or is discharged or cancelled; or
- contract modifications result in the derecognition of the original contract and the recognition of a new contract.

Specific features of the VFA model (CSM)

The Variable Fee Approach can be adapted to reflect the specific characteristics of participating contracts, so that the CSM also reflects the insurer's share of the fair value of the underlying items (offset by insurance financial income or expense) in addition to the contractual service margin.

Specific features of the VFA model (coverage units)

For Savings and Pensions contracts measured using the VFA model, in order to ensure that coverage units are correctly allocated to each financial year, the CSM released to profit in each period is adjusted based on actual results for the period. The main purpose of this adjustment is to provide a better understanding of the economic effects not considered in the initial CSM measurement by taking into account all the services rendered (asset management and performance). It is made for each Savings/Pensions portfolio measured according to the VFA model that is profitable at the balance sheet date, using a long-term approach that takes into account a risk premium and the cost of options and guarantees.

Where the conditions are met, the group has chosen to recognise its share of the fair value of hedged items and the changes in the time value of money directly in profit or loss (and not through the CSM), in order to offset them against changes in the fair value of the hedging instruments used.

Specific features of the BBA model

Interest is accreted on the carrying amount of the CSM using fixed discount rates determined on initial recognition of the group of insurance contracts. At each balance sheet date, the CSM is measured as the opening CSM less the value of new business, the discounting adjustment determined using the rate based on the discount curve at inception and the services rendered during the period.

Recognition in other comprehensive income of changes in the fair value of the underlying assets of the insurance contracts

Under IFRS 17, depending on the choice of accounting policy applied to each portfolio of contracts and subject to certain conditions, changes in the fair value of insurance liabilities may be recognised directly in equity (through OCI), instead of through profit or loss. This option mainly concerns the effect of changes in the discount rate applied to insurance liabilities. The group applies this option by mirroring the recognition in other comprehensive income of gains and losses on the underlying assets representing insurance obligations. This option is applicable for insurance contracts that meet certain conditions, in particular with regard to the way in which the assets are managed and the obligations are measured. Election to apply the OCI option must be made consistently for all contracts in the same IFRS 17 portfolio. For participating contracts, the option applies to contracts meeting certain conditions, in particular concerning the intended holding period of the underlying assets.

By choosing this OCI option, the group reduces the volatility of financial results linked to fluctuations in the market value of assets, which is particularly useful for long-term insurance contracts exposed to market risks. In particular, the recognition in OCI of the effect of changes in interest rates on insurance liabilities reduces the sensitivity of the insurance service result to the volatility resulting from the measurement of liabilities at the current rate for each period.

Risk mitigation measures

The standard permits the use of financial instruments at fair value through profit or loss (notably derivatives) or reinsurance contracts held to mitigate the effect of the time value of money and financial risk on contracts with direct participation features. Risk mitigation measures are mainly applied to reinsurance contracts held.

In this case, the group elects to offset the impact on profit or loss of changes in fair value of the "hedging" instruments used by recognising in profit or loss:

- the amount corresponding to the group's share of the fair value of the underlying items;
- changes in the effect of the time value of money and financial risks that do not result from the underlying items.

These provisions of IFRS 17 are applied by adjusting the CSM on direct insurance contracts for the difference compared to the CSM adjustment on reinsurance contracts held, as calculated using the VFA model and the BBA model. The finance expense corresponding to the risk mitigation effect is recognised in full in profit or loss as the OCI option is not applied to reinsurance contracts held.

For reinsurance contracts measured using the VFA model, this approach eliminates differences resulting from the use of different measurement models for reinsurance contracts held and underlying items. In addition, it highlights the risk mitigation effect.

Specific accounting treatment of reinsurance contracts

This section describes the specific features of the measurement models applied by the group to reinsurance contracts.

Inward reinsurance (reinsurance contracts issued) consists of insurance contracts issued by the group, as reinsurer, to indemnify another entity (the ceding insurer) for claims covered by an insurance contract or group of insurance contracts issued by the ceding insurer (underlying contracts).

In the absence of any specific requirements in the standard, the group does not create IFRS 17 portfolios specifically for reinsurance issued.

Outward reinsurance (reinsurance contracts held) consists of an insurance contract or group of insurance contracts taken out by the group, as ceding insurer, from a reinsurer, to cover claims under insurance contracts issued by the group. The term “ceded business” is also used to describe these contracts.

The group aligns the definition of reinsurance contracts with the definition of the direct insurance portfolios.

This is because the contracts in question are quota-share treaties and the risks within a portfolio are considered to be automatically similar in terms of ceded commitments if they are deemed to be similar to direct insurance portfolios. The grouping of several reinsurance contracts in the same portfolio enables the group to consider that they are managed together in the sense that the common objective is to mitigate the risks on a portfolio of underlying contracts that in turn are managed together.

- *Measurement models*

As the VFA model is not permitted (IFRS 17.B109), the group applies the general model (BBA) to all reinsurance contracts issued and held as part of the group's activities in France.

Measurement of reinsurance contracts is based on the principle that they mirror the underlying insurance contracts, i.e. cash flow estimates are based on consistent assumptions, non-financial risk is adjusted to take into account the risk transferred to the reinsurer, the initial CSM estimate is generally considered as a net cost spread over the period of reinsurance coverage. Reinsurer non-performance risk is included in the estimate of cash flows.

- *Contract boundaries*

For insurance contracts held, cash flows are considered as resulting from the ceding insurer's substantive rights or obligations. The ceding insurer has a substantive right to receive services from the reinsurer.

This substantive right ends when:

- (i) the reinsurer has the practical ability to reprice the risks transferred by the ceding insurer or change the level of coverage so that the price fully reflects those risks;
- (ii) the reinsurer has the right to terminate the cover. The ceding insurer has a substantive obligation to pay the premiums due to the reinsurer.

The group's BE, RA and CSM calculations take into account the effect of reinsurance on underlying contracts not yet recognised by the ceding insurer.

3.13 Fair value of financial instruments and investment property

IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in

an orderly transaction between market participants at the measurement date.

The fair value of an instrument at initial recognition is generally the transaction price.

IFRS 13 recommends using a quoted price in an active market whenever possible to determine the fair value of a financial asset or liability. An active market is defined as a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. Examples include prices observed on exchange markets, dealer markets and brokered markets, or quoted by a regulatory agency, that reflect actual transactions (volumes, range of prices) conducted in an orderly market. In the absence of an active market, fair value is determined using valuation techniques. These techniques include, in particular, the prices of recent transactions carried out on arm's length terms. They use recognised valuation methods based on market data, fair values of substantially identical instruments, discounted cash flow models or option pricing models. The aim of these techniques is to establish what the price of an instrument would be under normal market conditions. For example, the fair value of bonds or variable-income securities and futures is determined using quoted prices. Valuation techniques based on market data are used mainly to value over-the-counter derivatives, securities on which interest is paid up front (Commercial Paper, Certificates of deposit, etc.) and repo deposits.

Financial instruments are analysed in Note 38.1 based on the three levels of inputs in the fair value hierarchy, according to a decreasing level of observability of the prices and parameters used for their measurement:

- **level 1:** instruments valued according to the (unadjusted) prices quoted for identical assets or liabilities on an active market. This level primarily includes shares, bonds and derivatives quoted on organised markets (futures, options, etc.);

The price quoted for an asset held or a liability to be issued is usually the bid price, and that of a liability held or an asset to be acquired is usually the ask price.

This level includes:

- equities, measured on the basis of quoted prices on their reference market,
- mutual fund units, measured at their net asset value,
- bonds, BTAN treasury notes, EMTNs, BMTNs: for each instrument, fair value is determined based on the most recent quoted prices available – on the stock exchange, from brokers, trading desks or trading platforms,
- derivatives traded on an organised market (futures, options, etc.);

- **level 2:** instruments valued using inputs other than the quoted market prices included within level 1 that are observable for the asset or liability, either directly (prices) or indirectly (prices derived from or corroborated by observable market data).

These instruments are valued using observable parameters and standardised models or on the basis of similar instruments quoted on an active market.

This level includes:

- certain structured securities valued using an internal model and market parameters, consisting primarily of financial instruments whose remuneration is indexed to indices, baskets of equities, hedge funds or interest rates,
 - derivative instruments purchased over-the-counter (interest rate swaps, caps, etc.) that are measured using an internal model and mainly market parameters,
 - unlisted debt securities (bonds, TCN money-market securities, etc.) measured based on the zero coupon yield curve plus a spread,
 - investment property measured using prices observed for similar recent transactions or the rental value of equivalent-type properties,
 - any other over-the-counter financial instruments.
- **level 3:** instruments valued using unobservable inputs. Unobservable inputs are defined as inputs based neither on observable market transactions involving the same instrument at the measurement date, nor on observable market data available at the same date.

In particular, this category includes equity investments held by the group and certain asset-backed securities. Unlisted securities are measured using information not available on an active market. The main valuation techniques are the market multiples method, comparisons with recent market transactions or references to criteria such as net assets, earnings outlook and discounted future cash flows, corresponding to the techniques commonly used to manage these instruments. In addition, some complex structured securities for which values are obtained through the counterparty are classified in this category (notably units in venture capital and innovation funds).

3.14 Distinction between debt instruments and equity instruments

Distinction between debt instruments and equity instruments

The distinction between debt instruments and equity instruments is based on an analysis of the substance of the contractual characteristics of each instrument.

A non-derivative debt instrument is a contractual obligation to deliver cash or another financial asset or to exchange financial assets or financial liabilities, at conditions that are potentially unfavourable to the issuer.

A non-derivative equity instrument is a contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities, with no contractual obligation to deliver cash or another financial asset or to exchange financial assets or financial liabilities, at conditions that are potentially unfavourable to the issuer.

Perpetual deeply subordinated securities

Perpetual deeply-subordinated securities are classified as debt or equity instruments according to whether or not their remuneration is discretionary.

When subordinated securities meet the criteria for classification as equity instruments, the remuneration is treated as a dividend and deducted from equity.

All other dated and undated debt instruments, especially those with a repayment schedule, are classified as subordinated debt in accordance with IAS 32.

3.15 Bond debt and derivative financial instruments relating to the management of bond debt

Bond debt excluding banking and insurance activities are presented in the balance sheet under "Bonds and debt".

3.15.1 Bonds documented in a fair value hedge relationship

Some bonds are designated as subject to fair value hedging through fixed-for-floating swaps. The application of fair value hedge accounting leads to the recognition in profit or loss of (i) the change in the fair value of hedging swaps, and (ii) the change in the value of the efficient portion of the hedging swap, as an adjustment to the value of the bond. These effects offset one another where the effective portion of the hedge is concerned.

Moreover, depending on market developments, the group may also use floating-for-fixed swaps to re-stabilise the interest rates of some borrowings over short periods of time. These swaps are also measured at fair value through profit or loss.

3.15.2 Bonds measured at amortised cost

Bonds not backed by fixed-for-floating swaps are measured at amortised cost based on the effective interest rate.

3.15.3 Forward swaps for loans

In some cases, La Poste uses forward swaps to protect itself against a rise in interest rates. These cash flow hedging instruments are terminated when the bond is issued, which gives rise to the payment of a balancing payment (paid or received depending on the value of the swap). These payments are recognised in reserves reclassifiable to profit or loss as part of the application of the cash flow hedge, and then reclassified to profit or loss over the life of the initially hedged loan, in accordance with the provisions of IFRS 9 regarding the termination of hedges.

3.16 Provisions

Provisions are recognised when (i) the group has a present obligation (legal or constructive) towards a third party as a result of a past event at the reporting date, (ii) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and (iii) a reliable estimate can be made of the obligation.

Provisions are measured based on the group's best estimate of the expenditure required to settle the present obligation, determined using management data from the IT system and assumptions made by the group, supplemented by experience of similar transactions and, in some cases, reports from

independent experts or supplier quotes. The assumptions are reviewed at each reporting date.

Provisions for commitments on home savings agreements

The home savings accounts (CEL) and home savings plans (PEL) introduced for future home buyers by the law of 10 July 1965 include two phases: a saving phase, during which the saver earns interest, and a borrowing phase, in the form of a home loan.

They generate two types of obligation for the distributing institution:

- an obligation to remunerate future savings at a rate that is set for an indefinite period when the account is opened (PEL accounts opened before 28 February 2011) or that is revised annually (new generation plans);
- an obligation to grant a home loan to customers who request it, at a rate set when the account is opened.

These obligations have potentially unfavourable consequences for the group, which are covered by provisions recorded in liabilities (under "Provisions"). Changes in these provisions are taken into account for the determination of the net interest margin included in net banking income.

The provisions are estimated on the basis of customer behaviour statistics and market data for each generation of plans, in order to cover the future cost arising from the products' potentially unfavourable interest rate terms relative to the rates offered to individual customers for similar products for which the remuneration is not regulated. The provisions only concern obligations in respect of home savings accounts and plans in progress at the date the provision is calculated.

Provisions are calculated for each generation of home savings plan, without offsetting obligations between generations, and for all the home savings accounts, which are considered as representing a single generation.

During the saving phase, the provision is measured as the difference between expected average savings deposits and expected minimum savings deposits, determined in both cases on a statistical basis taking into account observed historical customer behaviours.

During the borrowing phase, the provision concerns outstanding loans not yet due at the reporting date and future loans that are considered as statistically probable based on balance sheet deposits at the calculation date and observed historical customer behaviours.

A provision is recorded when the net present value of future income is negative for a given generation of loans.

The net present value of future income is assessed relative to the interest rates offered to individual customers on equivalent savings and lending products for similar periods and with similar commencement dates.

3.17 Employee benefits

3.17.1 Post-employment benefits

Post-employment and long-term obligations under defined benefit plans and the related costs are measured by the projected unit credit method, in accordance with IAS 19. Actuarial assessments are performed every year.

The assessment takes into account external economic assumptions (discount rates, inflation rates, pension increases, etc.), together with assumptions that are specific to La Poste (employee turnover rates, mortality rates, future salary levels, etc.).

The provision recorded in the balance sheet for post-employment defined benefit plans corresponds to the projected benefit obligation at the reporting date, less the market value of any plan assets where applicable (Geopost UK). The projected benefit obligation is calculated on an annual basis using the projected credit unit method. It is determined by discounting expected future cash outflows at the market interest rate for investment grade corporate bonds denominated in the currency in which the benefit will be paid and with a maturity that is close to the average estimated maturity of the underlying obligation.

Actuarial gains and losses resulting from experience-based adjustments and the impact of changes to actuarial assumptions are recognised as "Other comprehensive income".

Past service cost, which arises when a defined benefit plan is adopted or modified, are immediately expensed. Pension and other employee benefit arrangements, as well as the main assumptions used, are described in Note 31.

3.17.2 End-of-career arrangements

La Poste recognises a provision for the costs of the end-of-career arrangements made for its employees. The amount of the provision takes into account both persons who have joined one of the existing plans, and those who are expected to join on the basis of arrangement terms and conditions as well as past take-up rates and best estimates.

3.18 Assets held for sale

A non-current asset, or group of assets and liabilities (disposal group), is classified as being held for sale when its carrying amount will be recovered principally through a sale transaction rather than through continuing use. This assumes that the asset is available for immediate sale in its present condition and that its sale is highly probable within one year.

These assets and groups of assets, along with all associated liabilities, are presented separately from other assets and liabilities and are measured at the lower of carrying amount and fair value less costs to sell. These assets cease to be depreciated or amortised from the date when they are classified in this category.

3.19 Statement of cash flows

The statement of cash flows presents the inflows and outflows of cash and cash equivalents classified under operating, investing and financing activities.

The statement of cash flows presents separately cash flows associated with the La Banque Postale group and cash flows associated with industrial and commercial activities (including the La Poste division providing staff to La Banque Postale).

The change in cash and cash equivalents presented in the statement of cash flows corresponds to that of industrial and commercial activities. Cash and cash equivalents from La Banque Postale and its subsidiaries (including cash held at post offices) are disclosed on a separate line in the balance sheet.

Changes in those amounts are recognised in “Decrease/(increase) in cash and cash equivalents from banking activities before impact of changes in consolidation scope”, positioned under net cash from/(used in) financing activities.

In addition, cash flows relating to changes in banking and insurance assets and liabilities (excluding flows related to subordinated debt) are combined on a separate line in the statement of cash flows (“Changes in balance of banking and insurance assets and liabilities”) in cash flows from operating activities. They include:

- cash flows from customer deposits;
- cash flows from liabilities due to credit institutions;
- acquisitions and disposals of securities in the investment portfolio;
- cash flows relating to loans and advances;
- changes in the fair value of financial instruments.

Operating activities are the main revenue-generating activities and any other activities other than those defined as investing or financing activities. Cash flows from operating activities are determined using the indirect method.

The calculation of EBITDA is described in Note 41.10.

Investing activities relate to the acquisition and disposal of non-current assets and to any other investments not included in cash and cash equivalents. La Poste Groupe’s cash flows from investing activities consist mainly in acquisitions and disposals of the following:

- intangible assets and property, plant and equipment, adjusted for non-cash transactions (accounts receivable or payable on non-current assets);

- equity investments in other companies;
- other financial assets (guarantees and deposits, receivables on investments, etc.).

The impact of changes in the consolidation scope of industrial and commercial activities on cash flows is presented separately under “Impact of changes in consolidation scope”.

Financing activities relate to transactions that affect the amount and composition of equity and debt. Cash flows from financing activities include sources of financing (new borrowings) and related outflows (dividends paid to non-controlling shareholders, La Poste savings bond redemptions and debt repayments). Concerning changes in debt instruments for La Banque Postale, only movements in subordinated debt and lease liabilities are classified as cash flows from financing activities.

Cash and cash equivalents are very short-term liquid investments that are readily converted into known amounts of cash and are subject to an insignificant risk of changes in value.

La Poste Groupe’s cash and cash equivalents include cash in hand, bank debit balances, term deposits and marketable securities that do not carry any material risk of changes in value and can be readily converted into cash (particularly money-market UCITS), and the portion of bank credit balances and related interest accrued corresponding to temporary overdrafts.

Regardless of their characteristics, securities in the banking activities’ investment portfolio are not classified as cash. The related cash flows are included in “Changes in balance of banking and insurance assets and liabilities” in the statement of cash flows (see above).

NOTE 4 CLIMATE CHALLENGES

- 4.1 Financial statements and sustainability statement
- 4.2 2040 Net Zero Commitment
- 4.3 Valuation and impairment tests
- 4.4 Credit risk (banking activities)
- 4.5 Main initiatives

4.1 Financial statements and sustainability statement

Definition of connectivity

The financial statements and the sustainability statement are each designed to provide a consistent view of the group according to the different principles governing their preparation, with the financial statements prepared in accordance with IFRS (see Note 3 Significant accounting policies) and the sustainability statement prepared in accordance with the principles defined by the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS).

Connectivity refers to the direct, indirect or consistency links established between the information presented in the financial statements and the information presented in the sustainability statement, to provide readers with a cross-cutting view of climate challenges where possible and/or relevant.

This new note represents the first stage of La Poste Groupe's continuous improvement approach to gradually build the sustainability statement.

Overview of the differences in principles

This approach to implementing connectivity can sometimes present certain difficulties caused in particular by differences in principles. For example:

- The financial statements are intended to provide information about La Poste Groupe as a single economic entity and the reported information therefore concerns only the impacts of the undertakings included in its scope of consolidation (see Note 45). The sustainability statement is also largely based on the concept of consolidation scope, but for some information such as greenhouse gas (GHG) emissions, it may require the inclusion of impacts linked to the upstream/downstream value chain, i.e. undertakings accounted for using the equity method considered as suppliers or customers in the financial statements.
- The sustainability statement covers both risks and opportunities, which are generally treated asymmetrically under the accounting principles applied to the financial statements. A material financial risk arising from an existing and probable obligation will be measured and presented in the financial statements, whereas a probable economic benefit will not be recognised in the financial statements but will be disclosed in the notes if it is material. To be recognised in the financial statements, income from an opportunity identified in the sustainability statement must be virtually certain of being realised.

The main types of climate risk

-physical risks caused by climate change and resulting in an increased frequency or severity of extreme natural events or long-term changes in ecosystems [Task Force on Climate-Related Financial Disclosures – TFCF – definition]. These risks are likely to impede or disrupt the undertaking's business or increase the related cost. They may include, for example, flood and drought risk.

-transition risks (mitigation-related risks) caused by the transition to a low-carbon economy measured by GHG emissions. They include all the mitigation-related risks taken into account in the group's Net Zero Commitment (NZC).

-climate change adaptation risks, which concern the group's adaptation to changes in the legal environment, technological improvements or innovations and market expectations.

4.2 2040 Net Zero Commitment

Since 2023, La Poste Groupe has been committed to neutralising its residual CO₂ emissions by 2040.

To achieve this, a decarbonisation plan is being implemented with the aim of reducing CO₂ emissions by 90% over the target period. The decarbonisation trajectory was validated by the Science Based Targets initiative (SBTi) in March 2024.

Action to ensure that this commitment is met is in addition to the work on applying the CSRD and to obtain SBTi validation.

In its financial statements, La Poste Groupe has applied the decision of the IFRS Interpretations Committee published and validated in April 2024.

4.3 Valuation and impairment tests

Goodwill impairment test

The business plan period used for goodwill impairment testing has been left unchanged at five years, as this is considered to be the most relevant period.

The effects of climate challenges on investments are taken into account using the customary methodology and primarily concern whether or not to extend the useful lives of property, plant and equipment. For example, the group considers that an electric vehicle has the same useful life as a petrol or diesel-powered vehicle (see Note 3: 3 to 5 years). In this regard, IAS 36 prohibits the capitalisation of investments that extend the useful life of an asset.

In addition, the group considers that the uncertainty resulting from climate-related issues is taken into account in the estimate of the overall level of uncertainty, which in turn is factored into the discount rates.

Impairment tests on operating properties and valuation of investment properties

In both cases, the approach adopted by the group is based on the values determined by external experts, which reflect the market's position as to how climate risk should be taken into account in the valuations.

Assets exposed to extreme or high risks and locked-in assets are identified as part of the usual process for monitoring these assets (see Note 3 Significant accounting policies).

Lastly, the decarbonisation plans presented in the sustainability statement, such as the replacement of petrol and diesel-powered vehicles with electric vehicles, are generally part of routine property, plant and equipment replacement programmes.

For this reason, to date, the group has not recognised any material impact on the useful lives or carrying amounts of property, plant and equipment and investment property.

4.4 Credit risk (banking activities)

In 2024, La Banque Postale improved the calculation of its provisions for climate risks.

Climate risks are now taken into account based on two dimensions: the general dimension, already reflected in the worst-case scenarios, and a specific dimension, taken into account for home loans and corporate loans.

General dimension

This is an integral part of the construction of macro-economic scenarios for emerging risks in the broadest sense (climate, geopolitical, etc.). As the core dimension cutting across the entire economy, it enables account to be taken of the impacts of transition risks on the macroeconomic indicators that affect the solvency of economic actors. It is therefore a systemic dimension which cannot be considered separately from other macroeconomic factors such as inflation, interest rate trends, geopolitical crises, etc., and consequently applies to all economic actors.

Specific dimension

The specific dimension is the dimension that is specific to each customer segment and customer business. It enables account to be taken of the sensitivity to climate risks of each segment or customer.

It is determined in addition to the general dimension and can be applied at different levels depending on the risks to be estimated (at the level of counterparties, business sectors, products, etc.).

Resulting provisions

In addition to existing sector-specific provisions, climate risk provisions are now defined for the two main portfolios:

- Corporate portfolio: provisions for transition risk based primarily on the estimated impact of higher carbon prices on the counterparties' solvency;
- Retail home loan portfolio: provisions for physical flood risk and the impact this may have on expected recoveries of loans subject to legal collection procedures.

Calculating the provisions is a complex task which, in some cases, requires the creation of databases for the reporting of observed climate hazards, in order to

integrate this component in the Expected Credit Loss (ECL) calculation.

4.5 Main initiatives

Presentation of the cost impact of the transition plan

The financial impact of initiatives deployed in 2024, concerning for example reductions in water or electricity consumption or the selection of suppliers with better environmental credentials, is usually included in the amounts reported in Note 9 Purchases and other expenses.

Expenditure on employee training, such as for the climate fresco, and financial incentives for employees to use green modes of transport, are included in the amounts reported in Note 9 Purchases and other expenses and Note 10 Personnel expenses and headcount.

Green bond issuances (CNP Assurances, La Banque Postale and La Poste Groupe)

Proceeds from La Poste Groupe's €1.2 billion sustainable bond issuances were allocated in full during 2024.

On 29 January 2024, La Banque Postale Home Loan SFH, a subsidiary of La Banque Postale, carried out a green covered bond issuance. A total of €750 million worth of 10-year covered bonds were issued with a final spread of MS 45 bps and a coupon of 3.125%. They qualify as debt based on IFRS criteria.

Green investments

83% of cash investments are in vehicles that meet the classification criteria set out in Article 8 of the Sustainable Finance Disclosure Regulation (SFDR).

Remuneration of corporate officers

Corporate Social Responsibility (CSR) criteria are now taken into account in the remuneration of corporate officers.

NOTE 5 CHANGES IN THE CONSOLIDATION

- 5.1 Main scope changes during the year
- 5.2 Income statement at constant scope and exchange rates

5.1 Main scope changes during the year

The scope of consolidation is detailed in Note 45.

Disposal of La Poste Telecom

La Poste Telecom, which was 51%-owned and accounted for by the equity method, was sold on 15 November 2024.

See Note 1 Significant events of the year.

Acquisition of CNP Assurances Protection Sociale from La Mutuelle Générale

See Note 1 Significant events of the year.

5.2 Income statement at constant scope and exchange rates

The restated income statement eliminates the effect of all acquisitions made during the current year and the prior-year acquisitions concluded during the year. It also presents foreign currency transactions from the prior year at the average exchange rate for the current year.

	Reported amounts		Restated amounts excluding scope and exchange rate effects	
	31 Dec. 2024	31 Dec. 2023	31 Dec. 2024	31 Dec. 2023
<i>(in € millions)</i>				
Revenue and NBI	34,569	34,073	34,464	33,927
Purchases and other expenses	(15,814)	(16,053)	(15,800)	(16,021)
Personnel expenses	(14,006)	(13,605)	(13,960)	(13,547)
Taxes other than on income	(302)	(505)	(302)	(504)
Depreciation, amortisation, provisions and impairment	(2,723)	(2,904)	(2,715)	(2,829)
Other operating expenses and income	664	689	519	677
Proceeds from asset disposals	523	(50)	523	(50)
Net operating expenses	(31,658)	(32,428)	(31,735)	(32,274)
Share in net profit/(loss) of jointly-controlled companies	39	35	39	31
Recurring operating profit/(loss) (after share in net profit/(loss) of jointly-controlled companies)	2,950	1,680	2,767	1,684

NOTE 6 SEGMENT INFORMATION

- 6.1 Definition of operating segments
- 6.2 Information by operating segment
- 6.3 Information by geographical area

6.1 Definition of operating segments

For the purpose of segment reporting, operating segments are defined based on La Poste Groupe's existing management structure. An operating segment is component of the group for which discrete financial information is available and whose operating results are regularly reviewed by group Management to make decisions about resources to be allocated to the segment and assess its performance.

The criteria used for determining operating segments include:

- the nature of the products services;
- the type or class of customer for the products and services;
- the nature of the production processes and distribution methods;
- the nature of the regulatory environment.

The group is organised into the four operating segments below, as well as the Real Estate and Support & Corporate segments:

SEGMENT	ACTIVITIES
Services-Mail-Parcels	<ul style="list-style-type: none"> ▪ mail activity (collection, sorting and delivery of correspondence, advertising, press and international mail) and related services ▪ parcels activity in France carried out under the Colissimo brand ▪ health and autonomy activity for human and healthcare services ▪ new services by postal carriers
Geopost	<ul style="list-style-type: none"> ▪ express activity carried out by the Geopost sub-group's brands, primarily DPD, Chronopost and Seur ▪ international mail ▪ e-commerce activities by Asendia
La Banque Postale	<ul style="list-style-type: none"> ▪ banking and insurance activities of the La Banque Postale sub-group ▪ La Poste SA division comprising services provided by some La Poste staff to La Banque Postale under service agreements
Retail Customers & Digital Services	<ul style="list-style-type: none"> ▪ sale and distribution activities for La Poste products and services intended for the general public ▪ all group digital activities (La Poste Mobile) ▪ other external products
Real Estate	<ul style="list-style-type: none"> ▪ management of property assets held by La Poste Immobilier sub-group ▪ activities of the La Poste Real Estate department
Support & Corporate	<ul style="list-style-type: none"> ▪ "corporate" activities of the group's headquarters ▪ Group support services

6.2 Information by operating segment

The accounting principles applied to segment reporting are the same as those used for the consolidated financial statements, as described in Note 2 and Note 3. The profits or losses, assets and liabilities allocated to the segments correspond to profits or losses, assets and liabilities that may be allocated directly and indirectly to the segments. Amounts not allocated to segments mainly concern:

- the net cost of regional development;
- the cost of La Poste's accessibility requirement;
- financial profit or loss, and tax.

Segmentation of operating expenses

Given that Services-Mail-Parcels, La Banque Postale and La Poste Network players coexist within La Poste, and that their production process are highly inter-connected, La Poste has set out cost accounting principles in order to allocate shared costs between the various segments and thereby determine each segment's profit or loss. The expenses for the La Poste Network post office counters are re-billed to the businesses that use the network on the basis of service agreements, where the pricing mechanisms are based on measurable operating metrics (revenue, statistics measuring the time required to perform various transactions, etc.).

Segmentation of non-current assets

Intangible assets and property, plant and equipment are broken down based on the allocation of the corresponding assets for each business in La Poste's accounting system. The property assets held by La Poste and La Poste Immobilier sub-group are allocated to the Real Estate segment in their entirety.

6.2.1 Income statement by operating segment

No group customer accounts for more than 10% of consolidated revenue.

2024 (in € millions)									GROUP TOTAL
	Services-Mail-Parcels	Geopost	La Banque Postale	Retail Customers & Digital Services	Real Estate	Support & Corporate	Unallocated (a)	Eliminations	
External revenue and NBI	7,974	15,664	7,514	3,158	116	0	144		34,569
Inter-segment revenue and NBI	2,091	132	41	3,240	837	1,310		(7,652)	
Operating revenue	10,064	15,796	7,554	6,398	954	1,311	144	(7,652)	34,569
Share in net profit/(loss) of jointly-controlled companies		0	33	14	(9)				39
Recurring operating profit/(loss) (after share in net profit/(loss) of jointly-controlled companies)	(138)	624	2,654	98	95	(374)	(25)	16	2,950
Net financial income/(expense)							(264)		(264)
Income tax							(800)		(800)
Share in net profit/(loss) of other equity-accounted companies		(158)		(3)	2	(4)			(164)
CONSOLIDATED NET PROFIT/(LOSS)									1,722
Net depreciation, amortisation, provisions and impairment	(356)	(849)	(742)	(124)	(473)	(179)			(2,723)
Segment assets	2,992	12,997	740,614	2,291	4,170	13,372	(8,974)		767,462

(a) Mainly the contribution to regional development (including the costs relating to the accessibility requirement), the La Poste Telecom disposal gain, net financial income/(expense) and income tax.

2023 (in € millions)									GROUP TOTAL
	Services-Mail-Parcels	Geopost	La Banque Postale	Retail Customers & Digital Services	Real Estate	Support & Corporate	Unallocated (a)	Eliminations	
External revenue and NBI	7,901	15,554	7,185	3,190	107	0	135		34,073
Inter-segment revenue and NBI	2,106	126	70	3,295	791	1,314		(7,702)	
Operating revenue	10,007	15,679	7,256	6,485	898	1,314	135	(7,702)	34,073
Share in net profit/(loss) of jointly-controlled companies		0	24	12	(1)				35
Recurring operating profit/(loss) (after share in net profit/(loss) of jointly-controlled companies)	1	279	2,121	38	100	(256)	(583)	(20)	1,680
Net financial income/(expense)							(239)		(239)
Income tax							(496)		(496)
Share in net profit/(loss) of other equity-accounted companies		(167)		(2)	2	(1)			(169)
CONSOLIDATED NET PROFIT/(LOSS)									776
Net depreciation, amortisation, provisions and impairment	(297)	(992)	(872)	(112)	(474)	(157)			(2,904)
Segment assets	3,354	13,020	738,020	2,425	4,068	13,251	(8,613)		765,524

(a) Primarily includes the contribution to regional development (including the costs relating to the accessibility requirement), net financial expense and income tax.

Segment information for 2023 has been restated to take into account the transfer of Docompost BPO IS, in first-half 2024, from the Retail Customers and Digital Services segment to the Services-Mail-Parcels segment.

6.2.2 Balance sheet by operating segment

2024 (in € millions)	Services-Mail-Parcels	Geopost	La Banque Postale	Retail Customers & Digital Services	Real Estate	Support & Corporate	Eliminations	TOTAL
ASSETS								
Goodwill, other intangible assets and property, plant and equipment	834	6,178	5,491	1,376	3,218	663	(43)	17,716
Right-of-use assets	96	2,742	143	55	550	18		3,605
Equity-accounted investments		548	1,097	9	25	(0)		1,678
Other non-current assets	24	130	1,507	(10)	31	7,885	(7,342)	2,226
Other current assets	2,038	3,399	17,743	861	345	4,806	(1,449)	27,744
Assets specific to banking and insurance activities			714,633				(140)	714,493
TOTAL	2,992	12,997	740,614	2,291	4,170	13,372	(8,974)	767,462
Investments (a)	245	323	242	123	308	(156)		1,085
EQUITY AND LIABILITIES								
Equity						30,575		30,575
Bonds and other debt	874	4,819		904	1,193	11,143	(7,964)	10,969
Lease liabilities	106	2,885		60	1,001	19		4,071
Other non-current liabilities	497	314	2,090	304	72	(321)		2,956
Other current liabilities	2,339	2,951	19,803	1,320	352	843	(580)	27,028
Liabilities specific to banking and insurance activities			691,923	(8)			(54)	691,862
TOTAL	3,816	10,969	713,816	2,580	2,618	42,259	(8,597)	767,462

(a) Purchase of intangible assets and property, plant and equipment, and impact of changes in the consolidation scope.

2023 (in € millions)	Services-Mail-Parcels	Geopost	La Banque Postale	Retail Customers & Digital Services	Real Estate	Support & Corporate	Eliminations	TOTAL
ASSETS								
Goodwill, other intangible assets and property, plant and equipment	904	6,084	6,183	1,353	3,157	651	(12)	18,319
Right-of-use assets	93	2,740	161	56	556	23		3,628
Equity-accounted investments		672	1,104	5	29	1		1,811
Other non-current assets	30	177	1,490	(0)	26	7,452	(6,671)	2,503
Other current assets	2,327	3,347	626	1,011	301	5,124	(1,784)	10,952
Assets specific to banking and insurance activities			728,457				(145)	728,311
TOTAL	3,354	13,020	738,020	2,425	4,068	13,251	(8,613)	765,524
Investments (a)	256	634	1,013	528	332	276		3,040
EQUITY AND LIABILITIES								
Equity						30,769		30,769
Bonds and other debt	787	4,808	0	919	1,116	11,836	(7,521)	11,945
Lease liabilities	115	2,880		61	999	23		4,078
Other non-current liabilities	617	291	2,002	373	59	(173)		3,170
Other current liabilities	2,800	3,156	4,002	1,537	353	961	(653)	12,154
Liabilities specific to banking and insurance activities			703,561	(9)			(142)	703,409
TOTAL	4,319	11,134	709,565	2,881	2,527	43,416	(8,317)	765,524

(a) Purchase of intangible assets and property, plant and equipment, and impact of changes in the consolidation scope.

Segment information for 2023 has been restated to take into account the transfer of Docaposte BPO IS, in first-half 2024, from the Retail Customers and Digital Services segment to the Services-Mail-Parcels segment.

6.3 Information by geographical area

Revenue is broken down on the basis of paying customers' location.

La Poste Groupe's net non-current assets are broken down by geographical area based on the location of the legal entities that which they belong.

2024	European Union (excluding France)			TOTAL
(in € millions)	France	European Union (excluding France)	Other	TOTAL
Revenue from commercial activities	12,983	8,759	5,313	27,055
Net banking income	6,174	391	948	7,514
OPERATING REVENUE	19,157	9,151	6,261	34,569
Segment assets	679,161	52,141	36,160	767,462
Investments ^(a)	726	240	119	1,085

(a) Purchase of intangible assets and property, plant and equipment, and impact of changes in the consolidation scope.

2023	European Union (excluding France)			TOTAL
(in € millions)	France	European Union (excluding France)	Other	TOTAL
Revenue from commercial activities	13,035	8,526	5,327	26,888
Net banking income	5,910	307	968	7,185
OPERATING REVENUE	18,945	8,833	6,295	34,073
Segment assets	674,076	52,192	39,256	765,524
Investments ^(a)	2,478	290	273	3,040

(a) Purchase of intangible assets and property, plant and equipment, and impact of changes in the consolidation scope.

NOTES TO THE INCOME STATEMENT

NOTE 7 REVENUE

La Poste Groupe's revenue from industrial and commercial activities breaks down by business line as follows:

(in € millions)	2024	2023
Services-Mail-Parcels	7,974	7,901
Geopost	15,664	15,554
Retail Customers & Digital Services	3,158	3,190
Real Estate & Support	261	243
TOTAL	27,055	26,888

Total revenue in 2024 and 2023 included:

- compensation from the French State for universal postal service for €500 million (€500 million in 2023), allocated for 2024 among the business lines based on their contribution to the cost of this service (€301 million for Services-Mail-Parcels, €175 million for Retail Customers & Digital Services and €24 million for Support);
- compensation from the French State for regional development recognised under Real Estate & Support, for €120 million in 2024 and €105 million in 2023;
- press contribution of €43 million in 2024 and €40 million in 2023.

NOTE 8 NET BANKING INCOME

The group's net banking income breaks down as follows:

(in € millions)	2024	2023
Interest income	12,254	12,984
Interest expense	(7,120)	(7,454)
Fee and commission income	2,699	2,310
Fee and commission expense	(343)	(297)
Net gain or loss	10,055	7,449
- Financial instruments at fair value through profit or loss	10,740	9,992
- Financial instruments at fair value through OCI ^(a)	(685)	(2,543)
- Derecognised financial assets at amortised cost	(0)	0
Insurance revenue ^(b)	11,819	11,685
Insurance service expenses ^(b)	(8,798)	(8,438)
of which general operating expenses relating to insurance activities ^(c)	(1,699)	(1,657)
Income and expenses from reinsurance contracts held	(100)	(106)
Finance income or expenses from insurance contracts issued	(13,001)	(11,352)
Finance income or expenses from reinsurance contracts held	98	888
Cost of credit risk on financial investments of insurance activities ^(d)	(5)	4
Income from other activities	1,118	937
Expenses from other activities	(1,162)	(1,423)
TOTAL	7,514	7,185

(a) Of which €524 million in dividends on shares, (€1,161) million in gains or losses on disposals of debt instruments, (€49) million in gains or losses on disposals of hedging instruments of the fair value of debt instruments.

(b) See Note 36.1.

(c) Including purchases and other expenses, personnel expenses, taxes and levies, and net depreciation, amortisation and impairment of property, plant and equipment and intangible assets that are directly attributable to insurance activities.

(d) The insurance activities' cost of risk corresponds primarily to assets at fair value through other comprehensive income classified in bucket 1 for (€4) million (vs €3 million in 2023).

The banking activities' cost of risk is presented in Note 12 "Depreciation, amortisation, provisions and impairment".

The net gain or loss on financial instruments at fair value through profit or loss breaks down as follows:

(in € millions)	2024	2023
-----------------	------	------

Dividends received	1,262	1,196
Changes in fair value of financial assets and liabilities measured at fair value through profit or loss	9,462	8,797
Assets and liabilities held for trading	(1,031)	(1,529)
Debt instruments that do not pass the SPPI test	3,231	2,138
Financial assets and liabilities designated as at fair value through profit or loss	(106)	(73)
Assets backing unit-linked contracts	7,368	8,261
Hedging gains and losses	17	(1)
Net gain or loss on financial instruments at fair value through profit or loss	10,740	9,992

NOTE 9 PURCHASES AND OTHER EXPENSES

Purchases and other expenses break down as follows:

<i>(in € millions)</i>	2024	2023
External services and general sub-contracting	4,599	4,900
Purchases	1,210	1,278
Outsourced transport	8,274	7,978
International mail services	467	505
Rental expenses ^(a)	546	513
Maintenance and repair costs	748	736
Telecommunications expenses	173	190
Travel and assignments	162	179
Other expenses ^(b)	621	759
TOTAL BEFORE ALLOCATION TO INSURANCE CONTRACTS	16,798	17,039
Purchases and other expenses relating to insurance contracts reclassified in net banking income	(983)	(986)
TOTAL	15,814	16,053

(a) This line item only includes rents for leases that have not been restated under IFRS 16 (mainly short-term leases or leases for low-value assets), as well as rental costs (see Note 19.3).

