



CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2025



LA POSTE
GROUPE

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CONSOLIDATED INCOME STATEMENT

<i>(in € millions)</i>	Note	2025	2024
Revenue from commercial activities	7	26,700	27,055
Net banking income	8	7,687	7,514
Operating revenue	6.2	34,387	34,569
Purchases and other expenses	9	(15,858)	(15,814)
Personnel expenses	10	(13,909)	(14,006)
Taxes other than on income	11	(277)	(302)
Depreciation, amortisation, provisions and impairment	12	(2,670)	(2,723)
Other operating expenses and income	13	707	664
Proceeds from asset disposals		114	523
Net operating expenses		(31,893)	(31,658)
Share in net profit/(loss) of jointly-controlled companies	20	23	39
Operating profit/(loss)		2,517	2,950
Cost of net debt	14.1	(236)	(235)
Other financial items	14.2	(11)	(29)
Net financial income/(expense)	14	(247)	(264)
Share in net profit/(loss) of other equity-accounted companies	20	(111)	(164)
Profit/(loss) before income tax		2,159	2,522
Income tax benefit/(expense)	15.1	(685)	(800)
CONSOLIDATED NET PROFIT/(LOSS)		1,474	1,722
Attributable to non-controlling interests		314	312
NET PROFIT/(LOSS) ATTRIBUTABLE TO OWNERS OF THE PARENT		1,160	1,410

Certain operating expense components from banking activities will now be included in the net banking income from 2025 onwards. These components are detailed in Note 8.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Amounts net of tax (in € millions)	2025	2024
CONSOLIDATED NET PROFIT/(LOSS)	1,474	1,722
OTHER COMPREHENSIVE INCOME RECOGNISED IN EQUITY		
Items that may be reclassified to profit or loss	(898)	(1,053)
Change in unrealised gains and losses on financial instruments	(571)	463
<i>Reclassification to profit or loss</i>	1,268	799
Translation adjustments	(59)	(1,099)
<i>Reclassification to profit or loss</i>		
Share in other comprehensive income of equity-accounted companies that may be reclassified to profit or loss	(60)	41
Remeasurement of insurance and reinsurance contracts	(208)	(457)
Items that will not be reclassified to profit or loss	1,448	103
Actuarial gains and losses on employee benefits	32	(12)
Change in credit risk of financial liabilities designated as at fair value through profit or loss	12	8
Remeasurement of equity instruments at fair value through other comprehensive income (excluding instruments sold during the year)	1,402	115
Share in other comprehensive income of equity-accounted companies that will not be reclassified to profit or loss	2	(8)
Total other comprehensive income/(loss) recognised in equity (net of tax)	550	(950)
TOTAL COMPREHENSIVE INCOME/(LOSS)	2,024	772
Total comprehensive income/(loss) attributable to non-controlling interests	342	(294)
TOTAL COMPREHENSIVE INCOME/(LOSS) ATTRIBUTABLE TO OWNERS OF THE PARENT	1,682	1,066

CONSOLIDATED BALANCE SHEET

ASSETS

<i>(in € millions)</i>	Note	31/12/2025	31/12/2024
Goodwill	16	5,815	5,954
Intangible assets	17	4,817	4,949
Property, plant and equipment	18	6,711	6,813
Right-of-use assets	19	3,194	3,605
Investments in equity-accounted companies	20	1,491	1,678
Other non-current financial assets	22	591	564
Deferred tax assets	15.5	1,559	1,662
Non-current assets		24,178	25,225
Inventories and work-in-progress	24.1	250	209
Trade and other receivables	24.2	5,104	5,190
Other current financial assets	22	924	300
Income tax credit		452	379
Other accruals – Assets		187	192
Cash and cash equivalents	25.1	3,194	4,172
Assets and disposal groups held for sale	26	161	17,302
Current assets		10,272	27,744
Cash, central banks	25.2	12,757	27,812
Financial assets at fair value through profit or loss	23.1	219,591	203,882
Hedging derivatives	23.2	395	486
Financial assets at fair value through OCI	23.3	222,785	217,945
Securities at amortised cost	23.4	38,206	36,256
Loans and advances to credit institutions at amortised cost	23.5	70,076	75,673
Loans and advances to customers at amortised cost	23.6	132,154	128,958
Revaluation differences on portfolios hedged against interest rate risks		5	490
Insurance contracts issued – Assets	23.7	890	917
Reinsurance contracts held - Assets	23.7	6,255	6,523
Other financial assets and accruals	23.7	6,754	8,961
Investment property	23.8	6,355	6,590
Assets specific to banking and insurance activities		716,223	714,493
TOTAL ASSETS		750,673	767,462

EQUITY AND LIABILITIES

<i>(in € millions)</i>	Note	31/12/2025	31/12/2024
Share capital and share premium		7,598	7,104
Reserves		20,827	18,761
Cumulative gains and losses on financial instruments and insurance/reinsurance contracts reclassifiable to profit or loss		(4,655)	(3,853)
Translation reserve		(914)	(793)
Perpetual hybrid subordinated notes		746	744
Net profit/(loss) attributable to owners of the parent		1,160	1,410
Equity attributable to owners of the parent		24,762	23,373
Non-controlling interests		7,132	7,202
CONSOLIDATED EQUITY		31,894	30,575
Bonds and other debt ^(a)	29.1	10,224	10,969
Lease liabilities ^(a)	29.1	3,619	4,071
Provisions for contingencies and losses ^(a)	28	806	837
Employee benefits ^(a)	31	1,882	2,144
Deferred tax liabilities (non-current)	15.5	1,221	1,245
Trade and other payables ^(a)	33	9,207	9,115
Income tax liabilities (current)		105	116
Other accruals – Liabilities (current)		244	245
Liabilities directly associated with assets held for sale (current)	26	91	16,283
Non-current liabilities		14,362	15,864
Current liabilities		13,037	29,161
Financial liabilities at fair value through profit or loss	32.1	19,658	17,559
Hedging derivatives	32.2	1,440	1,958
Liabilities due to credit and similar institutions	32.3	28,427	31,038
Customer deposits	32.4	215,639	225,576
Debt securities	32.5	31,381	32,835
Revaluation differences on portfolios hedged against interest rate risks		(128)	(161)
Insurance contracts issued and reinsurance contracts held	32.6	380,484	366,784
Other financial liabilities and accruals	32.7	5,597	6,231
Subordinated debt	32.8	8,882	10,042
Liabilities specific to banking and insurance activities		691,380	691,862
TOTAL EQUITY AND LIABILITIES		750,673	767,462
<i>(a) Of which current portion:</i>			
<i>Bonds and other debt</i>		1,372	1,285
<i>Lease liabilities</i>		782	851
<i>Provisions for contingencies and losses</i>		692	708
<i>Employee benefits</i>		550	563
<i>Trade and other payables</i>		9,201	9,110

CHANGES IN CONSOLIDATED EQUITY – 2025

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 2024	7,104	1,410	(793)	(18,977)	15,124	744	18,761	23,373	7,202	30,575
Dividend payments	494						(494)		(468)	(468)
Remuneration of perpetual hybrid subordinated notes ^(a)							(159)	(159)		(159)
Put options written over non-controlling interests							24	24	24	48
Transactions with non-controlling interests							(90)	(90)	(15)	(105)
Appropriation of 2024 net profit/(loss)		(1,410)					1,410			
Issue and repayment of hybrid subordinated notes ^(b)						2	(10)	(8)	496	488
Comprehensive income for the period		1,160	(121)	(554)	(248)		1,445	1,682	342	2,024
Of which:										
- Net profit/(loss)		1,160						1,160	314	1,474
- Reserves reclassifiable to profit or loss			(121)	(554)	(248)			(923)	25	(898)
- Cumulative gains and losses on financial instruments not reclassifiable to profit or loss							1,412	1,412	2	1,414
- Actuarial gains and losses							33	33	1	34
Other ^(c)							(60)	(60)	(449)	(509)
CONSOLIDATED EQUITY AT 31 DECEMBER 2025	7,598	1,160	(914)	(19,532)	14,877	746	20,827	24,762	7,132	31,894

(a) Remuneration of hybrid subordinated notes from La Poste (€50 million), La Banque Postale (€52 million) and CNP Assurances (€57 million).

(b) The change in non-controlling interests includes an increase relating to the repayment of perpetual deeply-subordinated notes by CNP Assurances (see Note 1.1).

(c) The change in non-controlling interests mainly reflects the impact of the disposal of CNP UniCredit Vita (see Note 1.2).

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.

CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	31/12/2025			31/12/2024		
		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	4,992	1,376	3,616	4,661	1,415	3,246
Changes in provisions for current assets and irrecoverable receivables		(55)	(55)		(73)	(73)	
Miscellaneous financial income and expenses		24	24		3	3	
Cash flows from/(used in) operating activities before cost of net debt and taxes	41.1	4,961	1,345	3,616	4,591	1,345	3,246
Changes in working capital requirement	41.3	101	171	(70)	(494)	(179)	(315)
Changes in balance of banking and insurance assets and liabilities	41.4	(15,893)		(15,893)	(12,516)		(12,516)
Taxes paid		(854)	547	(1,401)	(270)	779	(1,049)
Dividends paid by La Banque Postale to La Poste			534	(534)		1,348	(1,348)
Dividends received from equity accounted companies		86	23	63	111	25	86
Net cash from/(used in) operating activities		(11,599)	2,620	(14,219)	(8,578)	3,318	(11,896)
Purchases of property, plant and equipment and intangible assets	41.5	(1,484)	(1,063)	(421)	(1,658)	(1,252)	(406)
Purchases of financial assets		(95)	(61)	(34)	(84)	(62)	(22)
Proceeds from disposals of property, plant and equipment and intangible assets		100	83	17	85	84	1
Proceeds from disposals of financial assets		74	37	37	27	27	
Impact of changes in consolidation scope		784	8	776	657	471	186
Changes in financial assets held for cash management purposes		(646)	(646)		(2)	(2)	
Net cash from/(used in) investing activities		(1,267)	(1,642)	375	(975)	(734)	(241)
Capital increases		7	7		50	43	7
Issuance of perpetual hybrid subordinated notes	41.6	1,242	746	496			
Dividends paid and remuneration of hybrid subordinated notes		(626)	(57)	(569)	(575)	(29)	(546)
Purchases of non-controlling interests		(102)	(95)	(7)	(95)	(95)	
Interest paid		(210)	(210)		(226)	(226)	
Proceeds from new borrowings	41.6	797	797	(0)	1,152	652	500
Repayment of borrowings	41.7	(2,517)	(1,520)	(997)	(1,655)	(1,655)	
Repayment of perpetual hybrid subordinated notes	41.7	(749)	(749)		(494)		(494)
Repayment of lease liabilities		(905)	(864)	(41)	(907)	(874)	(33)
Other cash flows used in financing activities	41.8	2	2		(13)	(13)	
Intra-group flows			(1)	1		124	(124)
Net cash from/(used in) financing activities		(3,061)	(1,944)	(1,117)	(2,763)	(2,073)	(690)
Decrease/(increase) in cash and cash equivalents from banking activities before impact of changes in consolidation scope	41.9	14,962		14,962	12,828		12,828
Impact of subsidiaries held for sale					14	14	
Impact of changes in exchange rates		(13)	(13)		(3)	(3)	
Net (decrease)/increase in cash and cash equivalents		(978)	(979)		523	523	
Opening cash and cash equivalents		4,172	4,172		3,650	3,650	
Closing cash and cash equivalents		3,194	3,194		4,172	4,172	

GENERAL ITEMS

NOTE 1 SIGNIFICANT EVENTS OF THE YEAR

- 1.1 Bond issuances
- 1.2 Disposal of CNP Unicredit Vita
- 1.3 Disposal of CNP Cyprus Insurance Holdings
- 1.4 Impairment of Investment in Ninja Logistics
- 1.5 Alliance between CNP Assurances and Embracon in Brazil
- 1.6 Agreement entered into with the non-controlling shareholders of BRT

1.1 Bond issuances

Issuance by La Poste of perpetual deeply-subordinated notes

In January 2025, La Poste issued €750 million worth of perpetual deeply-subordinated notes. These bonds have a perpetual maturity and are callable from the second half of the sixth year. These perpetual hybrid securities are recognised in equity attributable to owners of the parent in accordance with the classification criteria of IAS 32 (see changes in consolidated equity).

Buyback by La Poste of perpetual deeply-subordinated notes

La Poste redeemed €750 million worth of perpetual deeply-subordinated notes issued in 2018 and recognised in equity attributable to owners of the parent (see changes in consolidated equity).

The buyback was carried out in two stages, in January 2025 for €404 million and then in November 2025 for €346 million.

La Banque Postale bonds issuance and redemption of subordinated notes

On 12 June 2025, La Banque Postale Home Loan SFH, a subsidiary of La Banque Postale, carried out a green covered bond issuance. A total of €1 billion worth of 7-year covered bonds were issued with a final spread of MS +52 bps and a coupon of 2.750%. The covered bonds qualify as debt instruments based on the definition in IAS 32.

On October 26, La Banque Postale redeemed in advance of term €500 million worth of subordinated notes issued in October 2020 that paid interest at a fixed rate of 0.875%.

CNP Assurances subordinated notes issuance

In early July 2025, CNP Assurances completed the issue of €500 million worth of perpetual subordinated notes with a fixed-rate coupon of 5.50% and a first call date of 2 July 2032. The notes qualify as equity instruments based on the definition in IAS 32.

1.2 Disposal of CNP UniCredit Vita

On 20 June 2025, CNP Assurances SA announced the finalisation of the sale of CNP UniCredit Vita, a 51%-owned Italian subsidiary in exclusive partnership with UniCredit, for €594 million (€619 million, of which €25 million was received in the form of dividends). The disposal gain in the amount of €116 million has been recognised in the first-half 2025 financial statements (of which a negative €2 million included in reclassifiable other

comprehensive income recognised in equity). This sale follows the exercise by UniCredit of its call option on all the shares held by CNP Assurances, in accordance with their partnership agreements. CNP Assurances remains committed to the Italian market through its 100%-owned subsidiary CNP Vita Assicura.

1.3 Disposal of CNP Cyprus Insurance Holdings

On 16 April 2025, the sale of 100% of CNP Cyprus Insurance Holdings, which operates in the life and non-life insurance sectors in Cyprus and Greece, was completed for a sale price of €182 million. This transaction generated a €39 million capital loss, of which €26 million was recognised in 2024 in the form of an impairment loss on assets held for sale.

1.4 Impairment of investment in Ninja Logistics

Ninja Logistics, 34% owned by the group and accounted for using the equity method, continues to record significant losses. The further deterioration in results during 2025 (the group's share of the loss was €33 million) and the significant uncertainties about the future of the company have led the group to write down this investment in full in the financial statements for the year ended 31 December 2025, representing impairment of €99 million. Taking into account the operating losses for the period, the impairment loss recorded in 2025 was €132 million. (see Note 20).

1.5 Alliance between CNP Assurances and Embracon in Brazil

CNP Assurances has signed an agreement with Embracon to strengthen its presence in Brazil.

The proposed transaction provides for CNP Consórcio to be transferred to Embracon, followed by an acquisition of shares by CNP Assurances to raise its interest in Embracon to 40%.

Consequently, CNP Consórcio is now presented and accounted for in accordance with IFRS 5 – Non-current Assets Held for Sale and Discontinued Operations (see Note 26). No impairment losses have been recognised against this asset.

1.6**Agreement entered into with the non-controlling shareholders of BRT**

On 3 July 2025, an agreement was entered into (effective 24 July 2025) to settle the proceedings brought by Geopost and BRT against BRT's non-controlling shareholders.

In the 2025 financial statements, the effects of this agreement were as follows:

- Buyback by Geopost of the non-controlling interests in BRT for €60 million, increasing Geopost's stake to 100% and generating a €84 million negative impact on equity attributable to owners of the parent in the consolidated financial statements;
- Receipt and recognition as income of €70 million in compensation;
- €35.7 million discount on lease payments due for the period 2025-2031, resulting in a €195 million reduction in IFRS 16 lease liabilities at 31 December 2025.

These effects are in addition to the €40 million reduction in the acquisition price of BRT which was recognised in income in the first-half 2025 consolidated financial statements.

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 2025 were approved for issue by the Board of Directors (meeting on 26 February 2026) and are subject to the approval of the General Meeting.

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 2025 were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. These standards are made available on its site which can be accessed [here](#).

Except for the standards and interpretations effective for annual reporting periods beginning on or after 1 January 2025, described in Note 2.1.1 below, the accounting principles applied at 31 December 2025, as described in Note 3, are unchanged from those applied at 31 December 2024.

The consolidated financial statements are presented in millions of euros.

2.1.1 Standards and amendments effective in 2025

The amendments and examples presented below were applied as from 1 January 2025 and did not have a material impact on La Poste Groupe's financial statements.

Amendment to IAS 21 – Lack of Exchangeability

This amendment concerns the rare cases where an entity does not have the ability to exchange a currency. When this lack of exchangeability arises, the entity is required to use an appropriate observable spot exchange rate and disclose the reasons for the lack of exchangeability and the estimation techniques used for estimating the spot rate.

Illustrative examples on reporting uncertainties in financial statements

In December 2025, the IASB published illustrative examples of the disclosures required when reporting the effects of uncertainties in financial statements. The examples use climate-related scenarios as practical illustrations. These illustrative examples do not have to be adopted by the European Union.

2.1.2 Standards and amendments effective in 2026 and 2027

The Group has not early adopted any new standards or amendments to existing standards that are effective in 2026 and 2027. These new standards and amendments mainly concern amendments to IFRS 9 – Financial Instruments, and the new standard IFRS 18 – Presentation and Disclosure in Financial Statements.

The main amendments to IFRS 9 applicable as from 1 January 2026 concern:

a) The introduction of an accounting policy option whereby an entity may, subject to certain criteria, derecognise a financial liability before the settlement date if the liability is settled in cash through an electronic payment system.

This option must be applied consistently to all financial liabilities settled through the same electronic payment system. Settlements issued that do not comply with the applicable criteria, and settlements receivable in payment of customer receivables, must be recognised at the date on which the payment shows on the bank statement. La Poste Groupe does not currently foresee any significant cash adjustments as a result of this amendment.

b) Relaxation of the SPPI (Solely Payment of Principal and Interest) test, which notably allows some sustainability-linked loans to be recognised at amortised cost.

This amendment is particularly relevant to La Banque Postale, which has begun work on defining the applicable materiality threshold.

c) The introduction of an option, under strict conditions, to account for certain contracts to buy and take delivery of renewable electricity (Physical Power Purchase Agreements) as conventional electricity purchases rather than as derivatives.

d) Requirement for entities to formally disclose their choice of method used for rent concessions, either under IFRS 9 (derecognition through profit or loss) or IFRS 16 (remeasurement of the lease liability by adjusting the right-of-use asset).

IFRS 18 – Presentation and Disclosure in Financial Statements, applicable as from 1 January 2027

Once adopted by the European Union, this standard will be mandatory as from 1 January 2027 (with comparative data for 2026) and will replace the current standard IAS 1. IFRS 18 is designed to enhance comparability and transparency. It requires entities to present income and expenses in the statement of profit or loss within three clearly defined categories (operating, investing and financing) and to present new mandatory sub-totals. Under IFRS 18, the indirect method for the statement of cash flows must start with the newly defined operating profit or loss subtotal. In addition, the standard requires entities to disclose information about all their management-defined performance measures (MPMs)

in a single note to the financial statements. These MPMs will have to be defined and reconciled to the most directly comparable subtotal listed in IFRS 18 or total or subtotal required by IFRS.

The Group is currently in the process of analysing the effects of applying this new standard.

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;
- estimates of provisions for contingencies and losses;
- 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 (lessee)
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- 3.14 Distinction between debt instruments and equity instruments
- 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 (i.e., assets that require more than 12 months to get them ready for their intended use or sale), in accordance with IAS 23 – Borrowing Costs.

Investment grants received from the French state for the acquisition of property, plant and equipment are recognised as a liability in the balance sheet and taken to profit or loss on a straight-line basis over the useful life of the asset in accordance with IAS 20 – Accounting for Government Grants and Disclosure of Government Assistance.

Energy saving certificates are treated in the same way as government investment grants.

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.

The group 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 high-speed parcel sorting machines
Sorting-area equipment	Mechanical parts, intelligence
Automated teller machines (ATMs)	Machine, installation

3.7.3 Depreciation periods

Land is not depreciated.

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

ATM : Automated Teller Machine (automated cash dispenser).

3.7.4 Special case of investment property

Classification on the group's balance sheet

Investment property mainly corresponds to assets underlying La Banque Postale's insurance business and is therefore 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, defined in Note 3.12 below, 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 (lessee)

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 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).

In the case of straightforward rent concessions (i.e., with no other changes to the lease contract), the group has elected to apply the provisions of IFRS 16 whereby the lease liability is remeasured by adjusting the cash flows and the discount rate, with a corresponding adjustment to the right-of-use asset.

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, for example if an asset is identified as highly exposed to climate risks. 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 La Banque Postale'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, also known as 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 and financial guarantees

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 issuance. 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 Assurances 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 expenses 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. Where relevant, the discount rate used takes into account the time horizon of the provision and the interest rate environment at the 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 retail 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 retail 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.

Other long-term benefits are recognised and measured in the same way as post-employment benefits (see Note 3.17.1), apart from actuarial gains and losses, which are recognised directly and in full in the income statement. (see Note 36.3.b)).

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 La Banque Postale 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 Main initiatives
- 4.3 Net Zero commitment
- 4.4 Valuation and impairment tests
- 4.5 Credit risk (banking activities)
- 4.6 Presentation principles applied

4.1 Financial statements and sustainability statement

a) 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.

The sustainability statement and the financial statements are respectively prepared in accordance with their own sets of principles and frameworks. Although the two frameworks share common underlying principles, connectivity between the two may be more difficult when differences exist, which can be of varying degrees.

b) Scope of information presented

The financial statements provide information about La Poste Groupe as a single economic entity. As a result, the scope of the information presented only concerns the impacts of the entities included in La Poste Groupe's scope of consolidation (see Note 45).

The sustainability statement is based on the financial scope of consolidation with the inclusion, in some cases, of certain information relating to the group's upstream and downstream value chain. Examples include information about greenhouse gas (GHG) emissions, which includes equity accounted companies and the contribution of suppliers and customers to these emissions.

