

BNP PARIBAS PERSONAL FINANCE
A French *société anonyme* (public limited company) with share capital of €617,279,915
Registered office: 1 Boulevard Haussmann – 75009 PARIS
Paris Trade & Companies Register no. 542 097 902

**EXTRACT FROM THE MINUTES OF THE ORDINARY AND EXTRAORDINARY GENERAL
MEETING HELD ON 21 MAY 2025**

On 21 May in the year two thousand and twenty-five at 11.00 a.m., the shareholders of BNP Paribas Personal Finance met at 143 Rue Anatole France, Levallois-Perret (92300) in the form of an Ordinary and Extraordinary General Meeting, called by the Board of Directors.

The Statutory Auditors had been given due notice of this General Meeting; apologies for absence had been received from Deloitte & Associés and BDO.

In the absence of the Chairman of the Board of Directors and in accordance with Article R. 225-100 of the French Commercial Code, the shareholders of the Company elected Mr Jean-François Simon as chairman of their Ordinary and Extraordinary General Meeting (the "**Chairman**").

The Chairman called BNP Paribas to act as scrutineer, in its capacity as the member of the meeting holding the highest number of votes. BNP Paribas refused that function.

The Chairman called Antin Participation 5 to act as scrutineer, as the member of the meeting with the second largest number of votes and represented by Mr Timothé Drezet, who accepted that function (the "**Scrutineer**").

Ms Sonia Ohanessian was appointed to act as secretary (the "**Secretary**").

The officers of the meeting had therefore been appointed.

The following persons also attended the meeting:

- Ms Adeline Le Coquil, Chief Financial Officer of BNP Paribas Personal Finance,
- Mr Stéphane Furlan, employee representative, and
- Ms Juliette Pelat, Corporate Lawyer.

Ms Florence Lamamy, employee representative, was absent and excused.

The attendance sheet, certified an accurate record by the officers of the meeting, showed that shareholders holding all the shares with voting rights making up the share capital were present or represented.

Accordingly, as the statutory quorum requirement had been met, the shareholders at the General Meeting could validly transact both ordinary and extraordinary business.

The Chairman submitted and made available to the members of the General Meeting:

- a copy of the notice of the meeting sent to the shareholders;
- a copy of the notices of the meeting sent to the Statutory Auditors;
- a copy of the notices of the meeting sent to the Staff Representatives;
- the attendance sheet for the General Meeting;
- the proxy appointments for shareholders represented by proxies;
- a copy of the company's articles of association;
- the Board of Directors' management report;
- the Corporate Governance Report, included in the management report;
- the additional report of the Board of Directors dated 1 April 2025;
- the Statutory Auditors' reports;
- the annual financial statements;



- the consolidated financial statements;
- the text of the draft resolutions.

All the documents required by law had been sent to the shareholders or made available to them at the registered office, on the terms and for the period prescribed by law.

The Chairman noted that the Ordinary and Extraordinary General Meeting had been called to transact the business listed on the following agenda:

Within the competence of the Ordinary General Meeting:

1. The Board of Directors' report on the business activities of the company and the Group over the 2024 financial year and the resolutions proposed to the shareholders; Statutory Auditors' report on the annual financial statements for the year ended 31 December 2024;
2. Approval of the financial statements and appropriation of profit/loss;
3. Approval of the annual consolidated financial statements; Statutory Auditors' report on the annual consolidated financial statements for the year ended 31 December 2024;

-
8. Powers to complete statutory formalities.

At the Chairman's request, Ms Le Coquil gave a brief presentation and explanation of the Group's business activities and earnings for the 2024 financial year, as set out in the Board of Directors' management report, and then reported back to the shareholders on the work and reports of the Statutory Auditors.

The Chairman of the meeting then opened up the floor for discussion.

As there were no requests for explanations or comments from the shareholders, the Chairman submitted the resolutions to the shareholders for their vote.

To be voted on as an Ordinary meeting

FIRST RESOLUTION

(REPORT OF THE BOARD OF DIRECTORS ON THE ACTIVITY OF THE COMPANY AND THE GROUP DURING THE 2024 FINANCIAL YEAR AND ON THE DECISIONS PROPOSED TO THE MEETING; REPORT OF THE STATUTORY AUDITORS ON THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024)

The shareholders, after reviewing the Board of Directors' report and voting in accordance with the quorum and majority requirements for Ordinary General Meetings, approved the Board of Directors' report on the Company's position and business activities over the 2024 financial year and all the transactions referred to in the report.

The shareholders acknowledged the Statutory Auditors' reports prepared pursuant to Article L.225-100 of the French Commercial Code (*Code de Commerce*) and accepted their findings.

The shareholders approved the annual financial statements for the year ended 31 December 2024 and recorded a loss of €399,944,649.50.

The shareholders approved the amount of non-tax-deductible expenses and charges under Article 39-4 of the French General Tax Code (*Code Général des Impôts*) amounting to €918,879 as at 31 December 2024.

This resolution was put to a vote and adopted unanimously.



SECOND RESOLUTION

(APPROVAL OF THE FINANCIAL STATEMENTS AND APPROPRIATION OF NET INCOME)

The shareholders, after reviewing the Board of Directors' report and voting in accordance with the quorum and majority requirements for Ordinary General Meetings, and noting that the Company had generated a loss of €399,944,649.50 and had available retained earnings of €566,879,988.91, resolved to appropriate its loss as follows:

In euros		
Net loss	-	399,944,649.50
Retained earnings		566,879,983.91
Total		166,935,339.41
Allocation		
Legal reserve		
Special reserve for original work	-	
Released Invest Prov. Reserve	-	
Dividend payment	-	
Retained earnings in credit		166,935,339.41
Total		166,935,339.41

After appropriation of income, the retained earnings account will thus appear in credit in the amount of €166,935,339.41.

It is reiterated that no dividends were paid in respect of the 2022, 2023 and 2024 financial years.

This resolution was put to a vote and adopted unanimously.

THIRD RESOLUTION

(APPROVAL OF THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS; STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024)

The shareholders, after reviewing the Board of Directors' report and the Statutory Auditors' report and voting in accordance with the quorum and majority requirements for Ordinary General Meetings, approved the consolidated financial statements for the year ended 31 December 2024, showing a loss of €116 million, with the BNP Paribas Personal Finance Group's share amounting to -€226 million at 31 December 2024.

This resolution was put to a vote and unanimously adopted.



EIGHTH RESOLUTION

(POWERS TO COMPLETE LEGAL FORMALITIES)

The shareholders granted full powers to the holder of an original, copy or extract of the minutes of this Ordinary and Extraordinary General Meeting to complete all statutory or administrative formalities and all filing and public notice procedures required under the legislation in force for all the foregoing resolutions.

This resolution was put to a vote and unanimously adopted.

As there was no further business on the agenda, the meeting was adjourned by the Chairman.

Extract certified a true copy by the Secretary of the meeting

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Translation
from the digital
version of the
original

04 JUIN 2025



BNP PARIBAS PERSONAL FINANCE
Société anonyme au capital de 617.279.915 euros
Siège social : 1, boulevard Haussmann – 75009 PARIS
542 097 902 RCS Paris

**EXTRAIT DU PROCES-VERBAL DE L'ASSEMBLEE GENERALE ORDINAIRE ET
EXTRAORDINAIRE DU 21 MAI 2025**

L'an deux mil vingt cinq, le 21 mai à 11h, les actionnaires de BNP Paribas Personal Finance se sont réunis au 143 rue Anatole France, à Levallois-Perret (92300), en Assemblée générale ordinaire et Extraordinaire sur la convocation faite par le Conseil d'administration.

Les Commissaires aux comptes ont été régulièrement convoqués à la présente Assemblée ; le Cabinet Deloitte & Associés et le Cabinet BDO, sont absents et excusés.

En l'absence du Président du Conseil d'administration et conformément à l'article R. 225-100 du Code de commerce, les actionnaires de la Société élisent M. Jean-François SIMON en qualité de président la présente Assemblée générale ordinaire et extraordinaire (le « **Président** »).

Le Président appelle au bureau en qualité de scrutateur BNP Paribas en qualité de membre de l'assemblée disposant du plus grand nombre de voix. Cette dernière refuse cette fonction.

Le Président appelle au bureau en qualité de scrutateur Antin Participation 5, en qualité de deuxième membre de l'assemblée disposant du plus grand nombre de voix et représentée par Monsieur Timothé DREZET, qui accepte cette fonction (le « **Scrutateur** »).

Mme Sonia OHANESSIAN est désignée comme secrétaire (la « **Secrétaire** »).

Le bureau est ainsi constitué.

Assiste également à la réunion :

- Mme Adeline LE COQUIL, Directrice financière de BNP Paribas Personal Finance,
- M. Stéphane FURLAN, représentant des salariés, et
- Mme Juliette PELAT, Juriste corporate.

Mme Florence LAMAMY, représentante des salariés, est absente et excusée.

La feuille de présence certifiée exacte par les membres du bureau permet de constater que les actionnaires possédant la totalité des actions ayant le droit de vote et composant le capital social, sont présents ou représentés.

L'Assemblée, réunissant le quorum requis par la loi, peut donc valablement délibérer en la forme ordinaire et extraordinaire.

Le Président dépose sur le bureau et met à la disposition de l'Assemblée :

- la copie de la lettre de convocation des actionnaires ;
- la copie des lettres de convocation adressées aux Commissaires aux comptes ;
- la copie des lettres de convocation adressées aux Représentants du Personnel ;
- la feuille de présence de l'Assemblée ;
- les pouvoirs des actionnaires représentés par les mandataires ;
- un exemplaire des statuts de la société ;
- le rapport de gestion du Conseil d'Administration ;
- le rapport sur le Gouvernement d'Entreprise, inclus dans le rapport de gestion ;
- le rapport complémentaire du Conseil d'administration en date du 1er avril 2025 ;
- les rapports des Commissaires aux comptes ;
- les comptes annuels ;



- les comptes consolidés ;
- le texte des résolutions proposées.

L'ensemble des documents prévus par la loi ont été adressés ou tenus à la disposition des actionnaires au siège social, dans les conditions et pendant le délai fixé par la loi.

Il rappelle que l'Assemblée générale ordinaire et extraordinaire a été convoquée à l'effet de délibérer sur l'ordre du jour suivant :

De la compétence de l'Assemblée générale ordinaire :

1. Rapport du Conseil d'Administration sur l'activité de la société et du Groupe pendant l'exercice 2024 et sur les décisions proposées à l'Assemblée ; Rapport des Commissaires aux Comptes sur les comptes annuels au 31 décembre 2024 ;
2. Approbation des comptes annuels et affectation du résultat ;
3. Approbation des comptes annuels consolidés ; Rapport des Commissaires aux Comptes sur les comptes annuels consolidés au 31 décembre 2024 ;

8. Pouvoirs en vue de l'accomplissement des formalités légales.

A la demande du Président, Mme LE COQUIL présente et commente brièvement l'activité et les résultats de l'exercice 2024 du Groupe retracés dans le rapport de gestion du Conseil d'administration puis rend compte des travaux et rapports des Commissaires aux comptes.

Le Président de séance déclare ensuite la discussion ouverte.

Aucune demande d'explication ou observation n'étant formulée par les actionnaires, le Président soumet les résolutions au vote des actionnaires.

A titre ordinaire

PREMIERE RESOLUTION

(RAPPORT DU CONSEIL D'ADMINISTRATION SUR L'ACTIVITE DE LA SOCIETE ET DU GROUPE PENDANT L'EXERCICE 2024 ET SUR LES DECISIONS PROPOSEES A L'ASSEMBLEE ; RAPPORT DES COMMISSAIRES AUX COMPTES SUR LES COMPTES ANNUELS AU 31 DECEMBRE 2024)

L'Assemblée générale, connaissance prise du rapport du Conseil d'administration et statuant aux conditions de quorum et de majorité requises pour les Assemblées générales ordinaires, approuve le rapport du Conseil d'administration sur la situation et l'activité de la Société pendant l'exercice 2024 et toutes les opérations qui y sont mentionnées.

Elle prend acte des rapports des Commissaires aux Comptes établis en application des articles L.225-100 du Code de commerce dont elle accepte les conclusions.

L'Assemblée générale approuve les comptes annuels arrêtés au 31 décembre 2024 et constate l'existence d'un résultat négatif de 399 944 649,50 euros.

L'Assemblée générale approuve le montant des dépenses et charges somptuaires au titre de l'article 39-4 du Code général des impôts s'élevant à 918 879 euros au 31 décembre 2024.

Cette résolution mise aux voix est adoptée à l'unanimité.

DEUXIEME RESOLUTION

(APPROBATION DES COMPTES ANNUELS ET AFFECTATION DU RESULTAT)

L'Assemblée générale, connaissance prise du rapport du Conseil d'administration et statuant aux conditions de quorum et de majorité requises pour les Assemblées générales ordinaires, constatant



l'existence d'un résultat social négatif de 399 944 649,50 euros et d'un report à nouveau bénéficiaire disponible de 566 879 988,91 euros, décide d'affecter ces résultats de la façon suivante :

En euros		
Perte Nette	-	399 944 649,50
Report à nouveau		566 879 988,91
Total		166 935 339,41
Emploi		
Réserve légale		
Réserve spéciale Œuvre originale	-	
Réserve Prov Invest Libérée	-	
Versement de Dividendes	-	
Report à nouveau Créiteur		166 935 339,41
Total		166 935 339,41

Après affectation des résultats, le compte de Report à Nouveau apparaîtra ainsi créditeur pour un montant de 166 935 339,41 euros.

Il est rappelé qu'aucun dividende sur le résultat des exercices 2022, 2023 et 2024 n'a été versé.

Cette résolution mise aux voix est adoptée à l'unanimité.

TROISIEME RESOLUTION

(APPROBATION DES COMPTES ANNUELS CONSOLIDES ; RAPPORT DES COMMISSAIRES AUX COMPTES SUR LES COMPTES ANNUELS CONSOLIDES AU 31 DECEMBRE 2024)

L'Assemblée générale, connaissance prise du rapport du Conseil d'administration et du rapport des Commissaires aux Comptes et statuant aux conditions de quorum et de majorité requises pour les Assemblées générales ordinaires, approuve les comptes consolidés arrêtés au 31 décembre 2024 qui font apparaître un résultat négatif de 116 millions d'euros, la part du Groupe BNP Paribas Personal Finance s'établissant à -226 millions d'euros au 31 décembre 2024.

Cette résolution mise aux voix est adoptée à l'unanimité.

HUITIEME RESOLUTION

(POUVOIRS EN VUE DE L'ACCOMPLISSEMENT DES FORMALITES LEGALES)

L'Assemblée générale donne tous pouvoirs au porteur d'un original, d'une copie ou d'un extrait du procès-verbal de la présente Assemblée générale Ordinaire et extraordinaire pour effectuer toutes les formalités légales ou administratives et faire tous dépôts et publicités prévus par la législation en vigueur relatifs à l'ensemble des résolutions qui précèdent.

Cette résolution mise aux voix est adoptée à l'unanimité.



Aucun point n'étant plus à l'ordre du jour, la séance est levée par le Président.

Extrait certifié conforme par le Secrétaire de séance

04 JUIN 2025

FR-EN250604-1



2024 ANNUAL MANAGEMENT REPORT

I - ACTIVITY

1.A - Changes in consolidation scope

In 2024, the most significant changes in consolidation scope were:

- The sale of 80% of BNP Paribas Personal Finance's stake in **Cetelem SA de CV** in Mexico to Banco Inbursa on 27 March 2024. The BNP Paribas Personal Finance Group lost exclusive control of this entity but kept a significant influence. This partial disposal is accompanied by an agreement for the future disposal of the residual interest and leads to the recognition of a receivable;
- The sale, on 2 April 2024, of the business of the **BNP Paribas Personal Finance Bratislava Branch SK** in Slovakia;
- The dilution of the BNP Paribas Group's stake in **BoN BNPP Consumer Finance Co Ltd** in China with the entry of a new shareholder via a reserved capital increase in the third quarter of 2024. The BNP Paribas Group's stake was reduced from 33.08% to 31.72% and that of BNP Paribas Personal Finance from 1.8% to 1.73%, with the entity remaining consolidated under the equity method for the BNP Paribas Personal Finance Group at 31 December 2024;
- The sale of **Magyar Cetelem Bank Zrt** in Hungary by BNP Paribas Personal Finance to the Cofidis Group in the third quarter of 2024;
- The deconsolidation of **Opel Finance SA** in Switzerland in the fourth quarter of 2024 due to thresholds.

1. B - Highlights

The main highlights of 2024 were as follows:

- Finalisation of the reorganisation of the business model: geographical refocusing of activities through the sale or run-off of entities and the restructuring of corporate functions
- Signature, renewal or extension of partnerships with major players in several of BNP Paribas Personal Finance's key markets, in the retail sector and in mobility, including for example:
 - The launch of the partnership with Orange in Spain and France;
 - The new financial partnership between Cetelem Spain and Smart;
 - BNP Personal Finance UK's new financial partnership with car manufacturer Chery;

- Cetelem Spain's new offering and Fintech Raisin;
Cetelem Spain has teamed up with German fintech Raisin to offer a new Cetelem interest-bearing account. Customers can subscribe to Cetelem deposit accounts via the raisin.es platform.
- Commitment to the energy transition:
 - Joint investment by Arval and BNP Paribas Personal Finance in Shift4Good, the largest independent venture capital fund dedicated to decarbonising the transport sector;
 - Ambition to maintain leadership in financing energy-efficient home renovation and double production volume to reach €5 billion of green loans in Europe by 2025;
 - On the occasion of its 20th anniversary, donation to the Réseau Eco Habitat association by Domofinance, to contribute to the financing of six energy renovation projects for families living in extreme poverty.
- Development and strengthening of the use of new technologies and new solutions:
 - Optimisation and acceleration of credit granting processes thanks to the integration of Open Banking functionalities into the customer journey;
 - Following in the footsteps of Spain and Italy, deployment in France of the unique multi-financing technology within a single basket.

1. C - Economic environment

2024 was marked by moderate growth in the European Union economy. The process of disinflation that began in 2023 continued, despite a slight pick-up in inflation at the end of 2024.

- GDP - based on seasonally and calendar adjusted quarterly data - rose by 0.7% in the Eurozone and 0.9% in the European Union in 2024, compared with 0.4% and 0.5% respectively in 2023.
- The seasonally-adjusted unemployment rate for the Eurozone was 6.3%, down from 6.5% in December 2023; the EU rate of 5.9% was also down from 6.0% in December 2023. After remaining stable for the first three quarters, the unemployment rate fell slightly in the fourth quarter.
- The year-on-year inflation rate in the Eurozone stood at 2.4% in December 2024, compared to 2.9% in December 2023. The year-on-year inflation rate in the European Union it was 2.7% in December 2024, compared to 3.4% in December 2023.
- New vehicle registrations were up +0.8% in 2024 compared with 2023, when production was affected by component shortages. Electric vehicles now account for 13.6% of the market and hybrid vehicles 30.9%.

Concerning BNP Paribas Personal Finance's main markets:

- In France, GDP growth increased by an average of +1.1% over the year compared to 2023, with a rise in the first three quarters followed by a slight decline in the last quarter of 2024. The unemployment rate of 7.8% in December was up from 7.5% a year earlier and rose mainly in the fourth quarter.

France posted year-on-year inflation rate of 1.8% in December 2024. New vehicle registrations fell by -3.2% in 2024. BNP Paribas Personal Finance saw its loan outstandings in the French market increase slightly in 2024.

- In Italy, GDP rose by an average of 0.5% over the year compared with 2023. The unemployment rate of 6.2% in December was down from 7.1% a year earlier, and fell virtually throughout 2024 Italy's annual inflation rate reached 1.4% in December 2024, one of the lowest in the European Union. New vehicle registrations fell by -0.5% in 2024. BNP Paribas Personal Finance saw its loan outstandings in the Italian market grow steadily over the year.
- In Spain, GDP rose by an average of 3.1% over the year compared with 2023. The unemployment rate of 10.6% in December was down from 11.9% a year earlier, having fallen throughout the year. In December 2024, Spain posted an annual inflation rate of 2.8%. New vehicle registrations rose by +7.1% in 2024. BNP Paribas Personal Finance saw its loan outstandings in the market grow over the year.

1.D - BNP Paribas Personal Finance activity (management data)

In 2024, new financing totalled €33 billion, up +8.3% from 2023.

- New consumer loans (€33 billion) grew by +8.4%.
 - There was a sharp rise in vehicle financing, which accounted for €13 billion in 2024 (39% of the total, compared with 35% in 2023), up +21.6% on 2023, mainly as a result of the new Stellantis partnership signed in April 2023. At the same time, new consumer loans excluding cars came in at €20 billion in 2024, up +1.3% from 2023.
- New mortgage loans were insignificant at €20 million.

At €86 billion, loan outstandings (*) increased by +1.0% from 2023.

- Consumer credit outstandings (€81 billion) increased by +2.2% from 2023.
- Mortgage loan outstandings (€6 billion) fell by -13.4%.

(*) *Outstandings include vendor financing outstandings*

II - SUBSIDIARIES AND ASSOCIATES

Details of the information relating to subsidiaries and associates are provided in section “I.1.A - CHANGES IN CONSOLIDATION SCOPE”

III - CONSOLIDATED FINANCIAL STATEMENTS OF THE BNP PARIBAS PERSONAL FINANCE GROUP

In 2024, operating income was €119 million, compared with an operating loss of €398 million in 2023.

Net banking income totalled €3,345 million, down 7%.

General operating expenses were €2,101 billion, down 18%.

The cost of risk totalled €1,125 million, down 22%.

The share of earnings of equity-method entities was a loss of €16 million, compared with an income of €4 million in 2023.

Net gains on other non-current assets represent an income of €65 million, compared with an expense of €377 million in 2023.

There were no changes in goodwill in 2024 and 2023.

After deducting corporate income tax of -€284 million and minority interests of +€110 million, net income attributable to equity holders was a loss of €226 million, compared with a loss of €870 million in 2023.

At 31 December 2024, total balance sheet assets were €95.4 billion, down 3% from 31 December 2023. Receivables due from customers totalled €81.9 billion, down 3% and receivables from credit institutions totalled €6 billion, down 1% on the assets side, while payables to credit institutions amounted to €67.7 billion (down 4%), debt securities €4.3 billion, down €2.1 billion or 34%, and shareholders' equity attributable to the Group, including profit for the 2024 financial year, €8.8 billion on the liabilities side.

IV - PARENT COMPANY FINANCIAL STATEMENTS

In 2024, the parent company financial statements of BNP Paribas Personal Finance including its branches (Czech Republic, Slovakia, Austria, Romania and Portugal), showed a net loss of €400 million.

The current loss before tax was €299 million and comprises:

- Operating loss, which was €304 million, comprising net banking income of €1,097 million, general operating expenses of €1,009 million and a cost of risk of €392 million.
- Losses on non-current assets of €5 million.

Total balance sheet assets amounted to €27.8 billion.

On the assets side, receivables due from customers totalled €16.9 billion, while receivables from credit institutions and bonds and other fixed-income securities amounted to €5.5 billion. Investments and equity securities held for long-term investment and investments in subsidiaries and affiliates represent €4.4 billion.

On the liabilities side, amounts due to credit institutions totalled €18.7 billion.

Equity, including profit for the year, amounted to €6 billion.

In accordance with Article R. 225-102 of the French Commercial Code, the five-year results table is appended to this report (Appendix 1).

The total amount of luxury expenses and charges referred to in Article 39-4 of the French general tax code is €918,879 and corresponds only to the portion of non-deductible rentals from leased vehicles.

V - SIGNIFICANT EVENTS SINCE THE END OF THE FINANCIAL YEAR

On 30 January 2025, the Spanish Supreme Court handed down an unfavourable ruling on the aspects of transparency. This post-balance sheet event was covered by an additional provision in Banco Cetelem's local financial statements in addition to the existing provision and was not included in BNP Paribas PF's consolidated financial statements at 31 December 2024.

VI - MANAGEMENT OF FINANCIAL RISKS

Financial risk management and the company's exposure to interest rate, credit, liquidity, cash flow and foreign exchange risks are described in Note 4 of the Notes to the consolidated financial statements of the BNP Paribas Personal Finance Group.

VII - PERSPECTIVES

In the current economic, geopolitical and regulatory environment, BNP Paribas Personal Finance continues to transform its activities in order to stimulate growth and profitability through:

- Continued implementation of the geographical refocusing of activities;
- Continued selectivity in granting loans and controlling the cost of risk;
- The development of major multi-country partnerships and the pursuit of the auto loan partnership strategy;
- A transformation of the operating model (finalisation of the restructuring plan in France and internationally);
- Continued technological and industrial transformation (setting up shared infrastructures and using Artificial Intelligence to optimise processes).

VIII - TERMS OF PAYMENT

Under "Other miscellaneous liabilities", BNP Paribas Personal Finance's trade payables amounted to €12,760 thousand at 31 December 2024 and break down as follows, in accordance with Article D.441-6 of the French Commercial Code.

Invoices <i>received</i> but not settled on the closing date of the financial year the due date of which has passed						
	0 day (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days or more	Total (1 day and more)
Number of invoices concerned	74					295
Total amount of invoices in question including tax (in €k)	2,302	1,245	1,759	436	7,018	10,458
Percentage of total purchases for the financial year, including tax	0.43%	0.23%	0.33%	0.08%	1.32%	1.96%

The reference terms of payment used are the legal terms.

This information does not include banking and related transactions, since BNP Paribas Personal Finance considers that they do not fall within the scope of the information that needs to be provided.

Accounts receivables that fall outside the scope of banking and related transactions principally constitute receivables from BNP Paribas Group entities.

Note 6.B to the parent company financial statements on the maturities of assets and liabilities provides information on the residual term of receivables and payables with BNP Paribas Personal Finance's customers.

IX - RESEARCH AND DEVELOPMENT ACTIVITIES OF BNP PARIBAS PERSONAL FINANCE

In accordance with the provisions of Article L. 232-1 of the French Commercial Code, the Board discloses that the Company did not undertake any significant research and development activities during the past financial year.

X - INFORMATION ON CORPORATE OFFICERS

Composition of the Board of Directors

Thierry Laborde has served as Chairman of the Board since 17 May 2021.

At 31 December 2024, the members of the Board of Directors were as follows:

- Thierry Laborde, Chairman of the Board of Directors,
- Francine Calvet,
- Charlotte Chevalier
- Charlotte Dennery,
- Sylvie David-Chino,
- Hugues Maisonnier,
- Bruno Salmon,
- Caroline Tcheckhoff,
- Alain Van Groenendael.

Executive management

Since 28 November 2023, the Company's executive management has been ensured by Charlotte Dennery, assisted by Vincent Sussfeld as Deputy Chief Executive Officer.

XI - MANDATES OF THE STATUTORY AUDITORS

Note that the company's auditing is entrusted to two Statutory Auditors:

- Deloitte et Associés, as joint statutory auditor represented by Laurence Dubois, for a period of six financial years, i.e. until the end of the General Meeting called in 2030 to approve the financial statements for the 2029 financial year.
- BDO Paris, as joint statutory auditor represented by Benjamin Izarie, for a period of six financial years, i.e. until the end of the General Meeting called in 2029 to approve the financial statements for the 2028 financial year.

XII - DECISIONS PUT FORWARD AT THE MEETING

Approval of the financial statements - Appropriation of net income

If the company financial statements are approved by adopting the first resolution, the Board proposes, in the second resolution, the following appropriation of the company's net income, plus retained earnings:

In euros	
Net loss	(399,944,649.50)
Retained earnings	566,879,988.91
Total	166,935,339.41
Allocation	
Legal reserve	
Special reserve for original work	-
Released Invest Prov. Reserve	-
Dividend payment	-
Retained earnings in credit	166,935,339.41
Total	166,935,339.41

It is proposed that the 2024 loss be appropriated to retained earnings.

Note that no dividends were paid in respect of the 2022, 2023 and 2024 financial years.

The BNP Paribas Personal Finance sub-group's solvency ratio at the end of December 2024, after taking into account 2024 profit, was 10.66% in Core Tier 1 and 15.02% in total ratio.

In their report, the Statutory Auditors will set out their assessments of the parent company and consolidated financial statements.

Under the third resolution, shareholders are asked to approve the consolidated financial statements for the year ended 31 December 2024, which show a consolidated loss of -€116 million, with a share attributable to BNP Paribas Personal Finance's amounting to -€226 million at 31 December 2024.

In the fourth resolution, the Board asks shareholders to take note of the special report of the Statutory Auditors provided for by Article L.225-38 of the French Commercial Code.

The purpose of the fifth resolution is to vote on the overall remuneration package for the persons referred to in Article L. 511-71 of the French Monetary and Financial Code.

The purpose of the sixth resolution is to approve an increase in the annual remuneration package allocated to the Board of Directors.

The purpose of the seventh resolution, on an exceptional basis, is to renew the authorisation granted by the General Meeting to the Board of Directors on 14 May 2024 to increase the share capital by up to €300,000,000, with shareholders' preferential subscription rights being maintained.

For information purposes, in accordance with the last paragraph of Article L.225-129-6 of the French Commercial Code, as the parent company BNP Paribas SA has put in place a capital increase mechanism from

which the company's employees may benefit, the General Meeting is not required to vote on a draft resolution to carry out a capital increase reserved for employees.

Finally, the purpose of the last resolution is to grant all necessary powers to the filings and publications prescribed by law.

The Board asks that the resolutions to be put to the vote be adopted.

XIII - SHARE CAPITAL - DISTRIBUTION

Transaction involving the share capital

Capital increase of 27 November 2024

In accordance with the authorisation granted by the Combined General Meeting of 14 May 2024 in its tenth resolution, the Board of Directors meeting of 27 November 2024 decided to carry out a capital increase with shareholders' preferential subscription rights maintained, for a gross amount (including issue premium) of €500,000,000, by issuing 4,777,923 new shares, at a unit price of €104.65, i.e. with an issue premium rounded to €97.65 per share and a total issue premium of €466,554,539.

As a result of the capital increase, the share capital of BNP Paribas Personal Finance was increased from €583,834,454 to €617,279,915, representing a nominal capital increase of €33,445,461.

Allocation of share capital

At 31 December 2024, the Company's share capital stood at €617,279,915, divided into 88,182,845 shares with a par value of €7 each.

In accordance with the provisions of article L.233-13 of the French Commercial Code, note that at 31 December 2024 BNP Paribas SA held 99.99% of the Company's share capital.

Treasury shares

The Company does not hold any treasury shares.

Transactions carried out by the company on its own shares

None

XIV – SUSTAINABILITY ISSUES AND SUSTAINABILITY REPORT

Information on the BNP Paribas Personal Finance consolidated group's sustainability issues is prepared and published by BNP Paribas SA, the company that controls BNP Paribas Personal Finance.

BNP Paribas Personal Finance is exempt from having to draw up its sustainability report in accordance with the provisions of the CSRD (Corporate Sustainability Reporting Directive), transposed into French law by order no. 2023-1142 of 6 December 2023, since it is included in the scope of consolidation of BNP Paribas SA. The registered office of BNP Paribas SA is located at 16 Boulevard des Italiens, 75009 Paris (France). BNP Paribas SA is subject to sustainability reporting under the CSRD Directive from 2025 (for the 2024 financial year). Please find below the link to the consolidated management report of BNP Paribas SA which includes the report on sustainability information and the certification report on this report issued by the statutory auditors.

BNP Paribas website link: <https://invest.bnpparibas/en/document/universal-registration-document-annual-financial-report-2024-pdf>

XV - INACTIVE BANK ACCOUNTS

These inactive bank accounts relate to savings products.

At 31 December 2024:

- Number of inactive accounts: 1,969.
- Total amount of deposits and assets recorded in these accounts: €375,735.34
- Number of accounts whose deposits and assets are deposited with the CDC: 466.
- Total amount of deposits and assets deposited with the CDC: EUR 62,552.06

XVI - REPORT ON CORPORATE GOVERNANCE

In accordance with the last paragraph of Article L. 225-37 of the French Commercial Code, the Board of Directors has prepared this report on the corporate governance of the Company, which is presented in a specific section of the Management Report for the financial year ended 31 December 2024.

LIST OF POSITIONS HELD AND FUNCTIONS CARRIED OUT IN ALL COMPANIES BY EACH COMPANY OFFICER DURING THE FINANCIAL YEAR

As required by Article L. 225-37-4, 1° of the French Commercial Code, a list of positions held and functions carried out is included in Appendix 2 to this report.

STATUTORY AUDIT - REGULATED AGREEMENTS

You are invited to read the special report of the Statutory Auditors.

Pursuant to Article L. 225-37-4, 2° of the French Commercial Code, the Board notes that no regulated agreements as referred to in Article L. 225-38 of the French Commercial Code were entered into during the past year.

SUMMARY OF DELEGATIONS OF AUTHORITY GRANTED TO THE BOARD OF DIRECTORS FOR CAPITAL INCREASES

As required by Article L. 225-37-4, 3° of the French Commercial Code, the delegations of authority granted to the Board of Directors to carry out capital increases and the use thereof are set out in Appendix 3.

CHOICE OF MANAGEMENT PROCEDURE

In accordance with the European banking principles applicable to credit institutions, from which derives the principle of separation of functions transposed to the provisions of Article L. 225-37-4, 4° of the French Commercial Code, the Board points out that the functions of Chairman of the Board of Directors and Chief Executive Officer are separated in the Company.

Appendix 1

RESULTS OF THE LAST FIVE FINANCIAL YEARS OF BNP Paribas Personal Finance SA

	2020	2021	2022	2023	2024
<u>Financial position at year-end</u>					
a.) Share capital (in euros)	546,601,552	546,601,552	546,601,552	583,834,454	617,279,915
b) Number of shares issued	78,085,936	78,085,936	78,085,936	83,404,922	88,182,845
c) Number of bonds convertible into shares	-	-	-	-	-
<u>Comprehensive income (loss) from operations in euros</u>					
a) Revenue excluding taxes	2,600,040,107	1,825,031,878	2,275,302,100	2,764,505,895	2,715,858,529
b) Profit before tax, depreciation, amortisation and provisions	675,011,153	147,880,488	561,386,620	-148,991,712	112,907,681
c) Corporate income tax	34,197,865	-122,108,613	-75,925,232	-232,921,646	100,636,997
d) Profit after tax, depreciation, amortisation and provisions	228,862,439	-206,840,099	-243,135,968	-473,854,180	-399,943,808
e) Amount of distributed profits (1)	-	-	-	-	-
<u>Earnings per share in euros</u>					
a) Profit after tax, but before depreciation, amortisation and provisions	8.21	3.46	8.16	1.01	0.14
b) Profit after tax depreciation, amortisation and provisions	2.93	-2.65	-3.11	-5.68	-4.54
c) Dividend per share (1)	-	-	-	-	-
<u>Staff</u>					
a) Number of employees as at 31 December	8,455	8,136	7,731	5,875	5,043
b) Amount of payroll	336,962,127	339,128,471	341,864,626	335,926,255	324,374,336
c) Total benefits paid during the year (social security contributions, company benefit schemes, etc.) (in euros)	127,174,719	133,730,869	134,355,994	150,613,890	143,475,625

(1) subject to approval by the General Meeting of 21 May 2025

Appendix 2

List of positions held and functions carried out by BNP Paribas Personal Finance's corporate officers as at 31 December 2024

CHAIRMAN OF THE BOARD OF DIRECTORS AND DIRECTOR:

Thierry Laborde

**Deputy Chief Executive Officer of BNP Paribas -
Head of Sales, Personal Banking & Services**

(As Chairman of the Board of Directors and Director, dates of appointments: 14 May 2024; current terms of office expire: May 2027)

In France:

- Director of BNP Paribas Personal Finance and Chairman of the Board of Directors - Member of the Remuneration Committee,
- Director of Arval Service Lease,
- Director of BNP Paribas Lease Group,
- Manager of SCI Taro & Associés - family SCI,
- SCI Lafleur

Outside France:

- Director of EPI Company (Belgium),
- Director of BNL (Italy),
- Director of BNP Paribas Leasing Solutions (Luxembourg).

CHIEF EXECUTIVE OFFICER AND DIRECTOR

Charlotte Dennery

(In her capacity as Chief Executive Officer, date of first appointment: 18 May 2021; renewed on 15 May 2023; end of current term of office: May 2026 - As director, date of first appointment: 28 November 2019; reappointed on 18 May 2020 and 15 May 2023; current term of office expires: May 2026)

In France:

- Chief Executive Officer and Director of BNP Paribas Personal Finance,
- Director of Arval Service Lease,
- Director and Chairman of the Board of Directors of Stellantis Bank SA - Member of the Appointments Committee - Member of the Remuneration Committee (terms of office expires on 31 May 2026),
- French Association of Finance Companies (AFS) Vice-Chairman, Member of the Executive Committee and of the Board,
- Manager of SCI Chaignolles - family SCI.

Outside France:

- Director of Findomestic S.p.a (Italy).

DEPUTY CHIEF EXECUTIVE OFFICER:

Vincent Sussfeld

(Date first appointed: 28 November 2023; current term of office expires: May 2026)

In France:

- Deputy Chief Executive Officer of BNP Paribas Personal Finance,
- Director of FLOA.

Outside France:

- Director of Cetelem Business Consulting (Shanghai, China).

Outside the BNP Paribas Group:

- Director of UGC.

DIRECTORS:

Sylvie David-Chino

Head of Professional Ethics & Clients Tax Regulations Compliance BNP Paribas

(Date first appointed: 24 May 2016; reappointed on 14 May 2024; current term of office expires: May 2027)

In France:

- Director of BNP Paribas Personal Finance - Member of the Risk Committee

Hugues Maisonnier

Head of Risk, Domestic Market - BNP Paribas (retired on 1 January 2024) - Independent Director* since 1 January 2024

(Date of appointment: 15 March 2022; reappointed on 14 May 2024; current term of office expires: May 2027)

In France:

- Director of BNP Paribas Personal Finance - Chairman of the Risk Committee,
- Member of the Supervisory and Audit Committees of Financière des Paiements Electroniques Nickel,
- Manager of SCI La Frégate d'Illkirch - family SCI.

Charlotte Chevalier**Deputy Chief Executive Officer BNP Paribas Cardif**

(Date of co-option: 22 March 2024; reappointed on 14 May 2024; current term of office expires: May 2027)

In France:

- CEO of BNPP CARDIF EMEA (in charge of CFC coverage) since October 2023, member of the Executive Committee.
- Director of BNP Paribas Personal Finance

Outside France:

- Director of Emeklilik,
- Director of Hayat
- Director of Sigurta

Francine Calvet**HR Manager for BNP Paribas Senior Executives (retired on 1 March 2022) - Independent Director* (since 1 March 2022)**

(Date of appointment: 15 September 2021; reappointed on 14 May 2024; current term of office expires: May 2027)

In France:

- Director of BNP Paribas Personal Finance - Member of the Appointments Committee - Member of the Remuneration Committee,
- Director of BNP Paribas Asset Management Holding - Member of the Remuneration Committee - Member of the Appointments Committee.

Bruno Salmon**Independent Director ***

(Date first appointed: 29 October 2003; reappointed on 14 May 2024; current term of office expires: May 2027)

In France:

- Director of BNP Paribas Personal Finance - Member of the Appointments Committee - Member of the Remuneration Committee,
- Director of VICAT - Member of the Remuneration Committee - Member of the CSR Committee,
- Director and Vice-Chairman of ADIE (association),
- Director of ALGOAN (SAS),
- Director of ADMICAL (association),
- Manager of SCI Beauregard

Caroline Tchekhoff**Independent Director***

(Date first appointed: 27 August 2020; reappointed on 15 May 2023; current term of office expires: May 2026)

In France:

- Director of BNP Paribas Personal Finance - Member of the Risk Committee,
- Chairwoman of Satya SAS.

Alain Van Groenendael

Chief Executive Officer of Arval Service Lease

(Date first appointed: 12 May 2009; reappointed on 14 May 2024; current term of office expires: May 2027)

In France:

- Director of BNP Paribas Personal Finance - Member of the Appointments Committee,
- Chief Executive Officer of Arval Service Lease,
- Director of BNP Paribas Lease Group SA,

** Economic independence is understood here to mean that the person concerned does not hold his/her main position within one of the entities of the BNP Paribas Group or that he/she does not have an employment contract with one of the entities of the BNP Paribas Group.*

Annex 3:

Summary table of delegations of authority granted by the shareholders at the General Meeting

Date of the General Meeting	Contents of the delegation	Duration	Use of delegation
Ordinary and Extraordinary General Meeting of 14 May 2024	The shareholders at the General Meeting, having reviewed the Board of Directors' report and voting under the quorum and majority conditions required for Extraordinary General Meetings, authorise the Board of Directors, for a period of eighteen months beginning on the date of this Meeting, to decide on the basis of its own deliberations, to increase the share capital on one or more occasions and, at its sole discretion, to increase the share capital by a maximum nominal amount of €300,000,000: - through the issuance of new shares to be paid up in cash or offset against receivables, with or without a share premium, with preferential subscription rights for existing shareholders, who will have the right to subscribe the new shares on both a reducible and non-reducible basis; - through the incorporation into the share capital of part or all of the existing reserves or share premiums, the distribution of bonus shares or the increase in the par value of existing shares; - by simultaneously carrying out both the above-mentioned procedures; The shareholders at the General Meeting decide to maintain their preferential right to subscribe for new shares issued under this delegation in favour of BNP PARIBAS SA, and delegates to the Board of Directors the task of determining the number of new shares to be issued up to a maximum nominal amount of €300,000,000 for all capital increases that may be carried out pursuant to this delegation of authority. The shareholders at the General Meeting grant full authority to the Board of Directors to carry out such capital increase(s), subject to the aforementioned limits and in keeping with the timeframe and procedures to be set by the Board itself, in accordance with the law and the articles of association, such authority to include: - setting the number of new shares to be issued and the date on which their holders become entitled to receive dividends or the amount by which the nominal value of the existing shares will be increased and, in the latter case, determining the date on which the increase in the nominal value will be effective for the purposes of dividend payments; - setting, in the event that shares are issued in consideration for payment in cash, the issue price as well as all dates, deadlines and conditions for exercising any subscription rights restricted, on a preferential basis, to owners of existing shares, collecting subscriptions for new shares and payments relating thereto, distributing the remaining balance of the capital increase if it is not subscribed for in full, possibly limiting the capital increase to the amount of subscriptions received on condition that at least three quarters of the amount of the approved capital increase is subscribed for,	18 months	The delegation of authority granted to the Board of Directors by the Combined General Meeting of 14 May 2024 to the Board of Directors to carry out one or more capital increases was used by the Board on 27 November 2024. The terms of this transaction are detailed in the annual report

	provided that the Board of Directors may make use of the options provided for above or only some of those options in the order that it chooses; - deducting amounts from existing reserves and the share premium account and allocating such amounts to the legal reserve up to a maximum of 10% of the share capital that is thereby increased; - making consequential amendments to the articles of association. In general, deciding on and carrying out any operations or formalities, and taking all necessary steps to complete the capital increase(s). This delegation of authority cancels and replaces the delegation of authority granted to the Board of Directors by the shareholders at the General Meeting held on 15 May 2023.		
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FINANCIAL STATEMENTS OF BNP Paribas Personal Finance SA

At 31 DECEMBER 2024



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PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2024

In thousands of euros	Notes	2024	2023
Interest income	2.A	1,884,384	1,838,638
Interest expense	2.A	(1,408,081)	(1,219,214)
Income from leasing and similar transactions		29,552	30,709
Expenses on leasing and similar transactions		(25,407)	(26,315)
Income on equities and other variable instruments	2.B	214,792	446,017
Commission income	2.C	84,237	97,467
Commission expense	2.C	(24,899)	(34,426)
Net gains on trading account securities	2.D	9,421	1,071
Net gains on securities available for sale	2.D	(31)	-
Other banking income	2.E	493,472	350,601
Other banking expenses	2.E	(160,037)	(16,728)
NET BANKING INCOME		1,097,403	1,467,820
Salaries and employee benefit expenses	5	(420,673)	(746,877)
Other administrative expenses		(532,960)	(608,591)
Depreciation, amortisation and impairment on intangible assets and property, plant and equipment		(55,986)	(75,745)
GROSS OPERATING INCOME		87,764	36,607
Cost of risk	2.F	(391,883)	(558,986)
OPERATING INCOME		(304,099)	(522,379)
Net gains or losses on disposals of long-term investments	2.G	5,044	(200,851)
Net allocations to or reversals of regulated provisions		(253)	16,455
INCOME BEFORE TAX		(299,308)	(706,775)
Extraordinary result		-	-
Corporate income tax	2.H	(100,636)	232,921
NET INCOME		(399,944)	(473,854)



BALANCE SHEET AT 31 DECEMBER 2024

In thousands of euros	Notes	31 December 2024	31 December 2023
ASSETS			
Cash and amounts due from central banks and CCP		1	8,241
Treasury bills and money-market instruments		-	-
Due from credit institutions	3.B	5,308,157	4,665,251
Customer items	3.C	16,887,568	17,921,414
Bonds and other fixed-income securities	3.E	214,184	350,076
Equities and other variable-income securities	3.E	92	92
Investments in subsidiaries and equity securities held for long-term investment	3.E	589,278	556,520
Investments in affiliates	3.E	3,859,605	4,238,238
Finance leases and leases with a purchase option	3.F	72,266	83,760
Intangible assets	3.G	194,808	198,493
Property, plant and equipment	3.G	32,777	32,500
Other assets	3.H	300,617	530,511
Accrued income	3.I	328,597	466,588
TOTAL ASSETS		27,787,950	29,051,684
LIABILITIES			
Amounts due to central banks and CCP		382	809
Due to credit institutions	3.B	18,729,563	19,321,242
Customer items	3.C	257,172	375,368
Debt securities		-	-
Other liabilities	3.H	313,736	393,448
Accrued income	3.I	328,936	340,740
provisions	3.J	276,276	519,257
Funds for general banking risks		-	-
Subordinated debt	3.K	1,902,290	2,221,562
TOTAL LIABILITIES		21,808,355	23,172,426
SHAREHOLDERS' EQUITY	6.A		
Share capital		617,280	583,834
Additional paid-in capital		4,889,306	4,422,751
Reserves and retained earnings		872,953	1,346,527
Net income for the period		(399,944)	(473,854)
TOTAL SHAREHOLDERS' EQUITY		5,979,595	5,879,258
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		27,787,950	29,051,684

OFF-BALANCE SHEET	Notes	31 December 2024	31 December 2023
COMMITMENTS GIVEN			
Financing commitments	4.A	7,735,528	8,124,074
Guarantee commitments	4.B	1,328,693	3,670,623
COMMITMENTS RECEIVED			
Financing commitments	4.A	194,000	229,200
Guarantee commitments	4.B	4,215,161	4,962,313



1 - SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES APPLIED BY BNP PERSONAL FINANCE SA

The parent company financial statements of BNP Paribas Personal Finance have been drawn up in accordance with general accounting principles applicable in France for credit institutions as included in ANC (Autorité des Normes Comptables - French Accounting Standards Authority) Regulation 2014-07 of 26 November 2014 and the regulations that have amended it since said date.

The highlights of the year are as follows:

- **CETELEM SA de CV (Mexico)**

On 31 March 2024, BNP Paribas Personal Finance and Banco Inbursa completed the sale of an 80% stake in Cetelem Mexico. The residual 20% holding will remain in its original category ("Equity securities"). The capital loss on disposal amounted to EUR 206 million and was recognised in Q4 2023 in Net gain on non-current assets.

- **BNP Paribas Personal Finance Bratislava branch (Slovakia)**

The sale of the activities of the BNPP PF Bratislava Branch SK in Slovakia was completed on 2 April 2024. The capital loss on disposal amounted to EUR 22.7 million.

- **Magyar Cetelem Bank ZRT (Hungary)**

Cetelem Hungary was sold in its entirety to Cofidis SA on 30 September 2024. The capital gain on disposal amounted to EUR 13.7 million.

- **Capital Increase**

By a decision of the Board of Directors on 27 November 2024, acting on a delegation of authority granted by extraordinary resolution of the shareholders dated 14 May 2024, the company's share capital was increased by EUR 33,445,461, through the issue of 4,777,923 new shares with a nominal value of EUR 7 each, to EUR 617,279,915, and additional paid-in capital of EUR 466,554,539 was recorded. This capital increase was recorded by decision of the Chief Executive Officer on 5 December 2024.

1A - TRANSLATION OF ACCOUNTS IN FOREIGN CURRENCIES

All asset and liability items, both monetary and non-monetary, of foreign branches expressed in foreign currencies are translated at the exchange rate prevailing on the balance sheet date.

Any difference arising on the translation of capital provided to foreign branches is recognised in the adjustment accounts.

1B - FOREIGN CURRENCY TRANSACTIONS

Foreign currency positions are generally measured at the official year-end exchange rates. Exchange gains and losses on transactions in foreign currencies carried out in the normal course of business are recognised in the profit and loss account.

Exchange differences arising from the translation of assets held on a long-term basis, including equity securities held for long-term investment, allocations of capital to branches and securities of foreign subsidiaries and associates denominated in foreign currencies and financed in euros, are recognised as translation adjustments for the balance sheet items recording the assets.



Exchange differences arising from the translation of assets held on a long-term basis, including equity securities held for long-term investment, allocations of capital to branches and securities of foreign subsidiaries and associates denominated and financed in foreign currencies, are recognised symmetrically as exchange differences for the corresponding financing.

1.C - CUSTOMER TRANSACTIONS

The amount of customer receivables includes doubtful loans net of impairment.

The following categories of loans are distinguished:

- **Healthy loans** are made up of credits which have no significant incidents in terms of payment of capital and interest at maturity.
- **Restructured loans** are a sub-category of healthy loans and are made up of receivables which have been renegotiated due to the financial situation of the debtor.
- **Doubtful debts** are those for which the Bank considers that there is a risk that debtors will be unable to honour all or part of their commitments. The definition of default is consistent with that of Basel, which takes account of the EBA guidelines of 28 September 2016, in particular the thresholds applying to unpaids and probationary periods. Loans with unpaids of more than 90 days and loans subject to litigation are considered doubtful. When a loan is classified as doubtful, all other loans and commitments to the debtor are automatically assigned the same classification.
- **Compromised doubtful debt** is made up of unpaid amounts and outstanding capital of loans classified as doubtful for more than one year, receivables in litigation, loans which have been subject to a rescheduling plan or restructuring with at least one unpaid, as well as loans awaiting a rescheduling plan, particularly in the context of the law on individuals' over-indebtedness, for more than one year.

For real estate loans, compromised doubtful debt comprises loans which have been classified as doubtful for more than one year, for which there has been a payment default and recovery of which is not almost entirely covered by guarantees.

In the case of doubtful loans where the debtor has resumed making regular payments in accordance with the original repayment schedule, the loan is reclassified as healthy. Doubtful loans that have been restructured are also reclassified as sound, provided that the restructuring terms are met.

A debt is classified as a loss when it is deemed irrecoverable.

An impairment loss is recognised against loans and receivables on an individual and collective basis when (i) there is an objective indication of a decrease in value as a result of an event occurring after the inception of the loan or the acquisition of the asset; (ii) the event affects the amount or timing of future cash flows; and (iii) the consequences of the event can be reliably estimated. Loans are initially assessed for evidence of impairment on an individual basis or on a portfolio basis.

In particular any observable fact relating to any of the following events constitutes an objective indication of a decrease in value: the existence of amounts overdue, knowledge or observation of any other significant financial difficulty of the counterparty, and concessions with respect to the credit terms granted to the debtor that the lender would not have granted had the borrower not been experiencing financial difficulties.