(b) This includes payment of the Single Resolution Fund (SRF) contribution for €44 million in 2023. No fund contributions were called in 2024 (see Note 37.4).

NOTE 10 PERSONNEL EXPENSES AND HEADCOUNT

Personnel expenses break down by type of cost as follows:

<i>(in € millions)</i>	2024	2023
Wages and salaries, bonuses and allowances	11,169	11,080
Pension contributions	509	560
Other social security contributions	2,169	2,086
Employee welfare costs	261	256
Changes in post-employment provisions ^(a)	(11)	(352)
Changes in provisions for social security contingencies and labour disputes	8	14
Changes in other employee provisions ^(b)	(355)	(284)
Remuneration-based taxes and levies	758	710
TOTAL BEFORE ALLOCATION TO INSURANCE CONTRACTS	14,508	14,070
Expenses relating to insurance contracts reclassified in net banking income	(502)	(465)
TOTAL	14,006	13,605
Average headcount (full-time equivalent employees/year)	226,831	232,726

(a) With the exception of actuarial gains and losses recognised directly in other comprehensive income (see changes in consolidated equity).
Of which in 2023, a €303 million gain on the cancellation of interest payments on La Poste retirees' demand deposits and a €37 million gain on the impact of the French pension reform on employees' retirement benefits.

(b) Of which in 2023, a €262 million charge to cover the impact of the French pension reform on end-of-career benefits.

The "Pension contributions" line item corresponds to contributions paid into post-employment defined benefit plans. Since the current system for funding pension benefits for civil servants assigned to La Poste was implemented in 2006, this line item includes the

contribution in full discharge of the liability for pension payments provided for by law.

NOTE 11 TAXES OTHER THAN ON INCOME

Taxes other than on income consist of the following items:

<i>(in € millions)</i>	2024	2023
Local taxes	137	121
Other taxes and levies ^(a)	298	522
TAXES BEFORE ALLOCATION TO INSURANCE CONTRACTS	436	644
Tax on insurance contracts reclassified in net banking income	(133)	(138)
TOTAL	302	505

(a) Of which, €94 million for non-deductible VAT on leases in 2024 and €76 million in 2023.

La Poste benefits from favourable local tax treatment in consideration for its obligation to serve the entire French territory and its contribution to regional development (French Law of 2 July 1990, as amended by the Law of 9 February 2010).

In this regard, in 2024 and in 2023 La Poste enjoyed a 99% reduction in its tax base for all local taxes (property tax and *Contribution Économique Territoriale* – CET).

The CET tax is recognised under "Local taxes".

NOTE 12 DEPRECIATION, AMORTISATION, PROVISIONS AND IMPAIRMENT

Changes in depreciation, amortisation, provisions and impairment that had an impact on operating profit break down as follows:

<i>(in € millions)</i>	2024	2023
Net depreciation and amortisation	2,621	2,469
Intangible assets ^(a)	823	732
Property, plant and equipment ^(a)	867	826
Right-of-use assets ^(a)	930	911
Net provisions and impairment	(48)	301
Goodwill ^(b)	48	49
Right-of-use assets ^(a)	(19)	(43)
Intangible assets and property, plant and equipment ^(a)	(120)	184
Inventories ^(c)	(3)	0
Receivables ^(c)	39	19
Losses on irrecoverable receivables	38	30
Provisions for contingencies and losses ^(d)	(32)	63
Cost of risk (banking activities)	231	201
Cost of risk (banking activities) - other impairments and contingencies ^(e)	149	200
Cost of risk (banking activities) - irrecoverable receivables	82	1
DEPRECIATION, AMORTISATION, PROVISIONS AND IMPAIRMENT LOSSES BEFORE ALLOCATION TO INSURANCE CONTRACTS	2,804	2,971
Depreciation, amortisation, provisions and impairment losses on insurance contracts reclassified in net banking income	(81)	(68)
TOTAL	2,723	2,904

- (a) A breakdown of the changes in the depreciation, amortisation and impairment of non-current assets is provided in Notes 17, 18 and 19. Additions to and reversals of provisions for right-of-use assets mainly concerned the Mail CGU (see Note 21).
- (b) Goodwill impairment is described in Note 16.2.
- (c) A breakdown of changes in the impairment of inventories and receivables is provided in Note 24.
- (d) Movements in provisions for contingencies and losses are described in Note 28.
- (e) Including €158 million related to financial assets classified in bucket 3 in 2024 (€217 million in 2023).

NOTE 13 OTHER OPERATING EXPENSES AND INCOME

Other operating expenses and income break down as follows:

Income/(expense) <i>(in € millions)</i>	2024	2023
Capitalised production ^(a)	408	506
Royalties	(103)	(90)
Other recurring operating income and expenses	359	273
TOTAL	664	689

- (a) Capitalised production primarily consisted of IT development costs recognised under intangible assets.

Other operating expenses and income in 2024 include the negative goodwill of €146 million recognised on CNP Assurances' acquisition of a controlling interest in the social protection business of La Mutuelle Générale (see Note 1.3).

NOTE 14 NET FINANCIAL EXPENSE

- 14.1 Cost of net debt
14.2 Other financial items

14.1 Cost of net debt

<i>(in € millions)</i>	2024	2023
Interest expense on financing transactions ^(a)	(219)	(203)
Interest expense on lease liabilities	(137)	(114)
Changes in the fair value of borrowings ^(b) and debt-related swaps	11	2
Income from cash and cash equivalents ^(c)	109	105
TOTAL	(235)	(211)

- (a) Including interest and proceeds from the termination of debt-related derivatives.
(b) Excluding the effect of changes in own credit risk on borrowings, recognised in OCI.
(c) Including changes in the fair value of cash assets and financial assets.

14.2 Other financial items

<i>(in € millions)</i>	2024	2023
Discounting expense on provisions for employee benefits and return on plan assets	(35)	(53)
Net foreign exchange gains/(losses)	(4)	(2)
Other financial income and expenses	11	28
TOTAL	(29)	(28)

NOTE 15 INCOME TAX

- 15.1 Income tax expense recognised in profit or loss
- 15.2 Tax on other comprehensive income
- 15.3 Tax proof
- 15.4 Deferred tax recognised on the balance sheet
- 15.5 Breakdown of deferred tax by type
- 15.6 Unrecognised deferred tax assets

15.1 Income tax expense recognised in profit or loss

<i>(in € millions)</i>	2024	2023
Current tax expense	(714)	(629)
Deferred tax (expense)/income	(86)	133
TOTAL TAX (EXPENSE)/INCOME	(800)	(496)

The current tax expense represents the amount paid or payable in the short term to the tax authorities in respect of the financial year, based on the rules applicable in the various countries and on specific tax conventions.

15.2 Tax on other comprehensive income

<i>(in € millions)</i>	2024	2023
Change in unrealised gains and losses on financial instruments and remeasurement of insurance and reinsurance contracts (items reclassifiable and non-reclassifiable to profit or loss)		
Amount before tax	37	945
Tax impact	98	(112)
AMOUNT AFTER TAX	134	833
Translation adjustments		
Amount before tax	(1,065)	273
Tax impact		
AMOUNT AFTER TAX	(1,065)	273

15.3 Tax proof

Income tax expense is analysed as follows:

(in € millions)	2024	2023
Net profit/(loss) attributable to owners of the parent	1,410	514
Share in net profit/(loss) of equity-accounted companies	125	135
Income tax benefit/(expense)	800	496
Non-controlling interests	312	262
Consolidated profit/(loss) before tax and share in net profit/(loss) of equity-accounted companies	2,646	1,406
Corporate income tax rate	25.83%	25.83%
Theoretical income tax expense (a)	(684)	(363)
Unused tax loss carryforwards recognised in the year or used tax loss carryforwards recognised in prior years (excluding tax consolidation)	(26)	(108)
Deferred tax recognition (limitation)	(200)	66
Dividends and income from non-consolidated companies	88	(9)
Tax rate differential for foreign subsidiaries	(111)	(94)
Disposal of La Poste Telecom	119	
Other	14	12
Tax restatements	(116)	(133)
EFFECTIVE INCOME TAX EXPENSE	(800)	(496)

(a) Including France's 3.3% social solidarity contribution.

15.4 Deferred tax recognised on the balance sheet

(in € millions)	Deferred tax assets	Deferred tax liabilities	Total
31 Dec. 2022 (a)	2,310	1,663	647
Impact on profit or loss	(197)	(330)	133
Assets/liabilities held for sale		(1)	1
Reclassifications	286	286	
Impact on equity	(253)	(141)	(112)
Changes in scope of consolidation	(29)	27	(56)
Translation adjustments and other	(196)	59	(255)
31 Dec. 2023	1,920	1,563	357
Impact on profit or loss	(330)	(244)	(86)
Assets/liabilities held for sale	1	(75)	76
Reclassifications	219	219	
Impact on equity	(87)	(184)	97
Changes in scope of consolidation		34	(34)
Translation adjustments and other	(61)	(68)	7
31 Dec. 2024	1,662	1,245	417

(a) Restated for the first-time application of IFRS 17.

Net deferred tax assets are recognised at tax entity or tax group level based on the probability that they may be used in the future.

15.5 Breakdown of deferred tax by type

<i>(in € millions)</i>	31 Dec. 2024	31 Dec. 2023
Deferred tax assets		
Employee benefits	298	309
Other non-deductible provisions	332	326
Lease liabilities	1,053	1,039
Other temporary differences	555	605
Financial instruments	37	104
Tax loss carryforwards	784	716
Asset/liability offsets ^(a)	(1,397)	(1,179)
TOTAL ASSETS	1,662	1,920
Deferred tax liabilities		
Regulatory provisions	91	82
Revaluation of contributions to Poste Immo	4	10
Financial instruments	1,262	1,457
Deductible goodwill	163	163
Right-of-use assets	915	909
Other temporary tax differences	206	120
Asset/liability offsets ^(a)	(1,397)	(1,178)
TOTAL LIABILITIES	1,245	1,563

(a) Deferred tax assets and liabilities are offset at the level of each taxable entity or tax group.

15.6 Unrecognised deferred tax assets

Type and amount of unrecognised deferred tax asset bases	31 Dec. 2024			
	French tax group companies	Non-consolidated French companies	Foreign companies	Total
<i>(in € millions)</i>				
Home savings provisions	19			19
Employee benefits	228		3	231
Other temporary differences	331	402	112	845
Ordinary tax losses		252	591	844
TOTAL	577	655	706	1,938

NOTES TO THE BALANCE SHEET

NOTE 16 GOODWILL

16.1 Breakdown of goodwill

16.2 Changes in the carrying amount of goodwill

16.1 Breakdown of goodwill

CGU (in € millions)	Segment	31 Dec. 2024	31 Dec. 2023
DPD Europe	Geopost	3,408	3,387
Digital services	Retail Customers & Digital Services	860	858
Asset Management ^(a)	La Banque Postale	612	612
Asendia	Geopost	494	473
Healthcare ^(b)	Services-Mail-Parcels	226	269
Mediaposte ^(c)	Services-Mail-Parcels	104	87
EDE	Services-Mail-Parcels	67	67
CNP Assurances Prévoyance	La Banque Postale	59	59
Lenton Group	Geopost	52	49
MWPI	Real Estate & Support	25	25
JadLog	Geopost	22	26
Other Geopost CGUs	Geopost	16	16
Other Services-Mail-Parcels CGUs	Services-Mail-Parcels	8	13
TOTAL		5,954	5,942
Services-Mail-Parcels		404	436
Geopost		3,993	3,952
La Banque Postale		671	671
Retail Customers & Digital Services		860	858
Real Estate & Support		25	25

(a) La Banque Postale's Asset Management CGU includes the assets and liabilities of La Financière de l'Echiquier, Tocqueville Finance (which was merged into La Financière de l'Echiquier in the first half of 2024) and La Banque Postale Asset Management.

(b) In 2024, including impairment of Healthcare Services CGU goodwill for €43 million.

(c) In 2024, including goodwill recognised on acquisition of LineUp7 for €14 million.

16.2 Changes in the carrying amount of goodwill

<i>(in € millions)</i>	31 Dec. 2024	31 Dec. 2023
Opening balance	5,942	5,092
<i>of which: Gross amounts</i>	6,277	5,396
<i>Impairment losses</i>	(335)	(303)
Acquisitions ^(a)	18	902
Translation adjustments	42	5
Impairment losses ^(b)	(48)	(49)
Other		(8)
Disposals		
CLOSING BALANCE	5,954	5,942
<i>of which: Gross amounts</i>	6,456	6,277
<i>Impairment losses</i>	(502)	(335)

(a) *Of which in 2024:*

- in the Services-Mail-Parcels segment, goodwill recognised on acquisition of LineUp7 for €14 million.

Of which in 2023:

- in the Retail Customers & Digital Services segment, the acquisition of Maincare for €280 million.

- in the La Banque Postale segment, acquisition of La Financière de l'Echiquier for €564 million.

(b) *Of which in 2024:*

- in the Services-Mail-Parcels segment, impairment of Healthcare Services goodwill for €43 million and Geoptis goodwill for €4 million.

Of which in 2023:

- in the Geopost segment, impairment prior to disposal of Stuart goodwill for €13 million.

- in the La Banque Postale segment, impairment of SCI Lamartine goodwill for €36 million.

Impairment tests performed on goodwill are described in Note 21.

NOTE 17 INTANGIBLE ASSETS

<i>(in € millions)</i>	Software, patents and licences	Intangible assets in progress	Other intangible assets	TOTAL
GROSS AMOUNTS				
Balance at 31 Dec. 2022 (a)	9,125	504	871	10,500
Acquisitions	233	512	38	783
Disposals	(179)	(1)	(35)	(215)
Changes in scope of consolidation	25	8	17	50
Translation adjustments	191	0	1	192
Transfers and other movements	422	(492)	69	(1)
Balance at 31 Dec. 2023	9,817	531	961	11,309
Acquisitions	185	462	28	675
Disposals	(988)	(10)	(74)	(1,071)
Changes in scope of consolidation	29	0	52	81
Translation adjustments	(660)	(1)	2	(659)
Transfers and other movements	357	(475)	18	(100)
BALANCE AT 31 DEC. 2024	8,741	508	987	10,236
AMORTISATION AND IMPAIRMENT LOSSES				
Balance at 31 Dec. 2022 (a)	(4,423)	(152)	(596)	(5,170)
Amortisation for the period	(642)		(91)	(732)
Impairment losses	(207)	(4)	(52)	(263)
Reversals of impairment losses	64	22	10	96
Reversals on disposals	178		33	212
Changes in scope of consolidation	(7)	0	73	67
Translation adjustments	(22)	0	(1)	(23)
Transfers and other movements	2	(1)	18	19
Balance at 31 Dec. 2023	(5,056)	(134)	(605)	(5,796)
Amortisation for the period	(724)		(99)	(823)
Impairment losses	(69)	(0)	(20)	(89)
Reversals of impairment losses	117	58	8	183
Reversals on disposals	974		74	1,048
Changes in scope of consolidation	(24)		(3)	(27)
Translation adjustments	128		(1)	126
Transfers and other movements	13	(1)	80	92
BALANCE AT 31 DEC. 2024	(4,641)	(78)	(568)	(5,286)
NET AMOUNTS				
At 31 Dec. 2023	4,761	397	356	5,513
AT 31 DEC. 2024	4,099	430	420	4,949

(b) Restated for the first-time application of IFRS 17.

The "Transfers and other movements" lines correspond to assets brought into use and to reclassifications to other assets line items.

NOTE 18 PROPERTY, PLANT AND EQUIPMENT

<i>(in € millions)</i>	Land and buildings	Equipment and technical facilities	Transport vehicles	Other	Property, plant and equipment in progress	TOTAL
GROSS AMOUNTS						
Balance at 31 Dec. 2022 (a)	6,223	3,764	1,090	4,115	420	15,612
Acquisitions	7	155	289	274	492	1,216
Disposals	(51)	(190)	(96)	(392)	(3)	(733)
Changes in scope of consolidation	(0)	3	1	7	(3)	7
Translation adjustments	8	8	1	8	2	26
Transfers and other movements	221	82	(16)	93	(416)	(36)
Balance at 31 Dec. 2023	6,407	3,821	1,269	4,105	491	16,094
Acquisitions	23	148	156	189	358	874
Disposals	(52)	(195)	(153)	(325)	(1)	(726)
Changes in scope of consolidation	0	0	(0)	25	0	25
Translation adjustments	7	2	(1)	3	2	13
Transfers and other movements	173	157	18	69	(464)	(48)
BALANCE AT 31 DEC. 2024	6,558	3,932	1,289	4,066	386	16,231
DEPRECIATION AND IMPAIRMENT LOSSES						
Balance at 31 Dec. 2022 (a)	(2,339)	(2,823)	(602)	(3,253)	(15)	(9,031)
Depreciation for the period	(192)	(215)	(120)	(299)	0	(826)
Impairment losses	(14)	(21)	(3)	(38)	(9)	(86)
Reversals of impairment losses	5	32	2	26	5	70
Reversals on disposals	28	184	82	367	0	661
Changes in scope of consolidation	0	(2)	1	(4)	0	(5)
Translation adjustments	(2)	(2)	0	(4)	1	(8)
Transfers and other movements	7	(0)	(5)	(1)	(6)	(5)
Balance at 31 Dec. 2023	(2,507)	(2,847)	(646)	(3,206)	(24)	(9,229)
Depreciation for the period	(195)	(239)	(143)	(290)	0	(867)
Impairment losses	(3)	(26)	(2)	(27)	(0)	(59)
Reversals of impairment losses	9	37	3	29	4	82
Reversals on disposals	25	194	140	313	0	672
Changes in scope of consolidation	0	0	0	(18)	0	(18)
Translation adjustments	(2)	(1)	1	(4)	0	(6)
Transfers and other movements	16	(2)	(9)	3	(0)	9
BALANCE AT 31 DEC. 2024	(2,657)	(2,884)	(656)	(3,199)	(21)	(9,417)
NET AMOUNTS						
At 31 Dec. 2023	3,901	974	623	899	467	6,865
AT 31 DEC. 2024	3,901	1,048	633	867	365	6,813

(a) Restated for the first-time application of IFRS 17.

Right-of-use assets, stemming from the application of IFRS 16, are described in Note 19.

The "Transfers and other movements" lines correspond to assets brought into use and to reclassifications to other assets line items.

NOTE 19 LEASES (lessee)

- 19.1 Right-of-use assets
- 19.2 Lease liabilities
- 19.3 Impact of leases on profit or loss
- 19.4 Impact of leases on the statement of cash flows

19.1 Right-of-use assets

Right-of-use assets by type of leased assets break down as follows:

<i>(in € millions)</i>	Land and buildings	Equipment and technical facilities	Transport vehicles	Other	Net amount
Balance at 31 Dec. 2022	2,845	227	344	10	3,426
Increase	942	123	207	1	1,273
Decrease	(205)	(25)	(4)	(0)	(234)
Depreciation	(685)	(72)	(149)	(4)	(911)
Impairment losses	43	0	(0)		43
Changes in scope of consolidation	3	0		0	3
Translation adjustments and other	18	2	7	0	27
Balance at 31 Dec. 2023	2,961	255	405	7	3,628
Increase	735	41	174	9	959
Decrease	(92)	(1)	(14)	(0)	(107)
Depreciation	(695)	(74)	(157)	(4)	(930)
Impairment losses	13	0	6		19
Changes in scope of consolidation	1	0	(1)	0	(0)
Translation adjustments and other	23	4	10	(1)	36
BALANCE AT 31 DEC. 2024	2,947	225	423	11	3,605

19.2 Lease liabilities

Lease liabilities are presented in Note 29 for industrial and commercial activities. Lease liabilities for banking and insurance activities amounted to €165 million (€175 million in 2023) and are included in "Other financial liabilities" of "Banking and insurance activity financial liabilities" (see Note 32.7).

19.3 Impact of leases on profit or loss

<i>(in € millions)</i>	2024	2023
Net operating expenses	1,548	1,453
Short-term lease expenses	150	142
Low-value lease expenses	100	75
Rental expenses	223	253
Non-deductible VAT on rental expenses	94	76
Depreciation of right-of-use assets	930	911
Impairment losses/(reversals) on right-of-use assets	(19)	(43)
Other ^(a)	70	41
Cost of net debt	137	114
Interest expense on lease liabilities	137	114
TOTAL	1,685	1,567

(a) Mainly concerning CNP Assurances.

19.4 Impact of leases on the statement of cash flows

<i>(in € millions)</i>	2024	2023
Net cash used in operating activities	636	586
Short-term lease expenses	150	142
Low-value lease expenses	100	75
Rental expenses	223	253
Non-deductible VAT on rental expenses	94	76
Other	70	41
Net cash used in financing activities	1,044	1,006
Interest paid on lease liabilities	137	114
Repayments of lease liabilities (including from La Banque Postale)	907	892
TOTAL CASH OUTFLOW	1,680	1,592

NOTE 20 EQUITY-ACCOUNTED COMPANIES

(in € millions)	Holding d'Infrastructures Gazières ^(b)	Arial CNP Assurances	XSS Administradora de consórcio	Other insurance subsidiaries	Aramex PJSC ^(c)	Ninja Logistics ^(c)	Yurtici Kargo Servisi A.S.	Real Estate division	Other	TOTAL Equity-accounted companies (assets)	La Poste Telecom ^(d)
Operating segment	La Banque Postale	La Banque Postale	La Banque Postale	La Banque Postale	Geopost	Geopost	Geopost	Real Estate			Retail Customers & Digital Services
Type of control	Joint control	Joint control	Joint control	Joint control	Associate	Associate	Associate	Associates or Joint control			Joint control
Balance at 31 Dec. 2022 (a)	860	161	50	47	503	322	19	29	49	2,041	(50)
Profit or loss for the period	48	3	3	17	(108)	(74)	15	0	(5)	(99)	12
Dividend payments	(76)			(3)	(10)		(12)	(3)	(1)	(105)	
Changes in FV of fin. instruments	3	2	0		(1)				0	5	
Changes in conso. scope and % control				(0)	0	(0)		1	3	4	
Capital increases						0		2	9	11	
Other changes	5	(0)	0	0		1	(1)	(1)	(1)	3	
Translation adjustments			3	(19)	(21)	(12)	2		(1)	(49)	
Balance at 31 Dec. 2023	839	167	57	42	364	237	23	29	53	1,811	(37)
Profit or loss for the period	62	6	9	18	(60)	(125)	27	(7)	(8)	(77)	14
Dividend payments	(76)		(7)	(2)			(21)	(3)	(1)	(111)	
Changes in fair value of financial instruments		6			0					6	
Changes in scope of consolidation and % control						(0)			6	6	23
Capital increases						0			8	8	
Other changes	(7)	0	0	(0)	0	2	(1)	7	0	1	
Translation adjustments			(9)	(7)	18	16	15		1	34	
BALANCE AT 31 DEC. 2024	817	180	49	51	322	131	43	26	60	1,678	

(a) Restated for the first-time of application of IFRS 17.

(b) This investment is included in the assets of the insurance business and the group's equity in its net profit is included in net banking income.

(c) In 2024, impairment of Aramex PJSC and Ninja Logistics shares for €71 million and €79 million respectively. In 2023, impairment of Aramex PJSC shares for €114 million (see Note 21.3).

(d) Sold in 2024, see Note 1.2 Significant events of the year.

NOTE 21 IMPAIRMENT TEST ON GOODWILL AND NON-CURRENT ASSETS

21.1 Impairment tests on goodwill

21.2 Impairment tests on other non-current and non-financial assets

21.1 Impairment tests on goodwill

La Poste Groupe tests goodwill for impairment annually or more frequently if events or changes indicate that it may be impaired.

Goodwill is allocated to cash-generating units as presented in Note 16.1.

The impairment test involves comparing the carrying amount of the CGUs, including any goodwill, to their recoverable amount, determined using the method in Note 3.9.

The main assumptions used were as follows:

2024	Discount rate		Standard growth rate	Number of projected years
	Eurozone	Other		
Services-Mail-Parcels	5.8%-8.9%		2%	5
Geopost	7.7%	7.9% - 14.3%	2% - 4.7%	5
La Banque Postale	9.3%		2%	5
Retail Customers & Digital Services	7.1%		2%	5
2023				
Services-Mail-Parcels	6.9% - 9%		2%	5
Geopost	7.9%	8.2% - 14.5%	2% - 4.8%	5
La Banque Postale	9.4%		2%	5
Retail Customers & Digital Services	7.1%		2%	5

In 2024, goodwill impairment of €43 million was recognised for the Healthcare Services CGU (Services-Mail-Parcels segment) to take into account the downgrading of its business plan projections.

In 2023, the €13 million in Stuart goodwill was written down in full during the first half of the year, prior to the company's disposal at the end of November 2023.

In addition, the €36 million in SCI Lamartine goodwill was written down in full to reflect developments in the real estate market.

Sensitivity analysis at 31 December 2024

- A 1-point increase in the discount rates or a 0.5-point decrease in the perpetuity growth rates would result in additional impairment losses of between €22 million and €47 million.
- A 1-point increase in the discount rates and a simultaneous 0.5-point decrease in the perpetuity growth rates would result in additional impairment losses of €61 million.

- A 2-point increase in the discount rates and a simultaneous 1-point decrease in the perpetuity growth rates would result in additional impairment losses of around €123 million.

21.2 Impairment tests on other non-current and non-financial assets

CGUs without goodwill were analysed for indications of impairment during the year.

This led to a test being performed on the La Poste Mail CGU's assets, and to maintain the impairment of all of these assets in a total amount of €839 million. The test was carried out on the basis of a business plan updated to best reflect five-year forecasts, with a perpetuity growth rate of -5% and a WACC of 7.1%.

The impairment losses break down as follows:

- intangible assets: €191 million (see Note 17);
- property, plant and equipment: €251 million (see Note 18);
- right-of-use assets: €397 million (see Note 19).

21.3 Impairment tests on investments in equity-accounted companies

La Poste Groupe performs impairment tests on its main equity-accounted companies at least annually or more frequently if events or changed circumstances indicate that the investments may be impaired.

In 2024, Ninja Logistics Pte shares were written down by €79 million. The impairment test on this investment was based on revised business plan projections, with a perpetuity growth rate of 2.3% and a WACC of 9.3%.

A 1-point increase in the discount rates or a 0.5-point decrease in the perpetuity growth rates would result in additional impairment losses of between €7 million and €23 million.

In 2024, as a result of the impairment test, the group's investment in Aramex PJSC was written down by €71 million. The valuation was based on the share value reflected in the price of the proposed takeover bid launched by the Abu Dhabi sovereign wealth fund ADQ. In 2023, as a result of the impairment test, the group's investment in Aramex PJSC was written down by €114 million.

NOTE 22 OTHER FINANCIAL ASSETS

<i>(in € millions)</i>	31 Dec. 2024		31 Dec. 2023	
	Current	Non-current	Current	Non-current
Unconsolidated equity investments		379		403
Deposits and guarantees paid	24	83	21	71
Derivative financial instruments	0	8	1	7
Loans for social housing	6	36	5	41
<i>Provisions for loans for social housing</i>		<i>(11)</i>		<i>(13)</i>
Financial assets held for cash management purposes	215		208	
Other financial assets	55	73	48	101
<i>Provisions for other financial assets</i>		<i>(3)</i>		<i>(27)</i>
TOTAL	300	564	283	582

Unconsolidated equity investments

<i>(in € millions)</i>	Segment	31 Dec. 2024		31 Dec. 2023
		Percentage held	Carrying amount	Carrying amount
Crédit Logement	La Banque Postale	6%	95	95
Domiserve	La Banque Postale	100%	42	71
Xange Digital 3	Support & Corporate	22%	29	27
EPI Company SE	La Banque Postale	11%	28	20
Transactis	La Banque Postale	50%	23	23
Xange Capital 2	Support & Corporate	20%	17	21
Xange 4	Support & Corporate	12%	14	14
Toit et joie	Support & Corporate	99%	12	12
STET	La Banque Postale	5%	7	7
Django	La Banque Postale	100%	6	9
LP17	Support & Corporate	100%	5	5
LP12	Support & Corporate	100%	5	5
FFD2	Support & Corporate	3%	5	5
Other - French companies			72	56
Other - foreign companies (see details in Note 46)			18	31
TOTAL			379	403

Wholly owned unconsolidated equity investments comprise dormant companies, companies in the process of being liquidated or companies with non-material balance sheets and income statements.

Deposits and guarantees

This line primarily corresponds to the security deposits paid in respect of property leases.

Derivative financial instruments

The derivative financial instruments line mainly represents instruments put in place to manage the interest rate and exchange rate risks. In particular, they must be read together with "Bonds and debt". A breakdown of these derivatives can be found in Note 29.5.

Loans for social housing

These loans primarily consist of loans to construction entities with very long-term maturities.

Financial assets held for cash management purposes

These are assets acquired as part of the cash management process; they consist primarily of UCITS.

NOTE 23 SPECIFIC ASSETS OF BANKING AND INSURANCE ACTIVITIES

- 23.1 Financial assets at fair value through profit or loss
- 23.2 Hedging derivatives
- 23.3 Financial assets at fair value through OCI
- 23.4 Securities at amortised cost
- 23.5 Loans and advances to credit institutions at amortised cost
- 23.6 Loans and advances to customers at amortised cost
- 23.7 Insurance and reinsurance contracts, other financial assets and accruals
- 23.8 Investment property

23.1 Financial assets at fair value through profit or loss

Breakdown by nature of financial instruments

<i>(in € millions)</i>	31 Dec. 2024	31 Dec. 2023
Government paper and equivalents	24,666	27,001
Bonds and other fixed-income securities	28,714	42,142
UCITS	107,930	111,397
Debt instruments	161,310	180,540
Equity and other variable-income securities	21,815	18,823
Equity instruments	21,815	18,823
Customers	6,967	7,383
Loans and advances	6,967	7,383
Interest rate	5,651	4,911
Exchange rate	149	98
Credit		1
Equity and index instruments	207	227
Other		
Derivative instruments	6,007	5,238
Credit institutions	225	792
Customers	7,558	5,314
Securities and other assets purchased under collateralised reverse repurchase agreements	7,784	6,106
TOTAL	203,882	218,089

Breakdown by IFRS 9 category

<i>(in € millions)</i>	31 Dec. 2024	31 Dec. 2023
Financial assets held for trading	16,826	13,915
Non-SPPI financial assets and equity instruments	93,288	106,321
Financial assets backing unit-linked contracts	90,825	94,505
Financial assets designated at fair value	2,943	3,348
TOTAL	203,882	218,089

23.2 Hedging derivatives

<i>(in € millions)</i>	31 Dec. 2024	31 Dec. 2023
Interest-rate derivatives	327	570
Forex instruments	159	107
TOTAL	486	677

23.3 Financial assets at fair value through OCI

<i>(in € millions)</i>	31 Dec. 2024	31 Dec. 2023
Equities, other variable-income securities and other long-term securities	14,997	15,710
Government paper and equivalents	91,934	95,671
Bonds and other fixed-income securities	111,014	101,297
Debt instruments at fair value through other comprehensive income reclassifiable to profit or loss	202,948	196,968
TOTAL	217,945	212,678

23.4 Securities at amortised cost

<i>(in € millions)</i>	31 Dec. 2024	31 Dec. 2023
Government paper and equivalents	31,894	29,296
Bonds and other fixed-income securities	4,262	3,752
Subordinated securities	100	56
TOTAL	36,256	33,104

23.5 Loans and advances to credit institutions at amortised cost

<i>(in € millions)</i>	31 Dec. 2024	31 Dec. 2023
Current accounts in debit	1,946	2,143
Suspense accounts	3	7
Demand deposits with credit institutions	1,950	2,150
Accounts and loans	106	94
Deposits centralised with CDC	63,410	64,711
Securities and other assets purchased under collateralised reverse repurchase agreements	10,129	3,880
Term loans and advances to credit institutions	73,645	68,685
Subordinated loans	79	79
TOTAL	75,673	70,914

23.6 Loans and advances to customers at amortised cost

<i>(in € millions)</i>	31 Dec. 2024	31 Dec. 2023
Retail current accounts in debit	969	1,088
Factoring accounts	4,147	4,028
Loans to customers repayable on demand, suspense accounts and other accounts	75	561
Impairment losses	(204)	(182)
Loans and advances to customers repayable on demand	4,986	5,495
Short-term credit facilities	14,363	13,890
Real estate loans	93,620	93,343
Equipment loans	6,793	7,173
Loans to financial sector customers	2,598	1,586
Other loans	1,989	1,967
Securities purchased under collateralised reverse repurchase agreements	2,289	52
Impairment losses	(1,411)	(1,305)
Term loans and advances to customers	120,240	116,705
Subordinated loans to customers	16	23
Finance lease transactions	3,715	3,776
TOTAL	128,958	125,999

23.7 Insurance and reinsurance contracts, other financial assets and accruals

<i>(in € millions)</i>	31 Dec. 2024	31 Dec. 2023
Insurance contracts issued – Assets – BBA/VFA	816	1,176
Insurance contracts issued – Assets – PAA	97	166
Acquisition costs not yet allocated to contracts – Assets	4	0
Insurance contracts issued – Assets	917	1,343
Reinsurance contracts held – Assets – BBA/VFA	6,213	8,556
Reinsurance contracts held – Assets – PAA	295	319
Assets related to ceded investment contracts without DPF – Reinsurance	15	15
Reinsurance contracts held – Assets	6,523	8,891
Sundry debtors ^(a)	6,822	6,734
Securities settlement accounts	0	1
Impairment losses	(93)	(108)
Other financial assets	6,729	6,628
Prepaid expenses and accrued income	1,770	1,252
Collection accounts	142	139
Other accruals	321	577
Accruals	2,232	1,968
Other financial assets and accruals	8,961	8,596

(a) Including guarantee deposits in respect of Single Resolution Fund EPIs for €89 million at 31 December 2024 and €89 million at 31 December 2023. (see Note 37.4).

23.8 Investment property

<i>(in € millions)</i>	31 Dec. 2024	31 Dec. 2023
Gross amounts	894	1,067
Amortisation	(51)	(60)
Impairment losses	(91)	(77)
Investment property at amortised cost	752	930
Investment property at fair value	5,838	6,332
TOTAL	6,590	7,262

Substantially all of the investment properties presented in the 2024 financial statements are from the CNP Assurances group.

NOTE 24 OTHER CURRENT ASSETS

24.1 Inventories and work-in-progress

24.2 Trade and other receivables

24.1 Inventories and work-in-progress

(in € millions)	31 Dec. 2024			31 Dec. 2023
	Gross amounts	Allowances	Net amount	Net amount
Raw materials, supplies, goods and other inventories	167	(5)	162	185
Finished and semi-finished product inventories and work-in-progress	47	(0)	47	30
TOTAL	214	(5)	209	215

Inventories primarily consist of spare parts for technical facilities and finished products sold in the post office network (mainly stamp-collecting products).

24.2 Trade and other receivables

(in € millions)	31 Dec. 2024	31 Dec. 2023
Advances and deposits paid	277	295
Trade receivables and related accounts	3,588	3,776
<i>Impairment losses on trade receivables and related accounts</i>	(199)	(167)
International mail receivables	378	637
Receivables from the French State for compensation for public service missions	500	500
Other receivables	670	646
<i>Impairment losses on other receivables</i>	(24)	(17)
TOTAL	5,190	5,670

International mail receivables (€378 million) are primarily owed by foreign postal operators for the delivery of their mail in France (€637 million in 2023).

Likewise, trade and other payables include international mail payables (see Note 33) of €413 million owed to foreign postal operators for the delivery of La Poste mail outside of France (€728 million in 2023).

Receivables from the State for income about public service missions correspond to compensation not yet received. At 31 December 2024, this caption corresponded to the compensation for universal postal service provided in 2024.

NOTE 25 CASH AND CASH EQUIVALENTS

25.1 Cash and cash equivalents

25.2 Cash, central banks (Banking activities)

25.1 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, bank balances and short-term investments in money-market instruments. These investments, which were initially due to mature in less than three months, are readily convertible into a known amount of cash and are exposed to a negligible risk of a change in value.

<i>(in € millions)</i>	31 Dec. 2024	31 Dec. 2023
Cash equivalents	2,810	2,287
Cash at bank	1,358	1,358
Cash on hand	4	5
TOTAL	4,172	3,650

Cash equivalents

Cash equivalents consisted mainly of term deposits accessible at any time, or within three months, for €2,148 million (€1,093 million as at 31 December 2023), and units in money-market UCITS for €615 million (€1,094 million as at 31 December 2023).

25.2 Cash, central banks (Banking activities)

<i>(in € millions)</i>	31 Dec. 2024	31 Dec. 2023
Cash on hand (including cash held at post offices)	1,182	1,127
Central banks	26,630	39,450
TOTAL	27,812	40,577

NOTE 26 ASSETS AND DISPOSAL GROUPS HELD FOR SALE AND LIABILITIES DIRECTLY ASSOCIATED

At 31 December 2024, this item consisted primarily of the assets and liabilities of subsidiaries that were expected to be sold in the coming months, including:

- the assets and liabilities of the Cypriot company CNP Cyprus Insurance Holdings and its subsidiaries for €837 million and €653 million respectively (see Note 1.6);
- the assets and liabilities of the Italian company CNP UniCredit Vita (CUV) for €16,449 million and €15,629 million respectively (see Note 1.5).

It also included properties for which the sale had been agreed as of the year end.

DPD Russie

In the first half of 2022, the group responded to events affecting Russia by announcing its intention to withdraw from the Russian market.

As a result of this announcement, all of DPD Russia's assets and liabilities have been classified as held for sale since 30 June 2022. In light of the uncertainty over the long term future of the company and over the sale price, the DPD Russia goodwill and all of the company's intangible assets and property, plant and equipment were written down in full at 30 June 2022 (for a euro-equivalent amount of €149 million) and these write-downs were maintained at 31 December 2023.

The disposal of DPD Russia could not be completed in view of the absence of the sale conditions required by the group's compliance framework.

As a result, the company's assets and liabilities have no longer been classified as held for sale since June 2024, and the impairment losses recorded on its property, plant and equipment and intangible assets were reversed in 2024 in the amount of €22 million, based on estimates of its future profitability.

NOTE 27 EQUITY

- 27.1 Share capital
- 27.2 Hybrid debt
- 27.3 Non-controlling interests

27.1 Share capital

At 31 December 2024, the share capital amounted to €5,858 million, divided into 2,928,892,946 ordinary shares with a par value of €2 each. At that date, 66% of the capital was owned by Caisse des Dépôts and 34% was owned by the French State.

History of the share capital

On 1 March 2010, La Poste became a *société anonyme* (French public limited company), with a share capital of €1 billion, divided into 500 million fully paid-up shares with a par value of €2 each. This share capital is, by law, wholly-owned by the French State or State-owned entities, except for any portion reserved for La Poste employees.

Prior to that date, La Poste was an independent State-owned company, with no share capital within the legal meaning of the term.

Movements in 2023

In 2023, La Poste distributed €421 million (i.e., €0.15 per share) in dividends in the form of shares for €316 million (i.e., an increase in share capital of €238 million and share premium for €78 million) and in cash for €105 million. This distribution was allocated to other reserves for €421 million and to share premium for €195 million.

Perpetual subordinated notes classified as non-controlling interests are presented below:

27.2 Hybrid debt

In April 2018, La Poste Groupe carried out a public offering of euro-denominated perpetual hybrid securities for €750 million. The securities have no maturity date and have a first call date of 29 January 2026. In accordance with IAS 32, they were recognised in attributable equity.

Events after the reporting period relating to hybrid debt are described in Note 44.

27.3 Non-controlling interests

Non-controlling interests amounted to €7,202 million at 31 December 2024, compared with €8,345 million at 31 December 2023.

At the end of 2024, they essentially corresponded to:

- non-controlling interests in the CNP Assurances Group for €5,419 million (€6,627 million in 2023), including perpetual subordinated notes for €1,389 million.
- perpetual subordinated notes issued by La Banque Postale for €1,488 million.
- perpetual notes issued by Asendia for €227 million.