Materiality, only partly aligned

The financial statements present material financial information within the meaning of IFRS, i.e., information whose omission or misstatement could influence the economic decisions of users of the financial statements. The sustainability statement is based on the concept of double materiality, which includes financial materiality as defined by IFRS and the materiality of the group's climate impacts, analysed independently of their financial materiality. In application of this double materiality principle, certain disclosures about these impacts are provided even if the related financial risks and opportunities are not material. (see paragraph 3.1.1.3 of the sustainability statement).

The scope of the material information disclosed in the sustainability statement is therefore broader than that of the material information presented in the financial statements, which can hinder efforts to achieve connectivity.

c) Time horizons considered

The reference period for both the sustainability statement and the financial statements is the calendar year, from 1 January to 31 December of the reporting year. The sustainability statement requires more forward-looking data over the medium to long term (included in the transition plan), such as financial impacts which, because of their long time horizon, are not disclosed in the financial statements. Furthermore, even if this data were included in the financial statements, it would often be necessary to disclose present values, obtained by applying a discount rate, which is not required in the sustainability statement.

d) Risks and opportunities

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 may 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.

e) The major climate challenges

- Physical risks

These risks are caused by climate change and result in an increased frequency or severity of extreme natural events or long-term changes in ecosystems [definition issued by the former Task Force on Climate-Related Financial Disclosures (TCFD) whose recommendations have been applied by La Poste]. They are likely to impede or disrupt the undertaking's business or increase the related cost. For the group, they mainly correspond to the risks of flooding, extreme heat, storms, fires and landslides.

- Issues related to climate change mitigation

Climate change mitigation means taking action in relation to the causes of global warming by setting a carbon reduction target measured in terms of annual greenhouse gas (GHG) emissions. All of the risks associated with climate change mitigation are taken into account in the Group's Net Zero Commitment (NZC), which is accompanied by a transition plan that is presented in paragraph 3.1.2.1 of the sustainability statement.

- Issues related to climate change adaptation primarily concern the group's adaptation to the consequences of global warming. For example, this can entail making buildings more resilient to periods of extreme heat through ventilation, cooling or nature-based solutions.

4.2 Main initiatives

On the transition plan

In 2025, the group pursued its work on strengthening its transition plan that it began in 2024. The forecasts in the carbon reduction pathway have now been incorporated into the annual budget process and the multi-year forecasts up to 2030.

This work enabled La Poste Groupe to more accurately and precisely quantify the capital expenditure and operating expenses required for the decarbonisation levers set out in the transition plan.

Each of these levers, which are presented in paragraph 3.1.2.1 of the sustainability statement, impacts either future costs or future assets, in addition to financial budgets.

On the adaptation plan

To prepare its first climate adaptation plan, the group used the +4°C in 2100 climate scenario (RCP 8.5 model) with an intermediate milestone in 2030 (see paragraph 3.1.2.1 of the sustainability statement).

The climate hazards associated with this scenario were modelled and prioritised and then highly-exposed assets were identified based on their locations. An analysis of the vulnerability of these assets to climate hazards was carried out, enabling work to begin on identifying the adaptation levers that need to be valued in terms of operating expenditure (OpEx) and/or capital expenditure (CapEx).

4.3 Net Zero Commitment

In 2023, La Poste Groupe pledged to reach net zero emissions by 2040 (after offsetting residual emissions) for its operational scope. To achieve this, a decarbonisation plan is being implemented with the aim of reducing the group's CO₂ emissions by 90% by 2040 – a long-term target validated by the 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 complies with the agenda decision of the IFRS Interpretations Committee finalised in 2024 concerning the recognition of provisions for climate-related commitments.

4.4

Valuation and impairment tests

Goodwill impairment tests

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 impacts related to the transition plan 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: three to five 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 assets 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 different climate risks 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). For example, the classification of an asset as being highly exposed to one or more physical risks may be considered as an indication of impairment, triggering an impairment test.

Lastly, the decarbonisation levers 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.

4.5

Credit risk (banking activities)

In December 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 previously 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 macro-economic indicators that affect the solvency of economic actors. It is therefore a systemic dimension which cannot be considered separately from other macro-economic 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.

4.6 Presentation principles applied

Presentation of the impact of transition plan expenditures

The financial impacts of measures to reduce water or electricity consumption, for example, or to select "greener" suppliers, are included in "Purchases and other expenses" (see Note 9).

Expenditure on employee training, such as for Climate Fresk workshops, and financial incentives for employees to use green modes of transport, are included in "Purchases and other expenses" (see Note 9) and "Personnel expenses" (see Note 10).

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

Proceeds from La Poste Groupe's €1.2 billion sustainable bond issuance were allocated in full during 2024. See Note 1.1 "Bond issuances".

Investments with underlying ESG criteria

Almost all group money market investments are in vehicles that comply with the European Sustainable Finance Disclosure Regulation (SFDR), which introduces transparency obligations by requiring financial market participants to disclose how they integrate ESG criteria into their investment processes and advice. For example, this could entail excluding certain business sectors from investment portfolios, requiring a minimum ESG rating, or incorporating environmental metrics into investment policy criteria.

Remuneration of corporate officers

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

NOTE 5 CHANGES IN THE CONSOLIDATION SCOPE

5.1 Main scope changes during the year

5.2 Income statement at constant scope and exchange rates

The scope of consolidation is detailed in Note 45.

5.1 Main scope changes during the year

Buyback of non-controlling interests in BRT

See Note 1 "Significant events of the year".

Buyback of non-controlling interests in Fermopoint (a BRT subsidiary)

In September 2025, BRT bought out the non-controlling interests in Fermopoint for €11.1 million by exercising the put previously recognized in liabilities in the consolidated financial statements.

CNP Assurances finalises the sale of CNP Cyprus Insurance Holdings and CNP Unicredit Vita

See Note 1 Significant events of the year.

La Poste Health buys back 11.25% of the non-controlling interests in Asten

In November 2025, La Poste Health acquired Adir's 11.25% non-controlling interests in Asten for €22.5 million, raising its stake in Asten to 75.5%.

Sale of Budget Box and the promotional activities of SOGEC

On 30 September 2025, La Poste Groupe sold Budget Box and the promotional activities of SOGEC for €17 million. The disposal gain generated on this transaction was not material.

La Banque Postale buys out the non-controlling interests in SOFIAP

In November 2025, La Banque Postale acquired SNCF Habitat's 34% stake in SOFIAP for €6.9 million. This amount was previously recorded as a financial liability recognised for a put option written over non-controlling interests. The transaction resulted in an €26 million increase in equity attributable to owners of the parent in La Poste Groupe's consolidated financial statements.

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	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
<i>(in € millions)</i>				
Revenue and NBI	34,387	34,569	34,219	34,288
Purchases and other expenses	(15,858)	(15,814)	(15,818)	(15,690)
Personnel expenses	(13,909)	(14,006)	(13,872)	(14,008)
Taxes other than on income	(277)	(302)	(275)	(296)
Depreciation, amortisation, provisions and impairment	(2,670)	(2,723)	(2,668)	(2,720)
Other operating expenses and income	707	664	707	515
Proceeds from asset disposals	114	523	114	523
Net operating expenses	(31,893)	(31,658)	(31,812)	(31,677)
Share in net profit/(loss) of jointly-controlled companies	23	39	23	23
Recurring operating profit/(loss) (after share in net profit/(loss) of jointly-controlled companies)	2,517	2,950	2,430	2,634

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.

2025 (in € millions)	Services- Mail- Parcels	Geopost	La Banque Postale	Retail Customers & Digital Services	Real Estate	Support & Corporate	Unallocated (a)	Elimi- nations	GROUP TOTAL
External revenue and NBI	7,720	15,716	7,687	3,038	83	2	141		34,387
Inter-segment revenue and NBI	1,907	131	42	3,086	843	1,294		(7,302)	
Operating revenue	9,627	15,847	7,729	6,123	927	1,295	141	(7,302)	34,387
Share in net profit/(loss) of jointly-controlled companies		0	23		(1)				23
Recurring operating profit/(loss) (after share in net profit/(loss) of jointly-controlled companies)	(63)	466	2,832	55	102	(391)	(484)	(0)	2,517
Net financial income/(expense)							(247)		(247)
Income tax							(685)		(685)
Share in net profit/(loss) of other equity-accounted companies		(106)		(4)	1	(2)			(111)
CONSOLIDATED NET PROFIT/(LOSS)									1,474
Net depreciation, amortisation, provisions and impairment	(219)	(895)	(736)	(164)	(478)	(178)			(2,670)
Segment assets	2,899	12,287	725,255	2,251	4,129	12,150	(8,299)		750,673

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

2024 (in € millions)	Services- Mail- Parcels	Geopost	La Banque Postale	Retail Customers & Digital Services	Real Estate	Support & Corporate	Unallocated (a)	Elimi- nations	GROUP TOTAL
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) Primarily includes 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.

6.2.2 Balance sheet by operating segment

2025 (in € millions)	Services- Mail- Parcels	Geopost	La Banque Postale	Retail Customers & Digital Services	Real Estate	Support & Corporate	Elimi- nations	TOTAL
ASSETS								
Goodwill, other intangible assets and property, plant and equipment	765	6,204	5,256	1,359	3,165	634	(41)	17,343
Right-of-use assets	99	2,363	144	50	518	21		3,194
Equity-accounted investments		377	1,086	5	23	0		1,491
Other non-current assets	28	108	1,688	(10)	27	6,959	(6,651)	2,150
Other current assets	2,009	3,235	666	847	395	4,536	(1,416)	10,272
Assets specific to banking and insurance activities			716,414				(191)	716,223
TOTAL	2,899	12,287	725,255	2,251	4,129	12,150	(8,299)	750,673
Investments (a)	(4)	472	(321)	118	180	350		795
EQUITY AND LIABILITIES								
Equity						31,894		31,894
Bonds and other debt	699	4,699	0	824	1,020	10,379	(7,398)	10,224
Lease liabilities	116	2,500		55	927	21		3,619
Other non-current liabilities	407	313	2,002	237	72	(295)		2,736
Other current liabilities	2,240	3,004	3,638	1,108	379	1,092	(640)	10,820
Liabilities specific to banking and insurance activities			691,455	(14)			(60)	691,380
TOTAL	3,462	10,515	697,095	2,210	2,398	43,092	(8,098)	750,673

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

2024 (in € millions)	Services- Mail- Parcels	Geopost	La Banque Postale	Retail Customers & Digital Services	Real Estate	Support & Corporate	Elimi- nations	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.

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 to which they belong.

2025 <i>(in € millions)</i>	European Union (excluding France)			TOTAL
	France		Other	
Revenue from commercial activities	12,405	9,029	5,266	26,700
Net banking income	6,419	315	954	7,687
OPERATING REVENUE	18,824	9,344	6,219	34,387
Segment assets	673,549	37,200	39,924	750,673
Investments ^(a)	440	253	101	795

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

2024 <i>(in € millions)</i>	European Union (excluding France)			TOTAL
	France		Other	
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.

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)	2025	2024
Services-Mail-Parcels	7,720	7,974
Geopost	15,716	15,664
Retail Customers & Digital Services	3,038	3,158
Real Estate & Support	226	261
TOTAL	26,700	27,055

Total revenue in 2025 and 2024 included:

- compensation from the French State for universal postal service for €450 million (€500 million in 2024), allocated for 2025 among the business lines based on their contribution to the cost of this service (€277 million for Services-Mail-Parcels, €152 million for Retail Customers & Digital Services and €21 million for Support);
- compensation from the French State for regional development recognised under Real Estate & Support, for €120 million in 2025, the same amount as in 2024;
- press contribution of €39 million in 2025 and €43 million in 2024 for Services-Mail-Parcels.

NOTE 8 NET BANKING INCOME

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

(in € millions)	2025	2024
Interest income ^(e)	11,848	12,254
Interest expense	(5,570)	(7,120)
Fee and commission income	2,720	2,699
Fee and commission expense	(400)	(343)
Net gain or loss	11,627	10,055
- Financial instruments at fair value through profit or loss	12,773	10,740
- Financial instruments at fair value through OCI ^(a)	(1,047)	(685)
- Derecognised financial assets at amortised cost	(99)	(0)
Insurance revenue ^(b)	12,732	11,819
Insurance service expenses ^(b)	(9,811)	(8,798)
of which general operating expenses relating to insurance activities ^(c)	(1,826)	(1,699)
Income and expenses from reinsurance contracts held	(78)	(100)
Finance income or expenses from insurance contracts issued	(15,405)	(13,001)
Finance income or expenses from reinsurance contracts held	(37)	98
Cost of credit risk on financial investments of insurance activities ^(d)	(21)	(5)
Income from other activities ^(e)	1,127	1,118
Expenses from other activities	(1,044)	(1,162)
TOTAL	7,687	7,514

(a) Of which €549 million in dividends on shares, (€1,622) million in gains or losses on disposals of debt instruments, €26 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 €20 million (vs. €4 million in 2024).

(e) Including compensation of €269 million received in 2025 in respect of the accessible banking mission (€287 million in 2024 presented on the line "Interest income").

In 2025, asset management fees on term creditor and death & disability insurance contracts, amounting to €32 million, are presented within "commission expense" under "Net banking income" (compared with €38 million presented under "Purchases and other expenses" in the 2024 income statement).

In 2025, provisions for contingencies and losses relating to banking activities (for €7 million) and depreciation expense for investment properties (for €9 million) are presented on the line "Expenses from other activities" under "Net banking income" (compared with €14 million presented under "Depreciation, amortisation, provisions and impairment" in the 2024 income statement).

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:

<i>(in € millions)</i>	2025	2024
Dividends received	1,773	1,262
Changes in fair value of financial assets and liabilities measured at fair value through profit or loss	11,029	9,462
Assets and liabilities held for trading	(69)	(1,031)
Debt instruments that do not pass the SPPI test	3,247	3,231
Financial assets and liabilities designated as at fair value through profit or loss	(92)	(106)
Assets backing unit-linked contracts	7,943	7,368
Hedging gains and losses	5	17
Net gain or loss on financial instruments at fair value through profit or loss	12,773	10,740

NOTE 9 PURCHASES AND OTHER EXPENSES

Purchases and other expenses break down as follows:

<i>(in € millions)</i>	2025	2024
External services and general sub-contracting ^(a)	4,542	4,599
Purchases	1,205	1,210
Outsourced transport	8,472	8,274
International mail services	439	467
Rental expenses ^(b)	545	546
Maintenance and repair costs	752	748
Telecommunications expenses	175	173
Travel and assignments	167	162
Other expenses	595	621
TOTAL BEFORE ALLOCATION TO INSURANCE CONTRACTS	16,893	16,798
Purchases and other expenses relating to insurance contracts reclassified in net banking income	(1,035)	(983)
TOTAL	15,858	15,814

(a) Including asset management fees on term creditor and death & disability insurance contracts until 2024 (see comments in Note 8).

(b) 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).

NOTE 10 PERSONNEL EXPENSES AND HEADCOUNT

Personnel expenses break down by type of cost as follows:

<i>(in € millions)</i>	2025	2024
Wages and salaries, bonuses and allowances (including temporary workers)	11,130	11,169
Pension contributions	423	509
Other social security contributions	2,091	2,169
Employee welfare costs	329	261
Changes in post-employment provisions ^(a)	21	(11)
Changes in provisions for social security contingencies and labour disputes	(17)	8
Changes in other employee provisions	(249)	(355)
Remuneration-based taxes and levies	757	758
TOTAL BEFORE ALLOCATION TO INSURANCE CONTRACTS	14,485	14,508
Expenses relating to insurance contracts reclassified in net banking income	(576)	(502)
TOTAL	13,909	14,006
Average headcount (full-time equivalent employees/year) ^(b)	227,741	226,831

(a) With the exception of actuarial gains and losses recognised directly under items that will not be reclassified to profit or loss in other comprehensive income/(loss) (see also changes in consolidated equity).

(b) Excluding temporary workers.

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>	2025	2024
Local taxes	125	137
Other taxes and levies ^(a)	284	298
TAXES BEFORE ALLOCATION TO INSURANCE CONTRACTS	409	436
Tax on insurance contracts reclassified in net banking income	(132)	(133)
TOTAL	277	302

(a) Of which, €91 million for non-deductible VAT on leases in 2025 and €94 million in 2024.

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 2025 and in 2024 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:

(in € millions)	2025	2024
Net depreciation and amortisation	2,521	2,621
Intangible assets ^(a)	782	823
Property, plant and equipment ^(a)	834	867
Right-of-use assets ^(a)	905	930
Net provisions and impairment	(17)	(48)
Goodwill ^(b)	59	48
Right-of-use assets ^(a)	(30)	(19)
Intangible assets and property, plant and equipment ^(a)	(48)	(120)
Inventories ^(c)	1	(3)
Receivables ^(c)	16	39
Losses on irrecoverable receivables	38	38
Provisions for contingencies and losses ^(d)	(52)	(32)
Cost of risk (banking activities)	250	231
Cost of risk (banking activities) - other impairments and contingencies ^(e)	56	149
Cost of risk (banking activities) - irrecoverable receivables	194	82
DEPRECIATION, AMORTISATION, PROVISIONS AND IMPAIRMENT LOSSES BEFORE ALLOCATION TO INSURANCE CONTRACTS	2,754	2,804
Depreciation, amortisation, provisions and impairment losses on insurance contracts reclassified in net banking income	(83)	(81)
TOTAL	2,670	2,723

(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 €250 million related to financial assets at amortised cost classified in bucket 3 in 2025 (€158 million in 2024).

NOTE 13 OTHER OPERATING EXPENSES AND INCOME

Other operating expenses and income break down as follows:

Income/(expense) (in € millions)	2025	2024
Capitalised production ^(a)	438	408
Royalties	(106)	(103)
Other recurring operating income and expenses	375	359
TOTAL	707	664

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

In 2025, other recurring operating income and expenses included €110 million of income relating to the agreement with BRT's non-controlling shareholders (€70 million in compensation and a €40 million reduction in acquisition price of BRT, see Note 1.6). In 2024, this item includes the negative goodwill of €146 million recognised on CNP Assurances' acquisition of a controlling interest in the social protection business of La Mutuelle Générale.

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>	2025	2024
Interest expense on financing transactions ^(a)	(185)	(219)
Interest expense on lease liabilities	(132)	(137)
Changes in the fair value of borrowings ^(b) and debt-related swaps	(8)	11
Income from cash and cash equivalents ^(c)	89	109
TOTAL	(236)	(235)

- (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>	2025	2024
Discounting expense on provisions for employee benefits and return on plan assets	(31)	(35)
Net foreign exchange gains/(losses)	(0)	(4)
Other financial income and expenses	21	11
TOTAL	(11)	(29)

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

Income tax expense includes current and deferred taxes calculated in accordance with the rules applicable in each tax jurisdiction and with the terms of specific agreements.

At 31 December 2025, the current tax expense includes the one-off levy on profits introduced by the French Budget law of February 2025. The calculation of this contribution is based on the average corporate income tax due in respect of the 2025 and 2024 financial years of La Poste's tax consolidation group. Its impact, presented below, includes the entire amount relating to the 2025 financial year and the 2024 financial year.

15.1 Income tax expense recognised in profit or loss

<i>(in € millions)</i>	2025	2024
Current tax expense	(832)	(714)
Deferred tax (expense)/income	147	(86)
TOTAL TAX (EXPENSE)/INCOME	(685)	(800)

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>	2025	2024
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	708	37
Tax impact	(77)	98
AMOUNT AFTER TAX	632	134
Translation adjustments		
Amount before tax	(116)	(1,065)
Tax impact		
AMOUNT AFTER TAX	(116)	(1,065)

15.3 Tax proof

Income tax expense is analysed as follows:

<i>(in € millions)</i>	2025	2024
Net profit/(loss) attributable to owners of the parent	1,160	1,410
Share in net profit/(loss) of equity-accounted companies	88	125
Income tax benefit/(expense)	685	800
Non-controlling interests	314	312
Consolidated profit/(loss) before tax and share in net profit/(loss) of equity-accounted companies	2,247	2,646
Corporate income tax rate	25.83%	25.83%
Theoretical income tax expense ^(a)	(580)	(684)
Surtax on corporate income tax	(60)	
Unused tax loss carryforwards recognised in the year or used tax loss carryforwards recognised in prior years (excluding tax consolidation)	(96)	(26)
Deferred tax recognition (limitation)	21	(200)
Dividends and income from non-consolidated companies	51	88
Tax rate differential for foreign subsidiaries	(78)	(111)
Tax credits	42	26
Disposal of La Poste Telecom		119
Disposal of CNP UniCredit Vita and CNP Assurances's operations in Cyprus	27	
Other items	(12)	(12)
Tax restatements	(105)	(116)
EFFECTIVE INCOME TAX EXPENSE	(685)	(800)

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

15.4 Deferred tax recognised on the balance sheet

<i>(in € millions)</i>	Deferred tax assets	Deferred tax liabilities	TOTAL
31/12/2023	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
31/12/2024	1,662	1,245	417
Impact on profit or loss	(211)	(358)	147
Assets/liabilities held for sale	(1)		(1)
Reclassifications	156	156	
Impact on equity	(62)	136	(198)
Changes in scope of consolidation	19	15	4
Translation adjustments and other	(3)	28	(31)
31/12/2025	1,559	1,221	337

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>	31/12/2025	31/12/2024
Deferred tax assets		
Employee benefits	242	298
Other non-deductible provisions	362	332
Lease liabilities	727	832
Other temporary differences	565	555
Financial instruments	247	37
Tax loss carryforwards	598	784
Asset/liability offsets ^(a)	(1,182)	(1,176)
TOTAL ASSETS	1,559	1,662
Deferred tax liabilities		
Regulatory provisions	95	91
Revaluation of contributions to Poste Immo	(1)	4
Financial instruments	1,117	1,262
Deductible goodwill	164	163
Right-of-use assets	606	694
Other temporary tax differences	423	206
Asset/liability offsets ^(a)	(1,182)	(1,176)
TOTAL LIABILITIES	1,221	1,245

(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	31/12/2025			
	French tax group companies	Non-consolidated French companies	Foreign companies	Total
<i>(in € millions)</i>				
Home savings provisions	25			25
Employee benefits	169		3	172
Other temporary differences	325	370	141	836
Ordinary tax losses		290	971	1,261
TOTAL	519	660	1,115	2,294

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	31/12/2025	31/12/2024
DPD Europe	Geopost	3,396	3,408
Digital Services	Retail Customers & Digital Services	860	860
Asset Management	La Banque Postale	612	612
Asendia	Geopost	453	494
Health & Autonomy division ^(a)	Services-Mail-Parcels	196	226
Mediaposte ^(b)	Services-Mail-Parcels	89	104
EDE	Services-Mail-Parcels	67	67
CNP Assurances Prévoyance	La Banque Postale	59	59
Lenton Group	Geopost	46	52
MWPI ^(c)	Real Estate & Support		25
JadLog	Geopost	22	22
Other Geopost CGUs	Geopost	16	16
Other Services-Mail-Parcels CGUs	Services-Mail-Parcels	0	8
TOTAL		5,815	5,954
Services-Mail-Parcels		352	404
Geopost		3,933	3,993
La Banque Postale		671	671
Retail Customers & Digital Services		860	860
Real Estate & Support			25

(a) Including, in 2025, the impairment of Health & Autonomy division goodwill for €30 million.