The impairment is measured as the difference between the carrying amount before impairment and the present value of the recoverable estimated future cash flows discounted at the original effective interest rate of the asset, based on a statistical approach to risk or on a case-by-case basis, taking into account any guarantees. Two statistical approaches are applied: the statistical method based on EAD (Exposure at Default), PD (Probability of Default) and LGD (Loss Given Default) of expected credit losses, which is applicable to the consumer loan portfolio in France; and the historical statistical method for measuring expected credit losses on other loan portfolios.

In view of the characteristics of its credit portfolios and in the interests of simplicity, BNP Paribas Personal Finance uses contractual interest rates with clients rather than effective interest rates for DCF purposes.

In specific circumstances, BNP Paribas Personal Finance may recognise additional adjustments in cost of risk, where necessary.

When a debt is restructured due to financial difficulties encountered by the borrower, this is specifically identified and gives rise to the calculation of a mark-down representing the difference, at present value, between the new remuneration conditions and the initial remuneration conditions of the debt. The mark-downs incorporated into the restructuring are deducted from the assets. They are transferred to profit or loss on an actuarial basis over the residual lifetime of the debt.

In the profit and loss account, movements in provisions and impairment, losses on irrecoverable loans, amounts recovered on loans written off and mark-downs calculated on restructured loans are grouped together under "Cost of risk".

The allocation, on an actuarial basis, of the mark-down on restructured loans and the reversal of the effects of discounting to present value are included, like interest, under net banking income.

1.D - SECURITISATION TRANSACTIONS

BNP Paribas Personal Finance carries out securitisation transactions through traditional special purpose vehicles and securitisation mutual funds, which are reloadable or which include sub-funds.

The amount of the loans in the balance sheet is reduced by the receivables sold in the context of these transactions.

A reserve set up within the fund is either deducted from the surplus cash flows in the first months, or called upon for the creation of the fund. It is used as a guarantee for priority or specific units issued by the fund.

1.E - SECURITIES

Securities are classified in the following categories: securities available for sale, equity securities held for long-term investment, investments in subsidiaries and affiliates.

Securities available for sale

Are acquired with the aim of holding them for more than six months, but not necessarily until maturity, are valued at the lower of historical cost and market price.

In accordance with the regulations, specific units issued by the special purpose vehicles, as a priority, to cover the risk of insolvency of the debtors of loans which make up these funds enter in this category.

Equity securities held for long-term investment, investments in subsidiaries and affiliates

Equity securities held for long-term investment are shares and related instruments that the company intends to hold on a long-term basis in order to earn a satisfactory long-term rate of return without taking an active part in the management of the issuing company, but with the intention of promoting the development of lasting business relationships by creating special ties with the issuer.



Equity interests include investments in subsidiaries and affiliates in which BNP Paribas Securities Services exercises significant influence over management and investments considered strategic to BNP Paribas Securities Services' business development.

Investments in subsidiaries and affiliates consist of shares and other variable income securities in companies over which BNP Paribas Personal Finance has exclusive control, i.e. those that may be fully consolidated in the Group.

Securities held in the above categories are recognised individually at the lower of their acquisition cost and value in use. Fair value for each security is determined on the basis of available information, including discounted future cash flows, net revalued assets and/or multiples commonly used to assess future yields.

Disposals, gains or losses and provision movements are recorded in the profit and loss account under "Gains or losses on disposals of long-term investments".

Dividends are recognised as soon as payment has been approved by the Annual General Meeting or when they are received if the shareholders' decision is unknown. They are recorded under "Income on equities and other variable-income securities".

1.F - FINANCE LEASES AND RENTAL TRANSACTIONS WITH PURCHASE OPTION

Leases of assets leased to third parties, for which there is a transfer to the lessee of the significant risks and rewards of ownership of the asset, are recorded under this heading.

These assets are recognised as fixed assets. This item includes non-current assets, net of depreciation and outstanding rents net of impairment. This impairment corresponds to the difference between the gross value of the debt and the present value of the recoverable estimated future cash flows, discounted at the internal rate of return, using a statistical risk approach.

The doubtful debt in finance leases and leasing transactions with a purchase option includes unpaid amounts where rental payments are overdue at least once for more than three months. Shorter reclassification periods may be used, particularly for debts which are due or impaired.

Compromised doubtful debt, which forms a sub-category of doubtful debt, is made up of receivables in litigation and unpaid rentals in cases that have been classified as doubtful for more than one year.

The depreciation periods used for the main categories of equipment financed are:

- four years for cars, two-wheeled vehicles and camper vans,
- five years for caravans,
- five to ten years for boats.

BNP Paribas Personal Finance follows the recommendations of the press release by the CNC (French National Accounting Council) of 6 December 2005 as well as opinion 2006C of 4 October 2006 issued by the Emergency Committee of the CNC relating to the depreciation terms of assets acquired under finance leases or leasing operations with a purchase option and equivalent, as provided under Articles 313-1 and 313-7 of the French Monetary and Financial Code. This option allows lessors to apply the financial depreciation method. The depreciation charge for each financial year is then equal to the fraction of the rent earned for that financial year, which corresponds to the depreciation of the capital committed to acquire the leased assets.



1.G - NON-CURRENT ASSETS

Non-current assets are initially recognised at acquisition cost plus directly attributable costs, together with borrowing costs where a period of construction or adaptation is required before the asset can be brought into service.

Software developed internally by the Bank that fulfils the criteria for capitalisation is capitalised at direct development cost, which includes external costs and employee expenses directly attributable to the project.

Subsequent to initial recognition, fixed assets are stated at cost less accumulated depreciation or amortisation and any impairment losses.

Non-current assets are amortised using the straight-line method over the useful life of the asset. Amortisation expense is recognised in profit or loss under "Depreciation, amortisation and impairment of property, plant and equipment and intangible assets".

The portion of recognised amortisation that exceeds the normal economic depreciation or amortisation, mainly calculated on a straight-line basis, is shown as a liability in the balance sheet under "Regulated provisions: accelerated depreciation and amortisation". No deferred tax effect is calculated on accelerated amortisation.

Where an asset consists of a number of components which may require replacement at regular intervals, or which have different uses or generate economic benefits at different rates, each component is recognised separately and amortised using a method appropriate to that component. This component-based approach has been adopted for real estate used in operations.

The depreciation periods used for office property are as follows: 60 years for the shell; 30 years for facades; 20 years for general and technical installations; and 10 years for fixtures and fittings.

Software is amortised according to its type, over periods of no more than 3 or 5 years in the case of software developed primarily for the purpose of providing services to customers, and 8 years in the case of infrastructure development.

Furthermore, amortisable non-current assets are tested for impairment if there is any indication of a potential loss in value at the balance sheet date. Non-amortisable non-current assets are systematically tested for impairment at least annually.

If there is any indication of impairment, the new recoverable amount of the asset is compared with its carrying amount. If the asset is found to be materially impaired, an impairment loss is recognised in the profit and loss account. This loss is reversed in the event of a change in the estimated recoverable amount or if there is no longer any indication of impairment, except in the case of goodwill and residual technical loss (see below) allocated to goodwill. Impairment losses are recognised in profit and loss under "Depreciation, amortisation and impairment of property, plant and equipment and intangible assets".

- Goodwill in the business is now presumed to have an unlimited period of use. It is therefore not amortisable, and there is no need to justify its non-amortisation. However, this is a rebuttable presumption, which means that if there is a period of use which is limited in time, the goodwill must be amortised over its actual period of use or the standard period of use (10 years) if it is not possible to evaluate this period reliably. Besides, although goodwill is not amortised, it must be subjected to an annual impairment test irrespective of whether or not there is any indication of impairment.
- The merger premium is allocated to the various assets contributed as a result of mergers and similar transactions up to the limit of identified unrealised gains. This allocation is made to dedicated sub-accounts of the assets concerned and follows the depreciation, amortisation and provisioning rules for these assets.



- After allocation to the different underlying assets (see above), the net balance of the residual merger premium is carried to goodwill.

Gains and losses on disposals of property, plant and equipment and intangible assets used in operations are recognised in profit and loss under "Net gains or losses on non-current assets".

1.H - AMOUNTS DUE TO AND FROM CREDIT INSTITUTIONS

Receivables and payables as regards credit institutions are presented according to their type. Interest accruing on these receivables and payables is recognised in the balance sheet among the related receivables and payables.

Due from credit institutions

Amounts due from credit institutions include all receivables, including subordinated loans made in connection with banking transactions with credit institutions, with the exception of debt securities. Amounts due from credit institutions are stated on the balance sheet at nominal value plus accrued interest.

Due to credit institutions

Amounts due to credit institutions are presented according to their nature: sight or term for credit institutions; securities and assets given under repurchase agreements. Accrued interest on these amounts is recorded on the balance sheet in related payables.

1.I - FORWARD FINANCIAL INSTRUMENTS

Forward financial instruments are purchased on various markets for use as specific or general hedges of assets and liabilities, or for transaction purposes.

Commitments related to these instruments are recognised off-balance sheet at nominal value. The accounting treatment of these instruments depends on the corresponding investment strategy.

Derivative financial instruments held for hedging purposes: Income and expenses related to forward derivatives held for hedging purposes and designated at the outset to one instrument or a group of homogeneous instruments are recognised in income symmetrically with the income and expenses on the underlying instrument, and under the same heading. Income and expenses related to forward financial instruments used to hedge overall interest rate risk are recognised in income on a pro rata basis.

1.J - EMPLOYEE BENEFITS

Employee benefits at BNP Paribas Personal Finance are classified in four categories:

- Termination benefits, payable primarily in the case of early termination of an employment contract;
- Short-term benefits, such as salary, annual leave, incentive plans, profit-sharing and additional payments;
- Long-term benefits, including compensated leaves of absence (employee time savings account), long-service awards, and other types of cash-based deferred compensation;
- Post-employment benefits, consisting mainly in France of supplementary pension benefits paid by the BNP Paribas Personal Finance pension funds and end-of-career bonuses, and in other countries by pension plans, some of which are funded by pension funds.



- **Termination benefits**

End-of-service indemnities are among the benefits granted to employees. When BNP Paribas Personal Finance terminates an employee's employment contract before the legal retirement age, or when an employee decides to accept voluntary redundancy in exchange for an indemnity. Termination benefits due more than 12 months after the reporting date are discounted to present value.

- **Short-term benefits**

The company recognises an expense when it has used the services rendered by its members of staff in exchange for benefits granted to them.

- **Long-term benefits**

Long-term benefits are benefits other than post-employment benefits and termination benefits, which are not due wholly in the 12 months following the end of the financial year in which employees rendered the related services. The actuarial valuation method used is similar to the one used for defined-benefit post-employment benefits, except that actuarial gains and losses are recognised immediately, as are the effects of any plan amendments.

This relates in particular to cash compensation deferred for more than 12 months, which is accrued in the financial statements for the periods during which the employee provides the corresponding services. If this deferred variable compensation is subject to the employee's continued presence at the vesting date, the services are presumed to be rendered during the vesting period and the corresponding compensation expense is recognised on a pro rata basis over that period. This charge is adjusted to take into account any non-fulfilment of the presence requirements or performance conditions, and changes in the BNP Paribas share price, for deferred compensation indexed to the share.

If there is no presence requirement, the deferred variable compensation is immediately provisioned in the financial statements of the year to which it refers, without being spread. The liability is then revised on each reporting date until settlement, to account for any performance conditions, and regarding deferred compensation indexed to the BNP Paribas share price, to account for changes in the share price.

In France, the changes brought about by the pension reform enacted on 14 April 2023 constitute an amendment to the plan for retirement benefits for which the impact recognised in the income statement is not material.

- **Post-employment benefits**

The post-employment benefits provided to BNP Paribas Personal Finance employees in France and abroad include both defined contribution and defined benefit plans.

Defined contribution plans such as Caisse Nationale d'Assurance Vieillesse and supplementary national and inter-professional plans that pay pensions to French employees of BNP Paribas Personal Finance, do not give rise to an obligation for the Company and do not require any provision. The amount of the employer's contributions made during the financial year is recognised as an expense.

Only plans classified as defined benefit plans, i.e. particularly the supplementary pension benefits paid by the BNP Paribas Personal Finance pension funds and retirement bonuses represent commitments of the Company that must be measured and provisioned.



The classification of plans into these two categories is based on the economic substance of the plan, which is reviewed to determine whether the Group has a contractual or constructive obligation to pay the agreed benefits to employees.

Post-employment benefit obligations under defined benefit plans are measured using actuarial techniques that take into account demographic and financial assumptions. The amount provisioned in respect of the obligation is determined using the actuarial assumptions made by the company and by applying the projected unit credit method. This measurement method takes into account various parameters, such as demographic assumptions, early retirements, salary increases, a discount rate and the inflation rate. These parameters reflect the conditions specific to the country of the company. The value of any plan assets is then deducted from the amount of the commitment. When the value of the plan assets exceeds the amount of the commitment, an asset is recognised only if it represents a future economic benefit in the form of a reduction in future contributions or an expected partial refund of amounts paid into the plan.

Measurement of the obligation resulting from a plan and the value of its plan assets may change significantly from one financial year to the next depending on changes in actuarial assumptions and may result in actuarial gains and losses. Actuarial gains and losses and the impact of capping the asset are recognised in full in profit or loss; expected investment income is determined using the discount rate for the commitments.

Regarding retirement benefits recognised in post-employment benefits, IFRS Interpretations Committee (IFRS IC, formerly IFRIC) issued a proposed decision in June 2021, validated by the International Accounting Standards Board (IASB), which changes the way commitments related to certain defined benefit commitments of the end-of-service indemnity type are calculated. These plans grant a lump sum geared to the number of consecutive years in service at retirement age, payable only if the employee is still in service when reaching that age and actually retires, and capped at a certain number of years of service. Previously, benefits were recognised on a straight-line basis from the date on which an employee joined the company until the effective date of retirement, without taking the cap into account. Entitlements to benefits are now recognised on a straight-line basis over the period remaining until retirement age subject to the cap. Under French accounting standards, rights will also be recognised in the same way, by using method 2 b) provided for in ANC recommendation No. 2013-02 of 7 November 2013, as amended on 5 November 2021.

1.K - RECOGNITION OF REVENUE AND EXPENSE

Interest and fees and commissions qualified as interest are recognised on an accrual basis on a pro rata basis. These include the commissions received by the Bank as part of an overall loan package (application fees). Incremental transaction costs borne by the Bank when granting or acquiring loans are also spread over the effective life of the loan.

Fees and commissions not qualified as interest that relate to the provision of services are recognised when the services are performed or, for ongoing services, on a pro rata basis over the length of the service agreement.

The acquisition costs of securities are recognised directly as expenses.

1.L - COST OF RISK

"Cost of risk" includes expenses resulting from counterparty and credit risks, disputes and fraud inherent in banking activities with third parties.

Net movements in provisions that do not fall under the category of such risks are classified in the profit and loss account according to their type.



1.M - CORPORATE INCOME TAX

A charge for corporate income tax is taken in the period in which the related taxable income and expenses are booked, regardless of the period in which the tax is actually paid

When the period in which the income and expenses contributing to the accounting result occur differs from that in which the income is taxed and the expenses deducted, BNP Paribas Personal Finance recognises a deferred tax, determined using the variable deferral method, based on all temporary differences between the accounting and tax values of the balance sheet items and the tax rates applicable in the future as soon as they have been approved.

Deferred tax assets are recognised in accordance with the likelihood of their being recovered.

Following the recommendations of Pillar II of the Organisation for Economic Cooperation and Development (OECD) on the reform of international taxation, on 14 December 2022, the European Union adopted Directive 2022/2523 establishing a minimum taxation of international groups with respect to corporate income tax, applicable from 1 January 2024. As is the case in the Group's consolidated financial statements, BNP Paribas Personal Finance also applies in its parent company financial statements the mandatory and temporary exception offered by the IASB not to recognise deferred tax relating to this additional taxation. The Pillar II reform has no impact on the Group when adopted, as at 1 January 2024 the Group had no subsidiary with a tax rate of less than 15%.

1.N - EMPLOYEE PROFIT-SHARING

As required by French law, BNP Paribas Personal Finance recognises employee profit-sharing in the income statement in the year in which the employee entitlement arises. This charge is recognised in "Employee benefits".



2 - NOTES TO THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2024

2.A - INTEREST AND RELATED INCOME AND EXPENSES

In thousands of euros	2024		2023	
	Income	Expenses	Income	Expenses
Credit institutions	154,468	(995,963)	132,253	(910,720)
Demand accounts, loans and borrowings	109,382	(843,866)	83,756	(764,093)
Securities received (given) under repurchase agreements	-	(4,820)	-	(5,438)
Subordinated loans	45,086	(147,277)	48,497	(141,189)
Customers	1,001,494	(2,711)	1,026,479	(6,515)
Demand accounts, loans and term accounts	998,350	(2,711)	1,023,407	(6,515)
Subordinated loans	3,144	-	3,072	-
Debt securities	-	-	-	-
Bonds and other fixed-income securities	22,105	(932)	36,596	(1,399)
Securities available for sale	22,105	(932)	36,596	(1,399)
Long-term investment securities	-	-	-	-
Macro-hedging instruments	706,317	(408,475)	643,310	(300,580)
Interest income and expense	1,884,384	(1,408,081)	1,838,638	(1,219,214)

2.B - INCOME ON EQUITIES AND OTHER VARIABLE INSTRUMENTS

In thousands of euros	2024	2023
Investment securities and equivalent	-	-
Investments in subsidiaries and equity securities held for long-term investment	20,352	43,192
Investments in affiliates	194,440	402,825
Income on equities and other variable instruments	214,792	446,017



2.C - NET COMMISSIONS

In thousands of euros	2024		2023	
	Income	Expenses	Income	Expenses
Banking and financing transactions	35,225	(9,151)	40,149	(19,165)
Customer items	34,988	(8,575)	39,929	(17,928)
Others	237	(576)	220	(1,237)
Financial services provided	49,012	(15,748)	57,318	(15,261)
Commission income and expenses	84,237	(24,899)	97,467	(34,426)

2.D - GAINS OR LOSSES ON TRADING ACCOUNT TRANSACTIONS

In thousands of euros	2024	2023
Results of financial instrument transactions	-	(10)
Results of foreign exchange transactions	9,421	1,081
Net gains on trading account securities	9,421	1,071
Profit or loss on investment securities transactions	(31)	-
Net gains on securities available for sale	(31)	-

2.E - OTHER BANKING INCOME AND EXPENSES

This item notably includes the following:

- Various rebates and retrocessions from the insurance companies that participate in covering the risks related to credit transactions,
- Commissions from placing life-insurance, capitalisation and assistance products with customers,
- The share of earnings of joint ventures and partnerships of which the company is a member.

Outstanding loans managed by joint ventures of which BNP Paribas Personal Finance is a member, and which are not included in its own balance sheet, have developed as follows:

In thousands of euros	2024	2023
- Joint ventures with retail partners	3,082,353	2,867,315
- Joint ventures with financial partners	727,130	753,075
TOTAL	3,809,483	3,620,390

BNP Paribas Personal Finance has joined forces with partners in the form of joint ventures. To this end, the company receives from these partners income which remunerates its contribution to joint credit operations in the form of a share of earnings. In exchange, it records directly in its financial statements, without resorting to the results of the joint ventures, the expenses borne by it as it makes its contribution.

The assets managed may be recorded either in the balance sheet of another associate of the joint venture company with the status of financial institution, which may be a company held jointly by BNP Paribas Personal Finance and its partner, or directly in the balance sheet of BNP Paribas Personal Finance.

Income generated from joint credit operations carried out, i.e. the share of earnings owed to it, is included under "Other banking income".

2.F - COST OF RISK

In thousands of euros	2024	2023
Net additions to or write-backs of provisions for the year	(9,649)	250,730
Customers and credit institutions	(312)	254,934
Off-balance sheet commitments	(9,338)	(4,203)
Securities	1	(1)
Irrecoverable loans	(424,004)	(846,323)
Recoveries of loans written off	41,770	36,607
Cost of risk	(391,883)	(558,986)



2.G - NET GAINS OR LOSSES ON DISPOSALS OF LONG-TERM INVESTMENTS

In thousands of euros	2024		2023	
	Income	Expenses	Income	Expenses
Investments in subsidiaries and equity securities held for long-term investment	10,447	(54,826)	3,459	(52,387)
Divestments	3	(1,901)	689	(10)
provisions	10,444	(52,925)	2,770	(52,377)
Investments in affiliates	219,693	(145,654)	449,509	(579,923)
Divestments	219,693	-	18,609	(491,417)
provisions	-	(145,654)	430,900	(88,506)
Operating assets	160	(24,776)	184	(21,693)
Total	230,300	(225,256)	453,152	(654,003)
Gains or losses on long-term investments	5,044		(200,851)	

2.H - CORPORATE INCOME TAX

The company is a member of the tax consolidation group of which BNP Paribas is the parent company. The item "Corporate income tax" breaks down as follows:

In thousands of euros	2024	2023
Current taxes for the year	(17,984)	129,309
Deferred tax expense	(82,652)	103,612
Corporate income tax	(100,636)	232,921

In 2024, the tax consolidation agreement between BNP Paribas SA and BNP Paribas PF SA was amended, and an amendment was signed in 2024 with retroactive effect from 1 January 2024. This amendment reverts to a so-called "standard" system, whereby the gains and losses linked to the tax consolidation are retained by the head of the Group.



3 - NOTES TO THE BALANCE SHEET AT 31 DECEMBER 2024

3.A - FOREIGN CURRENCY TRANSACTIONS

In thousands of euros	31 December 2024	31 December 2023
Assets	1,144,986	1,996,847
Liabilities	727,279	1,248,226

These transactions mainly concern equity interests and shares in affiliated companies, customer receivables and the corresponding refinancing.

3.B - AMOUNTS DUE TO AND FROM CREDIT INSTITUTIONS

In thousands of euros	31 December 2024	31 December 2023
Loans and receivables	5,308,157	4,665,272
Demand accounts	166,407	176,464
Term accounts and loans	4,626,862	3,769,524
Subordinated loans	514,888	719,284
Loans and advances to credit institutions before impairment	5,308,157	4,665,272
of which accrued interest	32,299	25,619
- Related receivables prov.	-	-
Impairment of loans & receivables to credit institutions	-	(21)
Loans and receivables to credit institutions net of impairment	5,308,157	4,665,251

In thousands of euros	31 December 2024	31 December 2023
Deposits and borrowings	18,645,582	19,210,815
Demand deposits	167,441	143,743
Term deposits and borrowings	18,478,141	19,067,072
Securities given under repurchase agreements	83,981	110,427
Due to credit institutions	18,729,563	19,321,242
of which accrued interest	338,657	326,986



3.C - CUSTOMER TRANSACTIONS

In thousands of euros	31 December 2024	31 December 2023
Loans and receivables	17,837,436	18,833,818
Loans to customers	17,763,775	18,541,939
Loans to financial clients	22,670	232,492
Subordinated loans	50,991	59,387
Customer items before impairment - Assets	17,837,436	18,833,818
<i>of which accrued interest</i>	<i>109,266</i>	<i>98,349</i>
<i>Of which discount on restructured loans*</i>	<i>(43,184)</i>	<i>(247,557)</i>
<i>Of which doubtful loans</i>	<i>1,510,365</i>	<i>1,474,841</i>
<i>Of which irrecoverable loans</i>	<i>756,346</i>	<i>816,447</i>
Impairments on receivables due from customers	(949,868)	(912,404)
Customers items net of impairment - Assets	16,887,568	17,921,414

* Including the discount related to Helvet Immo

In thousands of euros	31 December 2024	31 December 2023
Term accounts	192,347	309,044
Regulated savings accounts	893	1,309
Other sums due to customers	63,932	65,015
Customer items - Liabilities	257,172	375,368
<i>of which accrued interest</i>	<i>300</i>	<i>367</i>

3.D - SALES OF RECEIVABLES (SECURITISATION TRANSACTIONS)

In thousands of euros	Date of creation of the fund	Amount originally sold	Additional disposals in the year	Additional disposals since origin	Capital still due	Surplus at 31 December 2024
- Autonoria 2019	Sept.-19	950,000	-	403,421	-	-
- Noria 2021	July-21	900,000	-	323,651	310,676	4,170
- Noria 2023	July-23	500,000	133,575	215,166	449,364	(4,006)

The securitisation fund Autonoria 2019 was liquidated in February 2024.



3.E - SECURITIES HELD

In thousands of euros	31 December 2024	31 December 2023
	Net carrying amount	Net carrying amount
Securities available for sale	214,184	350,076
Investments	-	-
Bonds and other fixed-income securities	214,184	350,076
Securities available for sale	92	92
Equities and other variable-income securities	92	92
Associated companies	588,882	555,852
<i>of which provisions</i>	<i>(181,344)</i>	<i>(129,206)</i>
Equity securities held for long-term investment	396	668
<i>of which provisions</i>	<i>(3)</i>	<i>(1)</i>
Investments in subsidiaries and equity securities held for long-term investment	589,278	556,520
Investments in affiliates	3,859,605	4,238,238
<i>of which provisions</i>	<i>(378,804)</i>	<i>(240,768)</i>
Investments in affiliates	3,859,605	4,238,238

Changes in equity securities held for long-term investment and investments in subsidiaries and affiliates during the year are shown below:

In thousands of euros	Gains (losses)					Provisions					Carrying amount	
	31 January 2024	Acquisitions	Dispositions and disposals	Transfers and other movements	31 December 2024	31 January 2024	Subsidiaries	Other entities	Other movements	31 December 2024	31 December 2023	31 December 2023
Debt securities held to maturity	-	-	-	-	-	-	-	-	-	-	-	-
Investments in subsidiaries and equity securities held for long-term investment	665,727	56,432	(2,113)	32,579	752,625	129,207	52,924	(794)	-	181,347	559,278	556,520
<i>of which margin premium on equity securities</i>	500,000	-	-	-	500,000	49,888	50,032	-	-	100,000	-	50,032
Investments in affiliates	4,479,006	86,125	(319,044)	(7,881)	4,238,238	240,768	138,029	-	7	378,804	3,859,605	4,238,238
<i>of which margin premium on investments in affiliates</i>	39,893	-	-	-	39,893	77099	11,799	-	-	89,697	-	11,799
Long-term investments	5,144,733	142,557	(321,157)	24,698	5,009,831	369,975	185,853	(794)	7	569,151	4,448,833	4,794,758

Disposals of Magyar Cetelem Bank ZRT (Hungary) and 80% of Cetelem SA de CV (Mexico), with the remaining 20% reclassified as equity securities held for long-term investment.



3.F – LEASING OPERATIONS

In thousands of euros	31 December 2023	Acquisitions	Divestments	31 December 2024
Gross values	129,905	31,524	(46,633)	114,796
Depreciation/amortisation	(48,129)	(24,200)	28,016	(44,313)
Net carrying amount	81,776	7,324	(18,617)	70,483
Related receivables	1,798			1,617
Doubtful debt	1,364			1,930
Impairment of doubtful debt	(1,178)			(1,764)
Finance leases	83,760	7,324	(18,617)	72,266

3.G - NON-CURRENT ASSETS USED IN OPERATIONS

In thousands of euros	31 December 2024			31 December 2023
	Gross value	Depreciation, amortisation and impairment	Net amount	Net amount
Software	826,652	(734,640)	92,012	87,368
Other intangible assets	808,348	(705,552)	102,796	111,125
Of which intangible assets - Merger premium	729,500	(703,768)	25,732	30,978
Intangible assets	1,635,000	(1,440,192)	194,808	198,493
Land and buildings	27,780	(15,250)	12,530	12,708
Equipment, furniture and fixtures	126,063	(105,816)	20,247	19,792
Property, plant and equipment	153,843	(121,066)	32,777	32,500
TOTALS	1,788,843	(1,561,258)	227,585	230,993

3.H - OTHER ASSETS AND LIABILITIES

In thousands of euros	31 December 2024	31 December 2023
Settlement accounts related to securities transactions	-	1,053
State, taxes and duties	99,501	323,290
Permanent advances to the GIE (economic interest groups)	18,470	18,630
Miscellaneous assets	182,646	187,538
Other assets	300,617	530,511

In thousands of euros	31 December 2024	31 December 2023
State, taxes and duties	11,155	16,526
Guarantee deposits	292	404
Miscellaneous liabilities	302,289	376,518
Other liabilities	313,736	393,448

3.I - ACCRUED INCOME AND EXPENSES

In thousands of euros	31 December 2024	31 December 2023
Accrued income	292,831	368,237
Collection accounts	3,343	53,057
Prepaid expenses	7,183	19,948
Other accrued income	25,240	25,346
Accrued income	328,597	466,588

In thousands of euros	31 December 2024	31 December 2023
Remeasurement of currency instruments and derivatives	-	(67)
Accrued expenses	285,228	275,524
Deferred income	9,421	11,146
Other accrued expenses	34,287	54,137
Accrued expenses	328,936	340,740



3.J – PROVISIONS

In thousands of euros	31 December 2023	Additions	Write-backs	Other variations	31 December 2024
Provisions for employee benefit obligations	26,539	4	(5,823)	4,961	25,681
Provisions for commitments given	33,375	9,338	(10,859)	(1)	31,853
Other provisions	459,343	43,662	(263,721)	(542)	218,742
provisions	519,257	53,004	(300,403)	4,418	276,276

Reversals of "Other provisions" consist mainly of the reversal of a EUR 89 million provision for RéImagine restructuring and the reversal of a EUR 157 million provision for the Helvet immo dispute.

3.K – SUBORDINATED DEBT

In thousands of euros	31 December 2024	31 December 2023
Redeemable subordinated debt	1,888,175	2,204,550
Related debt	14,115	17,012
Subordinated debt	1,902,290	2,221,562

These redeemable subordinated loans have the following maturities:

In thousands of euros	TOTAL	Maturity schedule			
		Up to 3 months	3 months - 1 yr	1 - 5 years	More than 5 years
Fixed-term loans	1,902,290	-	-	-	1,902,290



4 - FINANCING AND GUARANTEE COMMITMENTS

4.A - FINANCING COMMITMENTS

The financing commitments given relate to customer loans which are not yet financed. The financing commitments received correspond mainly to the refinancing lines granted by BNP Paribas SA.

4.B - GUARANTEE COMMITMENTS

The guarantee commitments given mainly concern the guarantees that BNP Paribas Personal Finance grants to cover the default risk of its subsidiaries when they borrow from banks, and the guarantees granted to subsidiaries of the BNP Paribas group.

4.C - COMMITMENTS ON FORWARD FINANCIAL INSTRUMENTS

The transactions on forward financial instruments shown under off-balance sheet items, are entered into with the aim of hedging interest rate and exchange rate fluctuations. The notional amounts of the various financial instruments used are presented below:

In thousands of euros	31 December 2024	31 December 2023
Outright over-the-counter transactions	21,325,508	24,582,649
<i>of which interest rate swaps</i>	21,325,508	24,582,649
<i>of which currency swaps</i>	-	-
TOTAL	21,325,508	24,582,649

5 - SALARIES AND EMPLOYEE BENEFITS

In thousands of euros	2024	2023
Salaries	(324,374)	(335,926)
Tax and social security charges	(63,218)	(381,032)
Employee profit-sharing and incentive plans	(33,081)	(29,919)
Total salaries and employee benefit expenses	(420,673)	(746,877)

The average permanent headcount in 2024 breaks down as follows:

Headcount at	2024	2023
Of which managers	3,200	3,638
Of which banking technicians	1,843	2,237
Total BNP Paribas Personal Finance	5,043	5,875

Compensation and benefits awarded to directors and officers totalled EUR 1,375 million in 2024, compared with EUR 1,537 million in 2023.

6 - ADDITIONAL INFORMATION

6.A - STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

In thousands of euros	Share capital	Additional paid-in capital	Legal reserves	Other reserves	Net income for the period	Total shareholders' equity
Shareholders' equity at 31 December 2022	546,602	3,869,984	54,660	1,534,768	(243,136)	5,762,878
Net income for 2022				(243,136)	243,136	
Capital increases	37,233	882,787				920,020
Regulated provisions				313		313
Other variations	(1)			(78)		(79)
Net income for 2023					(473,854)	(473,854)
Shareholders' equity at 31 December 2023	583,834	4,422,791	54,660	1,291,887	(473,854)	5,879,258
Net income for 2023				(473,854)	473,854	
Capital increases	33,449	488,599				522,048
Regulated provisions				254		254
Other variations	1			20		21
Net income for 2024					(399,944)	(399,944)
Shareholders' equity at 31 December 2024	617,284	4,911,390	54,660	810,293	(399,944)	5,579,593

6.B - SCHEDULE OF USES AND SOURCES OF FUNDS

In thousands of euros	Overnight	Maturity schedule					Of which provisions	Total
	and overnight transactions	Up to 3 months	3 months - 1 yr	1 - 5 years	More than 5 years			
USES OF FUNDS								
Cash and amounts due from central banks and CCP	-	1	-	-	-	-	-	1
Treasury bills and money-market instruments	-	-	-	-	-	-	-	-
Due from credit institutions	3,258,686	402,970	97,150	1,020,681	528,370	-	-	5,308,157
Customer and leasing transactions	770,588	1,681,619	2,265,684	6,994,628	5,847,334	(951,633)	-	16,959,633
Bonds and other fixed-income securities	3,285	33	-	-	210,885	(2,968)	-	214,184
Equities and other variable-income securities	-	92	-	-	-	-	-	92
SOURCES OF FUNDS								
Amounts due to credit institutions and central banks and CCP	738,345	2,983,275	4,677,904	9,488,827	831,594	-	-	18,729,945
Customer items	103,464	63,708	-	-	90,000	-	-	257,172
Debt securities	-	-	-	-	-	-	-	-

6.C - ASSETS GIVEN OR RECEIVED AS COLLATERAL

There were no financial guarantee commitments received at 31 December 2024, compared with EUR 10 million at 31 December 2023.



6.D - EVENTS AFTER THE REPORTING PERIOD

No events after the reporting period

6.E - INFORMATION ON AFFILIATED COMPANIES AND COMPANIES LINKED THROUGH SHAREHOLDING

In thousands of euros	Affiliated companies	Companies linked through a shareholding
OFF-BALANCE SHEET		
Commitments given to credit institutions	339,624	115
Commitments received from credit institutions	90,000	-

Affiliated companies include all companies controlled exclusively, which are fully consolidated or susceptible of being fully consolidated in the consolidated financial statements of BNP Paribas.



6.F - INFORMATION ON SUBSIDIARIES, EQUITY INTERESTS AND SHARES

Name	SIREN (CIN/PAF V ID)	City	Share capital	Business and retained earnings before income applicable taxes	Last published net income	NIS	Share capital	Business and retained earnings before income applicable taxes	Last published net income	NIS	Percent of share capital held
in thousands of foreign currency						in thousands of euros			in %		

1 - Detailed information about subsidiaries and associated companies whose book value exceeds 1% of BNP PARIBAS PERSONAL FINANCE's share capital

1. Subsidiaries whose share is 50% owned

Banco Credito SARL 3-34 Carrer Rodon 20045 Madrid Spain		EUR	64,385	664,117	(1,177)	388,381	64,385	664,117	(1,177)	388,381	100%
Credit Moderne Andros Guyane Rue Rene Rabut 21 JARRY 97200 BASSE TERRE/Le Lamentin	341897853	EUR	16,727	26,037	15,693	56,372	16,727	26,037	15,693	56,372	100%
Credit Moderne Ocean Indes 22 Rue Pierre Aubert 97469 Sainte-Clotilde Reunion	333352644	EUR	4,576	37,241	11,910	50,756	4,576	37,241	11,910	50,756	98%
Ecoca Bail 1 Boulevard Haussmann, 75009 Paris, France	389167024	EUR	14,496	152,971	5,415	33,672	14,496	152,971	5,415	33,672	100%
Fondemaco Banca SPA 46 Via Jacopo da Diacceto 50121 Florence Italy		EUR	655,403	1,153,747	86,547	956,537	655,403	1,153,747	86,547	956,537	100%
Collyer 1 Boulevard Haussmann 75009 Paris, France	492708165	EUR	47,588	165,638	4,988	16,253	47,588	165,638	4,988	16,253	100%
Sondifarica 1 Boulevard Haussmann, 75009 Paris, France	460216690	EUR	53,088	7,824	5,711	31,709	53,088	7,824	5,711	31,709	55%
Elapen Bank AS Odenburgs Alle 3 2000 Taastrup, Denmark		DKK	1,485,000	2,389,360	(254,719)	343,116	1,485,000	2,389,360	(254,719)	343,116	100%
BNP Personal Finance South Africa Ltd Liberty Square CNR Voortrekker Rd & Voortrekker Drive, 7460 Goodwood, South Africa		ZAR	4	368,150	320,563	329,710	4	368,150	320,563	329,710	100%
Solertia Bank 1 avenue du Marais 93115 Argenville cedex France	502616034	EUR	131,102	1,556,364	(37,085)	(17,505)	131,102	1,556,364	(37,085)	(17,505)	88%

2. Equity investments (between 10%-50% owned)

Carrefour Banque 1 Place Copernic 91090 Courcouronnes, France	373811975	EUR	191,333	332,266	(45,095)	-	191,333	332,266	(45,095)	-	48%
Union de Capital Immobilier SA 3 Rue Rotonda Madrid, Spain		EUR	227,438	295,624	(58,088)	61,167	227,438	295,624	(58,088)	61,167	88%
Servicios Financieros Carrefour EFC SA 11 Via Cole Juan Espinosa 28017 Madrid, Spain		EUR	16,167	253,807	(3,864)	-	16,167	253,807	(3,864)	-	37%
Ass Banque Financement 203-208 Rue Canal - 94136 Fontenay Sous Bois Cedex, France	340111044	EUR	33,896	29,791	(1,008)	-	33,896	29,791	(1,008)	-	38%
Zhejiang Wuxian Public Financial Leasing Co Ltd No 88 Gong Avenue, Wuxian, Beijing District, Ningbo City, Zhejiang Province		CNY	731,254	1,251,078	(400,518)	810,746	731,254	1,251,078	(400,518)	810,746	30%
Evollis AD 22-26 Quai du Botocan, 33000 Bordeaux, France	538112571	EUR	766	(386)	163	-	766	(386)	163	-	45%
Genius Auto Finance Co Ltd 388 Jinkang Road, Putung New Area, Shanghai, China		CNY	4,000,000	3,757,712	1,409,459	2,709,791	536,754	564,251	187,003	366,374	30%

List of entities in which BNP PARIBAS PERSONAL FINANCE is a partner with unlimited liability:

Partnerships

• CORELIM

1, Boulevard Haussmann, 75009 Paris

GIE (economic interest groups)

• NEULLY CONTENTIEUX

143, Rue Anatole France 92300 Levallois Perret

• GEP CB

1, Boulevard Haussmann, 75009 Paris

• GAM CB

3, rue d'Antin, 75002 Paris

• GIE CARTE BANCAIRE

151 Bis, rue St Honoré, 75001 Paris

6.G - IDENTIFICATION OF THE CONSOLIDATING COMPANY

BNP Paribas Personal Finance is fully consolidated in the financial statements of BNP Paribas, whose registered office is at 16, Boulevard des Italiens, 75009 Paris.

6.H - MANAGEMENT REPORT

The management report is available to shareholders at the company's administrative headquarters, located at 143 Rue Anatole France, 92300 Levallois-Perret.

12 JUIN 2025

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Translation
from the digital
version of the
original



BNP Paribas Personal Finance

Société Anonyme (French public limited company)
1 boulevard Haussmann
75009 Paris

Report of the Statutory Auditors on the consolidated financial statements

Year ended 31 December 2024



BDO Paris
43 avenue de la Grande Armée
75116 Paris
Simplified joint stock company with share capital of €3,000,000

Paris Trade and Companies Register no. 500 492 004

Member firm of the regional institute of statutory auditors of
Versailles

Deloitte & Associés
6, place de la Pyramide
92908 Paris-La Défense Cedex
Simplified joint stock company with share capital of
€2,201,424
Nanterre Trade and Companies Register no. 572
028 041

Member firm of the regional institute of statutory
auditors of Versailles and the Centre

BNP Paribas Personal Finance

Société Anonyme (French public limited company)
1 boulevard Haussmann
75009 Paris

Report of the Statutory Auditors on the consolidated financial statements

Year ended 31 December 2024

To the General Meeting of Shareholders of BNP Paribas Personal Finance

Opinion

In compliance with the engagement entrusted to us by the General Meeting, we have audited the accompanying consolidated financial statements of BNP Paribas Personal Finance for the year ended 31 December 2024.

We certify that the consolidated financial statements give a true and fair view of the results of the operations during the past financial year and of the financial position and assets and liabilities at the end of the financial year of the group formed by the persons and entities included in the consolidation, in accordance with International Financial Reporting Standards as adopted by the European Union.

The opinion expressed above is consistent with the content of our report to the Board of Directors fulfilling the functions of the specialised committee referred to in Article L.821-67 of the French Commercial Code.



Basis for opinion

Audit framework

We conducted our audit in accordance with the professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are further described in the Responsibilities of the Statutory Auditors relating to the audit of the consolidated financial statements section of our report.

Independence

We conducted our audit engagement in compliance with the independence rules provided for in the French Commercial Code (Code de commerce) and the French Code of Ethics (Code de déontologie) for Statutory Auditors for the period from 1 January 2024 to the date of our report, and, in particular, we did not provide any non-audit services prohibited by article 5(1) of Regulation (EU) No. 537/2014.

This year, services other than the ones required for the statutory audit that we provided to your company and the entities it controls and which are not mentioned in the management report or the notes to consolidated financial statements mainly refer to issuance of attestation of accounting and financial information and the issue of certificates concerning the agreed procedures relating to certain data used to calculate contributions to the Single Resolution Fund ("SRF").

Justification of assessments

In accordance with the requirements of articles L.821-53 and R.821-180 of the French Commercial Code relating to the justification of our assessments, we inform you of the key audit points relating to the risks of material misstatement that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the year, as well as how we addressed those risks.

These matters were addressed as part of our audit of the consolidated financial statements as a whole, and therefore contributed to the opinion we formed as expressed above. We do not provide a separate opinion on specific items of the consolidated financial statements.

Assessment of credit risk and measurement of impairment losses (stages 1, 2 and 3) on customer loan portfolios

(Please refer to Notes 1.e.4, 1.e.5, 2.e, 4.b and 5.e to the consolidated financial statements)

Description of risk	How our audit addressed this risk
BNP Paribas recognises impairment losses to hedge the credit risks inherent to its banking activities.	We carried out a review of coverage rates by level, the cost of risk and non-recurring items. For portfolios that have migrated to the new methodology, we have carried out specific due diligence procedures: Review of the new methodology and its compliance with IFRS9 principles.



With a view to harmonising credit risk assessment with the BNP Paribas group, BNP Paribas Personal Finance has gradually introduced a new method for assessing expected credit losses (new estimate of the criterion for a significant increase in credit risk, exposure at default, probability of default and loss given default). For portfolios not migrated by 31.12.2024, the historical statistical method is still applied. For both these methods, the estimation of impairment involves management judgement, especially for: - Assessing significant deterioration of credit risk to classify outstandings into stage 1, stage 2 or stage 3; - Estimating the risk parameters used to calculate ECLs - Adjusting model estimations where necessary to take account of uncertainties that are not captured by existing models (additional provisions). In this context, we considered that the estimation of expected credit losses (and in particular additional provisions) was a key point of the audit. At 31 December 2024, the gross amount of customer loan outstandings exposed to credit risk was EUR 85,195 million; the total amount of impairment losses for credit risk was EUR 3,302 million.	- Review of the operational calculation process and identification of key controls to cover the operational risks associated with this process; we assessed the design and implementation of these controls as well as their operational effectiveness. - Review of the methods used to calculate the risk parameters used to estimate the expected losses from the model (CHR, EAD, PD, LGD-cure, LGD Non Cure, Forward Looking), the independent validation process; we re-performed the calculation of a selection of indicators. - Review of additional provisions estimated outside the model - Implementation of a counter-calculation of expected losses, on a representative scope, to ensure the correct application of the parameters to the different risk classes as well as the correct application of the rules relating to the significant increase in credit risk. - Detailed analyses of the impact of the transition from the old standard to the new, and a review of the stability of calculations between the transition date and the 31.12.24 balance sheet date For non-migrated portfolios, we reviewed the backtesting of risk parameters. Lastly, we examined the disclosures required by IFRS 9 in respect of credit risk.
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Impairment of goodwill

(Please refer to Notes 1.b.4 and 5.1 to the consolidated financial statements)

Description of risk	How our audit addressed this risk
The accounting procedures for acquisitions leads the BNP Paribas Personal Finance group to recognise goodwill as an asset in its consolidated balance sheet. These goodwill items correspond to the difference between the acquisition price of the shares of the companies acquired and the value of the share of interest acquired. At 31 December 2024, the carrying amount of this goodwill was EUR 1,128 million.	Our audit approach is based in particular on an assessment of the procedures relating to goodwill impairment tests and the controls implemented within BNP Paribas Personal Finance to identify indications of impairment of these assets. The work on the financial statements for the year ended 31 December 2024 carried out with our valuation specialists consisted in particular of:



These goodwill items are the subject of impairment tests at least once a year, or more often if indications of impairment are detected. The comparison of the carrying amount of homogeneous groups with their recoverable amount is an essential element in assessing whether an impairment adjustment is necessary. We considered goodwill impairment to be a key audit point due to the judgement exercised by management in making assumptions about future results of acquired companies and in evaluating the recoverable amount of homogeneous groups of business lines.	- An analysis of the methodology used by BNP Paribas Personal Finance; - A critical review of the forward-looking business plans approved by the General Management of BNP Paribas Personal Finance to ensure that the estimates of future cash flows were reasonable (especially when the forecasts are out of step with past performance). - A critical analysis of the main assumptions and parameters used (growth rate, cost of capital, NPV discount rate) considering the external information available; - An assessment of the analyses of sensitivity of estimates to key parameters. Finally, we verified the appropriateness of the disclosures related to the results of these impairment tests in the notes to the financial statements.
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Specific verifications

As required by legal and regulatory provisions and in accordance with professional standards applicable in France, we performed the specific verifications on the information pertaining to the group presented in the Board of Directors' management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Other verifications and information pursuant to legal and regulatory requirements

Appointment of the Statutory Auditors

We were appointed Statutory Auditors of BNP Paribas Personal Finance by the General Meeting of Shareholders of April 2006 as regards Deloitte & Associés and by the General Meeting of Shareholders of May 2023 for BDO Paris.

At 31 December 2024, Deloitte & Associés and BDO Paris were in the nineteenth consecutive year and in the second consecutive year of their engagement, respectively.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation of consolidated financial statements giving a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and for implementing the internal controls as it deems necessary to enable the preparation of consolidated financial statements that are free of material misstatement, whether due to fraud or error.



In preparing the consolidated financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting, unless it expects to liquidate the Company or to cease operations

The Board of Directors fulfilling the functions of the specialised committee referred to in Article L.821-67 of the French Commercial Code is responsible for monitoring the financial reporting process and the effectiveness of the internal control and risk management systems and, where applicable, internal audit, with regard to procedures relating to the preparation and processing of accounting and financial information.

The consolidated financial statements were approved by the Board of Directors on 1 April 2025.

Responsibilities of the Statutory Auditors relating to the audit of the consolidated financial statements

Objective and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free of material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions taken by users on the basis of these consolidated financial statements.

As specified in article L.821-55 of the French Commercial Code, our audit does not include assurance on the viability or quality of the company's management.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditor exercises professional judgement throughout the audit and furthermore:

- identifies and assesses the risks of material misstatement in the consolidated financial statements, whether due to fraud or error, design and performs audit procedures in response to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for its opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtains an understanding of the internal control procedures relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and the related disclosures in the notes to the consolidated financial statements;



- assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the company to cease to continue as a going concern. If the Statutory Auditor concludes that a material uncertainty exists, it is required to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or are inadequate, to issue a qualified opinion or a disclaimer of opinion;
- evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. It is responsible for the management, supervision and performance of the audit of the consolidated financial statements as well as the opinion expressed on these financial statements.

Report to the Board of Directors fulfilling the functions of the specialised committee referred to in Article L.821-67 of the French Commercial Code

We submit to the Board of Directors fulfilling the functions of the specialised committee referred to in Article L.821-67 of the French Commercial Code a report that outlines the scope of the audit and the audit programme implemented, as well as the results of our audit. We also report significant deficiencies, if any, in internal control regarding the accounting and financial reporting procedures that we identified.

We have also provided the Board of Directors fulfilling the functions of the specialised committee referred to in Article L.821-67 of the French Commercial Code with the declaration provided by Article 6 of Regulation (EU) No. 537-2014 confirming our independence, within the meaning of the rules applicable in France as laid down in particular by Articles L.821-27 to L.821-34 of the French Commercial Code and in the French Code of Ethics for Statutory Auditors. If necessary, we discuss with the Board of Directors fulfilling the functions of the specialised committee referred to in Article L.821-67 of the French Commercial Code the risks weighing on our independence and the safeguarding measures applied.

Paris and Paris-La Défense, 24 April 2025

The Statutory Auditors

BDO Paris

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Benjamin IZARIÉ

Deloitte & Associés

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Laurence DUBOIS



BNP PARIBAS

PERSONAL FINANCE

CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

Audited financial statements



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CONSOLIDATED FINANCIAL STATEMENTS

prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union

The consolidated financial statements of the BNP Paribas Personal Finance Group are presented for the years ended 31 December 2024 and 31 December 2023. Information for the year ended 31 December 2022 is included in the consolidated financial statements for the year ended 31 December 2022, which are available on the website of the French Official Journal of legal announcements (www.journal-officiel.gouv.fr).