(in € millions)	Date of issuance	Interest rate	Amounts in issue currency	Currency	31 Dec. 2024	31 Dec. 2023
CNP Assurances	21/06/2004	TEC 10 +10 bps, capped at 9%	300	EUR	251	251
CNP Assurances	11/03/2005	6.25% until 2009, then 4 x (10-year EUR CMS - 2-year EUR CMS), 9% cap and 2.75% floor	24	EUR	24	24
CNP Assurances	11/03/2005	6.50% until March 2008, then 3% +2,250 bps x 10-year EUR CMS	225	EUR	220	220
CNP Assurances	27/06/2005	7% until June 2010, then 10-year CMS +30 bp	75	EUR	60	60
CNP Assurances	16/05/2006	5.25% until 16 May 2036, then 3-month Euribor +185 bps (including 100 bps call date step-up)	160	EUR	181	181
CNP Assurances	20/12/2006	3-month Euribor +95 bps until 20 December 2026, then 3-month Euribor +195 bps	108	EUR	99	99
CNP Assurances	18/11/2014	4% until June 2024, then reset at the 5-year fixed swap 410 bps	500	EUR		556
CNP Assurances	27/06/2018	4.75% until June 2028, then reset at the 5-year fixed swap 391.4 bps	500	USD	552	552
La Banque Postale	20/11/2019	3.875%	750	EUR	744	744
La Banque Postale	29/09/2021	3.000%	750	EUR	744	744
Asendia	10/03/2021	4.778%	198	EUR	198	198
Asendia	02/08/2022	4.689%	29	EUR	29	29
TOTAL PERPETUAL SUBORDINATED NOTES CLASSIFIED IN NON-CONTROLLING INTERESTS					3,104	3,659

NOTE 28 PROVISIONS FOR CONTINGENCIES AND LOSSES

At 31 December 2024, **provisions for contingencies and losses** break down as follows:

<i>(in € millions)</i>	Labour disputes	Other disputes	Other	TOTAL
Non-current provisions	16	6	163	185
Current provisions	63	266	370	700
Balance at 31 Dec. 2022	80	273	533	885
Additions for the period	52	87	354	493
Utilisations	(28)	(37)	(261)	(326)
Reversals of unused provisions	(13)	(42)	(34)	(89)
Other movements	(10)	10	(10)	(10)
Non-current provisions	17	6	102	126
Current provisions	63	285	480	827
Balance at 31 Dec. 2023	80	291	582	953
Additions for the period	40	69	272	381
Utilisations	(26)	(54)	(359)	(438)
Reversals of unused provisions	(6)	(24)	(12)	(42)
Other movements	(12)	(30)	24	(17)
Non-current provisions	5	4	120	129
Current provisions	72	249	387	708
BALANCE AT 31 DEC. 2024	77	253	507	837

Provisions for labour disputes cover all employee-related disputes (industrial tribunal, etc.) and ongoing claims and disputes with social security bodies.

Provisions for other disputes relate to disputes brought before administrative, civil or commercial courts.

Other provisions at 31 December 2024 mainly cover:

- the residual risk in connection with the Stuart companies for €25 million;
- miscellaneous contingencies linked to the group's operating activity.

NOTE 29 BONDS AND DEBT

- 29.1 Breakdown of debt
- 29.2 Breakdown of debt by maturity
- 29.3 Changes in debt
- 29.4 Bonds and subordinated debt
- 29.5 Derivative instruments for industrial and commercial activities
- 29.6 Other debt

29.1 Breakdown of debt

	31 Dec. 2024		31 Dec. 2023	
	Short-term	Medium-and long-term	Short-term	Medium-and long-term
<i>(in € millions)</i>				
Debt at amortised cost	1,153	9,682	1,390	10,431
Bonds	749	9,527	1,000	10,261
La Poste savings bonds	50		51	
Commercial paper	200		200	
Current bank facilities	72		68	
Deposits and guarantees received	5	46	6	52
Other borrowings at amortised cost	77	109	65	118
Derivative liabilities	23	3	11	1
Accrued interest on borrowings	108		112	
Total	1,285	9,685	1,513	10,432
BONDS AND OTHER DEBT	10,969		11,945	
Lease liabilities (a)	851	3,220	812	3,266
LEASE LIABILITIES	4,071		4,078	

(a) Lease liabilities at 31 December 2024 break down by currency as follows: €2,744 million in euros, €956 million in pounds sterling and €371 million in other currencies.
Lease liabilities at 31 December 2023 break down by currency as follows: €2,829 million in euros, €913 million in pounds sterling and €336 million in other currencies.

29.2 Breakdown of debt by maturity

	Due within 1 year		Due in 1 to 5 years		Due beyond 5 years		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
<i>(in € millions)</i>								
Debt at amortised cost	1,153	1,390	4,120	3,780	5,562	6,651	10,835	11,821
Bonds	749	1,000	3,995	3,712	5,532	6,549	10,277	11,261
La Poste savings bonds	50	51					50	51
Commercial paper	200	200					200	200
Current bank facilities	72	68					72	68
Deposits and guarantees received	5	6	37	44	9	8	50	58
Other borrowings at amortised cost	77	65	88	24	21	94	185	183
Derivative liabilities	23	11			3	1	26	12
Accrued interest on borrowings	108	112					108	112
BONDS AND OTHER DEBT	1,285	1,513	4,120	3,780	5,565	6,652	10,969	11,945
LEASE LIABILITIES	851	812	2,068	1,970	1,152	1,296	4,071	4,078

29.3 Changes in debt

The following table presents changes in debt in 2024 and 2023, distinguishing between changes with an impact on cash and those without.

(in € millions)	Bonds and other debt (a)	Debt-related derivative assets (including security deposits) (a)	Lease liabilities (a)	Cash impact (excl. Banking activities)	La Banque Postale subordinated debt	La Banque Postale lease liabilities (b)	CASH IMPACT GROUP
Balance at 31 Dec. 2022	11,564	(57)	3,869		9,099	214	
Changes with cash impact							
Proceeds from new borrowings (c)	2,659			2,659	500		3,159
Repayment of borrowings (d)	(2,244)			(2,244)	(200)		(2,444)
Repayment of lease liabilities			(850)	(850)		(42)	(892)
Other cash flows from/(used in) financing activities	(52)	2		(49)			(49)
Changes without cash impact							
Changes in accrued interest on financial instruments	28	14					
Increase in lease liabilities			1,214			78	
Changes in consolidation scope and exchange rates	23	(18)	11			(0)	
Changes in fair value (excluding banking activities)	(3)	2					
Other non-cash flows and reclassifications	(27)	40	(174)		51	(77)	
Debt of subsidiaries held for sale			9				
Commitment to pay dividends to non-controlling interests	(3)						
Balance at 31 Dec. 2023	11,945	(16)	4,078		9,450	175	
Changes with cash impact							
Proceeds from new borrowings (c)	652			652	500		1,152
Repayment of borrowings (d)	(1,655)			(1,655)			(1,655)
Repayment of lease liabilities			(873)	(873)		(34)	(907)
Other cash flows from/(used in) financing activities	(9)	(5)		(13)			(13)
Changes without cash impact							
Changes in accrued interest on financial instruments	(3)	0					
Increase in lease liabilities			927			33	
Changes in consolidation scope and exchange rates	18	13	41			0	
Changes in fair value (excluding banking activities)		(13)					
Other non-cash flows and reclassifications	21	(3)	(107)		92	(9)	
Debt of subsidiaries held for sale			5				
Commitment to pay dividends to non-controlling interests							
BALANCE AT 31 DEC. 2024	10,969	(25)	4,071		10,042	165	

(a) See Note 30.1, including guarantee deposits.

(b) See Note 32.7.

(c) **Proceeds from new borrowings**

In 2024:

No bonds were issued during the year.

In addition, €600 million in commercial paper was issued in 2024 (€775 million in 2023).

In 2023:

In June 2023, La Poste carried out a €1,500 million bond issuance measured at amortised cost, comprising:

- a first tranche of €650 million at a fixed rate of 3.75% with a 7-year term (maturity: June 2030);
- a second tranche of €850 million at a fixed rate of 4% with a 12-year term (maturity: June 2035).

La Poste carried out three tap issuances, recognised at amortised cost:

- a €150 million tap issuance in April 2023 at a fixed rate of 0.625% maturing in January 2036;
- a €100 million tap issuance in September 2023 at a fixed rate of 4% maturing in June 2035;
- a €100 million tap issuance in November 2023 at a fixed rate of 3.75% maturing in June 2030.

(d) **Repayment of borrowings**

In 2024:

La Poste redeemed a bond with a nominal value of €1,000 million that was issued in 2012 and 2013 and recognised at amortised cost.

In addition, €600 million in commercial paper was redeemed in 2024 (€725 million in 2023).

In 2023:

La Poste redeemed a bond with a nominal value of €580 million that was issued in 2003 and recognised at fair value.

In addition, in December La Poste redeemed the USD 500 million worth of subordinated notes issued in 2016.

29.4 Bonds and subordinated debt

At 31 December 2024, group bonds with nominal values over €500 million break down as follows:

Date of issuance	Maturity	Currency	Nominal interest rate	Nominal value (in millions of currency units)	Accounting treatment
2015	2025	Euro	1.125%	750	Amortised cost
2018	2028	Euro	1.450%	500	Amortised cost
2019	2027	Euro	0.375%	1,000	Amortised cost
2019-2021-2022	2034	Euro	1.000%	1,000	Amortised cost
2020-2021-2022	2026	Euro	0.625%	875	Amortised cost
2020	2032	Euro	1.375%	1,150	Amortised cost
2021-2022	2029	Euro	0.000%	1,050	Amortised cost
2021-2023	2036	Euro	0.625%	1,150	Amortised cost
2022	2028	Euro	2.625%	600	Amortised cost
2022	2033	Euro	3.125%	600	Amortised cost
2023	2030	Euro	3.750%	750	Amortised cost
2023	2035	Euro	4.000%	950	Amortised cost
TOTAL BONDS AT AMORTISED COST				10,375	

At 31 December 2024, bonds break down by rate type as follows:

(in € millions)	Debt breakdown before fixed-for-floating swaps		Impact of fixed-for-floating transactions	Debt breakdown after fixed-for-floating swaps	
Fixed-rate borrowings	10,277	100%		10,277	100%
TOTAL BORROWINGS	10,277	100%		10,277	100%

Breakdown of debt by currency

All bonds were denominated in euros at 31 December 2024.

29.5 Derivative instruments for industrial and commercial activities

(in € millions)	Fair value at 31 Dec. 2024		Fair value at 31 Dec. 2023	
	Assets	Liabilities	Assets	Liabilities
Hedging derivatives				
Cash flow hedges	0		1	
TOTAL DEBT-RELATED DERIVATIVES	0		1	
Other				
Currency/exchange derivatives	8	26	7	12
TOTAL DERIVATIVES (EXCLUDING BANKING ACTIVITIES)	8	26	8	12
Amortisable balance on interrupted hedging derivatives				
Cash flow hedging derivatives	3		3	

29.6 Other debt

La Poste savings bonds

This line represents La Poste's savings bond liabilities. All of the bonds had matured as of end-2024.

Commercial paper

Commercial paper issued by La Poste and outstanding at 31 December 2024 had maturities of four months or less and represented €200 million (€200 million at 31 December 2023).

Deposits and guarantees received

This line primarily corresponds to security deposits received in respect of financial instruments put in place to manage bonds.

NOTE 30 GROUP NET DEBT

- 30.1** Group net debt position
30.2 Changes in Group net debt

30.1 Group net debt position

<i>(in € millions)</i>	Note	31 Dec. 2024	31 Dec. 2023
Cash and cash equivalents (balance sheet line)	25	4,172	3,650
Debt-related derivative assets	22	8	8
Security deposits paid in connection with derivatives, recognised as assets		17	8
Investment securities with initial maturities of over 3 months and UCITS	22	215	208
Net financial receivable from (payable to) La Banque Postale		28	152
Cash and other asset items (1)		4,440	4,026
Medium and long-term bonds and debt	29.1	9,685	10,432
Short-term bonds and debt	29.1	1,285	1,513
Lease liabilities	29.1	4,071	4,078
Gross debt (2)		15,040	16,023
NET DEBT (2)-(1)		10,601	11,997
Increase / (Decrease) in net debt at 31 December 2024		(1,396)	

30.2 Changes in group net debt

<i>(in € millions)</i>	Cross-references	31 Dec. 2024	31 Dec. 2023
Net cash from/(used in) operating activities	SCF (a)	3,318	1,536
Net cash from/(used in) investing activities	SCF	(734)	(1,503)
Elimination of changes in financial assets held for cash management purposes	SCF	2	(380)
Net cash from/(used in) investing activities excluding acquisitions and disposals of financial assets held for cash management purposes (b)		(731)	(1,883)
Issuance of shares to non-controlling interests	SCF	43	1
Dividends paid to shareholders and remuneration of hybrid subordinated notes	SCF	(29)	(135)
Purchases of non-controlling interests	SCF	(95)	(63)
Net interest expense		(227)	(198)
Changes in fair value of debt and derivatives		18	2
Impact of changes in consolidation scope on gross debt (incl. lease liabilities)		(72)	(12)
Non-cash changes in lease liabilities (IFRS 16)		(820)	(1,051)
Net debt of subsidiaries held for sale		9	(8)
Commitment to pay dividends to non controlling interests			3
Other items		(18)	2
Net cash from/(used in) and changes in debt from financing activities		(1,191)	(1,460)
DECREASE/(INCREASE) IN NET DEBT SINCE 1 JANUARY		1,396	(1,806)
Opening net debt		(11,997)	(10,191)
Closing net debt		(10,601)	(11,997)

(a) "SCF" refers to the "Industrial and commercial activities" column of the consolidated statement of cash flows.

(b) "Net cash from/(used in) investing activities" differs from the item in the statement of cash flows due to the exclusion of "Changes in financial assets held for cash management purposes". These assets are deducted when calculating net debt.

NOTE 31 EMPLOYEE BENEFITS

- 31.1** Changes in provisions for employee benefits
- 31.2** Description of employee benefits
- 31.3** Actuarial assumptions
- 31.4** Changes in post-employment benefit obligations
- 31.5** Analysis of post-employment benefit expense
- 31.6** Expected cash outflows

31.1 Changes in provisions for employee benefits

Provisions for employee benefits changed as follows in 2024:

(in € millions)	31 Dec. 2023		Changes in scope of consolidation	Increases	Decreases (utilisations)	Reversals (surplus)	Net interest cost	Other changes	31 Dec. 2024	
	Current	Non-current							Current	Non-current
Retirement benefits	23	581	5	76	(36)	(0)	11	13	28	643
Other post-employment benefits ^(a)	2	47		2	(2)	(33)	1	(0)	0	15
Post-employment benefits	25	628	5	77	(38)	(34)	12	12	28	659
End-of-career benefits	385	575	0	46	(417)		24	(0)	275	338
Severance payments	69	31		3	(1)			(0)	69	33
Long-term sick leave/long-term paid leave	31	19		7	(8)	(0)		0	31	19
Accrued leave	153	153	2	18	(3)	(0)		(2)	160	160
Social protection and welfare ^(b)			291						61	230
Other long-term benefits	1	73	1	8	(1)			(0)	0	81
Other employee benefits	254	277	293	35	(13)	(0)		(2)	322	523
TOTAL	663	1,480	298	159	(467)	(34)	36	10	624	1,520
	2,143								2,144	

(a) Including in 2024, reversal of a €33 million provision that was no longer required after a post-employment benefit obligation towards La Poste employees was extinguished as a result of the end-2024 creation of a Social and Economic Committee (CSE) in accordance with the legal requirements applicable to La Poste.

(b) Following the acquisition of La Mutuelle Générale's social protection business (see Note 1.3), insurance and reinsurance liabilities have been restated for the effects of the La Poste Groupe contract, which has become an intra-group contract (see Note 36.3), leading to the recognition of a liability in accordance with the provisions of IAS 19.

31.2 Description of employee benefits

Post-employment and long-term obligations under defined benefit plans and the related costs are measured by the projected unit credit method, in accordance with IAS 19. Actuarial assessments are performed every year. The assessment takes into account external economic assumptions (discount rates, inflation rates, pension increases, etc.), together with assumptions that are specific to La Poste (employee turnover rates, mortality rates, future salary levels, etc.).

31.2.1 Pension obligations for La Poste civil servants

Article 150 of France's Amended 2006 Budget Law, published in the Official Legal Gazette of 31 December 2006, limits La Poste's obligation with respect to the pensions of its civil servant staff to the payment of employer contributions in full discharge of its liability for pension payments.

As a result, no provision for pension obligations towards civil servants is recorded in La Poste's financial statements.

The employer contribution paid by La Poste is calculated using a "competitive equity" rate, which aligns La Poste's mandatory payroll-based social security and tax contributions with those of other companies in the postal and banking sectors.

In 2024, an in-depth technical review of the amounts already paid in respect of the competitive equity rate showed that the payments already made by La Poste since 2006 exceeded the required amount for the period 2006-2049. As a result, in agreement with the French State, no payment or expense has been recognised in La Poste's accounts in respect of the competitive equity rate since September 2024. The resulting reduction in the related expense for 2024 amounted to €48 million.

31.2.2 Post-employment benefits for La Poste civil servants

Other post-employment benefit obligations comprise:

- employee welfare services provided to civil servants, including holiday discounts;
- grants to organisations that provide services to retired civil servants.

31.2.3 Retirement benefits for contract staff of La Poste and group subsidiaries in France

Employees retiring from the company and eligible for a pension receive retirement benefits, based on length of service and final salary.

31.2.4 Pension plans for employees of group subsidiaries outside France

Pension obligations for the group's subsidiaries outside France primarily relate to the Geopost sub-group and the Geopost UK subsidiary. Geopost UK's obligations are covered by a pension fund.

31.2.5 End-of-career arrangements

Subject to certain conditions, La Poste employees benefit from end-of-career arrangements. These plans are or have been offered to people who meet a minimum-age requirement of between 53 and 60 years, depending on certain criteria (physically demanding position, field or office work, length of service, etc.).

During the term of the plan, in most cases beneficiaries receive 70% of full-time remuneration in exchange for a reduced operational workload.

Provisions for the cost of end-of-career arrangements cover both firm and expected commitments to make these arrangements available to employees after the year end.

At 31 December 2024, the provisions only covered the liability towards employees who had enrolled in these arrangements at that date, as no commitment was given during the year to make the arrangements available to employees after the year end.

31.2.6 Other long-term benefits

Other long-term benefits comprise paid leave schemes, including:

- **accrued leave:** accrued leave is a scheme that allows employees to carry forward part of their unused earned leave to future periods. The provision for accrued leave corresponds to the value of the leave rights included in this scheme;
- **supplementary leave:** civil servants from originate from or work in France's overseas departments benefit from paid supplementary leave and paid travel expenses. The provision covers these supplementary leave and travel rights;
- **long-term sick leave/long-term paid leave:** the provision for long-term sick leave and long-term paid leave is designed to cover the costs of future leave initiated at year-end. This provision is measured at every year-end for all employees concerned, on the basis of future entitlements expressed in payable index points.

31.3 Actuarial assumptions

The actuarial assumptions used to measure employee benefit obligations are reviewed and updated once a year at year-end.

The main assumptions used at 31 December 2024 are as follows:

- the probability of active employees staying with the group, mortality rates and estimated future salary levels;
- retirement assumptions for employees of companies outside France and employees governed by foreign collective bargaining agreements, which take into account local economic and demographic factors;
- an assumed average benefit increase of 2%;
- provisions for obligations relating to end-of-career arrangements that form part of agreements, calculated on the basis of (i) definite enrolments in these plans at the reporting date, and (ii) Management's best estimate of probable future enrolments up until the expiry date of the agreements, if this date comes after the reporting date. However, as previously indicated, the expiry dates for the end-of-career agreements in force in 2023 and 2024 did not come after the reporting date.
- discount rates used for actuarial assessments as at period-end, determined with reference to a basket of AA-rated corporate bonds published by Reuters, as follows:

Maturity	5 years	10 years	15 years	20 years
2024				
Eurozone	2.8%	3.1%	3.3%	3.4%
UK	4.7%	5.0%	5.4%	5.6%
2023				
Eurozone	3.1%	3.0%	3.2%	3.3%
UK	4.2%	4.1%	4.4%	4.5%

Inflation assumptions used for the UK were 3.20% (Retail Price Index – RPI) and 2.50% (Consumer Price Index – CPI), and respectively 3.05% and 2.3% in 2023.

31.4 Changes in post-employment benefit obligations

<i>(in € millions)</i>	2024	2023
Obligations at beginning of period	853	1,140
Current service cost	66	48
Interest cost	29	33
Benefits paid	(57)	(72)
Employee contributions	2	2
Actuarial (gains)/losses relating to changes in assumptions ^(a)	(4)	35
Actuarial (gains)/losses relating to experience adjustments	3	6
Translation adjustments	8	5
Changes in scope of consolidation	8	2
Plan changes and settlements	(24)	(345)
Other	(4)	(2)
OBLIGATIONS AT END OF PERIOD	879	853
Plan assets at beginning of period	200	193
Expected return on assets	8	9
Employer contributions	7	9
Employee contributions	3	3
Benefits paid	(19)	(18)
Actuarial gains and losses	(15)	(0)
Translation adjustments	8	5
PLAN ASSETS AT END OF PERIOD	192	200
Obligation	879	853
Plan assets ^(b)	(192)	(200)
PROVISION	687	653
<i>of which non-current provision</i>	659	628
<i>of which current provision</i>	28	25

(a) Actuarial gains and losses recognised in 2024 and 2023 mainly arise from changes in financial assumptions.

(b) Plan assets primarily correspond to UK plans. Their amounts are slightly in excess of the related obligations.

Changes in actuarial gains and losses ^(a)

<i>(in € millions)</i>	2024	2023
Actuarial (gains)/ losses at beginning of period	80	39
Actuarial (gains)/losses relating to changes in assumptions	(4)	35
Actuarial (gains)/losses relating to experience adjustments	3	6
Actuarial (gains)/losses on plan assets	15	0
ACTUARIAL (GAINS)/LOSSES AT END OF PERIOD	94	80

(a) Recognised in "Other comprehensive income".

Breakdown of plan assets

Type of assets	2024	2023
Equities	5%	4%
Debt securities	50%	45%
Liability-driven Investment (LDI) funds	24%	30%
Insurance contracts	8%	9%
Other	13%	12%

Discount rate sensitivity

A 50-basis point decrease in the discount rate would result in an increase of approximately €25 million in the group's net post-employment benefit obligations.

31.5 Analysis of post-employment benefit expense

(in € millions)	2024	2023
Current service cost	66	48
Interest cost	29	33
Expected return on assets	(8)	(9)
EXPENSE /(INCOME) FOR THE PERIOD	87	73

31.6 Expected cash outflows

The table below presents an estimate of the benefits payable over the next five years in respect of defined-benefit post-employment benefits:

(in € millions)	Cash outflows
2025	67
2026	50
2027	47
2028	38
2029	40

At 31 December 2024, the average duration of post-employment benefits was around 20 years.

NOTE 32 BANKING AND INSURANCE ACTIVITY FINANCIAL LIABILITIES

- 32.1** Financial liabilities at fair value through profit or loss
- 32.2** Hedging derivatives
- 32.3** Liabilities due to credit institutions
- 32.4** Customer deposits
- 32.5** Debt securities
- 32.6** Insurance contracts issued and reinsurance contracts held
- 32.7** Other financial liabilities
- 32.8** Subordinated debt

32.1 Financial liabilities at fair value through profit or loss

<i>(in € millions)</i>	31 Dec. 2024	31 Dec. 2023
Debt securities	5,071	3,869
Interest rate	4,640	3,188
Exchange rate	543	571
Credit	2	3
Equity and index instruments	128	276
Other		2
Derivative instruments	5,312	4,041
Credit institutions	2,225	1,313
Customers	4,950	4,362
Securities and other assets sold under collateralised repurchase agreements	7,176	5,675
TOTAL	17,559	13,585

32.2 Hedging derivatives

<i>(in € millions)</i>	31 Dec. 2024	31 Dec. 2023
Interest-rate derivatives	1,958	2,163
Forex instruments	(0)	21
Other instruments		(1)
TOTAL	1,958	2,183

32.3 Liabilities due to credit institutions

<i>(in € millions)</i>	31 Dec. 2024	31 Dec. 2023
Current accounts in credit	695	624
Overnight accounts and borrowings	100	682
Other amounts due	2	2
Demand deposits from credit institutions	797	1,308
Term deposits	2,989	3,170
Securities and other assets sold under collateralised repurchase agreements	27,251	29,097
Term liabilities due to credit institutions	30,240	32,268
TOTAL	31,038	33,576

32.4 Customer deposits

<i>(in € millions)</i>	31 Dec. 2024	31 Dec. 2023
Livret A	69,793	68,696
PEL/CEL home savings plans and accounts	22,048	25,447
Other regulated savings accounts	31,361	30,076
Regulated savings accounts	123,202	124,219
Current accounts in credit	75,814	78,410
Overnight accounts and borrowings	2,781	4,914
Other amounts payable to customers	1,508	1,553
Customer demand deposits	80,103	84,877
Term deposits	1	700
Term deposit accounts in credit	2,234	3,789
Securities and other assets sold under collateralised term repurchase agreements	20,036	11,410
Customer term deposits	22,271	15,899
TOTAL	225,576	224,995

32.5 Debt securities

<i>(in € millions)</i>	31 Dec. 2024	31 Dec. 2023
Certificates of deposit and commercial paper	10,572	14,116
Bonds ^(a)	22,263	20,198
TOTAL	32,835	34,314

(a) Including €12.7 billion of covered bonds at 31 December 2024 issued by La Banque Postale Home Loan SFH (€11.7 billion at 31 December 2023)

32.6 Insurance contracts issued and reinsurance contracts held

<i>(in € millions)</i>	31 Dec. 2024	31 Dec. 2023
Insurance contracts issued – Liabilities – BBA/VFA	363,206	374,415
Insurance contracts issued – Liabilities – PAA	1,546	1,620
Acquisition costs not yet allocated to contracts – Liabilities		
Liabilities related to ceded investment contracts without DPF – Insurance	2,019	2,395
Insurance contracts issued – Liabilities	366,771	378,430
Reinsurance contracts held – Liabilities – BBA	10	35
Reinsurance contracts held – Liabilities – PAA	3	20
Liabilities related to ceded investment contracts without DPF – Reinsurance		
Reinsurance contracts held – Liabilities	13	55
TOTAL	366,784	378,485

32.7 Other financial liabilities

<i>(in € millions)</i>	31 Dec. 2024	31 Dec. 2023
Deferred income/(expense)	513	470
Other accruals	1,155	882
Accruals	1,668	1,352
Securities-related liabilities	176	42
Security deposits received	800	1,246
Lease liabilities	165	175
Other miscellaneous payables	3,315	4,228
Other payables	3,480	4,403
Securities settlement accounts	8	6
Home savings provisions	100	102
Other financial liabilities	6,231	7,151

32.8 Subordinated debt

(in € millions)	31 Dec. 2024	31 Dec. 2023
Subordinated debt	10,042	9,450

Subordinated debt can be analysed as follows:

(in € millions)	Date of issuance	Maturity date	Interest rate	Amounts in issuance currency	Currency	31 Dec. 2024	31 Dec. 2023
Redeemable subordinated notes						9,178	8,627
La Banque Postale	6/9/2016	6/9/2028	3.00%	500	EUR	481	470
La Banque Postale	10/5/2016	10/5/2028	2.25%	100	EUR	93	91
La Banque Postale	1/19/2017	6/9/2028	3.00%	150	EUR	145	142
La Banque Postale	10/26/2020	1/26/2031	0.875%	500	EUR	492	474
La Banque Postale	2/2/2021	8/2/2032	0.75%	500	EUR	470	453
La Banque Postale	4/27/2021	8/2/2032	0.75%	250	EUR	235	227
La Banque Postale	05/12/2022	05/03/2034	5.50%	500	EUR	529	526
CNP Assurances	6/5/2014	6/5/2045	4.25% until June 2025, then reset at the 5-year fixed swap + 360 bps	500	EUR	518	532
CNP Assurances	12/10/2015	6/10/2047	4.5% until June 2027, then 3-month Euribor + 460 bps	750	EUR	823	845
CNP Assurances	1/22/2016	1/22/2049	6% until January 2049	500	USD	526	502
CNP Assurances	2/5/2019	2/5/2029	2.75% until February 2029	500	EUR	549	558
CNP Assurances	11/27/2019	7/27/2050	2.00% until June 2030, then 3-month Euribor + 300 bps	750	EUR	771	774
CNP Assurances	12/10/2019	1/15/2027	0.80% until January 2027	250	EUR	253	253
CNP Assurances	6/30/2020	9/30/2051	2.5% until June 2031, then 3-month Euribor + 365 bps	750	EUR	759	759
CNP Assurances	12/8/2020	3/8/2028	0.375% until March 2028	500	EUR	502	502
CNP Assurances	10/12/2021	10/12/2053	1.875% until Oct 2033, then 3-month Euribor + 270 bps	500	EUR	502	502
CNP Assurances	27/01/2022	27/01/2029	1.25% throughout the life of the notes	500	EUR	506	506
CNP Assurances	1/18/2023	7/18/2053	5.25% until July 2033, then 3-month Euribor + 345 bps	500	EUR	512	512
CNP Assurances	7/16/2024	7/16/2054	4.875% until July 2034, then 3-month Euribor + 310 bps	500	EUR	511	
Perpetual subordinated notes						865	823
CNP Assurances	11/15/2004		4.93% until 2016, then 3-month Euribor + 160 bps from 15/11/2016	90	EUR	90	90
CNP Assurances	11/15/2004		3-month Euribor + 70 bps until 2016, then 3-month Euribor + 160 bps	93	EUR	93	93
CNP Assurances	4/7/2021		4.875% until April 2031, then 5-year CMT + 318.3 bps	700	USD	681	641
TOTAL DEEPLY SUBORDINATED DEBT						10,042	9,450

Balance sheet values include hedging effect and accrued interest.

NOTE 33 TRADE AND OTHER PAYABLES

<i>(in € millions)</i>	31 Dec. 2024	31 Dec. 2023
Trade payables and related accounts	5,077	5,769
Tax and social security payables	2,525	2,421
Payables to suppliers of non-current assets	444	597
International mail payables	413	728
Customer advances and deposits	197	183
Other operating payables	460	442
TOTAL	9,115	10,140

ADDITIONAL INFORMATION

NOTE 34 INFORMATION ON RISKS EXCLUDING BANKING ACTIVITIES

34.1 Credit and counterparty risk

34.2 Liquidity risk

34.3 Interest-rate risk

34.4 Currency risk

The main purpose of the group's financial liabilities is to finance its operating activities, ensure sufficient liquidity and allow for acquisitions. The group uses interest rate swaps, currency swaps and other derivatives to manage interest rate risk and currency risk on its borrowings in euros and its foreign investments.

The group also holds financial assets such as cash and cash equivalents and short-term investments, which are generated directly by its business activities and whose associated risks (counterparty and liquidity risks) are managed daily.

La Poste Groupe takes a cautious approach to financial risk management based on a system of alerts and notional limits for each of the financial risks to which it is exposed through its financial activities. These limits and alerts are set down in a document called the "Limits Handbook", which is updated regularly to account for changes in the business activities of the Financial Transactions and Treasury Department.

A summary of financial risks is presented to La Poste's Audit Committee every year. In 2024, this summary described in particular the changes made to the Limits Handbook during the year and approved by the governance set up by the group.

34.1 Credit and counterparty risk

Credit risk is the risk of the group suffering a financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. This risk mainly arises from investment securities and derivative instruments.

Investment securities

La Poste's cash and cash equivalents are invested in interest-bearing accounts, bank term deposits, UCITS and negotiable debt securities with a minimum short-term rating of A2/P2 at purchase. Credit risks are controlled by a system of limits representing the maximum nominal amount not to be exceeded per UCITS or issuer. The group also excludes the riskier types of investment securities and issuers presenting too much risk.

In the event where a portfolio investment's short-term ratings fall below A2/P2,

the security must be sold "at best", unless the group Financial Committee makes an overriding decision.

In addition, to limit the risk of loss on the asset investment portfolio (excluding cash UCITS), a maximum loss limit has been introduced. This limit represents the statistical loss on the asset investment portfolio within a 97.5% interval. It is calculated based on the credit default swaps (CDSs) of each security in the portfolio, weighted by their residual maturity.

Derivative instruments

La Poste is exposed to a risk of its market counterparties defaulting, given its presence in derivative markets.

Exposure related to its instruments is assessed through the net market value of derivatives per counterparty after taking into account guarantees received or provided for collateralisation agreements.

Commitments with La Poste's counterparties are subject to systematic collateralisation agreements that reduce the risk of default at the franchise level.

Trade and other receivables

Impairment is calculated on an individual basis, based on an assessment of the risk of non-recovery. No group customer accounts for more than 10% of consolidated revenue.

34.2 Liquidity risk

The group strives to have sufficient financial resources at all times to finance recurring business activities and the capital expenditure needed for future growth. The aim of liquidity management is to enable the group to access financial resources in line with its needs in terms of value and time to obtain.

Financial needs are measured through cash flow forecasts (annual, monthly or weekly depending on what is at stake), and the resulting liquidity risk is addressed by:

- negotiating confirmed credit facilities with financial institutions. The group has access to a five-year €1.5 billion syndicated credit facility provided by its 12-member banking pool. The facility expires in October 2029 with two one-year rollover options, and is subject to non-financial performance indicators (see Note 39.3.2),
- keeping at all times a minimum amount of "security cash" in cash and cash equivalents and in investments maturing within one year taken individually and whose average maturity does not exceed 90 days. This minimum amount is set at €1.2 billion and is defined and monitored by the group's Financial Committee;

- issuing short-term negotiable debt securities (Negotiable European Commercial Paper and Euro Commercial Paper) in order to compensate for changes in cash and bond debt (senior, hybrid and green) and thereby meet the group's long-term needs;
- monitoring indicators linked to short- and long-term equity markets in order to anticipate liquidity crisis situations.

The table below presents contractual cash flows relating to non-derivative financial liabilities, as well as contractual cash flows relating to debt management derivatives, regardless of whether they are shown as liabilities or assets. These flows are not discounted and their amounts may therefore differ from those recognised in the balance sheet.

The liabilities do not have any specific clause likely to significantly change the terms.

31 Dec. 2024 <i>(in € millions)</i>	Balance sheet amounts	2025 flows		2026 flows		2027-2029 flows		2030 flows and beyond	
		Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal
Bonds	10,277	159	750	150	875	403	3,150	479	5,600
Borrowings at amortised cost	10,277	159	750	150	875	403	3,150	479	5,600
Other debt	4,628	126	1,254	101	679	199	1,514	220	1,182
Lease liabilities	4,071	124	851	101	648	199	1,420	220	1,152
La Poste savings bonds	50		50						
Commercial paper	200	2	198						
Current bank facilities	72		72						
Deposits and guarantees received	50		5		9		28		9
Other borrowings at amortised cost	185		77		22		66		21
Derivative instruments	18	4		3		9		8	5
Derivative liabilities	26	1		1		2		0	3
Derivative assets	(8)	3		3		8		8	2
TOTAL	14,923	288	2,004	255	1,554	612	4,664	707	6,787

34.3 Interest rate risk

The group's interest rate risk stems from changes in market rates (principally the €STR and three-month Euribor), which would result in higher interest expense on borrowings, lower returns on investments or the loss of opportunity when rates change unfavourably.

To manage interest rate risk, the group has established:

- an active strategy to manage its bond debt based on the use of derivative instruments to take advantage of market opportunities and reduce the cost of its bonds;
- an active strategy to manage its investments based on the use of derivatives to guarantee returns and adjust the group's exposure to interest rate fluctuations;
- prospective monitoring over 12 rolling months of its net debt and investment position indexed to market rates, and of the fluctuation of financial income and expense resulting from adverse changes in market rates (with exposure capped at 2% of average net profit attributable to owners of the parent over the last three financial years). This monitoring notably serves to allow active debt and investment management strategies to be adjusted as needed and to limit the impact of significant increase or decrease in interest rates.

Sensitivity analysis

A sudden, uniform 50-basis point increase in the market yield curve would not result in an increase in the group's annual financial expense, after taking into account debt management derivative instruments (unchanged from 2023). No derivatives were held as hedges of interest rate risk at 31 December 2024.

34.4 Currency risk

The group conducts international business activities, from France or its foreign subsidiaries, through its Services-Mail-Parcels and Geopost business lines.

To support its international expansion and the resulting currency risk, the group has established a currency risk management policy. This policy targets as a priority:

- acquisitions of foreign currency securities;
- foreign currency debt and loans;
- foreign currency net assets held and consolidated by the group.

This policy defines the governance, hedging conditions and materiality thresholds for these different types of exposure.

To date, and in accordance with the established thresholds and conditions, the group uses forex derivatives qualified as hedging instruments under IFRS and backed by:

- its dollar-denominated equity investments, hedged in part by euro-dollar currency swaps and dollar-denominated debt (USD 39 million);
- its equity investments denominated in Singapore dollars (SGD), hedged in part by forward SGD sales against the euro (SGD 170 million);
- its equity investments in United Arab Emirates dirhams (AED), hedged in part by forward AED sales against the euro (AED 1,060 million).

Other forex derivatives, not qualified as hedges under IFRS, are used for economic hedging purposes.

The bulk of these operating activities generates income and expenses denominated in the subsidiaries' functional and accounting currency. Residual currency risk related to operations currently only involves marginal amounts in relation to the size of the group.

At 31 December 2024, the accounting currency effect on revenue amounted to a negative €18 million, stemming mainly from the Brazilian real (negative €86 million), the pound sterling (positive €72 million), the zloty (positive €46 million), the Argentine peso (negative €21 million), the rouble (negative €12 million), the Mexican peseta (negative €10 million) and the Czech koruna (negative €7 million). The accounting impact of currency fluctuations on operating profit/(loss) amounted to almost a negative €60 million in 2024

NOTE 35 INFORMATION ON RISKS RELATING TO BANKING ACTIVITIES

- 35.1 Structural risk factors
- 35.2 Credit risk
- 35.3 Market risk and hedge accounting
- 35.4 Liquidity risk
- 35.5 Interest rate risk
- 35.6 Insurance risks

35.1 Structural risk factors

La Banque Postale has a Risk Taxonomy representing the framework of risk factors to which it is exposed. Its purpose is to create a shared risk language across all of the group's entities (banking, insurance and asset management sectors).

La Banque Postale has a risk map that scores all of these risks and enables it to comply with the applicable regulatory requirements of the banking and insurance sectors (government order of 3 November 2014 on internal control, FICOD, SSM publications, etc.). It is also used as a support for the various cross-functional risk management exercises (such as ICAAP, Risk Appetite Statement and Dashboard, New Product Analysis, Stress Tests, etc.).

This risk map sets out and classifies all of the risks to which the conglomerate is exposed and is reviewed each year.

The risk factors are broken down into seven categories. The 2025 risk map was validated by the Executive Board of La Banque Postale on 30 September 2024. The main changes include:

- the review and improvement of certain risk definitions;
- the addition of a digitisation component to the transformation risk in order to take greater account of the process of digital transformation;
- the addition to the taxonomy of new conglomerate-level operational risks (risk of failure of accounting processes, risk of damage to property, plant and equipment) as well as new market and asset/liability management risks (CSRBB risk).

35.2 Credit risk

35.2.1 General framework

The Group Risk Department (GRD) manages the credit risk taken on by La Banque Postale, i.e., the risk incurred in the event of default by a customer or a group of connected customers considered as constituting a single risk within the meaning of Regulation (EU) No 575/2013 of the European Parliament and the Council on prudential requirements for credit institutions and investment firms (CRR).

The Executive Board sets the fundamental risk management principles (strategic guidelines, values, risk appetite, governance). These principles are then approved by the Supervisory Board and are used as a basis by each business line for setting its priority actions

and the associated risk management under the supervision of the Group Risk Department. The inclusion of climate risk management is discussed in Note 4.

Impairment losses are calculated centrally for the entire group.

35.2.2 Developments in the geopolitical and macro-economic environment

The measures taken to hedge credit risk are intended to reflect the environment in which the group operated in 2024. The information presented in this note also factors in these developments.

During 2024, the group operated in an environment that had become more uncertain, particularly due to the political situation in France and its repercussions on the economy and markets. Heightened geopolitical tensions (continuing armed conflict between Ukraine and Russia and the war between Hamas and Israel) also persisted throughout 2024, with a particular risk of the war spreading in the Middle East.

The main areas of concern are managing the upturn in business volumes without any deterioration in profitability, monitoring corporate loan portfolios which are showing signs of deterioration, balance sheet management and the liquidity situation, with a particular focus on the savings businesses (including life insurance, in France and Italy).

■ Indicators

The group monitors various indicators of the situation in France affecting its operations and events in the international environment:

- in December, France's business climate index fell for the third month in a row and the gap versus the long-term average widened. The climate deteriorated across all sectors except manufacturing, where business confidence was stable but very anaemic. Estimates put growth in the French economy at just under 1% in 2024 (compared with 1.1% in 2023);
- economic actors are faced with significant uncertainty in the absence of a lasting budgetary and fiscal framework, while wait-and-see attitudes could weigh even more heavily on economic growth and borrowers' ability to repay their debts;
- the 10-year OAT rate is not benefiting from central bank rate cuts and remains high (at 3.19% at end-December 2024 compared with 2.56% at end-2023, due to the upward influence of US rates and France's risk premium), leading to only a gradual recovery in the second homes market;

- the number of business failures in France rose sharply year-on-year (up 18.8% over the 12 months to end-November 2024), with the SME sector continuing to be the hardest hit.

Macro-economic scenarios

In light of the uncertain economic and geopolitical environment discussed above, the group regularly reviews the forward-looking macro-economic data used to determine credit risk.