(b) Including, in 2025, the disposal of Budget Box and Sogec's promotional activities for €15 million.

(c) Including, in 2025, the 100% writedown of MWPI goodwill for €25 million.

16.2 Changes in the carrying amount of goodwill

<i>(in € millions)</i>	31/12/2025	31/12/2024
Opening balance	5,954	5,942
<i>of which: Gross amounts</i>	6,456	6,277
<i>Impairment losses</i>	(502)	(335)
Acquisitions ^(a)	6	18
Translation adjustments	(67)	42
Impairment losses ^(b)	(59)	(48)
Disposals ^(c)	(19)	
CLOSING BALANCE	5,815	5,954
<i>of which: Gross amounts</i>	6,405	6,456
<i>Impairment losses</i>	(590)	(502)

(a) Of which in 2025:

- In the Geopost segment, goodwill recognized on acquisition of three Spanish DPD Europe entities for €6 million.

Of which in 2024:

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

(b) Of which in 2025:

- in the Real Estate and Support segment, MWPI goodwill written down in full for €25 million.

- in the Services-Mail-Parcels segment, impairment of Health & Autonomy division goodwill for €30 million.

Of which in 2024:

- in the Services-Mail-Parcels segment, impairment of Health & Autonomy division goodwill for €43 million.

(c) Of which in 2025:

- in the Services-Mail-Parcels segment, goodwill written off on disposal of Budget Box and Sogec's promotional activities for €15 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 31/12/2023	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 31/12/2024	8,741	508	987	10,236
Acquisitions	148	491	48	686
Disposals	(252)	(1)	(22)	(275)
Changes in scope of consolidation	(7)	(0)	(8)	(16)
Translation adjustments	(8)	1	(3)	(11)
Transfers and other movements	258	(487)	49	(180)
BALANCE AT 31/12/2025	8,879	510	1,051	10,440
AMORTISATION AND IMPAIRMENT LOSSES				
Balance at 31/12/2023	(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 31/12/2024	(4,641)	(78)	(568)	(5,286)
Amortisation for the period	(683)		(100)	(782)
Impairment losses	(80)	(0)	(22)	(103)
Reversals of impairment losses	113	7	8	128
Reversals on disposals	243		10	254
Changes in scope of consolidation	7		2	8
Translation adjustments	3	0	2	5
Transfers and other movements	108		45	153
BALANCE AT 31/12/2025	(4,930)	(71)	(622)	(5,623)
NET AMOUNTS				
At 31/12/2024	4,099	430	420	4,949
At 31/12/2025	3,949	439	429	4,817

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 31/12/2023	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 31/12/2024	6,558	3,932	1,289	4,066	386	16,231
Acquisitions	10	143	117	195	382	848
Disposals	(80)	(88)	(105)	(204)	(0)	(478)
Changes in scope of consolidation	0	1	0	(1)	(0)	(0)
Translation adjustments	(12)	1	0	(8)	(1)	(20)
Transfers and other movements	169	136	8	16	(368)	(38)
BALANCE AT 31/12/2025	6,646	4,125	1,310	4,064	398	16,542
DEPRECIATION AND IMPAIRMENT LOSSES						
Balance at 31/12/2023	(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 31/12/2024	(2,657)	(2,884)	(656)	(3,199)	(21)	(9,417)
Depreciation for the period	(190)	(229)	(143)	(272)	0	(834)
Impairment losses	(7)	(33)	(1)	(22)	(0)	(63)
Reversals of impairment losses	21	38	2	27	(1)	88
Reversals on disposals	47	89	94	196	0	426
Changes in scope of consolidation	0	(0)	(0)	1	0	0
Translation adjustments	4	0	(0)	6	(0)	9
Transfers and other movements	(62)	(7)	(2)	31	0	(41)
BALANCE AT 31/12/2025	(2,845)	(3,026)	(706)	(3,232)	(22)	(9,832)
NET AMOUNTS						
At 31/12/2024	3,901	1,048	633	867	365	6,813
At 31/12/2025	3,801	1,098	604	832	376	6,711

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 31/12/2023	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 31/12/2024	2,947	225	423	11	3,605
Increase	661	35	119	2	817
Decrease	(307)	(2)	(10)	(0)	(319)
Depreciation	(669)	(69)	(163)	(4)	(905)
Impairment losses	32		(2)		30
Changes in scope of consolidation	(0)	(0)	(0)		(0)
Translation adjustments and other	(17)	(3)	(13)	(1)	(34)
BALANCE AT 31/12/2025	2,647	187	353	7	3,194

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 €164 million (€165 million in 2024) and are included in "Other financial liabilities and accruals" of "Banking and insurance activity financial liabilities" (see Note 32.7).

19.3 Impact of leases on profit or loss

<i>(in € millions)</i>	2025	2024
Net operating expenses	1,506	1,548
Short-term lease expenses	147	150
Low-value lease expenses	77	100
Rental expenses	210	223
Non-deductible VAT on rental expenses	91	94
Depreciation of right-of-use assets	905	930
Impairment losses/(reversals) on right-of-use assets	(30)	(19)
Other ^(a)	107	70
Cost of net debt	132	137
Interest expense on lease liabilities	132	137
TOTAL	1,638	1,685

(a) Amounts relating primarily to banking and insurance activities.

19.4 Impact of leases on the statement of cash flows

<i>(in € millions)</i>	2025	2024
Net cash from/(used in) operating activities	632	636
Short-term lease expenses	147	150
Low-value lease expenses	77	100
Rental expenses	210	223
Non-deductible VAT on rental expenses	91	94
Other	107	70
Net cash from/(used in) financing activities	1,037	1,044
Interest paid on lease liabilities	132	137
Repayments of lease liabilities (including from La Banque Postale)	905	907
TOTAL CASH OUTFLOW	1,668	1,680

NOTE 20 EQUITY-ACCOUNTED COMPANIES

<i>(in € millions)</i>	Holding d'Infrastructures Gazières ^(a)	Arial CNP Assurances	XS5 Administradora de consórcio	Other insurance subsidiaries	Aramex PJSC ^(b)	Ninja Logistics ^(b)	Yurtici Kargo Servisi A.S.	Real Estate division	Other	Total equity-accounted companies (assets)	La Poste Telecom ^(c)
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 31/12/2023	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 FV of fin. instruments		6			0					6	
Changes in conso. scope 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 31/12/2024	817	180	49	51	322	131	43	26	60	1,678	
Profit or loss for the period	69	5	12	6	5	(132)	22	0	(6)	(19)	
Dividend payments	(54)		(10)				(18)	(4)	(0)	(86)	
Changes in FV of fin. instruments		(2)			(1)				0	(3)	
Changes in scope of consolidation and % control				(34)		1		0	1	(32)	0
Capital increases						(0)		0	8	9	
Other changes	3	(0)			(0)	2	(6)	1	2	1	
Translation adjustments			1	(8)	(41)	(1)	(3)		(5)	(57)	
BALANCE AT 31/12/2025	835	183	52	16	285	0	37	24	59	1,491	0

(a) 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.

(b) In 2025, impairment of Ninja Logistics shares for €99 million (see Note 1.4). In 2024, impairment of Aramex PJSC and Ninja Logistics shares for €71 million and €79 million respectively (see Note 21.3).

(c) Sold in 2024, see Note 1.2 "Significant events of the year" to the 2024 consolidated financial statements.

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

21.3 Impairment tests on investments in equity-accounted companies

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:

	Discount rate		Standard growth rate	Number of projected years
	Eurozone	Other		
2025				
Services-Mail-Parcels	7% - 8.6%		2%	5
Geopost	7.1 %	6.7 - 15.4%	2.6% - 4%	5
La Banque Postale	10%		2%	5
Retail Customers & Digital Services	7%		2%	5
2024				
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

In 2025, goodwill impairment of €30 million was recognised for the Healthcare Services CGU (Services-Mail-Parcels segment) to take into account the downgrading of its business plan projections. This impairment loss is in addition to the €43 million recorded in 2024.

An impairment loss of €25 million was also recorded in 2025 on the MWPI goodwill (Real Estate segment), due to the coworking business's downgraded outlook.

Sensitivity analysis at 31 December 2025

- 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 €50 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 €65 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 €165 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 €742 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 5.1%.

The impairment losses break down as follows:

- intangible assets: €147 million (see Note 17);
- property, plant and equipment: €235 million (see Note 18);
- right-of-use assets: €360 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 2025, Ninja Van shares were written down in full (€99 million). See Note 1 "Significant events of the year".

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.

NOTE 22 OTHER FINANCIAL ASSETS

<i>(in € millions)</i>	31/12/2025		31/12/2024	
	Current	Non-current	Current	Non-current
Unconsolidated equity investments		420		379
Deposits and guarantees paid	9	87	24	83
Derivative financial instruments	0	11	0	8
Loans for social housing	6	31	6	36
<i>Provisions for loans for social housing</i>		(9)		(11)
Financial assets held for cash management purposes	854		215	
Other financial assets	56	54	55	73
<i>Provisions for other financial assets</i>		(4)		(3)
TOTAL	924	591	300	564

Unconsolidated equity investments

<i>(in € millions)</i>	Segment	31/12/2025		31/12/2024
		Percentage held	Carrying amount	Carrying amount
Crédit Logement	La Banque Postale	6%	97	95
Domiserve	La Banque Postale	100%	46	42
EPI Company SE	La Banque Postale	6%	43	28
Xange Digital 3	Support & Corporate	22%	27	29
Transactis	La Banque Postale	50%	24	23
Xange Capital 2	Support & Corporate	56%	16	17
Xange 4	Support & Corporate	7%	14	14
Toit et joie	Support & Corporate	99%	12	12
STET	La Banque Postale	5%	8	7
Xange 5	Support & Corporate	5%	8	
LegalPlace	Support & Corporate	12%	7	3
Bpifrance	La Banque Postale	0.02%	6	
SCI CRSF DOM	La Banque Postale	100%	6	2
LP17	Support & Corporate	100%	5	5
LP12	Support & Corporate	100%	5	5
FFD2	Support & Corporate	3%	5	5
Seyna	La Banque Postale	5%	5	
Django	La Banque Postale			6
Other - French companies			75	67
Other - foreign companies (see details in Note 46)			10	18
TOTAL			420	379

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 and time deposits.

NOTE 23 ASSETS SPECIFIC TO 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>	31/12/2025	31/12/2024
Government paper and equivalents	28,179	24,666
Bonds and other fixed-income securities	29,377	28,714
UCITS	114,401	107,930
Debt instruments	171,957	161,310
Equity and other variable-income securities	24,018	21,815
Equity instruments	24,018	21,815
Customers	6,441	6,967
Loans and advances	6,441	6,967
Interest rate	5,421	5,651
Exchange rate	140	149
Credit	7	
Equity and index instruments	167	207
Derivative instruments	5,734	6,007
Credit institutions	1,269	225
Customers	10,171	7,558
Securities and other assets purchased under collateralised reverse repurchase agreements	11,440	7,784
TOTAL	219,591	203,882

Breakdown by IFRS 9 category

<i>(in € millions)</i>	31/12/2025	31/12/2024
Financial assets held for trading	20,214	16,826
Non-SPPI financial assets and equity instruments	90,933	93,288
Financial assets backing unit-linked contracts	105,826	90,825
Financial assets designated at fair value	2,618	2,943
TOTAL	219,591	203,882

23.2 Hedging derivatives

<i>(in € millions)</i>	31/12/2025	31/12/2024
Interest-rate derivatives	346	327
Forex instruments	48	159
TOTAL	395	486

23.3 Financial assets at fair value through OCI

<i>(in € millions)</i>	31/12/2025	31/12/2024
Equities at fair value through OCI not reclassifiable to profit or loss	16,051	14,997
Government paper and equivalents	93,366	91,934
Bonds and other fixed-income securities	113,368	111,014
Debt instruments at fair value through other comprehensive income reclassifiable to profit or loss	206,734	202,948
TOTAL	222,785	217,945

23.4 Securities at amortised cost

<i>(in € millions)</i>	31/12/2025	31/12/2024
Government paper and equivalents	32,735	31,894
Bonds and other fixed-income securities	5,264	4,262
Subordinated securities	208	100
TOTAL	38,206	36,256

23.5 Loans and advances to credit institutions at amortised cost

<i>(in € millions)</i>	31/12/2025	31/12/2024
Current accounts in debit	1,872	1,946
Suspense accounts	3	3
Demand deposits with credit institutions	1,875	1,950
Accounts and loans	153	106
Deposits centralised with CDC	59,475	63,410
Securities and other assets purchased under collateralised reverse repurchase agreements	8,495	10,129
Term loans and advances to credit institutions	68,123	73,645
Subordinated loans	79	79
TOTAL	70,076	75,673

23.6 Loans and advances to customers at amortised cost

<i>(in € millions)</i>	31/12/2025	31/12/2024
Retail current accounts in debit	1,038	969
Factoring accounts	4,236	4,147
Loans to customers repayable on demand, suspense accounts and other accounts	87	75
Impairment losses	(205)	(204)
Loans and advances to customers repayable on demand	5,156	4,986
Short-term credit facilities	16,296	14,363
Real estate loans	91,302	93,620
Equipment loans	5,877	6,793
Loans to financial sector customers	4,254	2,598
Other loans	1,470	1,989
Securities purchased under collateralised reverse repurchase agreements	5,829	2,289
Impairment losses	(1,509)	(1,411)
Term loans and advances to customers	123,521	120,240
Subordinated loans to customers	15	16
Finance lease transactions	3,462	3,715
TOTAL	132,154	128,958

23.7 Insurance and reinsurance contracts, other financial assets and accruals

<i>(in € millions)</i>	31/12/2025	31/12/2024
Insurance contracts issued – Assets – BBA/VFA	740	816
Insurance contracts issued – Assets – PAA	146	97
Acquisition costs not yet allocated to contracts – Assets	4	4
Insurance contracts issued – Assets (see Note 36.3 a)	890	917
Reinsurance contracts held – Assets – BBA/VFA	5,986	6,213
Reinsurance contracts held – Assets – PAA	255	295
Assets related to ceded investment contracts without DPF – Reinsurance	15	15
Reinsurance contracts held – Assets (see Note 36.3 a)	6,255	6,523
Sundry debtors ^(a)	4,875	6,822
Securities settlement accounts	41	0
Impairment losses	(147)	(93)
Other financial assets	4,768	6,729
Prepaid expenses and accrued income	1,565	1,770
Collection accounts	116	142
Other accruals	304	321
Accruals	1,985	2,232
Other financial assets and accruals	6,754	8,961

(a) Including guarantee deposits in respect of Single Resolution Fund EPIs for €89 million at 31 December 2025 and €89 million at 31 December 2024. (see Note 37.4).

23.8 Investment property

<i>(in € millions)</i>	31/12/2025	31/12/2024
Gross amounts	940	894
Depreciation	(80)	(51)
Impairment losses	(50)	(91)
Investment property at amortised cost	810	752
Investment property at fair value	5,545	5,838
TOTAL	6,355	6,590

The investment properties presented in the 2025 financial statements mainly concerned CNP Assurances.

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)	31/12/2025			31/12/2024
	Gross amounts	Allowances	Net amount	Net amount
Raw materials, supplies, goods and other inventories	183	(5)	178	162
Finished and semi-finished product inventories and work-in-progress	73	(1)	72	47
TOTAL	256	(6)	250	209

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)	31/12/2025	31/12/2024
Advances and deposits paid	271	277
Trade receivables and related accounts	3,538	3,588
<i>Impairment losses on trade receivables and related accounts</i>	(213)	(199)
International mail receivables	384	378
Receivables from the French State for compensation for public service missions	450	500
Other receivables	700	670
<i>Impairment losses on other receivables</i>	(26)	(24)
TOTAL	5,104	5,190

International mail receivables (€384 million) are primarily owed by foreign postal operators for the delivery of their mail in France (€378 million in 2024).

Likewise, trade and other payables include international mail payables (see Note 33) of €392 million owed to foreign postal operators for the delivery of La Poste mail outside of France (€413 million in 2024).

Receivables from the State for income about public service missions correspond to compensation not yet received. At 31 December 2025, this caption corresponded to the compensation for universal postal service provided in 2025.

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>	31/12/2025	31/12/2024
Cash equivalents	2,005	2,810
Cash at bank	1,184	1,358
Cash on hand	5	4
TOTAL	3,194	4,172

Cash equivalents

Cash equivalents consisted mainly of term deposits accessible at any time, or within three months, for €1,232 million (€2,148 million as at 31 December 2024), and units in money-market UCITS for €689 million (€615 million as at 31 December 2024).

25.2 Cash, central banks (Banking activities)

<i>(in € millions)</i>	31/12/2025	31/12/2024
Cash on hand (including cash held at post offices)	1,294	1,182
Central banks	11,463	26,630
TOTAL	12,757	27,812

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

At 31 December 2025, this item consisted primarily of the assets and liabilities of subsidiaries that were expected to be sold in the coming months.

They include the assets and liabilities of CNP Consórcio for €153 million and €91 million respectively (see Note 1.5).

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

At 31 December 2024, these assets and liabilities included:

- the assets and liabilities of the Cypriot company CNP Cyprus Insurance Holdings and its subsidiaries for €837 million and €654 million respectively (see Note 1.3);

- the assets and liabilities of the Italian company CNP UniCredit Vita (CUV) for €16,449 million and €15,629 million respectively (see Note 1.2).

NOTE 27 EQUITY

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

27.1 Share capital

At 31 December 2025, the share capital amounted to €6,183 million, divided into 3,091,475,290 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.

27.2 Hybrid debt

In January 2025, La Poste carried out a public offering of euro-denominated perpetual hybrid securities for €750 million. The securities have no fixed maturity and are callable by La Poste from the second half of the sixth year. In accordance with IAS 32, they were recognised in attributable equity (see Note 1).

27.3 Non-controlling interests

Non-controlling interests amounted to €7,132 million at 31 December 2025, compared with €7,202 million at 31 December 2024.

At the end of 2025, they essentially corresponded to:

- non-controlling interests in the CNP Assurances Group for €5,345 million (€5,419 million in 2024), including perpetual subordinated notes for €1,885 million (€1,389 million in 2024).
- perpetual subordinated notes issued by La Banque Postale for €1,488 million (€1,488 million in 2024).
- perpetual notes issued by Asendia for €227 million (€227 million in 2024).

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

(in € millions)	Date of issuance	Interest rate	Amounts in issuance currency	Currency	31/12/2025	31/12/2024
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 bps	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	27/06/2018	4.75% until 2028, then reset at the 5-year fixed swap 391.4 bps	500	USD	552	552
CNP Assurances	02/07/2025	5.50%, then from July 2032 Mid Swap Rate + 319.9 bps	500	EUR	496	
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					3,600	3,104

NOTE 28 PROVISIONS FOR CONTINGENCIES AND LOSSES

At 31 December 2025, **provisions for contingencies and losses** break down as follows:

<i>(in € millions)</i>	Labour disputes	Other disputes	Other	TOTAL
Non-current provisions	17	6	102	126
Current provisions	63	285	480	827
Balance at 31/12/2023	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 31/12/2024	77	253	507	837
Additions for the period	35	49	276	360
Utilisations	(26)	(36)	(304)	(366)
Reversals of unused provisions	(5)	(13)	(9)	(26)
Other movements	(6)	(122)	130	1
Non-current provisions	9	2	102	114
Current provisions	66	129	497	692
BALANCE AT 31/12/2025	76	131	600	806

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 2025 include 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

	31/12/2025		31/12/2024	
	Short-term	Medium-and long-term	Short-term	Medium-and long-term
<i>(in € millions)</i>				
Debt at amortised cost	1,264	8,852	1,153	9,682
Bonds	873	8,716	749	9,527
La Poste savings bonds	50		50	
Commercial paper	200		200	
Current bank facilities	36		72	
Deposits and guarantees received	14	44	5	46
Other borrowings at amortised cost	91	91	77	109
Derivative liabilities	3		23	3
Accrued interest on borrowings	105		108	
Total	1,372	8,852	1,285	9,685
BONDS AND OTHER DEBT	10,224		10,969	
Lease liabilities (a)	782	2,837	851	3,220
LEASE LIABILITIES	3,619		4,071	

(a) Lease liabilities at 31 December 2025 break down by currency as follows: €2,366 million in euros, €853 million in pounds sterling and €400 million in other currencies.
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.

29.2 Breakdown of debt by maturity

	Due within 1 year		Due in 1 to 5 years		Due beyond 5 years		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
<i>(in € millions)</i>								
Debt at amortised cost	1,264	1,153	4,086	4,120	4,766	5,562	10,116	10,835
Bonds	873	749	3,979	3,995	4,738	5,532	9,590	10,277
La Poste savings bonds	50	50					50	50
Commercial paper	200	200					200	200
Current bank facilities	36	72					36	72
Deposits and guarantees received	14	5	34	37	10	9	58	50
Other borrowings at amortised cost	91	77	74	88	18	21	182	185
Derivative liabilities	3	23				3	3	26
Accrued interest on borrowings	105	108					105	108
BONDS AND OTHER DEBT	1,372	1,285	4,086	4,120	4,766	5,565	10,224	10,969
LEASE LIABILITIES	782	851	1,773	2,068	1,064	1,152	3,619	4,071

29.3 Changes in debt

The following table presents changes in debt in 2025 and 2024, distinguishing between changes with an impact on cash and those without.