INCOME STATEMENT FOR THE 2024 FINANCIAL YEAR

In millions of euros	Notes	2024	2023
Interest income	2.a	6,463	6,253
Interest expense	2.a	(3,811)	(3,419)
Commission income	2.b	754	887
Commission expense	2.b	(123)	(181)
Net gain (loss) on financial instruments at fair value through profit or loss	2.c	6	19
Net gain (loss) on financial instruments at fair value through equity		-	-
Income from other activities	2.d	323	244
Expense on other activities	2.d	(267)	(204)
NET BANKING INCOME		3,345	3,599
Salaries and employee benefit expenses	7.a	(1,015)	(1,331)
Other operating expense	2.e	(921)	(1,053)
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets	5.k	(165)	(171)
GROSS OPERATING INCOME		1,244	1,044
Cost of risk	2.f	(1,125)	(1,221)
Other net expenses for risk on financial instruments	2.g	-	(221)
OPERATING INCOME		119	(398)
Share of earnings of equity-method entities	5.j	(16)	4
Net gain on non-current assets	2.h	65	(377)
Goodwill	5.l	-	-
PRE-TAX INCOME		168	(771)
Corporate income tax	2.i	(284)	34
NET INCOME		(116)	(737)
Net income attributable to minority interests	8.d	110	133
NET INCOME ATTRIBUTABLE TO EQUITY HOLDERS		(226)	(870)
Earnings per share	8.a	(2.70)	(10.83)



In millions of euros	2024	2023
Net income	(116)	(737)
Changes in assets and liabilities recognised directly in equity	(29)	310
Items that are or may be reclassified to profit or loss	(38)	322
- Foreign currency translation adjustments	51	495
- Changes in fair value of hedging instruments		
<i>Changes in fair value recognised in equity</i>	(102)	(138)
<i>Changes in fair value reported in net income</i>	-	-
- Income tax	27	34
- Changes in equity-method investments	(14)	(69)
Items that will not be reclassified to profit or loss	9	(12)
- Changes in fair value of equity instruments designated at fair value through equity	1	
- Remeasurement gains (losses) related to post-employment benefit plans	12	(17)
- Income tax	(4)	5
- Changes in equity-method investments	-	
Total	(145)	(427)
- attributable to equity shareholders	(278)	(572)
- attributable to minority interests	133	145

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BALANCE SHEET AT 31 DECEMBER 2024

In millions of euros	Notes	31 December 2024	31 December 2023
ASSETS			
Cash and amounts due from central banks		746	918
Financial instruments at fair value through profit or loss			
Securities portfolio	5.a	31	79
Loans and repurchase agreements	5.a		
Derivative financial instruments	5.a	10	34
Derivatives used for hedging purposes	5.b	475	817
Financial instruments at fair value through equity			
Equity instruments	5.c	3	2
Financial assets at amortised cost			
Loans and advances to credit institutions	5.e	5,976	6,062
Loans and advances to customers	5.e	81,893	84,012
Debt securities	5.e	145	221
Remeasurement adjustment on interest-rate risk hedged portfolios	5.b	54	(280)
Current and deferred tax assets	5.h	737	1,065
Accrued income and other assets	5.i	2,134	1,899
Equity-method investments	5.j	1,014	1,028
Property, plant and equipment and investment property	5.k	697	882
Intangible assets	5.k	357	391
Goodwill	5.l	1,128	1,215
TOTAL ASSETS		95,402	98,343
LIABILITIES			
Financial instruments at fair value through profit or loss			
Derivative financial instruments	5.a	11	34
Derivatives used for hedging purposes	5.b	515	299
Financial liabilities at amortised cost			
Due to credit institutions	5.f	67,747	70,314
Deposits from customers	5.f	8,319	5,739
Debt securities	5.g	4,266	6,388
Subordinated debt	5.g	1,813	1,926
Remeasurement adjustment on interest-rate risk hedged portfolios	5.b	(8)	(8)
Current and deferred tax liabilities	5.h	216	197
Accrued expenses and other liabilities	5.i	1,972	2,639
Provisions for contingencies and charges	5.m	471	782
TOTAL LIABILITIES		85,344	88,312
SHAREHOLDERS' EQUITY			
Share capital, additional paid-in capital and retained earnings		9,206	9,776
Net income for the period attributable to equity shareholders		(226)	(870)
Total capital, retained earnings and net income for the period attributable to shareholders		8,980	8,906
Changes in assets and liabilities recognised directly in equity		(132)	(80)
Shareholder's equity		8,848	8,826
Minority interests	8.d	1,210	1,205
TOTAL SHAREHOLDERS' EQUITY		10,058	10,031
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		95,402	98,343

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

In millions of euros	Notes	2024	2023
Pre-tax income		168	(771)
Non-monetary items included in pre-tax net income and other adjustments		1,009	1,544
Net depreciation/amortisation expense on property, plant and equipment and intangible assets		207	202
Impairment of goodwill and other non-current assets			(1)
Net additions to provisions		962	1,640
Share of earnings of equity-method entities		16	(4)
Net expense (income) from investing activities		(58)	384
Net income from financing activities		(1)	(3)
Other movements		(117)	(674)
Net decrease in cash related to assets and liabilities generated by operating activities		(213)	(2,210)
Net decrease in cash related to transactions with credit institutions and customers		(467)	(3,073)
Net increase in cash related to transactions involving other financial assets and liabilities		35	862
Net decrease in cash related to transactions involving non-financial assets and liabilities		133	(53)
Taxes paid		86	34
NET DECREASE (INCREASE) IN CASH AND EQUIVALENTS GENERATED BY OPERATING ACTIVITIES		964	(1,437)
Net increase (decrease) in cash related to acquisitions and disposals of consolidated entities		123	405
Net decrease in cash related to property, plant and equipment and intangible assets		(162)	(208)
NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS RELATED TO INVESTING ACTIVITIES		(39)	197
Increase in cash and equivalents related to transactions with shareholders		191	911
Decrease in cash and equivalents generated by other financing activities		(1,498)	(277)
NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS RELATED TO FINANCING ACTIVITIES		(1,307)	634
EFFECT OF MOVEMENT IN EXCHANGE RATES ON CASH AND EQUIVALENTS		3	29
NET DECREASE IN CASH AND EQUIVALENTS		(379)	(508)
Of which net increase (decrease) in cash and cash equivalents of activities held for sale			69
Balance of cash and equivalent accounts at the beginning of the period		3,039	3,547
Cash and amounts due from central banks		916	382
On demand deposits with credit institutions		2,350	3,332
On demand loans from credit institutions	5.f	(228)	(169)
Deduction of receivables and accrued interest on cash and equivalents		1	2
Balance of cash and equivalent accounts at the end of the period		2,680	3,039
Cash and amounts due from central banks		746	916
On demand deposits with credit institutions		2,187	2,350
On demand loans from credit institutions	5.f	(276)	(228)
Deduction of receivables and accrued interest on cash and equivalents		3	1
DECREASE IN CASH AND EQUIVALENTS		(379)	(508)



STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Share capital, additional paid-in capital and retained earnings				Changes in assets and liabilities recognised directly in equity that will not be reclassified to profit or loss		
	Share capital and additional paid-in capital	Subordinated equity instruments	Undistributed reserves	Total	Financial assets designated as at fair value through equity	Reinsurance gains (losses) related to post-employment benefits plans	Total
in millions of euros							
Position as at 31 December 2022	4,317	930	3,914	9,161	2	20	22
Appropriation of net income for 2022				-			-
Distribution of reserves				-			-
Increases in capital and issues	590	100		690			-
Capital reductions or repayments				-			-
Movements in own equity instruments				-			-
Share-based payment plans				-			-
Remuneration on preferred shares			(78)	(78)			-
Internal transactions affecting minority shareholders				-			-
Impact of internal transactions on minority shareholders				-			-
Acquisitions of additional interests or partial sales of interests				-			-
Changes in commitments to repurchase minority shareholders' interests			1	1			-
Other variations			1	1			-
Transfer of non-recyclable items to reserves			1	1	(1)		(1)
Changes in assets and liabilities recognised directly in equity				-		(6)	(6)
Net income as at 31 December 2023			(870)	(870)			-
Position as at 31 December 2023	4,907	1,030	2,969	8,906	1	14	15
Appropriation of net income for 2023				-			-
Distribution of reserves				-			-
Increases in capital and issues	500			500			-
Capital reductions		(100)		(100)			-
Remuneration on preferred shares			(99)	(99)			-
Impact of internal transactions on minority shareholders				-			-
Acquisitions of additional interests or partial sales of interests				-			-
Changes in commitments to repurchase minority shareholders' interests			(1)	(1)			-
Other variations				-			-
Transfer of non-recyclable items to reserves				-			-
Changes in assets and liabilities recognised directly in equity				-	1	6	7
Net income as at 31 December 2024			(226)	(226)			-
Position as at 31 December 2024	5,407	930	2,643	8,980	2	20	22

FROM 1 JANUARY 2023 TO 31 DECEMBER 2024

Changes in assets and liabilities recognised directly in equity that may be reclassified to profit or loss			Total shareholder's equity	Minority interests (S.d)	Total equity
Exchange rate adjustments	Derivatives used for hedging purposes	Total			
(576)	177	(399)	8,784	776	9,560
		-	-	(7)	(7)
		-	-	-	-
		-	690	310	1,000
		-	-	-	-
		-	-	-	-
		-	-	-	-
		-	(78)	(3)	(81)
		-	-	-	-
		-	-	(17)	(17)
		-	-	-	-
		-	1	1	2
		-	1	-	1
		-	-	-	-
465	(161)	304	298	12	310
		-	(870)	133	(737)
(111)	16	(95)	8,826	1,205	10,031
		-	-	(123)	(123)
		-	-	-	-
		-	500	-	500
		-	(100)	-	(100)
		-	(99)	(8)	(107)
		-	-	-	-
		-	-	-	-
		-	(1)	2	1
		-	-	1	1
		-	-	-	-
47	(106)	(59)	(52)	23	(29)
		-	(226)	110	(116)
(64)	(90)	(154)	8,648	1,210	10,058



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES APPLIED BY THE GROUP

1.a. Accounting standards

1.a.1. Applicable Accounting standards

The consolidated financial statements of the BNP Paribas Personal Finance Group have been prepared in accordance with international accounting standards (International Financial Reporting Standards - IFRS) as adopted for use in the European Union¹. Accordingly, certain provisions of IAS 39 on hedge accounting have been excluded.

Information on the nature and extent of risks relating to financial instruments as required by IFRS 7 "Financial Instruments: Disclosures" along with information on regulatory capital required by IAS 1 "Presentation of Financial Statements" will be presented in the "Risks and Capital Adequacy of the BNP Paribas Personal Finance Group as at 31 December 2024" report. Chapter 3 Credit risk of Pillar III presents, in particular, IFRS 7 information on credit risk exposures and related impairment broken down according to whether the underlying loans are performing or non-performing, by geographic area and by industry.

- Further to the Pillar II recommendations of the Organisation for Economic Cooperation and Development (OECD) in relation to the international tax reform, the European Union adopted in December 2022 the 2022/2523 directive instituting a minimum corporate income tax for international groups, effective 1 January 2024. This directive was transposed by the 2024 Finance Act in France in December 2023.

To clarify the directive's potential impacts, on 23 May 2023 the IASB issued a series of amendments to IAS 12 "Income Taxes", which were adopted by the European Union on 8 November 2023. In accordance with the provisions of these amendments, the Group applies the mandatory and temporary exception not to recognise deferred taxes associated with this additional taxation.

The Pillar II reform had no impact on the Group when adopted, as at 1 January 2024 the Group has no subsidiary with a tax rate of less than 15%.

- In France, changes resulting from the pension reform enacted on 14 April 2023 constitute a change in post-employment benefits, based on IAS 19 § 104. The non-material impact of this change was recorded in the profit and loss account for the period.

The introduction of other standards, amendments and interpretations that are mandatory as from 1 January 2024, in particular the amendment to IFRS 16 on Lease liabilities in a sale and lease back, had no effect on the Group's financial statements at 31 December 2024.

¹ The full set of standards adopted for use in the European Union can be found on the website of the European Commission at: https://ec.europa.eu/info/business-economy-euro/company-reporting-and-auditing/company-reporting_en



1.a.2. New major accounting standards, published but not yet applicable

The Group did not early apply new standards, amendments and interpretations endorsed by the European Union when the application in 2024 was optional.

The impact assessment of the new standards and amendments not yet applicable by the Group is presented below:

- Amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: Disclosures" relating to the classification and measurement of financial instruments.

On 30 May 2024, the IASB published amendments to IFRS 9 and IFRS 7, which will be applicable for annual periods beginning on 1 January 2026. These amendments:

- clarify the date of recognition and derecognition of certain financial assets and liabilities, with a new exception for certain financial liabilities settled through an electronic payment system;
 - clarify and add indications for assessing whether a financial asset meets the cash flow criterion, e.g. its cash flows are solely payments of principal and interest on the principal outstanding (SPPI);
 - require disclosures in the notes to financial statements for certain instruments with contractual terms that can change the time or amount of cash flows upon the occurrence or non-occurrence of a contingent event (e.g. financial instruments with characteristics linked to the achievement of environmental, social and governance objectives); and
 - update the information requirements for equity instruments designated at fair value through equity.
- Publication of IFRS 18 "Presentation and disclosure in financial statements" in replacement of IAS 1. IFRS 18 will be mandatory from 1 January 2027, with retrospective application.

IFRS 18 includes many of the requirements of IAS 1 without changes and supplements them with new requirements relating to:

- the presentation of specific categories (operating, investment and financing) and sub-totals in the statement of profit or loss account;
- information to be disclosed in the notes to the financial statements on management-defined performance measures (MPM);
- aggregation and disaggregation of information in the statement of profit or loss account.

The Bank is currently assessing the detailed implications of applying IFRS 18 to the Group's consolidated financial statements.

1.b. Consolidation

1.b.1 SCOPE OF CONSOLIDATION

The consolidated financial statements of BNP Paribas Personal Finance include all entities that are controlled by the Group, jointly controlled, and under significant influence, with the exception of those entities whose consolidation is regarded as immaterial to the Group. Companies that hold shares in consolidated companies are also consolidated.

Subsidiaries are consolidated from the date on which the Group obtains effective control. Entities under temporary control are also included in the consolidated financial statements until the date of disposal.



1.b.2 CONSOLIDATION METHODS

Exclusive control

Controlled entities are fully consolidated. The Group controls a subsidiary when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

For entities governed by voting rights, the Group generally controls the entity if it holds, directly or indirectly, the majority of the voting rights (and if there are no contractual provisions that alter the power of these voting rights) or if the power to direct the relevant activities of the entity is conferred on it by contractual agreements.

Structured entities are entities established so that they are not governed by voting rights, for instance when those voting rights only relate to administrative decisions, whereas the relevant activities are directed by means of contractual arrangements. They often present characteristics such as limited activities, a precise, clearly-defined purpose and insufficient equity to allow them to finance their activities without requiring subordinated financial support.

For these entities, the analysis of control consider the purpose and design of the entity, the risks to which the entity is designed to be exposed and to what extent the Group absorbs the related variability. The assessment of control shall consider all the facts and circumstances relevant to the Group's practical ability to make decisions that could significantly affect its returns, even if such decisions are contingent on uncertain future events or circumstances.

In assessing whether it has power, the Group considers only substantive rights which it holds or which are held by third parties. For a right to be substantive, the holder must have the practical ability to exercise that right when decisions about the relevant activities of the entity need to be made.

Control is reassessed if facts and circumstances indicate that there are changes to one or more of the elements of control.

Where the Group contractually holds the decision-making power, for instance where the Group acts as fund manager, it shall determine whether it is acting as agent or principal. Indeed, when associated with a certain level of exposure to the variability of returns, this decision-making power may indicate that the Group is acting on its own account and that it thus has control over those entities.

Minority interests are presented separately in the consolidated profit and loss account and balance sheet within consolidated equity. The calculation of minority interests takes into account the outstanding cumulative preferred shares classified as equity instruments issued by subsidiaries, when such shares are held outside the Group.

As regards fully consolidated funds, units held by third-party investors are recognised as debts at fair value through profit or loss, inasmuch as they are redeemable at fair value at the subscriber's initiative.

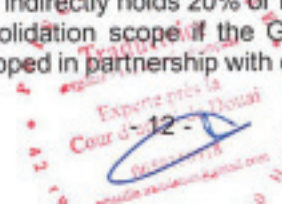
For transactions resulting in a loss of control, any equity interest retained by the Group is remeasured at its fair value through profit or loss.

Joint control

Where the Group carries out an activity with one or more partners, sharing control by virtue of a contractual agreement which requires unanimous consent on relevant activities (i.e. those that significantly affect the entity's returns), the Group exercises joint control over the activity. Where the jointly controlled activity is structured through a separate vehicle in which the partners have rights to the net assets, this joint venture is accounted for using the equity method. Where the jointly controlled activity is not structured through a separate vehicle or where the partners have rights to the assets and obligations for the liabilities of the jointly controlled activity, the Group accounts for its share of the assets, liabilities, revenues and expenses in accordance with the applicable IFRS.

Significant influence

Entities over which the Group exercises significant influence (associates) are accounted for using the equity method. Significant influence is the power to participate in the financial and operating policy decisions of a company without exercising control. Significant influence is presumed to exist when the Group directly or indirectly holds 20% or more of an entity's voting rights. Interests of less than 20% can be included in the consolidation scope if the Group effectively exercises significant influence. This is the case for example for entities developed in partnership with other



associates, where the BNP Paribas Personal Finance Group participates in strategic decisions of the enterprise through representation on the Board of directors or equivalent governing body, or exercises influence over the enterprise's operational management by supplying management systems or senior managers, or provides technical assistance to support the enterprise's development.

Changes in the net assets of associates (companies accounted for under the equity method) are recognised on the assets side of the balance sheet under "Investments in equity-method entities" and in the relevant component of shareholders' equity. Goodwill recorded on associates is also included under "Investments in equity-method entities".

Whenever there is an indication of impairment, the carrying amount of the investment consolidated under the equity method (including goodwill) is subjected to an impairment test, by comparing its recoverable value (the higher of value-in-use and market value less costs to sell) to its carrying amount. Where appropriate, impairment is recognised under "Share of earnings of equity-method entities" in the consolidated income statement and can be reversed at a later date.

If the Group's share of losses of an equity-method entity equals or exceeds the carrying amount of its investment in this entity, the Group discontinues including its share of further losses. The investment is reported at nil value. Additional losses of the equity-method entity are provided for only to the extent that the Group has a legal or constructive obligation to do so, or has made payments on behalf of this entity.

Where the Group holds an interest in an associate, directly or indirectly through an entity that is a venture capital organisation, a mutual fund, an open-ended investment company or similar entity such as an investment related insurance fund, it may elect to measure that interest at fair value through profit or loss.

Realised gains and losses on investments in consolidated undertakings are recognised in the profit and loss account under "Net gain on non-current assets".

The consolidated financial statements are prepared using accounting policies that are consistent for similar transactions and other events in similar circumstances.

1.b.3 CONSOLIDATION RULES

- **Elimination of intragroup balances and transactions**

Intragroup balances arising from transactions between consolidated Group companies and the transactions themselves (including income, expenses and dividends) are eliminated. Profits and losses arising from intragroup sales of assets are eliminated, except where there is an indication that the asset sold is impaired. Unrealised gains and losses included in the value of financial instruments at fair value through equity are maintained in the consolidated financial statements.

- **Translation of accounts expressed in foreign currencies**

The consolidated financial statements of BNP Paribas Personal Finance are prepared in euros.

The financial statements of enterprises whose functional currency is not the euro are translated using the closing rate method. Under this method, all assets and liabilities, both monetary and non-monetary, are translated using the spot exchange rate at the balance sheet date. Income and expense items are translated at the average rate for the period.

Financial statements of the Group's subsidiaries located in hyperinflationary economies, previously adjusted for inflation effects by applying a general price index, are translated using the closing rate. This rate applies to the translation of assets and liabilities as well as income and expenses.



Differences arising from the translation of balance sheet items and profit and loss items are recorded in shareholders' equity under "Foreign currency translation adjustments" for the portion attributable to equity holders of the parent and under "Minority interests" for the portion attributable to other investors. Under the optional treatment permitted by IFRS 1, the Group has reset to zero all foreign currency translation adjustments attributable to shareholders and to minority interests by reclassifying them to retained earnings in the opening consolidated balance sheet at 1 January 2004.

Upon liquidation or disposal of all or part of an interest held in a foreign enterprise located outside the Eurozone, leading to a change in the nature of the investment (loss of control, loss of significant influence or loss of joint control without keeping a significant influence), the cumulative exchange difference at the date of liquidation or sale is recognised in the profit and loss account.

Should the percentage of interest change without leading to a modification in the nature of the investment, the exchange difference is reallocated between the portion attributable to shareholders and that attributable to minority interests if the entity is fully consolidated; if the entity is consolidated under the equity method, it is recorded in profit or loss for the portion related to the interest sold.

1.b.4 BUSINESS COMBINATIONS AND MEASUREMENT OF GOODWILL

• Business combinations

Business combinations are accounted for using the acquisition method.

Under this method, the identifiable assets acquired and the liabilities assumed for the acquired entity are recognised at the fair value at the acquisition date, except for non-current assets classified as held for sale which are recognised at fair value less costs to sell.

The acquiree's contingent liabilities are not recognised in the consolidated balance sheet unless they represent a present obligation on the acquisition date and their fair value can be measured reliably.

The acquisition cost is equal to the fair value, at the exchange date, of the assets transferred, liabilities incurred or assumed, and equity instruments issued to obtain control of the acquiree. Costs directly attributable to the business combination are treated as a separate transaction and recognised through profit or loss.

Any contingent consideration, measured at its fair value at the acquisition date, is included in the acquisition cost from the date the control is obtained. Subsequent changes in the value of any contingent consideration classified as a financial liability are recognised through profit or loss.

The Group may recognise any adjustments to the provisional accounting within 12 months of the acquisition date.

Goodwill represents the difference between the acquisition cost and the acquirer's interest in the fair value of the identifiable assets and liabilities at the acquisition date. Positive goodwill is recognised in the acquirer's balance sheet, while negative goodwill is recognised immediately in profit or loss, at the acquisition date. Minority interests are measured at their share of the fair value of the acquiree's identifiable assets and liabilities. However, for each business combination, the Group may elect to measure minority interests at their fair value, in which case a portion of goodwill is allocated to them. To date, the Group has never used this latter option.

Goodwill is recognised in the functional currency of the acquiree and translated at the closing exchange rate.

On the acquisition date, any previously held equity interest in the acquiree is remeasured at its fair value through profit or loss. In the case of a step acquisition, the goodwill is therefore determined by reference to the acquisition-date fair value.

Since the revised IFRS 3 has been applied prospectively, business combinations completed prior to 1 January 2010 were not restated for the effects of changes to IFRS 3.

As permitted under IFRS 1, business combinations that took place before 1 January 2004 and were recorded in accordance with the previous applicable French accounting standards (French GAAP), had not been restated in accordance with the principles of IFRS 3.



- **Measurement of goodwill**

The Group tests goodwill for impairment on a regular basis.

- Cash-generating units

The Group has split all its activities into cash-generating units² representing major business lines. This split is consistent with the Group's organisational structure and management methods and reflects the independence of each unit in terms of results and management approach. It is reviewed on a regular basis to take into account any events that could affect the composition of cash-generating units, such as acquisitions, disposals and major reorganisations.

- Testing cash-generating units for impairment

Goodwill allocated to cash-generating units is tested for impairment annually and whenever there is an indication that a unit may be impaired, by comparing the carrying amount of the unit with its recoverable amount. If the recoverable amount is less than the carrying amount, an irreversible impairment loss is recognised, and the goodwill is written down by the excess of the carrying amount of the unit over its recoverable amount.

- Recoverable amount of a cash-generating unit

The recoverable amount of a cash-generating unit is defined by its value in use.

Value in use is based on an estimate of the future cash flows to be generated by the cash-generating unit, derived from the annual forecasts prepared by the unit's management and approved by Group Executive Management, and from analyses of changes in the relative positioning of the unit's activities on their market. These cash flows are discounted at a rate that reflects the return that investors would require from an investment in the business sector and region involved.

1.c. Translation of foreign currency transactions

The methods used to account for assets and liabilities relating to foreign currency transactions carried out by the Group, and to measure the foreign exchange risk arising on such transactions, depend on whether the asset or liability in question is classified as a monetary or a non-monetary item.

- **Monetary assets and liabilities³ expressed in foreign currencies**

Monetary assets and liabilities expressed in foreign currencies are translated into the functional currency of the relevant Group entity at the closing rate. Foreign exchange differences are recognised in the profit and loss account, except for those arising from financial instruments designated as a cash flow hedge or a net foreign investment hedge, which are recognised in shareholders' equity.

² The term used in IAS 36 is "cash-generating unit".

³ Monetary assets and liabilities are assets and liabilities to be received or paid in fixed or determinable amounts of cash.



• Non-monetary assets and liabilities expressed in foreign currencies

Non-monetary assets may be measured either at historical cost or at fair value. Non-monetary assets expressed in foreign currencies are converted using the exchange rate at the date of the transaction, meaning the date of initial recognition of the non-monetary asset, when measured at historical cost. When measured at fair value, the closing rate is considered.

Foreign exchange differences relating to non-monetary assets denominated in foreign currencies and recognised at fair value (equity instruments) are recognised in profit or loss when the asset is classified in "Financial assets at fair value through profit or loss" and in equity when the asset is classified under "Financial assets at fair value through equity".

1. d. Net interest income, income and expenses from commissions and other activities

1.d.1 NET INTEREST INCOME

Income and expenses relating to debt instruments measured at amortised cost and at fair value through shareholders' equity are recognised in the income statement using the effective interest rate method.

The effective interest rate is the rate that ensures that the discounted estimated future cash flows through the expected life of the financial instrument or, when appropriate, a shorter period, is equal to the carrying amount of the asset or liability in the balance sheet. The effective interest rate measurement considers:

- fees received or paid that are an integral part of the effective interest rate of the contract (e.g. credit underwriting fees),
- transaction costs (e.g. referral fees paid to an intermediary),
- and premiums and discounts.

Commissions considered as an additional component of interest are included in the effective interest rate and are recognised in the profit and loss account in "Net interest income". This category includes notably commissions on financing commitments when it is considered that the setting up of a loan is more likely than unlikely. Commissions received in respect of financing commitments are deferred until they are drawn and then included in the effective interest rate calculation and amortised over the life of the loan.

Referral fees on unused revolving credit cards are recorded directly as interest expense.

1.d.2 INCOME AND EXPENSES FROM COMMISSIONS AND OTHER ACTIVITIES

Commissions received with regards to banking and similar services provided (except for those that are integral part of the effective interest rate), revenues from property development and revenues from services provided in connection with lease contracts fall within the scope of IFRS 15 "Revenue from Contracts with Customers".

This standard defines a single model for recognising revenue based on five-step principles. These five steps enable to identify the distinct performance obligations included in the contracts and allocate the transaction price among them. The income related to those performance obligations is recognised as revenue when the latter are satisfied, namely when the control of the promised goods or services has been transferred.

The price of a service may contain a variable component. Variable amounts may be recognised in the income statement only if it is highly probable that the amounts recorded will not result in a significant downward adjustment.



Commissions

The Group records commission income and expenses in profit or loss:

- over time as the service is rendered when the client receives continuous service. These include, for example, certain commissions on transactions with customers when services are rendered on a continuous basis, commissions on financing commitments that are not included in the interest margin, because the probability that they give rise to the drawing up of a loan is low, commissions on financial guarantees, clearing commissions on financial instruments, commissions related to trust and similar activities, securities custody fees, etc.

Commissions received under financial guarantee commitments are deemed to represent the initial fair value of the commitment. The resulting liability is subsequently amortised over the term of the commitment, in commission income; or

- at a point in time when the service is rendered, in other cases. These include, for example, distribution fees received (e.g. for the distribution of insurance products), advisory fees, etc.

Income and expenses from other activities

Income and expenses from services provided in connection with lease contracts are recorded under "Income from other activities" in the profit or loss account.

Regarding income from services provided in connection with lease contracts, the Group records them in profit or loss as the service is rendered, i.e. in proportion to the costs incurred for maintenance contracts.

The corresponding expenses are recognised when the service is rendered.

1.e. Financial assets and financial liabilities

Financial assets are classified at amortised cost, at fair value through shareholders' equity or at fair value through profit or loss depending on the business model and the contractual features of the instruments at initial recognition.

Financial liabilities are classified at amortised cost or at fair value through profit or loss at initial recognition.

Financial assets and liabilities are recognised in the balance sheet when the Group becomes a party to the contractual provisions of the instrument. Purchases and sales of financial assets made within a period established by the regulations or by a convention in the relevant marketplace are recognised in the balance sheet at the settlement date.

1.e.1 Financial assets at amortised cost

Financial assets are classified at amortised cost if the following two criteria are met: the business model objective is to hold the instrument in order to collect the contractual cash flows and the cash flows consist solely of payments relating to principal and interest on the principal.



Business model criterion

Financial assets are managed within a business model whose objective is to hold financial assets in order to collect cash flows through the collection of contractual payments over the life of the instrument.

The realisation of disposals close to the maturity of the instrument and for an amount close to the remaining contractual cash flows, or due to an increase in the counterparty's credit risk is consistent with a business model whose objective is to collect the contractual cash flows ("collect"). Sales imposed by regulatory requirements or to manage the concentration of credit risk (without an increase in the asset's credit risk) are also consistent with this business model when they are infrequent or insignificant in value.

Cash flow criterion

The cash flow criterion is satisfied if the contractual terms of the debt instrument give rise, on specified dates, to cash flows that are solely repayments of principal and interest on the principal amount outstanding.

The criterion is not met in the event of a contractual characteristic that exposes the holder to risks or to the volatility of contractual cash flows that are inconsistent with those of a non-structured or "basic lending" arrangement. It is also not satisfied in the event of leverage that increases the variability of the contractual cash flows.

Interest consists of consideration for the time value of money, for the credit risk, and for the remuneration of other risks (e.g. liquidity risk), costs (e.g. administration fees), and a profit margin consistent with that of a basic lending arrangement. The existence of negative interest does not call into question the cash flow criterion.

The time value of money is the component of interest - usually referred to as the "rate" component - which provides consideration for only the passage of time. The relationship between the interest rate and the passage of time must not be modified by specific characteristics that could call into question the respect of the cash flow criterion.

Thus, when the variable interest rate of the financial asset is periodically reset at a frequency that does not match the duration for which the interest rate is established, the time value of money may be considered as modified and, depending on the significance of that modification, the cash flow criterion may not be met. Some financial assets held by the Group present a mismatch between the interest rate reset frequency and the maturity of the index, or interest rates indexed on an average of benchmark rate. The Group has developed a consistent methodology for analysing this alteration of the time value of money.

Some contractual clauses may change the timing or the amount of cash flows. Early redemption options do not call into question the cash flow criterion if the prepayment amount substantially represents the principal amount outstanding and the interest thereon, which may include reasonable compensation for the early termination of the contract. For example, as regards loans to retail customers, the compensation limited to 6 months of interest or 3% of the capital outstanding is considered as reasonable. Actuarial penalties, corresponding to the present value of the difference between the residual contractual cash flows of the loan, and their reinvestment in a loan to a similar counterparty or in the interbank market for a similar residual maturity are also considered as reasonable, even when the compensation can be positive or negative (i.e. "symmetric" compensation). An option that permits the issuer or the holder of a financial instrument to change the interest rate from floating to fixed rate does not breach the cash flow criterion if the fixed rate is determined at origination, or if it represents the time value of money for the residual maturity of the instrument at the date of exercise of the option.

In the particular case of financial assets contractually linked to payments received on a portfolio of underlying assets and which include a priority order for payment of cash flows between investors ("tranches"), thereby creating concentrations of credit risk, a specific analysis is carried out. The contractual characteristics of the tranche and those of the underlying financial instrument portfolios must meet the cash flow criterion and the credit risk exposure of the tranche must be equal to or lower than the exposure to credit risk of the underlying pool of financial instruments.

Certain loans may be "non-recourse", either contractually, or in substance when they are granted to a special purpose entity. That is particularly the case of numerous project financing or asset financing loans. The cash flow criterion is met if these loans do not represent a direct exposure on the assets acting as collateral. In practice, the sole fact that the financial asset explicitly gives rise to cash flows that are consistent with payments of principal and interest is not sufficient to conclude that the instrument meets the cash flow criterion. In that case, the underlying assets to which there is limited recourse shall be analysed using the "look-through" approach. If those assets do not themselves meet the cash flow criterion, an assessment of the existing credit enhancement is performed. The following aspects are considered: structuring and sizing of the transaction, own funds level of the structure, expected source of repayment, price volatility of the underlying assets.

The "financial assets at amortised cost" category includes, in particular, loans granted by the Group, as well as reverse repurchase agreements and securities held by the Group ALM Treasury to collect contractual flows and meeting the cash flow criterion.

Recognition

On initial recognition, financial assets are recognised at fair value, including transaction costs directly attributable to the transaction as well as commissions related to the origination of the loans.

They are subsequently measured at amortised cost, including accrued interest and net of repayments of principal and interest during the past period. These financial assets are also subject from their initial recognition, to the measurement of a loss allowance for expected credit losses (note 1.f.5).

Interest is calculated using the effective interest method determined at inception of the contract.

1.e.2 FINANCIAL ASSETS AT FAIR VALUE THROUGH EQUITY

Debt instruments

Debt instruments are classified at fair value through shareholders' equity if the following two criteria are met:

- business model criterion: financial assets are held in a business model whose objective is achieved by both holding the financial assets to collect contractual cash flows and selling the financial assets ("collect and sale"). The latter is not incidental but is an integral part of the business model;
- cash flow criterion: the principles are identical to those applicable to financial assets at amortised cost.

The securities held by the Group ALM Treasury to collect contractual flows or to be sold and meeting the cash flow criterion are classified in this category

On initial recognition, financial assets are recognised at fair value, including transaction costs directly attributable to the transaction. They are subsequently measured at fair value and changes in fair value are recognised under a specific line of shareholders' equity entitled "Changes in assets and liabilities recognised directly in equity that may be reclassified to profit or loss". These financial assets are also subject to the measurement of a loss allowance for expected credit losses on the same approach as for debt instruments at amortised cost. The counterparty of the related impact in cost of risk is recognised in the same specific line of shareholders' equity. On disposal, changes in fair value previously recognised in shareholders' equity are reclassified to profit or loss.

In addition, interest is recognised in the income statement using the effective interest method determined at the inception of the contract.

Equity instruments

Investments in equity instruments such as shares are classified on option, and on a case by case basis, at fair value through shareholders' equity (under a specific line). On disposal of the shares, changes in fair value previously recognised in equity are not recognised in profit or loss. Only dividends, if they represent remuneration for the investment and not repayment of capital, are recognised in profit or loss. These instruments are not subject to impairment.



Investments in mutual funds puttable to the issuer do not meet the definition of equity instruments. They do not meet the cash flow criterion either and thus are recognised at fair value through profit or loss.

1.e.3 FINANCING AND GUARANTEE COMMITMENTS

Financing and financial guarantee commitments that are not recognised at fair value through profit or loss are presented respectively in notes 6.a and 6.b. They are subject to the measurement of a loss allowance for expected credit losses. These loss allowances are presented under "provisions for liabilities and charges".

1.e.4 IMPAIRMENT OF FINANCIAL ASSETS MEASURED AT AMORTISED COST AND DEBT INSTRUMENTS MEASURED AT FAIR VALUE THROUGH SHAREHOLDERS' EQUITY

The impairment model for credit risk is based on expected losses.

This model applies to loans and debt instruments measured at amortised cost or fair value through equity, to loan commitments and financial guarantee contracts that are not recognised at fair value, as well as to lease receivables, trade receivables and contract assets.

BNP Paribas Personal Finance applies two impairment models: the general model and the simplified model described below.

To be noted that the general model includes two methods for measuring expected credit losses:

- Statistical method based on EAD (Exposure at default), PD (Probability of default) and LGD (Loss Given Default) of expected credit losses
- Historical statistical method for measuring expected credit losses

Since the introduction of IFRS9, BNP Paribas Personal Finance has been using a specific statistical method for measuring expected credit losses for all its entities (historical statistical method for measuring expected credit losses) compared with the BNP Paribas Group's method, which is based on Basel concepts (statistical method based on EAD PD, LGD).

During the 2024 financial year, for the purposes of harmonisation with the BNP Paribas Group, the measurement of expected credit losses on the retail portfolios of some of BNP Paribas Personal Finance geographies (Italy, France, Spain and the Netherlands) was determined by applying a new method based on Basel concepts (EAD, PD, LGD).

The other geographies do not have these parameters yet and kept on using the historical statistical method for the 2024 financial year.

• General model

The Group identifies three "stages" that correspond each to a specific status with regards to the evolution of counterparty credit risk since the initial recognition of the asset.

12-month expected credit losses ("stage 1"): If at the reporting date, the credit risk of the financial instrument has not increased significantly since its initial recognition, this instrument is impaired at an amount equal to 12-month expected credit losses (resulting from the risk of default within the next 12 months);

- Lifetime expected credit losses for non-impaired assets ("stage 2"): the loss allowance is measured at an amount equal to the lifetime expected credit losses if the credit risk of the financial instrument has increased significantly since initial recognition, but the financial asset is not considered credit-impaired or doubtful.

- Lifetime expected credit losses for credit-impaired or doubtful financial assets ("stage 3"): the loss allowance is also measured for an amount equal to the lifetime expected credit losses.



This general model is applied to all instruments within the scope of IFRS 9 impairment.

The IFRS 9 expected credit loss approach is symmetrical, i.e. if lifetime expected credit losses have been recognised in a previous reporting period, and if it is assessed in the current reporting period that there is no longer any significant increase in credit risk since initial recognition, the loss allowance reverts to a 12-months expected credit loss.

As regards interest income, under "stages" 1 and 2, it is calculated on the gross carrying amount. Under "stage 3", interest income is calculated on the amortised cost (i.e. the gross carrying amount adjusted for the loss allowance).

Definition of default

The definition of default is aligned with the Basel regulatory default definition, with a rebuttable presumption that the default occurs no later than 90 days past due. This definition considers the EBA guidelines of 28 September 2016, particularly those regarding the thresholds applicable for the counting of past-due and probation periods.

The definition of default is used consistently for assessing the increase in credit risk and measuring expected credit losses.

Doubtful credit-impaired financial assets

Definition

A financial asset is considered doubtful and classified in "stage 3" when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred.

At an individual level, objective evidence that a financial asset is credit-impaired includes observable data regarding the following events: the existence of accounts that are more than 90 days past due; knowledge or indications that the borrower is experiencing significant financial difficulties, such that a risk can be considered to have arisen regardless of whether the borrower has missed any payments; any concession granted to the borrower at the credit term that the lender would not have considered if the borrower had not been in financial difficulty (see section "Restructuring of financial assets for financial difficulties").

Specific case of purchased or originated credit-impaired assets

In some cases, financial assets are credit-impaired at their initial recognition.

For those assets, no loss allowance is recorded on initial recognition. The effective interest rate is calculated considering the lifetime expected credit losses in the initial estimated cash flows. Any change in lifetime expected credit losses since initial recognition, positive or negative, is recognised as a loss allowance adjustment in profit or loss.

Significant increase in credit risk

A significant increase in credit risk may be assessed on an individual basis or on a collective basis (by grouping financial instruments according to common credit risk characteristics), considering all reasonable and supportable information and comparing the risk of default of the financial instrument at the reporting date with the risk of default of the financial instrument at the date of initial recognition.

There is also, according to the standard, a rebuttable presumption that the credit risk of an instrument has significantly increased since initial recognition when the contractual payments are more than 30 days past due.



For entities still applying the Historical Statistical Method for measuring expected credit losses as at 31 December 2024, the assessment of deterioration is also based on the existence of a regularised payment incident that has occurred over the past 12 months.

The principles applied to assess the significant increase in credit risk are detailed in note 2.f Cost of risk.

Measurement of expected credit losses

Expected credit losses are defined as an estimate of credit losses (i.e. the present value of all cash shortfalls) weighted by the probability of occurrence of these losses over the expected life of the financial instruments.

Statistical Method for measuring expected credit losses based on EAD, PD, LGD

In practice, for exposures classified in stage 1 and stage 2, expected credit losses are measured as the product of the probability of default ("PD"), Loss Given Default ("LGD") and Exposure at Default ("EAD"), discounted at the effective interest rate (or an approximation thereof) of the exposure. They result from the risk of default within the next 12 months (stage 1), or from the risk of default over the maturity of the facility (stage 2).

For exposures classified in stage 3, expected credit losses are measured as the value, discounted at the effective interest rate (or an approximation thereof, of all cash shortfalls over the life of the financial instrument. Cash shortfalls represent the difference between the cash flows that are due in accordance with the contract, and the cash flows that are expected to be received. Where appropriate, the estimate of expected cash flows takes into account a cash flow scenario arising from the sale of the defaulted loans or groups of loans. The proceeds from the sale are recognised net of disposal costs.

Maturity

All contractual terms of the financial instrument are taken into account, including prepayment, extension and similar options. In the rare cases where the expected life of the financial instrument cannot be estimated reliably, the residual contractual term is used. The standard specifies that the maximum period to consider when measuring expected credit losses is the maximum contractual period. However, for revolving credit cards and overdrafts, in accordance with the exception provided by IFRS 9 for these products, the maturity considered for measuring expected credit losses is the period over which the entity is exposed to credit risk, which may extend beyond the contractual maturity (notice period). For revolving credits and overdrafts to non-retail counterparties, the contractual maturity can be used, for example if the next review date is the contractual maturity as they are individually managed.

Probabilities of Default (PD)

Probability of Default is an estimate of the likelihood of default over a given time horizon.

The measurement of expected credit losses requires the estimation of both 1-year probabilities of default and lifetime probabilities of default.

1-year PDs are derived from long term average regulatory "through the cycle" PDs to reflect the current situation and macroeconomic scenarios

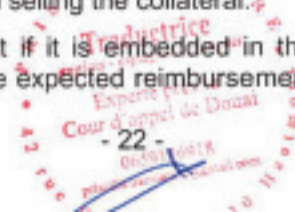
Lifetime PDs are determined based on the rating migration matrices reflecting the expected changes in the rating of the exposure until maturity, and the associated probabilities of default.

Loss Given Default (LGD)

Loss Given Default is the difference between contractual cash flows and expected cash-flows, discounted using the effective interest rate (or an approximation thereof) at the default date. LGD is expressed as a percentage of the Exposure at Default (EAD).

The estimate of expected cash flows takes into account cash flows resulting from the sale of collateral held or other credit enhancements if they are part of the contractual terms and are not accounted for separately by the entity (for example, a mortgage associated with a residential loan), net of the costs of obtaining and selling the collateral.

For guaranteed loans, the guarantee is considered as integral to the loan agreement if it is embedded in the contractual clauses of the loan, or if it was granted concomitantly to the loan, and if the expected reimbursement



amount can be attached to a loan in particular (i.e. absence of pooling effect by means of a tranching mechanism, or the existence of a global cap for a whole portfolio). In such case, the guarantee is taken into account when measuring the expected credit losses. Otherwise, it is accounted for as a separate reimbursement asset.

Exposure at Default (EAD)

Exposure at Default (EAD) of an instrument is the anticipated outstanding amount owed by the obligor at the time of default. It is determined by the expected payment profile taking into account, depending on the product type: the contractual repayment schedule, expected early repayments and expected future drawings for revolving facilities.

Forward-looking information

The amount of expected credit losses is measured on the basis of probability-weighted scenarios, in view of past events, current conditions and reasonable and supportable economic forecasts.

The principles applied to take into account forward looking information when measuring expected credit losses are detailed in note 2.f Cost of risk.

Historical Statistical Method for measuring expected credit losses

This method is based on discounted loss rates after term forfeiture and on the probability of transition to term forfeiture. The measurement of these parameters is performed on a statistical basis for homogeneous populations.

In practice, for exposures classified in stage 2 and stage 3, expected credit losses are calculated as the product of the probability of transition to term forfeiture, the loss in the event of term forfeiture and the amount of the exposure (outstanding + use of off-balance sheet items) discounted at the effective interest rate (or an approximation thereof).

For exposures classified in stage 1, expected credit losses are measured as the product of the probability of transition to default (stage 3) at 12 months, the loss associated with the stage 3 to which they migrate and the amount of the exposure (outstanding + use of off-balance sheet items) discounted at the contractual customer interest rate.

Probabilities of transition to term forfeiture

The probabilities of transition to term forfeiture are determined using migration matrices composed on the basis of a portfolio history showing the 1-year trend in the status of contracts and their outstandings.

For stage 1, the probability of transition to stage 3 is defined directly from the matrices.

For stage 2 and stage 3 excluding term forfeiture, the 1-year migration matrices are iterated, assuming that the behaviour of a status remains the same over time, in order to define the probabilities of term forfeiture at maturity.

Loss rate in the event of term forfeiture

They are calculated on the basis of actual cash-flows per "buckets" recorded per generation of entry into term forfeiture, by extrapolating future cash receipts per "time step" in order to compose a curve of cash receipts over the entire term; these cash receipts are discounted with an average contractual interest rate; the loss rate is equal to (1 - discounted cash receipts rate).



Two loss rates are then calculated:

- A loss rate on new transition to term forfeiture. This rate applies to cases that will transition to term forfeiture. It is determined by taking into account all cash receipts expected on term forfeiture;
- A loss rate on outstanding contracts already in term forfeiture. It is determined by taking into account the amounts still to be received by generation of term forfeiture.

For guaranteed loans, the guarantee is considered as integral to the loan agreement if it is embedded in the contractual clauses of the loan, or if it was granted concomitantly to the loan, and if the expected reimbursement amount can be attached to a loan in particular. In such case, the guarantee is taken into account when measuring the expected credit losses.

Exposure

Exposure is defined as the sum of outstandings and the use of off-balance sheet items at the reporting date. In order to define the off-balance sheet portion to be hedged, annual use matrices based on historical data are composed with a direct reading of the 1-year use of contracts in stage 1 and their iteration to define the use at maturity for stages 2 and 3 excluding term forfeiture.

Forward-looking information

The amount of expected credit losses is measured on the basis of probability-weighted scenarios, in view of past events, current conditions and reasonable and supportable economic forecasts.

The principles applied to take into account forward looking information when measuring expected credit losses are detailed in note 2.f Cost of risk.

• Simplified model

The simplified approach consists in accounting for a loss allowance corresponding to lifetime expected credit losses since initial recognition, and at each reporting date.

The Group applies this model to trade receivables with a maturity shorter than 12 months.

• Write-offs

A write-off consists in reducing the gross carrying amount of a financial asset when there are no longer reasonable expectations of recovering that financial asset in its entirety or a portion thereof, or when it has been fully or partially forgiven. The write-off is recorded when all other means available to the Bank for recovering the receivables or guarantees have failed, and also generally depends on the specific context to each jurisdiction.

If the amount of loss on write-off is greater than the accumulated loss allowance, the difference is an additional impairment loss posted in "Cost of risk". For any recovery once the financial asset (or part thereof) is no longer recognised on the balance sheet, the amount received is recorded as a gain in "Cost of risk".

• Recoveries through the repossession of the collateral

When a loan is secured by a financial or a non-financial asset serving as a guarantee and the counterparty is in default, the Group may decide to exercise the guarantee and, depending on the jurisdiction, it may then become owner of the asset. In such a situation, the loan is written-off in counterparty of the asset received as collateral.

Once ownership of the asset is effective, it is recognised at fair value and classified according to the intent of use.



Restructuring of financial assets for financial difficulties

A restructuring due to the borrower's financial difficulties is defined as a change in the terms and conditions of the initial transaction that the Group is considering only for economic or legal reasons related to the borrower's financial difficulties.

For restructurings not resulting in derecognition of the financial asset, the restructured asset is subject to an adjustment of its gross carrying amount, to reduce it to the discounted amount, at the original effective interest rate of the asset, of the new expected future flows. The change in the gross carrying amount of the asset is recorded in the income statement in "Cost of risk".

The existence of a significant increase in credit risk for the financial instrument is then assessed by comparing the risk of default after the restructuring (under the revised contractual terms) and the risk of default at the initial recognition date (under the original contractual terms). In order to demonstrate that the criteria for recognising lifetime expected credit losses are no longer met, good quality payment behaviour will have to be observed over a certain period of time.

When the restructuring consists of a partial or total exchange against other substantially different assets (for example, the exchange of a debt instrument against an equity instrument), it results in the extinction of the original asset and the recognition of the assets remitted in exchange, measured at their fair value at the date of exchange. The difference in value is recorded in the income statement in "Cost of risk".

Modifications of financial assets that are not due to the borrower's financial difficulties, or granted in the context of a moratorium (i.e. commercial renegotiations) are generally analysed as the early repayment of the former loan, which is then derecognised, followed by the set-up of a new loan at market conditions. If there is no significant repayment penalty, they consist in resetting the interest rate of the loan at market conditions, with the client being in a position to change lender and not encountering any financial difficulties.

Probation periods

The Group applies observation periods to assess whether assets may return to a higher stage. Accordingly, a 3-month probation period is observed for the transition from stage 3 to stage 2 which is extended to 12 months in the event of restructuring due to financial difficulties.

For the transition from stage 2 to stage 1, a probation period of two years is observed for loans that have been restructured due to financial difficulties.

1.e.5 COST OF RISK

Cost of risk includes the following items of income:

- impairment gains and losses resulting from the accounting of loss allowances for 12-month expected credit losses and lifetime expected credit losses ("stage 1" and "stage 2") relating to debt instruments measured at amortised cost or at fair value through shareholders' equity, loan commitments and financial guarantee contracts that are not recognised at fair value as well as lease receivables, contract assets and trade receivables;
- impairment gains and losses resulting from the accounting of loss allowances relating to financial assets (including those at fair value through profit or loss) for which there is objective evidence of impairment ("stage 3"), write-offs on irrecoverable loans and amounts recovered on loans written-off.

In specific circumstances, BNP Paribas Personal Finance may recognise additional adjustments in cost of risk, where necessary.

It also includes expenses relating to fraud and to disputes inherent to the financing activity.



1.e.6 Financial instruments at fair value through profit or loss

Trading portfolio and other financial assets measured at fair value through profit or loss

The trading portfolio includes instruments held for trading (trading transactions), including derivatives.

Other financial assets measured at fair value through profit or loss include debt instruments that do not meet the "collect" or "collect and sale" business model criterion or that do not meet the cash-flow criterion, as well as equity instruments for which the fair value through shareholders' equity option has not been retained. Finally financial assets may be designated as at fair value through profit or loss if this enables the entity to eliminate or significantly reduce a mismatch in the measurement and accounting treatment of assets and liabilities that would otherwise arise if they were to be classified in separate categories.

All those financial instruments are measured at fair value at initial recognition, with transaction costs directly posted in profit or loss. At the reporting date, they are measured at fair value, with changes presented in "Net gain/loss on financial instruments at fair value through profit or loss". Income, dividends, and realised gains and losses on disposal related to held- for- trading transactions are accounted for in the same profit or loss account.

Financial liabilities designated as at fair value through profit or loss

Financial liabilities are recognised under option in this category in the two following situations:

- for hybrid financial instruments containing one or more embedded derivatives which otherwise would have been separated and accounted for separately. An embedded derivative is such that its economic characteristics and risks are not closely related to those of the host contract;
- when using the option enables the entity to eliminate or significantly reduce a mismatch in the measurement and accounting treatment of assets and liabilities that would otherwise arise if they were to be classified in separate categories.

Changes in fair value due to the own credit risk are recognised under a specific heading of shareholders' equity.

1.e.7 Financial liabilities and equity instruments

A financial instrument issued or its various components are classified as a financial liability or equity instrument, in accordance with the economic substance of the legal contract.

Financial instruments issued by the Group are qualified as debt instruments if the entity in the Group issuing the instruments has a contractual obligation to deliver cash or another financial asset to the holder of the instrument. The same applies if the Group is required to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Group, or to deliver a variable number of the Group's own equity instruments.

Equity instruments result from contracts evidencing a residual interest in an entity's assets after deducting all of its liabilities.



Debt securities and subordinated debt

Debt securities and subordinated debt are measured at amortised cost unless they are recognised at fair value through profit or loss.

Debt securities are initially recognised at the issue value including transaction costs and are subsequently measured at amortised cost using the effective interest method.

Issued bonds redeemable or convertible into own equity may contain a debt component and an equity component, determined upon initial recognition of the transaction. In this case, they will be qualified as compound financial instruments.

In this respect, the Group has elected to record contingent convertible bonds issued, without maturity, when convertible into a variable number of own shares on the occurrence of a predetermined trigger event (e.g. a decrease in the solvency ratio below a threshold), as compound instruments, to the extent that the coupons on these bonds are paid discretionarily.

Equity instruments

The term "own equity instruments" refers to shares issued by the parent company BNP Paribas Personal Finance SA and by its fully consolidated subsidiaries. External costs that are directly attributable to an issue of new shares are deducted from equity net of all related taxes.

Own equity instruments held by the Group, also known as treasury shares, are deducted from consolidated shareholders' equity irrespective of the purpose for which they are held. Gains and losses arising on such instruments are eliminated from the consolidated profit and loss account.