Three scenarios are used to integrate forward-looking estimates: a central scenario, a favourable alternative scenario and an unfavourable alternative scenario.

These scenarios are defined by the Economic Research unit of the Strategic Management Department, based on scenarios determined by the Caisse des Dépôts et Consignations. They contain projections for all the macro-economic variables required to run the models developed to obtain the probability of default and loss given default at maturity. The many models used are subject to an independent review by the Model Validation team and are validated by the Model Validation Committee before being applied. In order to obtain accurate projections by taking account of the concentration of its portfolio in France, the group draws on the macro-economic modelling expertise of Caisse des Dépôts et Consignations and La Banque Postale's economic research expertise.

The economic forecast horizon used is five years:

- consistent global scenarios are applied across La Banque Postale with potentially opposite impacts on certain product or customer segments, to reflect the diversification of the portfolio. (By way of illustration, it is not possible, in a given scenario, to use a different interest rate projection to measure the lifetime probabilities of default of individual customers and those of sovereign customers);
- the proposed scenarios are not necessarily adverse credit risk scenarios; the aim is not to use IFRS 9 scenarios to quantify the risk of losses in a highly adverse environment that is very unlikely to occur, but rather to use generally plausible scenarios whose probability of occurrence is within one standard deviation of the occurrence of the central scenario;
- the scenarios are not necessarily designed to have a strong impact on the specific credit component: unfavourable scenarios with a high probability of occurrence may be used even though their main impact is on the interest rate component;
- the scenarios used are the same as those used in other corporate processes (i.e., strategic planning, budgeting, ICAAP stress testing, regulatory reporting).

Weighting of each of the three scenarios

The probability of occurrence of each scenario is put forward and documented by La Banque Postale's Economic Research Department. At 31 December 2024, this Department considered that the macro-economic outlook and global growth uncertainty affecting various measures had not changed significantly since 31 December 2023, thus confirming the applicable weightings.

The probability of each of these scenarios occurring is shown in the following table:

Scenarios	2024 scenarios	2023 scenarios
Central	60%	60%
Unfavourable	30%	30%
Favourable	10%	10%

In second-half 2024, La Banque Postale used the following scenarios to calculate loss allowances under IFRS 9:

Central scenario

This scenario incorporates a more favourable 2024 growth forecast for France compared to previous projections. However, economic growth is still likely to be inhibited by: i) persistent supply chain problems combined with soft demand, ii) the slow pace of disinflation, holding back growth in consumer spending, iii) still unfavourable financing conditions, iv) enduring concern about geopolitical/energy/climate challenges. Inflation should continue to ease and a number of disinflationary effects are set to last, with the disruptive impacts of Covid-19 and the war in Ukraine on pricing factors continuing to be absorbed upstream of consumer prices. Furthermore, companies that applied inflation-busting price increases are now facing a slump in demand. However, efforts to bring down inflation could be hampered by ongoing recruitment difficulties, although the situation is improving.

The pace of wage growth has eased but still needs to be monitored, and the same applies to the rate of productivity gains, which determine unit labour costs and corporate margin strategies.

This scenario has been developed by Caisse des Dépôts and its projections in relation to certain variables are provided below:

Variables	Scenario at 31 Dec. 2024					
	T0	Y+1	Y+2	Y+3	Y+4	Y+5
French GDP (annual rate of growth)	1.1	1.0	1.0	1.0	1.0	1.0
Eurozone unemployment rate (average annual rate)	6.5	6.7	6.7	6.7	6.7	6.7
10-year OAT (average annual rate)	2.99	3.04	2.94	2.90	2.90	2.90
Inflation France (change)	2.1	1.8	2.0	2.0	2.0	2.0

Variables	Scenario at 31 Dec. 2023					
	T0	Y+1	Y+2	Y+3	Y+4	Y+5
French GDP (annual rate of growth)	0.8	0.7	1.1	1.1	1.0	1.0
Eurozone unemployment rate (average annual rate)	6.5	6.8	6.8	6.7	6.7	6.7
10-year OAT (average annual rate)	2.95	2.94	2.84	2.74	2.64	2.54
Inflation France (change)	5.0	2.7	2.3	2.1	2.0	2.0

Unfavourable scenario

This scenario corresponds to a stressed scenario, with renewed pressure on commodity prices the year of the shock due to the geopolitical situation leading to a fall in global GDP. A spiral of price and wage increases would take hold in the eurozone, leading to a rise in core inflation, with headline inflation remaining above central bank targets.

The central banks would respond by setting their key rates above neutral, without managing to stabilise price momentum, leading to very high bond yields. Under this scenario, the ecological and energy transition would be more disorderly than under the central scenario, contributing to pressure on prices and interest rates, and a loss of potential growth in the medium term (loss of productivity).

This scenario has been developed by Caisse des Dépôts. The projections of some variables are provided below:

Variables	Scenario at 31 Dec. 2024					
	T0	Y+1	Y+2	Y+3	Y+4	Y+5
French GDP (annual rate of growth)	1.1	-1.5	0.0	0.5	0.6	0.6
Eurozone unemployment rate (average annual rate)	6.5	8.3	9.1	9.4	9.5	9.5
10-year OAT (average annual rate)	2.99	5.00	5.50	5.50	5.50	5.50
Inflation France (change)	2.1	5.5	4.0	3.5	3.5	3.5

Variables	Scenario at 31 Dec. 2023					
	T0	Y+1	Y+2	Y+3	Y+4	Y+5
French GDP (annual rate of growth)	0.8	-1.5	0.0	0.5	0.6	0.6
Eurozone unemployment rate (average annual rate)	6.5	8.4	9.2	9.5	9.6	9.6
10-year OAT (average annual rate)	2.95	4.56	5.50	5.50	5.50	5.50
Inflation France (change)	5.0	5.8	4.2	3.7	3.0	3.0

Favourable scenario

This scenario assumes that inflation will be lowered more rapidly than under the central scenario. This would allow consumer spending to recover a little more strongly (with a slightly faster fall in the savings rate), helping to drive economic growth. Against this backdrop, corporate capital investment and the job market should prove resilient. The central banks would cautiously increase the pace of interest rate cuts, with a temporary impact on long-term rates but no effect on medium-term target rates. This would create a positive environment for stock markets. The landings would be the same as under the central scenario.

This scenario is proposed by La Banque Postale's Economic Research unit. The projections of some variables are presented below:

Variables	Scenario at 31 Dec. 2024					
	T0	Y+1	Y+2	Y+3	Y+4	Y+5
French GDP (annual rate of growth)	1.1	1.5	1.5	1.3	1.1	1.0
Eurozone unemployment rate (average annual rate)	6.5	6.5	6.4	6.3	6.2	6.2
10-year OAT (average annual rate)	2.99	2.98	2.90	2.90	2.90	2.90
Inflation France (change)	2.1	1.62	1.91	2.00	2.02	2.02

Variables	Scenario at 31 Dec. 2023					
	T0	Y+1	Y+2	Y+3	Y+4	Y+5
French GDP (annual rate of growth)	0.8	1.5	1.5	1.3	1.2	1.1
Eurozone unemployment rate (average annual rate)	6.5	6.9	6.7	6.6	6.5	6.5
10-year OAT (average annual rate)	2.95	2.7	2.5	2.5	2.5	2.5
Inflation France (change)	5.0	2.3	2.0	2.0	2.0	2.0

Sensitivity analysis of expected losses to macro-economic scenarios

Analyses were conducted to gauge the sensitivity of statistical ECL (i.e., excluding loss allowances for corporate customers based on expert judgement) to credit risk on corporate and individual customer scopes.

The sensitivity of retail ECL is relatively moderate in this segment, ranging from [-1%; +2%] of ECL based on the central scenario, depending on the scenario, and before weighting.

The sensitivity of ECL to corporate customers is more pronounced in this segment, ranging from [-9%; +21%] of ECL, based on the central scenario, depending on the scenario, and before weighting. Volatility is higher for exposures in the large corporates segment.

35.2.3 Impacts on the measurement of credit risk

At 31 December 2024, cost of risk amounted to €231 million.

Non-performing exposure (NPE) improved to 1.3% (for customers and securities) from 1.4% at end-December 2023, mainly due to a loan being removed from bucket 3; excluding this loan, the NPE rate remained stable.

The coverage rate for non-performing exposures remained stable at 39.4% at end-December 2024 compared with 35.8% at 31 December 2023.

In addition, the bucket 2 exposure rate fell to 7%. The greatest decline concerned the retail loan portfolio, following the decision to exclude from general provisions for purchasing power risk those customers with a home loan but no other credit from the group. This decision was not extended to customers with a consumer loan.

Corporate customers

No major losses were recorded on the corporate loan portfolio in 2024. However, the number of corporate loans subject to special measures increased. The main indicator of a slow decline in credit quality was the transfer to the Watch List or to special measures of several loans for projects with a significant real estate component. Increases in sector-specific provisions in the second half of 2024 absorbed the growing exposure to credit risks in the real estate sector.

Corporate and Investment Banking cost of risk amounted to €132 million in 2024 compared to €108 million in 2023.

Retail customers

Retail Banking cost of risk amounted to €99 million in 2024 (of which €9 million related to professional customers) vs €92 million in 2023.

There were no major changes in the retail loan book's credit quality, which remained under control throughout the year, especially for home loans.

Concerning consumer finance, the leading indicators visible over the last few months (notably the incidence of missed initial payments and of borrowers seeking relief from excessive debt) now point to an increase in credit risk in the second half of the year. This risk currently remains under control, with indicators at below pre-Covid levels. Despite the fall in inflation, the ending of government support for consumers is making La Banque Postale's low-income customers even more vulnerable. As a result, provisions have been maintained for part of this purchasing power risk on vulnerable customers who have taken out consumer loans (the fact of inflation being brought under control does not mean that prices will return to their pre-crisis level).

35.2.4 Exposure to credit risk

a) Changes in carrying amounts and allowances for credit losses over the year

Allowances for credit losses correspond to impairment of financial assets and provisions for off-balance sheet commitments recognised in the income statement (cost of credit risk for banking entities and cost of credit risk on financial investments of insurance activities for insurance entities).

The following tables present a reconciliation of opening and closing loss allowances recorded in "Cost of risk" and the associated gross carrying amounts, by accounting category and type of instrument.

The line "Modification of cash flows not resulting in derecognition" is used to identify the impact of risk-driven restructuring during the period (see Note 3.11).

Financial assets at amortised cost

	31 Dec. 2024				31 Dec. 2023			
	Gross carrying amount	Allowance for credit losses	Remeasurement ^(a)	Net carrying amount ^(b)	Gross carrying amount	Allowance for credit losses	Remeasurement ^(a)	Net carrying amount ^(b)
<i>(in € millions)</i>								
Securities	36,324	(49)	(19)	36,256	33,158	(31)	(23)	33,104
Loans and advances to credit institutions	75,679	(5)		75,673	70,914	(1)		70,914
Loans and advances to customers	130,680	(1,717)	(5)	128,958	127,575	(1,575)	(1)	125,999
TOTAL	242,684	(1,772)	(24)	240,888	231,648	(1,607)	(24)	230,016

(a) Impact of hedging transactions.

(b) See Note 23.

	Assets subject to 12-month ECL		Assets subject to lifetime ECL		Credit-impaired assets		TOTAL		
	(bucket 1)		(bucket 2)		(bucket 3)				
	Gross carrying amount	Allowance for credit losses	Gross carrying amount	Allowance for credit losses	Gross carrying amount	Allowance for credit losses	Gross carrying amount	Allowance for credit losses	Net carrying amount
<i>(in € millions)</i>							(1)	(2)	(1) + (2)
At 31 December 2023	214,902	(173)	14,242	(527)	2,504	(908)	231,648	(1,607)	230,016
Transfers of assets during their lifetime from one bucket to another	1,059	6	(1,368)	(7)	310	(96)		(97)	(97)
Transfers to lifetime ECL (bucket 2)	(3,672)	15	4,041	(150)	(369)	74	0	(61)	(61)
Transfers to 12-month ECL (bucket 1)	5,143	(13)	(4,973)	113	(169)	28		128	128
Transfers to credit-impaired ECL (bucket 3) ^(a)	(412)	5	(436)	30	848	(198)	(0)	(164)	(164)
Total after transfers	215,961	(167)	12,874	(534)	2,814	(1,004)	231,648	(1,704)	229,944
Changes in gross carrying amounts and allowances for credit losses	11,587	(9)	(260)	(77)	(291)	19	11,036	(67)	10,969
New production: purchase, issuance, origination, etc. ^(b)	40,987	(88)	1,462	(210)	286	(171)	42,735	(470)	42,266
Derecognition: disposal, repayment, maturity, etc.	(29,530)	79	(1,722)	133	(491)	109	(31,744)	321	(31,423)
Write-offs					(86)	82	(86)	82	(5)
Modification of cash flows not resulting in derecognition					(3)		(3)		(3)
Changes in scope of consolidation	374						374		374
Other	(244)	0	(0)	(0)	4	0	(239)	0	(239)
Total									
At 31 December 2024	227,548	(176)	12,614	(611)	2,523	(985)	242,684	(1,772)	240,888

(a) Transfers to bucket 3 correspond to loans initially classified in bucket 1 that have been downgraded either directly to bucket 3 or via bucket 2.

(b) The amounts shown under new production for buckets 2 and 3 may include loans originally recorded in bucket 1 and reclassified to bucket 2 or 3 during the same period.

■ **Financial assets at fair value through OCI reclassifiable to profit or loss**

	31 Dec. 2024				31 Dec. 2023			
	Gross carrying amount	Allowance for credit losses	Remeasuremnt	Fair value (a)	Gross carrying amount	Allowance for credit losses	Remeasuremnt	Fair value (a)
(in € millions)								
Debt instruments at fair value through other comprehensive income reclassifiable to profit or loss	229,376	(292)	(26,138)	202,948	224,103	(301)	(26,832)	196,968
TOTAL	229,376	(292)	(26,138)	202,948	224,103	(301)	(26,832)	196,968

(a) See Note 23.3.

	Assets subject to 12-month ECL (bucket 1)		Assets subject to lifetime ECL (bucket 2)		Credit-impaired assets (bucket 3)		TOTAL	
	Gross carrying amount	Allowance for credit losses	Gross carrying amount	Allowance for credit losses	Gross carrying amount	Allowance for credit losses	Gross carrying amount	Allowance for credit losses
(in € millions)								
At 31 December 2023	224,032	(299)	69	(0)	2	(2)	224,103	(301)
Transfers of assets during their lifetime from one bucket to another	(69)	0	69	(0)			(0)	
Transfers to lifetime ECL (bucket 2)	(82)	0	82	(0)				
Transfers to 12-month ECL (bucket 1)	13	(0)	(13)	0			(0)	
Transfers to credit-impaired ECL (bucket 3)								
Total after transfers	223,963	(298)	138	(1)	2	(2)	224,103	(301)
Changes in gross carrying amounts and allowances for credit losses	5,323	8	(48)	(1)	(2)	2	5,273	9
New production: purchase, issuance, origination, etc.	58,043		3				58,046	
Derecognition: disposal, repayment, maturity, etc.	(46,832)		(49)				(46,881)	
Changes in scope of consolidation	659	(1)					659	(1)
Other	(6,546)	9	(2)	(1)	(2)	2	(6,550)	10
At 31 December 2024	229,285	(291)	90	(1)			229,376	(292)

■ **Off-balance sheet (financing commitments and guarantee contracts)**

Expected or incurred losses on off-balance sheet commitments are covered by loss allowances recorded in liabilities.

	31 Dec. 2024			31 Dec. 2023		
	Gross carrying amount	Allowance for credit losses	Net carrying amount	Gross carrying amount	Allowance for credit losses	Net carrying amount
(in € millions)						
Financing commitments and guarantee contracts (a)	27,774			26,130		
Loss allowance for financing commitments and guarantee contracts (b)		(129)			(146)	
TOTAL	27,774	(129)	27,645	26,130	(146)	25,985

(a) Including €25,839 million in bucket 1 and €1,776 million in bucket 2 in 2024 (compared with €24,024 million in bucket 1 and €1,986 million in bucket 2 in 2023). For bucket 1 in 2024, new production amounted to €13,397 million and derecognitions amounted to €(9,632) million.

(b) Including €(22) million in bucket 1 and €(64) million in bucket 2 in 2024 (compared with €(36) million in bucket 1 and €(79) million in bucket 2 in 2023).

■ **Restructured financial assets**

The post-restructuring carrying amounts of assets restructured during the reporting period are as follows:

	31 Dec. 2024			31 Dec. 2023		
	Carrying amount before transfer to modified financial assets	Amount of the discount recognised in the income statement	Gross carrying amount	Carrying amount before transfer to modified financial assets	Amount of the discount recognised in the income statement	Gross carrying amount
<i>(in € millions)</i>						
Loans and advances to customers at amortised cost	91	(3)	88	84	(4)	80
Total	91	(3)	88	84	(4)	80

Restructured assets classified in bucket 2 (credit-impaired loans) or bucket 3 (defaulted loans) may be returned to bucket 1 (healthy loans) following a probationary period (see Note 3.11.6). Financial assets are reclassified as restructured as soon as a restructuring

occurs and retain this classification until they are derecognised.

The gross carrying amount of modified assets reclassified during the period was €10 million at 31 December 2024 and €7 million 31 December 2023.

■ **Maximum exposure to credit risk**

The maximum exposure to credit risk corresponds to the carrying amount of financial assets held by the group, net of any recognised impairment losses and excluding assets held as collateral or other credit enhancements (e.g. netting agreements that do not qualify for offsetting under IAS 32).

The table below shows the maximum net exposure as well as the amount of assets held as collateral and other credit enhancement techniques used to reduce this exposure.

	31 Dec. 2024		
	Net maximum exposure to credit risk	Collateral and other credit enhancements	Unsecured
<i>(in € millions)</i>			
At 31 December 2024			
Financial assets at fair value through profit or loss	96,712	16,579	80,133
Financial assets held for trading	16,838	16,579	258
Financial assets designated at fair value	2,943		2,943
Non SPPI financial assets at fair value	76,932		76,932
Hedging derivatives	486	486	
Financial assets at fair value through OCI reclassifiable to profit or loss	202,946		202,946
Debt securities	202,946		202,946
Financial assets at amortised cost	240,888	94,381	146,506
Loans and advances to credit institutions	75,673	10,130	65,543
Loans and advances to customers	128,958	84,251	44,707
Debt securities	36,256		36,256
Off-balance sheet (financing commitments and guarantee contracts)	27,645	322	27,323
Funding commitments given	26,251	321	25,930
Guarantee commitments given	1,394	1	1,393
TOTAL	568,677	111,769	456,908

	31 Dec. 2023		
	Net maximum exposure to credit risk	Collateral and other credit enhancements	Unsecured
<i>(in € millions)</i>			
At 31 December 2023			
Financial assets at fair value through profit or loss	107,669	13,680	93,989
Financial assets held for trading	13,921	13,680	241
Financial assets designated at fair value	3,348		3,348
Non SPPI financial assets at fair value	90,400		90,400
Hedging derivatives	677	676	1
Financial assets at fair value through OCI reclassifiable to profit or loss	196,970		196,970
Debt securities	196,970		196,970
Financial assets at amortised cost	230,016	83,789	146,227
Loans and advances to credit institutions	70,914	3,880	67,033
Loans and advances to customers	125,999	79,908	46,091
Debt securities	33,104		33,104
Off-balance sheet (financing commitments and guarantee contracts)	25,985	558	25,427
Funding commitments given	24,138	557	23,581
Guarantee commitments given	1,847	1	1,846
TOTAL	561,317	98,703	462,614

b) Concentration of credit risk

■ Concentration of credit risk by economic agent

Financial assets at amortised cost	31 Dec. 2024				31 Dec. 2023					
	Gross carrying amount				Gross carrying amount					
	Performing assets (with or without credit deterioration)			Credit-impaired assets	TOTAL	Performing assets (with or without credit deterioration)			Credit-impaired assets	TOTAL
	Assets subject to 12-month ECL	Assets subject to lifetime ECL	(bucket 3)			Assets subject to 12-month ECL	Assets subject to lifetime ECL	(bucket 3)		
(in € millions)	(bucket 1)	(bucket 2)	(bucket 3)		(bucket 1)	(bucket 2)	(bucket 3)			
Retail (a)	75,085	6,717	1,200	83,001	72,260	8,974	1,138	82,372		
Government	105,482	71	24	105,577	101,867	49	7	101,923		
Central banks	586			586	328			328		
Credit institutions	11,238	0	0	11,239	4,680			4,680		
Finance companies	6,221	920	90	7,231	6,211	456	9	6,676		
Non-financial sector companies	28,936	4,905	1,209	35,050	29,555	4,763	1,350	35,668		
TOTAL	227,547	12,613	2,523	242,684	214,902	14,242	2,504	231,648		
Allowances for credit losses and remeasurement				(1,796)				(1,632)		
Net amount				240,888				230,016		

(a) Excluding loans granted to non-trading property companies (SCIs), which are presented in Retail loans in the balance sheet and in Non-financial sector companies in the breakdown by economic agent.

Financial assets at fair value through OCI reclassifiable to profit or loss	31 Dec. 2024				31 Dec. 2023					
	Gross carrying amount				Gross carrying amount					
	Performing assets (with or without credit deterioration)			Credit-impaired assets	TOTAL	Performing assets (with or without credit deterioration)			Credit-impaired assets	TOTAL
	Assets subject to 12-month ECL	Assets subject to lifetime ECL	(bucket 3)			Assets subject to 12-month ECL	Assets subject to lifetime ECL	(bucket 3)		
(in € millions)	(bucket 1)	(bucket 2)	(bucket 3)		(bucket 1)	(bucket 2)	(bucket 3)			
Retail										
Government	115,580			115,580	118,231	40		118,271		
Central banks	13,334			13,334	9,649			9,649		
Credit institutions	52,493			52,493	48,098		2	48,100		
Finance companies	7,214			7,214	6,654	6		6,661		
Non-financial sector companies	40,664	90		40,755	41,399	23		41,422		
TOTAL	229,285	90		229,376	224,032	69	2	224,103		
Allowances for credit losses and remeasurement				(26,430)				(26,832)		
Net amount				202,948				196,968		

Off-balance sheet (financing commitments and guarantee contracts)	31 Dec. 2024				31 Dec. 2023					
	Commitment amount				Commitment amount					
	Performing commitments (with or without credit deterioration)			Credit-impaired commitments	TOTAL	Performing commitments (with or without credit deterioration)			Credit-impaired commitments	TOTAL
	Commitments subject to 12-month ECL	Commitments subject to lifetime ECL	(bucket 3)			Commitments subject to 12-month ECL	Commitments subject to lifetime ECL	(bucket 3)		
(in € millions)	(bucket 1)	(bucket 2)	(bucket 3)		(bucket 1)	(bucket 2)	(bucket 3)			
Retail (a)	8,032	651	15	8,698	8,327	706	24	9,056		
Government (b)	4,493	5	2	4,500	4,781	26		4,807		
Central banks	1			1	1			1		
Credit institutions (c)	4,624	78		4,702	1,790	60		1,851		
Finance companies (d)	2,362	289	3	2,654	1,553	207		1,760		
Non-financial sector companies (d)	6,326	753	139	7,218	7,572	987	96	8,655		
TOTAL	25,839	1,776	159	27,774	24,024	1,986	120	26,130		
Allowance for credit losses (e)				(129)				(146)		
Net amount				25,875				25,985		

(a) Of which €7,460 million with a probability of default of less than 1% in 2024 (€7,739 million in 2023).

(b) Of which €3,405 million with a rating below A in 2024 (€3,389 million in 2023).

(c) Of which €342 million with a rating below A in 2024 (€425 million in 2023).

(d) Of which €8,391 million with a rating below A in 2024 (€7,456 million in 2023).

(e) Expected or incurred losses on off-balance sheet commitments are covered by loss allowances recorded in liabilities.

For retail customers, credit risk categories are presented by default probability interval. For other customer segments, credit risk categories are presented by external rating.

■ **Concentration of credit risk by rating**

Financial assets at amortised cost	31 Dec. 2024				31 Dec. 2023					
	Gross carrying amount				Gross carrying amount					
	Performing assets (with or without credit deterioration)			Credit- impaired assets	TOTAL	Performing assets (with or without credit deterioration)			Credit- impaired assets	TOTAL
	Assets subject to 12-month ECL <i>(bucket 1)</i>	Assets subject to lifetime ECL <i>(bucket 2)</i>				Assets subject to 12-month ECL <i>(bucket 1)</i>	Assets subject to lifetime ECL <i>(bucket 2)</i>			
<i>(in € millions)</i>										
PD < 1%	64,886	1,607			64,054	1,801			65,855	
1% < PD < 3%	8,168	1,543			6,851	3,469			10,321	
3% < PD < 10%	1,874	2,652			1,331	2,679			4,010	
PD > 10%	157	914			24	1,025			1,049	
Defaulted loans (subject to legal collection procedures)			1,200	1,200			1,138		1,138	
TOTAL - Retail	75,085	6,717	1,200	83,001	72,260	8,974	1,138		82,372	
AAA	2,002	105		2,107	2,188	82			2,270	
AA	2,822	69		2,891	927	68			995	
A	4,302	271		4,573	4,239	327			4,567	
Other	26,032	5,379	1,299	32,710	28,413	4,741	1,359		34,512	
TOTAL - Corporate	35,157	5,825	1,299	42,281	35,767	5,219	1,359		42,344	
AAA	2,915			2,915	2,827				2,827	
AA	89,179			89,179	87,695				87,695	
A	3,455		0	3,455	2,470				2,470	
Other	10,518	71	24	10,614	9,202	49	7		9,258	
TOTAL - Government and central banks	106,068	71	24	106,163	102,195	49	7		102,251	
AAA	905			905	905				905	
AA	4,137	0		4,137	333				333	
A	5,085			5,085	2,000				2,000	
Other	1,111	0	0	1,111	1,442				1,442	
TOTAL - Credit institutions	11,238	0	0	11,239	4,680				4,680	

Financial assets at fair value through OCI reclassifiable to profit or loss	31 Dec. 2024				31 Dec. 2023					
	Gross carrying amount				Gross carrying amount					
	Performing assets (with or without credit deterioration)			Credit- impaired assets	TOTAL	Performing assets (with or without credit deterioration)			Credit- impaired assets	TOTAL
	Assets subject to 12-month ECL <i>(bucket 1)</i>	Assets subject to lifetime ECL <i>(bucket 2)</i>				Assets subject to 12-month ECL <i>(bucket 1)</i>	Assets subject to lifetime ECL <i>(bucket 2)</i>			
<i>(in € millions)</i>										
AAA	2,120			2,120	1,660				1,660	
AA	7,936			7,936	7,901	6			7,907	
A	17,877			17,877	18,698				18,698	
Other	19,946	90		20,036	19,795	23			19,818	
TOTAL - Corporate	47,878	90		47,969	48,054	29			48,083	
AAA	18,264			18,264	13,914				13,914	
AA	83,358			83,358	83,187				83,187	
A	6,968			6,968	6,205				6,205	
Other	20,323			20,323	24,575	40			24,615	
TOTAL - Government and central banks	128,914			128,914	127,880	40			127,920	
AAA	2,739			2,739	2,159				2,159	
AA	7,098			7,098	5,264				5,264	
A	36,056			36,056	33,657				33,657	
Other	6,600			6,600	7,017		2		7,019	
TOTAL - Credit institutions	52,493			52,493	48,098		2		48,100	

■ **Concentration of credit risk by geographical region**

Financial assets at amortised cost	31 Dec. 2024				31 Dec. 2023					
	Gross carrying amount				Gross carrying amount					
	Performing assets (with or without credit deterioration)			Credit-impaired assets	TOTAL	Performing assets (with or without credit deterioration)			Credit-impaired assets	TOTAL
	Assets subject to 12-month ECL	Assets subject to lifetime ECL				Assets subject to 12-month ECL	Assets subject to lifetime ECL			
(in € millions)	(bucket 1)	(bucket 2)	(bucket 3)		(bucket 1)	(bucket 2)	(bucket 3)			
France (incl. overseas departments and territories)	205,644	12,434	2,457	220,535	197,030	14,055	2,409	213,494		
Other EU countries	19,524	120	32	19,676	15,963	148	40	16,151		
Other European countries	697	12	32	741	423	19	32	474		
Other	1,682	47	2	1,731	1,486	20	23	1,529		
TOTAL	227,547	12,613	2,523	242,684	214,902	14,242	2,504	231,648		
Allowances for credit losses and remeasurement				(1,796)						(1,632)
Net amount				240,888						230,016

Financial assets at fair value through OCI reclassifiable to profit or loss	31 Dec. 2024				31 Dec. 2023					
	Gross carrying amount				Gross carrying amount					
	Performing assets (with or without credit deterioration)			Credit-impaired assets	TOTAL	Performing assets (with or without credit deterioration)			Credit-impaired assets	TOTAL
	Assets subject to 12-month ECL	Assets subject to lifetime ECL				Assets subject to 12-month ECL	Assets subject to lifetime ECL			
(in € millions)	(bucket 1)	(bucket 2)	(bucket 3)		(bucket 1)	(bucket 2)	(bucket 3)			
France (incl. overseas departments and territories)	99,019			99,019	101,178	48		101,226		
Other EU countries	89,371	17		89,388	82,882	11		82,893		
Other European countries	8,697			8,697	7,627	10	2	7,639		
Other	32,199	73		32,272	32,345			32,345		
TOTAL	229,285	90		229,376	224,032	69	2	224,103		
Allowances for credit losses and remeasurement				(26,430)						(27,133)
Net amount				202,948						196,968

Off-balance sheet (financing commitments and guarantee contracts)	31 Dec. 2024				31 Dec. 2023					
	Commitment amount				Commitment amount					
	Performing commitments (with or without credit deterioration)			Credit-impaired commitments	TOTAL	Performing commitments (with or without credit deterioration)			Credit-impaired commitments	TOTAL
	Commitments subject to 12-month ECL	Commitments subject to lifetime ECL				Commitments subject to 12-month ECL	Commitments subject to lifetime ECL			
(in € millions)	(bucket 1)	(bucket 2)	(bucket 3)		(bucket 1)	(bucket 2)	(bucket 3)			
France (incl. overseas departments and territories)	24,019	1,626	159	25,804	22,845	1,837	120	24,802		
Other EU countries	1,621	149		1,769	1,061	147		1,207		
Other European countries	95	1		96	109	1		110		
Other	104	1		105	10	1		11		
TOTAL	25,839	1,776	159	27,774	24,024	1,986	120	26,130		

35.2.5 Additional information on sovereign exposures

The list of sovereign exposures was prepared in accordance with the scope defined by the European Banking Authority (EBA), in other words by including the exposure data relative to regional authorities, central

authorities and organisations guaranteed by the French State. These exposures include deposits centralised with Caisse des Dépôts.

31 December 2024 (in € millions)	Total Banking Portfolio	Assets at fair value through profit or loss	Direct exposure (a)	Collateral repurchase agreements	Off-balance sheet	Direct and indirect exposure (b)	Exposure as a%
Germany	6,462	196	6,657	1,073	-	7,730	3.1%
Austria	1,912	6	1,919	-	-	1,919	0.8%
Belgium	8,953	78	9,031	1,291	-	10,321	4.2%
Spain	13,418	41	13,458	433	-	13,892	5.6%
Finland	376	1	377	-	-	377	0.2%
France	142,457	1,518	143,975	7,921	806	152,702	62.1%
Ireland	181	19	200	-	-	200	0.1%
Italy	9,526	82	9,607	3,590	-	13,197	5.4%
Luxembourg	103	1	104	-	-	104	0.0%
Netherlands	533	15	548	127	-	674	0.3%
Poland	209	-	209	-	-	209	0.1%
Portugal	2,073	3	2,076	98	-	2,173	0.9%
Romania	144	-	144	-	-	144	0.1%
Slovenia	110	-	110	-	-	110	0.0%
Other European countries	200	-	200	-	-	200	0.1%
Supranational	12,969	811	13,780	567	-	14,347	5.8%
EUROPE	199,625	2,771	202,396	15,100	806	218,301	88.7%
Brazil	2,506	24,214	26,720	-	-	26,720	10.9%
Canada	572	-	572	-	-	572	0.2%
Mexico	108	-	108	-	-	108	0.0%
Other	318	21	339	-	-	339	0.1%
REST OF WORLD	3,504	24,235	27,739	-	-	27,739	11.3%
TOTAL	203,129	27,005	230,135	15,100	806	246,041	100.0%

(a) Direct exposure: fair value or gross carrying amount of proprietary exposures.

(b) Direct and indirect exposures: direct exposures plus indirect exposures arising from the guarantees granted to some of the group's UCITS.

31 December 2023 (in € millions)	Total Banking Portfolio	Assets at fair value through profit or loss	Total direct exposure (a)	Collateral repurchase agreements	Off-balance sheet	Total direct and indirect exposure (b)	Exposure as a%
Germany	6,427	280	6,707	554	-	7,261	3.0%
Austria	793	19	812	-	-	812	0.3%
Belgium	7,372	277	7,649	1,252	-	8,901	3.6%
Spain	13,255	98	13,353	-	-	13,353	5.4%
Finland	84	1	84	-	-	84	0.0%
France	146,686	2,367	149,053	7,535	1,419	158,008	64.3%
Ireland	86	8	94	-	-	94	0.1%
Italy	12,411	365	12,776	-	-	12,776	5.2%
Luxembourg	191	1	193	-	-	193	0.1%
Norway	198	-	198	-	-	198	0.1%
Netherlands	298	5	303	-	-	303	0.1%
Poland	228	25	253	-	-	253	0.1%
Portugal	2,126	66	2,191	100	-	2,291	0.9%
Romania	142	-	142	-	-	142	0.1%
Slovenia	108	-	108	-	-	108	0.0%
Other European countries	246	61	307	208	-	515	0.2%
Supranational	9,209	817	10,026	373	-	10,399	4.2%
EUROPE	199,661	4,390	204,052	10,022	1,419	215,493	87.7%
Brazil	2,890	26,379	29,269	-	-	29,269	11.9%
Canada	655	1	655	-	-	655	0.3%
Mexico	108	1	108	-	-	108	0.0%
Other	297	27	324	-	-	324	0.1%
REST OF WORLD	3,950	26,408	30,357	-	-	30,357	12.3%
TOTAL	203,611	30,798	234,409	10,022	1,419	245,850	100.0%

(a) Direct exposure: fair value or gross carrying amount of proprietary exposures.

(b) Direct and indirect exposures: direct exposures plus indirect exposures arising from the guarantees granted to some of the group's UCITS.

35.3 Market risk and hedge accounting

35.3.1 General management framework

General framework

Market risks correspond to the potential impact of changes in the financial markets on La Banque Postale's results or balance sheet. They include price risk, currency risk and basis risk.

The majority of balance sheet items generate interest income and expenses that are exposed to changes in interest rates either through new transactions at rates that are not known in advance, or through comparative increases in the rate of existing transactions. In the first case, there is a risk of a change in cash flows, while in the second case, there is a fair value risk.

Value at risk (VaR)

Value at risk (VaR) is an indicator of the group's loss exposure. It gives an estimate of maximum potential losses over a specified period with a given probability. However, VaR does not indicate the various levels of potential losses that may arise from infrequent events. The VaR indicator is calculated on trading portfolios and also on certain banking portfolios. An overall VaR encompassing all positions is also calculated.

VaR is broken down for each of the activities included in the market portfolio.

In line with a prudent approach, a decision was made to apply a VaR indicator (one-day, 99%) to all of its mark-to-market positions. The VaR indicator used by La Banque Postale is a parametric VaR, calculated using a variance-covariance matrix that covers the group's exposure to interest rate, spread, exchange rate, volatility and equity risks.

The resulting VaR partly covers option-related risks, with second-degree risks not being taken into account. Although they are not currently material in relation to total positions, an increase in option positions could lead the Group Risk Department to adopt a more appropriate methodology. Moreover, option risk monitoring indicators are deployed.

The Group Risk Department back-tests the results of the model used to calculate the VaR indicator, in order to assess its quality.

Stress scenarios

VaR, which is calculated on the assumption that it follows a normal distribution, is estimated under normal market conditions and does not provide any information on the

amount of the potential loss when the VaR is exceeded. As the group needs to be able to estimate potential losses in exceptional market conditions (terrorist attacks, the collapse of a major group, etc.), it defines stress scenarios.

A stress scenario involves simulating an extreme situation in order to assess the financial impact on La Banque Postale's earnings or capital. The use of these scenarios is an analytical and management tool providing a better understanding of market risk.

La Banque Postale trades on all markets (UCITS, currencies, fixed-income, credit and derivatives). However, at present, it mostly deploys directional strategies on the fixed-income and credit markets. The crisis scenarios used in the models mainly affect yield curves and credit spreads; other parameters are also taken into account but their impact is limited.

A distinction is made between two major stress families:

- *historical stresses*
Historical stresses are based on historical facts (events which have actually occurred). To build the scenarios, changes which took place in the past during major financial crises are applied to current market conditions. These are historical scenarios. A historical stress scenario is triggered by a sudden event affecting a combination of factors. To plan for a worst-case scenario, the time frames selected correspond to the initial stage during which the crisis spreads up to the first indication that prices are stabilising, given that several trading days are needed to close out high-risk positions.
- *hypothetical stresses*
Hypothetical stresses are scenarios that adopt plausible variations which, although they have never occurred, could threaten the organisation if they did. These shocks are calibrated with assumptions based on historical statistics drawn from market data. A stress test is applied to a given category of market risk. La Banque Postale performs stress tests on its main risk exposures.

At group level, quarterly stress tests are performed on all portfolios measured at fair value (including the insurance subsidiaries). This indicator is calculated on the basis of the historical scenario with a 3-month horizon, determined to be the most unfavourable for the group over a 10-year period with a confidence level of 99.5%.

35.3.2 Derivatives held for trading: analysis by remaining life (notional amounts)

The breakdown of the positive and negative market values of derivatives by remaining life is presented below.

31 December 2024	ASSETS				EQUITY AND LIABILITIES				TOTAL NOTIONAL AMOUNT
	Less than 1 year	1 to 5 years	Beyond 5 years	TOTAL Fair Value	Less than 1 year	1 to 5 years	Beyond 5 years	TOTAL Fair Value	
<i>(in € millions)</i>									
Futures				-				-	3,732
Interest rate swaps	131	1,509	3,193	4,833	114	1,418	2,914	4,447	297,765
Interest rate options, caps, floors, collars	58	423	337	818	27	120	46	193	409,909
Currency futures	90	32	39	160	123	253	179	555	10,224
Currency options				-				-	1,165
Credit instruments							2	2	100
Equity and index instruments	128	72	7	207	111	16		128	30,373
Other instruments									-
TOTAL	406	2,036	3,576	6,018	374	1,807	3,142	5,324	753,267

31 December 2023	ASSETS				EQUITY AND LIABILITIES				TOTAL NOTIONAL AMOUNT
	Less than 1 year	1 to 5 years	Beyond 5 years	TOTAL Fair Value	Less than 1 year	1 to 5 years	Beyond 5 years	TOTAL Fair Value	
<i>(in € millions)</i>									
Futures									4,613
Interest rate swaps	87	934	2,241	3,262	64	692	2,077	2,832	153,001
Interest rate options, caps, floors, collars	49	1,090	511	1,650	42	226	89	357	200,156
Currency futures	21	25	59	104	111	191	276	577	9,761
Currency options									26
Credit instruments	1			1	1	2		3	421
Equity and index instruments	37	178	13	227	92	182	2	276	19,868
Other instruments					1			1	226
TOTAL	194	2,227	2,823	5,244	311	1,293	2,443	4,047	388,072

35.3.3 Hedge accounting

La Banque Postale hedges balance sheet transactions in the banking scope (both customer and financial transactions) using derivatives set up with market counterparties.

Types of hedging instruments

La Banque Postale uses the following hedging instruments to manage interest rate and currency risks on balance sheet items:

- €STR swaps (over-the-counter contracts whereby a stream of fixed-rate interest payments on a notional amount is exchanged for a stream of variable-rate interest payments on the same amount);
- cross currency swaps that convert foreign currency financing into financing in euros while also providing an economic hedge of the currency risk on both the financing and the interest. The foreign currency and euro cash flows are perfectly matched in terms of amounts, dates and payments.

Underlyings

The hedging transactions depend on the portfolio management model and involve various hedging strategies aimed primarily at hedging interest rate risk (see Note 35.5).

Hedged item	Derivative	Hedge
Fixed-rate loans	Fixed-rate payer swap	CO-FVH: carve-out fair value hedge
	Fixed-rate payer swap	FVH: fair value hedge
Fixed-rate securities purchased	Fixed-rate payer swap	CO-FVH: carve-out fair value hedge
	Fixed-rate payer swap	FVH: fair value hedge
Fixed-rate customer deposits	Fixed-rate receiver swap	CO-FVH: carve-out fair value hedge
Home-saving plan (PEL) deposits	Fixed-rate receiver swap	CO-FVH: carve-out fair value hedge
Bonds issued and fixed-rate term deposits received	Fixed-rate receiver swap	FVH: fair value hedge
Bond issue in foreign currency	Cross currency interest rate swap	Micro-fair value hedge

For hedged underlying assets, the hedged risk corresponds to the amount represented by the interest rate risk on fixed-rate bonds and customer loans (home loans, consumer credit), and by the interest rate risk on future cash flows (forward purchases of bonds).