<i>(in € millions)</i>	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 31/12/2023	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				
Balance at 31/12/2024	10,969	(25)	4,071		10,042	165	
Changes with cash impact							
Proceeds from new borrowings (c)	797			797			797
Repayment of borrowings (d)	(1,520)			(1,520)	(997)		(2,517)
Repayment of lease liabilities			(862)	(862)		(42)	(904)
Other cash flows from/(used in) financing activities	(8)	13		4			4
Changes without cash impact							
Changes in accrued interest on financial instruments	(4)	(1)					
Increase in lease liabilities			780			37	
Changes in consolidation scope and exchange rates	(8)	(21)	(44)			(0)	
Changes in fair value (excluding banking activities)		8					
Other non-cash flows and reclassifications	(2)	13	(326)		(163)	4	
Debt of subsidiaries held for sale							
BALANCE AT 31/12/2025	10,224	(12)	3,619		8,881	164	

(a) See Note 30.1, including guarantee deposits.

(b) See Note 32.7.

(c) **Proceeds from new borrowings**

In 2025:

In September 2025, La Poste issued a €100 million tap on the 3.75% bonds due June 2035 and measured at amortised cost. In addition, €740 million in commercial paper was issued during the year (€600 million in 2024).

In 2024:

No bonds were issued in 2024.

(d) **Repayment of borrowings**

In 2025:

La Poste redeemed a bond with a nominal value of €750 million that was issued in 2015 and recognised at amortised cost. In addition, €740 million in commercial paper was redeemed in 2025 (€600 million in 2024).

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.

29.4 Bonds and subordinated debt

At 31 December 2025, 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
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
2023-2025	2030	Euro	3.750%	850	Amortised cost
2023	2035	Euro	4.000%	950	Amortised cost
TOTAL BONDS AT AMORTISED COST				9,725	

At 31 December 2025, 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	9,590	100%		9,590	100%
TOTAL BORROWINGS	9,590	100%		9,590	100%

Breakdown of debt by currency

All bonds were denominated in euros at 31 December 2025.

29.5 Derivative instruments for industrial and commercial activities

(in € millions)	Fair value at 31/12/2025		Fair value at 31/12/2024	
	Assets	Liabilities	Assets	Liabilities
Hedging derivatives				
Cash flow hedges	0	0	0	
TOTAL DEBT-RELATED DERIVATIVES	0	0	0	
Other				
Currency/exchange derivatives	11	3	8	26
TOTAL DERIVATIVES (EXCLUDING BANKING ACTIVITIES)	11	3	8	26
Amortisable balance on interrupted hedging derivatives				
Cash flow hedging derivatives	2		3	

29.6 Other debt

La Poste savings bonds

This line represents La Poste's savings bond liabilities. All of the bonds have matured.

Commercial paper

Commercial paper issued by La Poste and outstanding at 31 December 2025 had maturities of four months or less and represented €200 million (€200 million at 31 December 2024).

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

(in € millions)	Note	31/12/2025	31/12/2024
Cash and cash equivalents (balance sheet line)	25	3,194	4,172
Debt-related derivative assets	22	11	8
Security deposits paid in connection with derivatives, recognised as assets		0	17
Money market investments with initial maturities of over 3 months and UCITS	22	854	215
Net financial receivable from (payable to) La Banque Postale		29	28
Cash and other asset items (1)		4,087	4,440
Medium and long-term bonds and debt	29.1	8,852	9,685
Short-term bonds and debt	29.1	1,372	1,285
Lease liabilities	29.1	3,619	4,071
Gross debt (2)		13,843	15,040
NET DEBT (2)-(1)		9,755	10,601
Increase/(Decrease) in net debt at 31 December 2025		(845)	

30.2 Changes in group net debt

(in € millions)	Cross-references	31/12/2025	31/12/2024
Net cash from/(used in) operating activities	SCF ^(a)	2,620	3,318
Net cash from/(used in) investing activities	SCF	(1,642)	(734)
Neutralisation of changes in financial assets held for cash management purposes	SCF	646	2
Net cash from/(used in) investing activities excluding acquisitions and disposals of financial assets held for cash management purposes ^(b)		(996)	(731)
Issuance of shares to non-controlling interests	SCF	7	43
Issuance of perpetual hybrid subordinated notes	SCF	746	
Repayment of perpetual hybrid subordinated notes	SCF	(749)	
Dividends paid to shareholders and remuneration of hybrid subordinated notes	SCF	(57)	(29)
Purchases of non-controlling interests	SCF	(95)	(95)
Net interest expense		(206)	(227)
Changes in fair value of debt and derivatives		(16)	18
Impact of changes in consolidation scope on gross debt (incl. lease liabilities)		73	(72)
Non-cash changes in lease liabilities (IFRS 16)		(456)	(820)
Net debt of subsidiaries held for sale			9
Other items		(25)	(18)
Net cash from/(used in) and changes in debt from financing activities		(779)	(1,191)
Decrease/(increase) in net debt since 1 January		845	1,396
Opening net debt		(10,601)	(11,997)
Closing net debt		(9,755)	(10,601)

(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 2025:

<i>(in € millions)</i>	31/12/2024		Changes in scope of consolidation	Increases	Decreases (utilisations)	Reversals (surplus)	Net interest cost	Other changes	31/12/2025	
	Current	Non-current							Current	Non-current
Retirement benefits	28	643	(0)	43	(16)	(0)	13	(43)	30	637
Other post-employment benefits	0	15		3	(2)		0	0	0	17
Post-employment benefits	28	659	(0)	45	(18)	(0)	13	(43)	30	653
End-of-career benefits	275	338		7	(287)		12	(0)	174	171
Severance payments	69	33	0	39	(2)				92	48
Long-term sick leave/long-term paid leave	31	19		0	(9)			(0)	26	15
Accrued leave	160	160		5	(3)			0	161	162
Social protection and welfare	61	230		(8)	(20)		7		66	204
Other long-term benefits	0	81	0	2	(3)			(0)	0	81
Other employee benefits	322	523	0	39	(36)		7	0	346	509
TOTAL	624	1,520	0	91	(342)	(0)	32	(43)	550	1,333
	2,144								1,882	

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 2025 amounted to €181 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 2025, 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 who 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 2025 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 2024 and 2025 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
2025				
Eurozone	3.0%	3.5%	3.9%	4.1%
UK	4.3%	4.9%	5.4%	5.5%
2024				
Eurozone	2.8%	3.1%	3.3%	3.4%
UK	4.7%	5.0%	5.4%	5.6%

Inflation assumptions used for the UK were 2.90% (Retail Price Index – RPI) and 2.30% (Consumer Price Index – CPI), and respectively 3.20% and 2.50% in 2024.

31.4 Changes in post-employment benefit obligations

<i>(in € millions)</i>	2025	2024
Obligations at beginning of period	879	853
Current service cost	52	66
Interest cost	25	29
Benefits paid	(39)	(57)
Employee contributions	2	2
Actuarial (gains)/losses relating to changes in assumptions ^(a)	(42)	(4)
Actuarial (gains)/losses relating to experience adjustments	3	3
Translation adjustments	(8)	8
Changes in scope of consolidation	0	8
Plan changes and settlements	2	(24)
Other	(3)	(4)
OBLIGATIONS AT END OF PERIOD	871	879
Plan assets at beginning of period	192	200
Expected return on assets	9	8
Employer contributions	6	7
Employee contributions	4	3
Benefits paid	(16)	(19)
Actuarial gains and losses	1	(15)
Translation adjustments	(8)	8
PLAN ASSETS AT END OF PERIOD	188	192
Obligation	871	879
Plan assets ^(b)	(188)	(192)
PROVISION	683	687
<i>of which non-current provision</i>	653	659
<i>of which current provision</i>	30	28

(a) Actuarial gains and losses recognised in 2025 and 2024 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>	2025	2024
Actuarial (gains)/ losses at beginning of period	94	80
Actuarial (gains)/losses written off on plans closed in 2024	(111)	
Actuarial (gains)/losses relating to changes in assumptions	(42)	(4)
Actuarial (gains)/losses relating to experience adjustments	3	3
Actuarial (gains)/losses on plan assets	(1)	15
ACTUARIAL (GAINS)/LOSSES AT END OF PERIOD	(57)	94

(a) Recognised in "Other comprehensive income".

Breakdown of plan assets

Type of assets	2025	2024
Equities	6%	5%
Debt securities	50%	50%
Liability-driven Investment (LDI) funds	22%	24%
Insurance contracts	7%	8%
Other	14%	13%

Discount rate sensitivity

A 50-basis point decrease in the discount rate would result in an increase of approximately €34 million in the group's net post-employment benefit obligations.

31.5 Analysis of post-employment benefit expense

(in € millions)	2025	2024
Current service cost	52	66
Interest cost	25	29
Expected return on assets	(9)	(8)
EXPENSE /(INCOME) FOR THE PERIOD	69	87

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
2026	59
2027	45
2028	40
2029	45
2030	53

At 31 December 2025, the average duration of post-employment benefits was around 20 years.

NOTE 32 LIABILITIES SPECIFIC TO BANKING AND INSURANCE ACTIVITIES

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

32.1 Financial liabilities at fair value through profit or loss

<i>(in € millions)</i>	31/12/2025	31/12/2024
Interest rate	4,314	4,640
Exchange rate	357	543
Credit	14	2
Equity and index instruments	50	128
Derivative instruments	4,736	5,312
Debt securities	4,850	5,071
Credit institutions	4,021	2,225
Customers	6,051	4,950
Securities and other assets sold under collateralised repurchase agreements	10,072	7,176
TOTAL	19,658	17,559

32.2 Hedging derivatives

<i>(in € millions)</i>	31/12/2025	31/12/2024
Interest-rate derivatives	1,392	1,958
Forex instruments	48	0
TOTAL	1,440	1,958

32.3 Liabilities due to credit and similar institutions

<i>(in € millions)</i>	31/12/2025	31/12/2024
Current accounts in credit	628	695
Overnight accounts and borrowings		100
Other amounts due	2	2
Demand deposits from credit institutions	630	797
Term deposits	4,037	2,989
Securities and other assets sold under collateralised repurchase agreements	23,761	27,251
Term liabilities due to credit institutions	27,797	30,240
TOTAL	28,427	31,038

32.4 Customer deposits

<i>(in € millions)</i>	31/12/2025	31/12/2024
Livret A	68,488	69,793
PEL/CEL home savings plans and accounts	19,146	22,048
Other regulated savings accounts	32,547	31,361
Regulated savings accounts	120,181	123,202
Current accounts in credit	71,955	75,814
Overnight accounts and borrowings	2,823	2,781
Other amounts payable to customers	1,526	1,508
Customer demand deposits	76,304	80,103
Term deposits	(3)	1
Term deposit accounts in credit	2,388	2,234
Securities and other assets sold under collateralised term repurchase agreements	16,770	20,036
Customer term deposits	19,155	22,271
TOTAL	215,639	225,576

32.5 Debt securities

<i>(in € millions)</i>	31/12/2025	31/12/2024
Certificates of deposit and commercial paper	8,196	10,572
Bonds ^(a)	23,184	22,263
TOTAL	31,381	32,835

(a) Including €12.7 billion of covered bonds at 31 December 2025 issued by La Banque Postale Home Loan SFH (€12.7 billion at 31 December 2024).

32.6 Insurance contracts issued and reinsurance contracts held

<i>(in € millions)</i>	31/12/2025	31/12/2024
Insurance contracts issued – Liabilities – BBA/VFA	377,224	363,206
Insurance contracts issued – Liabilities – PAA	1,363	1,546
Liabilities related to ceded investment contracts without DPF – Insurance	1,886	2,019
Insurance contracts issued – Liabilities (see Note 36.3)	380,474	366,771
Reinsurance contracts held – Liabilities – BBA	11	10
Reinsurance contracts held – Liabilities – PAA		3
Reinsurance contracts held – Liabilities (see Note 36.3)	11	13
TOTAL	380,484	366,784

32.7 Other financial liabilities and accruals

<i>(in € millions)</i>	31/12/2025	31/12/2024
Deferred income/(expense)	542	513
Other accruals	448	1,155
Accruals	990	1,668
Securities-related liabilities	244	176
Security deposits received	915	800
Lease liabilities	164	165
Other miscellaneous payables	3,146	3,315
Other payables	3,310	3,480
Securities settlement accounts	6	8
Home savings provisions	132	100
Other financial liabilities	5,597	6,231

32.8 Subordinated debt

<i>(in € millions)</i>	31/12/2025	31/12/2024
Subordinated debt	8,882	10,042

Subordinated debt can be analysed as follows:

<i>(in € millions)</i>	Date of issuance	Maturity date	Interest rate	Amounts in issuance currency	Currency	31/12/2025	31/12/2024	
Redeemable subordinated notes						8,095	9,178	
La Banque Postale	09/06/2016	09/06/2028		3.00%	500	EUR	488	481
La Banque Postale	05/10/2016	05/10/2028		2.25%	100	EUR	95	93
La Banque Postale	19/01/2017	09/06/2028		3.00%	150	EUR	147	145
La Banque Postale	26/10/2020	26/01/2031		0.875%	500	EUR	492	492
La Banque Postale	02/02/2021	02/08/2032		0.75%	500	EUR	484	470
La Banque Postale	27/04/2021	02/08/2032		0.75%	250	EUR	242	235
La Banque Postale	05/12/2022	05/03/2034		5.50%	500	EUR	525	529
CNP Assurances	05/06/2014	05/06/2045		4.25% until June 2025, then reset at the 5-year fixed swap + 360 bps	500	EUR	518	518
CNP Assurances	10/12/2015	10/06/2047		4.5% until June 2027, then 3-month Euribor + 460 bps	750	EUR	801	823
CNP Assurances	22/01/2016	22/01/2049		6% until January 2049	500	USD	458	526
CNP Assurances	05/02/2019	05/02/2029		2.75% until February 2029	500	EUR	540	549
CNP Assurances	27/11/2019	27/07/2050		2.00% until June 2030, then 3-month Euribor + 300 bps	750	EUR	769	771
CNP Assurances	10/12/2019	15/01/2027		0.80% until January 2027	250	EUR	252	253
CNP Assurances	30/06/2020	30/09/2051		2.5% until June 2031, then 3-month Euribor + 365 bps	750	EUR	760	759
CNP Assurances	08/12/2020	08/03/2028		0.375% until March 2028	500	EUR	502	502
CNP Assurances	12/10/2021	12/10/2053		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	18/01/2023	18/07/2053		5.25% until July 2033, then 3-month Euribor + 345 bps	500	EUR	512	512
CNP Assurances	16/07/2024	16/07/2054		4.875% until July 2034, then 3-month Euribor + 310 bps	500	EUR	512	511
Perpetual subordinated notes						787	865	
CNP Assurances	15/11/2004			4.93% until 2016, then 3-month Euribor + 160 bps from 15/11/2016	90	EUR	90	90
CNP Assurances	15/11/2004			3-month Euribor + 70 bps until 2016, then 3-month Euribor + 160 bps	93	EUR	93	93
CNP Assurances	07/04/2021			4.875% until April 2031, then 5-year CMT + 318.3 bps	700	USD	603	681
TOTAL DEEPLY SUBORDINATED DEBT						8,882	10,042	

Balance sheet values include hedging effect and accrued interest.

NOTE 33 TRADE AND OTHER PAYABLES

<i>(in € millions)</i>	31/12/2025	31/12/2024
Trade payables and related accounts	5,233	5,077
Tax and social security payables	2,510	2,525
Payables to suppliers of non-current assets	425	444
International mail payables	392	413
Customer advances and deposits	154	197
Other operating payables	492	460
TOTAL	9,207	9,115

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 vanilla 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 2025, 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.

When 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 estimated statistical loss on the portfolio

with a confidence interval of 97.5%. It is calculated using 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 and to be in a position to meet its payment obligations at all times.

The group's liquidity risk management policy is based in particular on (i) defining and updating a minimum threshold of cash that it can access at any time depending on its needs and changes in those needs, together with an early warning system if intermediate thresholds are exceeded, (ii) ensuring permanent access to additional sources of liquidity and (iii) monitoring market indicators in order to foresee any liquidity crises. Financial needs are measured using cash flow forecasts (annual, monthly or weekly depending on the situation), and the resulting liquidity risk is addressed by:

- constantly having liquidity and investments that are available in full within a maximum of 12 months, with an average portfolio liquidity period of less than three months, and for a minimum amount of "security cash", whose level is set, updated and monitored by the group's Financial Committee (currently set at €1.2 billion);

- setting up confirmed credit facilities with financial institutions. In particular, the group has access to a €1.5 billion syndicated credit facility provided by its 12-member banking pool. The facility expires in October 2030 with a one-year rollover option (see Credit facilities in Note 39.3);
- issuing short-term Negotiable European Commercial Paper up to a maximum of €3.5 billion, to finance temporary cash

- requirements and strengthen the diversification of sources of liquidity;
- an EMTN (Euro Medium Term Notes) programme representing a maximum amount of €15 billion.

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.

2025 <i>(in € millions)</i>	Balance sheet amounts	2026 flows		2027 flows		2028-2030 flows		2031 flows and beyond	
		Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal
Bonds	9,590	154	875	148	1,000	388	3,000	361	4,850
Borrowings at amortised cost	9,590	154	875	148	1,000	388	3,000	361	4,850
Other debt	4,145	122	1,147	97	651	194	1,254	227	1,091
Lease liabilities	3,619	120	758	97	625	194	1,173	227	1,063
La Poste savings bonds	50		50						
Commercial paper	200	2	198						
Current bank facilities	36		36						
Deposits and guarantees received	58		14		9		26		10
Other borrowings at amortised cost	182		91		18		56		18
Derivative instruments	(8)	3		3		7	(1)	4	(9)
Derivative liabilities	3	1		0		1	(1)	0	0
Derivative assets	(11)	2		2		7		4	(9)
TOTAL	13,727	279	2,022	248	1,651	589	4,253	592	5,932

34.3 Interest rate risk

As part of its financial risk management policy, the group has decided to limit its exposure to interest rate risk by opting for gross long-term debt that is solely at fixed rates. In order to optimally manage the cost of its debt, the group may, however, swap the fixed rates on a portion of its gross long-term debt for variable rates. The group's interest rate risk stems from changes in market rates (principally the €STR and three-month Euribor), which could result in lower returns on investments or the loss of opportunity when rates change unfavourably.

To manage interest rate risk, the group has established:

- a strategy for managing its bond debt, which may involve the use of derivatives to take advantage of market opportunities and reduce the cost of its bonds;
- an investment management strategy based in particular on the diversification of investment vehicles, as well as the use of derivatives, where appropriate, to hedge exposure to the group's functional currency;
- prospective monitoring over 12 rolling months of its net debt and investment position 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.

No derivatives were held as hedges of interest rate risk at 31 December 2025.

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.

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 has used and 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 33 million);
- its equity investments denominated in Singapore dollars (SGD), hedged in part by forward SGD sales against the euro ;
- its equity investments in United Arab Emirates dirhams (AED), hedged in part by forward AED sales against the euro.

Other forex derivatives, not qualified as hedges for accounting purposes 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 2025, the accounting currency effect on revenue amounted to a negative €165 million, stemming mainly from the Brazilian real (negative €87 million), the pound sterling (negative €31 million), the Mexican peso (negative €25 million), the US dollar (negative €21 million), the zloty (positive €16 million) and the Hong Kong dollar (negative €15 million). The accounting impact of currency fluctuations on operating profit/(loss) amounted to almost a negative €59 million in 2025.

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 2026 risk map was validated by the Executive Board of La Banque Postale on 29 September 2025. The main changes include:

- the separation of market risks and asset-liability management risks into two distinct categories: structural balance sheet risks, including liquidity risks, and market risks;
- the addition of technological disruption risk and geopolitical risk to strategic and business risks;
- the inclusion in structural balance sheet risks of new risks that cut across La Banque Postale and its subsidiaries, such as inflation risk and scale 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 2025. The information presented in this note also factors in these developments.

La Banque Postale has been operating in an increasingly volatile international economic and financial environment, shaped by major economic shocks (linked to US policy and customs tariffs) combined with significant domestic shocks (an unprecedented political environment, the failed attempt at pension reform and difficulties in pushing through the 2026 budget).

Geopolitical tensions also remain high, and have worsened significantly since the outbreak of war between Russia and Ukraine in February 2022 (continuing armed conflict between Ukraine and Russia and between Hamas and Israel, risk of other Middle Eastern countries being dragged into the 12-day war between Israel and Iran in June, transformation of the environment due also to the United States' changed position).

The main areas of concern are achieving growth objectives without any deterioration in profitability, monitoring corporate loan portfolios which are showing signs of deterioration, balance sheet management and the liquidity situation. In the current economic and political climate, households have chosen to save rather than spend (with a particular emphasis on increasing their precautionary savings), driving up to arbitrage in investments (deposit accounts, passbook savings accounts and life insurance).

■ Indicators

The group monitors various indicators of the situation in France affecting La Banque Postale's business, including:

- Indicators of the significant uncertainty weighing on economic actors in the budgetary and fiscal framework. Their wait-and-see attitude could weigh even more heavily on economic growth and borrowers' ability to repay their debts, notwithstanding the fact that the business climate in France continued to improve slightly in December with growth coming closer to its long-term average;

- After rising steadily from 2021 to December 2024 due to fall-out from the Covid period, the rate of business failures in France as a whole gradually eased over 2025 (68.3 thousand failures were recorded in the twelve months to 30 November 2025, up 4.4% over the year-earlier period, vs. a 4.7% increase in the twelve months to 31 October 2025), while remaining at a cyclical high (compared to the 2010-2019 average of 59.3 thousand¹).

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. 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 probability of occurrence of each scenario is documented by La Banque Postale's Economic Research Department. 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 and La Banque Postale's Economic Research Department.

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 retail 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 group's 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 by La Banque Postale's Economic Research Department. At 31 December 2025, this Department considered that the macro-economic outlook and global growth uncertainty affecting various measures had not changed significantly since 31 December 2024, thus confirming the applicable weightings.