When the Group acquires equity instruments issued by subsidiaries under the exclusive control of BNP Paribas Personal Finance, the difference between the acquisition price and the share of net assets acquired is recorded in retained earnings attributable to shareholders' equity. Similarly, the liability corresponding to put options granted to minority shareholders in such subsidiaries, and changes in the value of that liability, are offset against minority interests, with any surplus offset against retained earnings attributable to shareholders' equity. Until these options have been exercised, the portion of net income attributable to minority interests is allocated to minority interests in the profit and loss account. A decrease in the Group's interest in a fully consolidated subsidiary is recognised in the Group's accounts as a change in shareholders' equity.

Financial instruments issued by the Group and classified as equity instruments (notably the undated super subordinated notes) are presented in the balance sheet in "Capital and retained earnings".

Distributions from a financial instrument classified as an equity instrument are recognised directly as a deduction from equity. Similarly, the transaction costs of an instrument classified as equity are recognised as a deduction from shareholders' equity.

Own equity instrument derivatives are treated as follows, depending on the method of settlement:

- as equity instruments if they are settled by physical delivery of a fixed number of own equity instruments for a fixed amount of cash or other financial asset. Such instruments are not revalued;
- as derivatives if they are settled in cash or by choice by physical delivery of the shares or in cash. Changes in value of such instruments are taken to the profit and loss account.

If the contract includes an obligation, whether contingent or not, for the bank to repurchase its own shares, the Bank recognises the debt at its present value with an offsetting entry in shareholders' equity.



1.e.8 HEDGE ACCOUNTING

The Group retained the option provided by the standard to maintain the hedge accounting requirements of IAS 39 until the future standard on macro-hedging is entered into force. Furthermore, IFRS 9 does not explicitly address the fair value hedge of the interest rate risk on a portfolio of financial assets or liabilities. The provisions in IAS 39 for these portfolio hedges, as adopted by the European Union, continue to apply.

Derivatives contracted as part of a hedging relationship are designated according to the purpose of the hedge.

Fair value hedges are particularly used to hedge interest rate risk on fixed-rate assets and liabilities, both for identified financial instruments (securities, debt issues, loans, borrowings) and for portfolios of financial instruments (in particular, demand deposits and fixed-rate loans).

Cash flow hedges are particularly used to hedge interest rate risk on floating-rate assets and liabilities, including rollovers, and foreign exchange risks on highly probable forecast foreign currency revenues.

At the inception of the hedge, the Group prepares formal documentation which details the hedging relationship, identifying the instrument, or portion of the instrument, or portion of risk that is being hedged, the hedging strategy and the type of risk hedged, the hedging instrument, and the methods used to assess the effectiveness of the hedging relationship.

On inception and at least quarterly, the Group assesses, in consistency with the original documentation, the actual (retrospective) and expected (prospective) effectiveness of the hedging relationship. Retrospective effectiveness tests are designed to assess whether the ratio of actual changes in the fair value or cash flows of the hedging instrument to those in the hedged item is within a range of 80% to 125%. Prospective effectiveness tests are designed to ensure that expected changes in the fair value or cash flows of the derivative over the residual life of the hedge adequately offset those of the hedged item. For highly probable forecast transactions, effectiveness is assessed largely on the basis of historical data for similar transactions.

Under IAS 39 as adopted by the European Union, which excludes certain provisions on portfolio hedging, interest rate risk hedging relationships based on portfolios of assets or liabilities qualify for fair value hedge accounting as follows: In this context:

- the risk designated as being hedged is the interest rate risk associated with the interbank rate component of interest rates on commercial banking transactions (loans to customers, savings accounts and demand deposits);
- the instruments designated as being hedged correspond, for each maturity band, to a portion of the interest rate gap associated with the hedged underlying;
- the hedging instruments used consist exclusively of "plain vanilla" swaps;
- prospective hedge effectiveness is established by the fact that all derivatives must, on inception, have the effect of reducing interest rate risk in the portfolio of hedged underlying. Retrospectively, a hedge will be disqualified from hedge accounting once a shortfall arises in the underlying specifically associated with that hedge for each maturity band (due to prepayment of loans or withdrawals of deposits).

The accounting treatment of derivatives and hedged items depends on the hedging strategy.

In a fair value hedging relationship, the derivative instrument is remeasured at fair value in the balance sheet, with changes in fair value recognised in profit or loss in "Net gain/loss on financial instruments at fair value through profit or loss", symmetrically with the remeasurement of the hedged item to reflect the hedged risk. In the balance sheet, the fair value remeasurement of the hedged component is recognised in accordance with the classification of the hedged item in the case of a hedge of identified assets and liabilities, or under "Remeasurement adjustment on interest rate risk hedged portfolios" in the case of a portfolio hedging relationship.

If a hedging relationship ceases or no longer fulfils the effectiveness criteria, the hedging instrument is transferred to the trading book and accounted for using the treatment applied to this category. In the case of identified fixed-income instruments, the remeasurement adjustment recognised in the balance sheet is amortised at the effective interest rate over the remaining life of the instrument. In the case of interest rate risk hedged fixed-income portfolios, the adjustment is amortised on a straight-line basis over the remainder of the original term of the hedge. If the hedged item no longer appears in the balance sheet, in particular due to prepayments, the adjustment is taken to the profit and loss account immediately.



In a cash flow hedging relationship, the derivative is measured at fair value in the balance sheet, with changes in fair value taken to shareholders' equity on a separate line, "Changes in fair value recognised directly in equity". The amounts taken to shareholders' equity over the life of the hedge are transferred to the profit and loss account under "Net interest income" as and when the cash flows from the hedged item impact profit or loss. The hedged items continue to be accounted for using the treatment specific to the category to which they belong.

If the hedging relationship ceases or no longer fulfils the effectiveness criteria, the cumulative amounts recognised in shareholders' equity as a result of the remeasurement of the hedging instrument remain in equity until the hedged transaction itself impacts profit or loss, or until it becomes clear that the transaction will not occur, at which point they are transferred to the profit and loss account.

If the hedged item ceases to exist, the cumulative amounts recognised in shareholders' equity are immediately taken to the profit and loss account.

Whatever the hedging strategy used, any ineffective portion of the hedge is recognised in the profit and loss account under "Net gain/ loss on financial instruments at fair value through profit or loss".

Hedges of net foreign currency investments in subsidiaries and branches are accounted for in the same way as cash flow hedges. Hedging instruments may be foreign exchange derivatives or any other non-derivative financial instrument.

1.e.9 DETERMINATION OF FAIR VALUE

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in the principal market or most advantageous market, at the measurement date.

The Group determines the fair value of financial instruments either by using prices obtained directly from external data or by using valuation techniques. These valuation techniques are primarily market and income approaches encompassing generally accepted models (e.g. discounted cash flows, Black-Scholes model, and interpolation techniques). They maximise the use of observable inputs and minimise the use of unobservable inputs. They are calibrated to reflect current market conditions and valuation adjustments are applied as appropriate, when some factors such as model, liquidity and credit risks are not captured by the models or their underlying inputs but are nevertheless considered by market participants when setting the exit price.

The unit of measurement is generally the individual financial asset or financial liability but a portfolio-based measurement can be elected, subject to certain conditions. Accordingly, the Group retains this portfolio-based measurement exception to determine the fair value when some group of financial assets and financial liabilities and other contracts within the scope of the standard relating to financial instruments with substantially similar and offsetting market risks or credit risks is managed on the basis of a net exposure, in accordance with the documented risk management strategy.

Assets and liabilities measured or disclosed at fair value are categorised into the three following levels of the fair value hierarchy:

- Level 1: fair values are determined using directly quoted prices in active markets for identical assets and liabilities. Characteristics of an active market include the existence of a sufficient frequency and volume of activity and of readily available prices.
- Level 2: fair values are determined based on valuation techniques for which significant inputs are observable market data, either directly or indirectly. These techniques are regularly calibrated and the inputs are corroborated with information from active markets.
- Level 3: fair values are determined using valuation techniques for which significant inputs are unobservable or cannot be corroborated by market-based observations, due for instance to illiquidity of the instrument and significant model risk. An unobservable input is a parameter for which there are no market data available. It therefore comes from in-house assumptions about the data that would be used by the other market participants. The assessment of the absence of liquidity or the identification of a model risk assumes the exercise of judgement. The level in the fair value hierarchy within which the asset or liability is categorised in its entirety is based upon the lowest level input that is significant to the entire fair value measurement.

For financial instruments disclosed in Level 3 of the fair value hierarchy, and marginally some instruments disclosed



in Level 2, a difference between the transaction price and the fair value may arise at initial recognition. This "Day One Profit" is deferred and released to the profit and loss account over the period during which the valuation parameters are expected to remain non-observable. When parameters that were originally non-observable become observable, or when the valuation can be substantiated in comparison with recent similar transactions in an active market, the unrecognised portion of the day one profit is released to the profit and loss account.

1.e.10 DERECOGNITION OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Derecognition of financial assets

The Group derecognises all or part of a financial asset when the contractual rights to the cash flows of the asset expire, or when the Group transfers the asset – either on the basis of a transfer of the contractual rights to its cash flows, or by retaining the contractual rights to receive the cash flows of the asset while assuming an obligation to pay the cash flows of the asset under an eligible pass-through arrangement – as well as substantially all the risks and rewards of the asset.

Where the Group has transferred the cash flows of a financial asset but has neither transferred nor retained substantially all the risks and rewards of ownership of the financial asset and has not in practice retained control of the financial asset, the Group derecognises the financial asset and then records separately, if necessary, an asset or liability representing the rights and obligations created or held as part of the transfer of the asset. If the Group has retained control of the financial asset, it maintains it on its balance sheet to the extent of its continuing involvement in that asset.

Upon the derecognition of a financial asset in its entirety, a gain or loss on disposal is recognised in the profit and loss account for an amount equal to the difference between the carrying amount of the asset and the value of the consideration received, adjusted where appropriate for any unrealised gain or loss previously recognised directly in equity.

If all these conditions are not met, the Group retains the asset in its balance sheet and recognises a liability for the obligations arising on the transfer of the asset.

Derecognition of financial liabilities

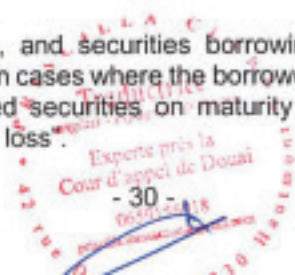
The Group derecognises all or part of a financial liability when the liability is extinguished, i.e. when the obligation specified in the contract is extinguished, cancelled or expired. A financial liability may also be derecognised in the event of a substantial change in its contractual terms or if exchanged with the lender for an instrument with substantially different contractual terms.

Repurchase agreements and securities lending/borrowing

Securities temporarily sold under repurchase agreements continue to be recognised in the Group's balance sheet in the category of securities to which they belong. The corresponding liability is recognised at amortised cost under the appropriate "Financial liabilities at amortised cost" category on the balance sheet, except in the case of repurchase agreements contracted for trading purposes, for which the corresponding liability is recognised in "Financial liabilities at fair value through profit or loss".

Securities temporarily acquired under reverse repurchase agreements are not recognised in the Group's balance sheet. The corresponding receivable is recognised at amortised cost under the appropriate "Financial assets at amortised cost" category in the balance sheet, except in the case of reverse repurchase agreements contracted for trading purposes, for which the corresponding receivable is recognised in "Financial assets at fair value through profit or loss".

Securities lending transactions do not result in derecognition of the lent securities, and securities borrowing transactions do not result in recognition of the borrowed securities on the balance sheet. In cases where the borrowed securities are subsequently sold by the Group, the obligation to deliver the borrowed securities on maturity is recognised on the balance sheet under "Financial liabilities at fair value through profit or loss".



1.e.11 OFFSETTING FINANCIAL ASSETS AND LIABILITIES

A financial asset and a financial liability are offset and the net amount is presented in the balance sheet if, and only if, the Group has a legally enforceable right to set off the recognised amounts, and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Repurchase agreements and derivatives that meet the two criteria set out in the accounting standard are offset in the balance sheet.

1.f. Property, plant, equipment and intangible assets

Property, plant and equipment and intangible assets shown in the Group's consolidated balance sheet are composed of assets used in operations and investment property. Rights-of-use related to leased assets (see note 1.g.2) are presented by the lessee within fixed assets in the same category as similar assets held.

Assets used in operations are those used in the provision of services or for administrative purposes, and include non-property assets leased by the Group as lessor under operating leases.

Investment property comprises property assets held to generate rental income and capital gains.

Investment property is recognised at cost.

Property, plant, equipment and intangible assets are initially recognised at purchase price plus directly attributable costs, together with borrowing costs where a long period of construction or adaptation is required before the asset can be brought into service.

Software developed internally by the BNP Paribas Personal Finance Group that fulfils the criteria for capitalisation is capitalised at direct development cost, which includes external costs and the labour costs of employees directly attributable to the project.

Subsequent to initial recognition, fixed assets are stated at cost less accumulated depreciation or amortisation and any impairment losses.

The depreciable amount of fixed assets is calculated after deducting its residual value. Only assets leased by the Group as the lessor under operating leases are presumed to have a residual value, as the useful life of property, plant and equipment and intangible assets used in operations is generally the same as their economic life.

Property, plant and equipment and intangible assets are depreciated or amortised using the straight-line method over the useful life of the asset. Depreciation and amortisation expense is recognised in profit or loss under "Depreciation, amortisation and impairment of property, plant and equipment and intangible assets".

Where an asset consists of a number of components which may require replacement at regular intervals, or which have different uses or generate economic benefits at different rates, each component is recognised separately and amortised using a method appropriate to that component. The BNP Paribas Group has adopted the component-based approach for property used in operations and for investment property.

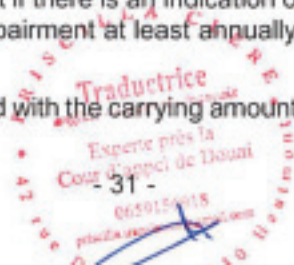
The depreciation periods used for office property are as follows: 80 years or 60 years for the shell (for prime and other property respectively); 30 years for facades; 20 years for general and technical installations; and 10 years for fixtures and fittings.

Software is amortised, depending on its type, over periods of no more than 8 years in the case of infrastructure developments and 3 years or 5 years in the case of software developed primarily for the purpose of providing services to customers.

Software maintenance costs are expensed as incurred. However, expenditure that is regarded as upgrading the software or extending its useful life is included in the initial acquisition or production cost.

Depreciable property, plant and equipment and intangible assets are tested for impairment if there is an indication of potential impairment at the balance sheet date. Non-depreciable assets are tested for impairment at least annually, using the same method as for goodwill allocated to cash-generating units.

If there is an indication of impairment, the new recoverable amount of the asset is compared with the carrying amount.



If the asset is found to be impaired, an impairment loss is recognised in the consolidated profit and loss account. This loss is reversed in the event of a change in the estimated recoverable amount or if there is no longer an indication of impairment. Impairment losses are taken to the consolidated profit and loss account under "Depreciation, amortisation and impairment of property, plant and equipment and intangible assets".

Gains and losses on disposals of property, plant and equipment and intangible assets used in operations are recognised in the profit and loss account in "Net gain on non-current assets".

Gains and losses on disposals of investment property are recognised in the profit and loss account in "Income from other activities" or "Expense on other activities".

1.g. Leases

Group companies may either be the lessee or the lessor in a lease agreement.

1.g.1 GROUP COMPANY AS LESSOR

Leases contracted by the Group as the lessor are classified as either finance leases or operating leases.

• Finance leases

In a finance lease, the lessor transfers substantially all the risks and rewards of ownership of an asset to the lessee. It is treated as a loan made to the lessee to finance the purchase of the asset.

The present value of the lease payments, plus any residual value, is recognised as a receivable. The net income earned from the lease by the lessor is equal to the amount of interest on the loan and is taken to the profit and loss account under "Interest income". The lease payments are spread over the lease term and are allocated to reduction of the principal and to interest such that the net income reflects a constant rate of return on the net investment outstanding in the lease. The rate of interest used is the rate implicit in the lease.

Impairment of these receivables are determined using the same principles as applied to financial assets measured at amortised cost.

• Operating leases

An operating lease is a contract under which most of the risks and rewards of ownership of the leased asset are not transferred to the lessee.

The leased asset is initially recognised by the lessor as a tangible asset for its acquisition price less residual value and subsequently depreciated on a straight-line basis over its useful life. The asset depreciation charge and lease payments are recognised in profit and loss over the lease term respectively in "Income from other activities" and "Expense on other activities" line items.

Vehicles leased by the Group and classified under operating leases are assets with an average lease term of between one and five years.

The cost of acquiring these assets includes their purchase price, as well as any directly attributable costs necessary to make the vehicle available to the lessee customers. Residual value is a statistical model estimate of the resale value of the asset and is reestimated twice a year, taking into account, in particular, historical data on the sale of vehicles in the second-hand market and the specific context of each geographical area. In the event of a change in the amount of the residual value of the asset relative to its estimated value, a forward-looking adjustment to the depreciation plan is made vehicle by vehicle.



1.g.2 GROUP COMPANY AS LESSEE

Lease contracts concluded by the Group, with the exception of contracts whose term is shorter than or equal to 12 months and low-value contracts, are recognised in the balance-sheet in the form of a right-of-use on the leased asset presented under fixed assets, along with the recognition of a financial liability for the rent and other payments to be made over the leasing period. The right of use assets is amortised on a straight-line basis and the financial liabilities are amortised on an actuarial basis over the lease period. Dismantling costs corresponding to specific and significant fittings and fixtures are included in the initial right-of-use estimation, in counterparty of a provision liability.

The key hypotheses used by the Group for the measurement of rights of use and lease liabilities are the following:

- the lease term corresponds to the non-cancellable period of the contract, together with periods covered by an extension option if the Group is reasonably certain to exercise this option. In France, for example, the standard commercial lease contract is the so-called "three, six, nine" contract for which the maximum period of use is nine years, with a first non-cancellable period of three years followed by two optional extension periods of three years each; hence, depending on the assessment, the selected lease term can be of three, six or nine years, depending on the reasonably foreseeable economic duration of the contracts. When investments like fittings or fixtures are performed under the contract, the lease term is aligned with their useful lives. For tacitly renewable contracts, with or without an enforceable period, related right of use and lease liabilities are recognised based on an estimate of the reasonably foreseeable economic life of the contracts, minimal occupation period included;
- the discount rate used to measure the right of use and the lease liability is assessed for each contract as the interest rate implicit in the lease, if that rate can be readily determined, or more generally based on the incremental borrowing rate of the lessee at the date of signature. The incremental borrowing rate is determined considering the average term (duration) of the contract;
- when the contract is modified, a new assessment of the lease liability is made taking into account the new residual term of the contract, and therefore a new assessment of the right of use and the lease liability is established.

1.h. Assets held for sale and discontinued operations

Where the Group decides to sell assets or a group of assets and liabilities and it is highly probable that the sale will occur within 12 months, these assets are shown separately in the balance sheet, on the line "Assets held for sale". Any liabilities associated with these assets are also shown separately in the balance sheet, on the line "Liabilities associated with assets held for sale". When the Group is committed to a sale plan involving loss of control of a subsidiary and the sale is highly probable within 12 months, all the assets and liabilities of that subsidiary are classified as held for sale.

Once classified in this category, assets and the group of assets and liabilities are measured at the lower of carrying amount or fair value less costs to sell.

Such assets are no longer depreciated. If an asset or group of assets and liabilities becomes impaired, an impairment loss is recognised in the profit and loss account. Impairment losses may be reversed.

Where a group of assets and liabilities held for sale represents a cash generating unit, it is categorised as a "discontinued operation". Discontinued operations include operations that are held for sale, operations that have been shut down, and subsidiaries acquired exclusively with a view to resell.

In this case, gains and losses related to discontinued operations are shown separately in the profit and loss account, on the line "Net gain/loss on operations held for sale". This line includes after tax profits or losses of discontinued operations, after tax gain or loss arising from remeasurement at fair value less costs to sell, and after tax gain or loss on disposal of the operation.



1.i. Employee benefits

Employee benefits are classified into four categories:

- short-term benefits, e.g. salaries, annual leave, profit sharing and employer contributions;
- long-term benefits, including compensated absences, long-service awards, and other types of cash-based deferred compensation;
- termination benefits;
- post-employment benefits, including top-up banking industry pensions and retirement bonuses in France and pension plans in other countries, some of which are operated through pension

• Short-term benefits

The company recognises an expense when it has used the services rendered by its members of staff in exchange for benefits granted to them.

• Long-term benefits

These are benefits, other than short-term benefits, post-employment benefits and termination benefits. This relates, in particular, to compensation deferred for more than 12 months payable in cash and not linked to the BNP Paribas share price, which is accrued in the financial statements for the period in which this compensation is earned.

The actuarial techniques used are similar to those used for defined-benefit post-employment benefits, except that the revaluation items are recognised in the profit and loss account and not in equity.

• Termination benefits

Termination benefits are employee benefits payable in exchange for the termination of an employee's contract as a result of either a decision by the Group to terminate a contract of employment before the legal retirement age, or a decision by an employee to accept voluntary redundancy in exchange for these benefits. Termination benefits due more than 12 months after the reporting date are discounted to present value.

• Post-employment benefits

In accordance with IFRS, the BNP Paribas Personal Finance Group draws a distinction between defined-contribution plans and defined-benefit plans.

Defined-contribution plans do not give rise to an obligation for the Group and do not require a provision. The amount of the employer's contributions made during the financial year is recognised as an expense.

Only defined-benefit schemes give rise to an obligation for the Group. This obligation must be measured and recognised as a liability by means of a provision.

The classification of plans into these two categories is based on the economic substance of the plan, which is reviewed to determine whether the Group has a legal or constructive obligation to pay the agreed benefits to employees.

Post-employment benefit obligations under defined benefit plans are measured using actuarial techniques that take into account demographic and financial assumptions.

The net liability recognised with respect to post-employment benefit plans is the difference between the present value of the defined-benefit obligation and the fair value of plan assets (if any).



The present value of the defined-benefit obligation is measured on the basis of the actuarial assumptions applied by the Group, using the projected unit credit method. This method takes into account various parameters, specific to each country or Group entity, such as demographic assumptions, the probability that employees will leave before retirement age, salary inflation, a discount rate, and the general inflation rate.

When the value of the plan assets exceeds the amount of the obligation, an asset is recognised if it represents a future economic benefit for the Group in the form of a reduction in future contributions or a future partial refund of amounts paid into the plan.

The annual expense recognised in the profit and loss account under "Salaries and employee benefits", with respect to defined-benefit plans includes the current service cost (the rights vested by each employee during the period in return for service rendered), the net interests linked to the effect of discounting the net defined-benefit liability (asset), the past service cost arising from plan amendments or curtailments, and the effect of any plan settlements.

Remeasurements of the net defined-benefit liability (asset) are recognised in shareholders' equity and are never reclassified to profit or loss. They include actuarial gains and losses, the return on plan assets and any change in the effect of the asset ceiling (excluding amounts included in net interest on the defined-benefit liability or asset).

1.j. Share-based payments

BNP Paribas grants stock option plans and free share plans to employees of the BNP Paribas Personal Finance Group.

Share-based payment transactions are payments based on shares issued by the Group, whether the transaction is settled in the form of equity or cash of which the amount is based on trends in the value of BNP Paribas shares.

• Stock option and share award plans

The expense related to stock option and share award plans is recognised over the vesting period, if the benefit is conditional upon the grantee's continued presence at the vesting date.

Stock options and share award expenses are recorded under salary and employee benefits expenses, with a corresponding adjustment to shareholders' equity. They are calculated on the basis of the overall plan value, determined at the date of grant by the Board of directors.

In the absence of any market for these instruments, financial valuation models are used that take into account any performance conditions related to the BNP Paribas share price. The total expense of a plan is determined by multiplying the unit value per option or share awarded by the estimated number of options or shares awarded vested at the end of the vesting period, taking into account the conditions regarding the grantee's continued employment.

The only assumptions revised during the vesting period, and hence resulting in a remeasurement of the expense, are those relating to the probability that employees will leave the Group and those relating to performance conditions that are not linked to the price value of BNP Paribas shares.

• Share price-linked cash-settled deferred compensation plans

The expense related to these plans is recognised in the year during which the employee rendered the corresponding services.

If the payment of share-based variable compensation is explicitly subject to an enforceable condition consisting in the employee's continued presence at the vesting date, the services are presumed to have been rendered during the vesting period and the corresponding compensation expense is recognised on a pro rata basis over that period. The expense is recognised under salary and employee benefits expenses with a corresponding liability in the balance sheet. It is revised to take into account any non-fulfilment of the continued presence or performance conditions and the change in BNP Paribas share price.



If there is no continued presence enforceable condition, the expense is not deferred, but recognised immediately with a corresponding liability in the balance sheet. This is then revised on each reporting date until settlement to take into account any performance conditions and the change in the BNP Paribas share price.

1.k. Provisions recorded under liabilities

Provisions recorded under liabilities (other than those relating to financial instruments and employee benefits) mainly relate to restructuring, claims and litigation, fines and penalties.

A provision is recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle an obligation arising from a past event, and a reliable estimate can be made of the amount of the obligation. The amount of such obligations is discounted, where the impact of discounting is material, in order to determine the amount of the provision.

1.l. Current and deferred tax

The current income tax charge is determined on the basis of the tax laws and tax rates in force in each country in which the Group operates during the period in which the income is generated.

Deferred taxes are recognised when temporary differences arise between the carrying amount of an asset or liability in the consolidated balance sheet and its tax base.

Deferred tax liabilities are recognised for all taxable temporary differences other than:

- taxable temporary differences on initial recognition of goodwill;
- taxable temporary differences on investments in enterprises under the exclusive or joint control of the Group, where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences and unused carryforwards of tax losses only to the extent that it is probable that the entity in question will generate future taxable profits against which these temporary differences and tax losses can be offset.

Deferred tax assets and liabilities are measured using the liability method at the tax rate expected to apply to the period in which the asset is realised or the liability is settled, based on tax rates and tax laws that have been or will have been enacted by the balance sheet date of that period. They are not discounted.

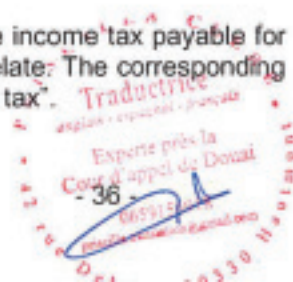
Deferred tax assets and liabilities are offset when they arise within the same tax group, they fall under the jurisdiction of a single tax authority, and there is a legal right to offset.

As regards the assessment of uncertainty over income tax treatments, the Group adopts the following approach:

- the Group assesses whether it is probable that a taxation authority will accept an uncertain tax treatment;
- any uncertainty shall be reflected when determining the taxable profit (loss) by considering either the most likely amount (having the higher probability of occurrence), or the expected value (sum of the probability-weighted amounts).

Current and deferred taxes are recognised as tax income or expenses in the profit and loss account, except for those relating to a transaction or an event directly recognised in shareholders' equity, which are also recognised in shareholders' equity. This concerns in particular the tax effect of coupons paid on financial instruments issued by the Group and qualified as equity instruments, such as undated super subordinated notes.

When tax credits on revenues from receivables and securities are used to settle corporate income tax payable for the period, the tax credits are recognised on the same line as the income to which they relate. The corresponding tax expense continues to be carried in the profit and loss account under "Corporate income tax".



1.m. Cash flow statement

The cash and cash equivalents balance is composed of the net balance of cash accounts and accounts with central banks, and the net balance of interbank demand loans and deposits.

Changes in cash and cash equivalents related to operating activities reflect cash flows generated by the Group's operations, including those relating to financial investments of insurance activities and negotiable certificates of deposit.

Changes in cash and cash equivalents related to investing activities reflect cash flows resulting from acquisitions and disposals of subsidiaries, associates or joint ventures included in the consolidated Group, as well as acquisitions and disposals of property, plant and equipment excluding investment property and property held under operating leases.

Changes in cash and cash equivalents related to financing activities reflect the cash inflows and outflows resulting from transactions with shareholders, cash flows related to bonds, subordinated debt and debt securities (excluding negotiable certificates of deposit).

1.n. Use of estimates in the preparation of the financial statements

Preparation of the financial statements requires managers of core businesses and corporate functions to make assumptions and estimates that are reflected in the measurement of income and expense in the profit and loss account and of assets and liabilities in the balance sheet, and in the disclosure of information in the notes to the financial statements. This requires the managers in question to exercise their judgement and to make use of information available at the date of the preparation of the consolidated financial statements when making their estimates. The actual future results from operations where managers have made use of estimates may in reality differ significantly from those estimates, mainly according to market conditions. This may have a material effect on the financial statements.

This applies in particular to:

- the analysis of the cash flow criterion for specific financial assets;
- the measurement of expected credit losses. This applies in particular to the assessment of significant increase in credit risk, the models and assumptions used to measure expected credit losses, the determination of the different economic scenarios and their weighting;
- the analysis of renegotiated loans, in order to assess whether they should be maintained on the balance sheet or derecognised;
- the assessment of an active market, and the use of internally developed models for the measurement of the fair value of financial instruments not quoted in an active market classified in "Financial assets at fair value through equity", or in "Financial instruments at fair value through profit or loss", whether as assets or liabilities, and more generally calculations of the fair value of financial instruments subject to a fair value disclosure requirement;
- the appropriateness of the designation of certain derivative instruments such as cash flow hedges, and the measurement of hedge effectiveness;
- impairment tests performed on intangible assets;
- the estimation of residual assets values under simple lease agreements. These values are used as a basis for the determination of depreciation as well as any impairment, notably in relation to the effect of environmental considerations on the evaluation of future prices of second-hand vehicles;
- the deferred tax assets;
- the measurement of uncertainty over income tax treatments and other provisions for liabilities and charges. In particular, while investigations and litigations are ongoing, it is difficult to foresee their outcome and potential impact. Provision estimation is established by taking into account all available information at the date of the preparation of the financial statements, in particular the nature of the dispute, the underlying facts, the ongoing legal proceedings and court decisions, including those related to similar cases, and settlement agreements with third parties. The Group may also use the opinion of experts and independent legal advisers to exercise its judgement.



2. NOTES TO THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2024

2.a. Net interest income

The BNP Paribas Personal Finance Group includes in "interest and similar income" and "interest and similar expenses" all income and expense from financial instruments measured at amortised cost (interest, fees and transaction costs) and from financial instruments measured at fair value through equity.

These items also include the interest income and expense of non-trading financial instruments the characteristics of which do not allow for recognition at amortised cost or at fair value through equity, as well as of financial instruments that the Group has designated as at fair value through profit or loss. The change in fair value on financial instruments at fair value through profit or loss (excluding accrued interest) is recognised under "Net gain on financial instruments at fair value through profit or loss".

Interest income and expense on derivatives accounted for as fair value hedges are included with the revenues generated by the hedged item. Similarly, interest income and expense arising from derivatives used to hedge transactions designated as at fair value through profit or loss is allocated to the same accounts as the interest income and expense relating to the underlying transactions.

In millions of euros	2024			2023		
	Income	Expenses	Net	Income	Expenses	Net
Financial instruments at amortised cost	5,624	(3,552)	2,072	5,325	(3,205)	2,119
Deposits, loans and borrowings	4,684	(3,207)	1,477	4,655	(2,783)	1,872
Repurchase agreements	2	(5)	(3)	2	(5)	(3)
Finance leases	929		929	654		654
Debt securities	9		9	14		14
Issued debt securities and subordinated debt		(340)	(340)		(418)	(418)
Financial instruments at fair value through equity	-	-	-	-	-	-
Debt securities						
Financial instruments at fair value through profit or loss (Trading securities excluded)	2	-	2	3	-	3
Cash flow hedge instruments	328	(225)	103	305	(182)	123
Interest rate portfolio hedge instruments	509	(31)	478	620	(29)	591
Lease liabilities	-	(3)	(3)	-	(2)	(2)
Total interest income/(expense)	6,463	(3,811)	2,652	6,253	(3,419)	2,834

Interest on financial instruments at amortised cost includes interest income and expenses on customer and interbank items and debt issued by the Group.

Interest on financial instruments at fair value through profit or loss corresponds to interest income and expenses on non-trading financial instruments whose characteristics prevent their classification at amortised cost or at fair value through equity.



Interest income on individually impaired loans amounted to EUR 83 million for the year ended 31 December 2024, compared to EUR 96 million for the year ended 31 December 2023.

2.b. Commissions

In millions of euros	2024			2023		
	Income	Expenses	Net	Income	Expenses	Net
Transactions with customers and credit institutions	168	(47)	121	234	(69)	165
Securities and derivatives transactions	-	(2)	(2)	-	(2)	(2)
Financing and guarantee commitments	3	(5)	(2)	5	(5)	-
Asset management and other services	494	-	494	474	-	474
Others	89	(69)	20	174	(105)	69
Commission income and expenses	754	(123)	631	887	(181)	706
- of which net commission income related to trust and similar activities through which the Group holds or invests assets on behalf of customers, trusts, pension and personal risk funds or other institutions	-	-	-	-	-	-
- of which commission income and expense on financial instruments not measured at fair value through profit or loss	120	(22)	98	191	(40)	151

2.c. Net gain (loss) on financial instruments at fair value through profit or loss

Net gain on financial instruments measured at fair value through profit or loss includes all profit and loss items relating to financial instruments held for trading, non-trading equity instruments that the Group did not choose to measure at fair value through equity, as well as debt instruments whose cash flows are not solely repayments of principal and interest on the principal or whose business model is not to collect cash flows nor to collect cash flows and sell the assets.

These income items include dividends on these instruments and exclude interest income and expense from financial instruments whose cash flows are not only repayments of principal and interest on the principal or whose business model is not to collect cash flows nor to collect cash flows and sell the assets, which are presented in "Net interest income" (see note 2.a).

In millions of euros	2024	2023
Trading book	3	21
Interest rate and credit instruments	-	6
Foreign exchange financial instruments	2	14
Loans and repurchase agreements	1	1
Other financial instruments at fair value through profit or loss	3	(3)
Debt instruments	-	-
Equity instruments	3	(3)
Impact of hedge accounting	-	1
Fair value hedging derivatives	(335)	(798)
Hedged items in fair value hedge	335	799
Net gain (loss) on financial instruments at fair value through profit or loss	-	19



Net gains or losses on financial instruments held for trading in 2024 and 2023 includes a non-material amount related to the ineffective portion of cash flow hedges.

Potential sources of ineffectiveness can be the differences between hedging instruments and hedged items, notably generated by mismatches in the terms of hedged and hedging instruments, such as the frequency and timing of interest rates resetting, the frequency of payment and the discounting factors, or when hedging derivatives have a non-zero fair value at inception date of the hedging relationship. Credit valuation adjustments applied to hedging derivatives are also sources of ineffectiveness.

Cumulative changes in fair value related to discontinued cash flow hedge relationships, previously recognised in equity and included during 2024 in profit and loss accounts are not material, in all cases, whether the hedged item ceased to exist or not.

2.d. Income and expenses from other activities

In millions of euros	2024			2023		
	Income	Expenses	Net	Income	Expenses	Net
Net income from investment property	2	(1)	1	3	(1)	2
Net income from assets held under operating leases	213	(190)	23	145	(117)	28
Other net income	108	(76)	32	96	(86)	10
Total net income from other activities	323	(267)	56	244	(204)	40

2.e. Other operating expenses

In millions of euros	2024	2023
External services and other operating expenses	(892)	(988)
Taxes ⁽¹⁾	(29)	(65)
Total other operating expenses	(921)	(1,053)

⁽¹⁾ Contributions to the Single Resolution Fund, including exceptional contributions, were zero in 2024 compared with EUR 18 million in 2023.

2.f. Cost of risk

The general models for impairment described in note 1.e.4 used by the Group rely on the following two steps:

- assessing whether there has been a significant increase in credit risk since initial recognition; and
- measuring impairment allowance as either 12-month expected credit losses or lifetime expected credit loss (i.e. loss expected at maturity).

Forward-looking information is taken into account at these two steps for entities using the "statistical method for measuring expected credit losses based on EAD, PD, LGD" and at the second step for entities using the "historical statistical method".



Forward-looking information

Regarding the measurement of expected credit losses, the Group has chosen to use 4 macroeconomic scenarios by geographic area covering a wide range of potential future economic conditions:

- a baseline scenario, consistent with the scenario used for budgeting and forecasting;
- a favourable scenario, capturing situations where the economy performs better than anticipated;
- an adverse scenario, corresponding to the scenario used for the Group's quarterly stress tests;
- a severe scenario corresponding to a shock of magnitude greater than that of the adverse scenario.

The link between the macroeconomic scenarios and the ECL measurement is mainly achieved through a modelling of the probabilities of default and deformation of migration matrices based on internal rating (or risk parameter). The probabilities of default determined according to these scenarios are used to measure expected credit losses under each scenario.

Forward-looking information is also considered when determining the significant deterioration in credit risk for entities using the "statistical method for measuring expected credit losses based on EAD, PD, LGD". As a matter of fact, the probabilities of default used as the basis for this assessment include forward-looking multi-scenario information in the same way as for the calculation of the expected losses.

The weight to be attributed to the expected credit losses calculated in each of the scenarios is defined as follows:

- the weight of the baseline scenario is 50%;
- the weight of the three alternative scenarios is defined according to the position in the credit cycle. In this approach, the adverse and severe scenarios carry more weight in situations at the upper end of the cycle than those at the lower end of the cycle, in anticipation of a potential downturn in the economy;
- the weight of the favourable scenario is at least 10% and at most 40%;
- the total weight of adverse scenarios fluctuates symmetrically with the favourable also within a range of 10% to 40%; with a severe component representing 20% of this weight with a minimum weight of 5%.

When appropriate, the ECL measurement can take into account asset sale scenarios.

Macroeconomic scenarios

The four macroeconomic scenarios are defined over a three-year projection horizon. They correspond to:

- a baseline scenario, which describes the most likely path of the economy over the projection horizon. This scenario is updated on a quarterly basis and is prepared by the Group Economic Research Department in collaboration with various experts within the Group. Projections are designed for each key market of the Group (France, Italy and the Eurozone) using key macroeconomic variables (Gross Domestic Product - GDP - and its components, unemployment rate, consumer prices, interest rates, foreign exchange rates, real estate prices, etc.) which are key drivers for modelling risk parameters used in the stress test process;

an adverse scenario, which describes the impact of the materialisation of some of the risks weighing on the baseline scenario, resulting in a much less favourable economic path than in the baseline scenario. The GDP shock is applied with varying magnitudes, but simultaneously, to the economies under consideration. Generally, these assumptions are broadly consistent with those proposed by the regulators. The calibration of shocks on other variables (e.g. unemployment, consumer prices, interest rates, etc.) is based on models and expert judgement;

- a severely adverse scenario, which is an aggravated version of the adverse scenario;



- a favourable scenario, which reflects the impact of the materialisation of some of the upside risks for the economy, resulting in a more favourable economic path. The favourable shock on GDP is deducted from the adverse shock on GDP in such a way that the probabilities of the two shocks are equal on average over the cycle. Other variables (e.g. unemployment, inflation, interest rates, etc.) are defined in the same way as in the adverse scenario.

The link between the macroeconomic scenarios and the measurement of the ECL is complemented by an approach allowing to take into account anticipation aspects not captured by the models in the generic approach. This is particularly the case when unprecedented events in the historical chronicle taken into account to build the models occur or are anticipated, or when the nature or amplitude of change in macroeconomic parameter calls into question past correlations. Thus, the situation of high inflation and the level of interest rates previously recorded were not observed in the reference history. In this context, the Group has developed an approach to take into account the future economic outlook when assessing the financial strength of counterparties. This approach involves projecting the impact of higher interest rates on customers' financial ratios, notably considering their level of indebtedness. Credit ratings and associated probabilities of default are revalued based on these simulated financial ratios.

Baseline scenario

In 2024, global activity grew at a relatively moderate pace. In the Eurozone, activity returned to growth, supported by the positive impact of disinflation on real incomes and consumption, and the gradual easing of monetary conditions. At

31 December 2024, annual growth forecasts were +0.8% in the Eurozone (compared to expectations of +0.8% at 31 December 2023).

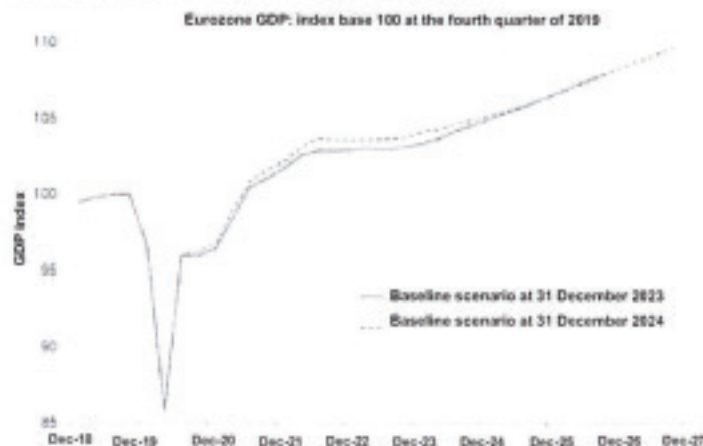
Over the 2025-2027 period, the baseline scenario assumes a gradual continuation of the recovery in the Eurozone, which would result from a strengthening of private domestic demand, as public spending is expected to be more constrained.

Inflation has continued to slow over the course of 2024, moving closer to the targets of major central banks. This has allowed most of them (ECB, Federal Reserve, Bank of England, etc.) to start a rate cut cycle. This monetary policy adjustment is expected to extend in 2025. Then, central bank rates are expected to remain stable over the following years (2026-2027), in the presence of controlled inflation, evolving around 2%.

Long-term interest rates in 2023-2024 reached levels not seen in more than a decade and are assumed to remain relatively stable over the projection horizon (with no significant changes in growth and inflation scenarios).

The uncertainty surrounding the baseline scenario appears to be relatively high. The current geopolitical context, marked by two major ongoing conflicts (invasion of Ukraine, conflict in the Middle East) and significant tensions in other regions (in Asia in particular), is likely to evolve rapidly. Additionally, the presidential shift in the United States in January 2025 may lead to notable changes in economic policy, particularly concerning customs duties, which could impact the global economy.

The graph below presents a comparison of Eurozone GDP projections used in the baseline scenario for the calculation of ECLs on 31 December 2024 and 31 December 2023.



• Macroeconomic variables, baseline scenario at 31 December 2024

(annual averages)	2024	2025	2026	2027
GDP growth rate				
Eurozone	0.8%	1.1%	1.5%	1.8%
France	1.2%	0.8%	1.3%	1.6%
Italy	0.5%	0.7%	1.3%	1.3%
Unemployment rate				
Eurozone	6.4%	6.6%	6.4%	6.0%
France	7.6%	7.7%	7.4%	6.7%
Italy	6.6%	6.7%	6.8%	6.7%
Inflation rate				
Eurozone	2.4%	1.9%	2.0%	2.1%
France	2.3%	1.4%	1.9%	1.9%
Italy	1.1%	1.9%	2.0%	2.1%
10-year sovereign bond yields				
Germany	2.37%	2.45%	2.50%	2.50%
France	2.99%	3.20%	3.25%	3.25%
Italy	3.75%	3.75%	3.80%	3.80%

Adverse and severely adverse scenarios

The adverse and severely adverse scenarios are based on the assumption that certain downside risks will materialise, resulting in much less favourable economic paths than in the baseline scenario.

The following main risks are identified:

- **Geopolitical risks.** Geopolitical tensions can weigh on the global economy through various channels, such as shocks on commodity prices, financial markets, business confidence, supply chains and trade. These developments are likely to lead simultaneously to higher inflation and a slowdown in activity, further complicating the task of central banks;
- **Trade and globalisation.** Tensions related to trade and globalisation have increased in recent years, leading to some fragmentation of the global economy. While tariff and non-tariff barriers have already increased significantly, additional protectionist measures between main economic areas (e.g. US, China, and the EU) are likely. They are susceptible to lead to higher prices and weigh on activity.
- **Public finances.** Numerous governments face a combination of elevated debt levels, higher borrowing costs and moderate growth. This constitutes a challenging environment for public finances at a time when governments face major structural challenges (climate action, defence capabilities, age-related outlays). These developments could give birth in some countries to market tensions (widening sovereign bond spreads) and affect activity through several channels (higher interest rates, higher taxes, reduced government spending).

The adverse and severe scenarios assume the materialisation of these identified risks from the first quarter of 2025. While downside risks are shared by these scenarios, the impacts are assumed to be markedly higher in the severely adverse scenario, due to both more pronounced direct shocks notably higher commodity prices, and the development of a negative spiral between key driving factors (activity, public debt, bond yields, equity markets).

Among the considered countries, GDP levels in the Eurozone in the adverse scenario are 8.2% lower than in the baseline scenario at the end of the shock period. In the severe scenario, GDP levels in the Eurozone are 12.1% lower than in the baseline scenario at the end of the shock period.



Scenario weighting and cost of risk sensitivity

At 31 December 2024, the weight of the favourable scenario considered by the Group was 28%, and 17% for the adverse scenario and 5% for the severe scenario. At 31 December 2023, the weight of the favourable scenario was 33%, 12% for the adverse scenario and 5% for the severe scenario.

Post-model adjustments

Post-model adjustments are made when system limitations are identified in a particular context, for instance, in the case of insufficient statistical data to reflect the specific situation in the models.

Notably, additional adjustments were made in 2022 and 2023 to take into account the effects of inflation and interest rate hikes when this effect is not directly estimated by the models. For example, adjustments were considered for the categories of customers most sensitive to the gradual decline in the level of their net income. Given the evolution of the macroeconomic context in 2024, these adjustments have been fully reversed.

- Cost of risk for the period:**

<i>In millions of euros</i>	2024	2023
Net allowance to impairment	(1,103)	(1,145)
Recoveries on loans and receivables previously written off	84	78
Losses on irrecoverable loans	(106)	(154)
Total cost of risk for the period	(1,125)	(1,221)

- Cost of risk for the period by accounting category and asset type:**

<i>In millions of euros</i>	2024	2023
Loans and receivables due from customers and credit institutions	(1,131)	(1,229)
Other assets	(2)	(4)
Commitments given and other items	8	12
Total cost of risk for the period	(1,125)	(1,221)
Cost of risk on unimpaired assets and commitments	180	(27)
Of which stage 1	54	7
Of which stage 2	126	(34)
Cost of risk on impaired assets and commitments – stage 3	(1,305)	(1,194)



• **Credit risk impairment**

Changes in impairment by accounting category and asset type during the period

In millions of euros	31 December 2023	Net allowance to impairment	Impairment provisions used	Changes in scope, exchange rates and other items	31 December 2024
Asset impairment					
Financial assets at amortised cost	3,592	1,121	(1,394)	(17)	3,302
Loans and receivables	3,592	1,121	(1,394)	(17)	3,302
Other assets	6	1			7
Total impairment on financial assets	3,598	1,122	(1,394)	(17)	3,309
Of which stage 1	638	(45)	(3)	(16)	574
Of which stage 2	631	(128)	(23)	(7)	473
Of which stage 3	2,329	1,295	(1,368)	6	2,262
Provisions recognised as liabilities					
Provisions for commitments	71	(9)		(2)	60
Other provisions	43	(10)	(11)	3	25
Total provisions recognised for credit commitments	114	(19)	(11)	1	85
Of which stage 1	24	(8)			16
Of which stage 2	11	(2)			9
Of which stage 3	79	(9)	(11)	1	60
Total impairment and provisions	3,712	1,103	(1,405)	(16)	3,394

Change in impairment of amortised cost financial assets during the period

In millions of euros	Impairment on assets subject to 12-month Expected Credit Losses (Stage 1)	Impairment on assets subject to lifetime Expected Credit Losses (Stage 2)	Impairment on doubtful assets (Stage 3)	Total
At 31/12/2023	638	631	2,323	3,592
Net allowance to impairment	(45)	(128)	1,293	1,120
Financial assets purchased or originated during the period	341	15		356
Financial assets derecognised during the period ⁽¹⁾	(127)	(146)	(196)	(469)
Transfer to stage 2	(97)	919	(72)	750
Transfer to stage 3	(11)	(550)	894	333
Transfer to stage 1	75	(295)	(11)	(231)
Other allowances/reversals without stage transfer ⁽²⁾	(226)	(71)	678	381
Impairment provisions used	(3)	(23)	(1,368)	(1,394)
Changes in exchange rates	1	2	2	5
Changes in scope of consolidation and other items	(17)	(9)	5	(21)
At 31/12/2024	574	473	2,255	3,302

⁽¹⁾ Including disposals.

⁽²⁾ Including amortisation.



2.g. Other net expenses for risk on financial instruments

In 2023, the Group modified its accounting policy relating to the risk of loss of cash flows on financial instruments granted that are not linked to the counterparty's default, such as legal risks calling into question the validity or enforceability of such contracts.

The effect on expected cash flows due to these risks is now considered as a change in the contract's cash flows, in accordance with IFRS 9 B5.4.6, and is recorded as a decrease in the gross value of the asset.

It was previously recognised separately in accordance with IAS 37 in "Provisions for contingencies and charges" (see note 5.m). Expected losses on derecognised financial instruments, as is the case when loans have been repaid, continue to be recognised in accordance with IAS 37.

The corresponding expected and realised cash flow losses are now presented under "Other net losses for risk on financial instruments".

In 2024, the expense thus recognised relate to foreign currency loans issued by BNP Paribas Personal Finance that are not material (compared with EUR 221 million at 31 December 2023, presented under "Net banking income").

2.h. Net gain on non-current assets

In millions of euros	2024	2023
Gain or loss on investments in consolidated undertakings (note 8.c)	77	(388)
Gain or loss on tangible and intangible assets	(12)	(9)
Results from net monetary position	-	-
Net gain on non-current assets	65	(377)

2.i. Corporate income tax

Reconciliation of the effective tax expense to the theoretical tax expense at standard tax rate applicable in France	2024		2023	
	In millions of euros	Tax rate	In millions of euros	Tax rate
Theoretical tax expense on pre-tax net income at standard tax rate applicable in France ⁽¹⁾	(47)	25.8%	200	25.8%
Impact of different tax rates on foreign profits	(20)	10.6%	(12)	1.6%
Impact of reduced tax rate on dividends and disposals of securities	16	-8.5%	(110)	14.2%
Other items	(233)	126.8%	(44)	5.7%
of which impact of unrecognised tax loss carryforwards ⁽²⁾	(234)	127.4%	(60)	7.7%
Corporate income tax expense	(284)	154.7%	34	4.4%
Current tax expense for the year to 31 December	(5)	-	97	-
Deferred tax expense for the year to 31 December (note 5.h)	(279)	-	(63)	-

⁽¹⁾ Restated for the share of profits in equity-method entities and goodwill impairment.

⁽²⁾ Following the signing of an amendment to the tax consolidation agreement in 2024 between BNP Paribas SA and BNP Paribas PF SA, the agreement reverts to a "standard" regime; thus, gains and losses related to tax integration are retained by the head of the Group.



3. SEGMENT INFORMATION

Within the BNP Paribas Group, the BNP Paribas Personal Finance Group provides retail finance services through its consumer finance activities. As part of these activities, the Group has extended its offering to include insurance and savings products.

The BNP Paribas Personal Finance Group also has a residential mortgage lending business, a significant portion of which is managed in runoff.