For hedged underlying liabilities, the hedged risk corresponds to the amount represented by the interest rate risk on fixed-rate customer deposits (demand deposits, PEL home-savings plans) and fixed-rate bond issuances.

Types of hedging relationships

Hedging a security by a swap

- Euribor fair value hedge

The securities are measured using a Euribor discount curve and the derivatives are measured using a daily €STR curve. The use of two different discount curves creates a small degree of hedging inefficiency that depends on the spread between €STR and Euribor and varies over time.

- €STR fair value hedge

As the security is discounted using €STR with adjustment of the credit component, and the swap is also discounted using €STR, this type of hedge is considered to be 100% effective and no retrospective effectiveness test is required.

Hedging several securities with several swaps

The method used leads to a simplified documented hedging relationship that is 100% effective and ensures that the hedging gain or loss is correctly reclassified to profit or loss based on the securities transactions.

The securities and their hedge (a swap or, exceptionally, several swaps) are grouped together by portfolio fair value hedging strategy. Each portfolio fair value hedging strategy respects the following restrictions:

1. maturities of the securities and swaps must be in the same time bucket of a maximum of one year;
2. the notional amount of the swap must be less than the total principal amount of the securities;
3. the maturity of the swap must be less than or equal to the shortest maturity of the securities;
4. the sensitivity of the swap must be less than or equal to the overall sensitivity of the securities;
5. if there are several swaps, they must all be executed on the same day;
6. once the securities and the swap(s) are matched, no other securities may be purchased in the strategy, only sales of securities and unwinding of the swaps are authorised. This guarantees that all securities and all swaps undergo the same changes in value (with respect to interest rate risk) over the hedging period.

Under the rules for unwinding hedges, the principal amount of sold securities is tracked, strategy by strategy, in order to comply with the above restrictions at all times, and on the day the securities are sold, the outstanding notional amount of the swap that exceeds the aggregate principal amount of the remaining securities is terminated. In the case of over-hedging, the effectiveness test fails and the hedging derivative is systematically terminated for the ineffective portion.

Within the group, inefficiency in macro-hedging arises mainly because the underlying asset or liability no longer exists.

Hedging ratio

The hedging ratio (quantity of hedged items/quantity of hedging instruments) is used by La Banque Postale in its operational risk management.

At each reporting date, the backward-looking documentation is reviewed to verify that the change in the value of the hedged item since the beginning of the hedging relationship mirrors the change in value of the hedging instrument. Any valuation difference represents

the ineffective portion of the gain or loss on the hedge and is recognised in profit or loss.

Effectiveness test

La Banque Postale performs an effectiveness test at least twice during each half-year period.

Cash flow hedges

La Banque Postale uses the hypothetical derivative method which consists of comparing changes in fair value of the derivative with changes in the fair value of a hypothetical derivative that would perfectly represent the hedged risk.

Fair value hedges

- Hedging a security by a swap

For micro-hedging using Euribor swaps, La Banque Postale uses the hypothetical derivative method. Considering that €STR swaps are 100% effective, the method consists of creating an €STR swap replicating the underlying security exactly that could have been set up at the time of hedging, and assessing the change in the value of this swap compared with the change in that of the actual swap.

The residual ineffectiveness thus corresponds to the sum of the changes in value of the hedged item and the hedging instrument. The security and the swap are valued using the same constant yield curve, so that only the market exchange rate is taken into account. The change in the value of the security valued this way is independent of the changes in value of the interest rates and is therefore affected solely by the change in the exchange rate. If the effectiveness test fails, the rules of La Banque Postale group impose the sale of all or part of the hedged underlying. In this case, effectiveness tests are performed before and after the sale to ensure that the sale eliminates the hedge ineffectiveness.

- Hedging several securities by a swap

For monitoring purposes, hedging strategies are documented on a rolling basis to confirm that no new securities have been added to the strategy and that existing positions have not been added to.

- Hedging several loans by several swaps (bottom-layer macro-hedging approach)

La Banque Postale applies the generational method and performs tests to check that, for each generation of swaps and for each annual maturity band, the notional amount of the hedged loans is greater than the notional amount of the swaps. Internal prepayment and renegotiation models are applied to the generations of fixed-rate loans used.

When swaps generate over-hedging on the maturity bands of their generation, the standard allows them to be allocated to loan portfolios originated in earlier periods.

If the notional amount of the derivatives is greater, the hedging relationship is discontinued, and the derivative(s) is/are systematically unwound, with an impact on profit or loss, or reclassified as held for trading, and the underlying assets are derecognised.

The value is determined using a €STR forward curve and a €STR discount curve. In this case, there is no sensitivity to IBOR-OIS spreads and there is therefore no need to perform a test comparing changes in the respective fair values of the hedged item and the swap.

a) Fair value and cash flow hedging derivatives

	31 Dec. 2024			31 Dec. 2023		
	Assets	Liabilities	Notional amount	Assets	Liabilities	Notional amount
<i>(in € millions)</i>						
Interest rate swaps	327	1,939	62,102	570	2,159	54,242
Currency futures	74		926	49	3	926
Total fair value hedging derivatives	400	1,939	63,028	619	2,163	55,168
Interest rate swaps		19			4	
Currency futures	86		2,310	58	18	1,086
Other instruments					(1)	
Total cash flow hedging derivatives	86	19	2,310	58	21	1,086
TOTAL	486	1,958	65,338	677	2,183	56,254

▪ **Market values by remaining life**

The breakdown of the market value of hedging derivatives by remaining life is presented below.

31 Dec. 2024	ASSETS				LIABILITIES			
	Less than 1 year	1 to 5 years	Beyond 5 years	TOTAL Fair Value	Less than 1 year	1 to 5 years	Beyond 5 years	TOTAL Fair Value
<i>(in € millions)</i>								
Interest rate swaps	37	107	182	327	85	767	1,107	1,958
Currency futures	21	37	101	159				
TOTAL	58	144	284	486	85	767	1,107	1,958
31 Dec. 2023	ASSETS				LIABILITIES			
	Less than 1 year	1 to 5 years	Beyond 5 years	TOTAL Fair Value	Less than 1 year	1 to 5 years	Beyond 5 years	TOTAL Fair value
<i>(in € millions)</i>								
Interest rate swaps	83	325	163	570	163	825	1,175	2,162
Currency futures		33	74	107		3	18	21
TOTAL	83	358	237	677	163	828	1,192	2,183

b) Fair value hedges

▪ Hedged items

Fair value (in € millions)	31 Dec. 2024				31 Dec. 2023			
	Existing hedges		Discontinued hedges	Hedging-related changes in fair value over the period ^(a)	Existing hedges		Discontinued hedges	Hedging-related changes in fair value over the period (a)
	Carrying amount	Including hedging-related cumulative changes in fair value	Deferred cumulative hedging-related changes in fair value		Carrying amount	Including hedging-related cumulative changes in fair value	Deferred cumulative hedging-related changes in fair value	
ASSETS								
Interest rate	10,371	22		102	8,354	(80)		502
Forex	797				775			1
Other								
Financial instruments at fair value through OCI	11,168	22		102	9,129	(80)		503
Interest rate	2,903	(37)		10	1,492	(47)		51
Forex								
Financial instruments at amortised cost	2,903	(37)		10	1,492	(47)		51
LIABILITIES								
Interest rate	15,433	(598)		328	13,406	(926)		705
Forex								
Financial instruments at amortised cost	15,433	(598)		328	13,406	(926)		705

(a) Including hedging positions unwound during the period.

Portfolio fair value hedges (in € millions)	31 Dec. 2024		31 Dec. 2023	
	Carrying amount	Cumulative changes in fair value ^(a)	Carrying amount	Cumulative changes in fair value ^(a)
Debt instruments at amortised cost	25,474	490	13,826	181
Total - ASSETS	25,474	490	13,826	181
Debt instruments at amortised cost	5,875	(161)	11,658	(331)
Total - LIABILITIES	5,875	(161)	11,658	(331)

(a) Changes in fair value attributable to the hedged risk only and used to determine the effective portion of the fair value of the hedging instrument. The change excludes accrued interest.

▪ Fair value hedging gains and losses

(in € millions)	31 Dec. 2024			31 Dec. 2023		
	Net hedging gain/loss			Net hedging gain/loss		
	Changes in fair value		Ineffective portion of the gains/losses	Changes in fair value		Ineffective portion of the gains/losses
	On hedging instruments ^(a)	On hedged items ^(a)		On hedging instruments ^(a)	On hedged items ^(a)	
Interest rate	93	(79)	14	42	(42)	0
Forex	28	(27)	1	65	(65)	(0)
Other						
TOTAL	121	(106)	15	107	(107)	0

(a) Including hedging positions unwound during the period.

c) Cash-flow hedges

■ Hedged items

	31 Dec. 2024			31 Dec. 2023		
	Existing hedges	Discontinued hedges	Hedging-related changes in fair value ^(a)	Existing hedges	Discontinued hedges	Hedging-related changes in fair value ^(a)
	Cumulative changes in fair value			Cumulative changes in fair value		
	Hedging-related	Deferred hedging-related	Hedging-related	Deferred hedging-related		
<i>(in € millions)</i>						
ASSETS						
Interest rate		70	(25)	10	84	(4)
Forex	1		(26)	27		(39)
Other						
TOTAL	1	70	(51)	37	84	(44)

(a) Including hedging positions unwound during the period.

■ Cash-flow hedging gains and losses

	31 Dec. 2024			31 Dec. 2023		
	Other comprehensive income		Net hedging gain/loss	Other comprehensive income		Net hedging gain/loss
	Effective portion of hedging gain/loss recognised during the year	Amount recognised in OCI and reclassified to profit or loss during the year	Ineffective portion of the gains/losses	Effective portion of hedging gain/loss recognised during the year	Amount recognised in OCI and reclassified to profit or loss during the year	Ineffective portion of the gains/losses
<i>(in € millions)</i>						
Interest rate	(10)	(4)		10	(14)	
Forex	43	(80)		(79)	39	
TOTAL	33	(84)		(69)	25	

35.4 Liquidity risk

Liquidity risk is defined by the government order of 3 November 2014 as the risk that a company cannot meet its commitments or cannot unwind or cover a position either because of the market situation (systemic risk) or idiosyncratic factors (own credit risks), within a specific period and at a reasonable cost.

The liquidity risk reporting systems cover the entire La Banque Postale for regulatory purposes. Some of the limits and indicators used in management refer to corporate units of the group, notably La Banque Postale, the largest entity.

La Banque Postale has a strong liquidity position based on:

- customer deposits exceeding customer loans. La Banque Postale has a significant and diversified deposit base (in excess of €200 billion) consisting primarily of deposits from French retail customers;
- a large High Quality Liquidity Assets (HQLA) portfolio. La Banque Postale has traditionally invested a significant portion of its balance sheet in sovereign securities due to its historical activity as a deposit-taker. The customer credit business only began to develop in 2006. This portfolio contains only high-quality liquid assets in accordance with Delegated Regulation (EU) No 2015/61;
- proven access to capital market financing.

Since funds from customers mostly have no fixed maturity and may be payable at any time (deposits, passbook accounts), their runoff is modelled to determine their profile over time. La Banque Postale has taken a conservative approach to its liquidity assessments.

Liquidity risk management

The Balance Sheet Management Committee is responsible for managing liquidity risk in compliance with the principles and limits approved by the GRMC. Part of this responsibility is delegated to the ALM¹ and Treasury Committee for the liquidity risk.

In operational terms, La Banque Postale has implemented an internal liquidity adequacy assessment process (ILAAP) which combines all of its liquidity limits, assessment, monitoring, reporting and management procedures. The process includes:

- a system of risk indicators associated with regulatory or internal limits, published at monthly intervals;
- daily monitoring of changes in the buffer consisting of unencumbered high-quality liquid securities and a proxy LCR;
- a financing plan which ensures the equilibrium of La Banque Postale's refinancing position on an *ex-ante* basis in its budget planning universe;
- market access tests once every two years to verify market access in different currencies and actual liquidity tests on securities;

¹ ALM (Asset and Liability Management) refers to the techniques used to control the exposure to liquidity, interest rate and foreign exchange risk of a banking network's commercial intermediation activities, which consist of collecting deposits from customers who are savers and financing customers who are borrowers, without the borrowers needing to raise funds on a financial market.

- the Emergency Funding Plan (EFP), which is primarily intended to:
 - o define alert thresholds to enable early detection of liquidity stress, whether specific to La Banque Postale or systemic,
 - o identify all available liquidity-generating capacities (liquidity reserves and financing capacity),
 - o mobilise governance to manage potential crises in a timely manner, and measure La Banque Postale's room for manoeuvre via a stress test system in the context of historically high stress on its liquidity.

Liquidity risk measurement

The main indicators of liquidity risk are presented below.

Short-term liquidity monitoring is based primarily on the survival period and the LCR.

Liquidity Coverage Ratio (LCR)

The LCR is a monthly short-term liquidity ratio which measures La Banque Postale's capacity to withstand a severe deterioration in its financial situation for up to 30 days in a systemic shock environment.

Under banking regulations, LCR must be greater than 100%. La Banque Postale's internal LCR target is higher than this, and it met this minimum level. An LCR proxy is calculated daily.

Survival horizon

This indicator measures the number of days during which La Banque Postale would be able to meet its payment obligations in a crisis situation, solely by using its liquidity buffers and assuming that it continues to operate normally (i.e., without extraordinary management action such as a lending freeze).

It is determined based on stressed dynamic gaps calculated for each crisis scenario (systemic, specific to La Banque Postale or both) and corresponds to the horizon observed under the least favourable scenario for La Banque Postale.

Liquidity gap

La Banque Postale assesses its long-term liquidity level by reference to a liquidity gap. The liquidity gap includes static gap forecasts by maturity and limits defined at 1-, 3- and 5-year horizons.

Net Stable Funding Ratio (NSFR)

The NSFR corresponds to the amount of available stable funding in relation to required stable funding. This ratio must be at least 100% at any time. "Available stable funding" (ASF) refers to the portion of resources that are not payable within the time frame considered, i.e., 1 year within the context of the NSFR. The amount of "required stable funding" (RSF) of a business depends on the characteristics of its liquidity and the residual maturity of its assets (and off-balance sheet positions).

Liquidity reserve

The purpose of the liquidity reserve is to quantify the amount of cash and liquidity readily available through the sale or repurchase of securities in order to withstand a liquidity crisis.

The liquidity reserve is composed of:

- cash deposited with the Central Bank (excluding the average mandatory reserves calculated over the incorporation period);

- ECB-eligible securities with a satisfactory rating;
- retained covered bonds and covered bonds issued by La Banque Postale through its subsidiary La Banque Postale Home Loan SFH.

Emergency Funding Plan (EFP)

The EFP is monitored by the group's funding governance bodies and implemented by the Corporate and Local Development Banking (CLDB) division.

The EFP is part of the internal liquidity assessment process on which La Banque Postale reports each year. The EFP sets out the leading indicators selected to gauge the robustness of the (financial or banking) markets impacting the liquidity of La Banque Postale. A specific threshold (comfort, vigilance or warning) is defined for each indicator.

The EFP also makes provision for a mechanism to be implemented in the event of a proven systemic or entity-specific crisis.

The funding test, performed at least twice a year, involves testing the market by issuing short-term debt. The aim of this type of test is to regularly verify La Banque Postale's ability to quickly raise funds on the markets to ensure that its estimated borrowing capacity remains valid.

Ability to access external financing

In line with the ALM Committee and the GRMC's prudent liquidity management, La Banque Postale has secured diversified sources of financing, including:

- a €20 billion NEU CP (Negotiable European Commercial Paper) programme and a €10 billion ECP (European Commercial Paper) programme and a €2 billion NEU MTN programme to refinance a portion of La Banque Postale's short-term financing requirements and satisfy demand from institutional customers;
- a €20 billion retail EMTN programme enabling the issue of senior (vanilla and structured), non-preferred senior and Tier 2 debt;
- a €10 billion retail structured senior debt programme;
- €30 billion EMTN programme for the issuance of home loan bonds (*Obligations de financement de l'habitat* – OFH) via its secure financing vehicle, La Banque Postale Home Loan SFH, a La Banque Postale SA subsidiary created in 2013;

In addition to these programmes, La Banque Postale has access to other sources of financing such as the European Investment Bank (EIB) refinancing facility, a rapidly mobilisable High Quality Liquid Asset (HQLA) portfolio, several repo platforms, the interbank market and a secured financing vehicle via the Caisse de Financement Local (CAFFIL) to which La Banque Postale regularly sells originated local public sector loans.

The unit responsible for supervising and managing overall interest rate risk is La Banque Postale's Group Risk Department.

The department has several goals:

- to map risks, assess the risk management system and propose limits in line with La Banque Postale's risk appetite;
- to provide periodic monitoring of the indicators used to manage La Banque Postale's overall consolidated interest rate risk and that of its banking and insurance subsidiaries;
- to carry out audits of the calculation processes for the various indicators (static and dynamic) and control the integrity of calculated exposures;
- to audit the methodologies used.

This risk is monitored using indicators showing the sensitivity of future margins and economic value to interest rates, and by modelling scenarios which assess the entity's capacity to withstand exogenous shocks.

The interest rate movements tested affect both uncertain cash flows from financial products and earnings from Retail Banking operations via behavioural models – particularly implicit options available to customers.

The supervision of interest rate risk is the responsibility of the ALM Committee, which monitors indicators and forecasts trends based on commercial policy guidelines and observed customer behaviour. The interest rate risk indicators are also reviewed by the Group Risk Management Committee. Interest rate risks are generally reviewed on a monthly basis.

Objectives

Interest rate risk is managed so as to hedge the sensitivity of La Banque Postale's future net interest margin while ensuring compliance with value sensitivity indicators. A dynamic approach based on the business plan is used, applying interest rate derivatives (hedged) or adjusting commercial policies.

The balance sheet includes implicit and explicit options, leading to non-linear economic values based on interest rates. In this context, ALM proposes the regular rebalancing of structural positions using market instruments.

Scope

As required by the Basel Committee, significant interest rate risks in the banking book are identified and measured. Some of these risks may give rise to a specific follow-up procedure.

Interest rate risk is measured by maturity and by type of index for products dependent on variable or adjustable rates (Euribor, inflation, €STR, etc.), taking into account likely runoff agreements, which are themselves dependent on market conditions. Interest rate risk includes several components:

- fixing risk related to differences between new interest rates applied to assets and to liabilities (depending on baseline rates and maturities);
- yield curve risk related to fixing risk: this is generated by changes in the yield curve (translation, rotation, etc.);
- baseline risks: related to the use of multiple baseline interest rates and arising from the imperfect correlation of different curves;
- option-related risks (contractual or behavioural);
- risks caused by positions exposed to inflation.

The change in the net interest margin is therefore measured by reference to several interest rate scenarios. The interest rate risk on the balance sheet is simulated with dynamic modelling, taking into account future changes in outstanding amounts (early repayments, loan originations, etc.), in accordance with behavioural models and the business plan.

Trading desk transactions are not included in the overall interest rate risk management process as the risk associated with these transactions is monitored and managed according to the individual limits for each portfolio. These specific trading desk portfolios are subject to market risk-type limits.

Assessing overall interest rate risk

Agreements and models

The interest rate gap and interest rate sensitivity valuation methodologies used are determined according to the type of assets (or liabilities) comprising the balance sheet:

- outstanding loans with fixed maturities (contractual runoff that may or may not be adjusted by a model);
- outstanding loans with no fixed maturities (conventional runoff);
- off-balance sheet items (liquidity commitments and guarantees).

Transactions with no contractual maturity (including customer deposits and passbook savings accounts) are included based on runoff conventions approved by the Balance Sheet Management Committee and the Group Risk Department.

Off-balance sheet transactions are included, taking into account drawdown assumptions.

Interest rate gap

For a given currency, the fixed interest rate gap is calculated for fixed-rate transactions and for variable-rate and adjustable-rate transactions up to the next rate review or reset date. The fixed interest rate gap does not take into account interest rate payments.

The interest rate gap is the difference between the amount of fixed-rate assets and the average amount of fixed-rate liabilities including the effects of off-balance sheet items by maturity.

EVE (Economic Value of Equity) sensitivity

EVE sensitivity corresponds to the change in economic value resulting from different shock scenarios. EVE is calculated using static modelling, based on the contractual maturities of balance sheet items.

The following shock scenarios were modelled:

- parallel +200 bps increases in short- and long-term rates;
- parallel -200 bps decreases in short- and long-term rates;
- steeper yield curve (decrease in short-term rates, increase in long-term rates);
- flatter yield curve (increase in short-term rates, decrease in long-term rates);
- increase in short-term rates;
- decrease in short-term rates.

EBA guidelines also require banks to model a regulatory floor for the risk-free rate. The floor starts at -1% and is increased in steps of 0.05% to 0% at 20 years.

Net interest margin sensitivity

Net interest margin (NIM) sensitivity is defined as the difference between NIM in a modified interest rate scenario and NIM in a baseline interest rate scenario.

NIM sensitivity is calculated for each interest rate scenario taking into account interest rate-dependent

behavioural models, and by maintaining levels of loan origination and deposits from the commercial business, along with assumptions related to equivalent financial transactions in the baseline scenario.

Only behavioural models and floating rate transactions show a reaction to the shock scenario. Their impacts on amounts outstanding modify the level of short-term financing.

Different interest rate scenarios featuring an instantaneous shock relative to the baseline curve:

- parallel increases in short- and long-term rates;
- parallel decreases in short- and long-term rates;
- steeper yield curve (decrease in short-term rates, increase in long-term rates);
- flatter yield curve (increase in short-term rates, decrease in long-term rates);
- increase in short-term rates;
- decrease in short-term rates.

EBA guidelines also require banks to model a regulatory floor for the risk-free rate.

35.6 Insurance risk

Sensitivity analysis

The sensitivity analysis presented below are calculated on CNP Assurances activities.

- Surrender risk

A 10% increase in surrender rates would reduce net profit by 2% (vs 3% in 2023).

- Interest rate risk

A 100-bps increase would lead to a decrease in equity of 2% (vs 3% in 2023).

A 100-bps decrease would lead to an increase in equity of 2% (vs 3% in 2023).

- Property risk

A 25% fall in share prices would lead to a decrease in equity of 1% (vs 2% in 2023).

- Equity risk

A 25% fall in share prices would lead to a decrease in equity of 3% (vs 4% in 2023).

Reinsurer counterparty risk

The scope of counterparty risk includes contracts with provision for risk mitigation, such as reinsurance contracts, securitisations and derivatives, and receivables due from intermediaries and insured parties. Disposals of reinsurance assets net of liabilities are carried out, on the basis of total provisions ceded, at 21% with reinsurers whose rating is greater than or equal to AA-, and 95% with reinsurers whose rating is greater than or equal to A.

- Insurance contract liabilities net of insurance assets - amounts due - surrenders

(in € millions)	31 Dec. 2024		31 Dec. 2023	
	Surrender value	Carrying amount	Surrender value	Carrying amount
Contracts with an immediate surrender option	51,527	57,230	40,319	54,451
Contracts without an immediate surrender option	296,190	307,054	303,508	320,227
TOTAL	347,717	364,283	343,826	374,677

- Future asset cash flows

(in € millions)	31 Dec. 2024					
	Less than 1 year	1 to 5 years	5 to 10 years	10 to 15 years	Beyond 15 years	TOTAL
Assets at fair value through profit or loss	13,512	3,811	3,272	499	3,992	25,086
Financial assets at fair value through OCI reclassifiable to profit or loss	18,380	67,401	68,826	28,702	41,223	224,532
Financial assets at amortised cost	112	1,103	2,081	806	12	4,114
TOTAL	32,004	72,316	74,179	30,007	45,227	253,732

(in € millions)	31 Dec. 2023					
	Less than 1 year	1 to 5 years	5 to 10 years	10 to 15 years	Beyond 15 years	TOTAL
Assets at fair value through profit or loss	14,553	3,916	4,770	702	4,113	28,054
Financial assets at fair value through OCI reclassifiable to profit or loss	18,621	68,460	73,985	25,637	39,756	226,459
Financial assets at amortised cost	62	713	1,364	437	8	2,584
TOTAL	33,236	73,089	80,119	26,777	43,878	257,098

NOTE 36 INSURANCE AND REINSURANCE CONTRACTS

36.1 Income and related expense

- a) Insurance contracts issued
- b) Reinsurance contracts held

36.2 Insurance investments

36.3 Insurance liabilities

- a) Insurance and reinsurance contracts by valuation model
- b) Insurance and reinsurance contracts by accounting component
- c) Contractual service margin (CSM)
- d) Insurance and reinsurance contracts by coverage period

36.1 Income and related expense

(a) Insurance contracts issued

Insurance revenue

<i>(in € millions)</i>	31 Dec. 2024	31 Dec. 2023
Contracts valued using the BBA and VFA models	10,151	10,078
Amounts relating to changes in the liability for remaining coverage arising from:	8,648	8,418
Contractual service margin released to profit on insurance services provided during the period	2,244	2,212
Risk adjustment for non-financial risk released to profit	213	283
Expected expenses for the period relating to insurance contracts issued, net of amortisation of the loss component	6,003	5,724
Experience adjustments to premiums received and acquisition costs	188	200
Acquisition costs allocated to the period	1,504	1,660
Contracts valued using the PAA model	1,667	1,607
TOTAL	11,819	11,685

Insurance service expenses

<i>(in € millions)</i>	Contracts valued using the BBA and VFA models	Contracts valued using the PAA model	31 Dec. 2024
Incurring claims and other insurance service expenses	(6,490)	(1,307)	(7,796)
Amortisation of insurance acquisition cash flows	(1,504)	(21)	(1,525)
Adjustments to liabilities for incurred claims	497	46	543
Losses and reversals on groups of onerous contracts	(21)	2	(19)
TOTAL	(7,518)	(1,280)	(8,798)

<i>(in € millions)</i>	Contracts valued using the BBA and VFA models	Contracts valued using the PAA model	31 Dec. 2023
Incurring claims and other insurance service expenses	(6,551)	(1,106)	(7,656)
Amortisation of insurance acquisition cash flows	(1,660)	(164)	(1,823)
Adjustments to liabilities for incurred claims	1,087	13	1,099
Losses and reversals on groups of onerous contracts	(59)	1	(58)
TOTAL	(7,183)	(1,255)	(8,438)

Insurance service expenses include the margin received by the group on the insurance contract distribution and management fees charged to subsidiaries. The margin is calculated as the difference between the fees received and underlying costs, determined using an analytical operating expense ratio specific to the insurance business.

(b) Reinsurance contracts held

<i>(in € millions)</i>	31 Dec. 2024	31 Dec. 2023
Reinsurance expenses – Contracts valued using the BBA model	(3,079)	(675)
Contractual service margin released to profit on insurance services received during the period	(30)	(72)
Changes in non-financial risk adjustment due to expired risk	(10)	(10)
Expected expenses for the period	(3,001)	(584)
Experience adjustments	(38)	(9)
Reinsurance expenses - Contracts valued using the PAA model	(150)	(167)
Reinsurance income - Contracts valued using the BBA model	3,001	609
Reinsurance recoveries	3,037	636
Adjustments related to provisions recovered from reinsurers	(36)	(30)
Loss component	2	2
Changes in risk adjustment related to ceded incurred claims	1	1
Reinsurance income - Contracts valued using the PAA model	128	127
REVENUE AND EXPENSES ON REINSURANCE CONTRACTS HELD	(100)	(106)

36.2 Insurance investments

Analysis by accounting category

<i>(in € millions)</i>	31 Dec. 2024	31 Dec. 2023
Financial assets at fair value through profit or loss	187,656	205,383
Hedging derivatives	86	58
Financial assets at fair value through OCI not reclassifiable to profit or loss	14,704	15,461
Financial assets at fair value through OCI reclassifiable to profit or loss	189,142	185,470
Securities at amortised cost	3,287	2,083
Investment property	6,590	7,262
Investments in equity-accounted companies	1,097	1,104
INSURANCE INVESTMENTS	402,561	416,821

Financial assets at fair value through profit or loss and financial assets at fair value through OCI reclassifiable or non reclassifiable to profit or loss are analysed below.

Financial assets at fair value through profit or loss

<i>(in € millions)</i>	31 Dec. 2024	31 Dec. 2023
Debt instruments	165,007	185,051
Government paper and equivalents	2,100	2,751
Bonds and other fixed-income securities	13,998	26,269
UCITS	59,598	59,581
Assets backing unit-linked contracts	85,366	91,603
Loans and advances	3,945	4,845
Equity instruments	21,756	18,729
Equity and other variable-income securities	16,298	15,580
Assets backing unit-linked contracts	5,458	3,149
Derivative instruments	892	1,603
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	187,656	205,383

Financial assets at fair value through OCI

<i>(in € millions)</i>	31 Dec. 2024		31 Dec. 2023	
	Fair value	Cumulative unrealised gains/losses	Fair value	Cumulative unrealised gains/losses
Government paper and equivalents	89,936	(19,519)	95,134	(18,570)
Bonds and other fixed-income securities	99,207	(6,480)	90,336	(8,135)
FINANCIAL ASSETS AT FAIR VALUE THROUGH OCI RECLASSIFIABLE TO PROFIT OR LOSS	189,142	(25,998)	185,470	(26,705)
Taxes		7,090		7,309
Gains and losses recognised directly in OCI - reclassifiable to profit or loss (net of tax)		(18,908)		(19,395)
Equities, other variable-income securities and other securities held as long-term investments	14,704	3,541	15,445	3,868
Unconsolidated equity investments			16	
FINANCIAL ASSETS AT FAIR VALUE THROUGH OCI NOT RECLASSIFIABLE TO PROFIT OR LOSS	14,704	3,541	15,461	3,868
Taxes		(688)		(773)
Gains and losses recognised directly in OCI - not reclassifiable to profit or loss (net of tax)		2,853		3,096

36.3 Insurance liabilities

a) Insurance and reinsurance contracts by valuation model

	31 Dec. 2024		
	Contracts valued using the BBA and VFA models	Contracts valued using the PAA model	TOTAL
<i>(in € millions)</i>			
Liability for remaining coverage	982	95	1,078
Contracts valued using the PAA model		95	95
Contracts valued using the BBA and VFA models	982		982
Present value of future cash flows	1,276		1,276
Risk adjustment for non-financial risk	(60)		(60)
Contractual service margin	(234)		(234)
Liability for incurred claims	(166)	2	(164)
Present value of future cash flows	(162)	2	(160)
Risk adjustment for non-financial risk	(4)		(4)
Insurance acquisition cash flows not yet allocated to insurance contracts		4	4
Insurance contracts issued - Assets (1) (see Note 23.7)	816	101	917
Liability for remaining coverage	357,605	755	358,360
Contracts valued using the PAA model		755	755
Contracts valued using the BBA and VFA models	357,605		357,605
Present value of future cash flows	339,733		339,733
Risk adjustment for non-financial risk	1,450		1,450
Contractual service margin	16,422		16,422
Liability for incurred claims	5,601	791	6,392
Present value of future cash flows	5,547	744	6,291
Risk adjustment for non-financial risk	55	47	101
Insurance contracts issued - Liabilities (2) (excluding investment contracts without discretionary participation features)	363,206	1,546	364,752
Insurance contracts (direct business and inward reinsurance) (2) - (1)	362,390	1,445	363,835
Insurance transactions relating to investment contracts (without discretionary participation features) (3)	-	-	2,019
INSURANCE CONTRACTS ISSUED - LIABILITIES (2) + (3) - (see Note 32.6)			366,771
Liability for remaining coverage	5,763	73	5,837
Contracts valued using the PAA model		73	73
Contracts valued using the BBA and VFA models	5,763		5,763
Present value of future cash flows	5,403		5,403
Risk adjustment for non-financial risk	110		110
Contractual service margin	250		250
Liability for incurred claims	450	221	671
Present value of future cash flows	445	213	659
Risk adjustment for non-financial risk	5	8	13
Reinsurance contracts held - Assets (1) (excluding investment contracts without discretionary participation features)	6,213	295	6,508
Reinsurance transactions relating to investment contracts (without discretionary participation features)			15
Reinsurance contracts held - Assets - (see Note 23.7)			6,523
Liability for remaining coverage	19	3	21
Contracts valued using the PAA model		3	3
Contracts valued using the BBA and VFA models	19		19
Present value of future cash flows	17		17
Risk adjustment for non-financial risk	(8)		(8)
Contractual service margin	9		9
Liability for incurred claims	(9)		(9)
Present value of future cash flows	(9)		(9)
Risk adjustment for non-financial risk			
Reinsurance contracts held - Liabilities (2) - (see Note 32.6) (excluding investment contracts without discretionary participation features)	10	3	13
REINSURANCE CONTRACTS HELD, NET (1) - (2)	6,203	292	6,495

	31 Dec. 2023		
	Contracts valued using the BBA and VFA models	Contracts valued using the PAA model	TOTAL
<i>(in € millions)</i>			
Liability for remaining coverage	1,389	165	1,554
Contracts valued using the PAA model		165	165
Contracts valued using the BBA and VFA models	1,389		1,389
Present value of future cash flows	1,746		1,746
Risk adjustment for non-financial risk	(75)		(75)
Contractual service margin	(282)		(282)
Liability for incurred claims	(213)	1	(212)
Present value of future cash flows	(208)	1	(207)
Risk adjustment for non-financial risk	(5)		(5)
Insurance acquisition cash flows not yet allocated to insurance contracts	0	0	0
Insurance contracts issued - Assets (1) (see Note 23.7)	1,177	166	1,343
Liability for remaining coverage	368,836	825	369,661
Contracts valued using the PAA model		825	825
Contracts valued using the BBA and VFA models	368,836		368,836
Present value of future cash flows	348,273		348,273
Risk adjustment for non-financial risk	1,895		1,895
Contractual service margin	18,668		18,668
Liability for incurred claims	5,578	795	6,374
Present value of future cash flows	5,521	749	6,269
Risk adjustment for non-financial risk	58	47	104
Insurance contracts issued - Liabilities (2) (excluding investment contracts without discretionary participation features)	374,415	1,620	376,035
Insurance contracts (direct business and inward reinsurance) (2) - (1)	373,238	1,454	374,692
Insurance transactions relating to investment contracts (without discretionary participation features) (3)		-	2,395
INSURANCE CONTRACTS ISSUED - LIABILITIES (2) + (3) - (see Note 32.6)			378,430
Liability for remaining coverage	8,060	82	8,142
Contracts valued using the PAA model		82	82
Contracts valued using the BBA and VFA models	8,060		8,060
Present value of future cash flows	7,457		7,457
Risk adjustment for non-financial risk	91		91
Contractual service margin	512		512
Liability for incurred claims	496	237	734
Present value of future cash flows	490	227	717
Risk adjustment for non-financial risk	6	10	16
Reinsurance contracts held - Assets (1) (excluding investment contracts without discretionary participation features)	8,556	319	8,875
Reinsurance transactions relating to investment contracts (without discretionary participation features)			15
Reinsurance contracts held - Assets - (see Note 23.7)			8,891
Liability for remaining coverage	43	20	63
Contracts valued using the PAA model		20	20
Contracts valued using the BBA and VFA models	43		43
Present value of future cash flows	39		39
Risk adjustment for non-financial risk	(17)		(17)
Contractual service margin	20		20
Liability for incurred claims	(8)		(8)
Present value of future cash flows	(8)		(8)
Risk adjustment for non-financial risk	(0)		(0)
Reinsurance contracts held - Liabilities (2) - (see Note 32.6) (excluding investment contracts without discretionary participation features)	35	20	55
REINSURANCE CONTRACTS HELD, NET (1) - (2)	8,521	299	8,820

b) Insurance and reinsurance contracts by accounting component

■ Intra-group margin

La Banque Postale distributes and manages insurance contracts on behalf of its subsidiaries. This activity generates distribution and management costs which are included in the group's income statement.

The commission paid by the insurance subsidiaries to La Banque Postale for the distribution and management of insurance policies includes a margin billed by La Banque Postale.

Under IFRS 17, the component representing the insurance company's estimated obligation to policyholders – the present value of future cash flows or Best Estimate – incorporates all the costs associated with insurance activities, including the costs of distributing and managing insurance contracts.

Insurance subsidiaries' Best Estimate includes the insurance contract distribution and management fees, with the margin.

At group level, the margin is not included in the Best Estimate, as it represents a profit and not a cost. It is therefore included in the CSM (representing future profits).

As a result, the group vision of CSM is different from the sum of the insurance subsidiaries' CSMs, i.e., from the insurance vision of CSM. Group CSM includes a component representing the intra-group margin, which is determined by applying an estimated cost/income ratio to distribution and management fees. This margin is included in the CSM at group level.

■ CNP Assurance Protection Sociale – La Poste Groupe contract

Following acquisition of control of La Mutuelle Générale's social protection business (see Note 1.3), insurance and reinsurance liabilities have been restated for the effects of the La Poste Groupe contract, which has become an intra-group contract leading to the recognition of a liability in accordance with the provisions of IAS 19 (see Note 31.1).

<i>(in € millions)</i>	Present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	TOTAL
CLOSING NET BALANCE – INSURANCE VISION ^(a) At 31 December 2024	346,348	1,593	14,897	362,838
CNP Assurance Protection Sociale - La Poste Groupe contract	(407)	(24)	(18)	(449)
Insurance contract distribution and management fees – Intra-group eliminations	(1,776)		1,776	
CLOSING NET BALANCE – GROUP VISION At 31 December 2024	344,165	1,569	16,655	362,390
OPENING NET BALANCE – INSURANCE VISION ^(a) At 31 December 2023	353,844	2,032	17,362	373,238
Insurance contract distribution and management fees – Intra-group eliminations	(1,588)		1,588	
OPENING NET BALANCE – GROUP VISION At 31 December 2023	352,256	2,032	18,950	373,238
OPENING NET BALANCE – INSURANCE VISION ^(a) At 31 December 2022 ^(b)	341,814	1,863	15,522	359,199
Insurance contract distribution and management fees – Intra-group eliminations	(1,320)		1,320	
OPENING NET BALANCE – GROUP VISION At 31 December 2022 ^(b)	340,494	1,863	16,842	359,199

(a) Analysed by accounting component and coverage period.

(b) Restated for the first-time application of IFRS 17.

Yield curves

The yield curves used to discount estimated future cash flows that do not vary according to the yields of the underlying assets are presented in the tables below:

	Currency	31 Dec. 2024				
		1 year	5 years	10 years	20 years	30 years
CNP Assurances group	EUR	3.00%	2.80%	2.90%	2.90%	2.80%
Subsidiaries of the non-life insurance division	EUR	[2.4% ; 2.7%]	[2.3% ; 2.5%]	[2.4% ; 2.6%]	[2.4% ; 2.6%]	[2.4% ; 2.5%]
Subsidiaries, Europe excluding France	EUR	[2.6% ; 3.1%]	[2.3% ; 2.7%]	[2.4% ; 2.7%]	[2.4% ; 2.8%]	[2.4% ; 2.8%]
Brazilian subsidiaries	BRL	[13.0% ; 14.1%]	[13.2% ; 14.2%]	[12.6% ; 13.7%]	[10.9% ; 11.9%]	[9.4% ; 10.1%]

	Currency	31 Dec. 2023				
		1 year	5 years	10 years	20 years	30 years
CNP Assurances group	EUR	4.29%	3.19%	3.21%	3.21%	3.09%
Subsidiaries of the non-life insurance division	EUR	[4.0% ; 4.2%]	[3.1% ; 3.3%]	[3.1% ; 3.3%]	[3.1% ; 3.3%]	[3.0% ; 3.2%]
Subsidiaries, Europe excluding France	EUR	[3.9% ; 5.2%]	[3.0% ; 4.4%]	[3.0% ; 4.4%]	[3.0% ; 4.3%]	[2.9% ; 4.0%]
Brazilian subsidiaries	BRL	[10.8% ; 11.1%]	[10.8% ; 11.2%]	[11.4% ; 11.8%]	[10.5% ; 10.8%]	[9.2% ; 9.4%]

Analysis by accounting component – Contracts valued using the BBA and VFA models – Insurance contracts (Insurance subsidiaries)

(in € millions)	Present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	31 Dec. 2024
Opening balance - Assets	(1,538)	79	282	(1,176)
Opening balance - Liabilities	355,367	1,953	17,080	374,400
OPENING NET BALANCE	353,829	2,032	17,362	373,224
Changes related to future service	(236)	192	87	42
Changes in estimates resulting in an adjustment to the contractual service margin	1,490	(1)	(1,501)	(12)
Changes in estimates resulting in losses and reversals on groups of onerous contracts	(27)	38		11
Effect of contracts recognised during the period	(1,699)	155	1,588	43
Changes related to current service	447	(192)	(2,244)	(1,989)
Contractual service margin released to profit			(2,244)	(2,244)
Changes in non-financial risk adjustment		(192)		(192)
Experience adjustments	447			447
Changes related to past service	(465)	(56)		(521)
Adjustments to incurred claims	(465)	(56)		(521)
Insurance service result	(254)	(56)	(2,157)	(2,468)
Finance income (or expense) from insurance contracts issued	9,045	6	(309)	8,741
Finance income or expense from insurance contracts issued ^(a)	13,500	37	111	13,649
Effect of foreign exchange differences	(4,455)	(31)	(421)	(4,907)
Total changes in comprehensive income	8,791	(50)	(2,467)	6,274
Cash inflows and outflows on insurance contracts	(2,762)			(2,762)
Total cash flows	(2,762)			(2,762)
Deferred acquisition costs - Allocation to insurance contracts				
Other consolidation adjustments	(13,510)	(388)	2	(13,897)
CLOSING NET BALANCE	346,348	1,593	14,897	362,839
Closing balance - Assets	(1,114)	65	234	(816)
Closing balance - Liabilities	347,462	1,529	14,664	363,655

(a) Excluding foreign exchange differences.