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

Scenarios	2025 scenarios	2024 scenarios
Central	60%	60%
Unfavourable	30%	30%
Favourable	10%	10%

¹ Source: Banque de France

In 2025, La Banque Postale used the following scenarios to calculate loss allowances under IFRS 9:

Central scenario

Uncertainty over the political situation in France and its economic and social implications led to a sharp downturn in consumer and business confidence and the end of last summer saw the beginning of a period of considerable political instability. The central scenario assumes political continuity, with social unrest kept under control and the prospect of a budget with fewer restrictions than under the Bayrou plan. Concerning inflation, prices continued to decline in 2025, at a faster rate than was expected at the start of year due to the sharp fall in energy prices and the appreciation of the euro. Looking ahead to 2026, the outlook is very uncertain. With regard to the ECB deposit facility rate, the Bank began 2025 by adopting a policy of monetary normalisation before opting for the status quo, and the latest developments confirm the prospect of the deposit rate ending the year below its 2024/2025 level. Given the significant inflationary forces that will shape the future medium-to-long term economic cycle, the long-term equilibrium interest rate is likely to remain stable. Concerning long-term rates, the forces keeping the 10-year OAT rate at around 3.5% are expected to prevail in the short term, particularly in light of the pressure on France's sovereign risk premium and the expected increase in calls on the market following the lifting of the German debt brake.

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

Variables	Scenario at 31/12/2025					
	T0	Y+1	Y+2	Y+3	Y+4	Y+5
French GDP (annual rate of growth)	0.7	0.8	0.9	1.0	1.0	1.0
Eurozone unemployment rate (average annual rate)	7.4	7.5	7.6	7.6	7.6	7.5
10-year OAT (average annual rate)	3.38	3.56	3.54	3.44	3.40	3.40
Inflation France (change)	1.1	1.5	1.8	1.9	2.0	2.0

Variables	Scenario at 31/12/2024					
	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

Unfavourable scenario

This scenario includes, for the year of the shock, new tensions on the commodities market due to geopolitical tensions, leading to severe recessionary pressures on global GDP. A persistent 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 bank would respond by setting its 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). The economic and financial consequences of the adverse climate scenarios published by the NGFS², the latest versions of which all assume that the impact of physical risk will increase sharply, are covered and statistically built into the inflation knock-out scenario, as is the risk of a trade war. This scenario has been developed by Caisse des Dépôts and its projections in relation to certain variables are provided below:

Variables	Scenario at 31/12/2025					
	T0	Y+1	Y+2	Y+3	Y+4	Y+5
French GDP (annual rate of growth)	0.7	-1.5	0.0	0.5	0.5	0.5
Eurozone unemployment rate (average annual rate)	7.4	8.7	9.2	9.5	9.6	9.6
10-year OAT (average annual rate)	3.38	5.48	5.69	5.50	5.50	5.50
Inflation France (change)	1.1	5.5	4.0	3.5	3.5	3.5

Variables	Scenario at 31/12/2024					
	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

² The Central Banks and Supervisors Network for Greening the Financial System

Favourable scenario

This scenario assumes that uncertainty will ease in France and the international environment will become more buoyant. In France, consumer and business confidence would be less oppressed than expected, providing more support for a recovery in economic activity during the first few years than in the central scenario. At international level, the increase in US customs tariffs would be controlled. US inflation would continue to ease, allowing the Fed to cut its Fed Funds rate with a knock-on effect on US long-term rates. The phenomenon would spread to the major economies and European long-term rates (including the OAT) would also fall. This latter factor would also play a role in the long term. Increased US oil production would weigh on oil prices, offsetting the upward pressure on French inflation from stronger economic activity. In China, the government's support policies would deliver a few benefits. All of these phenomena (less uncertainty, increased foreign demand, controlled inflation and lower interest rates) would be additional factors supporting French growth compared with the central scenario. This would lead to a more dynamic jobs market and reduce unemployment.

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

Variables	Scenario at 31/12/2025					
	T0	Y+1	Y+2	Y+3	Y+4	Y+5
French GDP (annual rate of growth)	0.7	1.2	1.5	1.4	1.1	1.0
Eurozone unemployment rate (average annual rate)	7.4	7.4	7.2	7.1	7.0	6.9
10-year OAT (average annual rate)	3.38	3.44	3.34	3.24	3.20	3.20
Inflation France (change)	1.1	1.35	1.61	1.75	1.93	1.97

Variables	Scenario at 31/12/2024					
	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

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 retail customer scopes.

The sensitivity of retail ECL is relatively moderate in this segment, ranging from [0%; +3%] 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 [-3%; +52%] of ECL, based on the central scenario, depending on the scenario, and before weighting. Volatility is higher for exposures in the sovereign and credit institutions segment.

35.2.3 Impacts on the measurement of credit risk

At 31 December 2025, cost of risk amounted to €250 million.

Non-performing exposures (NPE), relating to customer loans and securities portfolios, were up compared with the 31 December 2024 level, at 1.42% (vs. 1.34% in December 2024), mainly due to the increase in consumer loan defaults.

The coverage rate for non-performing exposures was slightly down at 38.2% at end-December 2025 compared with 39.4% at 31 December 2024.

In addition, the bucket 2 exposure rate rose to 7.72% (7% in 2024). This increase is the result of a dual effect: statistical provisioning (higher bucket 2 exposures) and updated sector-specific provisioning criteria.

Corporate customers

During the year 2025, no major losses were recorded on the corporate loan portfolio. However, the number of corporate loans subject to special measures continued to increase. The main indicator of a gradual decline in credit quality was the transfer to the Watch List or to special measures of several loans with significant real estate exposure and loans to SMEs/mid-caps. 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 therefore amounted to €118 million in 2025 compared to €132 million in 2024.

Retail customers

At 31 December 2025, the Corporate and Investment Banking cost of risk amounted to €132 million of which €7.4 million on business customers (€99 million at 31 December 2024).

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 loans, the decline in credit quality observed since summer 2024 (illustrated by rising arrears, growth in the number of overindebted borrowers seeking Banque de France protection and the increased incidence of credit score downgrades) continued in 2025. This risk nevertheless remains under control.

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**

	31/12/2025				31/12/2024			
	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	38,335	(52)	(77)	38,206	36,324	(49)	(19)	36,256
Loans and advances to credit and similar institutions	70,077	(1)		70,076	75,679	(5)		75,673
Loans and advances to customers	133,975	(1,800)	(20)	132,155	130,680	(1,717)	(5)	128,958
TOTAL	242,386	(1,853)	(97)	240,437	242,684	(1,772)	(24)	240,888

(a) Impact of hedging transactions.
(b) See Note 23.

	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	Net carrying amount
<i>(in € millions)</i>									
At 31 December 2024	227,548	(176)	12,614	(611)	2,523	(985)	242,684	(1,772)	240,888
Transfers of assets during their lifetime from one bucket to another	(2,291)	11	1,728	(59)	563	(154)	0	(201)	(201)
Transfers to lifetime ECL (bucket 2)	(4,965)	17	5,126	(177)	(161)	36		(123)	(123)
Transfers to 12-month ECL (bucket 1)	3,133	(10)	(2,986)	89	(148)	31		111	111
Transfers to credit-impaired ECL (bucket 3) ^(a)	(459)	4	(412)	29	872	(221)	0	(188)	(188)
Total after transfers	225,256	(165)	14,341	(669)	3,086	(1,138)	242,684	(1,973)	240,711
Changes in gross carrying amounts and allowances for credit losses	556	5	(584)	21	(269)	94	(297)	120	(177)
New production: purchase, issuance, origination, etc. ^(b)	33,967	(92)	2,259	(209)	503	(274)	36,730	(575)	36,155
Derecognition: disposal, repayment, maturity, etc.	(33,147)	96	(2,843)	230	(561)	175	(36,551)	501	(36,050)
Write-offs					(200)	193	(200)	193	(6)
Modification of cash flows not resulting in derecognition					(4)		(4)		(4)
Changes in credit risk parameters over the period									
Changes in model/methodology									
Changes in scope of consolidation	(217)						(217)		(217)
Other	(47)	(0)	0	0	(9)	(0)	(55)	(0)	(55)
Total	225,812	(160)	13,757	(648)	2,817	(1,044)	242,386	(1,853)	240,534
Remeasurement^(c)									(97)
AT 31 DECEMBER 2025	225,812	(160)	13,757	(648)	2,817	(1,044)	242,386	(1,853)	240,437

(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.
(c) Impact of hedging transactions.

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

	31/12/2025				31/12/2024			
	Gross carrying amount	Allowance for credit losses	Remeasurement	Fair value ^(a)	Gross carrying amount	Allowance for credit losses	Remeasurement	Fair value ^(a)
<i>(in € millions)</i>								
Debt instruments at fair value through other comprehensive income reclassifiable to profit or loss	233,854	(312)	(26,808)	206,734	229,376	(292)	(26,138)	202,948
TOTAL	233,854	(312)	(26,808)	206,734	229,376	(292)	(26,138)	202,948

(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
<i>(in € millions)</i>								
At 31 December 2024	229,285	(291)	90	(1)			229,376	(292)
Transfers of assets during their lifetime from one bucket to another								
Total after transfers	229,285	(291)	90	(1)			229,376	(292)
Changes in gross carrying amounts and allowances for credit losses	4,539	(21)	(61)	0			4,478	(20)
New production: purchase, issuance, origination, etc.	63,794		10				63,804	
Derecognition: disposal, repayment, maturity, etc.	(59,228)		(71)				(59,299)	
Changes in scope of consolidation	(16)	2					(16)	2
Other	(11)	(23)		0			(11)	(22)
AT 31 DECEMBER 2025	233,825	(311)	30	(1)			233,854	(312)

■ **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.

	31/12/2025			31/12/2024		
	Gross carrying amount	Allowance for credit losses	Net carrying amount	Gross carrying amount	Allowance for credit losses	Net carrying amount
<i>(in € millions)</i>						
Financing commitments and guarantee contracts ^(a)	27,039			27,774		
Loss allowance for financing commitments and guarantee contracts ^(b)		(105)			(129)	
TOTAL	27,039	(105)	26,934	27,774	(129)	27,645

(a) Including €24,752 million in bucket 1 and €2,209 million in bucket 2 in 2025 (compared with €25,839 million in bucket 1 and €1,776 million in bucket 2 in 2024). For bucket 1 in 2025, new production amounted to €10,604 million and derecognitions amounted to €(11,940) million, (compared with €13,397 million in new production and €9,632 million in derecognitions in 2024).

(b) Including €(20) million in bucket 1 and €(74) million in bucket 2 in 2025 (compared with €(22) million in bucket 1 and €(64) million in bucket 2 in 2024).

▪ **Restructured financial assets**

The post-restructuring carrying amounts of assets restructured during the reporting period are as follows:

	31/12/2025			31/12/2024		
	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	59	(4)	56	91	(3)	88
TOTAL	59	(4)	56	91	(3)	88

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 €7 million at 31 December 2025 and €10 million at 31 December 2024.

■ 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.

	31/12/2025		
	Net maximum exposure to credit risk	Collateral and other credit enhancements	Unsecured
<i>(in € millions)</i>			
AT 31 DECEMBER 2025			
Financial assets at fair value through profit or loss	96,938	19,988	76,950
Financial assets held for trading	20,252	19,988	264
Financial assets designated at fair value	2,618		2,618
Non SPPI financial assets at fair value	74,068		74,068
Hedging derivatives	395	395	
Financial assets at fair value through OCI reclassifiable to profit or loss	206,734		206,734
Debt securities	206,734		206,734
Financial assets at amortised cost	240,437	95,027	145,410
Loans and advances to credit institutions	70,076	8,498	61,578
Loans and advances to customers	132,155	86,529	45,625
Debt securities	38,206		38,206
Off-balance sheet (financing commitments and guarantee contracts)	26,934	287	26,647
Funding commitments given	25,552	286	25,266
Guarantee commitments given	1,382	1	1,381
TOTAL	571,437	115,697	455,740

	31/12/2024		
	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

b) Concentration of credit risk

■ Concentration of credit risk by economic agent

Financial assets at amortised cost	31/12/2025				31/12/2024					
	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 (bucket 1)	Assets subject to lifetime ECL (bucket 2)				Assets subject to 12-month ECL (bucket 1)	Assets subject to lifetime ECL (bucket 2)			
(in € millions)										
Retail (a)	72,390	6,629	1,318	80,336	75,085	6,717	1,200	83,001		
Government	100,949	101	33	101,082	105,482	71	24	105,577		
Central banks	831			831	586			586		
Credit institutions	10,522	0	0	10,522	11,238	0	0	11,239		
Finance companies	9,650	1,257	73	10,981	6,221	920	90	7,231		
Non-financial sector companies	31,471	5,770	1,392	38,634	28,936	4,905	1,209	35,050		
TOTAL	225,812	13,757	2,817	242,386	227,547	12,613	2,523	242,684		
Allowances for credit losses and remeasurement				(1,950)				(1,796)		
Net amount				240,437				240,888		

(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	31/12/2025				31/12/2024					
	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 (bucket 1)	Assets subject to lifetime ECL (bucket 2)				Assets subject to 12-month ECL (bucket 1)	Assets subject to lifetime ECL (bucket 2)			
(in € millions)										
Retail										
Government	118,322			118,322	115,580			115,580		
Central banks	15,976			15,976	13,334			13,334		
Credit institutions	50,668			50,668	52,493			52,493		
Finance companies	8,288	(0)		8,288	7,214			7,214		
Non-financial sector companies	40,570	30		40,600	40,664	90		40,755		
TOTAL	233,825	30		233,854	229,285	90		229,376		
Allowances for credit losses and remeasurement				(27,121)				(26,430)		
Net amount				206,734				202,948		

Off-balance sheet (financing commitments and guarantee contracts)	31/12/2025				31/12/2024					
	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 (bucket 1)	Commitments subject to lifetime ECL (bucket 2)				Commitments subject to 12-month ECL (bucket 1)	Commitments subject to lifetime ECL (bucket 2)			
(in € millions)										
Retail (a)	7,318	600	13	7,932	8,032	651	15	8,698		
Government (b)	4,933	16		4,948	4,493	5	2	4,500		
Central banks	1			1	1			1		
Credit institutions (c)	1,631	170		1,801	4,624	78		4,702		
Finance companies (d)	2,328	258	2	2,588	2,362	289	3	2,654		
Non-financial sector companies (d)	8,542	1,164	63	9,769	6,326	753	139	7,218		
TOTAL	24,752	2,208	79	27,039	25,839	1,776	159	27,774		
Allowance for credit losses (e)				(105)				(129)		

(a) Of which €6,790 million with a probability of default of less than 1% in 2025 (€7,460 million in 2024).

(b) Of which €3,689 million with a rating below A in 2025 (€3,405 million in 2024).

(c) Of which €526 million with a rating below A in 2025 (€342 million in 2024).

(d) Of which €10,474 million with a rating below A in 2025 (€8,391 million in 2024).

(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	31/12/2025				31/12/2024			
	Gross carrying amount				Gross carrying amount			
	Performing assets (with or without credit deterioration)		Credit-impaired assets (bucket 3)	TOTAL	Performing assets (with or without credit deterioration)		Credit-impaired assets (bucket 3)	TOTAL
Assets subject to 12-month ECL (bucket 1)	Assets subject to lifetime ECL (bucket 2)	Assets subject to 12-month ECL (bucket 1)			Assets subject to lifetime ECL (bucket 2)			
(in € millions)								
PD < 1%	62,952	1,280		64,232	64,886	1,607		66,493
1% < PD < 3%	7,752	1,748		9,499	8,168	1,543		9,711
3% < PD < 10%	1,604	2,739		4,343	1,874	2,652		4,526
PD > 10%	82	862		945	157	914		1,071
Defaulted loans (subject to legal collection procedures)			1,318	1,318			1,200	1,200
TOTAL - Retail	72,390	6,629	1,318	80,336	75,085	6,717	1,200	83,001
AAA	1,053	61		1,114	2,002	105		2,107
AA	1,531			1,531	2,822	69		2,891
A	5,579	58	52	5,689	4,302	271		4,573
Other	32,960	6,908	1,413	41,281	26,032	5,379	1,299	32,710
TOTAL - Corporate	41,122	7,027	1,465	49,615	35,157	5,825	1,299	42,280
AAA	2,592			2,592	2,915			2,915
AA	1,992			1,992	89,179			89,179
A	89,161	8		89,169	3,455		0	3,455
Other	8,035	92	33	8,160	10,518	71	24	10,614
TOTAL - Government and central banks	101,779	101	33	101,913	106,068	71	24	106,163
AAA	203			203	905			905
AA	547			547	4,137	0		4,137
A	4,657			4,657	5,085			5,085
Other	5,115	0	0	5,115	1,111	0	0	1,111
TOTAL - Credit institutions	10,522	0	0	10,522	11,238	0	0	11,239

Financial assets at fair value through OCI reclassifiable to profit or loss	31/12/2025				31/12/2024			
	Gross carrying amount				Gross carrying amount			
	Performing assets (with or without credit deterioration)		Credit-impaired assets (bucket 3)	TOTAL	Performing assets (with or without credit deterioration)		Credit-impaired assets (bucket 3)	TOTAL
Assets subject to 12-month ECL (bucket 1)	Assets subject to lifetime ECL (bucket 2)	Assets subject to 12-month ECL (bucket 1)			Assets subject to lifetime ECL (bucket 2)			
(in € millions)								
AAA	380			380	2,120			2,120
AA	7,784			7,784	7,936			7,936
A	19,236			19,236	17,877			17,877
Other	21,458	30		21,488	19,946	90		20,036
TOTAL - Corporate	48,858	30		48,888	47,878	90		47,969
AAA	21,662			21,662	18,264			18,264
AA	14,449			14,449	83,358			83,358
A	82,985			82,985	6,968			6,968
Other	15,203			15,203	20,323			20,323
TOTAL - Government and central banks	134,299			134,299	128,914			128,914
AAA	1,285			1,285	2,739			2,739
AA	4,096			4,096	7,098			7,098
A	34,096			34,096	36,056			36,056
Other	11,191			11,191	6,600			6,600
TOTAL - Credit institutions	50,668			50,668	52,493			52,493

■ **Concentration of credit risk by geographical region**

Financial assets at amortised cost	31/12/2025				31/12/2024			
	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 (bucket 1)	Assets subject to lifetime ECL (bucket 2)			Assets subject to 12-month ECL (bucket 1)	Assets subject to lifetime ECL (bucket 2)		
(in € millions)								
France (incl. overseas departments and territories)	203,228	13,459	2,698	219,384	205,644	12,434	2,457	220,535
Other EU countries	20,309	239	80	20,627	19,524	120	32	19,676
Other European countries	720	16	33	769	697	12	32	741
Other	1,555	44	7	1,606	1,682	47	2	1,731
TOTAL	225,812	13,757	2,817	242,386	227,547	12,613	2,523	242,684
Allowances for credit losses and remeasurement				(1,950)				(1,796)
Net amount				240,437				240,888

Financial assets at fair value through OCI reclassifiable to profit or loss	31/12/2025				31/12/2024			
	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 (bucket 1)	Assets subject to lifetime ECL (bucket 2)			Assets subject to 12-month ECL (bucket 1)	Assets subject to lifetime ECL (bucket 2)		
(in € millions)								
France (incl. overseas departments and territories)	112,567	10		112,577	99,019			99,019
Other EU countries	85,731	10		85,741	89,371	17		89,388
Other European countries	6,550			6,550	8,697			8,697
Other	28,977	9		28,986	32,199	73		32,272
TOTAL	233,825	30		233,854	229,285	90		229,376
Allowances for credit losses and remeasurement				(27,121)				(26,430)
Net amount				206,734				202,948

Off-balance sheet (financing commitments and guarantee contracts)	31/12/2025				31/12/2024			
	Commitment amount				Commitment amount			
	Performing commitments (with or without credit)		Credit-impaired commitments	TOTAL	Performing commitments (with or without credit)		Credit-impaired commitments	TOTAL
	Commitments subject to 12-month ECL (bucket 1)	Commitments subject to lifetime ECL (bucket 2)			Commitments subject to 12-month ECL (bucket 1)	Commitments subject to lifetime ECL (bucket 2)		
(in € millions)								
France (incl. overseas departments and territories)	22,997	1,956	79	25,031	24,019	1,626	159	25,804
Other EU countries	1,600	166	0	1,766	1,621	149	0	1,769
Other European countries	141	1	0	142	95	1	0	96
Other	14	85	0	99	104	1	0	105
TOTAL	24,752	2,208	79	27,039	25,839	1,776	159	27,774
Allowances for credit losses				(105)				(129)

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.

31/12/2025 (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	7,831	409	8,240	1,158	-	9,398	3.6%
Austria	2,400	6	2,407	139	-	2,546	1.0%
Belgium	9,497	68	9,565	2,013	-	11,578	4.4%
Spain	13,624	51	13,675	1,025	-	14,700	5.6%
Finland	589	1	591	21	-	611	0.2%
France	142,630	3,848	146,478	13,063	4,203	163,744	61.9%
United Kingdom	66	45	112	-	-	112	0.0%
Ireland	134	1	136	-	-	136	0.1%
Italy	10,185	84	10,269	957	-	11,226	4.2%
Luxembourg	100	2	102	-	-	102	0.0%
Netherlands	1,768	17	1,785	-	-	1,785	0.7%
Poland	235	3	237	-	-	237	0.1%
Portugal	1,975	3	1,978	-	-	1,978	0.7%
Romania	149	-	149	-	-	149	0.1%
Slovenia	183	-	183	-	-	183	0.1%
Other European countries	109	-	109	-	-	109	0.0%
Supranational	15,626	490	16,116	-	-	16,116	6.1%
EUROPE	207,102	5,028	212,131	18,376	4,203	234,709	88.8%
Brazil	2,236	26,354	28,590	-	-	28,590	10.8%
Canada	696	-	696	-	-	696	0.3%
Mexico	111	-	111	-	-	111	0.0%
Other	236	17	254	-	-	254	0.1%
REST OF WORLD	3,279	26,371	29,650	-	-	29,650	11.2%
TOTAL	210,381	31,400	241,781	18,376	4,203	264,360	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 securities borrowing transactions, forward purchases and off-balance sheet positions.

31/12/2024 (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%
United Kingdom	74	-	74	-	-	74	0.0%
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	127	-	127	-	-	127	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 securities borrowing transactions, forward purchases and off-balance sheet positions.

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 1-month or 3-month horizon, determined to be the most unfavourable for the group over a period of at least 10 years 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.