- The breakdown of income and outstanding loans and receivables due from customers between the two business segments is as follows

- Income by business segment

In millions of euros	2024		2023	
	Consumer loans	Home loans	Consumer loans	Home loans
Revenues	3,402	(57)	3,646	(47)
Operating expenses	(2,048)	(53)	(2,499)	(56)
Cost of risk	(1,124)	(1)	(967)	(254)
Other net expenses for risk on financial instruments	-	-	(221)	-
Operating income	230	(111)	(41)	(357)
Share of net income of SMEs	16	(32)	-	-
Non-operating items	65	-	(319)	(54)
Pre-tax income	311	(143)	(360)	(411)

- Outstanding loans and receivables by business segment

In millions of euros	31 December 2024	31 December 2023
Consumer loans	75,035	76,329
Home loans	6,858	7,683
Total Group	81,893	84,012

• Revenues by geographic area

In millions of euros	2024	2023
France	945	1,009
Other European countries	2,204	2,282
Americas	39	161
Rest of the world	157	147
Total Group	3,345	3,599



- Cost of risk by geographic area

In millions of euros	2024	2023
France	(297)	(343)
Other European countries	(674)	(783)
Americas	(6)	(36)
Rest of the world	(148)	(59)
Total Group	(1,125)	(1,221)

- Total assets by geographic area

In millions of euros	31 December 2024	31 December 2023
France	30,500	30,935
Other European countries	63,765	63,092
Americas ⁽¹⁾	-	3,220
Rest of the world	1,137	1,096
Total Group	95,402	98,343

⁽¹⁾ Disposal of Cetelem SA de CV in Mexico.

- Loans and receivables due from customers by geographic area

In millions of euros	31 December 2024	31 December 2023
France	23,621	24,241
Other European countries	57,617	56,288
Americas ⁽¹⁾	-	2,847
Rest of the world	655	636
Total Group	81,893	84,012

⁽¹⁾ Disposal of Cetelem SA de CV in Mexico.



4. RISK EXPOSURE

4.a. Summary of risks

The BNP Paribas Personal Finance Group is specialised in the sale of consumer loans (in particular automobile financing), home loans and credit consolidation services to individual customers.

The Group has identified six major risks related to its business:

- credit risk arising from the failure of a customer to pay its debt to the Bank (see Note 4.b);
- Interest rate risk (market risk) related to the banking book (see Note 4.c): The BNP Paribas Personal Finance Group provides loans to individuals and/or businesses under terms and conditions defined upon inception. To ensure the Group remains profitable in the long term, the margin offered must be protected against changes in the economic environment, particularly as regards market rates (interest rate risk),
- liquidity risk (see Note 4.d). The BNP Paribas Personal Finance Group must ensure the availability of the funds lent to its customers throughout the life of the loans,
- foreign exchange risk (see Note 4.e);
- operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, or deliberate acts, accidents or natural events occurring outside the Group;
- compliance risk refers to the non-compliance with laws, regulations, and professional and ethical standards.

4.b. Credit risk

Credit risk is the consequence resulting from the likelihood that a borrower or counterparty will fail to meet its obligations in accordance with agreed terms and commitments given. It is related to changes in the credit quality of the Bank's debtors, which may ultimately lead to their default. The probability of default assessment and the expected recovery on the loan or receivable in the event of a default are key components of the credit quality assessment.

CREDIT RISK MANAGEMENT

Transaction selection procedures

The selection procedures depend on the type of loans granted.

For consumer loans, the procedures include the selection and monitoring of the distribution network, particularly the sellers' approval, the choice of business sectors, and the targeting of eligible customers by direct marketing. The grant process is based on scores and assisted by expert systems.

In the case of home and seller loans (mainly involving car dealers), the grant process is designed to promote personal loans and is therefore based on individual case assessments, the segregation of analysis and decision-making functions, and delegations of authority.

For seller loans, amounts above a certain threshold are subject to the approval of executive management following a favourable opinion issued by the Group's Risk Management department.



Risk measurement and monitoring system

The BNP Paribas Personal Finance Group's risk management activities are provided by a central Risk unit fully independent from operating unit managers and reporting to the BNP Paribas Group's Risk Management department.

This Personal Finance Risk (PF-R) unit is responsible for the following:

- Defining the BNP Paribas Personal Finance Group's risk policy consistent with the Group's strategy and the BNP Paribas Group's risk policies;
- Ensuring objective risk management through an independent review of the commercial strategies;
- Providing fast, reliable and comprehensive information on risk status and calling attention to potential increases in risk levels;
- Promoting consistently high-risk management standards;
- Contributing to the quality of methods and procedures;
- Establishing and maintaining a data aggregation and reporting system in compliance with regulatory requirements and meeting the needs of BNP Paribas Personal Finance.

The Risk department has three levels:

- Risk teams within each entity, who ensure the management of the risks pertaining to their entity and related to both the granting of credit facilities and the ongoing monitoring of commitments,
- Regional risk managers responsible of various entities across several countries, who provide an additional level of supervision and technical support to local risk teams,
- A central team in charge of defining and validating the approval policies, generating scores, performing entity audit risks, Group-level reporting, controlling provisions and reviewing seller loans exceeding the approval threshold of country-level delegation authorities.

Risk monitoring is the responsibility of Group-level committees (central committees), Risk Management department committees and country-level committees.

• Doubtful loans

In millions of euros	31 December 2024			Collateral received
	Doubtful loans			
	Gross amount	Impairment provision	Net	
Doubtful loans and receivables due from customers	4,011	(2,255)	1,756	385
Financing commitments given	35	(3)	32	10
Guarantee commitments given	66	(32)	34	
Doubtful off-balance sheet commitments	101	(35)	66	10
TOTAL	4,112	(2,290)	1,822	395

In millions of euros	31 December 2023			Collateral received
	Doubtful loans			
	Gross amount	Impairment provision	Net	
Doubtful loans and receivables due from customers	4,261	(2,323)	1,938	443
Financing commitments given	45	(3)	42	11
Guarantee commitments given	70	(33)	37	
Doubtful off-balance sheet commitments	115	(36)	79	11
TOTAL	4,376	(2,359)	2,017	454



- **Change in stage 3 gross amounts**

The table below provides the data related to the change in stage 3 gross amounts:

Gross amount in millions of euros	2024	2023
Impaired exposures (stage 3) at start of the period	4,261	4,575
Transfer to stage 3	2,255	2,307
Transfer to stage 2 or stage 1	(427)	(505)
Write-off	(1,456)	(1,391)
Other movements	(622)	(725)
Impaired exposures (stage 3) at end of the period	4,011	4 251

4.c. Interest rate risk (market risk) related to the banking portfolio

GENERAL FRAMEWORK OF THE GROUP'S INTEREST RATE RISK MANAGEMENT

The BNP Paribas Personal Finance banking book basically consists of:

- banking intermediation, geared predominantly to retail activities (property Banking intermediation, geared predominantly to retail activities (property and consumer loans)
- transactions aimed at reducing the interest rate risk issued from these retail activities.

IRRBB (Interest Rate Risk in the Banking Book) is defined as the risk that the bank's net interest margin will be affected by changes in market interest rates.

BNP Paribas Personal Finance's exposure to interest rate risk is limited insofar as fixed-rate assets, which represent most of the assets, are largely hedged by fixed-rate financing or by floating-rate financing hedged by fixed-rate borrower swaps.

However, in certain cases, assets and liabilities may not be perfectly matched, for example:

- changes in the level of prepayments, which may lengthen or shorten the asset's amortisation profile
- for certain subsidiaries (depending on the operating set-up or currency), fixed-rate financing not available or interest rate swaps not available to hedge fixed-rate loan production.

As a result, the net interest margin can be sensitive to changes in interest rates: this is referred to as a fixed-rate position, measured by fixed-rate gaps.

The ALMP PF Treasury Personal Finance management perimeter comprises numerous legal entities (several dozen) that contribute to this exposure. This exposure arises from the origination of fixed-rate loans (most of which are amortising loans, the most complex being revolving loans). Hedging is carried out mainly by means of fixed rate borrowings (from the BNP Paribas treasuries in Paris or abroad and failing that, in the market) and for some large entities via borrower fixed rate swaps.

In compliance with banking regulations, the Interest Rate Committee must put interest rate hedging in place at the end of the month by means of fixed rate borrower swaps (or fixed rate borrowings if the "Liquidity Committee" has reported a need of liquidity) so that the consolidated interest rate positions do not exceed their respective limits at the end of the quarter. Hedges decided on by the Interest rate Committee may take the form of a program to optimise execution timing. Hedges are decided following a presentation of the macroeconomic context, the economic agenda and forecast risk indicators.

The CEO appointed by the Board of BNP Paribas delegates the management of IRRBB to the BNP Paribas Group



ALM Treasury

Committee (Group ALCo). The Group ALCo delegates the operational management of IRRBB to the local Group ALCos (at entity or group of entities level), such as the BNP Paribas Personal Finance ALCo, so that each entity is covered by an ALCo.

As part of the BNP Paribas Personal Finance sub-group's Risk Appetite Statement, two interest rate risk indicators are monitored by the Board of Directors: income sensitivity (NIIS: Net Interest Income Sensitivity) and value sensitivity (EVES: Economic Value of Equity Sensitivity).

4.d. Liquidity risk

Liquidity risk is defined as the risk that the bank does not have the funding required to meet its commitments.

BNP Paribas Personal Finance is a fully owned subsidiary of BNP Paribas SA, whose main activity is to offer consumer and property loans directly via partnerships. BNP Paribas Personal Finance has a limited deposit-taking business. BNP Paribas Personal Finance's liquidity risk management policy is to refinance itself with the BNP Paribas Group, barring exceptions.

In rare cases, due to local organisational or regulatory constraints, some subsidiaries of BNP Paribas Personal Finance may have access to financing from local markets.

Wherever possible, the BNP Paribas Personal Finance entities will receive financing fully matched to the asset being financed. Support from BNP Paribas can be requested in both normal and stressed conditions.

Thus, the liquidity risk of BNP Paribas Personal Finance is mostly transferred to BNP Paribas. The residual risk is managed appropriately.

As part of the Personal Finance sub-group's Risk Appetite Statement, two liquidity risk indicators are monitored by the Board of Directors: the one-year liquidity gap and the one-month liquidity gap.

4.e. Foreign exchange risk

The foreign exchange risk carried by an institution is the risk relating to valuation differences related to the holding of a position in a currency other than its reference currency. These valuation differences are due to fluctuations in the exchange rate between the two currencies.

The currency risk can be:

- "operating" when the foreign exchange position is linked to commercial activity;
- "structural" when the foreign exchange position is linked to an investment in an entity located in a country with a different currency.

BNP Paribas Personal Finance's exposure to "operating" foreign exchange risk arises from net results generated in currencies other than the euro. BNP Paribas Personal Finance's policy is to make its net profit less sensitive to changes in exchange rates.

BNP Paribas Personal Finance's exposure to "structural" foreign exchange risk arises mainly from equity investments in foreign currencies financed by buying the investment currency. These equity investments thus create a foreign exchange position impacting equity.

To reduce this risk, BNP Paribas Personal Finance proceeds, where possible, to financing by borrowing. The borrowing financing the equity investments thus cancels the resulting currency position. Financing by borrowing is preferred when borrowing rates in the currency in which the position is generated are available. Indeed, in some



geographies (e.g. Brazil), the high level of rates is likely to make it less expensive to carry the foreign exchange position rather than to hedge it by borrowing.

It should be noted that another source of "structural" foreign exchange risk is the current income recognised by entities located outside the euro zone.



5. NOTES TO THE BALANCE SHEET AT 31 DECEMBER 2024

5.a. Financial instruments at fair value through profit or loss

Financial assets and financial liabilities at fair (market or model) value through profit or loss consist of held for trading transactions, including derivatives and of non-trading instruments whose characteristics prevent their accounting at amortised cost or at fair value through equity.

In millions of euros	31 December 2024	31 December 2023
Securities portfolio	31	79
Loans and repurchase agreements		
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	31	79

The positive or negative fair value of derivative financial instruments classified as held for trading represents the replacement value of these instruments. This value may fluctuate significantly in response to changes in market parameters (such as interest rates or foreign exchange rates).

In millions of euros	31 December 2024		31 December 2023	
	Positive market value	Negative market value	Positive market value	Negative market value
Interest rate derivatives	10	11	34	34
Derivative financial instruments	10	11	34	34

The table below shows the total notional amount of trading derivatives. The notional amounts of derivative financial instruments are merely an indication of the volume of the Group's activities in financial instrument markets, and do not reflect the market risks associated with such instruments.

In millions of euros	31 December 2024	31 December 2023
Interest rate derivatives	1,032	842
Derivative financial instruments	1,032	842

Transactions in derivative instruments are carried out over the counter.

5.b. Derivatives used for hedging purposes

The table below shows the notional amounts and the fair value of derivatives used for hedging purposes.

In millions of euros	31 December 2024			31 December 2023		
	Notional amounts	Positive market value	Negative market value	Notional amounts	Positive market value	Negative market value
Fair value hedges	28,351	377	295	31,049	810	299
Interest rate derivatives	28,351	377	295	31,049	810	299
Cash flow hedges	10,668	98	220	12,075	7	-
Interest rate derivatives	10,668	98	220	12,075	7	-
Foreign exchange derivatives						
Derivative used for hedging purposes	39,019	475	515	43,124	817	299



The table below presents the detail of fair value hedge relationships for identified financial instruments and portfolios of financial instruments that are continuing as at 31 December 2024:

In millions of euros, at 31 December 2024	Hedging instruments				Hedged instruments			
	Notional amounts	Positive market value	Negative market value	Cumulative changes in fair value used as the basis for recognising ineffectiveness	Net carrying amount - asset	Cumulative changes in fair value - asset	Net carrying amount - liability	Cumulative changes in fair value - liability
Interest-rate risk hedged portfolios	28,351	377	295	(62)	28,504	54	97	(6)
Interest rate derivatives hedging the interest rate risk related to	28,351	377	295	(62)	28,504	54	97	(6)
Loans and receivables	28,256	375	287	(56)	28,504	54	-	-
Deposits	95	2	8	(6)	-	-	97	(6)
Total fair value hedge	28,351	377	295	(62)	28,504	54	97	(6)

The notional amount of cash flow hedge derivatives is EUR 10,668 million at 31 December 2024. Changes in assets and liabilities recognised directly in equity amount to EUR -169 million.

The table below presents the nominal amounts of hedging derivatives by maturity:

In millions of euros, at 31 December 2024	Maturity date			
	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Fair value hedges	6,258	19,911	2,182	28,351
Interest rate derivatives	6,258	19,911	2,182	28,351
Cash flow hedges	3,450	5,345	1,873	10,668
Interest rate derivatives	3,450	5,345	1,873	10,668
Foreign exchange derivatives				

5.c. Financial instruments at fair value through equity

In millions of euros	31 December 2024		31 December 2023	
	Market value	of which changes in value taken directly to equity	Market value	of which changes in value taken directly to equity
Equity securities	3	2	2	1
Total financial assets at fair value through equity	3	2	2	1

The option to recognise certain equity instruments at fair value through equity was retained in particular for shares held through strategic partnerships and shares that the Group is required to hold in order to carry out certain activities.

None of these investments were sold in the 2024 financial year.

During the year ended 31 December 2023, the Group disposed of one sale of these investments and a EUR 1 million latent gain was reclassified in retained earnings.



5.d. Measurement of the fair value of financial instruments

INSTRUMENT CLASSES AND CLASSIFICATION WITHIN THE FAIR VALUE HIERARCHY FOR ASSETS AND LIABILITIES MEASURED AT FAIR VALUE

As explained in the summary of significant accounting policies (see Note 1.e.10), financial instruments measured at fair value are categorised into a fair value hierarchy consisting of three levels.

- Financial assets at fair value through profit or loss or through equity

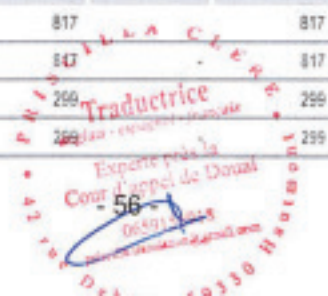
In millions of euros	31 December 2024											
	Trading book				Instruments at fair value through profit or loss not held for trading				Financial assets at fair value through equity			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Securities portfolio	-	-	-	-	-	15	16	31	2	-	1	3
Governments	-	-	-	-	-	-	-	-	-	-	-	-
Other debt securities	-	-	-	-	-	15	-	15	-	-	-	-
Equities and other equity securities	-	-	-	-	-	-	16	16	2	-	1	3
Loans and repurchase agreements	-	-	-	-	-	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-	-	-	-	-	-
Repurchase agreements	-	-	-	-	-	-	-	-	-	-	-	-
FINANCIAL ASSETS AT FAIR VALUE	-	-	-	-	-	15	16	31	2	-	1	3

In millions of euros	31 December 2023											
	Trading book				Instruments at fair value through profit or loss not held for trading				Financial assets at fair value through equity			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Securities portfolio	-	-	-	-	-	49	30	79	1	-	1	2
Governments	-	-	-	-	-	-	-	-	-	-	-	-
Other debt securities	-	-	-	-	-	49	-	49	-	-	-	-
Equities and other equity securities	-	-	-	-	-	-	30	30	1	-	1	2
Loans and repurchase agreements	-	-	-	-	-	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-	-	-	-	-	-
Repurchase agreements	-	-	-	-	-	-	-	-	-	-	-	-
FINANCIAL ASSETS AT FAIR VALUE	-	-	-	-	-	4	30	79	1	-	1	2

- Derivative financial instruments

In millions of euros	31 December 2024							
	Trading book				Hedging derivatives			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Interest rate derivatives	-	10	-	10	-	475	-	475
Positive market value	-	10	-	10	-	475	-	475
Interest rate derivatives	-	11	-	11	-	515	-	515
Negative market value	-	11	-	11	-	515	-	515

In millions of euros	31 December 2023							
	Trading book				Hedging derivatives			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Interest rate derivatives	-	34	-	34	-	817	-	817
Positive market value	-	34	-	34	-	817	-	817
Interest rate derivatives	-	34	-	34	-	259	-	259
Negative market value	-	34	-	34	-	259	-	259



Transfers between levels may occur when an instrument fulfils the defined criteria, which are generally market and product dependent. The main factors influencing transfers are changes in the observation capabilities, passage of time, and events affecting the transaction lifetime.

5.e. Financial assets at amortised cost

- Detail of loans and advances by nature

In millions of euros	31 December 2024			31 December 2023		
	Gross value before impairment	Impairment (note 2.f)	Net carrying amount	Gross value before impairment	Impairment (note 2.f)	Net carrying amount
Loans and advances to credit institutions	5,978	-	5,978	6,062	-	6,062
On demand accounts	2,187	-	2,187	2,350	-	2,350
Loans	3,727	-	3,727	3,648	-	3,648
Repurchase agreements	64	-	64	66	-	66
Loans and advances to customers	85,195	(3,302)	81,893	87,605	(3,593)	84,012
Demand accounts	10	-	10	5	-	5
Loans to customers	69,789	(3,101)	66,688	74,256	(3,404)	70,852
Finance leases	15,396	(201)	15,195	13,344	(189)	13,155
Total loans and advances at amortised cost	91,173	(3,302)	87,871	93,667	(3,593)	90,074

- Detail of debt securities

In millions of euros	31 December 2024			31 December 2023		
	Gross value before impairment	Impairment (note 2.f)	Net carrying amount	Gross value before impairment	Impairment (note 2.f)	Net carrying amount
Governments	-	-	-	4	-	4
Credit institutions	17	-	17	31	-	31
Others	128	-	128	186	-	186
Total debt securities at amortised cost	145	-	145	221	-	221



- Detail of loans and advances and debt securities by stage

In millions of euros	31 December 2024			31 December 2023		
	Gross value before impairment	Impairment (note 2.f)	Net carrying amount	Gross value before impairment	Impairment (note 2.f)	Net carrying amount
Loans and advances to credit institutions	5,978	-	5,978	6,062	-	6,062
Stage 1	5,978	-	5,978	6,062	-	6,062
Loans and advances to customers	85,195	(3,302)	81,893	87,604	(3,592)	84,012
Stage 1	75,930	(574)	75,356	77,973	(638)	77,335
Stage 2	5,254	(473)	4,781	5,370	(631)	4,739
Stage 3	4,011	(2,255)	1,756	4,261	(2,323)	1,938
Debt securities	145	-	145	221	-	221
Stage 1	145	-	145	221	-	221
Total financial assets at amortised cost	91,318	(3,302)	88,016	93,887	(3,592)	90,295

- Breakdown of finance leases

In millions of euros	31 December 2024	31 December 2023
Gross investment	16,835	14,501
Receivable within 1 year	5,922	4,946
Receivable after 1 year but within 5 years	10,538	9,440
Receivable beyond 5 years	375	115
Unearned interest income	(1,439)	(1,158)
Net investment before impairment	15,396	13,343
Receivable within 1 year	5,414	4,476
Receivable after 1 year but within 5 years	9,645	8,757
Receivable beyond 5 years	337	110
Impairment provisions	(201)	(189)
Net investment after impairment	15,195	13,154

5.f. Financial liabilities at amortised cost due to credit institutions and customers

In millions of euros	31 December 2024	31 December 2023
Due to credit institutions	67,747	70,314
On demand accounts	276	228
Interbank borrowings	67,387	69,975
Repurchase agreements	84	111
Deposits from customers	8,319	5,739
Demand deposits	3,648	3,768
Saving accounts	2	2
Term accounts	4,669	1,969

5.g. Debt securities and subordinated debt

This note covers all debt securities in issue and subordinated debt measured at amortised cost.

DEBT SECURITIES AT AMORTISED COST

In millions of euros	31 December 2024	31 December 2023
Negotiable debt securities	302	927
Bonds	3,984	5,461
Total debt securities measured at amortised cost	4,286	6,388

SUBORDINATED DEBT AT AMORTISED COST

In millions of euros	31 December 2024	31 December 2023
Redeemable subordinated debt	1,703	1,816
Perpetual subordinated debt	110	110
Total subordinated debt at amortised cost	1,813	1,926

• Redeemable subordinated debt

Redeemable subordinated debt issued by the Group includes medium- and long-term securities treated as simple subordinated notes whose early redemption before the contractual maturity date in the event of the liquidation of the issuing company would occur after the other creditors but before the holders of profit-sharing loans and profit-sharing securities.

After approval of the banking supervisory authority and at the issuer's discretion, these debt issues may contain a call provision authorising the Group to redeem the securities prior to maturity by repurchasing them in the stock market, via public tender offers, or in the case of private placements over the counter.



5.h. Current and deferred taxes

In millions of euros	31 December 2024	31 December 2023
Current taxes	268	387
Deferred taxes	469	678
Current and deferred tax assets	737	1,065
Current taxes	45	87
Deferred taxes	171	110
Current and deferred tax liabilities	216	197

Change in deferred tax by nature over the period:

In millions of euros	31 December 2023	Changes recognised in profit or loss	Changes recognised in equity that may be reclassified to profit or loss	Changes recognised in equity that will not be reclassified to profit or loss	Effects of exchange rates, consolidation scope and other movements	31 December 2024
Financial instruments	(122)	(87)	27	-	(1)	(183)
Provisions for employee benefit obligations	24	(6)	-	(4)	-	14
Unrealised finance lease reserve	(132)	15	-	-	15	(102)
Credit risk impairment	582	(83)	-	-	(12)	487
Tax loss carryforwards	73	(3)	-	-	(1)	69
Other items	143	(115)	-	-	(15)	13
Total net deferred taxes	568	(279)	27	(4)	(14)	298
Deferred tax assets	678					469
Deferred tax liabilities	(110)					(171)

Unrecognised deferred tax assets totalled EUR 1,417 million at 31 December 2024 compared with EUR 1,193 million at 31 December 2023.

5.i. Accrued income/expense and other assets/liabilities

In millions of euros	31 December 2024	31 December 2023
Guarantee deposits and bank guarantees paid	156	63
Collection accounts	4	53
Accrued income and prepaid expenses	279	223
Other debtors and miscellaneous assets	1,895	1,560
Total accrued income and other assets	2,134	1,899
Guarantee deposits received	20	81
Collection accounts	-	-
Accrued expense and deferred income	628	573
Lease liabilities	69	95
Other creditors and miscellaneous liabilities	1,255	1,890
Total accrued expenses and other liabilities	1,972	2,639

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5.j. Equity-method investments

Cumulative financial information of associates and joint ventures is presented in the following table:

	2024			31 December 2024	2023			31 December 2023
	Share of net income	Share of changes in assets and liabilities recognised directly in equity	Share of net income and changes in assets and liabilities recognised directly in equity	Equity-method investments	Share of net income	Share of changes in assets and liabilities recognised directly in equity	Share of net income and changes in assets and liabilities recognised directly in equity	Equity-method investments
In millions of euros								
Joint ventures	(1)	(5)	(6)	578	(6)	(63)	(69)	568
Associates	(15)	(9)	(24)	436	10	(6)	4	460
Total equity-method entities	(16)	(14)	(30)	1,014	4	(69)	(65)	1,028

Financing and guarantee commitments given by the BNP Paribas Personal Finance Group to joint ventures are listed in Note 8.f "Other related parties".

The carrying amount of the Group's investment in the main joint ventures and associates is presented in the following table:

In millions of euros	Country of registration	Activity	Interest (%)	31 December 2024	31 December 2023
Joint ventures					
Union de Credits Inmobiliarios	Spain	Mortgage loans	40%	186	205
Associates					
Carrefour Banque	France	Consumer loans	40%	220	226
Servicios Financieros Carrefour EFC	Spain	Distribution of loans	40%	146	167



5.k. Property, plant, equipment and intangible assets used in operations, investment property

in millions of euros	31 December 2024			31 December 2023		
	Gross carrying amount	Cumulative depreciation / amortisation and impairment provisions	Net carrying amount	Gross carrying amount	Cumulative depreciation / amortisation and impairment provision	Net carrying amount
Investment property	53	(27)	26	42	(21)	21
Land and buildings	366	(251)	115	440	(295)	145
Equipment, furniture and fixtures	178	(158)	20	202	(173)	29
Plant and equipment leased as lessor under operating leases	449	(16)	433	652	(46)	606
Other intangible assets	218	(115)	103	204	(123)	81
Property, plant and equipment	1,211	(540)	671	1,498	(637)	861
Of which right-of-use	279	(216)	63	344	(256)	88
Property, plant and equipment and investment property	1,263	(566)	697	1,540	(658)	882
Purchased software	241	(218)	23	271	(236)	35
Internally-developed software	1,036	(858)	178	982	(802)	180
Other intangible assets	267	(111)	156	277	(101)	176
Intangible assets	1,544	(1,187)	357	1,530	(1,139)	391

• Intangible assets

Other intangible assets mainly include leasehold rights, goodwill and trademarks acquired by the Group.

• Depreciation, amortisation and impairment

Net depreciation and amortisation expense amounted to EUR 165 million in 2024, compared with EUR 171 million in 2023.

Net impairment losses on property, plant and equipment and intangible assets was zero in 2024, compared with EUR 0.8 million in 2023.

5.l. Goodwill

in millions of euros	2024	2023
Net carrying amount at beginning of period	1,215	1,029
Acquisitions	(8)	182
Divestments	(84)	-
Reclassification as non-current assets held for sale (Note 8.c.)	-	6
Exchange rate adjustments	5	(2)
Impairment losses recognised during the period	-	-
Other movements	-	-
Net carrying amount at end of period	1,128	1,215
Gross carrying amount	1,910	2,003
Cumulative impairment recognised at end of period	(782)	(788)



Goodwill impairment tests are carried out using three different valuation methods: one based on the review of transactions involving entities with similar activities, a second consisting of identifying market parameters induced by listed entities with similar activities, and a third using the expected future profitability (discounted cash flow method - DCF).

If one of the two methods based on similar entities suggests a need to recognise an impairment loss, the DCF method is used to validate this result and possibly determine the appropriate amount.

The DCF method relies on a number of assumptions regarding forecast revenue flows, expense flows and cost of risk (cash flows) based on medium-term (five-year) business plans. Cash flows are projected beyond five years based on a growth rate to infinity and can be normalised when the short-term environment does not reflect the normal economic cycle.

5.m. Provisions for contingencies and charges

	31 December 2023	Net additions to provisions	Provisions used	Changes in value recognised directly in equity	Effect of movements in exchange rates and other	31 December 2024
in millions of euros						
Provisions for employee benefit obligations	304	31	(98)	(6)	2	233
of which post-employment benefits (Note 7.b)	22	5	(6)	(6)	5	20
of which provision for other long-term benefits (Note 7.c)	44	7	(8)	-	(1)	42
of which provisions for voluntary departure, early retirement and headcount adaptation plans (Note 7.d)	231	15	(81)	-	(2)	163
of which provision for share-based payments	7	4	(3)	-	-	8
Provisions for financing commitments (Note 2.f)	114	(19)	(11)	-	1	85
Provisions for litigation	255	17	(167)	-	-	105
Other provisions for contingencies and charges	109	-	(41)	-	(20)	48
Total provisions for contingencies and charges	782	29	(317)	(6)	(17)	471

The provisions for disputes cover, in particular, disputes relating to the interpretation of and changes in regulations on loans to individuals.

5.n. Transfers of financial assets

As part of the proprietary securitisation business described in Note 6.d, the Group carries out securitisation transactions, some of which are partially refinanced by outside investors.

Financial assets that have been transferred but not derecognised by the Group are mainly composed of securitised assets. The liabilities associated with these securitised assets consist of the securitisation notes subscribed by third parties.

- Repurchase agreements:**

Securities sold under repurchase agreements totalled EUR 84 million at 31 December 2024 (EUR 110 million at 31 December 2023). Liabilities associated with securities sold under repurchase agreements were recorded under "Repurchase agreements" for EUR 84 million at 31 December 2024 (EUR 110 million at 31 December 2023).

- Securitisation transactions partially refinanced by external investors, whose recourse is limited to the transferred assets:**



	Carrying amount of transferred assets	Carrying amount of associated liabilities	Fair value of the transferred assets	Fair value of associated liabilities	Net position
In millions of euros, at 31 December 2024					
Securitisation					
Financial assets at amortised cost	3,132	2,637	3,132	2,638	494
Total	3,132	2,637	3,132	2,638	494

	Carrying amount of transferred assets	Carrying amount of associated liabilities	Fair value of the transferred assets	Fair value of associated liabilities	Net position
In millions of euros, at 31 December 2023					
Securitisation					
Financial assets at amortised cost	5,184	4,111	5,184	4,108	1,076
Total	5,184	4,111	5,184	4,108	1,076

A number of securitisation units, which were subscribed by BNP Paribas Personal Finance itself and have therefore not been reported in the consolidated balance sheet, are lent. At 31 December 2024, the carrying amount of lent securities was EUR 7,089 million (EUR 7,526 million at 31 December 2023).

The Group also made transfers of financial assets resulting in their full derecognition with continuing involvement due to provided collateral, for which it received commissions. The Group set aside provisions in respect of the collateral reported under "Provisions for contingencies and charges".

	31 December 2024				Gains or losses recognised at the transfer date	Recognised income and expenses	
	Other amounts payable to the transferee in respect of the transferred assets	Carrying amount of liabilities	Fair value of liabilities	Maximum exposure to loss		2024	Total
In millions of euros							
Continuing involvement	-	-	-	-	-	-	-
Guarantee commitments	308	29	29	308	(14)	2	(28)

in millions of euros	31 December 2023				Gains or losses recognised at the transfer date	Recognised income and expenses	
	Other amounts payable to the transferee in respect of the transferred assets	Carrying amount of liabilities	Fair value of liabilities	Maximum exposure to loss		2023	Total
Continuing involvement	-	-	-	-	-	-	-
Guarantee commitments	349	33	33	349	(14)	2	(30)

6. COMMITMENTS GIVEN OR RECEIVED

6.a. Financing commitments given or received

Contractual value of financing commitments given or received by the Group:

in millions of euros	31 December 2024	31 December 2023
Financing commitments given	-	-
to credit institutions	-	-
to customers	20,253	19,584
Credit facilities	20,253	19,584
Other financing commitments given	-	-
Total financing commitments given	20,253	19,584
Of which stage 1	19,890	19,283
Of which stage 2	328	256
Of which stage 3	35	45
Financing commitments received	-	-
from credit institutions	861	1,536
from customers	-	-
Total financing commitments received	861	1,536

6.b. Guarantee commitments given by signature

in millions of euros	31 December 2024	31 December 2023
Guarantee commitments given	-	-
to credit institutions	340	383
to customers	41	48
Financial guarantees	41	40
Other guarantees	-	-
Total guarantee commitments given	381	423
Of which stage 1	314	353
Of which stage 2	-	-
Of which stage 3	67	70



6.c. Other guarantee commitments

• Financial instruments given as collateral

In millions of euros	31 December 2024	31 December 2023
Financial assets pledged as collateral for transactions with credit institutions and financial customers	-	-
Securities sold under repurchase agreements	84	110

Financial instruments given as collateral or transferred under repurchase agreements by the Group that the beneficiary is authorised to sell or reuse as collateral amounted to EUR 151 million at 31 December 2024 (EUR 121 million at 31 December 2023).

6.d. Securitisation transactions

• Proprietary securitisation activities (originator)

As part of BNP Paribas Personal Finance's day-to-day cash management activities and its objective of reducing risk-weighted assets, less liquid assets such as customer loans (consumer loans, auto loans and home loans) can be quickly converted to cash through securitisation.

The BNP Paribas Personal Finance Group's 2024 securitisation plan has been heavily impacted by lower than expected production levels of auto loans and consumer loans. As the size of eligible deposits is smaller, several transactions had to be postponed until 2025.

However, BNP Paribas Personal Finance issued three SRT transactions during the year.

ECARAT DE 2024, a cash credit risk transfer securitisation (SRT) within the meaning of regulation 575-2013, contributed significantly to the reduction in the capital requirements of the BNP Paribas Personal Finance group. Donatello 1, BNPP PF's first synthetic securitisation, was also launched in December 2024. This represents a securitisation tool that complements cash securitisation in order to meet the RWA reduction targets of BNPP PF and the BNP Paribas Group.

Securitisation	Significant Risk Transfer (SRT)	Type	Date	Country	Originator	Type of assets	Outstandings securitised
ECARAT DE 2024	Yes	Cash	June 2024	Germany	Stellantis Germany	Auto loans	EUR 375M
Donatello 1	Yes	Synthetic	December 2024	France	Findomestic	Consumer loans	EUR 900M

The securities subscribed by BNP Paribas Personal Finance's originator entities and lent to BNP Paribas SA, amounted to EUR 7.1 billion at 31 December 2024 compared with EUR 7.5 billion at 31 December 2023.

The total stock of securitised receivables amounted to EUR 12.2 billion at 31 December 2024 across thirteen transactions.



7. SALARIES AND EMPLOYEE BENEFITS

7.a. Salaries and employee benefit expenses

In millions of euros	2024	2023
Fixed and variable remuneration, incentive bonuses and profit-sharing	796	820
Employee benefit expense	163	453
Payroll taxes	56	58
Total salary and employee benefit expense	1,015	1,331

7.b. Post-employment benefits

IAS 19 distinguishes between two categories of plans, each handled differently depending on the risk incurred by the entity. When the entity is only committed to paying a fixed amount, stated as a percentage of the beneficiary's annual salary, for example, to an external entity handling payment of the benefits based on the assets available for each plan member, it is described as a defined-contribution plan. Conversely, when the entity's obligation is to manage the financial assets funded through the collection of contributions from employees and to bear the cost of benefits itself or to guarantee the final amount subject to future events, it is described as a defined-benefit plan. The same applies if the entity entrusts the management of the collection of premiums and payment of benefits to a separate entity but retains the risk arising from the management of the assets and/or from future changes in the benefits.

- **Main defined-contribution pension plans for BNP Paribas Personal Finance Group**

In France, the BNP Paribas Personal Finance Group pays contributions to mandatory state and complementary pension schemes.

Since defined-benefit plans have been closed to new employees in most countries outside France, they are offered the benefit of joining defined-contribution pension plans.

The amount paid into defined-contribution post-employment plans for the year ended 31 December 2024 was EUR 54 million, compared with EUR 52 million for the year ended 31 December 2023.

The breakdown by geographic area is as follows:

Contributions in EUR millions	2024	2023
France	28	28
Italy	18	17
Others	8	7
TOTAL	54	52

- **Main defined-benefit pension plans for BNP Paribas Personal Finance Group entities and retirement bonuses and end-of-service awards**

Defined-benefit pension plans have all been closed to new entrants. This mainly concerns plans benefiting employees of entities located within Stellantis Bank SA Niederlassung Deutschland and PSA Bank Deutschland in Germany, whose plans were almost 100% funded at 31 December 2024, compared with 93% at 31 December 2023, and within Stellantis Financial Services UK Ltd in the United Kingdom, whose plans was 130% funded at 31 December 2024, unchanged from 31 December 2023.



- Other post-employment benefits

The employees of the BNP Paribas Personal Finance Group companies are offered various contractual benefits such as retirement bonuses and end-of-service awards. In France, the obligations for these benefits are funded through a contract held with a third-party insurer outside the BNP Paribas Personal Finance Group. At 31 December 2024, 125% of this commitment was covered by financial assets, compared with 111% at 31 December 2023. Abroad, commitments in respect of these other benefits are concentrated in Italy, where rights were frozen on 31 December 2006.

• Obligations under defined-benefit pension plans and indemnities payable on retirement

- Assets and liabilities recognised on the balance sheet

In millions of euros, at 31 December 2024	Defined-benefit obligation arising from wholly or partially funded plans	Defined-benefit obligation arising from unfunded plans	Present value of defined-benefit obligation	Fair value of plan assets	Net obligation	of which assets recognised in the balance sheet for defined benefit plans	of which obligation recognised in the balance sheet for defined-benefit plans
Germany	119		119	(119)		(6)	8
France	39	1	40	(49)	(9)	(10)	1
United Kingdom	31		31	(40)	(9)	(9)	-
Others		13	13		13	-	13
TOTAL	189	14	203	(208)	(5)	(25)	20

In millions of euros, at 31 December 2023	Defined-benefit obligation arising from wholly or partially funded plans	Defined-benefit obligation arising from unfunded plans	Present value of defined-benefit obligation	Fair value of plan assets	Net obligation	of which assets recognised in the balance sheet for defined benefit plans	of which obligation recognised in the balance sheet for defined-benefit plans
Germany	119		119	(110)	9		9
France	45	1	46	(50)	(4)	(5)	1
United Kingdom	28		28	(37)	(9)	(9)	-
Others		12	12		12	-	12
TOTAL	192	13	205	(197)	8	(14)	22

- Change in the present value of the defined-benefit obligation

In millions of euros	2024	2023
Present value of defined-benefit obligation at start of period	205	150
Current service cost	3	3
Interest cost	7	7
Past service cost	(3)	(8)
Actuarial (gains) losses on change in demographic assumptions		
Actuarial (gains) losses on change in financial assumptions	(7)	11
Actuarial (gains) losses on experience adjustments	5	(1)
Benefits paid directly by the employer	(1)	
Benefits paid from assets	(8)	(8)
Exchange rate (gains)/losses on obligation	1	
(Gains)/losses on obligation related to changes in the consolidation scope	1	51
Other movements		-
Present value of defined-benefit obligation at end of period	203	205



In millions of euros	2024	2023
Fair value of assets at start of period	197	145
Expected return on assets	7	8
Actuarial gains/(losses) on assets	11	(6)
Benefits paid from assets	(8)	(8)
Exchange rate (gains)/losses on obligation	2	
(Gains)/losses on obligation related to changes in the consolidation scope	(1)	58
Fair value of assets at end of period	208	197

- Components of the cost of defined-benefit plans

In millions of euros	2024	2023
Service cost	-	(4)
Current service cost	3	3
Past service cost	(3)	(7)
Settlements	-	-
Net financial expense	-	(1)
Interest cost	7	7
Interest income on plan assets	(7)	(8)
Total recognised in salary and employee benefit expense		(5)

- Other items recognised directly in equity

In millions of euros	2024	2023
Other items recognised directly in equity	13	(16)
Actuarial gains (losses) on plan assets	11	(6)
Actuarial (losses)/gains of demographic assumptions on the present value of obligations	-	-
Actuarial (losses)/gains of financial assumptions on the present value of obligations	7	(11)
Experience (losses)/gains on obligations	(5)	1

- Main actuarial assumptions used to calculate obligations

In the Eurozone, the BNP Paribas Personal Finance Group discounts its obligations using the yields of high-quality corporate bonds, with a term consistent with the duration of the obligations.

The following discount rate ranges have been used:

In %	31 December 2024		31 December 2023	
	Discount rate	Salary increase rate ⁽¹⁾	Discount rate	Salary increase rate ⁽¹⁾
Germany	3.40%	2.50%	3.20%	2.30% to 2.50%
France	3.40%	2.10% to 4.10%	3.20%	3.00%
United Kingdom	5.00%	NA	5.30%	3.20%
Others	3.10%	3.50%	3.60%	3.10%

⁽¹⁾ Including price increases (inflation)



Average discount rates weighted by obligation amounts are as follows:

- in the Eurozone: 3.38% at 31 December 2024 for a weighted average duration of 12.7 years, compared with 3.22% at 31 December 2023 for a weighted average duration of 12.7 years;
- in the United Kingdom: 5.00% at 31 December 2024 for a weighted average duration of 14.1 years, compared with 5.29% at 31 December 2023 for a weighted average duration of 14.7 years.

The impact of a 100bp change in discount rates on the present value of post-employment benefit obligations is as follows:

Change in the present value of obligations in millions of euros	31 December 2024		31 December 2023	
	Discount rate -100bp	Discount rate +100bp	Discount rate -100bp	Discount rate +100bp
Germany	18	(15)	17	(14)
France	5	(4)	5	(4)
United Kingdom	5	(4)	4	(4)
Others	1	(1)	1	(1)

The inflation assumptions used to calculate obligations are determined locally depending on the monetary area, except for the Eurozone for which the assumption is determined centrally.

Average discount rates weighted by obligation amounts are as follows:

- in the Eurozone: 2.10% at 31 December 2024 compared with 2.30% at 31 December 2023;
- in the United Kingdom: 3.15% at 31 December 2024 compared with 3.20% at 31 December 2023.

The impact of a 100bp increase in inflation rates on the present value of post-employment benefit obligations is as follows:

Change in the present value of obligations in millions of euros	31 December 2024	31 December 2023
	Inflation rate +100bp	Inflation rate +100bp
Germany	15	14
France	5	5
United Kingdom	4	4
Others	-	-

Variation effects of discount and inflation rates presented above are not cumulative.

Actual rate of return on plan assets over the period

In %	2024	2023
Germany	10.50% to 15.90%	9.65% to 11.50%
France	2.80%	2.60%
United Kingdom	7.60%	-9.00%
Others	unfunded	unfunded



Breakdown of plan assets

In %	31 December 2024							31 December 2023						
	Shares	Sovereign bonds	Non-Governmental bonds	Real estate	Deposit accounts	Others	TOTAL	Shares	Sovereign bonds	Non-Governmental bonds	Real estate	Deposit accounts	Others	TOTAL
Germany	20%	56%	0%	0%	1%	21%	100%	24%	55%	0%	0%		21%	100%
France ⁽¹⁾	12%	64%	13%	9%	2%	0%	100%	8%	56%	18%	13%	2%	0%	100%
United Kingdom	2%	0%	95%	0%	3%	0%	100%	2%		95%		3%		100%
BNP Paribas Personal Finance Group	15%	48%	21%	2%	1%	13%	100%	18%	46%	22%	3%	1%	12%	100%

⁽¹⁾ In France, the breakdown of plan assets corresponds to the breakdown of the general fund of the insurance firm that handles the commitments.

The BNP Paribas Personal Finance Group introduced an asset management governance process for assets backing defined-benefit pension plan commitments, the main objectives of which are the management and control of the risks in terms of investments.

It sets out investment principles, in particular, by defining an investment strategy for plan assets, based on financial objectives and financial risk management, to specify the way in which plan assets have to be managed via financial management servicing contracts.

The investment strategy is based on an assets and liabilities management analysis that should be realised at least every three years for plans for which assets value is more than EUR 100 million.

7.c. Other long-term benefits

The BNP Paribas Personal Finance Group offers its employees various long-term benefits, mainly long-service awards and the ability to save up paid annual leave in time savings accounts.

The net provision of the corresponding obligation amounted to EUR 29 million at 31 December 2024 (EUR 31 million at 31 December 2023).

As part of the BNP Paribas Group's variable compensation policy, annual deferred compensation plans are set up for certain high-performing employees or pursuant to special regulatory frameworks. Under these plans, payment is deferred over time and is subject to the performance achieved by the business lines, divisions and BNP Paribas Group.

Since 2013, the BNP Paribas Group has had a Group loyalty scheme with a cash payment, at the end of a three-year vesting period (or four years from 2022), which fluctuates according to the Group's intrinsic performance. The aim of this scheme is to involve different categories of managerial staff in the Group's development and profitability objectives. These personnel are representative of the Group's talent and the breadth of its managerial framework, i.e. senior managers, managers in key positions, line managers and experts, high-potential managers, high-performing young managers with good career development prospects and key contributors to the Group's results.

The amounts allocated under this plan are linked to changes in the Group's operational performance over the duration of the plan (for 80%) and to the achievement of the Group's Corporate Social Responsibility (CSR) targets (for 20%). These ten targets are in line with the four pillars on which the Group's CSR policy is based. In addition, the final payment is subject to continuous service within the Group between the grant date and the payment date, provided that the Group's operating income and pre-tax income for the year prior to payment are strictly positive. For employees subject to special regulatory frameworks, this loyalty scheme is adjusted in accordance with the CRD European Directive.

The net obligation related to deferred compensation plans and loyalty schemes amounts to EUR 13 million at 31 December 2024 (EUR 13 million at 31 December 2023).

In millions of euros	31 December 2024	31 December 2023
Net provisions for other long-term benefits	42	44



7.d. Termination benefits

The BNP Paribas Personal Finance Group has implemented various voluntary redundancy plans and headcount adaptation plans for employees who meet certain eligibility criteria. The obligations to eligible active employees under such plans are provided for as soon as a bilateral agreement or a bilateral agreement proposal for a particular plan is made. Furthermore, BNP Paribas Personal Finance records charges related to redundancy plans due to restructuring once the Group has established a formalised and detailed plan which has been announced to the parties concerned.

In millions of euros	31 December 2024	31 December 2023
Provision for voluntary departure, early retirement plans, and headcount adaptation plans	163	231

7.e. Share-based payments

As part of the Group's variable remuneration policy, deferred annual compensation plans offered to certain high-performing employees or set up pursuant to special regulatory frameworks may entitle beneficiaries to variable compensation settled in cash but linked to the share price, payable over several years.

Variable compensation for employees, subject to special regulatory frameworks

Since the publication of the Decree by the French Ministry of Finance on 13 December 2010, and following the provisions of the European Directive CRD 4 of 26 July 2013, modified by the CRD 5 Directive of 20 May 2019, transposed into the French law in the Monetary and Financial Code by the Ordinance of 20 February 2014, and the Ordinance of 21 December 2020, as well as the Decrees and Orders of 3 November 2014 and 22 December 2020 and the Delegated European Regulation of 25 March 2021, the variable compensation plans apply to Group employees performing activities that may have a material impact on the Group's risk profile.

Under these plans, payment is deferred over time and is contingent on the performance achieved by the business lines, core businesses and Group.

Sums will mostly be paid in cash linked to the increase or decrease in the BNP Paribas share price.

- Deferred variable compensation for other Group employees

Sums due under the annual deferred compensation plans for high-performing employees are partly paid in cash linked to the increase or decrease in the BNP Paribas share price.

• Expense of share-based payments

Expense / (revenue) in millions of euros	2024	2023
Prior deferred compensation plans	-	(1)
Deferred compensation plans for the year	4	3
Total	4	2



8. ADDITIONAL INFORMATION

8.a. Changes in share capital and earnings per share

• Share capital transactions

At 31 December 2024, the share capital of BNP Paribas Personal Finance was divided into 88,182,845 fully paid-up shares with a nominal value of EUR 7 each (83,404,922 shares at 31 December 2023).

• Subordinated Debt eligible to equity

BNP Paribas Personal Finance has issued subordinated loans that pay subscribers a variable rate coupon and that can be redeemed at the end of a fixed period and then on each coupon date.

The following table summarises the characteristics of this issue:

Issuer	Issue date	Currency	Gross (in millions of euros)	Rate and term before the first call date	Rate after the first call date
BNP Paribas Personal Finance	20 December 2017	EUR		2803-month Euribor + 4.16% 5 years	3-month Euribor + 4.16%
BNP Paribas Personal Finance	18 December 2019	EUR		5503-month Euribor + 4.74% 5 years	3-month Euribor + 4.74%
BNP Paribas Personal Finance	22 February 2023	EUR		1003-month Euribor + 4.75% 5 years	3-month Euribor + 4.75%
Total as at 31 December 2024			930		

• Earnings per share

Basic earnings per share are calculated by dividing the net income for the period attributable to holders of ordinary shares by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share correspond to the net income for the period attributable to holders of ordinary shares divided by the weighted average number of shares outstanding during the period as adjusted for the maximum effect of the conversion of dilutive equity instruments into ordinary shares.

As the BNP Paribas Personal Finance Group has no dilutive instruments convertible into ordinary shares, basic earnings per share are equal to diluted earnings per share.

At 31 December 2024, the average number of ordinary shares outstanding during the period was 83,744,337 (80,277,307 shares at 31 December 2023).

Basic earnings per share for 2024 amounted to EUR -2.70 (EUR -10.83 for 2023).

• Capital Increase

By a decision of the Board of Directors on 27 November 2024, acting on a delegation of authority granted by extraordinary resolution of the shareholders dated 14 May 2024, the company's share capital was increased by EUR 33,445,461, through the issue of 4,777,923 new shares with a nominal value of EUR 7 each, to EUR 617,279,915, and additional paid-in capital of EUR 466,554,539 was recorded.

This capital increase was recorded by decision of the Chief Executive Officer on 5 December 2024.



8.b. Business combinations and loss of control or significant influence

Operations of 2024

- **Cetelem SA de CV**

On 27 March 2024, BNP Paribas Personal Finance sold 80% of its stake of its Mexican subsidiary Cetelem SA de CV.

The BNP Paribas Group lost exclusive control of this entity but kept a significant influence.

This partial disposal is accompanied by an agreement for the future disposal of the residual interest, thereby depriving the Group of the return on the shares held, and leading to the recognition of a debt of EUR 125 million.

The loss of control led to the recognition of a net gain on disposal of EUR 119 million and to a decrease of the Group's balance sheet by EUR 3.1 billion, in particular in financial assets at amortised cost.

- **BNP Paribas Personal Finance Bratislava branch (Slovakia)**

The activities of the BNP Paribas Personal Finance Bratislava Branch in Slovakia were sold on 2 April 2024. This disposal resulted in a gain on disposal of EUR 0.8 million and a reduction in the Group's balance sheet of EUR 53 million.

- **Magyar Cetelem Bank ZRT (Hungary)**

On 30 September 2024, BNP Paribas Personal Finance sold 100% of its stake in its Hungarian subsidiary, Magyar Cetelem Bank ZRT, to Cofidis SA.

The BNP Paribas Personal Finance Group lost exclusive control of this entity, resulting in the recognition of a loss on disposal of EUR 42.8 million and a decrease in the Group's balance sheet of EUR 247 million, mainly in financial assets at amortised cost.

These disposals were classified as an activity held for sale in the 2023 consolidated financial statements of the BNP Paribas Personal Finance Group and described in Note 8.c Activities held for sale.