<i>(in € millions)</i>	Present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	31 Dec. 2023
Opening balance - Assets	(2,423)	354	725	(1,343)
Opening balance - Liabilities	344,237	1,508	14,797	360,542
OPENING NET BALANCE	341,814	1,863	15,522	359,199
Changes related to future service	(4,243)	404	3,919	80
Changes in estimates resulting in an adjustment to the contractual service margin	(2,159)	162	2,013	15
Changes in estimates resulting in losses and reversals on groups of onerous contracts	(15)	52		38
Effect of contracts recognised during the period	(2,069)	190	1,906	28
Changes related to current service	737	(262)	(2,212)	(1,737)
Contractual service margin released to profit			(2,212)	(2,212)
Changes in non-financial risk adjustment		(262)		(262)
Experience adjustments	737			737
Changes related to past service	(1,049)	(37)		(1,087)
Adjustments to incurred claims	(1,049)	(37)		(1,087)
Insurance service result	(4,555)	105	1,708	(2,743)
Finance income (or expense) from insurance contracts issued	24,754	61	127	24,942
Finance income or expense from insurance contracts issued ^(a)	23,657	56	55	23,768
Effect of foreign exchange differences	1,097	5	72	1,174
Total changes in comprehensive income	20,199	166	1,835	22,199
Cash inflows and outflows on insurance contracts	(8,140)			(8,140)
Total cash flows	(8,140)			(8,140)
Deferred acquisition costs - Allocation to insurance contracts				
Other consolidation adjustments	(44)	4	5	(35)
CLOSING NET BALANCE	353,829	2,032	17,362	373,224
Closing balance - Assets	(1,538)	79	282	(1,176)
Closing balance - Liabilities	355,367	1,953	17,080	374,400

(a) Excluding foreign exchange differences.

■ **Analysis by accounting component – Contracts valued using the BBA model – Reinsurance contracts held**

<i>(in € millions)</i>	Present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	31 Dec. 2024
Opening balance – Assets	7,990	97	512	8,599
Opening balance – Liabilities	(32)	17	(20)	(35)
OPENING NET BALANCE	7,958	114	492	8,564
Changes related to future service	21	(19)	(2)	
Changes in estimates resulting in an adjustment to the contractual service margin	29	(22)	(6)	
Effect of contracts recognised during the period	(8)	4	4	
Changes related to current service	(4)	(8)	(30)	(41)
Contractual service margin released to profit			(30)	(30)
Changes in non-financial risk adjustment		(8)		(8)
Experience adjustments	(4)			(4)
Changes related to past service	(34)	(3)		(36)
Adjustment of incurred claims	(34)	(3)		(36)
Income and expenses from reinsurance contracts held	(17)	(29)	(32)	(78)
Finance income (or expense) from reinsurance contracts held ^(a)	109	12	3	124
Total changes in comprehensive income	93	(18)	(29)	46
Cash flows	(2,629)			(2,629)
Total cash flows	(2,629)			(2,629)
Other consolidation adjustments and changes in scope of consolidation	418	26	(223)	222
CLOSING NET BALANCE	5,840	123	241	6,203
Closing balance – Assets	5,849	115	250	6,213
Closing balance – Liabilities	(9)	8	(9)	(10)

(a) Excluding effect of changes in non-performance risk.

<i>(in € millions)</i>	Present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	31 Dec. 2023
Opening balance – Assets	7,171	108	624	7,903
Opening balance – Liabilities	(43)	22	1	(20)
OPENING NET BALANCE	7,127	131	625	7,883
Changes related to future service	68	(17)	(49)	2
Changes in estimates resulting in an adjustment to the contractual service margin	71	(22)	(48)	(0)
Effect of contracts recognised during the period	(3)	5	(1)	2
Changes related to current service	43	(8)	(72)	(38)
Contractual service margin released to profit			(72)	(72)
Changes in non-financial risk adjustment		(8)		(8)
Experience adjustments	43			43
Changes related to past service	(28)	(3)		(30)
Adjustment of incurred claims	(28)	(3)		(30)
Income and expenses from reinsurance contracts held	83	(28)	(121)	(66)
Finance income (or expense) from reinsurance contracts held ^(a)	881	12	3	896
Total changes in comprehensive income	965	(16)	(118)	830
Cash flows	(157)			(157)
Total cash flows	(157)			(157)
Other consolidation adjustments	24	(0)	(14)	9
CLOSING NET BALANCE	7,958	114	492	8,564
Closing balance – Assets	7,990	97	512	8,599
Closing balance – Liabilities	(32)	17	(20)	(35)

(a) Excluding effect of changes in non-performance risk.

c) Contractual service margin (CSM)

▪ Analysis of the contractual service margin by transition method

Insurance contracts issued

Contractual service margin and insurance revenue by transition method <i>(in € millions)</i>	31 Dec. 2024			
	Contracts measured using the modified retrospective approach on transition	Contracts measured using the fair value approach on transition	Other contracts ^(a)	TOTAL
Opening contractual service margin	140	13,619	3,604	17,362
Changes related to future service	30	(1,359)	1,416	87
Changes in estimates resulting in an adjustment to the contractual service margin	30	(1,359)	(172)	(1,501)
Effect of contracts recognised during the period			1,588	1,588
Changes related to current service	(51)	(1,828)	(365)	(2,244)
Contractual service margin released to profit for services provided	(51)	(1,828)	(365)	(2,244)
Finance income (or expense) from insurance contracts issued	6	(139)	(177)	(309)
Finance income (or expense) from insurance contracts issued	6	76	29	111
Effect of foreign exchange differences		(215)	(206)	(421)
Other consolidation adjustments		494	(493)	2
Changes in scope of consolidation		(186)	(199)	(385)
Other movements relating to changes in the carrying amount of insurance contracts		681	(294)	387
Closing contractual service margin	125	10,787	3,985	14,897

(a) Other contracts correspond to contracts that did not exist at the transition date.

Contractual service margin and insurance revenue by transition method <i>(in € millions)</i>	31 Dec. 2023			
	Contracts measured using the modified retrospective approach on transition	Contracts measured using the fair value approach on transition	Other contracts ^(a)	TOTAL
Opening contractual service margin	158	13,246	2,118	15,522
Changes related to future service	(20)	2,082	1,857	3,919
Changes in estimates resulting in an adjustment to the contractual service margin	(20)	2,082	(49)	2,013
Effect of contracts recognised during the period			1,906	1,906
Changes related to current service	(48)	(1,741)	(422)	(2,212)
Contractual service margin released to profit for services provided	(48)	(1,741)	(422)	(2,212)
Finance income (or expense) from insurance contracts issued	4	29	94	127
Finance income (or expense) from insurance contracts issued	6	(7)	57	55
Effect of foreign exchange differences	(2)	37	37	72
Other consolidation adjustments	46	3	(44)	5
Changes in scope of consolidation			(1)	(1)
Other movements relating to changes in the carrying amount of insurance contracts	46	3	(44)	5
Closing contractual service margin	140	13,619	3,604	17,362

(a) Other contracts correspond to contracts that did not exist at the transition date.

Reinsurance contracts held

Contractual service margin by transition method <i>(in € millions)</i>	31 Dec. 2024			
	Contracts measured using the modified retrospective approach on transition	Contracts measured using the fair value approach on transition	Other contracts ^(a)	TOTAL
Ceded portion – Opening contractual service margin	64	417	11	492
Ceded portion – Changes related to future service	1	(45)	42	(2)
Changes in estimates resulting in an adjustment to the contractual service margin	1	(45)	37	(6)
Effect of contracts recognised during the period			4	4
Ceded portion – Changes related to current service	(7)	(21)	(3)	(30)
Contractual service margin released to profit for services provided	(7)	(21)	(3)	(30)
Ceded portion – Finance income (or expense) from reinsurance contracts held	1	2		3
Finance income (or expense) from reinsurance contracts held	1	2		3
Effect of foreign exchange differences				
Ceded portion – Other consolidation adjustments		(18)	(205)	(223)
Changes in scope of consolidation		7	(205)	(198)
Other movements relating to changes in the carrying amount of reinsurance contracts		(24)		(24)
Ceded portion – Closing contractual service margin	60	336	(155)	241

Contractual service margin by transition method <i>(in € millions)</i>	31 Dec. 2023			
	Contracts measured using the modified retrospective approach on transition	Contracts measured using the fair value approach on transition	Other contracts ^(a)	TOTAL
Ceded portion – Opening contractual service margin	76	541	8	625
Ceded portion – Changes related to future service	9	(66)	8	(49)
Changes in estimates resulting in an adjustment to the contractual service margin	9	(66)	9	(48)
Effect of contracts recognised during the period			(1)	(1)
Ceded portion – Changes related to current service	(7)	(60)	(5)	(72)
Contractual service margin released to profit for services provided	(7)	(60)	(5)	(72)
Ceded portion – Finance income (or expense) from reinsurance contracts held	1	2		3
Finance income (or expense) from reinsurance contracts held	1	2		3
Effect of foreign exchange differences				
Ceded portion – Other consolidation adjustments	(14)			(14)
Changes in scope of consolidation				
Other movements relating to changes in the carrying amount of reinsurance contracts	(14)			(14)
Ceded portion – Closing contractual service margin	64	417	11	492

(a) Other contracts correspond to contracts that did not exist at the transition date.

d) Insurance and reinsurance contracts by coverage period

▪ Analysis by remaining coverage period and incurred claims – Contracts valued using the BBA and VFA models – Insurance

	31 Dec. 2024						
	Net liability for remaining coverage		Net liability for remaining coverage	Net liability for incurred claims	SUB-TOTAL	Acquisition costs not allocated to contracts	TOTAL
	Excluding loss component	Loss component					
<i>(in € millions)</i>							
Opening balance – Assets	(1,389)		(1,389)	213	(1,176)		(1,177)
Opening balance – Liabilities	368,655	167	368,822	5,578	374,400		374,400
Opening net balance	367,265	167	367,432	5,791	373,224		373,223
Insurance revenue	(10,151)		(10,151)		(10,151)		(10,151)
Insurance service expenses	1,504	21	1,525	6,159	7,684		7,684
Incurred claims and other insurance service expenses		(30)	(30)	6,655	6,625		6,625
Amortisation of insurance acquisition cash flows	1,504		1,504		1,504		1,504
Adjustments to liabilities for incurred claims				(497)	(497)		(497)
Losses and reversals on groups of onerous contracts		52	52		52		52
Investment components	(33,665)		(33,665)	33,665			
Insurance service result	(42,313)	21	(42,292)	39,824	(2,468)		(2,468)
Finance income (or expense) from insurance contracts issued	8,642	1	8,644	98	8,741		8,741
Finance income (or expense) from insurance contracts issued (excluding foreign exchange differences)	13,497	1	13,498	151	13,649		13,649
Effect of foreign exchange differences	(4,854)		(4,854)	(53)	(4,907)		(4,907)
Total changes in comprehensive income	(33,671)	22	(33,648)	39,922	6,274		6,274
Premiums received on insurance contracts issued	39,298		39,298		39,298		39,298
Claims and other insurance service expenses paid				(39,984)	(39,984)		(39,984)
Insurance acquisition cash flows	(2,076)		(2,076)		(2,076)		(2,076)
Total cash flows	37,222		37,222	(39,984)	(2,762)		(2,762)
Acquisition costs not allocated to contracts							
Changes in scope of consolidation	(14,441)	8	(14,432)	(221)	(14,653)		(14,653)
Other movements relating to changes in the carrying amount of insurance contracts	514	(16)	498	259	757		757
Other consolidation adjustments	(13,927)	(8)	(13,934)	38	(13,896)		(13,896)
Closing net balance	356,890	182	357,071	5,767	362,839		362,838
Closing balance - Assets	(982)		(982)	166	(816)		(816)
Closing balance - Liabilities	357,872	182	358,053	5,601	363,655		363,655

31 Dec. 2023							
	Net liability for remaining coverage		Net liability for remaining coverage	Net liability for incurred claims	SUB-TOTAL	Acquisition costs not allocated to contracts	TOTAL
	Excluding loss component	Loss component					
<i>(in € millions)</i>							
Opening balance – Assets	(1,800)		(1,800)	457	(1,343)		(1,343)
Opening balance – Liabilities	355,145	95	355,240	5,302	360,542		360,542
Opening net balance	353,345	95	353,440	5,759	359,199		359,199
Insurance revenue	(10,078)		(10,078)		(10,078)		(10,078)
Insurance service expenses	1,660	59	1,719	5,616	7,335		7,335
Incurred claims and other insurance service expenses		(21)	(21)	6,703	6,681		6,681
Amortisation of insurance acquisition cash flows	1,660		1,660		1,660		1,660
Adjustments to liabilities for incurred claims				(1,087)	(1,087)		(1,087)
Losses and reversals on groups of onerous contracts		80	80		80		80
Investment components	(36,663)		(36,663)	36,663			
Insurance service result	(45,081)	59	(45,022)	42,279	(2,743)		(2,743)
Finance income (or expense) from insurance contracts issued	24,493	(4)	24,489	453	24,942		24,942
Finance income (or expense) from insurance contracts issued (excluding foreign exchange differences)	23,330	(4)	23,326	442	23,768		23,768
Effect of foreign exchange differences	1,163		1,163	11	1,174		1,174
Total changes in comprehensive income	(20,588)	55	(20,533)	42,732	22,199		22,199
Premiums received on insurance contracts issued	36,473		36,473		36,473		36,473
Claims and other insurance service expenses paid				(42,702)	(42,702)		(42,702)
Insurance acquisition cash flows	(1,911)		(1,911)		(1,911)		(1,911)
Total cash flows	34,562		34,562	(42,702)	(8,140)		(8,140)
Acquisition costs not allocated to contracts							
Changes in scope of consolidation							
Other movements relating to changes in the carrying amount of insurance contracts	(53)	17	(36)	2	(35)		(35)
Other consolidation adjustments	(53)	17	(36)	2	(35)		(35)
Closing net balance	367,265	167	367,432	5,791	373,224		373,223
Closing balance - Assets	(1,389)		(1,389)	213	(1,176)		(1,177)
Closing balance - Liabilities	368,655	167	368,822	5,578	374,400		374,400

■ **Analysis by remaining coverage period and incurred claims – Contracts valued using the BBA model – Reinsurance held**

	31 Dec. 2024				
	Net assets for remaining coverage		Remaining coverage component	Incurred claims component	TOTAL
	Excluding loss recovery component	Loss recovery component			
<i>(in € millions)</i>					
Opening balance – Assets	8,098	5	8,103	496	8,599
Opening balance – Liabilities	(43)		(43)	8	(35)
Opening net balance	8,056	5	8,061	504	8,564
Reinsurance revenue	76		77	2,925	3,001
Reinsurance recoveries	76	0	77	2,961	3,038
- of which amounts recovered on past service and other reinsurance expenses	76	0	76	2,967	3,037
- of which losses and reversals on underlying onerous contracts					
Adjustments to assets for incurred claims				(36)	(36)
Reinsurance expenses	(3,079)		(3,079)		(3,079)
Income and expenses from reinsurance contracts held	(3,003)	0	(3,002)	2,925	(78)
Finance income (or expense) from reinsurance contracts held	117		117	7	124
Finance income (or expense) from reinsurance contracts held (excluding foreign exchange differences)	117		117	7	124
Investment components	(801)		(801)	801	
Total changes in comprehensive income	(3,686)		(3,686)	3,732	46
Premiums paid	1,201		1,201		1,201
Reinsurance recoveries				(3,778)	(3,778)
Other cash flow timing differences (reinsurance deposits, acquisition costs, etc.)	(52)		(52)		(52)
Total cash flows	1,149		1,149	(3,778)	(2,629)
Changes in scope of consolidation	238	5	243	(16)	227
Other movements relating to changes in the carrying amount of reinsurance contracts	(21)	(1)	(21)	16	(5)
Other consolidation adjustments	218	4	222		222
Closing net balance	5,736	9	5,745	459	6,203
Closing balance – Assets	5,754	9	5,763	450	6,213
Closing balance – Liabilities	(19)		(19)	9	(10)

	31 Dec. 2023				
	Net assets for remaining coverage		Remaining coverage component	Incurred claims component	TOTAL
	Excluding loss recovery component	Loss recovery component			
<i>(in € millions)</i>					
Opening balance – Assets	7,436	3	7,439	463	7,903
Opening balance – Liabilities	(35)		(35)	15	(20)
Opening net balance	7,401	3	7,404	478	7,883
Reinsurance revenue	73	2	75	535	609
Reinsurance recoveries	73	2	75	565	639
- of which amounts recovered on past service and other reinsurance expenses	73		73	565	638
- of which losses and reversals on underlying onerous contracts		2	2		2
Adjustments to assets for incurred claims				(30)	(30)
Reinsurance expenses	(675)		(675)		(675)
Income and expenses from reinsurance contracts held	(602)	2	(601)	535	(66)
Finance income (or expense) from reinsurance contracts held	887		887	9	896
Finance income (or expense) from reinsurance contracts held (excluding foreign exchange differences)	887		887	9	896
Investment components	(875)		(875)	875	
Total changes in comprehensive income	(591)	2	(589)	1,419	830
Premiums paid	1,295		1,295		1,295
Reinsurance recoveries				(1,393)	(1,393)
Other cash flow timing differences (reinsurance deposits, acquisition costs, etc.)	(59)		(59)		(59)
Total cash flows	1,236		1,236	(1,393)	(157)
Changes in scope of consolidation					
Other movements relating to changes in the carrying amount of reinsurance contracts	9		9		9
Other consolidation adjustments	9		9		9
Closing net balance	8,056	5	8,061	504	8,564
Closing balance – Assets	8,098	5	8,103	496	8,599
Closing balance – Liabilities	(43)		(43)	8	(35)

■ **Analysis by remaining coverage period and incurred claims – Contracts valued using the PAA model – Insurance**

	31 Dec. 2024							TOTAL
	Net liability for remaining coverage		Net liability for remaining coverage	Net liability for incurred claims		Net liability for incurred claims	Acquisition costs not allocated to contracts	
	Excluding loss component	Loss component		Present value of future cash flows	Risk adjustment for non-financial risk			
<i>(in € millions)</i>								
Opening balance – Assets	(165)		(165)	(1)		(1)		(166)
Opening balance – Liabilities	823	2	825	749	47	795		1,620
Opening net balance	658	2	660	747	47	794		1,454
Insurance revenue	(1,667)		(1,667)					(1,667)
Insurance service expenses	21	(2)	20	1,288		1,288		1,308
Incurred claims and other insurance service expenses				1,324	11	1,335		1,335
Amortisation of insurance acquisition cash flows	21		21					21
Adjustments to liabilities for incurred claims				(35)	(11)	(46)		(46)
Losses and reversals on groups of onerous contracts		(2)	(2)					(2)
Investment components								
Insurance service result	(1,646)	(2)	(1,648)	1,288		1,288		(359)
Finance income (or expense) from insurance contracts issued				41	4	45		45
Finance income (or expense) from insurance contracts issued				41	4	45		45
Effect of foreign exchange differences								
Total changes in comprehensive income	(1,646)	(2)	(1,648)	1,329	4	1,333		(314)
Premiums received on insurance contracts issued	1,685		1,685					1,685
Claims and other insurance service expenses paid				(1,274)		(1,274)		(1,274)
Insurance acquisition cash flows	(34)		(34)					(34)
Total cash flows	1,651		1,651	(1,274)		(1,274)		377
Changes in scope of consolidation	(13)	5	(8)	(61)	(4)	(65)		(73)
Other movements relating to changes in the carrying amount of insurance contracts	9	(5)	4				(4)	1
Other consolidation adjustments and changes in scope of consolidation	(4)		(4)	(61)	(4)	(65)	(4)	(72)
Closing net balance	660		660	742	47	789	(4)	1,445
Closing balance - Assets	(95)		(95)	(2)		(2)	(4)	(101)
Closing balance - Liabilities	755		755	744	47	791		1,546

	31 Dec. 2023							TOTAL
	Net liability for remaining coverage		Net liability for remaining coverage	Net liability for incurred claims		Net liability for incurred claims	Acquisition costs not allocated to contracts	
	Excluding loss component	Loss component		Present value of future cash flows	Risk adjustment for non-financial risk			
<i>(in € millions)</i>								
Opening balance – Assets	(97)		(97)	(1)		(1)	(65)	(163)
Opening balance – Liabilities	871	4	874	666	44	710		1,584
Opening net balance	774	4	778	665	44	709	(65)	1,422
Insurance revenue	(1,607)		(1,607)					(1,607)
Insurance service expenses	164	(1)	162	1,120	(0)	1,120		1,282
Incurred claims and other insurance service expenses				1,122	10	1,132		1,132
Amortisation of insurance acquisition cash flows	164		164					164
Adjustments to liabilities for incurred claims				(3)	(10)	(13)		(13)
Losses and reversals on groups of onerous contracts		(1)	(1)					(1)
Investment components								
Insurance service result	(1,443)	(1)	(1,445)	1,120	(0)	1,120		(325)
Finance income (or expense) from insurance contracts issued	(5)		(5)	14	2	15		10
Finance income (or expense) from insurance contracts issued				14	2	15		15
Effect of foreign exchange differences	(5)		(5)	0		0		(5)
Total changes in comprehensive income	(1,448)	(1)	(1,450)	1,133	2	1,135		(315)
Premiums received on insurance contracts issued	1,566		1,566					1,566
Claims and other insurance service expenses paid				(1,051)		(1,051)		(1,051)
Insurance acquisition cash flows	(169)		(169)				0	(169)
Total cash flows	1,397		1,397	(1,051)		(1,051)	0	346
Changes in scope of consolidation								
Other movements relating to changes in the carrying amount of insurance contracts	(65)		(65)		1	1	65	1
Other consolidation adjustments	(65)		(65)		1	1	65	1
Closing net balance	658	2	660	747	47	794	(0)	1,454
Closing balance - Assets	(165)		(165)	(1)		(1)	(0)	(166)
Closing balance - Liabilities	823	2	825	749	47	795		1,620

■ **Analysis by remaining coverage period and incurred claims – Contracts valued using the PAA model – Reinsurance held**

	31 Dec. 2024						
	Remaining coverage component		Remaining coverage component	Incurred claims component		Incurred claims component	TOTAL
	Excluding loss recovery component	Loss recovery component		Present value of future cash flows	Risk adjustment for non-financial risk		
<i>(in € millions)</i>							
Opening balance – Assets	82		82	227	10	237	319
Opening balance – Liabilities	(20)		(20)				(20)
Opening net balance	62		62	227	10	237	299
Reinsurance revenue				130	(2)	128	128
Reinsurance recoveries				147		147	147
- of which amounts recovered on past service and other reinsurance expenses				147		147	147
Adjustments to reinsurance recoveries				(17)	(2)	(19)	(19)
Reinsurance expenses	(150)		(150)				(150)
Income and expenses from reinsurance contracts held	(150)		(150)	130	(2)	128	(22)
Finance income (or expense) from reinsurance contracts held	(1)		(1)	11	1	12	12
Finance income (or expense) from reinsurance contracts held (excluding foreign exchange differences)				15	1	15	15
Effect of foreign exchange differences	(1)		(1)	(3)		(3)	(4)
Total changes in comprehensive income	(151)		(151)	141	(1)	140	(10)
Premiums paid	157		157				157
Reinsurance recoveries				(131)		(131)	(131)
Total cash flows	157		157	(131)		(131)	26
Other consolidation adjustments and changes in scope of consolidation	3		3	(24)	(1)	(25)	(22)
Closing net balance	71		71	213	8	221	292
Closing balance - Assets	73		73	213	8	221	295
Closing balance - Liabilities	(3)		(3)				(3)

31 Dec. 2023							
	Remaining coverage component		Remaining coverage component	Incurred claims component		Incurred claims component	TOTAL
	Excluding loss recovery component	Loss recovery component		Present value of future cash flows	Risk adjustment for non-financial risk		
<i>(in € millions)</i>							
Opening balance – Assets	89	0	89	205	10	215	304
Opening balance – Liabilities	(13)		(13)				(13)
Opening net balance	76	0	76	205	10	215	291
Reinsurance revenue		(2)	(2)	130	(1)	129	127
Reinsurance recoveries		(2)	(2)	126		126	124
- of which amounts recovered on past service and other reinsurance expenses		(2)	(2)	126		126	124
Adjustments to reinsurance recoveries				4	(1)	3	3
Reinsurance expenses	(167)		(167)				(167)
Income and expenses from reinsurance contracts held	(167)	(2)	(169)	130	(1)	129	(40)
Finance income (or expense) from reinsurance contracts held				3		4	4
Finance income (or expense) from reinsurance contracts held (excluding foreign exchange differences)				3		3	3
Effect of foreign exchange differences	0		0	0		0	1
Total changes in comprehensive income	(167)	(2)	(169)	133	(0)	133	(36)
Premiums paid	156		156				156
Reinsurance recoveries		2	2	(113)		(113)	(111)
Total cash flows	156	2	158	(113)		(113)	45
Other consolidation adjustments and changes in scope of consolidation	(3)		(3)	2		2	(1)
Closing net balance	62		62	227	10	237	299
Closing balance - Assets	82		82	227	10	237	319
Closing balance - Liabilities	(20)		(20)				(20)

NOTE 37 ADDITIONAL DETAILS ON BANKING AND INSURANCE ACTIVITIES

37.1 La Banque Postale sub-group balance sheet (in banking format)

37.2 Banking and insurance assets and liabilities by remaining periods to maturity

37.3 Information on the Insurance income statement

a) Income statement

b) Finance income or expenses from insurance contracts issued and reinsurance contracts held

37.4 Banking resolution mechanisms

37.1 La Banque Postale sub-group balance sheet (in banking format)

ASSETS

<i>(in € millions)</i>	31 Dec. 2024	31 Dec. 2023
Cash, central banks	27,812	40,577
Financial assets at fair value through profit or loss	203,882	218,089
Hedging derivatives	486	677
Financial assets at fair value through OCI	218,180	212,946
Securities at amortised cost	36,256	33,104
Loans and advances to credit institutions at amortised cost	75,673	70,914
Loans and advances to customers at amortised cost	128,958	125,999
Revaluation differences on portfolios hedged against interest rate risks	490	181
Insurance contracts issued - Assets	917	1,343
Reinsurance contracts held - Assets	6,523	8,891
Current and deferred tax assets	1,473	1,613
Accruals and other assets	9,073	8,700
Assets and disposal groups held for sale	17,286	
Investments in equity-accounted companies	1,097	1,104
Property, plant and equipment, intangible assets and investment properties	11,553	12,934
Net goodwill	671	671
Elimination of La Banque Postale shares held by La Poste	(8,879)	(8,879)
TOTAL	731,452	728,863

LIABILITIES

<i>(in € millions)</i>	31 Dec. 2024	31 Dec. 2023
Financial liabilities at fair value through profit or loss	17,559	13,585
Hedging derivatives	1,958	2,183
Liabilities due to credit institutions	31,038	33,576
Customer deposits	225,576	224,995
Debt securities	32,835	34,314
Revaluation differences on portfolios hedged against interest rate risks	(161)	(331)
Insurance contracts issued - Liabilities	366,771	378,430
Reinsurance contracts held - Liabilities	13	55
Current and deferred tax liabilities	1,451	1,737
Accruals and other liabilities	8,844	10,050
Liabilities related to non-current assets held for sale	16,283	
Provisions	1,245	1,018
Subordinated debt	10,042	9,450
Non-controlling interests	7,148	8,342
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT	10,930	11,451
Reserves and retained earnings	9,668	10,455
Profit/(loss) attributable to owners of the parent	1,262	995
Intra-group eliminations – Impact on profit and loss		
Intra-group eliminations – Impact on the balance sheet	(79)	7
TOTAL	731,452	728,863

37.2

Banking and insurance assets and liabilities by remaining periods to maturity

<i>(in € millions)</i>	Due within 1 year	Due in 1 to 5 years	Due beyond 5 years and perpetual	Total
Assets by remaining periods to maturity				
Cash, central banks	27,812			27,812
Financial assets at fair value through profit or loss	13,549	33,449	156,885	203,882
Hedging derivatives	58	144	284	486
Financial assets at fair value through OCI	29,755	63,016	125,409	218,180
Securities at amortised cost	561	8,480	27,215	36,256
Loans and advances to credit institutions	70,481	1,958	3,235	75,673
Loans and advances to customers	19,495	39,868	69,596	128,958
Revaluation differences on portfolios hedged against interest rate risks - positive fair value			490	490
Liabilities by remaining periods to maturity				
Financial liabilities at fair value through profit or loss	7,592	3,173	6,796	17,559
Hedging derivatives	85	767	1,107	1,958
Liabilities due to credit institutions	14,698	1,929	14,410	31,038
Customer deposits	225,527	44	5	225,576
Debt securities	11,152	11,023	10,661	32,835
Subordinated debt	41	2,492	7,509	10,042
Revaluation differences on portfolios hedged against interest rate risks - negative fair value			(161)	(161)

Fixed-income securities, loans and debt are analysed by contractual maturity date. Equity investments and UCITS are shown in the undetermined column; demand loans and deposits are considered to have a maturity of less than three months.

37.3 Information on the Insurance income statement

a) Income statement

<i>(in € millions)</i>	31 Dec. 2024	31 Dec. 2023
Insurance revenue	11,819	11,685
Insurance service expenses	(8,991)	(8,617)
Income and expenses from reinsurance contracts held	(100)	(106)
Insurance service result	2,727	2,962
Investment income net of expenses	5,868	5,806
Gains and losses on disposals of investments	(1,222)	(3,038)
Changes in fair value of financial assets recognised at fair value through profit or loss	9,364	7,609
Changes in impairment losses on financial instruments	(20)	(72)
Net gain or losses on derecognised financial assets at amortised cost		
Interest calculated using the EIR method	(85)	750
Finance income (or expense) from insurance contracts issued	(13,001)	(11,352)
Finance income (or expense) from reinsurance contracts held	98	888
Finance income or expenses	1,002	589
Income and expenses from other activities	108	96
Other recurring operating income and expenses	(973)	(938)
Other recurring income and expenses, net	(866)	(843)
Recurring operating profit/(loss)	2,864	2,709
Non-recurring operating income and expenses, net	28	9
Operating profit	2,892	2,718
Finance costs	(157)	(136)
Changes in value of intangible assets	55	(70)
Share of profits of equity-accounted companies	33	24
Income tax	(925)	(730)
Profit/(loss) after tax from assets held for sale and discontinued operations	(26)	
CONSOLIDATED NET PROFIT/(LOSS)	1,872	1,806
Non-controlling interests	290	256
NET PROFIT/(LOSS) ATTRIBUTABLE TO OWNERS OF THE PARENT	1,582	1,550

b) Finance income or expenses from insurance contracts issued and reinsurance contracts held

<i>(in € millions)</i>	31 Dec. 2024	31 Dec. 2023
Financial assets at fair value through profit or loss		
Net gain or loss on financial assets at fair value through profit or loss	10,843	9,923
Total	10,843	9,923
Financial assets at fair value through OCI reclassifiable to profit or loss		
Net gain or loss on financial assets at fair value through OCI reclassifiable to profit or loss	(1,261)	(2,979)
Interest calculated using the EIR method	3,920	4,408
Gains and losses recognised directly in equity	798	11,306
Impairment losses	(3)	6
Total	3,454	12,740
Financial assets at amortised cost		
Net gain or loss on derecognised financial assets at amortised cost		
Interest calculated using the EIR method	257	238
Impairment losses	(2)	(2)
Total	255	236
Financial assets at fair value through OCI not reclassifiable to profit or loss		
Income/(expense) recognised in profit or loss	516	526
Gains and losses recognised directly in equity	203	2,309
Total	719	2,835
Investment property		
Net gain or loss on investment property (net of impairment)	(67)	(563)
Total	(67)	(563)
Other net investment income/(expense)	39	(60)
Investment income/(expense) (impact on profit and equity)	15,242	25,111
Discounting adjustments and accrued interest on insurance contracts	(446)	(313)
Changes in fair value of underlying items	(12,621)	(11,172)
Changes in interest rates and the economic environment	(717)	(12,418)
Effect of risk mitigation	8	47
Foreign exchange differences on finance expenses from insurance contracts issued		
Finance income or expenses from insurance contracts issued	(13,776)	(23,856)
<i>of which: recognised directly in equity</i>	(775)	(12,504)
<i>of which: recognised in profit or loss</i>	(13,001)	(11,352)
Discounting adjustments and accrued interest on reinsurance contracts held	634	666
Changes in interest rates and the economic environment	(300)	760
Other financial effects on reinsurance contracts held	(194)	(554)
Finance income (or expense) from reinsurance contracts held	139	872
<i>of which: recognised directly in equity</i>	42	(15)
<i>of which: recognised in profit or loss</i>	98	888
NET INVESTMENT INCOME	1,606	2,127
<i>of which: recognised directly in equity</i>	268	1,096
<i>of which: recognised in profit or loss</i>	1,338	1,031

37.4

Banking resolution mechanisms

In the event of failure of a banking institution triggering the single resolution mechanism, the institution's shareholders and creditors would be called upon to help cover the related cost.

The Single Resolution Fund (SRF) is an emergency fund that contributes to the stability of the financial system within the Banking Union and aims to ensure an orderly resolution. It can be used in addition to the measures deployed during the resolution to finance certain other measures such as the transfer of assets or sellers' warranties, or to compensate shareholders (or creditors) who have incurred losses during the resolution that exceed the amounts that would have been incurred as a result of a compulsory liquidation.

Credit institutions with head offices in France are the main contributors to the FRU, along with the largest investment firms. Entities subject to the resolution mechanism but not covered by the Single Resolution Fund contribute to the National Resolution Fund (NRF). The group contributes to the financing of these banking resolution mechanisms through:

- an annual contribution, which was not called in 2024 because the target amounts had been reached, i.e. at least 1% of the covered deposits of member institutions. In 2023, the contribution

amounted to €44 million and was recognised in the income statement under Other expenses (see Note 9);

- an irrevocable commitment to pay (IPC) contributions totalling €89 million (€89 million in 2023) recognised under customer guarantee commitments (see Note 39). No provision is recorded for this irrevocable payment commitment, because it is unlikely that a banking institution in the European Union will be subject to a resolution and that the SRF will be called upon to cover all or part of the related cost. This can be explained by the regulatory framework established more than ten years ago by the Banking Union (high level of supervision by the ECB, stress tests, etc.) or by the resolution strategy, which favours bail-ins, i.e. without recourse to public savings;
- the payment of a guarantee deposit to secure this irrevocable commitment to pay an amount of €89 million at 31 December 2024 (€89 million at 31 December 2023) (see Note 23.7).

NOTE 38 ADDITIONAL INFORMATION ON FINANCIAL INSTRUMENTS

- 38.1** Fair value and hierarchy of financial instruments
- 38.2** Methods for calculating the fair value of financial instruments
- 38.3** Impact of financial instruments on net profit and equity
- 38.4** Hedging derivatives
- 38.5** Offsetting of financial instruments

38.1 Fair value and hierarchy of financial instruments

The fair value hierarchy levels defined in IFRS 7 are as follows:

- Level 1: instruments valued according to the (unadjusted) prices quoted for identical assets or liabilities on an active market;
- Level 2: instruments valued using inputs that are observable for the asset or liability;
- Level 3: instruments valued using inputs that are not based on observable market data.

31 Dec. 2024	Fair value hierarchy ^(b)				
(in € millions)	Carrying amount	Fair value ^(a)	Level 1	Level 2	Level 3
ASSETS					
Banking assets					
Financial assets at fair value through profit or loss	203,882	203,882	144,788	37,852	21,242
Hedging derivatives	486	486		486	
Financial assets at fair value through OCI	217,945	217,945	196,708	19,609	1,628
Securities at amortised cost	36,256	33,037	32,117	726	194
Loans and advances to credit institutions	75,673	75,805		73,584	2,221
Loans and advances to customers	128,958	122,501		108,132	14,369
Investment property at amortised cost	752	946		946	
Investment property at fair value	5,838	5,838		5,838	
Non-banking assets					
Other non-current financial assets	564	564		186	377
Trade and other receivables	5,190	5,190			
Other current financial assets	300	300	215	85	
Cash and cash equivalents	4,172	4,172	615	3,557	
LIABILITIES					
Banking liabilities					
Financial liabilities at fair value through profit or loss	17,559	17,559	272	17,287	
Hedging derivatives	1,958	1,958		1,958	
Liabilities due to banks and credit institutions	31,038	31,137		29,302	1,835
Customer deposits	225,576	224,948		223,775	1,173
Debt securities	32,835	33,535	17,384	16,151	
Subordinated debt	10,042	9,859	2,582	7,277	
Non-banking liabilities					
Bonds and other debt	10,969	10,021		10,021	
Trade and other payables	9,115	9,115			

(a) Including fair value of items recognised at amortised cost.

(b) For items recognised at fair value.

31 Dec. 2023	Fair value hierarchy ^(b)				
(in € millions)	Carrying amount	Fair value ^(a)	Level 1	Level 2	Level 3
ASSETS					
Banking assets					
Financial assets at fair value through profit or loss	218,089	218,089	150,882	45,810	21,397
Hedging derivatives	677	677		677	
Financial assets at fair value through OCI	212,679	212,679	204,513	6,066	2,100
Securities at amortised cost	33,104	30,114	28,839	978	297
Loans and advances to credit institutions	70,914	70,915		70,581	334
Loans and advances to customers	125,999	116,734		102,133	14,601
Investment property at amortised cost	930	1,079		1,079	
Investment property at fair value	6,332	6,332		6,332	
Non-banking assets					
Other non-current financial assets	582	582		195	387
Trade and other receivables	5,670	5,670			
Other current financial assets	283	283	208	75	
Cash and cash equivalents	3,650	3,650	1,094	2,556	
LIABILITIES					
Banking liabilities					
Financial liabilities at fair value through profit or loss	13,585	13,585	79	13,505	1
Hedging derivatives	2,183	2,183		2,183	
Liabilities due to banks and credit institutions	33,576	33,290		33,249	41
Customer deposits	224,995	224,525		223,092	1,434
Debt securities	34,314	35,694	14,463	17,237	3,993
Subordinated debt	9,450	8,893	2,521	6,371	
Non-banking liabilities					
Bonds and other debt	11,945	11,127		11,127	
Trade and other payables	10,140	10,140			

(a) Including fair value of items recognised at amortised cost.

(b) For items recognised at fair value.

Level 3 fair values: reconciliation of opening and closing balances (banking activities)

(in € millions)	Assets at fair value through profit or loss	Financial assets at fair value through OCI	TOTAL
Opening balance	21,397	2,370	23,768
Gains and losses recognised in profit or loss	508		508
Gains and losses recognised in OCI		14	14
Purchases	2,647	284	2,932
Sales	(1,079)	(52)	(1,131)
Redemptions	(1,242)	(41)	(1,283)
Transfers to or out of level 3	113	(675)	(562)
Changes in scope of consolidation	136		136
Other movements	(1,239)	(32)	(1,271)
CLOSING BALANCE	21,242	1,869	23,111

Level 3 fair values: gains and losses for the period recognised in profit or loss.

None

38.2 Methods for calculating the fair value of financial instruments and investment property

38.2.1 Financial instruments excluding banking activities

The fair value of bonds and related swaps is measured using a calculation method based on observable inputs, which corresponds to level 2 of the IFRS 7 fair value hierarchy. Details of this calculation method are provided below.

Every financial product is assessed as a series of future cash flows regardless of whether they are determined at the calculation date. The fair value calculation is based on discounting these future cash flows. The discounting factors are deduced from a zero-coupon curve. To calculate the fair value of bonds, La Poste's credit spread is added to the zero-coupon curve. La Poste's implied credit spread is determined based on price brackets supplied by various market participants (brokers).

In the case of cash flows dependent on a floating rate not yet determined at the calculation date, future rates are estimated based on the future structure of interest rates.