31/12/2025	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									1,421
FRA	2	0		2	2			2	12,150
Interest rate swaps	196	1,514	2,866	4,575	116	1,660	2,387	4,164	444,983
Interest rate options, caps, floors, collars	113	456	275	844	28	79	48	154	200,232
Currency futures	67	34	50	151	133	92	144	369	7,714
Currency options									911
Credit instruments		7		7			14	14	180
Equity and index instruments	68	94	5	167	16	34	0	50	11,971
Other instruments									
TOTAL	447	2,104	3,195	5,746	295	1,865	2,592	4,753	679,561

31/12/2024	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	121	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	0	128	30,373
Other instruments									
TOTAL	406	2,036	3,576	6,018	374	1,807	3,142	5,324	753,267

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 issuance 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), term deposits 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 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.

a) Fair value and cash flow hedging derivatives

(in € millions)	31/12/2025			31/12/2024		
	Assets	Liabilities	Notional amount	Assets	Liabilities	Notional amount
Interest rate swaps	346	1,387	88,722	327	1,939	62,102
Currency futures	27	6	957	74		926
Total fair value hedging derivatives	373	1,393	89,679	400	1,939	63,028
Interest rate swaps		5			19	
Currency futures	22	42	1,021	86		2,310
Total cash flow hedging derivatives	22	46	1,021	86	19	2,310
TOTAL	395	1,440	90,700	486	1,958	65,338

▪ Market values by remaining life

The breakdown of the market value of hedging derivatives by remaining life is presented below.

31/12/2025	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
(in € millions)								
Interest rate swaps	7	163	176	346	52	555	784	1,392
Currency futures		27	22	48		44	4	48
TOTAL	7	190	198	395	52	599	788	1,440

31/12/2024	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
(in € millions)								
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

b) Fair value hedges

▪ Hedged items

Fair value (in € millions)	31/12/2025				31/12/2024				
	Existing hedges		Discontinued hedges		Hedging-related changes in fair value over the period ^(a)	Existing hedges		Discontinued hedges	
	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	Hedging-related changes in fair value over the period (a)
ASSETS									
Interest rate	12,592	(40)		(63)	10,371		22		102
Forex				0	797				
Financial instruments at fair value through OCI	12,592	(40)		(62)	11,168		22		102
Interest rate	4,114	(97)		(61)	2,903		(37)		10
Forex									
Financial instruments at amortised cost	4,114	(97)		(61)	2,903		(37)		10
LIABILITIES									
Interest rate	18,705	(675)		(56)	15,433		(598)		328
Forex	995	12		(8)					
Financial instruments at amortised cost	19,700	(662)		(64)	15,433		(598)		328

(a) Including hedging positions unwound during the period.

Portfolio fair value hedges (in € millions)	31/12/2025		31/12/2024	
	Carrying amount	Cumulative changes in fair value ^(a)	Carrying amount	Cumulative changes in fair value ^(a)
Debt instruments at amortised cost	27,963	5	25,474	490
Total - ASSETS	27,963	5	25,474	490
Debt instruments at amortised cost	25,775	(128)	5,875	(161)
Total - LIABILITIES	25,775	(128)	5,875	(161)

(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)	31/12/2025			31/12/2024		
	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	583	(579)	4	93	(79)	14
Forex	(55)	56	2	28	(27)	1
Other						
TOTAL	528	(522)	5	121	(106)	15

(a) Including hedging positions unwound during the period.

c) Cash-flow hedges

▪ Hedged items

	31/12/2025			31/12/2024		
	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	(10)	55	(19)		70	(25)
Forex	31		30	1		(26)
TOTAL	21	55	11	1	70	(51)

(a) Including hedging positions unwound during the period.

▪ Cash-flow hedging gains and losses

	31/12/2025			31/12/2024		
	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	(5)	(4)		(10)	(4)	
Forex	(104)	123	(1)	43	(80)	0
TOTAL	(109)	119	(1)	33	(84)	0

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 entirety of 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 for the liquidity risk is delegated to the ALM³ and Treasury Committee.

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 by ALM;
- 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;
- 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.

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.

Projected LCR

At the beginning of 2025, La Banque Postale's liquidity risk monitoring system was enhanced with the introduction of the projected 2-month LCR. This indicator makes it possible to estimate the resilience of the LCR in a stress environment and to see for how many months the LCR can respect the regulatory limit of 100% without any action being taken and the additional liquidity reserve being used.

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 one-, three- and five-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., one year within the context of the NSFR. The amount of "required stable funding" (RSF) of a business depends on

without the borrowers needing to raise funds on a financial market.

³ 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,

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 issuance 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.

35.5 Interest rate risk

The unit responsible for oversight and second-tier controls of interest rate risk is part of La Banque Postale's Group Risk Department.

The department has several goals:

- to map liquidity, interest rate and foreign exchange risks, assess the risk management system and propose limits in line with La Banque Postale's risk appetite;
- to provide periodic monitoring of the ALM 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 various ALM indicators, including 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 hedging 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:

- risks relating to the term-based structure of interest rates on interest-sensitive instruments. This structure stems from differences in the timing of rate revisions;
- risks associated with changes in the inflation rate for inflation-linked products;

- 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 and regulated interest rates;
- credit spread risk (CSRBB - Credit Spread Risk in the Banking Book);
- scale risk related to the mismatch between the rates for new loans and their hedged rate.

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.

Net interest margin (NIM) 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 including 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.

La Banque Postale applied the following 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.

European Banking Authority guidelines also require banks to model a regulatory floor for the risk-free rate. In accordance with interest rate risk regulations (IRRBB – Interest Rate Risk in the Banking Book), La Banque Postale also calculates the worst-case decline in the one-year net interest margin, on a constant balance sheet basis, with two parallel shocks of +/- 200 bps.

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 regulatory shock scenarios applied are the same as those described above for NIM sensitivity.

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.

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.

Scale risk

The aim of this indicator, which was introduced by the ALM team in 2025, is to ensure that the financial margin on loan originations is secure. For this purpose, future loan originations have to be estimated and hedged in advance based on known interest rate assumptions.

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 1% (vs a 2% fall in 2024).

- Interest rate risk

A 100-bps increase would lead to a decrease in equity of 2% (vs a 2% fall in 2024).

A 100-bps decrease would lead to an increase in equity of 2% (vs a 2% increase in 2024).

- Property risk

A 15% (since 2024) fall in share prices would lead to a decrease in equity of 1% (vs 1% in 2024).

- Equity risk

A 25% fall in share prices would lead to a decrease in equity of 3% (vs 3% in 2024).

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)	31/12/2025		31/12/2024	
	Surrender value	Carrying amount	Surrender value	Carrying amount
Contracts with an immediate surrender option	331,366	339,184	296,190	307,054
Contracts without an immediate surrender option	29,482	39,008	51,526	57,230
TOTAL	360,847	378,192	347,717	364,283

- Future asset cash flows

(in € millions)	31/12/2025					
	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	13,008	3,123	3,293	729	3,877	24,030
Financial assets at fair value through OCI reclassifiable to profit or loss	17,536	65,613	65,636	39,806	48,023	236,613
Financial assets at amortised cost	228	1,560	2,375	1,827	616	6,605
TOTAL	30,771	70,296	71,304	42,362	52,516	267,249

(in € millions)	31/12/2024					
	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

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>	31/12/2025	31/12/2024
Contracts valued using the BBA and VFA models	11,122	10,151
Amounts relating to changes in the liability for remaining coverage arising from:	9,642	8,648
Contractual service margin released to profit on insurance services provided during the period	2,229	2,244
Risk adjustment for non-financial risk released to profit	243	213
Expected expenses for the period relating to insurance contracts issued, net of amortisation of the loss component	6,752	6,003
Experience adjustments to premiums received and acquisition costs	419	188
Acquisition costs allocated to the period	1,480	1,504
Contracts valued using the PAA model	1,609	1,667
TOTAL	12,732	11,819

■ Insurance service expenses

<i>(in € millions)</i>	Contracts valued using the BBA and VFA models	Contracts valued using the PAA model	31/12/2025
Incurred claims and other insurance service expenses	(7,944)	(1,292)	(9,236)
Amortisation of insurance acquisition cash flows	(1,480)	(5)	(1,485)
Adjustments to liabilities for incurred claims	857	47	904
Losses and reversals on groups of onerous contracts	7	0	7
TOTAL	(8,560)	(1,250)	(9,811)

<i>(in € millions)</i>	Contracts valued using the BBA and VFA models	Contracts valued using the PAA model	31/12/2024
Incurred 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)

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>	31/12/2025	31/12/2024
Reinsurance expenses – Contracts valued using the BBA model	(742)	(3,079)
Contractual service margin released to profit on insurance services received during the period	2	(30)
Changes in non-financial risk adjustment due to expired risk	(17)	(10)
Expected expenses for the period	(698)	(3,001)
Experience adjustments	(29)	(38)
Reinsurance expenses - Contracts valued using the PAA model	(97)	(150)
Reinsurance income - Contracts valued using the BBA model	706	3,001
Reinsurance recoveries	716	3,037
Adjustments related to provisions recovered from reinsurers	(44)	(36)
Loss component	31	0
Changes in risk adjustment related to ceded incurred claims	3	1
Reinsurance income - Contracts valued using the PAA model	55	128
REVENUE AND EXPENSES ON REINSURANCE CONTRACTS HELD	(78)	(100)

36.2 Insurance investments

Analysis by accounting category

<i>(in € millions)</i>	31/12/2025	31/12/2024
Financial assets at fair value through profit or loss	200,046	187,656
Hedging derivatives	22	86
Financial assets at fair value through OCI not reclassifiable to profit or loss	15,770	14,704
Financial assets at fair value through OCI reclassifiable to profit or loss	190,107	189,142
Securities at amortised cost	5,000	3,287
Investment property	6,340	6,590
Investments in equity-accounted companies	1,086	1,097
INSURANCE INVESTMENTS	418,370	402,561

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>	31/12/2025	31/12/2024
Debt instruments	175,121	165,007
Government paper and equivalents	2,148	2,100
Bonds and other fixed-income securities	13,350	13,998
UCITS	57,457	59,598
Assets backing unit-linked contracts	98,673	85,366
Loans and advances	3,494	3,945
Equity instruments	23,968	21,756
Equity and other variable-income securities	16,814	16,298
Assets backing unit-linked contracts	7,153	5,458
Derivative instruments	958	892
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	200,046	187,656

Financial assets at fair value through OCI

<i>(in € millions)</i>	31/12/2025		31/12/2024	
	Fair value	Cumulative unrealised gains/losses	Fair value	Cumulative unrealised gains/losses
Government paper and equivalents	90,654	(20,561)	89,936	(19,519)
Bonds and other fixed-income securities	99,453	(6,190)	99,207	(6,480)
FINANCIAL ASSETS AT FAIR VALUE THROUGH OCI RECLASSIFIABLE TO PROFIT OR LOSS	190,107	(26,751)	189,142	(25,998)
Taxes		7,263		7,090
Gains and losses recognised directly in OCI - reclassifiable to profit or loss (net of tax)		(19,488)		(18,908)
Equities, other variable-income securities and other securities held as long-term investments	15,770	4,741	14,704	3,541
FINANCIAL ASSETS AT FAIR VALUE THROUGH OCI NOT RECLASSIFIABLE TO PROFIT OR LOSS	15,770	4,741	14,704	3,541
Taxes		(998)		(688)
Gains and losses recognised directly in OCI - not reclassifiable to profit or loss (net of tax)		3,743		2,853

36.3 Insurance liabilities

a) Insurance and reinsurance contracts by valuation model

	31/12/2025		
	Contracts valued using the BBA and VFA models	Contracts valued using the PAA model	TOTAL
(in € millions)			
Liability for remaining coverage	937	144	1,081
Contracts valued using the PAA model		144	144
Contracts valued using the BBA and VFA models	937		937
Present value of future cash flows	1,314		1,314
Risk adjustment for non-financial risk	(75)		(75)
Contractual service margin	(302)		(302)
Liability for incurred claims	(197)	2	(195)
Present value of future cash flows	(191)	2	(190)
Risk adjustment for non-financial risk	(6)		(6)
Insurance acquisition cash flows not yet allocated to insurance contracts	0	4	4
Insurance contracts issued - Assets (1) (see Note 23.7)	740	150	890
Liability for remaining coverage	371,297	552	371,849
Contracts valued using the PAA model		552	552
Contracts valued using the BBA and VFA models	371,297		371,297
Present value of future cash flows	350,850		350,850
Risk adjustment for non-financial risk	1,364		1,364
Contractual service margin	19,082		19,082
Liability for incurred claims	5,928	811	6,739
Present value of future cash flows	5,846	761	6,607
Risk adjustment for non-financial risk	82	51	132
Insurance contracts issued - Liabilities (2) (excluding investment contracts without discretionary participation features)	377,224	1,363	378,588
Insurance contracts (direct business and inward reinsurance) (2) - (1)	376,484	1,214	377,698
Insurance transactions relating to investment contracts (without discretionary participation features) (3)	-	-	1,886
INSURANCE CONTRACTS ISSUED - LIABILITIES (2) + (3) - (see Note 32.6)			380,474
Liability for remaining coverage	5,454	58	5,512
Contracts valued using the PAA model		58	58
Contracts valued using the BBA and VFA models	5,454		5,454
Present value of future cash flows	5,097		5,097
Risk adjustment for non-financial risk	92		92
Contractual service margin	265		265
Liability for incurred claims	532	197	729
Present value of future cash flows	526	189	715
Risk adjustment for non-financial risk	6	7	13
Reinsurance contracts held - Assets (1) (excluding investment contracts without discretionary participation features)	5,986	255	6,240
Reinsurance transactions relating to investment contracts (without discretionary participation features)			15
Reinsurance contracts held - Assets - (see Note 23.7)			6,255
Liability for remaining coverage	20		20
Contracts valued using the PAA model			
Contracts valued using the BBA and VFA models	20		20
Present value of future cash flows	14		14
Risk adjustment for non-financial risk	(6)		(6)
Contractual service margin	12		12
Liability for incurred claims	(9)		(9)
Present value of future cash flows	(9)		(9)
Risk adjustment for non-financial risk	(0)		(0)
Reinsurance contracts held - Liabilities (2) - (see Note 32.6) (excluding investment contracts without discretionary participation features)	11		11
REINSURANCE CONTRACTS HELD, NET (1) - (2)	5,975	255	6,229

	31/12/2024		
	Contracts valued using the BBA and VFA models	Contracts valued using the PAA model	TOTAL
(in € millions)			
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	0	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	(0)		(0)
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

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 in 2024, 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). The restatements are included in the amounts presented in the insurance vision.

<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 2025	357,313	1,527	17,644	376,484
Insurance contract distribution and management fees – Intra-group eliminations	(1,740)		1,740	
CLOSING NET BALANCE – GROUP VISION At 31 December 2025	355,573	1,527	19,384	376,484
OPENING NET BALANCE – INSURANCE VISION ^(a) At 31 December 2024	345,941	1,569	14,879	362,390
Insurance contract distribution and management fees – Intra-group eliminations	(1,776)		1,776	
OPENING 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

(a) Analysed by accounting component and coverage period.

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:

		31/12/2025				
	Currency	1 year	5 years	10 years	20 years	30 years
CNP Assurances group	EUR	2.83%	3.26%	3.64%	3.99%	3.90%
Subsidiaries of the non-life insurance division	EUR	[2.41% ; 2.49%]	[2.69% ; 2.77%]	[3.06% ; 3.14%]	[3.40% ; 3.48%]	[3.39% ; 3.46%]
Subsidiaries, Europe excluding France	EUR	2.52%	2.81%	3.18%	3.52%	3.49%
Brazilian subsidiaries	BRL	[14.03% ; 14.66%]	[13.41% ; 13.82%]	[14.21% ; 14.42%]	[12.87% ; 12.95%]	[10.98% ; 11.03%]

		31/12/2024				
	Currency	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%]

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	31/12/2025
Opening balance - Assets	(1,114)	65	234	(816)
Opening balance - Liabilities	347,056	1,504	14,646	363,206
OPENING NET BALANCE	345,941	1,569	14,880	362,390
Changes related to future service	(5,105)	147	4,995	37
Changes in estimates resulting in an adjustment to the contractual service margin	(3,177)	(51)	3,210	(18)
Changes in estimates resulting in losses and reversals on groups of onerous contracts	(16)	34		19
Effect of contracts recognised during the period	(1,913)	164	1,785	36
Changes related to current service	857	(206)	(2,185)	(1,534)
Contractual service margin released to profit			(2,185)	(2,185)
Changes in non-financial risk adjustment		(206)		(206)
Experience adjustments	857			857
Changes related to past service	(855)	(3)		(857)
Adjustments to incurred claims	(855)	(3)		(857)
Insurance service result	(5,103)	(62)	2,810	(2,355)
Finance income (or expense) from insurance contracts issued	15,821	16	(82)	15,754
Finance income or expense from insurance contracts issued ^(a)	15,933	19	(61)	15,891
Effect of foreign exchange differences	(112)	(3)	(21)	(137)
Total changes in comprehensive income	10,718	(46)	2,728	13,400
Cash inflows and outflows on insurance contracts	642			642
Total cash flows	642			642
Other consolidation adjustments and changes in scope of consolidation	13	4	36	53
CLOSING NET BALANCE	357,313	1,527	17,644	376,484
Closing balance - Assets	(1,123)	81	302	(740)
Closing balance - Liabilities	358,436	1,446	17,342	377,224

(a) Excluding foreign exchange differences.

<i>(in € millions)</i>	Present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	31/12/2024
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)
Other consolidation adjustments and changes in scope of consolidation (b)	(13,917)	(412)	(16)	(14,345)
CLOSING NET BALANCE (b)	345,941	1,569	14,880	362,390
Closing balance - Assets	(1,114)	65	234	(816)
Closing balance - Liabilities	347,056	1,504	14,646	363,206

(a) Excluding foreign exchange differences.

(b) Since June 2025, information about the insurance business has been restated to exclude La Poste Groupe's contract with CNP Assurances Protection Sociale, which has become an intra-group contract.

■ **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	31/12/2025
Opening balance – Assets	5,849	115	250	6,213
Opening balance – Liabilities	(9)	8	(9)	(10)
OPENING NET BALANCE	5,840	123	241	6,203
Changes related to future service	23	(4)	11	31
Changes in estimates resulting in an adjustment to the contractual service margin	40	(8)	(31)	1
Effect of contracts recognised during the period	(17)	4	43	30
Changes related to current service	(10)	(14)	2	(22)
Contractual service margin released to profit			2	2
Changes in non-financial risk adjustment		(14)		(14)
Experience adjustments	(10)			(10)
Changes related to past service	(43)	(2)		(45)
Adjustment of incurred claims	(43)	(2)		(45)
Income and expenses from reinsurance contracts held	(30)	(20)	13	(36)
Finance income (or expense) from reinsurance contracts held ^(a)	(70)	1	(1)	(69)
Total changes in comprehensive income	(99)	(18)	12	(105)
Cash flows	(123)			(123)
Total cash flows	(123)			(123)
Other consolidation adjustments and changes in scope of consolidation	0		(0)	
CLOSING NET BALANCE	5,618	104	253	5,975
Closing balance – Assets	5,623	98	265	5,986
Closing balance – Liabilities	(5)	6	(12)	(11)

(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	31/12/2024
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.

c) Contractual service margin (CSM)

▪ Analysis of the contractual service margin by transition method

Insurance contracts issued

	31/12/2025			
	Contracts measured using the modified retrospective approach on transition	Contracts measured using the fair value approach on transition	Other contracts ^(a)	TOTAL
<i>(in € millions)</i>				
Opening contractual service margin	125	10,787	3,985	14,897
Changes related to future service	111	2,893	1,978	4,983
Changes in estimates resulting in an adjustment to the contractual service margin	111	2,893	193	3,198
Effect of contracts recognised during the period			1,785	1,785
Changes related to current service	(69)	(1,441)	(680)	(2,190)
Contractual service margin released to profit for services provided	(69)	(1,441)	(680)	(2,190)
Finance income (or expense) from insurance contracts issued	6	(136)	48	(82)
Finance income (or expense) from insurance contracts issued	6	(127)	61	(61)
Effect of foreign exchange differences		(9)	(12)	(21)
Other consolidation adjustments		34	2	36
Changes in scope of consolidation				
Other movements relating to changes in the carrying amount of insurance contracts		34	2	36
Closing contractual service margin	173	12,138	5,334	17,644

(a) Other contracts correspond to contracts that did not exist at the transition date.

	31/12/2024			
	Contracts measured using the modified retrospective approach on transition	Contracts measured using the fair value approach on transition	Other contracts ^(a)	TOTAL
<i>(in € millions)</i>				
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.