Operations of 2023

- **Partnership with Stellantis**

On 3 April 2023, BNP Paribas Personal Finance became the exclusive partner of Stellantis captive company in its financing activities across three strategic markets: Germany, Austria and the United Kingdom.

This operation involved the purchase of three entities in these three countries, in conjunction with the sale of activities to various Stellantis joint ventures in France, Italy and Spain. In the 2022 consolidated financial statements, the disposal of the Italian and Spanish retail portfolios was treated as held for sale in accordance with IFRS 5.

This restructuring increased the Group's balance sheet by EUR 8 billion, in particular in financial assets at amortised cost, and led to the recognition of a net gain on disposal of EUR 54 million and of a goodwill of EUR 73 million.



8.c. Minority interests

In millions of euros	Share capital additional paid in capital and retained earnings	Changes in assets and liabilities recognised directly in equity that will not be reclassified to profit or loss	Changes in assets and liabilities recognised directly in equity that may be reclassified to profit or loss	Minority interests
Balance at 1 January 2023	787	5	(16)	776
Appropriation of net income for 2022	(7)	-	-	(7)
Increases in capital and issues	310	-	-	310
Remuneration on undated super subordinated notes	(3)	-	-	(3)
Impact of internal transactions on minority shareholders	(17)	-	-	(17)
Change in commitments to repurchase minority shareholders' interests	1	-	-	1
Other movements	-	-	-	-
Changes in assets and liabilities recognised directly in equity	-	(8)	18	12
Net income as at 31 December 2023	133	-	-	133
Balance at 31 December 2023	1,204	(1)	2	1,205
Appropriation of net income for 2023	(123)	-	-	(123)
Increases in capital and issues	-	-	-	-
Capital reductions or repayments	-	-	-	-
Remuneration on undated super subordinated notes	(8)	-	-	(8)
Impact of internal transactions on minority shareholders	-	-	-	-
Change in commitments to repurchase minority shareholders' interests	2	-	-	2
Other movements	1	-	-	1
Changes in assets and liabilities recognised directly in equity	-	3	20	23
Net income as at 31 December 2024	110	-	-	110
Balance at 31 December 2024	1,186	2	22	1,210

• Main minority interests

The assessment of the material nature of minority interests is based on the contribution of the relevant subsidiaries to the Group balance sheet (before elimination of intra-group balances and transactions) and to the Group profit and loss account.

In millions of euros	31 December 2024	2024						
	Total assets before elimination of intra-group transactions	Revenues	Net income	Net income and changes in assets and liabilities recognised directly in equity	Minority shareholders' interest (%)	Net income attributable to minority interests	Net income and changes in assets and liabilities recognised directly in equity, attributable to minority interests	Dividends paid to minority shareholders
Contribution of Stellantis Bank SA group entities	20,359	544	209	256	50%	104	128	131
Other minority interests						6	5	-
TOTAL						110	133	131



	31 December 2023	2023						
	Total assets before elimination of intra-group transactions	Revenue	Net income	Net income and changes in assets and liabilities recognised directly in equity	Minority shareholders' interest (%)	Net income attributable to minority interests	Net income and changes in assets and liabilities recognised directly in equity, attributable to minority interests	Dividends paid to minority shareholders
In millions of euros								
Contribution of Stellantis Bank SA group entities	20,030	536	243	244	50%	122	122	3
Other minority interests						11	23	7
TOTAL						133	145	10

There are no particular contractual restrictions on the assets of Stellantis Bank SA related to the presence of the minority shareholder.

• Commitments to repurchase minority shareholders' interests

In connection with the acquisition of certain entities, the Group granted minority shareholders put options on their holdings at a fixed price.

The total value of these commitments, which are recorded as a reduction in shareholders' equity, amounted to EUR 59 million at 31 December 2024, compared with EUR 61 million at 31 December 2023.

8.d. Significant restrictions in subsidiaries, joint ventures and associates

Significant restrictions related to the ability of entities to transfer cash to the Group

The ability of entities to pay dividends or to repay loans and advances depends, *inter alia*, on local regulatory requirements for capitalisation and legal reserves, as well as the entities' financial and operating performance. During 2023 and 2024, no BNP Paribas Personal Finance Group entity was subject to significant restrictions other than those related to regulatory requirements.

Significant restrictions relative to the Group's ability to use the assets lodged in consolidated structured entities

Access to the assets of consolidated structured entities in which third-party investors have invested is limited inasmuch as these entities' assets are reserved for the holders of units or shares. The total amount of these assets is shown in Note 5.n "Transfers of financial assets".

Significant restrictions related to the Group's ability to use assets pledged as collateral or under repurchase agreements

The financial instruments pledged by the BNP Paribas Personal Finance Group as collateral or sold under repurchase agreements are listed in Notes 5.n "Transfers of financial assets" and 6.c "Other guarantee commitments".



8.e. Remuneration awarded to the Group's corporate officers

Compensation and benefits awarded to directors and officers totalled EUR 1,375 million for 2024, compared with EUR 1,537 million for 2023.

8.f. Other related parties

Other related parties of the BNP Paribas Personal Finance Group comprise consolidated companies (including entities accounted for using the equity method), other BNP Paribas Group entities and entities managing post-employment benefit plans offered to Group employees (except for multi-employer and multi-industry schemes).

Transactions between the BNP Paribas Personal Finance Group and related parties are carried out on an arm's length basis.

RELATIONS BETWEEN CONSOLIDATED BNP PARIBAS PERSONAL FINANCE GROUP COMPANIES AND THE BNP PARIBAS GROUP

A list of companies consolidated by the BNP Paribas Personal Finance Group is provided in Note 8.j "Scope of consolidation". Transactions and outstanding balances between fully-consolidated entities are eliminated. The tables below show transactions with entities accounted for under the equity method. They also include all transactions with other fully-consolidated BNP Paribas Group companies.

• Outstanding balances with related parties

Besides, securitisation units self-subscribed by BNP Paribas Personal Finance (see Note 6.d) and other securities were lent or sold under repurchase agreements to BNP Paribas SA.

• Profit and loss items with related parties

	31 December 2024			31 December 2023		
	Other consolidated BNP Paribas Group companies	Joint ventures	Associates	Other consolidated BNP Paribas Group companies	Joint ventures	Associates
in millions of euros						
ASSETS						
On demand accounts	1,927			1,819		
Loans	3,791	51	3	3,711	265	
Securities	16	134	-	27	224	
Other assets	248	-	14	219		13
Total	5,982	185	17	5,776	489	13
LIABILITIES						
On demand accounts	166			146		
Other borrowings	66,673			68,612		
Debt securities	3,021	-	-	3,069		
Other liabilities	264	-	6	196		
Total	70,124	-	6	72,043	-	-
FINANCING AND GUARANTEE COMMITMENTS						
Guarantee commitments given	347	-	-	391		
Financing commitments given	-	-	-	-		
Total	347	-	-	391		



	2024			2023		
	Other consolidated BNP Paribas Group companies	Joint ventures	Associates	Other consolidated BNP Paribas Group companies	Joint ventures	Associates
In millions of euros						
Interest income	937	19		963	22	
Interest expense	(3,314)			(2,722)		
Commission income	379			372		14
Commission expense	(22)			(16)		
Services provided	32			11		
Services received	(377)			(228)		
Lease income	5			5		
Total	(2,360)	19	-	(1,615)	22	14

8.g. Fair value of financial instruments carried at amortised cost

The information supplied in this note must be used and interpreted with the greatest caution for the following reasons:

- these fair values are an estimate of the value of the relevant instruments at 31 December 2024. They are liable to fluctuate from day to day as a result of changes in various parameters, such as interest rates and credit quality of the counterparty. In particular, they may differ significantly from the amounts actually received or paid on maturity of the instrument. In most cases, the fair value is not intended to be realised immediately, and in practice might not be realised immediately. Consequently, this fair value does not reflect the actual value of the instrument to BNP Paribas Personal Finance as a going concern;
- most of these fair values are not meaningful, and hence are not taken into account in the management of BNP Paribas Personal Finance activities which use these instruments;
- estimating a fair value for financial instruments carried at historical cost often requires the use of modelling techniques, rules and assumptions that may vary from bank to bank. This means that comparisons between the fair values of financial instruments carried at historical cost as disclosed by different banks may not be meaningful;
- the fair values shown below do not include the fair values of finance leases, non-financial instruments such as property, plant and equipment, goodwill and other intangible assets such as the value attributed to demand deposit portfolios or customer relationships. Consequently, these fair values should not be regarded as the actual contribution of the instruments concerned to the overall valuation of the BNP Paribas Personal Finance Group.

	Estimated fair value				Carrying value
	Level 1	Level 2	Level 3	Total	
In millions of euros, at 31 December 2024					
FINANCIAL ASSETS					
Loans and advances to credit institutions and customers ⁽¹⁾		2,260	70,009	72,269	72,676
Debt securities at amortised cost (note 5.e)	7	17	121	145	145
FINANCIAL LIABILITIES					
Deposits from credit institutions and customers		76,561		76,561	76,066
Debt securities (note 5.g)	813	3,475		4,288	4,286
Subordinated debt (note 5.g)		1,779		1,779	1,813

⁽¹⁾ Finance leases excluded



In millions of euros, at 31 December 2023	Estimated fair value				Carrying value
	Level 1	Level 2	Level 3	Total	
FINANCIAL ASSETS					
Loans and advances to credit institutions and customers ⁽¹⁾		6,698	69,886	76,584	76,919
Debt securities at amortised cost (note 5.e)	120	31	69	220	221
FINANCIAL LIABILITIES					
Deposits from credit institutions and customers		76,461		76,461	76,053
Debt securities (note 5.g)	624	5,761		6,385	6,388
Subordinated debt (note 5.g)		1,883		1,883	1,926

⁽¹⁾ Finance leases excluded

The valuation techniques and assumptions used by BNP Paribas Personal Finance ensure that the fair value of financial assets and liabilities carried at amortised cost is measured on a consistent basis throughout the Group. Fair value is based on prices quoted in an active market when these are available. In other cases, fair value is determined using valuation techniques such as discounting of estimated future cash flows for loans, liabilities and debt securities at amortised cost, or specific valuation models for other financial instruments as described in Note 1 "Summary of significant accounting policies applied by the Group". The description of the fair value hierarchy levels is also presented in the accounting principles (Note 1.e.9). In the case of loans, liabilities and debt securities at amortised cost that have an initial maturity of less than one year (including demand deposits) or of most regulated savings products, fair value equates to carrying amount. These instruments have been classified in Level 2, except for loans to customers, which are classified in Level 3.

8.h. Events after the reporting period

On 30 January 2025, the Spanish Supreme Court handed down an unfavourable ruling on the aspects of transparency. This event after the reporting period was covered by an additional provision in Banco Cetelem's local financial statements in addition to the existing provision and was not included in BNP Paribas PF's consolidated financial statements at 31 December 2024.



8.i Scope of consolidation

			31 December 2024				31 December 2023			
Name		Country	Method	% control	Interest (%)	Ref.	Method	% control	Interest (%)	Ref.
Consolidating company										
BNPP Personal Finance		France								
BNPP Personal Finance (Austria branch)		Austria	Full	100.0%	100.0%		Full	100.0%	100.0%	
BNPP Personal Finance (Bulgaria branch)		Bulgaria								S1
BNPP Personal Finance (Portugal branch)		Portugal	Full	100.0%	100.0%		Full	100.0%	100.0%	
BNPP Personal Finance (Czech Republic branch)		Czech Rep	Full	100.0%	100.0%		Full	100.0%	100.0%	
BNPP Personal Finance (Romania branch)		Romania	Full	100.0%	100.0%		Full	100.0%	100.0%	
BNPP Personal Finance (Slovakia branch)		Slovakia	Full	100.0%	100.0%		Full	100.0%	100.0%	
Consolidated companies										
Auto ABS UK Loans PLC	1	United Kingdom				S3	Full	-	-	E3
AutoFlorence 1 SRL	1	Italy	Full	-	-		Full	-	-	
AutoFlorence 2 SRL	1	Italy	Full	-	-		Full	-	-	
AutoFlorence 3 SRL	1	Italy	Full	-	-		Full	-	-	E2
Autonoria 2019	1	France				S1	Full	-	-	
Autonoria Spain 2019	1	Spain	Full	-	-		Full	-	-	
Autonoria Spain 2021 FT	1	Spain	Full	-	-		Full	-	-	
Autonoria Spain 2022 FT	1	Spain	Full	-	-		Full	-	-	
Autonoria Spain 2023 FT	1	Spain	Full	-	-		Full	-	-	E2
Axa Banque Financement		France	Equity	35.0%	35.0%		Equity	35.0%	35.0%	
Banco Cetelem SA		Brazil								S2
Banco Cetelem SA		Spain	Full	100.0%	100.0%		Full	100.0%	100.0%	
BON Mercantil E Services Ltda		Brazil								S2
BNPP Personal Finance BV		Netherlands	Full	100.0%	100.0%		Full	100.0%	100.0%	
BNPP Personal Finance South Africa Ltd		South Africa	Full	100.0%	100.0%		Full	100.0%	100.0%	
BON BNPP Consumer Finance Co Ltd		China	Equity	1.7%	1.7%	V3	Equity	1.8%	1.8%	V3
Cafneo		France	Full	51.0%	50.8%		Full	51.0%	50.8%	
Camelot Banque		France	Equity	40.0%	40.0%		Equity	40.0%	40.0%	
Central Europe Technologies SRL		Romania	Full	100.0%	100.0%		Full	100.0%	100.0%	
Cetelem America Ltda		Brazil								S2
Cetelem Business Consulting Shanghai Co Ltd		China	Full	100.0%	100.0%		Full	100.0%	100.0%	
Cetelem Gestion AIE		Spain	Full	100.0%	99.0%		Full	100.0%	99.0%	
Cetelem SA de CV		Mexico	Equity	20.0%	0.0%	S2	Full	100.0%	100.0%	
Cetelem Servicios Informaticos AIE		Spain	Full	100.0%	81.0%		Full	100.0%	81.0%	
Cetelem Serviços Ltda		Brazil								S2
Cofica Bail		France	Full	100.0%	100.0%		Full	100.0%	100.0%	
Cofipar		France	Full	100.0%	100.0%		Full	100.0%	100.0%	
Creation Consumer Finance Ltd		United Kingdom								S2
Creation Financial Services Ltd		United Kingdom								S2
Credit Moderne Antilles Guyane		France	Full	100.0%	100.0%		Full	100.0%	100.0%	
Credit Moderne Ocean Indien		France	Full	97.8%	97.8%		Full	97.8%	97.8%	
Domofinance		France	Full	55.0%	55.0%		Full	55.0%	55.0%	
E Carat 10	1	France								S1



Name	Country	31 December 2024				31 December 2023			Ref.
		Method	% control	Interest (%)	Ref.	Method	% control	Interest (%)	
E Carat 11 PLC	United Kingdom								S3
E Carat 12 PLC	United Kingdom				S3	Full	-	-	
Ecarat De SA	Luxembourg	Full	-	-	E2				
Ekspres Bank AS	Denmark	Full	100.0%	100.0%		Full	100.0%	100.0%	
Ekspres Bank AS (Norway branch)	Norway	Full	100.0%	100.0%		Full	100.0%	100.0%	
Ekspres Bank AS (Sweden branch)	Sweden	Full	100.0%	100.0%		Full	100.0%	100.0%	
Evollis	France	Equity	49.2%	49.2%		Equity	49.2%	49.2%	V4
Expo Atlantico EMI Investimentos Imobiliarios SA	Portugal	Equity	-	-		Equity	-	-	
Expo Indico EMI Investimentos Imobiliarios SA	Portugal	Equity	-	-		Equity	-	-	
Findomestic Banca SPA	Italy	Full	100.0%	100.0%		Full	100.0%	100.0%	
Florence Real Estate Developments SPA	Italy	Full	100.0%	100.0%		Full	100.0%	100.0%	
Florence SPV SRL	Italy	Full	-	-		Full	-	-	
Securitization funds UDI and RMBS Prado (a)	Spain	Equity ⁽¹⁾	-	-		Equity ⁽¹⁾	-	-	
Securitization funds Genius (b)	China	Equity ⁽¹⁾	-	-		Equity ⁽¹⁾	-	-	E3
Securitization funds Wisdom (c)	China	Equity ⁽¹⁾	-	-		Equity ⁽¹⁾	-	-	E3
GOC Consumo Establecimiento Financiero de Credito SA	Spain	Full	51.0%	51.0%		Full	51.0%	51.0%	
Genius Auto Finance Co Ltd	China	Equity ⁽¹⁾	25.0%	25.0%		Equity ⁽¹⁾	25.0%	25.0%	V1
International Development Resources AS Services SA	Spain	Full	100.0%	100.0%		Full	100.0%	100.0%	
Igora Services	France								S2
Loisirs Finance	France	Full	51.0%	51.0%		Full	51.0%	51.0%	
Magyar Cetelem Bank ZRT	Hungary				S2	Full	100.0%	100.0%	
Neuilly Contentieux	France	Full	95.9%	95.6%		Full	95.9%	95.6%	
Noria 2016-1	France								S1
Noria 2020	France								S1
Noria 2021	France	Full	-	-		Full	-	-	
Noria 2023	France	Full	-	-		Full	-	-	E2
Noria Spain 2020 FT	Spain	Full	-	-		Full	-	-	
Opel Finance NV	Netherlands								S3
Opel Finance SA	Switzerland				S3	Full	100.0%	50.0%	
PBD Germany Auto Lease Master SA	Luxembourg	Full	-	-		Full	-	-	E3
Personal Finance Location	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
Rhedina Hypotheken 2010 BV	Netherlands	Full	-	-		Full	-	-	
RCS Botswana Pty Ltd	Botswana	Full	100.0%	100.0%		Full	100.0%	100.0%	
RCS Cards Pty Ltd	South Africa	Full	100.0%	100.0%		Full	100.0%	100.0%	
RCS Investment Holdings Namibia Pty Ltd	Namibia	Full	100.0%	100.0%		Full	100.0%	100.0%	
Servicios Financieros Carrefour EFC SA	Spain	Equity	37.3%	40.0%		Equity	37.3%	40.0%	
Stellantis Bank SA	France	Full	50.0%	50.0%		Full	50.0%	50.0%	
Stellantis Bank SA (Germany branch)	Germany	Full	50.0%	50.0%		Full	50.0%	50.0%	
Stellantis Bank SA (Austria branch)	Austria	Full	50.0%	50.0%		Full	50.0%	50.0%	
Stellantis Bank SA (Spain branch)	Spain								S1
Stellantis Bank SA (Italy branch)	Italy								S1
Stellantis Financial Services UK Ltd	United Kingdom	Full	100.0%	50.0%		Full	100.0%	50.0%	E3
TEB Finansman AS	Turkey								S2
Union de Créditos Inmobiliarios SA	Spain	Equity ⁽¹⁾	40.0%	40.0%		Equity ⁽¹⁾	40.0%	40.0%	

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Name	Country	31 December 2024				31 December 2023			
		Method	% control	Interest (%)	Ref.	Method	% control	Interest (%)	Ref.
United Partnership	France	Equity ⁽¹⁾	50.0%	50.0%		Equity ⁽¹⁾	50.0%	50.0%	
Vauxhall Finance Ltd	United Kingdom				53	Full	100.0%	50.0%	
XFERA Consumer Finance EPC SA	Spain	Full	51.0%	51.0%		Full	51.0%	51.0%	
Zhejiang Wisdom Puhua Financial Leasing Co Ltd	China	Equity ⁽¹⁾	25.0%	25.0%		Equity ⁽¹⁾	25.0%	25.0%	V1

(a) At 31 December 2024, the securitisation funds UCI and RMBS Prado included 13 funds (FCC UCI 11, 12, 14 to 17, RMBS Prado VII to XI, Green Belem I and RMBS Belem No 2), unchanged from 31 December 2023

(b) At 31 December 2024, the securitisation funds Genius included 8 funds (Generation 2024-1 to 4 Retail Auto Mortgage Loan Securitisation, Generation 2023-2 to 5 Retail Auto Mortgage Loan Securitisation) versus 11 funds (Generation 2021-4 Retail Auto Mortgage Loan Securitisation, Generation 2022-1 to 5 Retail Auto Mortgage Loan Securitisation, Generation 2023-1 to 5 Retail Auto Mortgage Loan Securitisation) at 31 December 2023

(c) At 31 December 2024, the securitisation funds Wisdom included 10 funds (Wisdom Puhua Leasing 2022-2 to 3 Asset-Backed Securities, Wisdom Puhua Leasing 2023-2 Asset-Backed Notes, Wisdom Puhua Leasing 2023-1 & 2 Asset-Backed Securities, Wisdom Puhua Leasing Xinghe 2023-1 Asset-Backed Securities, Wisdom Puhua Leasing Xinghe 2024-1 to 4 Asset-Backed Securities) versus 13 funds (Wisdom Puhua Leasing 2021-2 & 3 Asset-Backed Securities, Wisdom Puhua Leasing 2022-1 Asset-Backed Notes, Wisdom Puhua Leasing 2022-1 to 3 Asset-Backed Securities, Wisdom Puhua Leasing 2023-1 & 2 Asset-Backed Notes, Wisdom Puhua Leasing 2023-1 & 2 Asset-Backed Securities, Wisdom Puhua Leasing Zhixing 2023-1 & 2 Asset-Backed Notes, Wisdom Puhua Leasing Xinghe 2023-1 Asset-Backed Securities) at 31 December 2023

Changes in scope of consolidation

New entries (B) in the scope of consolidation

- E1 - Passing qualifying thresholds
- E2 - Incorporation
- E3 - Purchase, gain of control or significant influence

Removals (C) from the scope of consolidation

- R1 - Cessation of activity (cessation, liquidation, etc.)
- R2 - Original loss of control or loss of significant influence
- R3 - Passing qualifying thresholds
- R4 - Merger, Universal transfer of assets and liabilities

Adjustments (V) in writing or ownership interest

- V1 - Additional purchase
- V2 - Partial disposal
- V3 - Divisor
- V4 - Increase in %

Equity* Consolidated but non-material entities consolidated under the equity method as associates

- 4 - Structured entities
- 5 - Securitisation funds

Modifications

- D1 - Change in the consolidation method not related to a change in ownership interest

Information reported in consolidated financial statements

- (7) - Jointly controlled entities under proportional consolidation in the prudential scope



8.j. Fees paid to the statutory auditors

Excluding tax, in thousands of euros	Deloitte		BDO		E&Y		TOTAL	
	Gross	%	Gross	%	Gross	% 1	Gross	% 1
Certification of statutory audit	2,788	94%	2,470	99%	1,507	87%	6,765	94%
- Issuer	939	-	543	-	-	-	1,482	-
- Consolidated subsidiaries	1,849	-	1,927	-	1,507	-	5,283	-
Services other than those required for the certification of statutory audit	189	6%	19	1%	231	13%	439	6%
- Issuer	75	-	19	-	-	-	94	-
- Consolidated subsidiaries	114	-	-	-	231	-	345	-
TOTAL	2,977	100%	2,489	100%	1,738	100%	7,204	100%
of which fees paid to statutory auditors in France for their statutory audit engagement	1201	-	1,063	-	342	-	2,606	-
of which fees paid to statutory auditors in France for services other than those required for their statutory audit engagement	75	-	19	-	-	-	94	-

Excluding tax, in thousands of euros	Deloitte		BDO		Mazars		TOTAL	
	Gross	%	Gross	%	Gross	%	Gross	%
Certification of statutory audit	2,284	92%	2,589	99%	1,984	97%	6,857	96%
- Issuer	558	-	543	-	-	-	1,101	-
- Consolidated subsidiaries	1,726	-	2,046	-	1,984	-	5,756	-
Services other than those required for the certification of statutory audit	204	8%	38	1%	57	3%	299	4%
- Issuer	30	-	30	-	-	-	60	-
- Consolidated subsidiaries	174	-	8	-	57	-	239	-
TOTAL	2,488	100%	2,627	100%	2,041	100%	7,156	100%
of which fees paid to statutory auditors in France for their statutory audit engagement	703	-	1,071	-	438	-	2,212	-
of which fees paid to statutory auditors in France for services other than those required for their statutory audit engagement	35	-	38	-	25	-	98	-

Audit fees paid to external auditors who are not part of the network of the external auditors certifying the individual and consolidated financial statements of BNP Paribas Personal Finance, mentioned in the table above, amounted to EUR 14 thousand for the year ended 31 December 2024.

Translation
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BNP PARIBAS

PERSONAL FINANCE

CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

Audited financial statements



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CONSOLIDATED FINANCIAL STATEMENTS

prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union

The consolidated financial statements of the BNP Paribas Personal Finance Group are presented for the years ended 31 December 2024 and 31 December 2023. Information for the year ended 31 December 2022 is included in the consolidated financial statements for the year ended 31 December 2022, which are available on the website of the French Official Journal of legal announcements (www.journal-officiel.gouv.fr).

INCOME STATEMENT FOR THE 2024 FINANCIAL YEAR

In millions of euros	Notes	2024	2023
Interest income	2.a	6,463	6,253
Interest expense	2.a	(3,811)	(3,419)
Commission income	2.b	754	887
Commission expense	2.b	(123)	(181)
Net gain (loss) on financial instruments at fair value through profit or loss	2.c	6	19
Net gain (loss) on financial instruments at fair value through equity		-	-
Income from other activities	2.d	323	244
Expense on other activities	2.d	(267)	(204)
NET BANKING INCOME		3,345	3,599
Salaries and employee benefit expenses	7.a	(1,015)	(1,331)
Other operating expense	2.e	(921)	(1,053)
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets	5.k	(165)	(171)
GROSS OPERATING INCOME		1,244	1,044
Cost of risk	2.f	(1,125)	(1,221)
Other net expenses for risk on financial instruments	2.g	-	(221)
OPERATING INCOME		119	(398)
Share of earnings of equity-method entities	5.j	(16)	4
Net gain on non-current assets	2.h	65	(377)
Goodwill	5.l	-	-
PRE-TAX INCOME		168	(771)
Corporate income tax	2.i	(284)	34
NET INCOME		(116)	(737)
Net income attributable to minority interests	8.d	110	133
NET INCOME ATTRIBUTABLE TO EQUITY HOLDERS		(226)	(870)
Earnings per share	8.a	(2.70)	(10.83)



STATEMENT OF NET INCOME AND CHANGES IN ASSETS AND LIABILITIES RECOGNISED DIRECTLY IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2024

in millions of euros	2024	2023
Net income	(116)	(737)
Changes in assets and liabilities recognised directly in equity	(29)	310
Items that are or may be reclassified to profit or loss	(38)	322
- Foreign currency translation adjustments	51	495
- Changes in fair value of hedging instruments		
<i>Changes in fair value recognised in equity</i>	<i>(102)</i>	<i>(138)</i>
<i>Changes in fair value reported in net income</i>	-	-
- Income tax	27	34
- Changes in equity-method investments	(14)	(69)
Items that will not be reclassified to profit or loss	9	(12)
- Changes in fair value of equity instruments designated at fair value through equity	1	
- Remeasurement gains (losses) related to post-employment benefit plans	12	(17)
- Income tax	(4)	5
- Changes in equity-method investments	-	
Total	(145)	(427)
- attributable to equity shareholders	(278)	(572)
- attributable to minority interests	133	145



BALANCE SHEET AT 31 DECEMBER 2024

In millions of euros	Notes	31 December 2024	31 December 2023
ASSETS			
Cash and amounts due from central banks		746	916
Financial instruments at fair value through profit or loss			
Securities portfolio	5.a	31	79
Loans and repurchase agreements	5.a		
Derivative financial instruments	5.a	10	34
Derivatives used for hedging purposes	5.b	475	81
Financial instruments at fair value through equity			
Equity instruments	5.c	3	2
Financial assets at amortised cost			
Loans and advances to credit institutions	5.e	5,978	6,062
Loans and advances to customers	5.e	81,893	84,012
Debt securities	5.e	145	221
Remeasurement adjustment on interest-rate risk hedged portfolios	5.b	54	(280)
Current and deferred tax assets	5.h	737	1,085
Accrued income and other assets	5.i	2,134	1,899
Equity-method investments	5.j	1,014	1,028
Property, plant and equipment and investment property	5.k	697	682
Intangible assets	5.k	357	391
Goodwill	5.l	1,128	1,215
TOTAL ASSETS		95,402	98,343
LIABILITIES			
Financial instruments at fair value through profit or loss			
Derivative financial instruments	5.a	11	34
Derivatives used for hedging purposes	5.b	515	299
Financial liabilities at amortised cost			
Due to credit institutions	5.f	67,747	70,314
Deposits from customers	5.f	8,319	5,739
Debt securities	5.g	4,286	6,388
Subordinated debt	5.g	1,813	1,926
Remeasurement adjustment on interest-rate risk hedged portfolios	5.b	(8)	(6)
Current and deferred tax liabilities	5.h	216	197
Accrued expenses and other liabilities	5.i	1,972	2,639
Provisions for contingencies and charges	5.m	471	782
TOTAL LIABILITIES		85,344	88,312
SHAREHOLDERS' EQUITY			
Share capital, additional paid-in capital and retained earnings		9,206	9,778
Net income for the period attributable to equity shareholders		(226)	(870)
Total capital, retained earnings and net income for the period attributable to shareholders		8,980	8,908
Changes in assets and liabilities recognised directly in equity		(132)	(80)
Shareholder's equity		8,848	8,828
Minority interests	8.d	1,210	1,205
TOTAL SHAREHOLDERS' EQUITY		10,058	10,031
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		95,402	98,343



CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

In millions of euros	Notes	2024	2023
Pre-tax income		168	(771)
Non-monetary items included in pre-tax net income and other adjustments		1,009	1,544
Net depreciation/amortisation expense on property, plant and equipment and intangible assets		207	202
Impairment of goodwill and other non-current assets			(1)
Net additions to provisions		962	1,640
Share of earnings of equity-method entities		16	(4)
Net expense (income) from investing activities		(58)	384
Net income from financing activities		(1)	(3)
Other movements		(117)	(674)
Net decrease in cash related to assets and liabilities generated by operating activities		(213)	(2,210)
Net decrease in cash related to transactions with credit institutions and customers		(467)	(3,073)
Net increase in cash related to transactions involving other financial assets and liabilities		35	882
Net decrease in cash related to transactions involving non-financial assets and liabilities		133	(53)
Taxes paid		86	34
NET DECREASE (INCREASE) IN CASH AND EQUIVALENTS GENERATED BY OPERATING ACTIVITIES		964	(1,437)
Net increase (decrease) in cash related to acquisitions and disposals of consolidated entities		123	405
Net decrease in cash related to property, plant and equipment and intangible assets		(162)	(208)
NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS RELATED TO INVESTING ACTIVITIES		(39)	197
Increase in cash and equivalents related to transactions with shareholders		191	911
Decrease in cash and equivalents generated by other financing activities		(1,498)	(277)
NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS RELATED TO FINANCING ACTIVITIES		(1,307)	634
EFFECT OF MOVEMENT IN EXCHANGE RATES ON CASH AND EQUIVALENTS		3	29
NET DECREASE IN CASH AND EQUIVALENTS		(379)	(508)
Of which net increase (decrease) in cash and cash equivalents of activities held for sale			69
Balance of cash and equivalent accounts at the beginning of the period		3,039	3,547
Cash and amounts due from central banks		916	382
On demand deposits with credit institutions		2,350	3,332
On demand loans from credit institutions	5.f	(228)	(169)
Deduction of receivables and accrued interest on cash and equivalents		1	2
Balance of cash and equivalent accounts at the end of the period		2,660	3,039
Cash and amounts due from central banks		746	916
On demand deposits with credit institutions		2,187	2,350
On demand loans from credit institutions	5.f	(276)	(228)
Deduction of receivables and accrued interest on cash and equivalents		3	1
DECREASE IN CASH AND EQUIVALENTS		(379)	(508)



STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Share capital, additional paid-in capital and retained earnings				Changes in assets and liabilities recognised directly in equity that will not be reclassified to profit or loss		
	Share capital and additional paid-in capital	Subordinated equity instruments	Undistributed reserves	Total	Financial assets designated as at fair value through equity	Remeasurement gains (losses) related to post-employment benefits plans	Total
In millions of euros							
Position as at 31 December 2022	4,317	930	3,914	9,161	2	20	22
Appropriation of net income for 2022				-			-
Distribution of reserves				-			-
Increases in capital and issues	590	100		690			-
Capital reductions or repayments				-			-
Movements in own equity instruments				-			-
Share-based payment plans				-			-
Remuneration on preferred shares			(78)	(78)			-
Internal transactions affecting minority shareholders				-			-
Impact of internal transactions on minority shareholders				-			-
Acquisitions of additional interests or partial sales of interests				-			-
Changes in commitments to repurchase minority shareholders' interests			1	1			-
Other variations			1	1			-
Transfer of non-recyclable items to reserves			1	1	(1)		(1)
Changes in assets and liabilities recognised directly in equity				-		(5)	(5)
Net income as at 31 December 2023			(870)	(870)			-
Position as at 31 December 2023	4,907	1,030	2,969	8,906	1	14	15
Appropriation of net income for 2023				-			-
Distribution of reserves				-			-
Increases in capital and issues	500			500			-
Capital reductions		(100)		(100)			-
Remuneration on preferred shares			(99)	(99)			-
Impact of internal transactions on minority shareholders				-			-
Acquisitions of additional interests or partial sales of interests				-			-
Changes in commitments to repurchase minority shareholders' interests			(1)	(1)			-
Other variations				-			-
Transfer of non-recyclable items to reserves				-			-
Changes in assets and liabilities recognised directly in equity				-	1	6	7
Net income as at 31 December 2024			(226)	(226)			-
Position as at 31 December 2024	5,407	930	2,643	8,980	2	20	22



FROM 1 JANUARY 2023 TO 31 DECEMBER 2024

Changes in assets and liabilities recognised directly in equity that may be reclassified to profit or loss			Total shareholder's equity	Minority interests (8.d)	Total equity
Exchange rate adjustments	Derivatives used for hedging purposes	Total			

(576)	177	(399)	8,784	776	9,560
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		-	-	(7)	(7)
		-	-		-
		-	690	310	1,000
		-	-		-
		-	-		-
		-	-		-
		-	(78)	(3)	(81)
		-	-		-
		-	-	(17)	(17)
		-	-		-
		-	1	1	2
		-	1		1
		-	-		-
485	(181)	304	298	12	310
		-	(870)	133	(737)

(111)	16	(95)	8,826	1,205	10,031
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		-	-	(123)	(123)
		-	-		-
		-	500		500
		-	(100)		(100)
		-	(99)	(8)	(107)
		-	-		-
		-	-		-
		-	(1)	2	1
		-	-	1	1
		-	-		-
47	(106)	(59)	(52)	23	(29)
		-	(226)	110	(116)

(64)	(90)	(154)	8,848	1,210	10,058
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES APPLIED BY THE GROUP

1.a. Accounting standards

1.a.1. Applicable Accounting standards

The consolidated financial statements of the BNP Paribas Personal Finance Group have been prepared in accordance with international accounting standards (International Financial Reporting Standards - IFRS) as adopted for use in the European Union¹. Accordingly, certain provisions of IAS 39 on hedge accounting have been excluded.

Information on the nature and extent of risks relating to financial instruments as required by IFRS 7 "Financial Instruments: Disclosures" along with information on regulatory capital required by IAS 1 "Presentation of Financial Statements" will be presented in the "Risks and Capital Adequacy of the BNP Paribas Personal Finance Group as at 31 December 2024" report. Chapter 3 Credit risk of Pillar III presents, in particular, IFRS 7 information on credit risk exposures and related impairment broken down according to whether the underlying loans are performing or non-performing, by geographic area and by industry.

- Further to the Pillar II recommendations of the Organisation for Economic Cooperation and Development (OECD) in relation to the international tax reform, the European Union adopted in December 2022 the 2022/2523 directive instituting a minimum corporate income tax for international groups, effective 1 January 2024. This directive was transposed by the 2024 Finance Act in France in December 2023.

To clarify the directive's potential impacts, on 23 May 2023 the IASB issued a series of amendments to IAS 12 "Income Taxes", which were adopted by the European Union on 8 November 2023. In accordance with the provisions of these amendments, the Group applies the mandatory and temporary exception not to recognise deferred taxes associated with this additional taxation.

The Pillar II reform had no impact on the Group when adopted, as at 1 January 2024 the Group has no subsidiary with a tax rate of less than 15%.

- In France, changes resulting from the pension reform enacted on 14 April 2023 constitute a change in post-employment benefits, based on IAS 19 § 104. The non-material impact of this change was recorded in the profit and loss account for the period.

The introduction of other standards, amendments and interpretations that are mandatory as from 1 January 2024, in particular the amendment to IFRS 16 on Lease liabilities in a sale and lease back, had no effect on the Group's financial statements at 31 December 2024.

¹ The full set of standards adopted for use in the European Union can be found on the website of the European Commission at: https://ec.europa.eu/info/business-economy-euro/company-reporting-and-auditing/company-reporting_en



1.a.2. New major accounting standards, published but not yet applicable

The Group did not early apply new standards, amendments and interpretations endorsed by the European Union when the application in 2024 was optional.

The impact assessment of the new standards and amendments not yet applicable by the Group is presented below:

• Amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: Disclosures" relating to the classification and measurement of financial instruments.

On 30 May 2024, the IASB published amendments to IFRS 9 and IFRS 7, which will be applicable for annual periods beginning on 1 January 2026. These amendments:

- clarify the date of recognition and derecognition of certain financial assets and liabilities, with a new exception for certain financial liabilities settled through an electronic payment system;
- clarify and add indications for assessing whether a financial asset meets the cash flow criterion, e.g. its cash flows are solely payments of principal and interest on the principal outstanding (SPPI);
- require disclosures in the notes to financial statements for certain instruments with contractual terms that can change the time or amount of cash flows upon the occurrence or non-occurrence of a contingent event (e.g. financial instruments with characteristics linked to the achievement of environmental, social and governance objectives); and
- update the information requirements for equity instruments designated at fair value through equity.

• Publication of IFRS 18 "Presentation and disclosure in financial statements" in replacement of IAS 1. IFRS 18 will be mandatory from 1 January 2027, with retrospective application.

IFRS 18 includes many of the requirements of IAS 1 without changes and supplements them with new requirements relating to:

- the presentation of specific categories (operating, investment and financing) and sub-totals in the statement of profit or loss account;
- information to be disclosed in the notes to the financial statements on management-defined performance measures (MPM);
- aggregation and disaggregation of information in the statement of profit or loss account.

The Bank is currently assessing the detailed implications of applying IFRS 18 to the Group's consolidated financial statements.

1.b. Consolidation

1.b.1 SCOPE OF CONSOLIDATION

The consolidated financial statements of BNP Paribas Personal Finance include all entities that are controlled by the Group, jointly controlled, and under significant influence, with the exception of those entities whose consolidation is regarded as immaterial to the Group. Companies that hold shares in consolidated companies are also consolidated.

Subsidiaries are consolidated from the date on which the Group obtains effective control. Entities under temporary control are also included in the consolidated financial statements until the date of disposal.



1.b.2 CONSOLIDATION METHODS

Exclusive control

Controlled entities are fully consolidated. The Group controls a subsidiary when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

For entities governed by voting rights, the Group generally controls the entity if it holds, directly or indirectly, the majority of the voting rights (and if there are no contractual provisions that alter the power of these voting rights) or if the power to direct the relevant activities of the entity is conferred on it by contractual agreements.

Structured entities are entities established so that they are not governed by voting rights, for instance when those voting rights only relate to administrative decisions, whereas the relevant activities are directed by means of contractual arrangements. They often present characteristics such as limited activities, a precise, clearly-defined purpose and insufficient equity to allow them to finance their activities without requiring subordinated financial support.

For these entities, the analysis of control consider the purpose and design of the entity, the risks to which the entity is designed to be exposed and to what extent the Group absorbs the related variability. The assessment of control shall consider all the facts and circumstances relevant to the Group's practical ability to make decisions that could significantly affect its returns, even if such decisions are contingent on uncertain future events or circumstances.

In assessing whether it has power, the Group considers only substantive rights which it holds or which are held by third parties. For a right to be substantive, the holder must have the practical ability to exercise that right when decisions about the relevant activities of the entity need to be made.

Control is reassessed if facts and circumstances indicate that there are changes to one or more of the elements of control.

Where the Group contractually holds the decision-making power, for instance where the Group acts as fund manager, it shall determine whether it is acting as agent or principal. Indeed, when associated with a certain level of exposure to the variability of returns, this decision-making power may indicate that the Group is acting on its own account and that it thus has control over those entities.

Minority interests are presented separately in the consolidated profit and loss account and balance sheet within consolidated equity. The calculation of minority interests takes into account the outstanding cumulative preferred shares classified as equity instruments issued by subsidiaries, when such shares are held outside the Group.

As regards fully consolidated funds, units held by third-party investors are recognised as debts at fair value through profit or loss, inasmuch as they are redeemable at fair value at the subscriber's initiative.

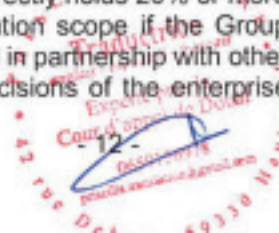
For transactions resulting in a loss of control, any equity interest retained by the Group is remeasured at its fair value through profit or loss.

Joint control

Where the Group carries out an activity with one or more partners, sharing control by virtue of a contractual agreement which requires unanimous consent on relevant activities (i.e. those that significantly affect the entity's returns), the Group exercises joint control over the activity. Where the jointly controlled activity is structured through a separate vehicle in which the partners have rights to the net assets, this joint venture is accounted for using the equity method. Where the jointly controlled activity is not structured through a separate vehicle or where the partners have rights to the assets and obligations for the liabilities of the jointly controlled activity, the Group accounts for its share of the assets, liabilities, revenues and expenses in accordance with the applicable IFRS.

Significant influence

Entities over which the Group exercises significant influence (associates) are accounted for using the equity method. Significant influence is the power to participate in the financial and operating policy decisions of a company without exercising control. Significant influence is presumed to exist when the Group directly or indirectly holds 20% or more of an entity's voting rights. Interests of less than 20% can be included in the consolidation scope if the Group effectively exercises significant influence. This is the case for example for entities developed in partnership with other associates, where the BNP Paribas Personal Finance Group participates in strategic decisions of the enterprise.



through representation on the Board of directors or equivalent governing body, or exercises influence over the enterprise's operational management by supplying management systems or senior managers, or provides technical assistance to support the enterprise's development.

Changes in the net assets of associates (companies accounted for under the equity method) are recognised on the assets side of the balance sheet under "Investments in equity-method entities" and in the relevant component of shareholders' equity. Goodwill recorded on associates is also included under "Investments in equity-method entities".

Whenever there is an indication of impairment, the carrying amount of the investment consolidated under the equity method (including goodwill) is subjected to an impairment test, by comparing its recoverable value (the higher of value-in-use and market value less costs to sell) to its carrying amount. Where appropriate, impairment is recognised under "Share of earnings of equity-method entities" in the consolidated income statement and can be reversed at a later date.

If the Group's share of losses of an equity-method entity equals or exceeds the carrying amount of its investment in this entity, the Group discontinues including its share of further losses. The investment is reported at nil value. Additional losses of the equity-method entity are provided for only to the extent that the Group has a legal or constructive obligation to do so, or has made payments on behalf of this entity.

Where the Group holds an interest in an associate, directly or indirectly through an entity that is a venture capital organisation, a mutual fund, an open-ended investment company or similar entity such as an investment related insurance fund, it may elect to measure that interest at fair value through profit or loss.

Realised gains and losses on investments in consolidated undertakings are recognised in the profit and loss account under "Net gain on non-current assets".

The consolidated financial statements are prepared using accounting policies that are consistent for similar transactions and other events in similar circumstances.

1.b.3 CONSOLIDATION RULES

- **Elimination of intragroup balances and transactions**

Intragroup balances arising from transactions between consolidated Group companies and the transactions themselves (including income, expenses and dividends) are eliminated. Profits and losses arising from intragroup sales of assets are eliminated, except where there is an indication that the asset sold is impaired. Unrealised gains and losses included in the value of financial instruments at fair value through equity are maintained in the consolidated financial statements.

- **Translation of accounts expressed in foreign currencies**

The consolidated financial statements of BNP Paribas Personal Finance are prepared in euros.

The financial statements of enterprises whose functional currency is not the euro are translated using the closing rate method. Under this method, all assets and liabilities, both monetary and non-monetary, are translated using the spot exchange rate at the balance sheet date. Income and expense items are translated at the average rate for the period.

Financial statements of the Group's subsidiaries located in hyperinflationary economies, previously adjusted for inflation effects by applying a general price index, are translated using the closing rate. This rate applies to the translation of assets and liabilities as well as income and expenses.



Differences arising from the translation of balance sheet items and profit and loss items are recorded in shareholders' equity under "Foreign currency translation adjustments" for the portion attributable to equity holders of the parent and under "Minority interests" for the portion attributable to other investors. Under the optional treatment permitted by IFRS 1, the Group has reset to zero all foreign currency translation adjustments attributable to shareholders and to minority interests by reclassifying them to retained earnings in the opening consolidated balance sheet at 1 January 2004.

Upon liquidation or disposal of all or part of an interest held in a foreign enterprise located outside the Eurozone, leading to a change in the nature of the investment (loss of control, loss of significant influence or loss of joint control without keeping a significant influence), the cumulative exchange difference at the date of liquidation or sale is recognised in the profit and loss account.

Should the percentage of interest change without leading to a modification in the nature of the investment, the exchange difference is reallocated between the portion attributable to shareholders and that attributable to minority interests if the entity is fully consolidated; if the entity is consolidated under the equity method, it is recorded in profit or loss for the portion related to the interest sold.

1.b.4 BUSINESS COMBINATIONS AND MEASUREMENT OF GOODWILL

- **Business combinations**

Business combinations are accounted for using the acquisition method.

Under this method, the identifiable assets acquired and the liabilities assumed for the acquired entity are recognised at the fair value at the acquisition date, except for non-current assets classified as held for sale which are recognised at fair value less costs to sell.

The acquiree's contingent liabilities are not recognised in the consolidated balance sheet unless they represent a present obligation on the acquisition date and their fair value can be measured reliably.

The acquisition cost is equal to the fair value, at the exchange date, of the assets transferred, liabilities incurred or assumed, and equity instruments issued to obtain control of the acquiree. Costs directly attributable to the business combination are treated as a separate transaction and recognised through profit or loss.

Any contingent consideration, measured at its fair value at the acquisition date, is included in the acquisition cost from the date the control is obtained. Subsequent changes in the value of any contingent consideration classified as a financial liability are recognised through profit or loss.

The Group may recognise any adjustments to the provisional accounting within 12 months of the acquisition date.

Goodwill represents the difference between the acquisition cost and the acquirer's interest in the fair value of the identifiable assets and liabilities at the acquisition date. Positive goodwill is recognised in the acquirer's balance sheet, while negative goodwill is recognised immediately in profit or loss, at the acquisition date. Minority interests are measured at their share of the fair value of the acquiree's identifiable assets and liabilities. However, for each business combination, the Group may elect to measure minority interests at their fair value, in which case a portion of goodwill is allocated to them. To date, the Group has never used this latter option.

Goodwill is recognised in the functional currency of the acquiree and translated at the closing exchange rate.

On the acquisition date, any previously held equity interest in the acquiree is remeasured at its fair value through profit or loss. In the case of a step acquisition, the goodwill is therefore determined by reference to the acquisition-date fair value.

Since the revised IFRS 3 has been applied prospectively, business combinations completed prior to 1 January 2010 were not restated for the effects of changes to IFRS 3.

As permitted under IFRS 1, business combinations that took place before 1 January 2004 and were recorded in accordance with the previous applicable French accounting standards (French GAAP), had not been restated in accordance with the principles of IFRS 3.



- **Measurement of goodwill**

The Group tests goodwill for impairment on a regular basis.

- Cash-generating units

The Group has split all its activities into cash-generating units² representing major business lines. This split is consistent with the Group's organisational structure and management methods and reflects the independence of each unit in terms of results and management approach. It is reviewed on a regular basis to take into account any events that could affect the composition of cash-generating units, such as acquisitions, disposals and major reorganisations.

- Testing cash-generating units for impairment

Goodwill allocated to cash-generating units is tested for impairment annually and whenever there is an indication that a unit may be impaired, by comparing the carrying amount of the unit with its recoverable amount. If the recoverable amount is less than the carrying amount, an irreversible impairment loss is recognised, and the goodwill is written down by the excess of the carrying amount of the unit over its recoverable amount.

- Recoverable amount of a cash-generating unit

The recoverable amount of a cash-generating unit is defined by its value in use.

Value in use is based on an estimate of the future cash flows to be generated by the cash-generating unit, derived from the annual forecasts prepared by the unit's management and approved by Group Executive Management, and from analyses of changes in the relative positioning of the unit's activities on their market. These cash flows are discounted at a rate that reflects the return that investors would require from an investment in the business sector and region involved.

1.c. Translation of foreign currency transactions

The methods used to account for assets and liabilities relating to foreign currency transactions carried out by the Group, and to measure the foreign exchange risk arising on such transactions, depend on whether the asset or liability in question is classified as a monetary or a non-monetary item.

- **Monetary assets and liabilities³ expressed in foreign currencies**

Monetary assets and liabilities expressed in foreign currencies are translated into the functional currency of the relevant Group entity at the closing rate. Foreign exchange differences are recognised in the profit and loss account, except for those arising from financial instruments designated as a cash flow hedge or a net foreign investment hedge, which are recognised in shareholders' equity.

² The term used in IAS 36 is "cash-generating unit".

³ Monetary assets and liabilities are assets and liabilities to be received or paid in fixed or determinable amounts of cash.



• Non-monetary assets and liabilities expressed in foreign currencies

Non-monetary assets may be measured either at historical cost or at fair value. Non-monetary assets expressed in foreign currencies are converted using the exchange rate at the date of the transaction, meaning the date of initial recognition of the non-monetary asset, when measured at historical cost. When measured at fair value, the closing rate is considered.

Foreign exchange differences relating to non-monetary assets denominated in foreign currencies and recognised at fair value (equity instruments) are recognised in profit or loss when the asset is classified in "Financial assets at fair value through profit or loss" and in equity when the asset is classified under "Financial assets at fair value through equity".

1. d. Net interest income, income and expenses from commissions and other activities

1.d.1 NET INTEREST INCOME

Income and expenses relating to debt instruments measured at amortised cost and at fair value through shareholders' equity are recognised in the income statement using the effective interest rate method.

The effective interest rate is the rate that ensures that the discounted estimated future cash flows through the expected life of the financial instrument or, when appropriate, a shorter period, is equal to the carrying amount of the asset or liability in the balance sheet. The effective interest rate measurement considers:

- fees received or paid that are an integral part of the effective interest rate of the contract (e.g. credit underwriting fees),
- transaction costs (e.g. referral fees paid to an intermediary),
- and premiums and discounts.

Commissions considered as an additional component of interest are included in the effective interest rate and are recognised in the profit and loss account in "Net interest income". This category includes notably commissions on financing commitments when it is considered that the setting up of a loan is more likely than unlikely. Commissions received in respect of financing commitments are deferred until they are drawn and then included in the effective interest rate calculation and amortised over the life of the loan.

Referral fees on unused revolving credit cards are recorded directly as interest expense.