In the case of financial products with cash flows in different currencies, the cash flows are discounted for each currency based on discounting factors specific to the currency. The currency market values obtained are then translated into euros at the ECB exchange rate on the day of the calculation.

Option products are determined by factoring in implied market volatility, in view of the option exercise dates.

The fair value of current financial assets and liabilities is deemed equivalent to their carrying amount, in view of their short-term maturity.

The fair value of bonds and UCITS units is determined using quoted prices.

38.2.2 Financial instruments and investment property held by the banking businesses

For financial instruments that are not measured at fair value on the balance sheet, fair value calculations are disclosed for information purposes.

Fair value of loans

This information covers all disbursed loans and drawdowns on credit facilities shown in La Banque Postale's balance sheet. Loans granted but not yet disbursed or drawn down are not taken into account: the assumption is that since their rates were recently set, their fair value should not be materially different from their approved nominal amount.

The main assumptions underlying the determination of fair value are as follows for the loans marketed by La Banque Postale:

- the fair value of current account overdrafts is presumed to correspond to their book value due to their short duration (the customer is required to return the account to credit within one month);
- the fair value of loans is determined using internal models based on the discounted present value of cash flows from principal and interest payments over the residual term. The discount rate is determined in such a way that the interest rate component is remeasured on the basis of the internal transfer rate plus a market spread, while the lending margin is not remeasured as it is fixed at inception of the loan. Early repayment options are taken into account by adjusting the loans' repayment profile (in line with the bottom layer approach applied to the underlying items of portfolio hedges).

Fair value of deposits

The main underlying assumptions for the calculation are as follows:

- for deposits at regulated interest rates, Livret B and Livret Jeune accounts, Plans d'épargne populaire and term deposit accounts, fair value is assumed to be the carrying amount of the amount outstanding;
- the fair value of demand deposits is assumed to correspond to the carrying amount of the amount outstanding, net of the fair value excluding accrued interest of the swaps used to hedge demand deposits (carve-out).

Fair value of held or issued debt instruments

The fair value of listed financial instruments corresponds to the period-end closing price. The fair value of unlisted financial instruments is determined by discounting future cash flows at the market rate in effect at the closing date. This value may fluctuate depending on changes in parameters and does not necessarily reflect the instruments' realisable value.

Fair value of investment property

Fair value is the price that would be received to sell a property or shares in a non-trading property company in an orderly transaction. It is determined on the basis of five-year valuations performed by a qualified expert recognised by the French insurance regulator (ACPR). In the period between two five-year valuations, fair value is estimated at each year-end and the amounts obtained are certified by a qualified expert.

38.3 Impact of financial instruments on net profit and equity

Non-banking activities

The impact of the group's financial instruments on profit or loss (excluding banking activities) is described in Note 14 "Net financial income/(expense)".

Banking activities

The table below details the impact of the banking activity financial instruments on profit or loss and other comprehensive income

2024	Interest income/ (expense)	Changes in fair value		Deconsolidation and dividends	Net gain/(loss)
		Fair value through profit or loss	Fair value through OCI		
<i>(in € millions)</i>					
Assets and liabilities at amortised cost	1,182				1,182
Assets at fair value through OCI	4,273		398	(685)	3,986
Financial instruments at fair value through profit or loss		9,462	11	1,262	10,735
Hedging transactions	(319)	17	(51)		(353)
TOTAL	5,136	9,479	358	577	15,550
2023					
Assets and liabilities at amortised cost	867				867
Assets at fair value through OCI	4,705		13,012	(2,543)	15,174
Financial instruments at fair value through profit or loss		8,797	(1)	1,196	9,992
Hedging transactions	(43)	(1)	(44)		(88)
TOTAL	5,529	8,796	12,967	(1,347)	25,945

38.4 Hedging derivatives

Non-banking activities

See Note 29.

Banking activities

See Note 32.

38.5 Offsetting of financial instruments

The tables below show the financial assets and liabilities that have been offset in the consolidated balance sheet, as well as the amounts that would be offset under master netting agreements and similar arrangements but are not eligible for offsetting in the consolidated financial statements.

A financial asset and a financial liability covered by a master netting arrangement or a similar agreement providing a legally enforceable right to offset securities with the same maturity against cash, that is exercisable subject to certain conditions but does not meet the offsetting criteria, are presented for their net amounts when they concern the same legal entity.

The net positions resulting from these various offsets are not intended to measure the Group's exposure to counterparty risk on these financial instruments.

38.5.1 Industrial and commercial activity derivative instruments

2024	Gross amounts	Amount offset in balance sheet	Net amount in balance sheet	Amounts not offset in balance sheet		Net amount
				Derivative instruments D	Collateral cash E	
<i>(in € millions)</i>						
	A	B	C=A-B	D	E	F=C-D-E
Derivative assets	8		8	8		
Derivative liabilities	26		26	8	17	1
2023						
	A	B	C=A-B	D	E	F=C-D-E
Derivative assets	8		8	4	3	1
Derivative liabilities	12		12	4	8	

La Poste has put framework agreements in place with all of its market counterparties in order to reduce its

exposure if its market counterparties default. These agreements result in the losing counterparty paying a

security deposit to the winning counterparty in cash, equivalent to the net position of the derivatives. Margin calls occur weekly or daily, according to the counterparties. These agreements do not comply with

the criteria in IAS 32 governing the offsetting of derivative assets and liabilities in the balance sheet. They do, however, fall within the scope of disclosures under IFRS 7 on offsetting.

38.5.2 Banking activity financial instruments

31 Dec. 2024	Gross carrying amount	Amount offset in balance sheet	Net amount in balance sheet	Amounts not offset in balance sheet		Instruments received/given as collateral	Net amount
(in € millions)	A	B	C=A-B	Financial instruments D	Collateral cash D	E	F=C-D-E
ASSETS							
Financial instruments at fair value through profit or loss	205,038	670	204,368	5,534	810		198,024
Of which repo transactions	8,454	670	7,784				7,784
Of which derivatives (including hedging derivatives)	6,492		6,492	5,534	810		149
Loans and advances to credit institutions and customers	205,266	634	204,632	6,908	12	2,476	195,236
Of which repo transactions	13,052	634	12,418	6,908	12	2,476	3,022
Accruals and other assets	9,225		9,225	13			9,212
Of which security deposits	16		16	13			2
Other financial assets not offset	322,490		322,490				322,490
TOTAL ASSETS	742,019	1,305	740,714	12,456	822	2,476	724,961
LIABILITIES							
Financial instruments at fair value through profit or loss	20,187	670	19,517	5,534	249		13,734
Of which repo transactions	10,165	670	9,495				9,495
Of which derivatives (including hedging derivatives)	7,270		7,270	5,534	249		1,487
Liabilities due to credit institutions and customers	257,249	634	256,614	6,908	594	23,576	225,536
Of which reverse repo transactions	47,922	634	47,288	6,908	594	23,576	16,210
Other liabilities not offset (excluding equity)	437,634		437,634				437,634
TOTAL LIABILITIES	715,069	1,305	713,765	12,442	843	23,576	676,903

31 Dec. 2023	Gross carrying amount	Amount offset in balance sheet	Net amount in balance sheet	Amounts not offset in balance sheet		Instruments received/given as collateral	Net amount
(in € millions)	A	B	C=A-B	Financial instruments D	Collateral cash D	E	F=C-D-E
ASSETS							
Financial instruments at fair value through profit or loss	218,766		218,766	4,483	1,320		212,964
Of which derivatives (including hedging derivatives)	5,915		5,915	4,483	1,320		113
Loans and advances to credit institutions and customers	198,748	1,836	196,912	262	3	645	196,003
Of which repo transactions	5,767	1,836	3,931	262	3	645	3,022
Accruals and other assets	8,903		8,903	11			8,891
Of which security deposits	22		22	11			11
Other financial assets not offset	313,564		313,564				313,564
TOTAL ASSETS	739,981	1,836	738,145	4,756	1,323	645	731,422
LIABILITIES							
Financial instruments at fair value through profit or loss	15,769		15,769	4,466	836		10,467
Of which derivatives (including hedging derivatives)	6,224		6,224	4,466	836		923
Liabilities due to credit institutions and customers	260,406	1,836	258,571	262	375	20,449	237,485
Of which reverse repo transactions	42,343	1,836	40,507	262	375	20,449	19,422
Other liabilities not offset (excluding equity)	434,918		434,918				434,918
TOTAL LIABILITIES	711,093	1,836	709,257	4,728	1,211	20,449	682,870

NOTE 39 OFF-BALANCE SHEET COMMITMENTS AND CONTINGENT LIABILITIES

- 39.1** Banking activity commitments
- 39.2** Other commitments given
- 39.3** Other commitments received
- 39.4** Contingent liabilities

39.1 Banking activity commitments

The contractual value of commitments given and received as part of La Banque Postale's business activities can be analysed as follows:

(in € millions)	31 Dec. 2024	31 Dec. 2023
Financing, guarantee and securities commitments given		
Financing commitments		
given to credit institutions	4,079	1,047
given to customers	22,280	23,206
Guarantee commitments		
given to credit institutions	623	804
given to customers ^(a)	792	1,073
Commitments on securities to be delivered	31,289	13,056
Financing, guarantee and securities commitments received		
Financing commitments		
received from credit institutions ^(b)	22,542	10,219
received from customers	13,067	6,120
Guarantee commitments		
received from credit institutions	41,137	40,671
received from customers	7,333	7,191
Commitments on securities to be received	3,553	70
Other commitments given ^{(b)(c)}	52,144	51,457
Other commitments received ^(d)	22,125	22,644

(a) Including capital and performance guarantees given to the holders of UCITS units managed by group entities. Also includes SRF EPIs for €89 million at 31 December 2024 (€89 million at 31 December 2023).

(b) Of which commitments given (€4,064 million) and received (€3,452 million) as part of the "3 G" guarantee management arrangement with the Banque de France, which allows banks to jointly manage all collateral relating to their refinancing transactions with Banque de France.

(c) In 2024, this included €26,560 million (€26,277 million in 2023) in home loans pledged as collateral for bonds issued by La Banque Postale Home Loan SFH, the home financing company of the group.

(d) Corresponding mainly to securities pledged to CNP Assurances by ceding insurers under the terms of inward reinsurance contracts.

Crédit Logement commitments

La Banque Postale is committed to maintaining Crédit Logement's Tier 1 capital at a level equivalent to its interest in the company, i.e., 6%, so that the company can maintain its solvency ratio.

La Banque Postale is also committed to replenishing Crédit Logement's mutual guarantee fund if required. This fund underwrites borrower defaults on guaranteed loans. The amount of this commitment, which corresponds to the share of loans distributed by La Banque Postale, was €131 million at 31 December 2024 (vs €139 million at 31 December 2023).

Furthermore, guarantee commitments received from credit institutions mainly consist of guarantees received from Crédit Logement.

39.2 Other commitments given

39.2.1 Guarantees and endorsements

Total guarantees and endorsements given amounted to €36 million as at 31 December 2024.

39.2.2 Corporate philanthropy

La Poste had committed to financing several philanthropical projects for a total of €11 million at 31 December 2024.

39.3 Other commitments received

39.3.1 Guarantees and endorsements

Total guarantees and endorsements received amounted to €78 million at 31 December 2024, including €69 million for La Poste.

39.3.2 Credit facilities

On 18 October 2024, La Poste obtained a €1.5 billion five-year syndicated credit facility, with two one-year extension options. The facility was arranged with a pool of twelve banks and replaced the previous €1 billion facility, which was due to expire in March 2025 (see Note 34.2).

39.3.3 Property sale commitments

La Poste Groupe has entered into property sale commitments that are expected to be completed in 2025 or later. As at 31 December 2024, the commitments received in this respect amounted to €21 million in total.

39.3.4 Commitments received in business acquisition transactions

In connection with its acquisitions of equity interests, the group receives various legal or negotiated commitments from the vendors, under which the group may be entitled to compensation for any losses under certain conditions.

These commitments include vendor non-compete commitments received in connection with the acquisition of the Seur franchises in Spain and Portugal and various vendor warranties.

The group has also received various other guarantees that cannot be measured accurately because they are triggered or capped when a certain threshold is exceeded.

39.4 Contingent liabilities

The group is not aware of any material risks for which no provision has been recognised in the consolidated financial statements.

NOTE 40 STRUCTURED ENTITIES

40.1 Consolidated structured entities

40.2 Non-consolidated structured entities

Structured entities are entities that have been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity. This is the case, for example, when the relevant activities are directed by means of contractual arrangements. Structured entities generally have a narrow and well-defined objective and restricted activities.

40.1 Consolidated structured entities

Consolidated structured entities include:

- collective investments undertakings (OPC/FCP funds) managed by group subsidiaries as part of its banking business, or that are held in policyholder and own-fund portfolios;
- securitisation funds whose units are issued by structured entities. They are designed to diversify the underlying credit risk and may be organised by tranche.

40.2 Non-consolidated structured entities

The following disclosures concern entities structured but not controlled by the group. They are organised by group of entities with the same or similar businesses: securitisation, mutual funds and other activities.

Securitisation

Securitisation covers securitisation funds and similar structures that issue financial instruments with inherent credit risk that may be acquired by investors and may be organised in tranches. Securitisation is a financial technique that converts receivables that are illiquid and held to maturity, into negotiable liquid securities. The purpose of securitisation is to:

- convert illiquid portfolios into liquid securities;
- make it easier to raise funds on more attractive terms (refinancing vehicle);
- enhance risk management by transferring risk to the investor;
- transfer credit risk and its components (interest rate risk, liquidity risk, etc.) and reduce capital requirements;
- restructure the balance sheet (ALM instrument).

Mutual funds

This activity seeks to meet investor demand by:

- managing funds via structured entities such as collective investment undertakings, real estate investment funds or equivalent vehicles;
- investment insurance premiums received by insurers from policyholders in accordance with the regulatory provisions of the French insurance code. The insurance companies' asset portfolios guarantee their ability to fulfil their obligations towards policyholders throughout the life of the insurance policy and both the value of the investments and the investment yield are correlated to the related obligations.

Other activities

This category covers all other activities.

Interests in non-consolidated structured entities

The group's interest in a non-consolidated structured entity concerns contractual or non-contractual ties that expose it to a risk of variable returns linked to the entity's performance. Its interest may be in the form of equity instruments or debt securities but may also take the form of a loan, a cash facility, credit enhancement or the provision of collateral or structured derivatives.

The following table provides cumulative information by activity about all entities in which the group has unrestricted interests:

<i>(in € millions)</i>	Securitisation	Mutual funds	Other
Financial assets at fair value through profit or loss	8,814	99,292	68
Financial assets at fair value through OCI	1,945	43	3
Financial assets at amortised cost		82	3,753
Total recognised assets in non-consolidated structured entities	10,759	99,417	3,823
Financial liabilities at fair value through profit or loss			(152)
Total recognised liabilities in non-consolidated structured entities			(152)
Funding commitments given			4,091
Maximum loss exposure	10,759	99,417	7,914
Net loss exposure	10,759	99,417	7,914

The maximum loss exposure corresponds to the interests recognised in assets and commitments given, less provisions for liabilities and charges recognised in liabilities, less guarantees received.

The maximum loss exposure is, in most cases, limited to the units held in funds, with the exception of funds in which La Banque Postale guarantees capital and performance.

Disclosures concerning non-consolidated structured entities sponsored by the group

Non-consolidated structured entities sponsored by the group are funds structured by a management company controlled by the group, notably funds managed by La Banque Postale Asset Management.

A structured entity is considered to be sponsored by the group when its name includes either the name of the group or one of its subsidiaries.

Income received by the group from these entities amounted to €0,5 million for the year ended 31 December 2024 and consisted mainly of non-recurring commission.

NOTE 41 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

- 41.1** Reconciliation between net profit/(loss) and cash flows from operating activities before cost of net debt and taxes
- 41.2** Depreciation, amortisation and impairment losses
- 41.3** Changes in working capital requirement
- 41.4** Changes in balance of banking and insurance assets and liabilities
- 41.5** Outflows for acquisitions of property, plant and equipment and intangible assets
- 41.6** Proceeds from new borrowings
- 41.7** Redemption/repayment of bonds and perpetual subordinated notes
- 41.8** Other cash flows used in financing activities
- 41.9** Changes in cash from banking activities
- 41.10** Transition from recurring operating profit to EBITDA

41.1 Reconciliation between net profit/(loss) and cash flows from operating activities before cost of net debt and taxes

<i>(in € millions)</i>	Note	2024	2023
Consolidated net profit/(loss) for industrial and commercial activities		150	(490)
Share in net profit/(loss) of equity-accounted companies		158	158
Unrealised gains and losses on fair value adjustments (excluding banking activities)		(18)	(8)
Gains and losses on disposals (incl. dilution)		(531)	3
Net changes in provisions		(362)	(518)
Depreciation, amortisation and impairment losses	41.2	1,913	1,926
Other non-cash income and expenses		7	(57)
Cash flow from/(used in) operating activities after cost of net debt and taxes for industrial and commercial activities		1,317	1,015
Cost of net debt ^(a)		244	215
Income tax (incl. deferred taxes)		(217)	(285)
Cash flows from operating activities before cost of net debt and taxes for industrial and commercial activities		1,344	945
Contribution of banking and insurance activities (see EBITDA, Note 41.10)		3,246	3,092
CASH FLOWS FROM OPERATING ACTIVITIES BEFORE COST OF NET DEBT AND TAXES		4,591	4,037

(a) Excluding changes in unrealised gains and losses on fair value adjustments.

41.2 Depreciation, amortisation and impairment losses

<i>(in € millions)</i>	2024	2023
Additions to and reversals of amortisation of operating profit/(loss)	1,894	1,914
Additions to and reversals of amortisation of net financial income/(expense)	(28)	(1)
Goodwill impairment	48	13
TOTAL	1,913	1,926

41.3 Changes in working capital requirement

<i>(in € millions)</i>	2024	2023
Changes in inventories and work-in-progress	7	(8)
Changes in operating receivables	538	(137)
Changes in operating payables and other operating assets and liabilities	(1,039)	277
TOTAL	(494)	132

41.4 Changes in balance of banking and insurance assets and liabilities

<i>(in € millions)</i>	2024	2023
Changes in financial assets at fair value through profit or loss	(472)	(11,884)
Changes in hedging derivatives	172	479
Changes in financial assets at fair value through OCI	(11,303)	7,716
Changes in securities at amortised cost	(3,169)	(5,906)
Changes in loans and advances to credit institutions at amortised cost	(4,811)	(0)
Changes in loans and advances to customers at amortised cost	(2,956)	110
Changes in remeasurement differences on portfolios hedged against interest rate risks	(303)	540
Changes in insurance contracts issued-Assets	64	(61)
Changes in reinsurance contracts held-Assets	2,318	(698)
Changes in other financial assets and accruals	(694)	1,127
Changes in investment property	46	61
Changes in financial liabilities at fair value through profit or loss	4,068	1,322
Changes in hedging derivatives	(213)	(206)
Changes in liabilities due to credit institutions	(2,000)	(10,732)
Changes in customer deposits	582	9,227
Changes in debt securities	(1,479)	5,262
Changes in remeasurement differences on portfolios hedged against interest rate risks	171	(625)
Changes in insurance contracts issued and reinsurance contracts held-Liabilities	8,303	3,917
Changes in other financial liabilities and accruals	(838)	746
TOTAL	(12,516)	397

41.5 Outflows for acquisitions of property, plant and equipment and intangible assets

<i>(in € millions)</i>	2024	2023
Acquisitions of intangible assets	(675)	(783)
Acquisitions of property, plant and equipment	(874)	(1,216)
Acquisitions of investment property	-	-
Changes in amounts due to suppliers of non-current assets	(108)	54
TOTAL	(1,658)	(1,946)

41.6 Proceeds from new borrowings

(in € millions)	2024	2023
Bonds		1,850
Commercial paper	600	775
Other borrowings	552	534
TOTAL	1,152	3,159

41.7 Redemption/repayment of bonds and perpetual subordinated notes

(in € millions)	2024	2023
Bonds	(1,000)	(420)
Borrowings from credit institutions	(7)	(10)
La Poste savings bonds	(0)	(1)
Commercial paper	(600)	(725)
Other borrowings	(48)	(1,288)
TOTAL DEBT REPAYMENTS	(1,655)	(2,444)
TOTAL REPAYMENTS OF PERPETUAL SUBORDINATED NOTES	(494)	

41.8 Other cash flows used in financing activities

(in € millions)	2024	2023
Collection of deposits and guarantees received	32	11
Repayment of deposits and guarantees received	(40)	(36)
Other	(5)	(24)
TOTAL	(13)	(49)

41.9 Changes in cash from banking activities

(in € millions)	Note	2024	2023
Opening cash, central banks (assets)		40,577	39,355
Loans and advances to credit institutions repayable on demand (assets)		2,150	1,898
Loans and advances to credit institutions repayable on demand (liabilities)		(1,308)	(1,326)
Opening balance		41,420	39,927
Closing cash, central banks (assets)	25.2	27,812	40,577
Loans and advances to credit institutions repayable on demand (assets)	23.5	1,950	2,150
Loans and advances to credit institutions repayable on demand (liabilities)	32.3	(797)	(1,308)
Closing balance		28,965	41,420
Net increase (decrease) in cash and cash equivalents from banking activities		(12,455)	1,493
of which the impact of changes in consolidation scope		374	30
Net increase (decrease) in cash and cash equivalents from banking activities before impact of changes in consolidation scope		(12,828)	1,463

41.10 Transition from recurring operating profit to EBITDA

		2024			2023		
		Group	Industrial and commercial activities	Banking and insurance activities	Group	Industrial and commercial activities	Banking and insurance activities
Operating profit	(a)	2,950	366	2,584	1,680	(364)	2,044
of which non-cash movements to be eliminated :							
Share in net profit/(loss) of jointly-controlled companies	(a)	39	6	33	35	11	24
Depreciation and Impairment of non-current assets and movements in provisions included in net banking Income		(56)	0	(56)	(148)	0	(148)
Additions to and reversals of provisions for employee benefits	Note 10	358	371	(13)	622	628	(6)
Depreciation, amortisation and provisions	(a)	(2,723)	(1,982)	(742)	(2,904)	(2,033)	(872)
Proceeds from asset disposals before tax	(a)	523	553	(31)	(50)	(4)	(46)
CNP Assurances Protection Sociale negative goodwill	Note 1.3	146	0	146	0	0	0
Miscellaneous		3	3	0	57	57	(0)
EBITDA	SCF	4,661	1,415	3,246	4,069	977	3,092
Reintegration of changes in provisions for current assets and irrecoverable receivables (non-banking activities)	(b)	(73)	(73)	0	(49)	(49)	0
Miscellaneous financial income and expenses		3	3	0	17	17	0
Cash flows from operating activities before cost of net debt and taxes	SCF	4,591	1,345	3,246	4,037	945	3,092

(a) See the consolidated income statement. The share net profit/(loss) of jointly-controlled companies does not include the profit of Holding Infrastructures Gazières, which is included in net banking income (see note 20).

(b) Movements in impairment on current assets and irrecoverable receivables are non-cash movements excluded from the calculation of EBITDA. In accordance with the ANC recommendation on the financial statements of industrial and commercial companies, these movements are eliminated on the line "Changes in working capital requirement", hence their reintegration after EBITDA for the calculation of cash flows from operating before cost of net debt and taxes. This restatement is not performed for banking activities.

NOTE 42 STATUTORY AUDITORS' FEES

Pursuant to French Decree No. 2008-1487 of 30 December 2008, the fees paid to the Statutory Auditors recognised in profit or loss by La Poste and its consolidated companies are presented below.

2024

<i>(in € millions, excl. VAT)</i>	KPMG	%	FORVIS MAZARS	%
Statutory audit of the Company, consolidated financial statements				
parent company	0.7	5%	0.7	6%
fully-consolidated subsidiaries	9.9	69%	8.5	70%
	10.6	74%	9.2	76%
Non-audit services				
parent company	0.1	1%	0.3	2%
fully-consolidated subsidiaries	3.2	22%	2.3	19%
	3.3	23%	2.6	21%
Sustainability statements	0.4	3%	0.4	3%
TOTAL	14.3	100%	12.2	100%

2023

<i>(in € millions, excl. VAT)</i>	KPMG	%	FORVIS MAZARS	%
Statutory audit of the Company and consolidated financial statements				
parent company	0.6	5%	0.6	6%
fully-consolidated subsidiaries	9.1	71%	6.9	67%
	9.7	76%	7.5	73%
Non-audit services				
parent company	0.2	2%	0.3	3%
fully-consolidated subsidiaries	2.9	23%	2.6	25%
	3.1	24%	2.9	27%
TOTAL	12.8	100%	10.4	100%

The services provided by Forvis Mazars are as follows: statements and agreed procedures, letters of comfort relating to EMTN programme updates or bond issuances, reviews of internal control procedures, accounting consultations, reviews of employment, environmental and social data or indicators.

The services provided by KPMG are as follows: statements and agreed procedures, letters of comfort relating to EMTN programme updates or bond issuances, training, reviews of internal control procedures and information systems, accounting and tax consultations, and reviews of employment, environmental and social data and indicators.

NOTE 43 RELATED-PARTY TRANSACTIONS

43.1 Relations with the French State and public-sector companies

43.2 Relations with consolidated companies

43.3 Remuneration of administration and management bodies

43.1 Relations with the French State and public-sector companies

43.1.1 Relations with the French State

Since the French law of 10 February 2010 reaffirming the provisions of the July 1990 law on the organisation of the postal and telecommunications public service, La Poste has been a *société anonyme* (French public-owned limited company) overseen by the Minister for the Economy and Finance, and subject to economic and financial control by the French State, and to the control procedures of the French Court of Auditors and the French Parliament.

The commitments of La Poste and the French State were redefined in "Public Service Agreement 2013-2017" approved by the group's Board of Directors on 22 April 2013 and signed by all stakeholders on 1 July 2013.

The agreement is based on the following principles:

- maintaining the broad scope of the public service missions assigned to La Poste: universal postal service, press transport and delivery, accessible banking and regional development, as well as maintaining the principle of offsetting costs for the latter three missions;
- making progress in strengthening service quality;
- developing missions adapted to users' expectations and technological advancements;
- introducing community commitments to promote the development of businesses and regions, supporting disadvantaged people, developing a digital society and engaging in corporate social responsibility.

A new public service agreement between La Poste and the French State for the 2018-2022 period was approved by the group's Board of Directors on 19 December 2017 and signed on 16 January 2018. This agreement is an extension of the previous agreement and aims at ensuring and modernising the exercise of the four public service missions of La Poste. These missions benefit from the support of the State, in exchange for which La Poste commits to respecting ambitious quality indicators.

Moreover, the agreement expands on the use of community commitments to promote the development of a digital society, local services, and sustainable and responsible development.

An amendment to the public service agreement between La Poste and the French State was signed on 18 May 2022. It incorporates changes announced by the government concerning its support for the universal postal service and regional development missions as well as the reform of the public service mission of press transport.

The latest public service agreement between La Poste and the French State, which is an extension of the previous agreement and covers the period 2023-2027, was signed in June 2023.

The French Postal Regulation Law of 20 May 2005 provided France's electronic communications and postal regulation authority ARCEP with the power to regulate pricing for the universal postal service on a multi-year basis, after reviewing La Poste's proposals. In addition, the law confirmed and clarified La Poste's regional development mission.

Regarding the group's banking activities, the French State sets the commission rates on regulated savings products, i.e., *Livret A* saving accounts, sustainable development savings accounts and *Livret d'épargne populaire* saving accounts. Changes in these rates have a direct impact on La Banque Postale's net banking income.

43.1.2 Relations with public-sector companies

La Poste Groupe enters into transactions, at arm's-length conditions, with public-sector companies in the normal course of its business.

43.2 Relations with consolidated companies

Transactions performed between fully consolidated group companies are eliminated on consolidation and are therefore not discussed in this note.

Transactions with companies consolidated by the Caisse des Dépôts (CDC) group mainly concern transactions carried out by La Banque Postale with the savings funds managed by CDC for centralisation of *Livret A* saving accounts and sustainable development savings accounts and are presented in the following table:

(in € millions)	31 Dec. 2024	31 Dec. 2023
Income	2,253	2,312
Expenses	(9)	(7)
Receivables	67,847	69,365
Payables	502	511

Transactions with other associates and joint ventures are not material.

43.3 Remuneration of administration and management bodies

The remuneration of La Poste Groupe's main senior executives amounted to €6.3 million in total for the year ended 31 December 2024 (€6.1 million in 2023). Senior executives do not receive any specific post-employment benefits.

The group's main senior executives are the members of the Executive Committee and the members of the Board of Directors (whose remuneration comprises attendance fees, for the most part paid to the State or to Caisse des Dépôts, and the salaries of employee representatives). Attendance fees paid in 2024 amounted to €0.2 million (€0.2 million in 2023).

NOTE 44 EVENTS AFTER THE REPORTING PERIOD

On 10 January 2025, La Poste carried out a public offering of €750 million worth of perpetual deeply-subordinated notes callable after the second semester of the 6th year. In accordance with IAS 32, the notes were recognised in attributable equity.

Also in January 2025, €404 million worth of perpetual deeply-subordinated notes issued in 2018 were retired. The notes were included in the €750 million tap and were carried in attributable equity at 31 December 2024.

NOTE 45 SCOPE OF CONSOLIDATION

COMPANY	COUNTRY	% interest		% control		Consolidation method	
		2023	2024	2023	2024	2023	2024
CONSOLIDATING COMPANY							
LA POSTE							
9 rue du Colonel Pierre Avia 75757 Paris Cedex 15, France							
SERVICES-MAIL-PARCELS SEGMENT							
Adimmo	France	52.54	64.15	99.90	99.90	FC	FC
Advanced Ideas	Romania	60.00	60.00	60.00	60.00	FC	FC
Age d'or Expansion	France	100.00	100.00	100.00	100.00	FC	FC
Asten Santé	France	52.60	64.21	52.60	64.21	FC	FC
Asten Santé à domicile	France	52.60	64.21	100.00	100.00	FC	FC
Axeo Developpement	France	100.00	100.00	100.00	100.00	FC	FC
Axeo Partenariats Pro Services	France	100.00	100.00	100.00	100.00	FC	FC
Axeo Pro Services	France	100.00	100.00	100.00	100.00	FC	FC
Axeo Services	France	100.00	100.00	100.00	100.00	FC	FC
Budget Box	France	100.00	100.00	100.00	100.00	FC	FC
Cassiop	France	100.00	100.00	100.00	100.00	FC	FC
Coordination Axeo	France	100.00	100.00	100.00	100.00	FC	FC
Creat Direct	Romania	100.00	100.00	100.00	100.00	FC	FC
CyberCité	France	100.00	100.00	100.00	100.00	FC	FC
Diadom (formerly Diadom SAS)	France	100.00	100.00	100.00	100.00	FC	FC
Docaposte BPO IS	France	65.00	65.00	65.00	65.00	FC	FC
Economie d'énergie	France	98.82	100.00	100.00	100.00	FC	FC
EDENEXT	France	98.82	100.00	98.82	100.00	FC	FC
Edgewhere	France		83.20		83.20		FC
E-SY Com	France	91.10	100.00	91.10	100.00	FC	FC
Fluow	France	51.00	51.00	51.00	51.00	FC	FC
Geobuzon	Spain	100.00	100.00	100.00	100.00	FC	FC
Geoptis	France	100.00	100.00	100.00	100.00	FC	FC
Go Logistic	Portugal	90.00	90.00	90.00	90.00	FC	FC
Happytal	France	93.00	93.00	93.00	93.00	FC	FC
Help Confort	France	100.00	100.00	100.00	100.00	FC	FC
Help Confort ST Nazaire	France	100.00	100.00	100.00	100.00	FC	FC
IM Santé	France	100.00	100.00	100.00	100.00	FC	FC
Inbox Marketing	Romania	99.97	99.97	99.97	99.97	FC	FC
Innovagency	Portugal	100.00	100.00	100.00	100.00	FC	FC
Interactions Marketing	Romania	100.00	100.00	100.00	100.00	FC	FC
Isoskèle	France	100.00	100.00	100.00	100.00	FC	FC
Isoskèle Factory	France	100.00	100.00	100.00	100.00	FC	FC
La Poste Conciergerie (ex LPC)	France	51.00	51.00	51.00	51.00	FC	FC
La Poste E-éducation	France	100.00	100.00	100.00	100.00	FC	FC

Docaposte BPO IS was transferred in 2024 from the Consumer and Digital sector to the Services-Mail-Parcels sector.

COMPANY	COUNTRY	% interest		% control		Consolidation method	
		2023	2024	2023	2024	2023	2024
SERVICES-MAIL-PARCELS SEGMENT							
La Poste Nouveaux Services	France	100.00	100.00	100.00	100.00	FC	FC
La Poste Santé	France	100.00	100.00	100.00	100.00	FC	FC
La Poste Santé et Autonomie	France	100.00	100.00	100.00	100.00	FC	FC
LineUp7	France		75.00		75.00		FC
LP10	France	100.00	100.00	100.00	100.00	FC	FC
LPS Réseaux	France	100.00	100.00	100.00	100.00	FC	FC
Matching	France	83.76	83.76	83.76	83.76	FC	FC
Mediaposte (ex Mediaposte SAS)	France	100.00	100.00	100.00	100.00	FC	FC
Mediaposte Distribuição Postal	Portugal	100.00	100.00	100.00	100.00	FC	FC
Mediaposte Espagne	Spain	100.00	100.00	100.00	100.00	FC	FC
Mediaposte Hit Mail	Romania	100.00	100.00	100.00	100.00	FC	FC
Mediaposte Hit Mail Bulgaria	Bulgaria	100.00	100.00	100.00	100.00	FC	FC
Mediaposte Holding	France	100.00	100.00	100.00	100.00	FC	FC
Mediaposte Martech	Romania	51.00	51.00	51.00	51.00	FC	FC
Mediaposte SGPS	Portugal	100.00	100.00	100.00	100.00	FC	FC
Metrica	Bulgaria	100.00	100.00	100.00	100.00	FC	FC
MN Santé	France	53.33	100.00	53.33	100.00	FC	FC
Neolog	France	100.00	100.00	100.00	100.00	FC	FC
Nouvelle Attitude	France	100.00	100.00	100.00	100.00	FC	FC
Ofertia Colombia	Colombia	100.00	100.00	100.00	100.00	FC	FC
Ofertia Mexico	Mexico	100.00	100.00	100.00	100.00	FC	FC
OnlySo	France	100.00	100.00	100.00	100.00	FC	FC
Organisme Formation Services	France	100.00		100.00		FC	
Recygo	France	51.00	51.00	51.00	51.00	FC	FC
SCI STP Immo	France	100.00	100.00	100.00	100.00	FC	FC
SMP	France	100.00	100.00	100.00	100.00	FC	FC
Sogec Gestion	France	100.00	100.00	100.00	100.00	FC	FC
Sogec Informatique	France	100.00	100.00	100.00	100.00	FC	FC
Sogec Marketing	France	100.00	100.00	100.00	100.00	FC	FC
Sogefinad	France	100.00	100.00	100.00	100.00	FC	FC
Somepost	France	100.00	100.00	100.00	100.00	FC	FC
STP (ex STP SA)	France	100.00	100.00	100.00	100.00	FC	FC
Tikeasy	France	100.00	100.00	100.00	100.00	FC	FC
TimeOne – Group	France	100.00		100.00		FC	
TimeOne – LMT	France	100.00		100.00		FC	
TimeOne - Performance	France	100.00	100.00	100.00	100.00	FC	FC
Viaposte Maintenance	France	100.00	100.00	100.00	100.00	FC	FC
Viaposte SAS	France	100.00	100.00	100.00	100.00	FC	FC
Viaposte transport Management	France	100.00	100.00	100.00	100.00	FC	FC
Vouchers Depot	Romania	75.00	75.00	75.00	75.00	FC	FC
White Image Group	Romania		75.00		75.00		FC
White Image Loyalty	Romania		75.00		75.00		FC

COMPANY	COUNTRY	% interest		% control		Consolidation method	
		2023	2024	2023	2024	2023	2024
GEOPOST SEGMENT							
Geopost SA	France	100.00	100.00	100.00	100.00	FC	FC
360° Services SAS	France	100.00	100.00	100.00	100.00	FC	FC
A52 Warehouse Inc.	Canada	32.31	32.31	50.00	50.00	FC	FC
ACP Global Forwarding	Poland	100.00	100.00	100.00	100.00	FC	FC
Air 360	France	60.00	60.00	100.00	100.00	FC	FC
Alas Courier, S.L.	Spain	100.00	100.00	100.00	100.00	FC	FC
Alolomer, S.L.U.	Spain	25.00	25.00	25.00	25.00	EM	EM
Alturing	France	100.00	100.00	100.00	100.00	FC	FC
Andalupaq Express, S.L.	Spain	100.00		100.00		FC	
Aramex PJSC	United Arab Emirates	28.00	28.00	28.00	28.00	EM	EM
Armadillo Holding GmbH	Germany	100.00	100.00	100.00	100.00	FC	FC
Asendia Austria GmbH	Austria	60.00	60.00	100.00	100.00	FC	FC
Asendia Benelux B.V.	Netherlands	60.00	60.00	100.00	100.00	FC	FC
Asendia Digital Holding AG	Switzerland		60.00		100.00		FC
Asendia Germany GmbH	Germany	60.00	60.00	100.00	100.00	FC	FC
Asendia Global Returns (formerly La Poste IMAC)	France	60.00	60.00	100.00	100.00	FC	FC
Asendia Holding AG	Switzerland	60.00	60.00	60.00	60.00	FC	FC
Asendia Hong Kong Ltd	Hong Kong	60.00	60.00	100.00	100.00	FC	FC
Asendia Italy S.p.A.	Italy	60.00	60.00	100.00	100.00	FC	FC
Asendia Logistics Holding AG	Switzerland		60.00		100.00		FC
Asendia Mgmt SAS	France	60.00	60.00	100.00	100.00	FC	FC
Asendia Mgmt SAS, branch Bern	Switzerland	60.00	60.00	100.00	100.00	FC	FC
Asendia Nordic AB	Sweden	60.00	60.00	100.00	100.00	FC	FC
Asendia Oceania AU	Australia	60.00	60.00	100.00	100.00	FC	FC
Asendia Oceania NZ	Zealand	60.00	60.00	100.00	100.00	FC	FC
Asendia Press Edigroup SA	Switzerland	60.00	60.00	100.00	100.00	FC	FC
Asendia Singapore	Singapore	60.00	60.00	100.00	100.00	FC	FC
Asendia Spain S.L.	Spain	60.00	60.00	100.00	100.00	FC	FC
Asendia UK Ltd	United Kingdom	60.00	60.00	100.00	100.00	FC	FC
Asendia USA	United States	60.00	60.00	100.00	100.00	FC	FC
Beijing Linehaul Express Co Ltd.	China	64.63	64.63	100.00	100.00	FC	FC
Bio Cair Fowarding International Co LTD	China	100.00	100.00	100.00	100.00	FC	FC
Biocair Asia Limited	Hong Kong	100.00	100.00	100.00	100.00	FC	FC
Biocair Australia PTY Ltd	Australia	100.00	100.00	100.00	100.00	FC	FC
Biocair Belgium	Belgium	100.00	100.00	100.00	100.00	FC	FC
Biocair Customs Brokerage LLC	United States	100.00	100.00	100.00	100.00	FC	FC
Biocair France SAS	France	100.00	100.00	100.00	100.00	FC	FC
Biocair Germany GmbH	Germany	100.00	100.00	100.00	100.00	FC	FC
BIOCAIR, Inc.	United States	100.00	100.00	100.00	100.00	FC	FC
Biocair India Private Limited	India	100.00	100.00	100.00	100.00	FC	FC
BIOCAIR International Limited	United Kingdom	100.00	100.00	100.00	100.00	FC	FC
Biocair Singapore Pte Ltd	Singapore	100.00	100.00	100.00	100.00	FC	FC
Biocair South Africa (Pty) Ltd	South Africa	100.00	100.00	100.00	100.00	FC	FC
BK Logistics Group B.V.	Netherlands	100.00	100.00	100.00	100.00	FC	FC
BK Pharma Logistics B.V.	Netherlands	100.00	100.00	100.00	100.00	FC	FC
BK Sneltransport B.V.	Netherlands	100.00	100.00	100.00	100.00	FC	FC
Bloomsburys GmbH	Germany	100.00	100.00	100.00	100.00	FC	FC
Boks SAS	France	24.48	24.68	24.68	24.68	EM	EM
Broad Reach Canada	Canada	60.00	40.80	100.00	100.00	FC	FC
Broad Reach Commerce Inc.	United States	52.20	40.80	87.00	68.00	FC	FC