Reinsurance contracts held

	31/12/2025			
	Contracts measured using the modified retrospective approach on transition	Contracts measured using the fair value approach on transition	Other contracts ^(a)	TOTAL
(in € millions)				
Ceded portion – Opening contractual service margin	60	336	(155)	241
Ceded portion – Changes related to future service	7	(18)	23	11
Changes in estimates resulting in an adjustment to the contractual service margin	7	(18)	(20)	(31)
Effect of contracts recognised during the period			43	43
Ceded portion – Changes related to current service	(7)	(21)	30	2
Contractual service margin released to profit for services provided	(7)	(21)	30	2
Ceded portion – Finance income (or expense) from reinsurance contracts held	1	2	(4)	(1)
Finance income (or expense) from reinsurance contracts held	1	2	(4)	(1)
Ceded portion – Other consolidation adjustments				
Changes in scope of consolidation				
Other movements relating to changes in the carrying amount of reinsurance contracts				
Ceded portion – Closing contractual service margin	61	299	(107)	253

	31/12/2024			
	Contracts measured using the modified retrospective approach on transition	Contracts measured using the fair value approach on transition	Other contracts ^(a)	TOTAL
(in € millions)				
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	(0)	3
Finance income (or expense) from reinsurance contracts held	1	2	(0)	3
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

(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

	31/12/2025						
	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					
(in € millions)							
Opening balance – Assets	(982)		(982)	166	(816)	(0)	(816)
Opening balance – Liabilities	357,423	182	357,605	5,601	363,206		363,206
Opening net balance	356,441	182	356,623	5,767	362,390	(0)	362,390
Insurance revenue	(10,978)		(10,978)		(10,978)		(10,978)
Insurance service expenses	1,467	(7)	1,460	7,163	8,623		8,623
Incurred claims and other insurance service expenses		(44)	(44)	8,021	7,977		7,977
Amortisation of insurance acquisition cash flows	1,467		1,467		1,467		1,467
Adjustments to liabilities for incurred claims				(858)	(858)		(858)
Losses and reversals on groups of onerous contracts		37	37		37		37
Investment components	(27,940)		(27,940)	27,940			
Insurance service result	(37,451)	(7)	(37,458)	35,103	(2,355)		(2,355)
Finance income (or expense) from insurance contracts issued	15,678	1	15,679	75	15,754		15,754
Finance income (or expense) from insurance contracts issued (excluding foreign exchange differences)	15,814	1	15,815	76	15,891		15,891
Effect of foreign exchange differences	(135)		(135)	(1)	(137)		(137)
Total changes in comprehensive income	(21,772)	(6)	(21,778)	35,178	13,400		13,400
Premiums received on insurance contracts issued	37,305		37,305		37,305		37,305
Claims and other insurance service expenses paid				(34,826)	(34,826)		(34,826)
Insurance acquisition cash flows	(1,837)		(1,837)		(1,837)	(0)	(1,837)
Total cash flows	35,468		35,468	(34,826)	642	(0)	642
Acquisition costs not allocated to contracts						0	0
Changes in scope of consolidation	3		3	(2)	1		1
Other movements relating to changes in the carrying amount of insurance contracts	40	4	44	8	52		52
Other consolidation adjustments	43	4	47	5	53		53
Closing net balance	370,180	180	370,360	6,124	376,484	(0)	376,484
Closing balance - Assets	(937)		(937)	197	(740)	(0)	(740)
Closing balance - Liabilities	371,117	180	371,297	5,928	377,224		377,224

	31/12/2024						
	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					
(in € millions)							
Opening balance – Assets	(1,389)		(1,389)	213	(1,176)	(0)	(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	(0)	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	0		0
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)	0	(2,076)
Total cash flows	37,222		37,222	(39,984)	(2,762)	0	(2,762)
Acquisition costs not allocated to contracts	(0)		(0)		(0)	0	
Changes in scope of consolidation	(14,441)	8	(14,432)	(221)	(14,653)	0	(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)	0	(13,896)
Closing net balance	356,890	182	357,071	5,767	362,839	(0)	362,838
Closing balance - Assets	(982)		(982)	166	(816)	(0)	(816)
Closing balance - Liabilities	357,872	182	358,053	5,601	363,655		363,655

■ **Analysis by remaining coverage period and incurred claims – Contracts valued using the BBA model – Reinsurance contracts held**

	31/12/2025				
	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	5,754	9	5,763	450	6,213
Opening balance – Liabilities	(19)		(19)	9	(10)
Opening net balance	5,736	9	5,745	459	6,203
Reinsurance revenue	48	31	79	621	700
Reinsurance recoveries	48	31	79	666	745
- of which amounts recovered on past service and other reinsurance expenses	48	(0)	48	666	714
- of which losses and reversals on underlying onerous contracts		31	31		31
Adjustments to assets for incurred claims				(45)	(45)
Reinsurance expenses	(736)		(736)		(736)
Income and expenses from reinsurance contracts held	(688)	31	(657)	621	(36)
Finance income (or expense) from reinsurance contracts held	(72)	0	(72)	2	(70)
Finance income (or expense) from reinsurance contracts held (excluding foreign exchange differences)	(72)	0	(72)	2	(70)
Investment components	(751)		(751)	751	
Total changes in comprehensive income	(1,511)	31	(1,480)	1,374	(106)
Premiums paid	1,169		1,169		1,169
Reinsurance recoveries				(1,292)	(1,292)
Other cash flow timing differences (reinsurance deposits, acquisition costs, etc.)					
Total cash flows	1,169		1,169	(1,292)	(123)
Changes in scope of consolidation					
Other movements relating to changes in the carrying amount of reinsurance contracts	0		0	0	0
Other consolidation adjustments	0		0	0	0
Closing net balance	5,394	40	5,434	541	5,975
Closing balance – Assets	5,414	40	5,454	532	5,986
Closing balance – Liabilities	(20)		(20)	9	(11)

<i>(in € millions)</i>	31/12/2024				
	Net assets for remaining coverage		Remaining coverage component	Incurred claims component	TOTAL
	Excluding loss recovery component	Loss recovery component			
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	0	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	2,961	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)	0	(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	0	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)

Analysis by remaining coverage period and incurred claims – Contracts valued using the PAA model – Insurance

	31/12/2025							
	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	TOTAL
	Excluding loss component	Loss component		Present value of future cash flows	Risk adjustment for non-financial risk			
<i>(in € millions)</i>								
Opening balance – Assets	(95)		(95)	(2)		(2)	(4)	(101)
Opening balance – Liabilities	755	0	755	744	47	791		1,546
Opening net balance	660	0	660	742	47	789	(4)	1,445
Insurance revenue	(1,584)		(1,584)					(1,584)
Insurance service expenses		(0)	(0)	1,249	4	1,253		1,252
Incurred claims and other insurance service expenses				1,289	13	1,302		1,302
Amortisation of insurance acquisition cash flows								
Adjustments to liabilities for incurred claims				(40)	(9)	(49)		(49)
Losses and reversals on groups of onerous contracts		(0)	(0)					(0)
Insurance service result	(1,584)	(0)	(1,584)	1,249	4	1,253		(332)
Finance income (or expense) from insurance contracts issued				(1)	0	(1)		(1)
Finance income (or expense) from insurance contracts issued				(1)	0	(1)		(1)
Effect of foreign exchange differences								
Total changes in comprehensive income	(1,584)	(0)	(1,584)	1,248	4	1,251		(333)
Premiums received on insurance contracts issued	1,332		1,332					1,332
Claims and other insurance service expenses paid				(1,231)		(1,231)		(1,231)
Insurance acquisition cash flows	(1)		(1)				(0)	(1)
Total cash flows	1,332		1,332	(1,231)		(1,231)	(0)	101
Changes in scope of consolidation					0	0	0	0
Other movements relating to changes in the carrying amount of insurance contracts	1		1					1
Other consolidation adjustments	1		1		0	0	0	1
Closing net balance	408		408	759	51	810	(4)	1,214
Closing balance - Assets	(144)		(144)	(2)		(2)	(4)	(150)
Closing balance - Liabilities	552		552	761	51	811		1,363

	31/12/2024							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)	(0)	(166)
Opening balance – Liabilities	823	2	825	749	47	795		1,620
Opening net balance	658	2	660	747	47	794	(0)	1,454
Insurance revenue	(1,667)		(1,667)					(1,667)
Insurance service expenses	21	(2)	20	1,288	(0)	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)
Insurance service result	(1,646)	(2)	(1,648)	1,288	(0)	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)				(0)	(34)
Total cash flows	1,651		1,651	(1,274)		(1,274)	(0)	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		0	0	(4)	1
Other consolidation adjustments	(4)	0	(4)	(61)	(4)	(65)	(4)	(72)
Closing net balance	660	0	660	742	47	789	(4)	1,445
Closing balance - Assets	(95)		(95)	(2)		(2)	(4)	(101)
Closing balance - Liabilities	755	0	755	744	47	791		1,546

■ **Analysis by remaining coverage period and incurred claims – Contracts valued using the PAA model – Reinsurance contracts held**

	31/12/2025						
	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	73		73	213	8	221	295
Opening balance – Liabilities	(3)		(3)				(3)
Opening net balance	71		71	213	8	221	292
Reinsurance revenue		17	17	37	(0)	37	53
Reinsurance recoveries		17	17	60		60	76
- of which amounts recovered on past service and other reinsurance expenses		17	17	60		60	76
Adjustments to reinsurance recoveries				(23)	(0)	(23)	(23)
Reinsurance expenses	(90)		(90)				(90)
Income and expenses from reinsurance contracts held	(90)	17	(73)	37	(0)	37	(37)
Finance income (or expense) from reinsurance contracts held	0		0	(2)	(0)	(2)	(2)
Finance income (or expense) from reinsurance contracts held (excluding foreign exchange differences)				(2)	(0)	(2)	(2)
Effect of foreign exchange differences	0		0	0		0	0
Total changes in comprehensive income	(90)	17	(73)	36	(1)	35	(38)
Premiums paid	77		77				77
Reinsurance recoveries		(14)	(14)	(62)		(62)	(76)
Total cash flows	77	(14)	63	(62)		(62)	1
Other consolidation adjustments	0		0	(0)		(0)	(0)
Closing net balance	58	2	60	187	7	195	255
Closing balance - Assets	58	2	60	187	7	195	255
Closing balance - Liabilities	0		0	(0)		(0)	

	31/12/2024						
	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	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)

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>	31/12/2025	31/12/2024
Cash, central banks	12,757	27,812
Financial assets at fair value through profit or loss	219,591	203,882
Hedging derivatives	395	486
Financial assets at fair value through OCI	223,058	218,180
Securities at amortised cost	38,206	36,256
Loans and advances to credit institutions at amortised cost	70,076	75,673
Loans and advances to customers at amortised cost	132,154	128,958
Revaluation differences on portfolios hedged against interest rate risks	5	490
Insurance contracts issued - Assets	890	917
Reinsurance contracts held - Assets	6,255	6,523
Current and deferred tax assets	1,644	1,473
Accruals and other assets	6,846	9,073
Assets and disposal groups held for sale	153	17,286
Investments in equity-accounted companies	1,086	1,097
Property, plant and equipment, intangible assets and investment properties	11,085	11,553
Net goodwill	671	671
Elimination of La Banque Postale shares held by La Poste	(8,879)	(8,879)
TOTAL	715,993	731,452

LIABILITIES

<i>(in € millions)</i>	31/12/2025	31/12/2024
Financial liabilities at fair value through profit or loss	19,658	17,559
Hedging derivatives	1,440	1,958
Liabilities due to credit and similar institutions	28,427	31,038
Customer deposits	215,640	225,576
Debt securities	31,381	32,835
Revaluation differences on portfolios hedged against interest rate risks	(128)	(161)
Insurance contracts issued - Liabilities	380,474	366,771
Reinsurance contracts held - Liabilities	11	13
Current and deferred tax liabilities	1,392	1,451
Accruals and other liabilities	8,229	8,844
Liabilities related to non-current assets held for sale	91	16,283
Provisions	1,267	1,245
Subordinated debt	8,882	10,042
EQUITY	19,482	18,078
Non-controlling interests	7,053	7,148
Equity attributable to owners of the parent	12,429	10,930
Reserves and retained earnings	10,852	9,668
Profit/(loss) attributable to owners of the parent	1,578	1,262
Intra-group eliminations – Impact on profit and loss		
Intra-group eliminations – Impact on the balance sheet	(252)	(79)
TOTAL	715,993	731,452

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	12,757			12,757
Financial assets at fair value through profit or loss	20,636	32,014	166,941	219,591
Hedging derivatives	7	189	199	395
Financial assets at fair value through OCI	28,771	62,622	131,665	223,058
Securities at amortised cost	2,025	12,031	24,151	38,206
Loans and advances to credit institutions	68,393	1,509	174	70,076
Loans and advances to customers	23,401	43,180	65,573	132,154
Revaluation differences on portfolios hedged against interest rate risks - positive fair value			5	5
Liabilities by remaining periods to maturity				
Financial liabilities at fair value through profit or loss	10,684	2,184	6,789	19,658
Hedging derivatives	52	597	791	1,440
Liabilities due to credit and similar institutions	16,412	81	11,934	28,427
Customer deposits	215,044	460	136	215,640
Debt securities	9,684	13,669	8,028	31,381
Subordinated debt	219	2,494	6,169	8,882
Revaluation differences on portfolios hedged against interest rate risks - negative fair value			(128)	(128)

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>	31/12/2025	31/12/2024
Insurance revenue	12,914	11,819
Insurance service expenses	(10,187)	(8,991)
Income and expenses from reinsurance contracts held	(78)	(100)
Insurance service result	2,649	2,727
Investment income net of expenses	6,697	5,868
Gains and losses on disposals of investments	(1,873)	(1,222)
Changes in fair value of financial assets recognised at fair value through profit or loss	10,819	9,364
Changes in impairment losses on financial instruments	(30)	(20)
Gains and losses on derecognised financial assets at amortised cost	1	(0)
Interest calculated using the EIR method	788	(85)
Finance income (or expense) from insurance contracts issued	(15,415)	(13,001)
Finance income (or expense) from reinsurance contracts held	(37)	98
Finance income or expenses	948	1,002
Income and expenses from other activities	113	108
Other recurring operating income and expenses	(878)	(973)
Other recurring income and expenses, net	(765)	(866)
Recurring operating profit/(loss)	2,832	2,864
Non-recurring operating income and expenses, net	1	28
Operating profit	2,832	2,892
Finance costs	(162)	(157)
Changes in value of intangible assets	(29)	55
Share of profits of equity-accounted companies	23	33
Income tax	(893)	(925)
Profit/(loss) after tax from assets held for sale and discontinued operations	(13)	(26)
CONSOLIDATED NET PROFIT/(LOSS)	1,758	1,872
Non-controlling interests	266	290
NET PROFIT/(LOSS) ATTRIBUTABLE TO OWNERS OF THE PARENT	1,492	1,582

b) Finance income or expenses from insurance contracts issued and reinsurance contracts held

<i>(in € millions)</i>	31/12/2025	31/12/2024
Financial assets at fair value through profit or loss		
Net gain or loss on financial assets at fair value through profit or loss	12,893	10,843
Total	12,893	10,843
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	(1,662)	(1,261)
Interest calculated using the EIR method	4,757	3,920
Gains and losses recognised directly in equity	(838)	798
Impairment losses	(18)	(3)
Total	2,240	3,454
Financial assets at amortised cost		
Net gain or loss on financial assets at amortised cost	1	(0)
Interest calculated using the EIR method	285	257
Impairment losses	(3)	(2)
Total	283	255
Financial assets at fair value through OCI not reclassifiable to profit or loss		
Income/(expense) recognised in profit or loss	539	516
Gains and losses recognised directly in equity	1,868	203
Total	2,407	719
Investment property		
Net gain or loss on investment property (net of impairment)	112	(67)
Total	112	(67)
Other net investment income/(expense)	(180)	39
Investment income/(expense) (impact on profit and equity)	17,755	15,242
Discounting adjustments and accrued interest on insurance contracts	(485)	(446)
Changes in fair value of underlying items	(14,979)	(12,621)
Changes in interest rates and the economic environment	(378)	(717)
Effect of risk mitigation	194	8
Foreign exchange differences on finance expenses from insurance contracts issued	(0)	(0)
Finance income or expenses from insurance contracts issued	(15,648)	(13,776)
<i>of which: recognised directly in equity</i>	<i>(233)</i>	<i>(775)</i>
<i>of which: recognised in profit or loss</i>	<i>(15,415)</i>	<i>(13,001)</i>
Discounting adjustments and accrued interest on reinsurance contracts held	435	634
Changes in interest rates and the economic environment	(192)	(300)
Other financial effects on reinsurance contracts held	(309)	(194)
Finance income (or expense) from reinsurance contracts held	(67)	139
<i>of which: recognised directly in equity</i>	<i>(29)</i>	<i>42</i>
<i>of which: recognised in profit or loss</i>	<i>(37)</i>	<i>98</i>
NET INVESTMENT INCOME	2,039	1,606
<i>of which: recognised directly in equity</i>	<i>767</i>	<i>268</i>
<i>of which: recognised in profit or loss</i>	<i>1,272</i>	<i>1,338</i>

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 SRF, along with the largest investment firms. Entities subject to the resolution mechanism but not covered by the SRF contribute to France's national resolution fund (FRN), which can also be used to help fund a resolution.

The target amounts for the two funds – at least 1% of the deposits covered by all participating institutions – had been reached as of 1 January 2025 and consequently no contributions were called for the 2025 financial year.

The group contributes to the financing of these banking resolution mechanisms through:

- an irrevocable commitment to pay contributions totalling €89 million (€89 million in 2024) 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. Another case where the total irrevocable commitment to pay contributions could be called is if an institution's banking licence were to be withdrawn. However, as the group prepares its financial statements on a going concern basis, the probability of an outflow of resources is considered remote or non-existent and therefore does not justify the recognition of a provision;
- the payment of a guarantee deposit to secure this irrevocable commitment to pay an amount of €89 million at 31 December 2025 (€89 million at 31 December 2024) (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 and investment property
- 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.

31/12/2025	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	219,591	219,591	157,031	41,123	21,437
Hedging derivatives	395	395		395	
Financial assets at fair value through OCI	222,785	222,785	200,774	19,514	2,496
Securities at amortised cost	38,206	35,070	33,860	1,062	148
Loans and advances to credit institutions	70,076	70,078		69,955	123
Loans and advances to customers	132,154	127,907		113,474	14,433
Investment property at amortised cost	810	1,020		1,020	
Investment property at fair value	5,545	5,545		5,545	
Non-banking assets					
Other non-current financial assets	591	591		171	419
Trade and other receivables	5,104	5,104			
Other current financial assets	924	924	179	745	
Cash and cash equivalents	3,194	3,194	689	2,505	
LIABILITIES					
Banking liabilities					
Financial liabilities at fair value through profit or loss	19,658	19,658	464	19,194	
Hedging derivatives	1,440	1,440		1,440	
Liabilities due to credit and similar institutions	28,427	28,320		27,926	394
Customer deposits	215,639	214,890		213,774	1,116
Debt securities	31,381	32,283	20,016	12,268	
Subordinated debt	8,882	8,870	2,130	6,740	
Non-banking liabilities					
Bonds and other debt	10,224	9,575		9,575	
Trade and other payables	9,207	9,207			

(a) Including fair value of items recognised at amortised cost.

(b) For items recognised at fair value.

31/12/2024			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 credit and similar 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.

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	21,242	1,869	23,111
Gains and losses recognised in profit or loss	(298)		(298)
Gains and losses recognised in OCI		(86)	(86)
Purchases	2,567	674	3,241
Sales	(638)	(25)	(663)
Redemptions	(1,327)	(11)	(1,338)
Transfers to or out of level 3	(108)	358	249
Other movements	(0)	(6)	(6)
CLOSING BALANCE	21,437	2,773	24,210

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 expense".

Banking activities

The table below details the impact of the banking activity financial instruments on profit or loss and other comprehensive income.

2025	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	1,346			(99)	1,247
Assets at fair value through OCI	5,193		534	(1,047)	4,680
Financial instruments at fair value through profit or loss		10,995	16	1,773	12,784
Hedging transactions	(252)	5	11		(236)
TOTAL	6,287	11,000	561	627	18,475
2024					
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

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

2025	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>						
Derivative assets	A	B	C=A-B	D	E	F=C-D-E
Derivative assets	11		11	3	9	
Derivative liabilities	3		3	3		
2024						
Derivative assets	A	B	C=A-B	D	E	F=C-D-E
Derivative assets	8		8	8		
Derivative liabilities	26		26	8	17	1

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

31/12/2025	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	220,147	160	219,986	5,138	776		214,071
Of which repo transactions	11,601	160	11,440				11,440
Of which derivatives (including hedging derivatives)	6,129		6,129	5,138	776		214
Loans and advances to credit institutions and customers	202,528	298	202,231	5,002	115	6,916	190,198
Of which repo transactions	14,622	298	14,324	5,002	115	6,916	2,291
Accruals and other assets	7,092		7,092	3			7,089
Of which security deposits	13		13	3			11
Other financial assets not offset	296,104		296,104				296,104
TOTAL ASSETS	725,871	458	725,412	10,143	891	6,916	707,461
LIABILITIES							
Financial instruments at fair value through profit or loss	21,258	160	21,098	5,138	192		15,767
Of which repo transactions	13,306	160	13,145				13,145
Of which derivatives (including hedging derivatives)	6,175		6,175	5,138	192		845
Liabilities due to credit institutions and customers	244,365	298	244,067	5,002	75	17,511	221,479
Of which reverse repo transactions	40,829	298	40,531	5,002	75	17,511	17,943
Other liabilities not offset (excluding equity)	431,929		431,929				431,929
TOTAL LIABILITIES	697,552	458	697,093	10,141	267	17,511	669,175

31/12/2024	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

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)	31/12/2025	31/12/2024
Financing, guarantee and securities commitments given		
Financing commitments		
given to credit institutions	1,248	4,079
given to customers	24,391	22,280
Guarantee commitments		
given to credit institutions	553	623
given to customers ^(a)	848	792
Commitments on securities to be delivered	15,350	31,289
Financing, guarantee and securities commitments received		
Financing commitments		
received from credit institutions ^(b)	16,092	22,542
received from customers	2,804	13,067
Guarantee commitments		
received from credit institutions	39,114	41,137
received from customers ^(e)	874	879
Commitments on securities to be received	841	3,553
Other commitments given ^{(b)(c)}	51,757	52,144
Other commitments received ^(d)	21,719	22,125

(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 2025 (€89 million at 31 December 2024).

(b) Of which €3,256 million in commitments given in 2025 (€4,064 million in 2024) and €2,716 million in commitments received in 2025 (€3,452 million in 2024) 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 2025, this included €27,939 million (€26,560 million in 2024) 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.

(e) Guarantee commitments received from customers consist of guarantees received mainly from specialised organisations in the context of home loans granted to retail customers. The other guarantee commitments received from customers are no longer reported, in accordance with the applicable banking regulations. The 2024 amount has been amended to improve comparability.

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 €117 million at 31 December 2025 (vs €131 million at 31 December 2024).

The amount reported for guarantee commitments received from credit institutions primarily corresponds to guarantees received from Crédit Logement.

39.2 Other commitments given

Guarantees and endorsements

Total guarantees and endorsements given amounted to €39 million as at 31 December 2025.

Corporate philanthropy

La Poste had committed to financing several philanthropical projects for a total of €7 million at 31 December 2025.

39.3 Other commitments received

Guarantees and endorsements

Total guarantees and endorsements received amounted to €77 million at 31 December 2025, including €66 million for La Poste.

Credit facilities

On 18 October 2024, La Poste obtained a €1.5 billion syndicated credit facility expiring in October 2030, with a one-year extension option. The facility was arranged with the twelve banks in the group's banking pool (see Note 34.2).

Property sale commitments

La Poste Groupe has entered into property sale commitments that are expected to be completed in 2026 or later. As at 31 December 2025, the commitments received in this respect amounted to €29 million in total.