1.d.2 INCOME AND EXPENSES FROM COMMISSIONS AND OTHER ACTIVITIES

Commissions received with regards to banking and similar services provided (except for those that are integral part of the effective interest rate), revenues from property development and revenues from services provided in connection with lease contracts fall within the scope of IFRS 15 "Revenue from Contracts with Customers".

This standard defines a single model for recognising revenue based on five-step principles. These five steps enable to identify the distinct performance obligations included in the contracts and allocate the transaction price among them. The income related to those performance obligations is recognised as revenue when the latter are satisfied, namely when the control of the promised goods or services has been transferred.

The price of a service may contain a variable component. Variable amounts may be recognised in the income statement only if it is highly probable that the amounts recorded will not result in a significant downward adjustment.



Commissions

The Group records commission income and expenses in profit or loss:

- over time as the service is rendered when the client receives continuous service. These include, for example, certain commissions on transactions with customers when services are rendered on a continuous basis, commissions on financing commitments that are not included in the interest margin, because the probability that they give rise to the drawing up of a loan is low, commissions on financial guarantees, clearing commissions on financial instruments, commissions related to trust and similar activities, securities custody fees, etc.

Commissions received under financial guarantee commitments are deemed to represent the initial fair value of the commitment. The resulting liability is subsequently amortised over the term of the commitment, in commission income; or

- at a point in time when the service is rendered, in other cases. These include, for example, distribution fees received (e.g. for the distribution of insurance products), advisory fees, etc.

Income and expenses from other activities

Income and expenses from services provided in connection with lease contracts are recorded under "Income from other activities" in the profit or loss account.

Regarding income from services provided in connection with lease contracts, the Group records them in profit or loss as the service is rendered, i.e. in proportion to the costs incurred for maintenance contracts.

The corresponding expenses are recognised when the service is rendered.

1.e. Financial assets and financial liabilities

Financial assets are classified at amortised cost, at fair value through shareholders' equity or at fair value through profit or loss depending on the business model and the contractual features of the instruments at initial recognition.

Financial liabilities are classified at amortised cost or at fair value through profit or loss at initial recognition.

Financial assets and liabilities are recognised in the balance sheet when the Group becomes a party to the contractual provisions of the instrument. Purchases and sales of financial assets made within a period established by the regulations or by a convention in the relevant marketplace are recognised in the balance sheet at the settlement date.

1.e.1 Financial assets at amortised cost

Financial assets are classified at amortised cost if the following two criteria are met: the business model objective is to hold the instrument in order to collect the contractual cash flows and the cash flows consist solely of payments relating to principal and interest on the principal.



Business model criterion

Financial assets are managed within a business model whose objective is to hold financial assets in order to collect cash flows through the collection of contractual payments over the life of the instrument.

The realisation of disposals close to the maturity of the instrument and for an amount close to the remaining contractual cash flows, or due to an increase in the counterparty's credit risk is consistent with a business model whose objective is to collect the contractual cash flows ("collect"). Sales imposed by regulatory requirements or to manage the concentration of credit risk (without an increase in the asset's credit risk) are also consistent with this business model when they are infrequent or insignificant in value.

Cash flow criterion

The cash flow criterion is satisfied if the contractual terms of the debt instrument give rise, on specified dates, to cash flows that are solely repayments of principal and interest on the principal amount outstanding.

The criterion is not met in the event of a contractual characteristic that exposes the holder to risks or to the volatility of contractual cash flows that are inconsistent with those of a non-structured or "basic lending" arrangement. It is also not satisfied in the event of leverage that increases the variability of the contractual cash flows.

Interest consists of consideration for the time value of money, for the credit risk, and for the remuneration of other risks (e.g. liquidity risk), costs (e.g. administration fees), and a profit margin consistent with that of a basic lending arrangement. The existence of negative interest does not call into question the cash flow criterion.

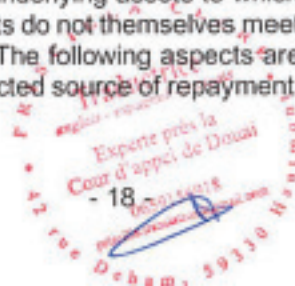
The time value of money is the component of interest - usually referred to as the "rate" component - which provides consideration for only the passage of time. The relationship between the interest rate and the passage of time must not be modified by specific characteristics that could call into question the respect of the cash flow criterion.

Thus, when the variable interest rate of the financial asset is periodically reset at a frequency that does not match the duration for which the interest rate is established, the time value of money may be considered as modified and, depending on the significance of that modification, the cash flow criterion may not be met. Some financial assets held by the Group present a mismatch between the interest rate reset frequency and the maturity of the index, or interest rates indexed on an average of benchmark rate. The Group has developed a consistent methodology for analysing this alteration of the time value of money.

Some contractual clauses may change the timing or the amount of cash flows. Early redemption options do not call into question the cash flow criterion if the prepayment amount substantially represents the principal amount outstanding and the interest thereon, which may include reasonable compensation for the early termination of the contract. For example, as regards loans to retail customers, the compensation limited to 6 months of interest or 3% of the capital outstanding is considered as reasonable. Actuarial penalties, corresponding to the present value of the difference between the residual contractual cash flows of the loan, and their reinvestment in a loan to a similar counterparty or in the interbank market for a similar residual maturity are also considered as reasonable, even when the compensation can be positive or negative (i.e. "symmetric" compensation). An option that permits the issuer or the holder of a financial instrument to change the interest rate from floating to fixed rate does not breach the cash flow criterion if the fixed rate is determined at origination, or if it represents the time value of money for the residual maturity of the instrument at the date of exercise of the option.

In the particular case of financial assets contractually linked to payments received on a portfolio of underlying assets and which include a priority order for payment of cash flows between investors ("tranches"), thereby creating concentrations of credit risk, a specific analysis is carried out. The contractual characteristics of the tranche and those of the underlying financial instrument portfolios must meet the cash flow criterion and the credit risk exposure of the tranche must be equal to or lower than the exposure to credit risk of the underlying pool of financial instruments.

Certain loans may be "non-recourse", either contractually, or in substance when they are granted to a special purpose entity. That is particularly the case of numerous project financing or asset financing loans. The cash flow criterion is met if these loans do not represent a direct exposure on the assets acting as collateral. In practice, the sole fact that the financial asset explicitly gives rise to cash flows that are consistent with payments of principal and interest is not sufficient to conclude that the instrument meets the cash flow criterion. In that case, the underlying assets to which there is limited recourse shall be analysed using the "look-through" approach. If those assets do not themselves meet the cash flow criterion, an assessment of the existing credit enhancement is performed. The following aspects are considered: structuring and sizing of the transaction, own funds level of the structure, expected source of repayment, price volatility of the underlying assets.



The "financial assets at amortised cost" category includes, in particular, loans granted by the Group, as well as reverse repurchase agreements and securities held by the Group ALM Treasury to collect contractual flows and meeting the cash flow criterion.

Recognition

On initial recognition, financial assets are recognised at fair value, including transaction costs directly attributable to the transaction as well as commissions related to the origination of the loans.

They are subsequently measured at amortised cost, including accrued interest and net of repayments of principal and interest during the past period. These financial assets are also subject from their initial recognition, to the measurement of a loss allowance for expected credit losses (note 1.f.5).

Interest is calculated using the effective interest method determined at inception of the contract.

1.e.2 FINANCIAL ASSETS AT FAIR VALUE THROUGH EQUITY

Debt instruments

Debt instruments are classified at fair value through shareholders' equity if the following two criteria are met:

- business model criterion: financial assets are held in a business model whose objective is achieved by both holding the financial assets to collect contractual cash flows and selling the financial assets ("collect and sale"). The latter is not incidental but is an integral part of the business model;
- cash flow criterion: the principles are identical to those applicable to financial assets at amortised cost.

The securities held by the Group ALM Treasury to collect contractual flows or to be sold and meeting the cash flow criterion are classified in this category

On initial recognition, financial assets are recognised at fair value, including transaction costs directly attributable to the transaction. They are subsequently measured at fair value and changes in fair value are recognised under a specific line of shareholders' equity entitled "Changes in assets and liabilities recognised directly in equity that may be reclassified to profit or loss". These financial assets are also subject to the measurement of a loss allowance for expected credit losses on the same approach as for debt instruments at amortised cost. The counterparty of the related impact in cost of risk is recognised in the same specific line of shareholders' equity. On disposal, changes in fair value previously recognised in shareholders' equity are reclassified to profit or loss.

In addition, interest is recognised in the income statement using the effective interest method determined at the inception of the contract.

Equity instruments

Investments in equity instruments such as shares are classified on option, and on a case by case basis, at fair value through shareholders' equity (under a specific line). On disposal of the shares, changes in fair value previously recognised in equity are not recognised in profit or loss. Only dividends, if they represent remuneration for the investment and not repayment of capital, are recognised in profit or loss. These instruments are not subject to impairment.



Investments in mutual funds puttable to the issuer do not meet the definition of equity instruments. They do not meet the cash flow criterion either and thus are recognised at fair value through profit or loss.

1.e.3 FINANCING AND GUARANTEE COMMITMENTS

Financing and financial guarantee commitments that are not recognised at fair value through profit or loss are presented respectively in notes 6.a and 6.b. They are subject to the measurement of a loss allowance for expected credit losses. These loss allowances are presented under "provisions for liabilities and charges".

1.e.4 IMPAIRMENT OF FINANCIAL ASSETS MEASURED AT AMORTISED COST AND DEBT INSTRUMENTS MEASURED AT FAIR VALUE THROUGH SHAREHOLDERS' EQUITY

The impairment model for credit risk is based on expected losses.

This model applies to loans and debt instruments measured at amortised cost or fair value through equity, to loan commitments and financial guarantee contracts that are not recognised at fair value, as well as to lease receivables, trade receivables and contract assets.

BNP Paribas Personal Finance applies two impairment models: the general model and the simplified model described below.

To be noted that the general model includes two methods for measuring expected credit losses:

- Statistical method based on EAD (Exposure at default), PD (Probability of default) and LGD (Loss Given Default) of expected credit losses
- Historical statistical method for measuring expected credit losses

Since the introduction of IFRS9, BNP Paribas Personal Finance has been using a specific statistical method for measuring expected credit losses for all its entities (historical statistical method for measuring expected credit losses) compared with the BNP Paribas Group's method, which is based on Basel concepts (statistical method based on EAD PD, LGD).

During the 2024 financial year, for the purposes of harmonisation with the BNP Paribas Group, the measurement of expected credit losses on the retail portfolios of some of BNP Paribas Personal Finance geographies (Italy, France, Spain and the Netherlands) was determined by applying a new method based on Basel concepts (EAD, PD, LGD).

The other geographies do not have these parameters yet and kept on using the historical statistical method for the 2024 financial year.

• General model

The Group identifies three "stages" that correspond each to a specific status with regards to the evolution of counterparty credit risk since the initial recognition of the asset.

12-month expected credit losses ("stage 1"): If at the reporting date, the credit risk of the financial instrument has not increased significantly since its initial recognition, this instrument is impaired at an amount equal to 12-month expected credit losses (resulting from the risk of default within the next 12 months);

- Lifetime expected credit losses for non-impaired assets ("stage 2"): the loss allowance is measured at an amount equal to the lifetime expected credit losses if the credit risk of the financial instrument has increased significantly since initial recognition, but the financial asset is not considered credit-impaired or doubtful.

- Lifetime expected credit losses for credit-impaired or doubtful financial assets ("stage 3"): the loss allowance is also measured for an amount equal to the lifetime expected credit losses.

This general model is applied to all instruments within the scope of IFRS 9 impairment.



The IFRS 9 expected credit loss approach is symmetrical, i.e. if lifetime expected credit losses have been recognised in a previous reporting period, and if it is assessed in the current reporting period that there is no longer any significant increase in credit risk since initial recognition, the loss allowance reverts to a 12-months expected credit loss.

As regards interest income, under "stages" 1 and 2, it is calculated on the gross carrying amount. Under "stage 3", interest income is calculated on the amortised cost (i.e. the gross carrying amount adjusted for the loss allowance).

Definition of default

The definition of default is aligned with the Basel regulatory default definition, with a rebuttable presumption that the default occurs no later than 90 days past due. This definition considers the EBA guidelines of 28 September 2016, particularly those regarding the thresholds applicable for the counting of past-due and probation periods.

The definition of default is used consistently for assessing the increase in credit risk and measuring expected credit losses.

Doubtful credit-impaired financial assets

Definition

A financial asset is considered doubtful and classified in "stage 3" when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred.

At an individual level, objective evidence that a financial asset is credit-impaired includes observable data regarding the following events: the existence of accounts that are more than 90 days past due; knowledge or indications that the borrower is experiencing significant financial difficulties, such that a risk can be considered to have arisen regardless of whether the borrower has missed any payments; any concession granted to the borrower at the credit term that the lender would not have considered if the borrower had not been in financial difficulty (see section "Restructuring of financial assets for financial difficulties").

Specific case of purchased or originated credit-impaired assets

In some cases, financial assets are credit-impaired at their initial recognition.

For those assets, no loss allowance is recorded on initial recognition. The effective interest rate is calculated considering the lifetime expected credit losses in the initial estimated cash flows. Any change in lifetime expected credit losses since initial recognition, positive or negative, is recognised as a loss allowance adjustment in profit or loss.

Significant increase in credit risk

A significant increase in credit risk may be assessed on an individual basis or on a collective basis (by grouping financial instruments according to common credit risk characteristics), considering all reasonable and supportable information and comparing the risk of default of the financial instrument at the reporting date with the risk of default of the financial instrument at the date of initial recognition.

There is also, according to the standard, a rebuttable presumption that the credit risk of an instrument has significantly increased since initial recognition when the contractual payments are more than 30 days past due.

For entities still applying the Historical Statistical Method for measuring expected credit losses as at 31 December 2024, the assessment of deterioration is also based on the existence of a regularised payment incident that has occurred over the past 12 months.

The principles applied to assess the significant increase in credit risk are detailed in note 2.f Cost of risk.

Measurement of expected credit losses

Expected credit losses are defined as an estimate of credit losses (i.e. the present value of all cash shortfalls) weighted by the probability of occurrence of these losses over the expected life of the financial instruments.

Statistical Method for measuring expected credit losses based on EAD, PD, LGD

In practice, for exposures classified in stage 1 and stage 2, expected credit losses are measured as the product of the probability of default ("PD"), Loss Given Default ("LGD") and Exposure at Default ("EAD"), discounted at the effective interest rate (or an approximation thereof) of the exposure. They result from the risk of default within the next 12 months (stage 1), or from the risk of default over the maturity of the facility (stage 2).

For exposures classified in stage 3, expected credit losses are measured as the value, discounted at the effective interest rate (or an approximation thereof, of all cash shortfalls over the life of the financial instrument. Cash shortfalls represent the difference between the cash flows that are due in accordance with the contract, and the cash flows that are expected to be received. Where appropriate, the estimate of expected cash flows takes into account a cash flow scenario arising from the sale of the defaulted loans or groups of loans. The proceeds from the sale are recognised net of disposal costs.

Maturity

All contractual terms of the financial instrument are taken into account, including prepayment, extension and similar options. In the rare cases where the expected life of the financial instrument cannot be estimated reliably, the residual contractual term is used. The standard specifies that the maximum period to consider when measuring expected credit losses is the maximum contractual period. However, for revolving credit cards and overdrafts, in accordance with the exception provided by IFRS 9 for these products, the maturity considered for measuring expected credit losses is the period over which the entity is exposed to credit risk, which may extend beyond the contractual maturity (notice period). For revolving credits and overdrafts to non-retail counterparties, the contractual maturity can be used, for example if the next review date is the contractual maturity as they are individually managed.

Probabilities of Default (PD)

Probability of Default is an estimate of the likelihood of default over a given time horizon.

The measurement of expected credit losses requires the estimation of both 1-year probabilities of default and lifetime probabilities of default.

1-year PDs are derived from long term average regulatory "through the cycle" PDs to reflect the current situation and macroeconomic scenarios

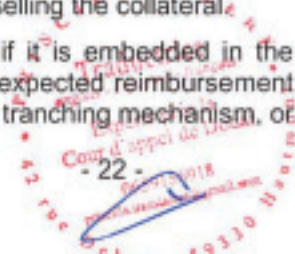
Lifetime PDs are determined based on the rating migration matrices reflecting the expected changes in the rating of the exposure until maturity, and the associated probabilities of default.

Loss Given Default (LGD)

Loss Given Default is the difference between contractual cash flows and expected cash-flows, discounted using the effective interest rate (or an approximation thereof) at the default date. LGD is expressed as a percentage of the Exposure at Default (EAD).

The estimate of expected cash flows takes into account cash flows resulting from the sale of collateral held or other credit enhancements if they are part of the contractual terms and are not accounted for separately by the entity (for example, a mortgage associated with a residential loan), net of the costs of obtaining and selling the collateral.

For guaranteed loans, the guarantee is considered as integral to the loan agreement if it is embedded in the contractual clauses of the loan, or if it was granted concomitantly to the loan, and if the expected reimbursement amount can be attached to a loan in particular (i.e. absence of pooling effect by means of a tranching mechanism, of



the existence of a global cap for a whole portfolio). In such case, the guarantee is taken into account when measuring the expected credit losses. Otherwise, it is accounted for as a separate reimbursement asset.

Exposure at Default (EAD)

Exposure at Default (EAD) of an instrument is the anticipated outstanding amount owed by the obligor at the time of default. It is determined by the expected payment profile taking into account, depending on the product type: the contractual repayment schedule, expected early repayments and expected future drawings for revolving facilities.

Forward-looking information

The amount of expected credit losses is measured on the basis of probability-weighted scenarios, in view of past events, current conditions and reasonable and supportable economic forecasts.

The principles applied to take into account forward looking information when measuring expected credit losses are detailed in note 2.f Cost of risk.

Historical Statistical Method for measuring expected credit losses

This method is based on discounted loss rates after term forfeiture and on the probability of transition to term forfeiture. The measurement of these parameters is performed on a statistical basis for homogeneous populations.

In practice, for exposures classified in stage 2 and stage 3, expected credit losses are calculated as the product of the probability of transition to term forfeiture, the loss in the event of term forfeiture and the amount of the exposure (outstanding + use of off-balance sheet items) discounted at the effective interest rate (or an approximation thereof).

For exposures classified in stage 1, expected credit losses are measured as the product of the probability of transition to default (stage 3) at 12 months, the loss associated with the stage 3 to which they migrate and the amount of the exposure (outstanding + use of off-balance sheet items) discounted at the contractual customer interest rate.

Probabilities of transition to term forfeiture

The probabilities of transition to term forfeiture are determined using migration matrices composed on the basis of a portfolio history showing the 1-year trend in the status of contracts and their outstandings.

For stage 1, the probability of transition to stage 3 is defined directly from the matrices.

For stage 2 and stage 3 excluding term forfeiture, the 1-year migration matrices are iterated, assuming that the behaviour of a status remains the same over time, in order to define the probabilities of term forfeiture at maturity.

Loss rate in the event of term forfeiture

They are calculated on the basis of actual cash-flows per "buckets" recorded per generation of entry into term forfeiture, by extrapolating future cash receipts per "time step" in order to compose a curve of cash receipts over the entire term; these cash receipts are discounted with an average contractual interest rate; the loss rate is equal to (1 - discounted cash receipts rate).



Two loss rates are then calculated:

- A loss rate on new transition to term forfeiture. This rate applies to cases that will transition to term forfeiture. It is determined by taking into account all cash receipts expected on term forfeiture;
- A loss rate on outstanding contracts already in term forfeiture. It is determined by taking into account the amounts still to be received by generation of term forfeiture.

For guaranteed loans, the guarantee is considered as integral to the loan agreement if it is embedded in the contractual clauses of the loan, or if it was granted concomitantly to the loan, and if the expected reimbursement amount can be attached to a loan in particular. In such case, the guarantee is taken into account when measuring the expected credit losses.

Exposure

Exposure is defined as the sum of outstandings and the use of off-balance sheet items at the reporting date. In order to define the off-balance sheet portion to be hedged, annual use matrices based on historical data are composed with a direct reading of the 1-year use of contracts in stage 1 and their iteration to define the use at maturity for stages 2 and 3 excluding term forfeiture.

Forward-looking information

The amount of expected credit losses is measured on the basis of probability-weighted scenarios, in view of past events, current conditions and reasonable and supportable economic forecasts.

The principles applied to take into account forward looking information when measuring expected credit losses are detailed in note 2.f Cost of risk.

• **Simplified model**

The simplified approach consists in accounting for a loss allowance corresponding to lifetime expected credit losses since initial recognition, and at each reporting date.

The Group applies this model to trade receivables with a maturity shorter than 12 months.

• **Write-offs**

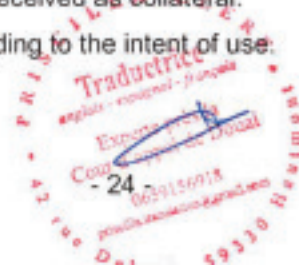
A write-off consists in reducing the gross carrying amount of a financial asset when there are no longer reasonable expectations of recovering that financial asset in its entirety or a portion thereof, or when it has been fully or partially forgiven. The write-off is recorded when all other means available to the Bank for recovering the receivables or guarantees have failed, and also generally depends on the specific context to each jurisdiction.

If the amount of loss on write-off is greater than the accumulated loss allowance, the difference is an additional impairment loss posted in "Cost of risk". For any recovery once the financial asset (or part thereof) is no longer recognised on the balance sheet, the amount received is recorded as a gain in "Cost of risk".

• **Recoveries through the repossession of the collateral**

When a loan is secured by a financial or a non-financial asset serving as a guarantee and the counterparty is in default, the Group may decide to exercise the guarantee and, depending on the jurisdiction, it may then become owner of the asset. In such a situation, the loan is written-off in counterparty of the asset received as collateral.

Once ownership of the asset is effective, it is recognised at fair value and classified according to the intent of use.



Restructuring of financial assets for financial difficulties

A restructuring due to the borrower's financial difficulties is defined as a change in the terms and conditions of the initial transaction that the Group is considering only for economic or legal reasons related to the borrower's financial difficulties.

For restructurings not resulting in derecognition of the financial asset, the restructured asset is subject to an adjustment of its gross carrying amount, to reduce it to the discounted amount, at the original effective interest rate of the asset, of the new expected future flows. The change in the gross carrying amount of the asset is recorded in the income statement in "Cost of risk".

The existence of a significant increase in credit risk for the financial instrument is then assessed by comparing the risk of default after the restructuring (under the revised contractual terms) and the risk of default at the initial recognition date (under the original contractual terms). In order to demonstrate that the criteria for recognising lifetime expected credit losses are no longer met, good quality payment behaviour will have to be observed over a certain period of time.

When the restructuring consists of a partial or total exchange against other substantially different assets (for example, the exchange of a debt instrument against an equity instrument), it results in the extinction of the original asset and the recognition of the assets remitted in exchange, measured at their fair value at the date of exchange. The difference in value is recorded in the income statement in "Cost of risk".

Modifications of financial assets that are not due to the borrower's financial difficulties, or granted in the context of a moratorium (i.e. commercial renegotiations) are generally analysed as the early repayment of the former loan, which is then derecognised, followed by the set-up of a new loan at market conditions. If there is no significant repayment penalty, they consist in resetting the interest rate of the loan at market conditions, with the client being in a position to change lender and not encountering any financial difficulties.

Probation periods

The Group applies observation periods to assess whether assets may return to a higher stage. Accordingly, a 3-month probation period is observed for the transition from stage 3 to stage 2 which is extended to 12 months in the event of restructuring due to financial difficulties.

For the transition from stage 2 to stage 1, a probation period of two years is observed for loans that have been restructured due to financial difficulties.

1.e.5 COST OF RISK

Cost of risk includes the following items of income:

- impairment gains and losses resulting from the accounting of loss allowances for 12-month expected credit losses and lifetime expected credit losses ("stage 1" and "stage 2") relating to debt instruments measured at amortised cost or at fair value through shareholders' equity, loan commitments and financial guarantee contracts that are not recognised at fair value as well as lease receivables, contract assets and trade receivables;
- impairment gains and losses resulting from the accounting of loss allowances relating to financial assets (including those at fair value through profit or loss) for which there is objective evidence of impairment ("stage 3"), write-offs on irrecoverable loans and amounts recovered on loans written-off.

In specific circumstances, BNP Paribas Personal Finance may recognise additional adjustments in cost of risk, where necessary.

It also includes expenses relating to fraud and to disputes inherent to the financing activity.



1.e.6 Financial instruments at fair value through profit or loss

Trading portfolio and other financial assets measured at fair value through profit or loss

The trading portfolio includes instruments held for trading (trading transactions), including derivatives.

Other financial assets measured at fair value through profit or loss include debt instruments that do not meet the "collect" or "collect and sale" business model criterion or that do not meet the cash-flow criterion, as well as equity instruments for which the fair value through shareholders' equity option has not been retained. Finally financial assets may be designated as at fair value through profit or loss if this enables the entity to eliminate or significantly reduce a mismatch in the measurement and accounting treatment of assets and liabilities that would otherwise arise if they were to be classified in separate categories.

All those financial instruments are measured at fair value at initial recognition, with transaction costs directly posted in profit or loss. At the reporting date, they are measured at fair value, with changes presented in "Net gain/loss on financial instruments at fair value through profit or loss". Income, dividends, and realised gains and losses on disposal related to held- for- trading transactions are accounted for in the same profit or loss account.

Financial liabilities designated as at fair value through profit or loss

Financial liabilities are recognised under option in this category in the two following situations:

- for hybrid financial instruments containing one or more embedded derivatives which otherwise would have been separated and accounted for separately. An embedded derivative is such that its economic characteristics and risks are not closely related to those of the host contract;
- when using the option enables the entity to eliminate or significantly reduce a mismatch in the measurement and accounting treatment of assets and liabilities that would otherwise arise if they were to be classified in separate categories.

Changes in fair value due to the own credit risk are recognised under a specific heading of shareholders' equity.

1.e.7 Financial liabilities and equity instruments

A financial instrument issued or its various components are classified as a financial liability or equity instrument, in accordance with the economic substance of the legal contract.

Financial instruments issued by the Group are qualified as debt instruments if the entity in the Group issuing the instruments has a contractual obligation to deliver cash or another financial asset to the holder of the instrument. The same applies if the Group is required to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Group, or to deliver a variable number of the Group's own equity instruments.

Equity instruments result from contracts evidencing a residual interest in an entity's assets after deducting all of its liabilities.



Debt securities and subordinated debt

Debt securities and subordinated debt are measured at amortised cost unless they are recognised at fair value through profit or loss.

Debt securities are initially recognised at the issue value including transaction costs and are subsequently measured at amortised cost using the effective interest method.

Issued bonds redeemable or convertible into own equity may contain a debt component and an equity component, determined upon initial recognition of the transaction. In this case, they will be qualified as compound financial instruments.

In this respect, the Group has elected to record contingent convertible bonds issued, without maturity, when convertible into a variable number of own shares on the occurrence of a predetermined trigger event (e.g. a decrease in the solvency ratio below a threshold), as compound instruments, to the extent that the coupons on these bonds are paid discretionarily.

Equity instruments

The term "own equity instruments" refers to shares issued by the parent company BNP Paribas Personal Finance SA and by its fully consolidated subsidiaries. External costs that are directly attributable to an issue of new shares are deducted from equity net of all related taxes.

Own equity instruments held by the Group, also known as treasury shares, are deducted from consolidated shareholders' equity irrespective of the purpose for which they are held. Gains and losses arising on such instruments are eliminated from the consolidated profit and loss account.

When the Group acquires equity instruments issued by subsidiaries under the exclusive control of BNP Paribas Personal Finance, the difference between the acquisition price and the share of net assets acquired is recorded in retained earnings attributable to shareholders' equity. Similarly, the liability corresponding to put options granted to minority shareholders in such subsidiaries, and changes in the value of that liability, are offset against minority interests, with any surplus offset against retained earnings attributable to shareholders' equity. Until these options have been exercised, the portion of net income attributable to minority interests is allocated to minority interests in the profit and loss account. A decrease in the Group's interest in a fully consolidated subsidiary is recognised in the Group's accounts as a change in shareholders' equity.

Financial instruments issued by the Group and classified as equity instruments (notably the undated super subordinated notes) are presented in the balance sheet in "Capital and retained earnings".

Distributions from a financial instrument classified as an equity instrument are recognised directly as a deduction from equity. Similarly, the transaction costs of an instrument classified as equity are recognised as a deduction from shareholders' equity.

Own equity instrument derivatives are treated as follows, depending on the method of settlement:

- as equity instruments if they are settled by physical delivery of a fixed number of own equity instruments for a fixed amount of cash or other financial asset. Such instruments are not revalued;
- as derivatives if they are settled in cash or by choice by physical delivery of the shares or in cash. Changes in value of such instruments are taken to the profit and loss account.

If the contract includes an obligation, whether contingent or not, for the bank to repurchase its own shares, the Bank recognises the debt at its present value with an offsetting entry in shareholders' equity.



1.e.8 HEDGE ACCOUNTING

The Group retained the option provided by the standard to maintain the hedge accounting requirements of IAS 39 until the future standard on macro-hedging is entered into force. Furthermore, IFRS 9 does not explicitly address the fair value hedge of the interest rate risk on a portfolio of financial assets or liabilities. The provisions in IAS 39 for these portfolio hedges, as adopted by the European Union, continue to apply.

Derivatives contracted as part of a hedging relationship are designated according to the purpose of the hedge.

Fair value hedges are particularly used to hedge interest rate risk on fixed-rate assets and liabilities, both for identified financial instruments (securities, debt issues, loans, borrowings) and for portfolios of financial instruments (in particular, demand deposits and fixed-rate loans).

Cash flow hedges are particularly used to hedge interest rate risk on floating-rate assets and liabilities, including rollovers, and foreign exchange risks on highly probable forecast foreign currency revenues.

At the inception of the hedge, the Group prepares formal documentation which details the hedging relationship, identifying the instrument, or portion of the instrument, or portion of risk that is being hedged, the hedging strategy and the type of risk hedged, the hedging instrument, and the methods used to assess the effectiveness of the hedging relationship.

On inception and at least quarterly, the Group assesses, in consistency with the original documentation, the actual (retrospective) and expected (prospective) effectiveness of the hedging relationship. Retrospective effectiveness tests are designed to assess whether the ratio of actual changes in the fair value or cash flows of the hedging instrument to those in the hedged item is within a range of 80% to 125%. Prospective effectiveness tests are designed to ensure that expected changes in the fair value or cash flows of the derivative over the residual life of the hedge adequately offset those of the hedged item. For highly probable forecast transactions, effectiveness is assessed largely on the basis of historical data for similar transactions.

Under IAS 39 as adopted by the European Union, which excludes certain provisions on portfolio hedging, interest rate risk hedging relationships based on portfolios of assets or liabilities qualify for fair value hedge accounting as follows: In this context:

- the risk designated as being hedged is the interest rate risk associated with the interbank rate component of interest rates on commercial banking transactions (loans to customers, savings accounts and demand deposits);
- the instruments designated as being hedged correspond, for each maturity band, to a portion of the interest rate gap associated with the hedged underlying;
- the hedging instruments used consist exclusively of "plain vanilla" swaps;
- prospective hedge effectiveness is established by the fact that all derivatives must, on inception, have the effect of reducing interest rate risk in the portfolio of hedged underlying. Retrospectively, a hedge will be disqualified from hedge accounting once a shortfall arises in the underlying specifically associated with that hedge for each maturity band (due to prepayment of loans or withdrawals of deposits).

The accounting treatment of derivatives and hedged items depends on the hedging strategy.

In a fair value hedging relationship, the derivative instrument is remeasured at fair value in the balance sheet, with changes in fair value recognised in profit or loss in "Net gain/loss on financial instruments at fair value through profit or loss", symmetrically with the remeasurement of the hedged item to reflect the hedged risk. In the balance sheet, the fair value remeasurement of the hedged component is recognised in accordance with the classification of the hedged item in the case of a hedge of identified assets and liabilities, or under "Remeasurement adjustment on interest rate risk hedged portfolios" in the case of a portfolio hedging relationship.

If a hedging relationship ceases or no longer fulfils the effectiveness criteria, the hedging instrument is transferred to the trading book and accounted for using the treatment applied to this category. In the case of identified fixed-income instruments, the remeasurement adjustment recognised in the balance sheet is amortised at the effective interest rate over the remaining life of the instrument. In the case of interest rate risk hedged fixed-income portfolios, the adjustment is amortised on a straight-line basis over the remainder of the original term of the hedge. If the hedged item no longer appears in the balance sheet, in particular due to prepayments, the adjustment is taken to the profit and loss account immediately.



In a cash flow hedging relationship, the derivative is measured at fair value in the balance sheet, with changes in fair value taken to shareholders' equity on a separate line, "Changes in fair value recognised directly in equity". The amounts taken to shareholders' equity over the life of the hedge are transferred to the profit and loss account under "Net interest income" as and when the cash flows from the hedged item impact profit or loss. The hedged items continue to be accounted for using the treatment specific to the category to which they belong.

If the hedging relationship ceases or no longer fulfils the effectiveness criteria, the cumulative amounts recognised in shareholders' equity as a result of the remeasurement of the hedging instrument remain in equity until the hedged transaction itself impacts profit or loss, or until it becomes clear that the transaction will not occur, at which point they are transferred to the profit and loss account.

If the hedged item ceases to exist, the cumulative amounts recognised in shareholders' equity are immediately taken to the profit and loss account.

Whatever the hedging strategy used, any ineffective portion of the hedge is recognised in the profit and loss account under "Net gain/ loss on financial instruments at fair value through profit or loss".

Hedges of net foreign currency investments in subsidiaries and branches are accounted for in the same way as cash flow hedges. Hedging instruments may be foreign exchange derivatives or any other non-derivative financial instrument.

1.e.9 DETERMINATION OF FAIR VALUE

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in the principal market or most advantageous market, at the measurement date.

The Group determines the fair value of financial instruments either by using prices obtained directly from external data or by using valuation techniques. These valuation techniques are primarily market and income approaches encompassing generally accepted models (e.g. discounted cash flows, Black-Scholes model, and interpolation techniques). They maximise the use of observable inputs and minimise the use of unobservable inputs. They are calibrated to reflect current market conditions and valuation adjustments are applied as appropriate, when some factors such as model, liquidity and credit risks are not captured by the models or their underlying inputs but are nevertheless considered by market participants when setting the exit price.

The unit of measurement is generally the individual financial asset or financial liability but a portfolio-based measurement can be elected, subject to certain conditions. Accordingly, the Group retains this portfolio-based measurement exception to determine the fair value when some group of financial assets and financial liabilities and other contracts within the scope of the standard relating to financial instruments with substantially similar and offsetting market risks or credit risks is managed on the basis of a net exposure, in accordance with the documented risk management strategy.

Assets and liabilities measured or disclosed at fair value are categorised into the three following levels of the fair value hierarchy:

- Level 1: fair values are determined using directly quoted prices in active markets for identical assets and liabilities. Characteristics of an active market include the existence of a sufficient frequency and volume of activity and of readily available prices.
- Level 2: fair values are determined based on valuation techniques for which significant inputs are observable market data, either directly or indirectly. These techniques are regularly calibrated and the inputs are corroborated with information from active markets.
- Level 3: fair values are determined using valuation techniques for which significant inputs are unobservable or cannot be corroborated by market-based observations, due for instance to illiquidity of the instrument and significant model risk. An unobservable input is a parameter for which there are no market data available. It therefore comes from in-house assumptions about the data that would be used by the other market participants. The assessment of the absence of liquidity or the identification of a model risk assumes the exercise of judgement. The level in the fair value hierarchy within which the asset or liability is categorised in its entirety is based upon the lowest level input that is significant to the entire fair value measurement.

For financial instruments disclosed in Level 3 of the fair value hierarchy, and marginally some instruments disclosed in Level 2, a difference between the transaction price and the fair value may arise at initial recognition. This Day



One Profit" is deferred and released to the profit and loss account over the period during which the valuation parameters are expected to remain non-observable. When parameters that were originally non-observable become observable, or when the valuation can be substantiated in comparison with recent similar transactions in an active market, the unrecognised portion of the day one profit is released to the profit and loss account.

1.e.10 DERECOGNITION OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Derecognition of financial assets

The Group derecognises all or part of a financial asset when the contractual rights to the cash flows of the asset expire, or when the Group transfers the asset – either on the basis of a transfer of the contractual rights to its cash flows, or by retaining the contractual rights to receive the cash flows of the asset while assuming an obligation to pay the cash flows of the asset under an eligible pass-through arrangement – as well as substantially all the risks and rewards of the asset.

Where the Group has transferred the cash flows of a financial asset but has neither transferred nor retained substantially all the risks and rewards of ownership of the financial asset and has not in practice retained control of the financial asset, the Group derecognises the financial asset and then records separately, if necessary, an asset or liability representing the rights and obligations created or held as part of the transfer of the asset. If the Group has retained control of the financial asset, it maintains it on its balance sheet to the extent of its continuing involvement in that asset.

Upon the derecognition of a financial asset in its entirety, a gain or loss on disposal is recognised in the profit and loss account for an amount equal to the difference between the carrying amount of the asset and the value of the consideration received, adjusted where appropriate for any unrealised gain or loss previously recognised directly in equity.

If all these conditions are not met, the Group retains the asset in its balance sheet and recognises a liability for the obligations arising on the transfer of the asset.

Derecognition of financial liabilities

The Group derecognises all or part of a financial liability when the liability is extinguished, i.e. when the obligation specified in the contract is extinguished, cancelled or expired. A financial liability may also be derecognised in the event of a substantial change in its contractual terms or if exchanged with the lender for an instrument with substantially different contractual terms.

Repurchase agreements and securities lending/borrowing

Securities temporarily sold under repurchase agreements continue to be recognised in the Group's balance sheet in the category of securities to which they belong. The corresponding liability is recognised at amortised cost under the appropriate "Financial liabilities at amortised cost" category on the balance sheet, except in the case of repurchase agreements contracted for trading purposes, for which the corresponding liability is recognised in "Financial liabilities at fair value through profit or loss".

Securities temporarily acquired under reverse repurchase agreements are not recognised in the Group's balance sheet. The corresponding receivable is recognised at amortised cost under the appropriate "Financial assets at amortised cost" category in the balance sheet, except in the case of reverse repurchase agreements contracted for trading purposes, for which the corresponding receivable is recognised in "Financial assets at fair value through profit or loss".

Securities lending transactions do not result in derecognition of the lent securities, and securities borrowing transactions do not result in recognition of the borrowed securities on the balance sheet. In cases where the borrowed securities are subsequently sold by the Group, the obligation to deliver the borrowed securities on maturity is recognised on the balance sheet under "Financial liabilities at fair value through profit or loss".



1.e.11 OFFSETTING FINANCIAL ASSETS AND LIABILITIES

A financial asset and a financial liability are offset and the net amount is presented in the balance sheet if, and only if, the Group has a legally enforceable right to set off the recognised amounts, and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Repurchase agreements and derivatives that meet the two criteria set out in the accounting standard are offset in the balance sheet.

1.f. Property, plant, equipment and intangible assets

Property, plant and equipment and intangible assets shown in the Group's consolidated balance sheet are composed of assets used in operations and investment property. Rights-of-use related to leased assets (see note 1.g.2) are presented by the lessee within fixed assets in the same category as similar assets held.

Assets used in operations are those used in the provision of services or for administrative purposes, and include non-property assets leased by the Group as lessor under operating leases.

Investment property comprises property assets held to generate rental income and capital gains.

Investment property is recognised at cost.

Property, plant, equipment and intangible assets are initially recognised at purchase price plus directly attributable costs, together with borrowing costs where a long period of construction or adaptation is required before the asset can be brought into service.

Software developed internally by the BNP Paribas Personal Finance Group that fulfils the criteria for capitalisation is capitalised at direct development cost, which includes external costs and the labour costs of employees directly attributable to the project.

Subsequent to initial recognition, fixed assets are stated at cost less accumulated depreciation or amortisation and any impairment losses.

The depreciable amount of fixed assets is calculated after deducting its residual value. Only assets leased by the Group as the lessor under operating leases are presumed to have a residual value, as the useful life of property, plant and equipment and intangible assets used in operations is generally the same as their economic life.

Property, plant and equipment and intangible assets are depreciated or amortised using the straight-line method over the useful life of the asset. Depreciation and amortisation expense is recognised in profit or loss under "Depreciation, amortisation and impairment of property, plant and equipment and intangible assets".

Where an asset consists of a number of components which may require replacement at regular intervals, or which have different uses or generate economic benefits at different rates, each component is recognised separately and amortised using a method appropriate to that component. The BNP Paribas Group has adopted the component-based approach for property used in operations and for investment property.

The depreciation periods used for office property are as follows: 80 years or 60 years for the shell (for prime and other property respectively); 30 years for facades; 20 years for general and technical installations; and 10 years for fixtures and fittings.

Software is amortised, depending on its type, over periods of no more than 8 years in the case of infrastructure developments and 3 years or 5 years in the case of software developed primarily for the purpose of providing services to customers.

Software maintenance costs are expensed as incurred. However, expenditure that is regarded as upgrading the software or extending its useful life is included in the initial acquisition or production cost.

Depreciable property, plant and equipment and intangible assets are tested for impairment if there is an indication of potential impairment at the balance sheet date. Non-depreciable assets are tested for impairment at least annually, using the same method as for goodwill allocated to cash-generating units.

If there is an indication of impairment, the new recoverable amount of the asset is compared with the carrying amount. If the asset is found to be impaired, an impairment loss is recognised in the consolidated profit and loss account. This

loss is reversed in the event of a change in the estimated recoverable amount or if there is no longer an indication of impairment. Impairment losses are taken to the consolidated profit and loss account under "Depreciation, amortisation and impairment of property, plant and equipment and intangible assets".

Gains and losses on disposals of property, plant and equipment and intangible assets used in operations are recognised in the profit and loss account in "Net gain on non-current assets".

Gains and losses on disposals of investment property are recognised in the profit and loss account in "Income from other activities" or "Expense on other activities".

1.g. Leases

Group companies may either be the lessee or the lessor in a lease agreement.

1.g.1 GROUP COMPANY AS LESSOR

Leases contracted by the Group as the lessor are classified as either finance leases or operating leases.

- **Finance leases**

In a finance lease, the lessor transfers substantially all the risks and rewards of ownership of an asset to the lessee. It is treated as a loan made to the lessee to finance the purchase of the asset.

The present value of the lease payments, plus any residual value, is recognised as a receivable. The net income earned from the lease by the lessor is equal to the amount of interest on the loan and is taken to the profit and loss account under "Interest income". The lease payments are spread over the lease term and are allocated to reduction of the principal and to interest such that the net income reflects a constant rate of return on the net investment outstanding in the lease. The rate of interest used is the rate implicit in the lease.

Impairment of these receivables are determined using the same principles as applied to financial assets measured at amortised cost.

- **Operating leases**

An operating lease is a contract under which most of the risks and rewards of ownership of the leased asset are not transferred to the lessee.

The leased asset is initially recognised by the lessor as a tangible asset for its acquisition price less residual value and subsequently depreciated on a straight-line basis over its useful life. The asset depreciation charge and lease payments are recognised in profit and loss over the lease term respectively in "Income from other activities" and "Expense on other activities" line items.

Vehicles leased by the Group and classified under operating leases are assets with an average lease term of between one and five years.

The cost of acquiring these assets includes their purchase price, as well as any directly attributable costs necessary to make the vehicle available to the lessee customers. Residual value is a statistical model estimate of the resale value of the asset and is reestimated twice a year, taking into account, in particular, historical data on the sale of vehicles in the second-hand market and the specific context of each geographical area. In the event of a change in the amount of the residual value of the asset relative to its estimated value, a forward-looking adjustment to the depreciation plan is made vehicle by vehicle.



1.g.2 GROUP COMPANY AS LESSEE

Lease contracts concluded by the Group, with the exception of contracts whose term is shorter than or equal to 12 months and low-value contracts, are recognised in the balance-sheet in the form of a right-of-use on the leased asset presented under fixed assets, along with the recognition of a financial liability for the rent and other payments to be made over the leasing period. The right of use assets is amortised on a straight-line basis and the financial liabilities are amortised on an actuarial basis over the lease period. Dismantling costs corresponding to specific and significant fittings and fixtures are included in the initial right-of-use estimation, in counterparty of a provision liability.

The key hypotheses used by the Group for the measurement of rights of use and lease liabilities are the following:

- the lease term corresponds to the non-cancellable period of the contract, together with periods covered by an extension option if the Group is reasonably certain to exercise this option. In France, for example, the standard commercial lease contract is the so-called "three, six, nine" contract for which the maximum period of use is nine years, with a first non-cancellable period of three years followed by two optional extension periods of three years each; hence, depending on the assessment, the selected lease term can be of three, six or nine years, depending on the reasonably foreseeable economic duration of the contracts. When investments like fittings or fixtures are performed under the contract, the lease term is aligned with their useful lives. For tacitly renewable contracts, with or without an enforceable period, related right of use and lease liabilities are recognised based on an estimate of the reasonably foreseeable economic life of the contracts, minimal occupation period included;
- the discount rate used to measure the right of use and the lease liability is assessed for each contract as the interest rate implicit in the lease, if that rate can be readily determined, or more generally based on the incremental borrowing rate of the lessee at the date of signature. The incremental borrowing rate is determined considering the average term (duration) of the contract;
- when the contract is modified, a new assessment of the lease liability is made taking into account the new residual term of the contract, and therefore a new assessment of the right of use and the lease liability is established.

1.h. Assets held for sale and discontinued operations

Where the Group decides to sell assets or a group of assets and liabilities and it is highly probable that the sale will occur within 12 months, these assets are shown separately in the balance sheet, on the line "Assets held for sale". Any liabilities associated with these assets are also shown separately in the balance sheet, on the line "Liabilities associated with assets held for sale". When the Group is committed to a sale plan involving loss of control of a subsidiary and the sale is highly probable within 12 months, all the assets and liabilities of that subsidiary are classified as held for sale.

Once classified in this category, assets and the group of assets and liabilities are measured at the lower of carrying amount or fair value less costs to sell.

Such assets are no longer depreciated. If an asset or group of assets and liabilities becomes impaired, an impairment loss is recognised in the profit and loss account. Impairment losses may be reversed.

Where a group of assets and liabilities held for sale represents a cash generating unit, it is categorised as a "discontinued operation". Discontinued operations include operations that are held for sale, operations that have been shut down, and subsidiaries acquired exclusively with a view to resell.

In this case, gains and losses related to discontinued operations are shown separately in the profit and loss account, on the line "Net gain/loss on operations held for sale". This line includes after tax profits or losses of discontinued operations, after tax gain or loss arising from remeasurement at fair value less costs to sell, and after tax gain or loss on disposal of the operation.



1.i. Employee benefits

Employee benefits are classified into four categories:

- short-term benefits, e.g. salaries, annual leave, profit sharing and employer contributions;
- long-term benefits, including compensated absences, long-service awards, and other types of cash-based deferred compensation;
- termination benefits;
- post-employment benefits, including top-up banking industry pensions and retirement bonuses in France and pension plans in other countries, some of which are operated through pension

• Short-term benefits

The company recognises an expense when it has used the services rendered by its members of staff in exchange for benefits granted to them.

• Long-term benefits

These are benefits, other than short-term benefits, post-employment benefits and termination benefits. This relates, in particular, to compensation deferred for more than 12 months payable in cash and not linked to the BNP Paribas share price, which is accrued in the financial statements for the period in which this compensation is earned.

The actuarial techniques used are similar to those used for defined-benefit post-employment benefits, except that the revaluation items are recognised in the profit and loss account and not in equity.

• Termination benefits

Termination benefits are employee benefits payable in exchange for the termination of an employee's contract as a result of either a decision by the Group to terminate a contract of employment before the legal retirement age, or a decision by an employee to accept voluntary redundancy in exchange for these benefits. Termination benefits due more than 12 months after the reporting date are discounted to present value.

• Post-employment benefits

In accordance with IFRS, the BNP Paribas Personal Finance Group draws a distinction between defined-contribution plans and defined-benefit plans.

Defined-contribution plans do not give rise to an obligation for the Group and do not require a provision. The amount of the employer's contributions made during the financial year is recognised as an expense.

Only defined-benefit schemes give rise to an obligation for the Group. This obligation must be measured and recognised as a liability by means of a provision.

The classification of plans into these two categories is based on the economic substance of the plan, which is reviewed to determine whether the Group has a legal or constructive obligation to pay the agreed benefits to employees.

Post-employment benefit obligations under defined benefit plans are measured using actuarial techniques that take into account demographic and financial assumptions.

The net liability recognised with respect to post-employment benefit plans is the difference between the present value of the defined-benefit obligation and the fair value of plan assets (if any).



The present value of the defined-benefit obligation is measured on the basis of the actuarial assumptions applied by the Group, using the projected unit credit method. This method takes into account various parameters, specific to each country or Group entity, such as demographic assumptions, the probability that employees will leave before retirement age, salary inflation, a discount rate, and the general inflation rate.

When the value of the plan assets exceeds the amount of the obligation, an asset is recognised if it represents a future economic benefit for the Group in the form of a reduction in future contributions or a future partial refund of amounts paid into the plan.

The annual expense recognised in the profit and loss account under "Salaries and employee benefits", with respect to defined-benefit plans includes the current service cost (the rights vested by each employee during the period in return for service rendered), the net interests linked to the effect of discounting the net defined-benefit liability (asset), the past service cost arising from plan amendments or curtailments, and the effect of any plan settlements.

Remeasurements of the net defined-benefit liability (asset) are recognised in shareholders' equity and are never reclassified to profit or loss. They include actuarial gains and losses, the return on plan assets and any change in the effect of the asset ceiling (excluding amounts included in net interest on the defined-benefit liability or asset).

1.j. Share-based payments

BNP Paribas grants stock option plans and free share plans to employees of the BNP Paribas Personal Finance Group.

Share-based payment transactions are payments based on shares issued by the Group, whether the transaction is settled in the form of equity or cash of which the amount is based on trends in the value of BNP Paribas shares.

• Stock option and share award plans

The expense related to stock option and share award plans is recognised over the vesting period, if the benefit is conditional upon the grantee's continued presence at the vesting date.

Stock options and share award expenses are recorded under salary and employee benefits expenses, with a corresponding adjustment to shareholders' equity. They are calculated on the basis of the overall plan value, determined at the date of grant by the Board of directors.

In the absence of any market for these instruments, financial valuation models are used that take into account any performance conditions related to the BNP Paribas share price. The total expense of a plan is determined by multiplying the unit value per option or share awarded by the estimated number of options or shares awarded vested at the end of the vesting period, taking into account the conditions regarding the grantee's continued employment.

The only assumptions revised during the vesting period, and hence resulting in a remeasurement of the expense, are those relating to the probability that employees will leave the Group and those relating to performance conditions that are not linked to the price value of BNP Paribas shares.

• Share price-linked cash-settled deferred compensation plans

The expense related to these plans is recognised in the year during which the employee rendered the corresponding services.

If the payment of share-based variable compensation is explicitly subject to an enforceable condition consisting in the employee's continued presence at the vesting date, the services are presumed to have been rendered during the vesting period and the corresponding compensation expense is recognised on a pro rata basis over that period. The expense is recognised under salary and employee benefits expenses with a corresponding liability in the balance sheet. It is revised to take into account any non-fulfilment of the continued presence or performance conditions and the change in BNP Paribas share price.

If there is no continued presence enforceable condition, the expense is not deferred, but recognised immediately with a corresponding liability in the balance sheet. This is then revised on each reporting date until settlement to take into account any performance conditions and the change in the BNP Paribas share price.