COMPANY	COUNTRY	% interest		% control		Consolidation method	
		2023	2024	2023	2024	2023	2024
GEOPOST SEGMENT							
BTB Mailflight	United Kingdom	60.00		100.00		FC	
BTB Mailflight Holding	United Kingdom	60.00		100.00		FC	
C Chez Vous SAS	France	95.00	80.00	95.00	80.00	FC	FC
Caledonie express	France	60.00	60.00	60.00	60.00	EM	EM
Cargonet Software SAS	France	100.00	100.00	100.00	100.00	FC	FC
Central de Mensajeros Logística 2008, S.L.	Spain	100.00		100.00		FC	
Chrono Diali	Morocco	49.00	49.00	49.00	49.00	EM	EM
Chronofresh SAS	France	100.00	100.00	100.00	100.00	FC	FC
Chronopost (Mauritius) Ltd	Mauritius	75.00	75.00	75.00	75.00	FC	FC
Chronopost SAS	France	100.00	100.00	100.00	100.00	FC	FC
CI Algérie	Algeria	100.00	100.00	100.00	100.00	FC	FC
CI Burkina	Burkina Faso	40.00	40.00	40.00	40.00	EM	EM
CI Côte d'Ivoire	Ivory Coast	50.00	50.00	50.00	50.00	FC	FC
CI Maroc	Morocco	34.00	34.00	34.00	34.00	EM	EM
CitySprint (UK) Bidco Limited	United Kingdom	100.00	100.00	100.00	100.00	FC	FC
CitySprint (UK) Group Limited	United Kingdom	100.00	100.00	100.00	100.00	FC	FC
CitySprint (UK) Limited	United Kingdom	100.00	100.00	100.00	100.00	FC	FC
CitySprint Courier Services Limited	United Kingdom	100.00	100.00	100.00	100.00	FC	FC
Cool Runnings Transport B.V.	Netherlands	100.00	100.00	100.00	100.00	FC	FC
Customs Clearance Ltd.	United Kingdom	64.63	64.63	100.00	100.00	FC	FC
CXB Partner S.A.U.	Spain	100.00	100.00	100.00	100.00	FC	FC
DalcoSud, S.L.U.	Spain	100.00		100.00		FC	
Delifresh IDF	France	100.00	100.00	100.00	100.00	FC	FC
Direct Parcel Distribution CZ s.r.o.	Czech Republic	100.00	100.00	100.00	100.00	FC	FC
Direct Parcel Distribution SK s.r.o.	Slovakia	100.00	100.00	100.00	100.00	FC	FC
DPD (UK) Ltd	United Kingdom	100.00		100.00		FC	
DPD Argentina S.A.	Argentina		35.00		35.00		EM
DPD Austria	Austria	25.57	25.57	25.57	25.57	EM	EM
DPD Bel FLLC	Belarus	100.00	100.00	100.00	100.00	FC	FC
DPD Belgium	Belgium	100.00	100.00	100.00	100.00	FC	FC
DPD Croatia d.o.o.	Croatia	100.00	100.00	100.00	100.00	FC	FC
DPD Deutschland GmbH	Germany	100.00	100.00	100.00	100.00	FC	FC
DPD Eesti AS	Estonia	100.00	100.00	100.00	100.00	FC	FC
DPD Eurasia LLC	Uzbekistan	100.00	100.00	100.00	100.00	FC	FC
DPD France SAS	France	100.00	100.00	100.00	100.00	FC	FC
DPD fresh BeLux BV	Belgium	100.00	100.00	100.00	100.00	FC	FC
DPD Group International Services GmbH	Germany	100.00	100.00	100.00	100.00	FC	FC
DPD HK Ltd.	Hong Kong	64.63	64.63	100.00	100.00	FC	FC
DPD Hungary Kft	Hungary	100.00	100.00	100.00	100.00	FC	FC
DPD Immobilien GmbH & Co. KG	Germany	100.00	100.00	100.00	100.00	FC	FC
DPD Immobilienverwaltung GmbH	Germany	100.00	100.00	100.00	100.00	FC	FC
DPD Ireland	Ireland	100.00	100.00	100.00	100.00	FC	FC
DPD Kazakhstan LLP	Kazakhstan	100.00	100.00	100.00	100.00	FC	FC
DPD Laser	South Africa	75.00	75.00	75.00	75.00	FC	FC
DPD Latvija SIA	Latvia	100.00	100.00	100.00	100.00	FC	FC
DPD Lietuva UAB	Lithuania	100.00	100.00	100.00	100.00	FC	FC
DPD Local UK Ltd	United Kingdom	100.00	100.00	100.00	100.00	FC	FC
DPD Luxembourg	Luxembourg	100.00	100.00	100.00	100.00	FC	FC
DPD Netherlands	Netherlands	100.00	100.00	100.00	100.00	FC	FC
DPD Polska	Poland	100.00	100.00	100.00	100.00	FC	FC
DPD Portugal	Portugal	100.00	100.00	100.00	100.00	FC	FC

COMPANY	COUNTRY	% interest		% control		Consolidation method	
		2023	2024	2023	2024	2023	2024
GEOPOST SEGMENT							
DPD Romania S.A.	Romania	69.81	69.81	100.00	100.00	FC	FC
DPD RUS	Russia	100.00	100.00	100.00	100.00	FC	FC
DPD Schweiz	Switzerland	100.00	100.00	100.00	100.00	FC	FC
DPD Service GmbH	Germany	100.00	100.00	100.00	100.00	FC	FC
DPD Sichuan Ltd	China	64.63	64.63	100.00	100.00	FC	FC
DPD Slovenia	Slovenia	100.00	100.00	100.00	100.00	FC	FC
DPDCN Linehaul Express Ltd	China	64.63	64.63	100.00	100.00	FC	FC
DPDgroup IT Solutions	Poland	100.00	100.00	100.00	100.00	FC	FC
DPDgroup IT Solutions Hungary Kft	Hungary	100.00	100.00	100.00	100.00	FC	FC
DPDgroup Uk Ltd	United Kingdom	100.00	100.00	100.00	100.00	FC	FC
DS Russia GmbH & Co. Asset KG	Germany	100.00	100.00	100.00	100.00	FC	FC
DS Russia GP GmbH	Germany	100.00	100.00	100.00	100.00	FC	FC
DS Russia Management GmbH	Germany	100.00	100.00	100.00	100.00	FC	FC
DTDC	India	42.52	42.52	42.52	42.52	EM	EM
Epicery SAS	France	87.47	91.34	87.47	91.34	FC	FC
ESW Parent, Inc. (ESPI)	United States	60.00	60.00	60.00	100.00	FC	FC
ESW U.S. Direct E-Commerce Canada Corp	Canada	60.00	60.00	100.00	100.00	FC	FC
EVOL BORDEAUX	France	60.00		100.00		FC	
EVOL CLERMONT FERRAND	France	60.00		100.00		FC	
EVOL GRENOBLE	France	53.36		100.00		FC	
EVOL LILLE	France	60.00		100.00		FC	
EVOL LYON	France	60.00		100.00		FC	
EVOL MARSEILLE AIX TOULON	France	60.00		100.00		FC	
EVOL MONTPELLIER	France	60.00		100.00		FC	
EVOL NANTES	France	60.00		100.00		FC	
EVOL PARIS	France	60.00		100.00		FC	
EVOL RENNES	France	60.00		100.00		FC	
EVOL STRASBOURG	France	60.00		100.00		FC	
EVOL TOULOUSE	France	60.00		100.00		FC	
Express Delivery Services	France	100.00	100.00	100.00	100.00	FC	FC
FB On Board Courier Services Inc.	Canada	18.20	17.29	28.17	26.76	EM	EM
FermoPoint S.r.l.	Italy	50.98	50.98	60.00	60.00	FC	FC
Flap Locadora e Trans. Ltda.	Brazil	100.00	100.00	100.00	100.00	FC	FC
Forwarder Line Logistik	Liechtenstein	100.00	100.00	100.00	100.00	FC	FC
Geopost Americas	United States	100.00	100.00	100.00	100.00	FC	FC
Geopost España, S.L.	Spain	100.00	100.00	100.00	100.00	FC	FC
Geopost Holdings Ltd	United Kingdom	100.00	100.00	100.00	100.00	FC	FC
Geopost IMDH GmbH	Germany	100.00	100.00	100.00	100.00	FC	FC
Geopost Intermediate Holdings	United Kingdom	100.00		100.00		FC	
Geopost Ireland Limited	Ireland	100.00	100.00	100.00	100.00	FC	FC
Geopost South East Asia (SEA) Pte. Ltd.	Singapore	100.00	100.00	100.00	100.00	FC	FC
Geopost Trans EOOD	Bulgaria	69.81	69.81	100.00	100.00	FC	FC
Geopost Vision	France		100.00		100.00		FC
GLPU	France	100.00		100.00		FC	
Gruppo BRT	Italy	84.96	84.96	84.96	84.96	FC	FC
Hubez HK Ltd	Hong Kong	64.63	64.63	100.00	100.00	FC	FC
iloxx GmbH	Germany	100.00	100.00	100.00	100.00	FC	FC
Infraestructuras, Tecnología Y Soporte Al Reparto, SL	Spain	100.00	100.00	100.00	100.00	FC	FC
Interlink Express Parcels Ltd	United Kingdom	100.00		100.00		FC	
Interlink Express Plc	United Kingdom	100.00		100.00		FC	
Jadlog Logística Ltda.	Brazil	100.00	100.00	100.00	100.00	FC	FC

COMPANY	COUNTRY	% interest		% control		Consolidation method	
		2023	2024	2023	2024	2023	2024
GEOPOST SEGMENT							
JLGP Brasil Participações Ltda	Brazil	100.00	100.00	100.00	100.00	FC	FC
JP Linex Nankai Parcel Co., Ltd. (formerly Linex Nankai JP Co, Ltd)	Japan	38.78	19.29	60.00	29.85	FC	EM
Keyopstech	France	95.00		95.00		FC	
Koiki Home, S.L.	Espagne		40.34		40.34		EM
La Poste Global Mail	France	100.00		100.00		FC	
Last Mile Link Technologies Limited	United Kingdom	100.00	100.00	100.00	100.00	FC	FC
Latin America E-Commerce Direct, S.A. de C.V	Mexico	60.00	60.00	100.00	100.00	FC	FC
Lenton Group Ltd	Hong Kong	64.63	64.63	64.63	64.63	FC	FC
Linehaul Express (Cambodia) Co. Ltd.	Cambodia	16.16	16.16	25.00	25.00	EM	EM
Linehaul Express (Hainan) Ltd	China	64.63	64.63	100.00	100.00	FC	FC
Linehaul Express (HK) Ltd.	Hong Kong	64.63	64.63	100.00	100.00	FC	FC
Linehaul Express (India) Private Ltd.	India	64.63	64.63	100.00	100.00	FC	FC
Linehaul Express (Taiwan) Ltd.	Taiwan	64.63	64.63	100.00	100.00	FC	FC
Linehaul Express (Thailand) Co. Ltd.	Thailand	32.31	32.31	50.00	50.00	FC	FC
Linehaul Express (Yiwu) Ltd	China	64.63	64.63	100.00	100.00	FC	FC
Linehaul Express (Zhengzhou) Ltd.	China	48.79	54.93	75.50	85.00	FC	FC
Linehaul Express Co. Ltd.	Canada	64.63	64.63	100.00	100.00	FC	FC
Linehaul Express France SARL	France	64.63	64.63	100.00	100.00	FC	FC
Linehaul Express LLC	United Arab Emirates	64.63		100.00		FC	
Linehaul Express LLC	United Arab Emirates	64.63	64.63	100.00	100.00	FC	FC
Linehaul Express Ltd.	United Kingdom	64.63	64.63	100.00	100.00	FC	FC
Linehaul Express Singapore Pte Ltd.	Singapore	64.63	64.63	100.00	100.00	FC	FC
Linehaul MAC Express (Private) Ltd.	Sri Lanka	32.31	32.31	50.00	50.00	FC	FC
Linex Air Services (Private) Ltd.	South Africa	64.63	64.63	100.00	100.00	FC	FC
Linex Corporation	Philippines	38.78	38.78	60.00	60.00	FC	FC
LUDEV	France	60.00		60.00		FC	
Mach 1 Couriers Limited	United Kingdom	100.00	100.00	100.00	100.00	FC	FC
Madripaq Servicios, S.L.	Spain	100.00		100.00		FC	
Menexpres, S.A.	Spain	100.00	100.00	100.00	100.00	FC	FC
Nanny Bag	France	49.95	49.95	49.95	49.95	EM	EM
Ninja Logistics Pte. Ltd.	Singapore	42.32	42.29	42.32	42.29	EM	EM
North America Direct, Inc.	United States	60.00	60.00	100.00	100.00	FC	FC
On The Dot Technologies Limited	United Kingdom	100.00	100.00	100.00	100.00	FC	FC
Packcity Geopost	France	34.00	34.00	34.00	34.00	EM	EM
Parceline Ltd	United Kingdom	100.00		100.00		FC	
PickPoint (Russia) LLC	Russia	48.95	48.95	48.95	48.95	EM	EM
Pickpoint Delivery System Ltd. (Cyprus)	Cyprus	48.95	48.95	48.95	48.95	EM	EM
Pickup At Home	France	100.00		100.00		FC	
Pickup Logistics	France	100.00	100.00	100.00	100.00	FC	FC
Pickup Personal Services	France	100.00		100.00		FC	
Pickup Services	France	100.00	100.00	100.00	100.00	FC	FC
Pie Mapping Software Ltd	United Kingdom	100.00	100.00	100.00	100.00	FC	FC
Pour de bon SAS	France	100.00	100.00	100.00	100.00	FC	FC
Project Bolt Newco 1 Limited	United Kingdom	100.00	100.00	100.00	100.00	FC	FC
Project Bolt Newco 2 Limited	United Kingdom	100.00	100.00	100.00	100.00	FC	FC
PT Linehaul Express Indonesia	Indonesia	25.85	25.85	40.00	40.00	EM	EM
Pudo Portugal S.A.	Portugal	25.00	25.00	25.00	25.00	EM	EM
Resto In	France	100.00	100.00	100.00	100.00	FC	FC
RPX MAC Express (Private) Limited	Sri Lanka	32.31	32.31	100.00	100.00	FC	FC
Scalefast Australia PTY LTD	Australia	60.00	60.00	100.00	100.00	FC	FC
Scalefast Canada Enterprises	Canada	60.00	60.00	100.00	100.00	FC	FC
Scalefast Inc.	United States	60.00	60.00	100.00	100.00	FC	FC
Scalefast Japan Kabushiki Kaisha	Japan	60.00	60.00	100.00	100.00	FC	FC

COMPANY	COUNTRY	% interest		% control		Consolidation method	
		2023	2024	2023	2024	2023	2024
GEOPOST SEGMENT							
Scalefast S. de R.L. de C.V.	Mexico	60.00	60.00	100.00	100.00	FC	FC
Scalefast SAS	France	60.00	60.00	100.00	100.00	FC	FC
Scalefast Singapore PTE Ltd	Singapore	60.00	60.00	100.00	100.00	FC	FC
Scalefast, S.L.	Spain	60.00	60.00	100.00	100.00	FC	FC
SCI Exa Immo	France	100.00	100.00	100.00	100.00	FC	FC
SCI Examurs Paris	France	100.00	100.00	100.00	100.00	FC	FC
Sci Intel immo	France	100.00	100.00	100.00	100.00	FC	FC
SDS RUS LLC	Russia	100.00	100.00	100.00	100.00	FC	FC
Seur España Operaciones, S.A.	Spain	100.00	100.00	100.00	100.00	FC	FC
Seur Geopost, S.L.	Spain	100.00	100.00	100.00	100.00	FC	FC
Seur Gerencia de Riesgos, S.L.	Spain	100.00		100.00		FC	
Seur Logística S.A.	Spain	100.00	100.00	100.00	100.00	FC	FC
Seur, S.A.	Spain	100.00		100.00		FC	
Shanghai E & T Wako Express Co. Ltd.	China	64.63	64.63	100.00	100.00	FC	FC
SHIFT7	France	60.00	60.00	100.00	100.00	FC	FC
Siodemka Systemy Sp z o.o.	Poland	100.00	100.00	100.00	100.00	FC	FC
Sodexi	France	35.00	35.00	35.00	35.00	EM	EM
Someva, S.L.U.	Spain	100.00		100.00		FC	
Speedy AD	Bulgaria	69.81	69.81	69.81	69.81	FC	FC
Speedy EOOD	Bulgaria	69.81	69.81	100.00	100.00	FC	FC
Speedy Tech Lab.	Bulgaria	69.81	69.81	100.00	100.00	FC	FC
SPI UK	United Kingdom	60.00		100.00		FC	
SRT France Logistics	France	100.00	100.00	100.00	100.00	FC	FC
TD Express services	France	100.00	100.00	100.00	100.00	FC	FC
The Courier and Passenger Transport Group Limited	United Kingdom	100.00	100.00	100.00	100.00	FC	FC
The Courier and Passenger Transport Holdings Limited	United Kingdom	100.00	100.00	100.00	100.00	FC	FC
The Reach Advisory Limited.	Ireland	60.00	60.00	100.00	100.00	FC	FC
Transporte Integral de Paquetería, S.A.	Spain	100.00	100.00	100.00	100.00	FC	FC
Transworld Global Courier Ltd	United Kingdom	100.00	100.00	100.00	100.00	FC	FC
Urgent Deliveries Limited (EcoSpeed)	United Kingdom	100.00	100.00	100.00	100.00	FC	FC
U.S. Direct (singapore) PTE Ltd	Singapore	60.00	60.00	100.00	100.00	FC	FC
U.S. Direct e-commerce AUS PTY Limited	Australia	60.00	60.00	100.00	100.00	FC	FC
U.S. Direct E-Commerce Malaysia SDN BHD	Malaysia	60.00	60.00	100.00	100.00	FC	FC
U.S. Direct E-Commerce Netherlands B.V.	Netherlands	60.00	60.00	100.00	100.00	FC	FC
U.S. Direct e-commerce UK	United Kingdom	60.00	60.00	100.00	100.00	FC	FC
US Direct E-Commerce (USA) Inc.	United States	60.00	60.00	60.00	60.00	FC	FC
US Direct eCommerce Holding Ltd	Ireland	60.00	60.00	100.00	100.00	FC	FC
US Direct eCommerce Ltd	Ireland	60.00	60.00	100.00	100.00	FC	FC
US Direct eCommerce Nominee DAC	Ireland	60.00	60.00	100.00	100.00	FC	FC
US Direct E-Commerce Rus LLC	Russia	60.00	60.00	100.00	100.00	FC	FC
U.S. Direct E-Commerce Switzerland AG	Switzerland	60.00	60.00	100.00	100.00	FC	FC
Wako Express Co. Ltd.	Taiwan	64.63	64.63	100.00	100.00	FC	FC
WN TPC	United Kingdom	60.00	60.00	100.00	100.00	FC	FC
WnDirect USA, Inc	United States	60.00	60.00	100.00	100.00	FC	FC
Your Cargo Contact B.V.	Netherlands	48.47	48.47	75.00	75.00	FC	FC
Your Cargo Contact LGG	Belgique		48.47		100.00		FC
Your Cargo Contact Limited	United Kingdom	36.35	36.35	75.00	75.00	FC	FC
Yurtici Kargo Servisi A.S.	Turkey	25.00	25.00	25.00	25.00	EM	EM

COMPANY	COUNTRY	% interest		% control		Consolidation method	
		2023	2024	2023	2024	2023	2024
LA BANQUE POSTALE - CNP - SEGMENT							
La Banque Postale	France	100.00	100.00	100.00	100.00	FC	FC
115 K	France	100.00	100.00	100.00	100.00	FC	FC
AEP3 SCI	France	100.00	100.00	100.00	100.00	FC	FC
AEP4 SCI	France	100.00	100.00	100.00	100.00	FC	FC
Arial CNP Assurances	France	40.00	40.00	40.00	40.00	EM	EM
Assurbail Patrimoine	France	100.00	100.00	100.00	100.00	FC	FC
Assurimmeuble	France	100.00	100.00	100.00	100.00	FC	FC
Assurance	France	100.00	100.00	100.00	100.00	FC	FC
Caixa Seguradora Especializada Em Saúde SA	Brazil	51.75	51.75	100.00	100.00	FC	FC
Caixa Seguradora SA	Brazil	51.75	51.75	100.00	100.00	FC	FC
Caixa Vida e Previdência	Brazil	40.00	40.00	100.00	100.00	FC	FC
CIMO	France	100.00	100.00	100.00	100.00	FC	FC
CNP Asfaltiki	Cyprus	100.00	100.00	100.00	100.00	FC	FC
CNP Assur Trésorerie Plus	France	97.68	98.82	97.68	98.82	FC	FC
CNP Assurances	France	100.00	100.00	100.00	100.00	FC	FC
CNP Assurances Compañía de Seguros	Argentina	76.47	76.47	76.47	76.47	FC	FC
CNP Assurances Holding	France	100.00	100.00	100.00	100.00	FC	FC
CNP Assurances IARD	France	100.00	100.00	100.00	100.00	FC	FC
CNP Assurances Latam Holding Ltda	Brazil	100.00	100.00	100.00	100.00	FC	FC
CNP Assurances Participações Ltda	Brazil	100.00	100.00	100.00	100.00	FC	FC
CNP Assurances Prévoyance	France	100.00	100.00	100.00	100.00	FC	FC
CNP Assurances Protection Sociale	France		65.00		65.00		FC
CNP Assurances Santé Individuelle	France	51.00	51.00	51.00	51.00	FC	FC
CNP Capitalização SA	Brazil	100.00	100.00	100.00	100.00	FC	FC
CNP Caution	France	100.00	100.00	100.00	100.00	FC	FC
CNP Consórcio SA Administradora de Consórcios	Brazil	100.00	100.00	100.00	100.00	FC	FC
CNP Cyprialife	Cyprus	100.00	100.00	100.00	100.00	FC	FC
CNP Cyprus Insurance Holdings	Cyprus	100.00	100.00	100.00	100.00	FC	FC
CNP Europe Life	Ireland	100.00	100.00	100.00	100.00	FC	FC
CNP Immobilier	France	100.00	100.00	100.00	100.00	FC	FC
CNP Luxembourg	Luxembourg	100.00	100.00	100.00	100.00	FC	FC
CNP OSTRUM ISR OBLI 12 MOIS	France	100.00	88.06	100.00	88.06	FC	FC
CNP Participações em Seguros Ltda	Brazil	100.00	100.00	100.00	100.00	FC	FC
CNP Participações Securitárias Brasil Ltda	Brazil	51.75	51.75	100.00	100.00	FC	FC
CNP Retraite	France	100.00	100.00	100.00	100.00	FC	FC
CNP SA de Capitalización y Ahorro p/ fines determinados	Argentina	50.00	50.00	65.38	65.38	FC	FC
CNP Santander Insurance Europe DAC	Ireland	51.00	51.00	51.00	51.00	FC	FC
CNP Santander Insurance Life DAC	Ireland	51.00	51.00	51.00	51.00	FC	FC
CNP Seguros Holding Brasil SA	Brazil	51.75	51.75	51.75	51.75	FC	FC
CNP UniCredit Vita	Italy	51.00	51.00	51.00	51.00	FC	FC
CNP Vita Assicura	Italy	100.00	100.00	100.00	100.00	FC	FC
CNP Vita Assicurazione	Italy	100.00	100.00	100.00	100.00	FC	FC
CNP Zois	Greece	100.00	100.00	100.00	100.00	FC	FC
Companhia de Seguros Previdencia Do Sul-Previsul	Brazil	100.00	100.00	100.00	100.00	FC	FC
Credicoop Compañía de Seguros de Retiro SA	Argentina	29.82	29.82	29.82	29.82	EM	EM

COMPANY	COUNTRY	% interest		% control		Consolidation method	
		2023	2024	2023	2024	2023	2024
LA BANQUE POSTALE - CNP - SEGMENT							
EasyBourse	France	100.00	100.00	100.00	100.00	FC	FC
Ecureuil Profil 90	France	55.64	54.59	55.64	54.59	FC	FC
Ezynes	France	100.00	100.00	100.00	100.00	FC	FC
FCT Elise 2012	France	95.00	95.00	95.00	95.00	FC	FC
Filassistance International	France	100.00	100.00	100.00	100.00	FC	FC
Financière de l'Echiquier	France	75.00	75.00	100.00	100.00	FC	FC
Foncière ELBP	France	100.00	100.00	100.00	100.00	FC	FC
Fundo De Investimento Imobiliario Renda Corporativa Angico - FII	Brazil	48.81	48.81	100.00	100.00	FC	FC
GALAXIE 33	France	100.00	100.00	100.00	100.00	FC	FC
Holding d'Infrastructures Gazières	France	52.97	52.97	52.97	52.97	EM	EM
Holding XS 1 SA	Brazil	40.00	40.00	51.00	51.00	FC	FC
Infra-Invest	Luxembourg	100.00	100.00	100.00	100.00	FC	FC
Infra-Invest France	France	100.00	100.00	100.00	100.00	FC	FC
Infra-Invest Holding	France	100.00	100.00	100.00	100.00	FC	FC
La Banque Postale Consumer Finance	France	100.00	100.00	100.00	100.00	FC	FC
La Banque Postale Home Loan SFH	France	100.00	100.00	100.00	100.00	FC	FC
La Banque Postale Leasing & Factoring	France	100.00	100.00	100.00	100.00	FC	FC
LBP Actifs Immo	France	100.00	100.00	100.00	100.00	FC	FC
LBP AM	France	75.00	75.00	75.00	75.00	FC	FC
LBP Dutch Mortgage Portfolio 1 BV	Netherlands	100.00	100.00	100.00	100.00	FC	FC
LBP Dutch Mortgage Portfolio 2 BV	Netherlands	100.00	100.00	100.00	100.00	FC	FC
Louvre Banque Privée	France	100.00	100.00	100.00	100.00	FC	FC
Louvre Banque Privée Immobilier Conseil	France	100.00	100.00	100.00	100.00	FC	FC
Ma French Bank	France	100.00	100.00	100.00	100.00	FC	FC
Montparvie V	France	100.00	100.00	100.00	100.00	FC	FC
Odonto Empresas Convênios Dentários Ltda	Brazil	100.00	100.00	100.00	100.00	FC	FC
OPCI AEP247	France	100.00	100.00	100.00	100.00	FC	FC
OPCI AEW Imcom 1	France	100.00	100.00	100.00	100.00	FC	FC
OPCI MTP Invest	France	100.00	100.00	100.00	100.00	FC	FC
OPCI Raspail	France	99.94	100.00	99.94	100.00	FC	FC
OPCVM Caixa Seguradora SA	Brazil	51.75	51.75	100.00	100.00	FC	FC
OPCVM Caixa Vida e Previdência	Brazil	40.00	40.00	100.00	100.00	FC	FC
OPCVM CNP Capitalizacao SA	Brazil	100.00		100.00		FC	
OPCVM CNP Consórcio SA	Brazil	100.00	100.00	100.00	100.00	FC	FC
OPCVM Holding Caixa Seguros Holding SA	Brazil	51.75		100.00		FC	
Provincia Seguros de Vida SA	Argentina	40.00	40.00	40.00	40.00	EM	EM
SAS 270 Investments	France		100.00		100.00		FC
SCI CRSF Métropole	France	100.00	100.00	100.00	100.00	FC	FC
SCI ICV (ex "Issy Cœur de Ville)	France	100.00	100.00	100.00	100.00	FC	FC
SCI Lamartine	France	85.00	85.00	85.00	85.00	FC	FC
SCI Tertiaire Saint Romain	France	100.00	100.00	100.00	100.00	FC	FC
SCP Lamartine Euros	France	100.00	100.00	100.00	100.00	FC	FC
SCP Lamartine monitoring Holding	France	100.00	100.00	100.00	100.00	FC	FC
SICAC	France	100.00	100.00	100.00	100.00	FC	FC
SOFIAP	France	66.00	66.00	66.00	66.00	FC	FC
Sogestop K	France	100.00	100.00	100.00	100.00	FC	FC
TERRE NEUVE 4 IMMO	France	100.00	100.00	100.00	100.00	FC	FC
Tocqueville Finance SA	France	75.00		100.00		FC	
Univers CNP 1 FCP	France	100.00	100.00	100.00	100.00	FC	FC
Vivaccio ISR actions	France	99.82	99.89	99.82	99.89	FC	FC
Wiz Soluções e Corretagem de Seguros SA	Brazil	12.94	12.94	25.00	25.00	EM	EM
XS2 Vida e Previdência SA	Brazil	40.00		100.00		FC	
XS5 Administradora de consorcios SA	Brazil	25.00	25.00	50.01	50.01	EM	EM
Youse Tecnologia e Assistencia em Seguros Ltda	Brazil	51.75	51.75	100.00	100.00	FC	FC

COMPANY	COUNTRY	% interest		% control		Consolidation method	
		2023	2024	2023	2024	2023	2024
RETAIL CUSTOMERS & DIGITAL SERVICES SEGMENT							
Acuitude	France	100.00	100.00	100.00	100.00	FC	FC
Adverline	France	100.00	100.00	100.00	100.00	FC	FC
AR 24	France	80.24	100.00	80.24	100.00	FC	FC
ARKHINEO	France	100.00	100.00	100.00	100.00	FC	FC
Axonal	France	100.00	100.00	100.00	100.00	FC	FC
Boxtal	France	100.00	100.00	100.00	100.00	FC	FC
Certinomis	France	100.00	100.00	100.00	100.00	FC	FC
CNTP - Docaposte BPO	France	100.00	100.00	100.00	100.00	FC	FC
Docaposte	France	100.00	100.00	100.00	100.00	FC	FC
Docaposte Agility	France	100.00	100.00	100.00	100.00	FC	FC
Docaposte Applicam	France	100.00	100.00	100.00	100.00	FC	FC
Docaposte BPO SAS	France	100.00	100.00	100.00	100.00	FC	FC
Docaposte CSP	France	100.00	100.00	100.00	100.00	FC	FC
Docaposte CYBER	France		100.00		100.00		FC
Docaposte DPS	France	100.00	100.00	100.00	100.00	FC	FC
Docaposte Externalisation	France	100.00	100.00	100.00	100.00	FC	FC
Docaposte Fast	France	100.00	100.00	100.00	100.00	FC	FC
Docaposte Institute	France	100.00	100.00	100.00	100.00	FC	FC
Docaposte IOT	France	100.00	100.00	100.00	100.00	FC	FC
Docaposte Trust & Sign	France	100.00	100.00	100.00	100.00	FC	FC
Docaposte Trust & Sign POLOGNE	Poland	100.00	100.00	100.00	100.00	FC	FC
Docaposte Trust & Sign ROUMANIE	Romania	100.00	100.00	100.00	100.00	FC	FC
Docaposte Tunisie	Tunisia	100.00	100.00	100.00	100.00	FC	FC
Docaposte-PST	France	100.00		100.00		FC	
ESCENT Belgique	Belgium	100.00	100.00	100.00	100.00	FC	FC
ESCENT Luxembourg	Luxembourg	100.00	100.00	100.00	100.00	FC	FC
Esculape	France	98.08	98.08	98.08	98.08	FC	FC
Eukles	France	100.00	100.00	100.00	100.00	FC	FC
Heva	France	100.00	100.00	100.00	100.00	FC	FC
Icanopée	France	100.00	100.00	100.00	100.00	FC	FC
Index Education Développement	France	90.00	90.00	90.00	90.00	FC	FC
Index Education France	France	90.00	90.00	100.00	100.00	FC	FC
Index Italie	Italy	90.00	90.00	100.00	100.00	FC	FC
La Manufacture Docaposte	France	70.00	70.00	70.00	70.00	FC	FC
La Poste Services à la Personne	France	100.00	100.00	100.00	100.00	FC	FC
La Poste Telecom	France	51.00		51.00		EM	
LP11	France	100.00	100.00	100.00	100.00	FC	FC
Maileva	France	100.00	100.00	100.00	100.00	FC	FC
Maincare	France	98.08	98.08	100.00	100.00	FC	FC
MARKETSHOT	France	100.00	100.00	100.00	100.00	FC	FC
Media Prisme SAS	France	82.05	82.05	82.05	82.05	FC	FC
Mon Contact Logement	France	51.00	51.00	51.00	51.00	FC	FC
Monha	France	49.00	49.00	49.00	49.00	EM	EM
Numspot	France	26.00	26.00	26.00	26.00	EM	EM
Openvalue	France	80.00	100.00	80.00	100.00	FC	FC
Probayes	France	100.00	100.00	100.00	100.00	FC	FC
Sefas Espana	Spain	100.00		100.00		FC	
Sefas Inc	United States	100.00	100.00	100.00	100.00	FC	FC
Sefas Ltd	United Kingdom	100.00	100.00	100.00	100.00	FC	FC
Sefas SA	France	100.00	100.00	100.00	100.00	FC	FC
Sères Espagne	Spain	66.00	66.00	100.00	100.00	FC	FC
Sères SA	France	66.00	66.00	66.00	66.00	FC	FC
Sofadev - Docaposte BPO	Morocco	100.00	100.00	100.00	100.00	FC	FC
Softeam	France	100.00	100.00	100.00	100.00	FC	FC
Softeam Agency	France	100.00	100.00	100.00	100.00	FC	FC
Softeam Armonys	France	100.00		100.00		FC	
Softeam Consulting	France	100.00	100.00	100.00	100.00	FC	FC
Softeam Group	France	100.00	100.00	100.00	100.00	FC	FC
Tekoway France	France	100.00		100.00		FC	
Tekoway Moldavie	Moldova	100.00	100.00	100.00	100.00	FC	FC
THIQA	France	80.00	80.00	80.00	80.00	FC	FC
Voxaly	France	100.00	100.00	100.00	100.00	FC	FC
Weliom	France	70.00	70.00	70.00	70.00	FC	FC

COMPANY	COUNTRY	% interest		% control		Consolidation method	
		2023	2024	2023	2024	2023	2024
REAL ESTATE SEGMENT							
Poste Immo	France	100.00	100.00	100.00	100.00	FC	FC
Akatea 2 TPF2 SAS	France	20.02	20.02	20.02	20.02	EM	EM
Akatea TPF2	France	20.02	20.02	20.02	20.02	EM	EM
Ciposte SAS	France	100.00	100.00	100.00	100.00	FC	FC
Fréjorgues Energy SAS	France	46.00	46.00	46.00	46.00	EM	EM
HLU Port de Lyon	France	20.00	20.00	20.00	20.00	EM	EM
Holding PI	France	46.00	46.00	46.00	46.00	EM	EM
Holding PI2	France	46.00	46.00	46.00	46.00	EM	EM
ImmoStoc SAS	France	100.00	100.00	100.00	100.00	FC	FC
LocaPoste SAS	France	100.00	100.00	100.00	100.00	FC	FC
Lumin' Toulouse SAS	France	44.00	44.00	44.00	44.00	EM	EM
Lumin'Logistique urbaine	France	44.00	44.00	44.00	44.00	EM	EM
Multiburo Gares	France	100.00	100.00	100.00	100.00	FC	FC
Multiburo Suisse SA	Switzerland	100.00	100.00	100.00	100.00	FC	FC
MWPI	France	100.00	100.00	100.00	100.00	FC	FC
N.C.I	Belgium	100.00	100.00	100.00	100.00	FC	FC
PI Energy	France	46.00	46.00	46.00	46.00	EM	EM
PI Energy 2	France	46.00	46.00	46.00	46.00	EM	EM
PI Logistique Urbaine	France	100.00	100.00	100.00	100.00	FC	FC
Poste Immo tertiaire	France	100.00	100.00	100.00	100.00	FC	FC
SAS PI développement	France	100.00	100.00	100.00	100.00	FC	FC
SAS PI Energies renouvelables	France	100.00	100.00	100.00	100.00	FC	FC
SAS PI Invest	France	100.00	100.00	100.00	100.00	FC	FC
SC Pyxis	France	100.00	100.00	100.00	100.00	FC	FC
SCCV 56, Rue Cler	France	49.00	49.00	49.00	49.00	EM	EM
SCCV Paris Campagne Première	France	49.00	49.00	49.00	49.00	EM	EM
SCI Activités annexes	France	100.00	100.00	100.00	100.00	FC	FC
SCI Activités Colis	France	100.00	100.00	100.00	100.00	FC	FC
SCI Activités Courrier de Proximité	France	100.00	100.00	100.00	100.00	FC	FC
SCI Activités Courrier Industriel	France	100.00	100.00	100.00	100.00	FC	FC
SCI Aix-Pichaury	France	100.00	100.00	100.00	100.00	FC	FC
SCI Arkadea Marseille Saint Victor	France	49.00	49.00	49.00	49.00	EM	EM
SCI Arkadea Rennes Trigone	France	49.00	49.00	49.00	49.00	EM	EM
SCI Bataille	France	35.00	35.00	35.00	35.00	EM	EM
SCI BP	France	100.00	100.00	100.00	100.00	FC	FC
SCI BP Mixte	France	100.00	100.00	100.00	100.00	FC	FC
SCI Centres de loisirs	France	100.00	100.00	100.00	100.00	FC	FC
SCI DOM	France	100.00	100.00	100.00	100.00	FC	FC
SCI Green Opale	France	100.00	100.00	100.00	100.00	FC	FC
SCI Logement	France	100.00	100.00	100.00	100.00	FC	FC
SCI Nantes Aubiniere	France	100.00	100.00	100.00	100.00	FC	FC
SCI PI T7	France	100.00	100.00	100.00	100.00	FC	FC
SCI PI Bordeaux Tourville	France	100.00	100.00	100.00	100.00	FC	FC
SCI Route du Moulin Bateau Bonneuil	France	100.00	100.00	100.00	100.00	FC	FC
SCI RSS Strasbourg MEE	France	59.00	59.00	59.00	59.00	EM	EM
SCI Tertiaire	France	100.00	100.00	100.00	100.00	FC	FC
SCI Tertiaire Mixte	France	100.00	100.00	100.00	100.00	FC	FC
Sobre	France	48.56	48.56	48.56	48.56	EM	EM
SOBRE GLP	France	74.28	74.28	51.00	51.00	FC	FC
Société SCCV Rue du Champ Macret-Roye	France	100.00	100.00	100.00	100.00	FC	FC
SOGARIS Paris : les espaces logistiques	France	22.50	22.50	22.50	22.50	EM	EM
Terseren	France		66.00		100.00		FC
Tetra Logistique	France		100.00		100.00		FC
Toulouse Occitanie	France	44.00	44.00	44.00	44.00	EM	EM
TPF2 - SPPICAV	France	20.02	20.02	20.02	20.02	EM	EM
Urba 144	France	46.00	46.00	46.00	46.00	EM	EM
UNALLOCATED							
La Poste Ventures (LP7)	France	100.00	100.00	100.00	100.00	FC	FC
Vehiposte SAS	France	100.00	100.00	100.00	100.00	FC	FC
Movivolt	France	30.00	30.00	30.00	30.00	EM	EM

FC : full consolidation EM : equity method PC : proportional consolidation

NOTE 46 OTHER UNCONSOLIDATED EQUITY INVESTMENTS – EXCLUDING FRANCE

	Country	31 Dec. 2024		31 Dec. 2023
		Percentage held	Carrying Amount	Carrying Amount
<i>(in € thousands)</i>				
Anchanto	Singapore	17%	6,613	6,613
Redtrans Algeciras, S.L.	Spain	100%	2,691	
Red León, S.A.	Spain	100%	1,615	
Bosta Inc.	United States	11%	1,285	1,285
Livelihoods	Luxembourg	3%	1,000	1,000
Localz Pty Ltd.	Australia	5%	926	926
Sérès Colombie	Colombia	100%	770	770
Sérès Argentine	Argentina	90%	689	904
Sérès Mexique	Mexico	100%	586	586
Sérès Pérou	Peru	100%	357	177
Mediaposte Vietnam	Vietnam	36%	311	311
Sqale	Switzerland	16%	213	213
Sérès Equateur	Ecuador	100%	187	187
La Financière de l'Echiquier Suisse SA	Switzerland	100%	94	94
Guremo, S.L.	Spain	100%	63	
Vietnam Postal SRL	Vietnam	6%	43	43
CargoNetwork Gm	Germany	11%	40	40
Miscellaneous	Portugal	n.m.	32	32
Scalefast Japan Co	Japan	2%	31	31
CID Externalizacion de Servi	Spain	10%	25	25
Miscellaneous	Philippines	n.m.	19	18
Miscellaneous	Spain	n.m.	17	17
Kombiverkehr Deu	Germany	n.m.	16	16
IG Zollwerk	Switzerland	7%	11	11
Insercion Personal Discapacita	Spain	10%	6	6
Miscellaneous	Germany	n.m.	1	1
CNP Cyprus Properties ^(a)	Cyprus			15,883
White Image Loyalty ^(b)	Romania			1,137
DPD Argentina S.A. ^(b)	Argentina			498
Koiki Home, S.L. ^(b)	Spain			370
CNP Praktoriaki ^(a)	Greece			154
White Image Group ^(b)	Romania			21
TOTAL			17,641	31,368

(a) Reclassified in 2024 as assets held for sale (see Notes 1.6 and 26).

(b) Companies consolidated in 2024.