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	8,198	106,442	17
Financial assets at fair value through OCI	2,400	48	3
Financial assets at amortised cost		43	4,309
Total recognised assets in non-consolidated structured entities	10,597	106,533	4,329
Financial liabilities at fair value through profit or loss			195
Total recognised liabilities in non-consolidated structured entities			195
Funding commitments given			1,510
Maximum loss exposure to credit risk	10,597	106,533	5,839
Net loss exposure	10,597	106,533	5,839

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 €2.3 million for the year ended 31 December 2025 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 and perpetual hybrid subordinated notes issuance
- 41.7** Redemption/repayment of bonds and perpetual hybrid 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	2025	2024
Consolidated net profit/(loss) for industrial and commercial activities		(402)	150
Share in net profit/(loss) of equity-accounted companies		111	158
Unrealised gains and losses on fair value adjustments (excluding banking activities)		16	(18)
Gains and losses on disposals (incl. dilution)		(12)	(531)
Net changes in provisions		(246)	(362)
Depreciation, amortisation and impairment losses	41.2	1,924	1,913
Other non-cash income and expenses		(45)	7
Cash flow from/(used in) operating activities after cost of net debt and taxes for industrial and commercial activities		1,346	1,317
Cost of net debt ^(a)		221	244
Income tax (incl. deferred taxes)		(224)	(217)
Cash flows from operating activities before cost of net debt and taxes for industrial and commercial activities		1,344	1,344
Contribution of banking and insurance activities (see EBITDA, Note 41.10)		3,616	3,246
CASH FLOWS FROM OPERATING ACTIVITIES BEFORE COST OF NET DEBT AND TAXES		4,961	4,591

(a) Excluding changes in unrealised gains and losses on fair value adjustments.

41.2 Depreciation, amortisation and impairment losses

<i>(in € millions)</i>	2025	2024
Additions to and reversals of amortisation of operating profit/(loss)	1,867	1,894
Additions to and reversals of amortisation of net financial income/(expense)	(2)	(28)
Goodwill impairment	59	48
TOTAL	1,924	1,913

41.3 Changes in working capital requirement

<i>(in € millions)</i>	2025	2024
Changes in inventories and work-in-progress	(43)	7
Changes in operating receivables	5	538
Changes in operating payables and other operating assets and liabilities	139	(1,039)
TOTAL	101	(494)

41.4 Changes in balance of banking and insurance assets and liabilities

<i>(in € millions)</i>	2025	2024
Changes in financial assets at fair value through profit or loss	(15,310)	(472)
Changes in hedging derivatives	133	172
Changes in financial assets at fair value through OCI	(3,600)	(11,303)
Changes in securities at amortised cost	(1,950)	(3,169)
Changes in loans and advances to credit institutions at amortised cost	5,261	(4,811)
Changes in loans and advances to customers at amortised cost	(3,212)	(2,956)
Changes in remeasurement differences on portfolios hedged against interest rate risks	485	(303)
Changes in insurance contracts issued-Assets	13	64
Changes in reinsurance contracts held-Assets	264	2,318
Changes in other financial assets and accruals	1,971	(694)
Changes in investment property	8	46
Changes in financial liabilities at fair value through profit or loss	1,595	4,068
Changes in hedging derivatives	(560)	(213)
Changes in liabilities due to credit and similar institutions	(2,438)	(2,000)
Changes in customer deposits	(9,917)	582
Changes in debt securities	(1,454)	(1,479)
Changes in remeasurement differences on portfolios hedged against interest rate risks	33	171
Changes in insurance contracts issued and reinsurance contracts held-Liabilities	13,183	8,303
Changes in other financial liabilities and accruals	(398)	(838)
TOTAL	(15,893)	(12,516)

41.5 Outflows for acquisitions of property, plant and equipment and intangible assets

<i>(in € millions)</i>	2025	2024
Acquisitions of intangible assets	(686)	(675)
Acquisitions of property, plant and equipment	(848)	(874)
Acquisitions of investment property	50	(108)
Changes in amounts due to suppliers of non-current assets	50	(108)
TOTAL	(1,484)	(1,658)

41.6 Proceeds from new borrowings and perpetual hybrid subordinated notes issuance

<i>(in € millions)</i>	2025	2024
Bonds	44	
Commercial paper	740	600
Other borrowings	13	552
TOTAL PROCEEDS FROM NEW BORROWINGS	797	1,152
TOTAL ISSUANCE OF PERPETUAL HYBRID SUBORDINATED NOTES	1,242	

41.7 Redemption/repayment of bonds and perpetual hybrid subordinated notes

<i>(in € millions)</i>	2025	2024
Bonds	(750)	(1,000)
Borrowings from credit institutions	(4)	(7)
La Poste savings bonds	(0)	(0)
Commercial paper	(740)	(600)
Other borrowings	(1,023)	(48)
TOTAL DEBT REPAYMENTS	(2,517)	(1,655)
TOTAL REPAYMENTS OF PERPETUAL HYBRID SUBORDINATED NOTES	(749)	(494)

41.8 Other cash flows used in financing activities

<i>(in € millions)</i>	2025	2024
Collection of deposits and guarantees received	51	32
Repayment of deposits and guarantees received	(43)	(40)
Other	(6)	(5)
TOTAL	2	(13)

41.9 Changes in cash from banking activities

<i>(in € millions)</i>	Note	2025	2024
Opening cash, central banks (assets)		27,812	40,577
Loans and advances to credit institutions repayable on demand (assets)		1,950	2,150
Loans and advances to credit institutions repayable on demand (liabilities)		(797)	(1,308)
Opening balance		28,965	41,420
Closing cash, central banks (assets)	25.2	12,757	27,812
Loans and advances to credit institutions repayable on demand (assets)	23.5	1,875	1,950
Loans and advances to credit institutions repayable on demand (liabilities)	32.3	(630)	(797)
Closing balance		14,002	28,965
Net increase (decrease) in cash and cash equivalents from banking activities		(14,962)	(12,455)
of which the impact of changes in consolidation scope		(0)	374
Net increase (decrease) in cash and cash equivalents from banking activities before impact of changes in consolidation scope		(14,962)	(12,828)

41.10 Transition from recurring operating profit to EBITDA

		2025			2024		
		Group	Industrial and commercial activities	Banking and insurance activities	Group	Industrial and commercial activities	Banking and insurance activities
Operating profit	(a)	2,517	(273)	2,789	2,950	366	2,584
of which non-cash movements to be eliminated :							
Share in net profit/(loss) of jointly-controlled companies	(a)	23	(0)	23	39	6	33
Depreciation and Impairment of non-current assets and movements in provisions included in net banking Income		(231)	0	(231)	(56)	0	(56)
Additions to and reversals of provisions for employee benefits	Note 10	245	228	17	358	371	(13)
Depreciation, amortisation and provisions	(a)	(2,670)	(1,933)	(737)	(2,723)	(1,982)	(742)
Proceeds from asset disposals before tax	(a)	114	12	101	523	553	(31)
CNP Assurances Protection Sociale negative goodwill		0	0	0	146	0	146
Reduction in the acquisition price of BRT	Note 1.6	40	40	0	0	0	0
Miscellaneous		5	5	(1)	3	3	0
EBITDA	SCF	4,992	1,376	3,616	4,661	1,415	3,246
Reintegration of changes in provisions for current assets and irrecoverable receivables (non-banking activities)	(b)	(55)	(55)	0	(73)	(73)	0
Miscellaneous financial income and expenses		24	24	0	3	3	0
Cash flows from operating activities before cost of net debt and taxes	SCF	4,961	1,345	3,616	4,591	1,345	3,246

(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 activities 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.

2025

<i>(in € millions, excl. VAT)</i>	KPMG	%	FORVIS MAZARS	%
Statutory audit of the parent company and consolidated financial statements				
parent company	0.8	5%	0.9	10%
fully-consolidated subsidiaries	10.7	67%	6.2	70%
	11.5	72%	7.1	81%
Non-audit services				
parent company	0.6	4%	0.1	2%
fully-consolidated subsidiaries	2.8	17%	0.6	6%
	3.4	21%	0.7	8%
Sustainability fees	1.1	7%	1.0	6%
TOTAL	16.0	100%	8.8	100%

2024

<i>(in € millions, excl. VAT)</i>	KPMG	%	FORVIS MAZARS	%
Statutory audit of the parent company and consolidated financial statements				
parent company	0.7	5%	0.7	6%
fully-consolidated subsidiaries	9.9	66%	8.5	66%
	10.6	71%	9.2	72%
Non-audit services				
parent company	0.1	1%	0.3	2%
fully-consolidated subsidiaries	3.2	21%	2.3	18%
	3.3	22%	2.6	20%
Sustainability fees	1.0	7%	1.0	7%
TOTAL	14.9	100%	12.9	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

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.

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)	31/12/2025	31/12/2024
Income	1,829	2,253
Expenses	(14)	(9)
Receivables	64,440	67,847
Payables	536	502

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 (as defined in IAS 24) amounted to €7.5 million in total for the year ended 31 December 2025 (€6.3 million in 2024). Senior executives do not receive any specific post-employment benefits.

The group's main senior executives are notably the members of the Executive Committee and the members of the Board of Directors (for their governance duties' gross remuneration, mostly paid to the State or to Caisse des Dépôts, and the salaries of employee representatives). This governance duties' remuneration amounted to €0.3 million (€0.2 million in 2024).

NOTE 44 EVENTS AFTER THE REPORTING PERIOD

None.

NOTE 45 SCOPE OF CONSOLIDATION

COMPANY	COUNTRY	% interest		% control		Consolidation method	
		2024	2025	2024	2025	2024	2025
CONSOLIDATING COMPANY							
LA POSTE							
9 rue du Colonel Pierre Avia 75757 Paris Cedex 15, France							
SERVICES-MAIL-PARCELS SEGMENT							
Adimmo	France	64.15	75.41	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	64.21	75.49	64.21	75.49	FC	FC
Asten Santé à domicile	France	64.21	75.49	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		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		FC	
Cyclonova	France		60.00		60.00		FC
Diadom	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	100.00	100.00	100.00	100.00	FC	FC
EDENEXT	France	100.00		100.00		FC	
Edgewhere	France	83.20	83.20	83.20	83.20	FC	FC
E-SY Com	France	100.00	100.00	100.00	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	100.00	90.00	100.00	FC	FC
HDC Santé (formerly Happytal)	France	93.00	100.00	93.00	100.00	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		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	France	51.00		51.00		FC	
La Poste E-éducation	France	100.00	100.00	100.00	100.00	FC	FC

COMPANY	COUNTRY	% interest		% control		Consolidation method	
		2024	2025	2024	2025	2024	2025
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		FC	
La Poste Santé et Autonomie	France	100.00	100.00	100.00	100.00	FC	FC
LineUp7	France	75.00	75.00	75.00	75.00	FC	FC
LineUp7 Factory	France		75.00		100.00		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	100.00	83.76	100.00	FC	FC
Mediaposte	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	100.00	100.00	100.00	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
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
T&S IT (formerly Sogec Informatique)	France	100.00	100.00	100.00	100.00	FC	FC
T&S marketing (formerly Sogec Marketing)	France	100.00	100.00	100.00	100.00	FC	FC
Tick and Shop Log (formerly Sogec Gestion)	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	France	100.00	100.00	100.00	100.00	FC	FC
Tikeasy	France	100.00	100.00	100.00	100.00	FC	FC
TimeOne - Performance	France	100.00		100.00		FC	
Viaposte Maintenance	France	100.00	100.00	100.00	100.00	FC	FC
Viaposte Maintenance Benelux	Belgium		100.00		100.00		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	75.00	75.00	FC	FC
White Image Loyalty	Romania	75.00	75.00	75.00	75.00	FC	FC

COMPANY	COUNTRY	% interest		% control		Consolidation method	
		2024	2025	2024	2025	2024	2025
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		50.00		FC	
ACP Global Forwarding	Poland	100.00	100.00	100.00	100.00	FC	FC
Air 360	France	60.00		100.00		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
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		100.00		FC	
Asendia Benelux B.V.	Netherlands	60.00	60.00	100.00	100.00	FC	FC
Asendia Digital Holding AG	Switzerland	60.00	60.00	100.00	100.00	FC	FC
Asendia Germany GmbH	Germany	60.00	60.00	100.00	100.00	FC	FC
Asendia Global Returns	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.r.L.	Italy	60.00	60.00	100.00	100.00	FC	FC
Asendia Logistics Holding AG	Switzerland	60.00	60.00	100.00	100.00	FC	FC
Asendia Logistics Ireland Limited (formerly The Reach Advisory Limited.)	Ireland	60.00	60.00	100.00	100.00	FC	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 Pty. Ltd.	Australia	60.00	60.00	100.00	100.00	FC	FC
Asendia Oceania NZ Limited	New 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 Pte. Ltd.	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 Inc.	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 Forwarding 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 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
BIOCAIR, Inc.	United States	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		FC	
Boks SAS	France	24.68	24.68	24.68	24.68	EM	EM
Broad Reach Canada	Canada	40.80	30.60	100.00	100.00	FC	FC
Broad Reach Canada, Inc. (formerly Broad Reach Commerce Inc.)	United States	40.80	30.60	68.00	51.00	FC	FC

COMPANY	COUNTRY	% interest		% control		Consolidation method	
		2024	2025	2024	2025	2024	2025
GEOPOST SEGMENT							
C Chez Vous SAS	France	80.00	80.00	80.00	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
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
Delifresh IDF	France	100.00		100.00		FC	
Delivering London Limited	United Kingdom		25.00		25.00		EM
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 Argentina S.A.	Argentina	35.00	35.00	35.00	35.00	EM	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		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	
		2024	2025	2024	2025	2024	2025
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 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	91.34	91.34	91.34	91.34	FC	FC
ESW France SAS (formerly Scalefast, SAS)	France	60.00	60.00	100.00	100.00	FC	FC
ESW Japan K.K (formerly Scalefast Japan Kabushiki Kaisha)	Japan	60.00	60.00	100.00	100.00	FC	FC
ESW Parent, Inc. (ESPI)	United States	60.00	60.00	100.00	100.00	FC	FC
ESW U.S. Direct E-Commerce Canada Corp	Canada	60.00	60.00	100.00	100.00	FC	FC
Express Delivery Services	France	100.00	100.00	100.00	100.00	FC	FC
FB On Board Courier Services Inc.	Canada	17.29	17.29	26.76	26.76	EM	EM
FermoPoint S.r.l.	Italy	50.98	100.00	60.00	100.00	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 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	100.00	100.00	FC	FC
Gruppo BRT	Italy	84.96	100.00	84.96	100.00	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
Jadlog Logística Ltda.	Brazil	100.00	100.00	100.00	100.00	FC	FC

COMPANY	COUNTRY	% interest		% control		Consolidation method	
		2024	2025	2024	2025	2024	2025
GEOPOST SEGMENT							
JLGP Brasil Participações Ltda	Brazil	100.00		100.00		FC	
JP Linex Nankai Parcel Co., Ltd.	Japan	19.29	19.29	29.85	29.85	EM	EM
Koiki Home, S.L.	Spain	40.34	46.65	40.34	46.65	EM	EM
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 (Zhengzhou) Ltd.	China	54.93	54.93	85.00	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	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
Mach 1 Couriers Limited	United Kingdom	100.00	100.00	100.00	100.00	FC	FC
Menexpres, S.A.	Spain	100.00	100.00	100.00	100.00	FC	FC
Nanny Bag	France	49.95		49.95		EM	
Ninja Logistics Pte. Ltd.	Singapore	42.29	34.25	42.29	34.25	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
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 Logistics	France	100.00	100.00	100.00	100.00	FC	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		FC	
Project Bolt Newco 2 Limited	United Kingdom	100.00		100.00		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		100.00		FC	
Scalefast Inc.	United States	60.00	60.00	100.00	100.00	FC	FC

COMPANY	COUNTRY	% interest		% control		Consolidation method	
		2024	2025	2024	2025	2024	2025
GEOPOST SEGMENT							
Scalefast S. de R.L. de C.V.	Mexico	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
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		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 Logística S.A.	Spain	100.00	100.00	100.00	100.00	FC	FC
Shaanxi Depuda International Logistic Co Ltd (formerly Linehaul Express (Yiwu) Ltd)	China	64.63	64.63	100.00	100.00	FC	FC
Shanghai E & T Wako Express Co. Ltd.	China	64.63	64.63	100.00	100.00	FC	FC
SHIFT7	France	60.00		100.00		FC	
Sichuan Depuda International Logistics Co Ltd (formerly DPD Sichuan Ltd)	China	64.63	64.63	100.00	100.00	FC	FC
Siodemka Systemy Sp z o.o.	Poland	100.00		100.00		FC	
Sodexi	France	35.00	35.00	35.00	35.00	EM	EM
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
SRT France Logistics	France	100.00		100.00		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
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 Spain S.L. (formerly Scalefast, S.L.)	Spain	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
U.S. Direct e-commerce UK Limited	United Kingdom	60.00	60.00	100.00	100.00	FC	FC
U.S. Direct Hong Kong Limited	Hong Kong		60.00		100.00		FC
US Direct E-Commerce (USA) Inc.	United States	60.00	60.00	60.00	100.00	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		100.00		FC	
US Direct E-Commerce Rus LLC	Russia	60.00		100.00		FC	
Wako Express Co. Ltd.	Taiwan	64.63	64.63	100.00	100.00	FC	FC
WN TPC	United Kingdom	60.00		100.00		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	Belgium	48.47	48.47	100.00	100.00	FC	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		
		2024	2025	2024	2025	2024	2025	
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	
Assuristance	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 Asfalistiki	Cyprus	100.00		100.00		FC		
CNP Assur Trésorerie Plus	France	98.82	97.72	98.82	97.74	FC	FC	
CNP Assurances	France	100.00	100.00	100.00	100.00	FC	FC	
CNP Assurances Compañia 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	65.00	65.00	FC	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		FC		
CNP Cyprus Insurance Holdings	Cyprus	100.00		100.00		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	88.06	99.43	88.06	99.44	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		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		FC		
Companhia de Seguros Previdencia Do Sul-Previsul	Brazil	100.00	100.00	100.00	100.00	FC	FC	
Credicoop Compañia de Seguros de Retiro SA	Argentina	29.82	29.82	29.82	29.82	EM	EM	

COMPANY	COUNTRY	% interest		% control		Consolidation method	
		2024	2025	2024	2025	2024	2025
LA BANQUE POSTALE - CNP - SEGMENT							
EasyBourse	France	100.00	100.00	100.00	100.00	FC	FC
Ecureuil Profil 90	France	54.59	55.00	54.59	55.00	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
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
La Financière de l'Echiquier	France	75.00	75.00	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		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	100.00	100.00	100.00	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 Consórcio SA	Brazil	100.00	100.00	100.00	100.00	FC	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	100.00	100.00	FC	FC
SCI CRSF Métropole	France	100.00	100.00	100.00	100.00	FC	FC
SCI ICV	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	100.00	66.00	100.00	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
Univers CNP 1 FCP	France	100.00	100.00	100.00	100.00	FC	FC
Vivaccio ISR actions	France	99.89	100.00	99.89	100.00	FC	FC
Wiz Soluções e Corretagem de Seguros SA	Brazil	12.94		25.00		EM	
XSS 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	
		2024	2025	2024	2025	2024	2025
RETAIL CUSTOMERS & DIGITAL SERVICES SEGMENT							
Acutude	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	100.00	100.00	100.00	100.00	FC	FC
ARKHINEO	France	100.00	100.00	100.00	100.00	FC	FC
Axonal	France	100.00		100.00		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
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	100.00	98.08	100.00	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
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	100.00	100.00	100.00	FC	FC
MARKETSHOT	France	100.00	100.00	100.00	100.00	FC	FC
Media Prisme SAS	France	82.05	100.00	82.05	100.00	FC	FC
Mon Contact Logement	France	51.00	51.00	51.00	51.00	FC	FC
Monha	France	49.00		49.00		EM	
Numspot	France	26.00	26.00	26.00	26.00	EM	EM
Openvalue	France	100.00	100.00	100.00	100.00	FC	FC
Probayes	France	100.00	100.00	100.00	100.00	FC	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
Sérès Argentine	Argentina		66.00		100.00		FC
Sérès Colombie	Colombia		66.00		100.00		FC
Sérès Espagne	Spain	66.00	66.00	100.00	100.00	FC	FC
Sérès Equateur	Equator		66.00		100.00		FC
Sérès Mexique	Mexico		66.00		100.00		FC
Sérès Pérou	Peru		66.00		100.00		FC
Sérès 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 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 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	100.00	70.00	100.00	FC	FC

COMPANY	COUNTRY	% interest		% control		Consolidation method	
		2024	2025	2024	2025	2024	2025
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		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		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		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		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		FC	
SCI PI 17	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		EM	
SOBRE GLP	France	74.28		51.00		FC	
Société SCCV Rue du Champ Macret-Roye	France	100.00	100.00	100.00	100.00	FC	FC
SOGARIS Paris : les espaces logistiques urbains	France	22.50	22.50	22.50	22.50	EM	EM
Terseren	France	66.00	66.00	100.00	100.00	FC	FC
Tetra Logistique	France	100.00	100.00	100.00	100.00	FC	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

NOTE 46 OTHER UNCONSOLIDATED EQUITY INVESTMENTS – EXCLUDING FRANCE

	Country	31/12/2025		31/12/2024
		Percentage held	Carrying amount	Carrying amount
<i>(in € thousands)</i>				
Anchanto	Singapore	17%	6,613	6,613
Bosta Inc.	United States	11%	1,285	1,285
Livelihoods	Luxembourg	3%	1,000	1,000
Localz Pty Ltd.	Australia	5%	926	926
Mediaposte Vietnam	Vietnam	36%	311	311
La Financière de l'Echiquier Suisse SA	Switzerland	100%	94	94
Vietnam Postal SRL	Vietnam	6%	42	43
CargoNetwork Gm	Germany	11%	40	40
Miscellaneous	Philippines	n.m.	35	19
CID Externalizacion de Servi	Spain	10%	25	25
Kombiverkehr Deu	Germany	ns	16	16
Miscellaneous	Portugal	n.m.	32	32
IG Zollwerk	Switzerland	7%	11	11
Insercion Personal Discapacita	Spain	10%	6	6
Miscellaneous	Spain	n.m.	8	17
Miscellaneous	Germany	n.m.	1	1
Third Parties	Japan	2%	1	31
Sqale	Switzerland			213
Redtrans Algeciras, S.L. (a)	Spain			2,691
Red de Transporte Urgente de León, S.A. (a)	Spain			1,615
Sérès Colombie (b)	Colombia			770
Sérès Argentine (b)	Argentina			689
Sérès Mexique (b)	Mexico			586
Sérès Pérou (b)	Peru			357
Sérès Equateur (b)	Ecuador			187
Guremo, S.L. (a)	Spain			63
TOTAL			10,446	17,641

(a) Companies consolidated and merged with Seur Geopost, S.L. during 2025.

(b) Companies consolidated in 2025.