1.k. Provisions recorded under liabilities

Provisions recorded under liabilities (other than those relating to financial instruments and employee benefits) mainly relate to restructuring, claims and litigation, fines and penalties.

A provision is recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle an obligation arising from a past event, and a reliable estimate can be made of the amount of the obligation. The amount of such obligations is discounted, where the impact of discounting is material, in order to determine the amount of the provision.

1.l. Current and deferred tax

The current income tax charge is determined on the basis of the tax laws and tax rates in force in each country in which the Group operates during the period in which the income is generated.

Deferred taxes are recognised when temporary differences arise between the carrying amount of an asset or liability in the consolidated balance sheet and its tax base.

Deferred tax liabilities are recognised for all taxable temporary differences other than:

- taxable temporary differences on initial recognition of goodwill;
- taxable temporary differences on investments in enterprises under the exclusive or joint control of the Group, where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences and unused carryforwards of tax losses only to the extent that it is probable that the entity in question will generate future taxable profits against which these temporary differences and tax losses can be offset.

Deferred tax assets and liabilities are measured using the liability method at the tax rate expected to apply to the period in which the asset is realised or the liability is settled, based on tax rates and tax laws that have been or will have been enacted by the balance sheet date of that period. They are not discounted.

Deferred tax assets and liabilities are offset when they arise within the same tax group, they fall under the jurisdiction of a single tax authority, and there is a legal right to offset.

As regards the assessment of uncertainty over income tax treatments, the Group adopts the following approach:

- the Group assesses whether it is probable that a taxation authority will accept an uncertain tax treatment;
- any uncertainty shall be reflected when determining the taxable profit (loss) by considering either the most likely amount (having the higher probability of occurrence), or the expected value (sum of the probability-weighted amounts).

Current and deferred taxes are recognised as tax income or expenses in the profit and loss account, except for those relating to a transaction or an event directly recognised in shareholders' equity, which are also recognised in shareholders' equity. This concerns in particular the tax effect of coupons paid on financial instruments issued by the Group and qualified as equity instruments, such as undated super subordinated notes.

When tax credits on revenues from receivables and securities are used to settle corporate income tax payable for the period, the tax credits are recognised on the same line as the income to which they relate. The corresponding tax expense continues to be carried in the profit and loss account under "Corporate income tax".

1.m. Cash flow statement



The cash and cash equivalents balance is composed of the net balance of cash accounts and accounts with central banks, and the net balance of interbank demand loans and deposits.

Changes in cash and cash equivalents related to operating activities reflect cash flows generated by the Group's operations, including those relating to financial investments of insurance activities and negotiable certificates of deposit.

Changes in cash and cash equivalents related to investing activities reflect cash flows resulting from acquisitions and disposals of subsidiaries, associates or joint ventures included in the consolidated Group, as well as acquisitions and disposals of property, plant and equipment excluding investment property and property held under operating leases.

Changes in cash and cash equivalents related to financing activities reflect the cash inflows and outflows resulting from transactions with shareholders, cash flows related to bonds, subordinated debt and debt securities (excluding negotiable certificates of deposit).

1.n. Use of estimates in the preparation of the financial statements

Preparation of the financial statements requires managers of core businesses and corporate functions to make assumptions and estimates that are reflected in the measurement of income and expense in the profit and loss account and of assets and liabilities in the balance sheet, and in the disclosure of information in the notes to the financial statements. This requires the managers in question to exercise their judgement and to make use of information available at the date of the preparation of the consolidated financial statements when making their estimates. The actual future results from operations where managers have made use of estimates may in reality differ significantly from those estimates, mainly according to market conditions. This may have a material effect on the financial statements.

This applies in particular to:

- the analysis of the cash flow criterion for specific financial assets;
- the measurement of expected credit losses. This applies in particular to the assessment of significant increase in credit risk, the models and assumptions used to measure expected credit losses, the determination of the different economic scenarios and their weighting;
- the analysis of renegotiated loans, in order to assess whether they should be maintained on the balance sheet or derecognised;
- the assessment of an active market, and the use of internally developed models for the measurement of the fair value of financial instruments not quoted in an active market classified in "Financial assets at fair value through equity", or in "Financial instruments at fair value through profit or loss", whether as assets or liabilities, and more generally calculations of the fair value of financial instruments subject to a fair value disclosure requirement;
- the appropriateness of the designation of certain derivative instruments such as cash flow hedges, and the measurement of hedge effectiveness;
- impairment tests performed on intangible assets;
- the estimation of residual assets values under simple lease agreements. These values are used as a basis for the determination of depreciation as well as any impairment, notably in relation to the effect of environmental considerations on the evaluation of future prices of second-hand vehicles;
- the deferred tax assets;
- the measurement of uncertainty over income tax treatments and other provisions for liabilities and charges. In particular, while investigations and litigations are ongoing, it is difficult to foresee their outcome and potential impact. Provision estimation is established by taking into account all available information at the date of the preparation of the financial statements, in particular the nature of the dispute, the underlying facts, the ongoing legal proceedings and court decisions, including those related to similar cases, and settlement agreements with third parties. The Group may also use the opinion of experts and independent legal advisers to exercise its judgement.



2. NOTES TO THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2024

2.a. Net interest income

The BNP Paribas Personal Finance Group includes in "interest and similar income" and "interest and similar expenses" all income and expense from financial instruments measured at amortised cost (interest, fees and transaction costs) and from financial instruments measured at fair value through equity.

These items also include the interest income and expense of non-trading financial instruments the characteristics of which do not allow for recognition at amortised cost or at fair value through equity, as well as of financial instruments that the Group has designated as at fair value through profit or loss. The change in fair value on financial instruments at fair value through profit or loss (excluding accrued interest) is recognised under "Net gain on financial instruments at fair value through profit or loss".

Interest income and expense on derivatives accounted for as fair value hedges are included with the revenues generated by the hedged item. Similarly, interest income and expense arising from derivatives used to hedge transactions designated as at fair value through profit or loss is allocated to the same accounts as the interest income and expense relating to the underlying transactions.

In millions of euros	2024			2023		
	Income	Expenses	Net	Income	Expenses	Net
Financial instruments at amortised cost	5,624	(3,552)	2,072	5,325	(3,206)	2,119
Deposits, loans and borrowings	4,684	(3,207)	1,477	4,655	(2,783)	1,872
Repurchase agreements	2	(5)	(3)	2	(5)	(3)
Finance leases	929		929	654		654
Debt securities	9		9	14		14
Issued debt securities and subordinated debt		(340)	(340)		(418)	(418)
Financial instruments at fair value through equity	-	-	-	-	-	-
Debt securities						
Financial instruments at fair value through profit or loss (Trading securities excluded)	2	-	2	3	-	3
Cash flow hedge instruments	328	(225)	103	305	(182)	123
Interest rate portfolio hedge instruments	509	(31)	478	620	(29)	591
Lease liabilities	-	(3)	(3)	-	(2)	(2)
Total interest income/(expense)	6,463	(3,811)	2,652	6,253	(3,419)	2,834

Interest on financial instruments at amortised cost includes interest income and expenses on customer and interbank items and debt issued by the Group.

Interest on financial instruments at fair value through profit or loss corresponds to interest income and expenses on non-trading financial instruments whose characteristics prevent their classification at amortised cost or at fair value through equity.

Interest income on individually impaired loans amounted to EUR 83 million for the year ended 31 December 2024,



compared to EUR 96 million for the year ended 31 December 2023.

2.b. Commissions

In millions of euros	2024			2023		
	Income	Expenses	Net	Income	Expenses	Net
Transactions with customers and credit institutions	168	(47)	121	234	(69)	165
Securities and derivatives transactions	-	(2)	(2)	-	(2)	(2)
Financing and guarantee commitments	3	(5)	(2)	5	(5)	-
Asset management and other services	494	-	494	474	-	474
Others	89	(69)	20	174	(105)	69
Commission income and expenses	754	(123)	631	887	(181)	706
- of which net commission income related to trust and similar activities through which the Group holds or invests assets on behalf of customers, trusts, pension and personal risk funds or other institutions	-	-	-	-	-	-
- of which commission income and expense on financial instruments not measured at fair value through profit or loss	120	(22)	98	191	(40)	151

2.c. Net gain (loss) on financial instruments at fair value through profit or loss

Net gain on financial instruments measured at fair value through profit or loss includes all profit and loss items relating to financial instruments held for trading, non-trading equity instruments that the Group did not choose to measure at fair value through equity, as well as debt instruments whose cash flows are not solely repayments of principal and interest on the principal or whose business model is not to collect cash flows nor to collect cash flows and sell the assets.

These income items include dividends on these instruments and exclude interest income and expense from financial instruments whose cash flows are not only repayments of principal and interest on the principal or whose business model is not to collect cash flows nor to collect cash flows and sell the assets, which are presented in "Net interest income" (see note 2.a).

In millions of euros	2024	2023
Trading book	3	21
Interest rate and credit instruments	-	6
Foreign exchange financial instruments	2	14
Loans and repurchase agreements	1	1
Other financial instruments at fair value through profit or loss	3	(3)
Debt instruments	-	-
Equity instruments	3	(3)
Impact of hedge accounting	-	1
Fair value hedging derivatives	(335)	(798)
Hedged items in fair value hedge	335	799
Net gain (loss) on financial instruments at fair value through profit or loss	6	19

Net gains or losses on financial instruments held for trading in 2024 and 2023 includes a non-material amount related to the ineffective portion of cash flow hedges.

Potential sources of ineffectiveness can be the differences between hedging instruments and hedged items, notably generated by mismatches in the terms of hedged and hedging instruments, such as the frequency and timing of interest rates resetting, the frequency of payment and the discounting factors, or when hedging derivatives have a non-zero fair value at inception date of the hedging relationship. Credit valuation adjustments applied to hedging derivatives are also sources of ineffectiveness.

Cumulative changes in fair value related to discontinued cash flow hedge relationships, previously recognised in equity and included during 2024 in profit and loss accounts are not material, in all cases, whether the hedged item ceased to exist or not.

2.d. Income and expenses from other activities

In millions of euros	2024			2023		
	Income	Expenses	Net	Income	Expenses	Net
Net income from investment property	2	(1)	1	3	(1)	2
Net income from assets held under operating leases	213	(190)	23	145	(117)	28
Other net income	108	(76)	32	98	(88)	10
Total net income from other activities	323	(267)	56	244	(204)	40

2.e. Other operating expenses

In millions of euros	2024	2023
External services and other operating expenses	(892)	(988)
Taxes ⁽¹⁾	(29)	(65)
Total other operating expenses	(921)	(1,053)

⁽¹⁾ Contributions to the Single Resolution Fund, including exceptional contributions, were zero in 2024 compared with EUR 18 million in 2023.

2.f. Cost of risk

The general models for impairment described in note 1.e.4 used by the Group rely on the following two steps:

- assessing whether there has been a significant increase in credit risk since initial recognition; and
- measuring impairment allowance as either 12-month expected credit losses or lifetime expected credit loss (i.e. loss expected at maturity).

Forward-looking information is taken into account at these two steps for entities using the "statistical method for measuring expected credit losses based on EAD, PD, LGD" and at the second step for entities using the "historical statistical method".



Forward-looking information

Regarding the measurement of expected credit losses, the Group has chosen to use 4 macroeconomic scenarios by geographic area covering a wide range of potential future economic conditions:

- a baseline scenario, consistent with the scenario used for budgeting and forecasting;
- a favourable scenario, capturing situations where the economy performs better than anticipated;
- an adverse scenario, corresponding to the scenario used for the Group's quarterly stress tests;
- a severe scenario corresponding to a shock of magnitude greater than that of the adverse scenario.

The link between the macroeconomic scenarios and the ECL measurement is mainly achieved through a modelling of the probabilities of default and deformation of migration matrices based on internal rating (or risk parameter). The probabilities of default determined according to these scenarios are used to measure expected credit losses under each scenario.

Forward-looking information is also considered when determining the significant deterioration in credit risk for entities using the "statistical method for measuring expected credit losses based on EAD, PD, LGD". As a matter of fact, the probabilities of default used as the basis for this assessment include forward-looking multi-scenario information in the same way as for the calculation of the expected losses.

The weight to be attributed to the expected credit losses calculated in each of the scenarios is defined as follows:

- the weight of the baseline scenario is 50%;
- the weight of the three alternative scenarios is defined according to the position in the credit cycle. In this approach, the adverse and severe scenarios carry more weight in situations at the upper end of the cycle than those at the lower end of the cycle, in anticipation of a potential downturn in the economy;
- the weight of the favourable scenario is at least 10% and at most 40%;
- the total weight of adverse scenarios fluctuates symmetrically with the favourable also within a range of 10% to 40%; with a severe component representing 20% of this weight with a minimum weight of 5%.

When appropriate, the ECL measurement can take into account asset sale scenarios.

Macroeconomic scenarios

The four macroeconomic scenarios are defined over a three-year projection horizon. They correspond to:

- a baseline scenario, which describes the most likely path of the economy over the projection horizon. This scenario is updated on a quarterly basis and is prepared by the Group Economic Research Department in collaboration with various experts within the Group. Projections are designed for each key market of the Group (France, Italy and the Eurozone) using key macroeconomic variables (Gross Domestic Product - GDP - and its components, unemployment rate, consumer prices, interest rates, foreign exchange rates, real estate prices, etc.) which are key drivers for modelling risk parameters used in the stress test process;
- an adverse scenario, which describes the impact of the materialisation of some of the risks weighing on the baseline scenario, resulting in a much less favourable economic path than in the baseline scenario. The GDP shock is applied with varying magnitudes, but simultaneously, to the economies under consideration. Generally, these assumptions are broadly consistent with those proposed by the regulators. The calibration of shocks on other variables (e.g. unemployment, consumer prices, interest rates, etc.) is based on models and expert judgement;
- a severely adverse scenario, which is an aggravated version of the adverse scenario;



- a favourable scenario, which reflects the impact of the materialisation of some of the upside risks for the economy, resulting in a more favourable economic path. The favourable shock on GDP is deducted from the adverse shock on GDP in such a way that the probabilities of the two shocks are equal on average over the cycle. Other variables (e.g. unemployment, inflation, interest rates, etc.) are defined in the same way as in the adverse scenario.

The link between the macroeconomic scenarios and the measurement of the ECL is complemented by an approach allowing to take into account anticipation aspects not captured by the models in the generic approach. This is particularly the case when unprecedented events in the historical chronicle taken into account to build the models occur or are anticipated, or when the nature or amplitude of change in macroeconomic parameter calls into question past correlations. Thus, the situation of high inflation and the level of interest rates previously recorded were not observed in the reference history. In this context, the Group has developed an approach to take into account the future economic outlook when assessing the financial strength of counterparties. This approach involves projecting the impact of higher interest rates on customers' financial ratios, notably considering their level of indebtedness. Credit ratings and associated probabilities of default are revalued based on these simulated financial ratios.

Baseline scenario

In 2024, global activity grew at a relatively moderate pace. In the Eurozone, activity returned to growth, supported by the positive impact of disinflation on real incomes and consumption, and the gradual easing of monetary conditions. At

31 December 2024, annual growth forecasts were +0.8% in the Eurozone (compared to expectations of +0.8% at 31 December 2023).

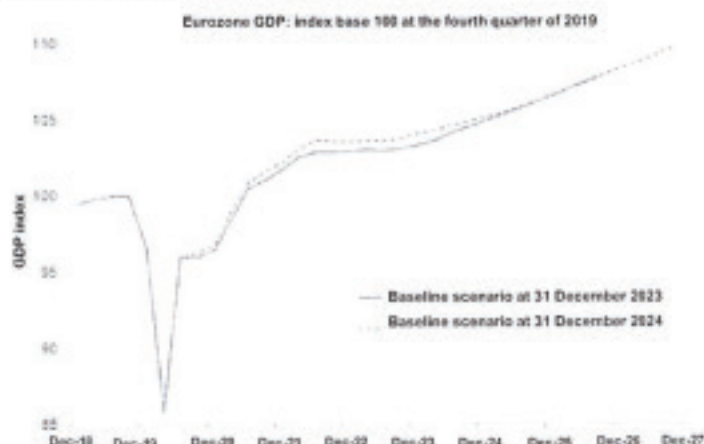
Over the 2025-2027 period, the baseline scenario assumes a gradual continuation of the recovery in the Eurozone, which would result from a strengthening of private domestic demand, as public spending is expected to be more constrained.

Inflation has continued to slow over the course of 2024, moving closer to the targets of major central banks. This has allowed most of them (ECB, Federal Reserve, Bank of England, etc.) to start a rate cut cycle. This monetary policy adjustment is expected to extend in 2025. Then, central bank rates are expected to remain stable over the following years (2026-2027), in the presence of controlled inflation, evolving around 2%.

Long-term interest rates in 2023-2024 reached levels not seen in more than a decade and are assumed to remain relatively stable over the projection horizon (with no significant changes in growth and inflation scenarios).

The uncertainty surrounding the baseline scenario appears to be relatively high. The current geopolitical context, marked by two major ongoing conflicts (invasion of Ukraine, conflict in the Middle East) and significant tensions in other regions (in Asia in particular), is likely to evolve rapidly. Additionally, the presidential shift in the United States in January 2025 may lead to notable changes in economic policy, particularly concerning customs duties, which could impact the global economy.

The graph below presents a comparison of Eurozone GDP projections used in the baseline scenario for the calculation of ECLs on 31 December 2024 and 31 December 2023.



• Macroeconomic variables, baseline scenario at 31 December 2024

(annual averages)	2024	2025	2026	2027
GDP growth rate				
Eurozone	0.8%	1.1%	1.5%	1.6%
France	1.2%	0.8%	1.3%	1.6%
Italy	0.5%	0.7%	1.3%	1.3%
Unemployment rate				
Eurozone	6.4%	6.6%	6.4%	6.0%
France	7.6%	7.7%	7.4%	6.7%
Italy	6.6%	6.7%	6.8%	6.7%
Inflation rate				
Eurozone	2.4%	1.6%	2.0%	2.1%
France	2.3%	1.4%	1.9%	1.9%
Italy	1.1%	1.6%	2.0%	2.1%
10-year sovereign bond yields				
Germany	2.37%	2.45%	2.50%	2.50%
France	2.99%	3.20%	3.25%	3.25%
Italy	3.75%	3.75%	3.80%	3.80%

Adverse and severely adverse scenarios

The adverse and severely adverse scenarios are based on the assumption that certain downside risks will materialise, resulting in much less favourable economic paths than in the baseline scenario.

The following main risks are identified:

- **Geopolitical risks.** Geopolitical tensions can weigh on the global economy through various channels, such as shocks on commodity prices, financial markets, business confidence, supply chains and trade. These developments are likely to lead simultaneously to higher inflation and a slowdown in activity, further complicating the task of central banks;
- **Trade and globalisation.** Tensions related to trade and globalisation have increased in recent years, leading to some fragmentation of the global economy. While tariff and non-tariff barriers have already increased significantly, additional protectionist measures between main economic areas (e.g. US, China, and the EU) are likely. They are susceptible to lead to higher prices and weigh on activity.
- **Public finances.** Numerous governments face a combination of elevated debt levels, higher borrowing costs and moderate growth. This constitutes a challenging environment for public finances at a time when governments face major structural challenges (climate action, defence capabilities, age-related outlays). These developments could give birth in some countries to market tensions (widening sovereign bond spreads) and affect activity through several channels (higher interest rates, higher taxes, reduced government spending).

The adverse and severe scenarios assume the materialisation of these identified risks from the first quarter of 2025. While downside risks are shared by these scenarios, the impacts are assumed to be markedly higher in the severely adverse scenario, due to both more pronounced direct shocks notably higher commodity prices, and the development of a negative spiral between key driving factors (activity, public debt, bond yields, equity markets).

Among the considered countries, GDP levels in the Eurozone in the adverse scenario are 8.2% lower than in the baseline scenario at the end of the shock period. In the severe scenario, GDP levels in the Eurozone are 12.1% lower than in the baseline scenario at the end of the shock period.



Scenario weighting and cost of risk sensitivity

At 31 December 2024, the weight of the favourable scenario considered by the Group was 28%, and 17% for the adverse scenario and 5% for the severe scenario. At 31 December 2023, the weight of the favourable scenario was 33%, 12% for the adverse scenario and 5% for the severe scenario.

Post-model adjustments

Post-model adjustments are made when system limitations are identified in a particular context, for instance, in the case of insufficient statistical data to reflect the specific situation in the models.

Notably, additional adjustments were made in 2022 and 2023 to take into account the effects of inflation and interest rate hikes when this effect is not directly estimated by the models. For example, adjustments were considered for the categories of customers most sensitive to the gradual decline in the level of their net income. Given the evolution of the macroeconomic context in 2024, these adjustments have been fully reversed.

• Cost of risk for the period:

In millions of euros	2024	2023
Net allowance to impairment	(1,103)	(1,145)
Recoveries on loans and receivables previously written off	84	78
Losses on irrecoverable loans	(106)	(154)
Total cost of risk for the period	(1,125)	(1,221)

• Cost of risk for the period by accounting category and asset type:

In millions of euros	2024	2023
Loans and receivables due from customers and credit institutions	(1,131)	(1,229)
Other assets	(2)	(4)
Commitments given and other items	8	12
Total cost of risk for the period	(1,125)	(1,221)
Cost of risk on unimpaired assets and commitments	180	(27)
Of which stage 1	54	7
Of which stage 2	126	(34)
Cost of risk on impaired assets and commitments – stage 3	(1,305)	(1,194)

• Credit risk impairment

Changes in impairment by accounting category and asset type during the period

In millions of euros	31 December 2023	Net allowance to impairment	Impairment provisions used	Changes in scope, exchange rates and other items	31 December 2024
Asset impairment					
Financial assets at amortised cost	3,592	1,121	(1,394)	(17)	3,302
Loans and receivables	3,592	1,121	(1,394)	(17)	3,302
Other assets	6	1			7
Total impairment on financial assets	3,598	1,122	(1,394)	(17)	3,309
Of which stage 1	638	(45)	(3)	(16)	574
Of which stage 2	631	(128)	(23)	(7)	473
Of which stage 3	2,329	1,295	(1,368)	6	2,262
Provisions recognised as liabilities					
Provisions for commitments	71	(9)		(2)	60
Other provisions	43	(10)	(11)	3	25
Total provisions recognised for credit commitments	114	(19)	(11)	1	85
Of which stage 1	24	(8)			16
Of which stage 2	11	(2)			9
Of which stage 3	79	(9)	(11)	1	60
Total impairment and provisions	3,712	1,103	(1,405)	(16)	3,394

Change in impairment of amortised cost financial assets during the period

In millions of euros	Impairment on assets subject to 12-month Expected Credit Losses (Stage 1)	Impairment on assets subject to lifetime Expected Credit Losses (Stage 2)	Impairment on doubtful assets (Stage 3)	Total
At 31/12/2023	638	631	2,323	3,592
Net allowance to impairment	(45)	(128)	1,293	1,120
Financial assets purchased or originated during the period	341	15		356
Financial assets derecognised during the period ⁽¹⁾	(127)	(146)	(196)	(469)
Transfer to stage 2	(97)	919	(72)	750
Transfer to stage 3	(11)	(550)	894	333
Transfer to stage 1	75	(265)	(11)	(231)
Other allowances/reversals without stage transfer ⁽²⁾	(226)	(71)	678	381
Impairment provisions used	(3)	(23)	(1,368)	(1,394)
Changes in exchange rates	1	2	2	5
Changes in scope of consolidation and other items	(17)	(9)	5	(21)
At 31/12/2024	574	473	2,255	3,302

⁽¹⁾ Including disposals.

⁽²⁾ Including amortisation.



2.g. Other net expenses for risk on financial instruments

In 2023, the Group modified its accounting policy relating to the risk of loss of cash flows on financial instruments granted that are not linked to the counterparty's default, such as legal risks calling into question the validity or enforceability of such contracts.

The effect on expected cash flows due to these risks is now considered as a change in the contract's cash flows, in accordance with IFRS 9 B5.4.6, and is recorded as a decrease in the gross value of the asset.

It was previously recognised separately in accordance with IAS 37 in "Provisions for contingencies and charges" (see note 5.m). Expected losses on derecognised financial instruments, as is the case when loans have been repaid, continue to be recognised in accordance with IAS 37.

The corresponding expected and realised cash flow losses are now presented under "Other net losses for risk on financial instruments".

In 2024, the expense thus recognised relate to foreign currency loans issued by BNP Paribas Personal Finance that are not material (compared with EUR 221 million at 31 December 2023, presented under "Net banking income").

2.h. Net gain on non-current assets

In millions of euros	2024	2023
Gain or loss on investments in consolidated undertakings (note 8.c)	77	(368)
Gain or loss on tangible and intangible assets	(12)	(9)
Results from net monetary position	-	-
Net gain on non-current assets	65	(377)

2.i. Corporate income tax

Reconciliation of the effective tax expense to the theoretical tax expense at standard tax rate applicable in France	2024		2023	
	In millions of euros	Tax rate	In millions of euros	Tax rate
Theoretical tax expense on pre-tax net income at standard tax rate applicable in France ⁽¹⁾	(47)	25.8%	200	25.8%
Impact of different tax rates on foreign profits	(20)	10.6%	(12)	1.6%
Impact of reduced tax rate on dividends and disposals of securities	16	-8.5%	(110)	14.2%
Other items	(233)	126.8%	(44)	5.7%
of which impact of unrecognised tax loss carryforwards ⁽²⁾	(234)	127.4%	(60)	7.7%
Corporate income tax expense	(284)	154.7%	34	4.4%
Current tax expense for the year to 31 December	(5)	-	97	-
Deferred tax expense for the year to 31 December (note 5.h)	(279)	-	(63)	-

⁽¹⁾ Restated for the share of profits in equity-method entities and goodwill impairment.

⁽²⁾ Following the signing of an amendment to the tax consolidation agreement in 2024 between BNP Paribas SA and BNP Paribas PF SA, the agreement reverts to a "standard" regime; thus, gains and losses related to tax integration are retained by the head of the Group.



3. SEGMENT INFORMATION

Within the BNP Paribas Group, the BNP Paribas Personal Finance Group provides retail finance services through its consumer finance activities. As part of these activities, the Group has extended its offering to include insurance and savings products.

The BNP Paribas Personal Finance Group also has a residential mortgage lending business, a significant portion of which is managed in runoff.

- The breakdown of income and outstanding loans and receivables due from customers between the two business segments is as follows

- Income by business segment

In millions of euros	2024		2023	
	Consumer loans	Home loans	Consumer loans	Home loans
Revenues	3,402	(57)	3,646	(47)
Operating expenses	(2,048)	(53)	(2,499)	(56)
Cost of risk	(1,124)	(1)	(967)	(254)
Other net expenses for risk on financial instruments	-	-	(221)	-
Operating income	230	(111)	(41)	(357)
Share of net income of SMEs	16	(32)	-	-
Non-operating items	65	-	(319)	(54)
Pre-tax income	311	(143)	(360)	(411)

- Outstanding loans and receivables by business segment

In millions of euros	31 December 2024	31 December 2023
Consumer loans	75,035	76,329
Home loans	6,858	7,683
Total Group	81,893	84,012

• Revenues by geographic area

In millions of euros	2024	2023
France	945	1,009
Other European countries	2,204	2,282
Americas	39	161
Rest of the world	157	147
Total Group	3,345	3,599

• **Cost of risk by geographic area**

In millions of euros	2024	2023
France	(297)	(343)
Other European countries	(674)	(783)
Americas	(6)	(36)
Rest of the world	(148)	(59)
Total Group	(1,125)	(1,221)

• **Total assets by geographic area**

In millions of euros	31 December 2024	31 December 2023
France	30,500	30,935
Other European countries	63,765	63,092
Americas ⁽¹⁾	-	3,220
Rest of the world	1,137	1,096
Total Group	95,402	98,343

⁽¹⁾ Disposal of Cetelem SA de CV in Mexico.

• **Loans and receivables due from customers by geographic area**

In millions of euros	31 December 2024	31 December 2023
France	23,621	24,241
Other European countries	57,617	56,288
Americas ⁽¹⁾	-	2,847
Rest of the world	655	636
Total Group	81,893	84,012

⁽¹⁾ Disposal of Cetelem SA de CV in Mexico.



4. RISK EXPOSURE

4.a. Summary of risks

The BNP Paribas Personal Finance Group is specialised in the sale of consumer loans (in particular automobile financing), home loans and credit consolidation services to individual customers.

The Group has identified six major risks related to its business:

- credit risk arising from the failure of a customer to pay its debt to the Bank (see Note 4.b);
- Interest rate risk (market risk) related to the banking book (see Note 4.c): The BNP Paribas Personal Finance Group provides loans to individuals and/or businesses under terms and conditions defined upon inception. To ensure the Group remains profitable in the long term, the margin offered must be protected against changes in the economic environment, particularly as regards market rates (interest rate risk),
- liquidity risk (see Note 4.d). The BNP Paribas Personal Finance Group must ensure the availability of the funds lent to its customers throughout the life of the loans,
- foreign exchange risk (see Note 4.e);
- operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, or deliberate acts, accidents or natural events occurring outside the Group;
- compliance risk refers to the non-compliance with laws, regulations, and professional and ethical standards.

4.b. Credit risk

Credit risk is the consequence resulting from the likelihood that a borrower or counterparty will fail to meet its obligations in accordance with agreed terms and commitments given. It is related to changes in the credit quality of the Bank's debtors, which may ultimately lead to their default. The probability of default assessment and the expected recovery on the loan or receivable in the event of a default are key components of the credit quality assessment.

CREDIT RISK MANAGEMENT

Transaction selection procedures

The selection procedures depend on the type of loans granted.

For consumer loans, the procedures include the selection and monitoring of the distribution network, particularly the sellers' approval, the choice of business sectors, and the targeting of eligible customers by direct marketing. The grant process is based on scores and assisted by expert systems.

In the case of home and seller loans (mainly involving car dealers), the grant process is designed to promote personal loans and is therefore based on individual case assessments, the segregation of analysis and decision-making functions, and delegations of authority.

For seller loans, amounts above a certain threshold are subject to the approval of executive management following a favourable opinion issued by the Group's Risk Management department.



Risk measurement and monitoring system

The BNP Paribas Personal Finance Group's risk management activities are provided by a central Risk unit fully independent from operating unit managers and reporting to the BNP Paribas Group's Risk Management department.

This Personal Finance Risk (PF-R) unit is responsible for the following:

- Defining the BNP Paribas Personal Finance Group's risk policy consistent with the Group's strategy and the BNP Paribas Group's risk policies;
- Ensuring objective risk management through an independent review of the commercial strategies;
- Providing fast, reliable and comprehensive information on risk status and calling attention to potential increases in risk levels;
- Promoting consistently high-risk management standards;
- Contributing to the quality of methods and procedures;
- Establishing and maintaining a data aggregation and reporting system in compliance with regulatory requirements and meeting the needs of BNP Paribas Personal Finance.

The Risk department has three levels:

- a- Risk teams within each entity, who ensure the management of the risks pertaining to their entity and related to both the granting of credit facilities and the ongoing monitoring of commitments,
- b- Regional risk managers responsible of various entities across several countries, who provide an additional level of supervision and technical support to local risk teams,
- c- A central team in charge of defining and validating the approval policies, generating scores, performing entity audit risks, Group-level reporting, controlling provisions and reviewing seller loans exceeding the approval threshold of country-level delegation authorities.

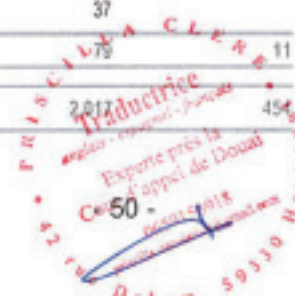
Risk monitoring is the responsibility of Group-level committees (central committees), Risk Management department committees and country-level committees.

• Doubtful loans

In millions of euros	31 December 2024			Collateral received
	Doubtful loans			
	Gross amount	Impairment provision	Net	
Doubtful loans and receivables due from customers	4,011	(2,255)	1,756	385
Financing commitments given	35	(3)	32	10
Guarantee commitments given	66	(32)	34	
Doubtful off-balance sheet commitments	101	(35)	66	10
TOTAL	4,112	(2,290)	1,822	395

In millions of euros	31 December 2023			Collateral received
	Doubtful loans			
	Gross amount	Impairment provision	Net	
Doubtful loans and receivables due from customers	4,261	(2,323)	1,938	443
Financing commitments given	45	(3)	42	11
Guarantee commitments given	70	(33)	37	
Doubtful off-balance sheet commitments	115	(36)	79	11
TOTAL	4,376	(2,359)	2,017	454

• Change in stage 3 gross amounts



The table below provides the data related to the change in stage 3 gross amounts:

Gross amount in millions of euros	2024	2023
Impaired exposures (stage 3) at start of the period	4,261	4,575
Transfer to stage 3	2,255	2,307
Transfer to stage 2 or stage 1	(427)	(505)
Write-off	(1,456)	(1,391)
Other movements	(822)	(725)
Impaired exposures (stage 3) at end of the period	4,811	4,261

4.c. Interest rate risk (market risk) related to the banking portfolio

GENERAL FRAMEWORK OF THE GROUP'S INTEREST RATE RISK MANAGEMENT

The BNP Paribas Personal Finance banking book basically consists of:

- banking intermediation, geared predominantly to retail activities (property Banking intermediation, geared predominantly to retail activities (property and consumer loans)
- transactions aimed at reducing the interest rate risk issued from these retail activities.

IRRBB (Interest Rate Risk in the Banking Book) is defined as the risk that the bank's net interest margin will be affected by changes in market interest rates.

BNP Paribas Personal Finance's exposure to interest rate risk is limited insofar as fixed-rate assets, which represent most of the assets, are largely hedged by fixed-rate financing or by floating-rate financing hedged by fixed-rate borrower swaps.

However, in certain cases, assets and liabilities may not be perfectly matched, for example:

- changes in the level of prepayments, which may lengthen or shorten the asset's amortisation profile
- for certain subsidiaries (depending on the operating set-up or currency), fixed-rate financing not available or interest rate swaps not available to hedge fixed-rate loan production.

As a result, the net interest margin can be sensitive to changes in interest rates: this is referred to as a fixed-rate position, measured by fixed-rate gaps.

The ALM PF Treasury Personal Finance management perimeter comprises numerous legal entities (several dozen) that contribute to this exposure. This exposure arises from the origination of fixed-rate loans (most of which are amortising loans, the most complex being revolving loans). Hedging is carried out mainly by means of fixed rate borrowings (from the BNP Paribas treasuries in Paris or abroad and failing that, in the market) and for some large entities via borrower fixed rate swaps.

In compliance with banking regulations, the Interest Rate Committee must put interest rate hedging in place at the end of the month by means of fixed rate borrower swaps (or fixed rate borrowings if the "Liquidity Committee" has reported a need of liquidity) so that the consolidated interest rate positions do not exceed their respective limits at the end of the quarter. Hedges decided on by the Interest rate Committee may take the form of a program to optimise execution timing. Hedges are decided following a presentation of the macroeconomic context, the economic agenda and forecast risk indicators.

The CEO appointed by the Board of BNP Paribas delegates the management of IRRBB to the BNP Paribas Group ALM Treasury

Committee (Group ALCo). The Group ALCo delegates the operational management of IRRBB to the local Group



ALCos (at entity or group of entities level), such as the BNP Paribas Personal Finance ALCo, so that each entity is covered by an ALCo.

As part of the BNP Paribas Personal Finance sub-group's Risk Appetite Statement, two interest rate risk indicators are monitored by the Board of Directors: income sensitivity (NIIS: Net Interest Income Sensitivity) and value sensitivity (EVES: Economic Value of Equity Sensitivity).

4.d. Liquidity risk

Liquidity risk is defined as the risk that the bank does not have the funding required to meet its commitments.

BNP Paribas Personal Finance is a fully owned subsidiary of BNP Paribas SA, whose main activity is to offer consumer and property loans directly via partnerships. BNP Paribas Personal Finance has a limited deposit-taking business. BNP Paribas Personal Finance's liquidity risk management policy is to refinance itself with the BNP Paribas Group, barring exceptions.

In rare cases, due to local organisational or regulatory constraints, some subsidiaries of BNP Paribas Personal Finance may have access to financing from local markets.

Wherever possible, the BNP Paribas Personal Finance entities will receive financing fully matched to the asset being financed. Support from BNP Paribas can be requested in both normal and stressed conditions.

Thus, the liquidity risk of BNP Paribas Personal Finance is mostly transferred to BNP Paribas. The residual risk is managed appropriately.

As part of the Personal Finance sub-group's Risk Appetite Statement, two liquidity risk indicators are monitored by the Board of Directors: the one-year liquidity gap and the one-month liquidity gap.

4.e. Foreign exchange risk

The foreign exchange risk carried by an institution is the risk relating to valuation differences related to the holding of a position in a currency other than its reference currency. These valuation differences are due to fluctuations in the exchange rate between the two currencies.

The currency risk can be:

- "operating" when the foreign exchange position is linked to commercial activity;
- "structural" when the foreign exchange position is linked to an investment in an entity located in a country with a different currency.

BNP Paribas Personal Finance's exposure to "operating" foreign exchange risk arises from net results generated in currencies other than the euro. BNP Paribas Personal Finance's policy is to make its net profit less sensitive to changes in exchange rates.

BNP Paribas Personal Finance's exposure to "structural" foreign exchange risk arises mainly from equity investments in foreign currencies financed by buying the investment currency. These equity investments thus create a foreign exchange position impacting equity.

To reduce this risk, BNP Paribas Personal Finance proceeds, where possible, to financing by borrowing. The borrowing financing the equity investments thus cancels the resulting currency position. Financing by borrowing is preferred when borrowing rates in the currency in which the position is generated are available. Indeed, in some geographies (e.g. Brazil), the high level of rates is likely to make it less expensive to carry the foreign exchange position rather than to hedge it by borrowing.



It should be noted that another source of "structural" foreign exchange risk is the current income recognised by entities located outside the euro zone.

5. NOTES TO THE BALANCE SHEET AT 31 DECEMBER 2024

5.a. Financial instruments at fair value through profit or loss

Financial assets and financial liabilities at fair (market or model) value through profit or loss consist of held for trading transactions, including derivatives and of non-trading instruments whose characteristics prevent their accounting at amortised cost or at fair value through equity.

In millions of euros	31 December 2024	31 December 2023
Securities portfolio	31	79
Loans and repurchase agreements		
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	31	79

The positive or negative fair value of derivative financial instruments classified as held for trading represents the replacement value of these instruments. This value may fluctuate significantly in response to changes in market parameters (such as interest rates or foreign exchange rates).

In millions of euros	31 December 2024		31 December 2023	
	Positive market value	Negative market value	Positive market value	Negative market value
Interest rate derivatives	10	11	34	34
Derivative financial instruments	10	11	34	34

The table below shows the total notional amount of trading derivatives. The notional amounts of derivative financial instruments are merely an indication of the volume of the Group's activities in financial instrument markets, and do not reflect the market risks associated with such instruments.

In millions of euros	31 December 2024	31 December 2023
Interest rate derivatives	1,032	842
Derivative financial instruments	1,032	842

Transactions in derivative instruments are carried out over the counter.

5.b. Derivatives used for hedging purposes

The table below shows the notional amounts and the fair value of derivatives used for hedging purposes.

In millions of euros	31 December 2024			31 December 2023		
	Notional amounts	Positive market value	Negative market value	Notional amounts	Positive market value	Negative market value
Fair value hedges	28,351	377	295	31,049	810	299
Interest rate derivatives	28,351	377	295	31,049	810	299
Cash flow hedges	10,668	98	220	12,075	7	.
Interest rate derivatives	10,668	98	220	12,075	7	
Foreign exchange derivatives						
Derivative used for hedging purposes	39,019	475	515	43,124	817	299



The table below presents the detail of fair value hedge relationships for identified financial instruments and portfolios of financial instruments that are continuing as at 31 December 2024:

	Hedging instruments				Hedged instruments			
	Notional amounts	Positive market value	Negative market value	Cumulative changes in fair value used as the basis for recognising ineffectiveness	Net carrying amount - asset	Cumulative changes in fair value - asset	Net carrying amount - liability	Cumulative changes in fair value - liability
In millions of euros, at 31 December 2024								
Interest-rate risk hedged portfolios	28,351	377	295	(62)	28,504	54	97	(6)
Interest rate derivatives hedging the interest rate risk related to	28,351	377	295	(62)	28,504	54	97	(6)
Loans and receivables	28,256	375	287	(56)	28,504	54	-	-
Deposits	95	2	8	(6)	-	-	97	(6)
Total fair value hedge	28,351	377	295	(62)	28,504	54	97	(6)

The notional amount of cash flow hedge derivatives is EUR 10,668 million at 31 December 2024. Changes in assets and liabilities recognised directly in equity amount to EUR -169 million.

The table below presents the nominal amounts of hedging derivatives by maturity:

In millions of euros, at 31 December 2024	Maturity date			
	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Fair value hedges	6,258	19,911	2,182	28,351
Interest rate derivatives	6,258	19,911	2,182	28,351
Cash flow hedges	3,450	5,345	1,873	10,668
Interest rate derivatives	3,450	5,345	1,873	10,668
Foreign exchange derivatives				

5.c. Financial instruments at fair value through equity

In millions of euros	31 December 2024		31 December 2023	
	Market value	of which changes in value taken directly to equity	Market value	of which changes in value taken directly to equity
Equity securities	3	2	2	1
Total financial assets at fair value through equity	3	2	2	1

The option to recognise certain equity instruments at fair value through equity was retained in particular for shares held through strategic partnerships and shares that the Group is required to hold in order to carry out certain activities.

None of these investments were sold in the 2024 financial year.

During the year ended 31 December 2023, the Group disposed of one sale of these investments and a EUR 1 million latent gain was reclassified in retained earnings.



5.d. Measurement of the fair value of financial instruments

INSTRUMENT CLASSES AND CLASSIFICATION WITHIN THE FAIR VALUE HIERARCHY FOR ASSETS AND LIABILITIES MEASURED AT FAIR VALUE

As explained in the summary of significant accounting policies (see Note 1.e.10), financial instruments measured at fair value are categorised into a fair value hierarchy consisting of three levels.

- Financial assets at fair value through profit or loss or through equity**

	31 December 2024											
	Trading book				Instruments at fair value through profit or loss not held for trading				Financial assets at fair value through equity			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
In millions of euros												
Securities portfolio	-	-	-	-	-	15	16	31	2	-	1	3
Governments				-				-				-
Other debt securities				-		15		15				-
Equities and other equity securities				-		-	16	16	2		1	3
Loans and repurchase agreements	-	-	-	-	-	-	-	-	-	-	-	-
Loans				-				-				-
Repurchase agreements				-				-				-
FINANCIAL ASSETS AT FAIR VALUE	-	-	-	-	-	15	16	31	2	-	1	3

	31 December 2023											
	Trading book				Instruments at fair value through profit or loss not held for trading				Financial assets at fair value through equity			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
In millions of euros												
Securities portfolio	-	-	-	-	-	49	30	79	1	-	1	2
Governments				-				-				-
Other debt securities				-		49		49				-
Equities and other equity securities				-			30	30	1		1	2
Loans and repurchase agreements	-	-	-	-	-	-	-	-	-	-	-	-
Loans				-				-				-
Repurchase agreements				-				-				-
FINANCIAL ASSETS AT FAIR VALUE	-	-	-	-	-	4	30	79	1	-	1	2

- Derivative financial instruments**

	31 December 2024							
	Trading book				Hedging derivatives			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
In millions of euros								
Interest rate derivatives		10		10		475		475
Positive market value		10		10		475		475
Interest rate derivatives		11		11		515		515
Negative market value		11		11		515		515

	31 December 2023							
	Trading book				Hedging derivatives			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
In millions of euros								
Interest rate derivatives		34		34		517		517
Positive market value	-	34		34	-	517		517
Interest rate derivatives		34		34		299		299
Negative market value	-	34		34	-	299		299

Transfers between levels may occur when an instrument fulfils the defined criteria, which are generally market and product dependent. The main factors influencing transfers are changes in the observation capabilities, passage of time, and events affecting the transaction lifetime.

5.e. Financial assets at amortised cost

• Detail of loans and advances by nature

In millions of euros	31 December 2024			31 December 2023		
	Gross value before impairment	Impairment (note 2.f)	Net carrying amount	Gross value before impairment	Impairment (note 2.f)	Net carrying amount
Loans and advances to credit institutions	5,978	-	5,978	6,062	-	6,062
On demand accounts	2,187	-	2,187	2,350	-	2,350
Loans	3,727	-	3,727	3,646	-	3,646
Repurchase agreements	64	-	64	66	-	66
Loans and advances to customers	85,195	(3,302)	81,893	87,605	(3,593)	84,012
Demand accounts	10	-	10	5	-	5
Loans to customers	69,789	(3,101)	66,688	74,256	(3,404)	70,852
Finance leases	15,396	(201)	15,195	13,344	(189)	13,155
Total loans and advances at amortised cost	91,173	(3,302)	87,871	93,667	(3,593)	90,074

• Detail of debt securities

In millions of euros	31 December 2024			31 December 2023		
	Gross value before impairment	Impairment (note 2.f)	Net carrying amount	Gross value before impairment	Impairment (note 2.f)	Net carrying amount
Governments	-	-	-	4	-	4
Credit institutions	17	-	17	31	-	31
Others	128	-	128	186	-	186
Total debt securities at amortised cost	145	-	145	221	-	221



• **Detail of loans and advances and debt securities by stage**

In millions of euros	31 December 2024			31 December 2023		
	Gross value before impairment	Impairment (note 2.f)	Net carrying amount	Gross value before impairment	Impairment (note 2.f)	Net carrying amount
Loans and advances to credit institutions	5,978	-	5,978	6,062	-	6,062
Stage 1	5,978	-	5,978	6,062	-	6,062
Loans and advances to customers	85,195	(3,302)	81,893	87,604	(3,592)	84,012
Stage 1	75,930	(574)	75,356	77,973	(638)	77,335
Stage 2	5,254	(473)	4,781	5,370	(631)	4,739
Stage 3	4,011	(2,255)	1,756	4,261	(2,323)	1,938
Debt securities	145	-	145	221	-	221
Stage 1	145	-	145	221	-	221
Total financial assets at amortised cost	91,318	(3,302)	88,016	93,887	(3,592)	90,295

• **Breakdown of finance leases**

In millions of euros	31 December 2024	31 December 2023
Gross investment	16,835	14,501
Receivable within 1 year	5,922	4,946
Receivable after 1 year but within 5 years	10,538	9,440
Receivable beyond 5 years	375	115
Unearned interest income	(1,439)	(1,158)
Net investment before impairment	15,396	13,343
Receivable within 1 year	5,414	4,476
Receivable after 1 year but within 5 years	9,645	8,757
Receivable beyond 5 years	337	110
Impairment provisions	(201)	(189)
Net investment after impairment	15,195	13,154



5.f. Financial liabilities at amortised cost due to credit institutions and customers

In millions of euros	31 December 2024	31 December 2023
Due to credit institutions	67,747	70,314
On demand accounts	278	228
Interbank borrowings	67,387	69,975
Repurchase agreements	84	111
Deposits from customers	8,319	5,739
Demand deposits	3,648	3,768
Saving accounts	2	2
Term accounts	4,669	1,969

5.g. Debt securities and subordinated debt

This note covers all debt securities in issue and subordinated debt measured at amortised cost.

DEBT SECURITIES AT AMORTISED COST

In millions of euros	31 December 2024	31 December 2023
Negotiable debt securities	302	927
Bonds	3,984	5,461
Total debt securities measured at amortised cost	4,286	6,388

SUBORDINATED DEBT AT AMORTISED COST

In millions of euros	31 December 2024	31 December 2023
Redeemable subordinated debt	1,703	1,816
Perpetual subordinated debt	110	110
Total subordinated debt at amortised cost	1,813	1,926

• Redeemable subordinated debt

Redeemable subordinated debt issued by the Group includes medium- and long-term securities treated as simple subordinated notes whose early redemption before the contractual maturity date in the event of the liquidation of the issuing company would occur after the other creditors but before the holders of profit-sharing loans and profit-sharing securities.

After approval of the banking supervisory authority and at the issuer's discretion, these debt issues may contain a call provision authorising the Group to redeem the securities prior to maturity by repurchasing them in the stock market, via public tender offers, or in the case of private placements over the counter.



5.h. Current and deferred taxes

In millions of euros	31 December 2024	31 December 2023
Current taxes	268	387
Deferred taxes	489	678
Current and deferred tax assets	737	1,065
Current taxes	45	87
Deferred taxes	171	110
Current and deferred tax liabilities	216	197

Change in deferred tax by nature over the period:

In millions of euros	31 December 2023	Changes recognised in profit or loss	Changes recognised in equity that may be reclassified to profit or loss	Changes recognised in equity that will not be reclassified to profit or loss	Effects of exchange rates, consolidation scope and other movements	31 December 2024
Financial instruments	(122)	(87)	27	-	(1)	(183)
Provisions for employee benefit obligations	24	(6)	-	(4)	-	14
Unrealised finance lease reserve	(132)	15	-	-	15	(102)
Credit risk impairment	582	(83)	-	-	(12)	487
Tax loss carryforwards	73	(3)	-	-	(1)	69
Other items	143	(115)	-	-	(15)	13
Total net deferred taxes	568	(279)	27	(4)	(14)	298
Deferred tax assets	678					489
Deferred tax liabilities	(110)					(171)

Unrecognised deferred tax assets totalled EUR 1,417 million at 31 December 2024 compared with EUR 1,193 million at 31 December 2023.

5.i. Accrued income/expense and other assets/liabilities

In millions of euros	31 December 2024	31 December 2023
Guarantee deposits and bank guarantees paid	156	63
Collection accounts	4	53
Accrued income and prepaid expenses	279	223
Other debtors and miscellaneous assets	1,695	1,560
Total accrued income and other assets	2,134	1,899
Guarantee deposits received	20	81
Collection accounts	-	-
Accrued expense and deferred income	628	573
Lease liabilities	69	95
Other creditors and miscellaneous liabilities	1,255	1,880
Total accrued expenses and other liabilities	1,972	2,639

5.j. Equity-method investments



Cumulative financial information of associates and joint ventures is presented in the following table:

	2024			31 December 2024	2023			31 December 2023
	Share of net income	Share of changes in assets and liabilities recognised directly in equity	Share of net income and changes in assets and liabilities recognised directly in equity	Equity-method investments	Share of net income	Share of changes in assets and liabilities recognised directly in equity	Share of net income and changes in assets and liabilities recognised directly in equity	Equity-method investments
In millions of euros								
Joint ventures	(1)	(5)	(6)	578	(6)	(63)	(69)	588
Associates	(15)	(9)	(24)	436	10	(6)	4	460
Total equity-method entities	(16)	(14)	(30)	1,014	4	(69)	(65)	1,028

Financing and guarantee commitments given by the BNP Paribas Personal Finance Group to joint ventures are listed in Note 8.f "Other related parties".

The carrying amount of the Group's investment in the main joint ventures and associates is presented in the following table:

In millions of euros	Country of registration	Activity	Interest (%)	31 December 2024	31 December 2023
Joint ventures					
Union de Creditos Inmobiliarios	Spain	Mortgage loans	40%	186	205
Associates					
Carrefour Banque	France	Consumer loans	40%	220	226
Servicios Financieros Carrefour EFC	Spain	Distribution of loans	40%	146	167

5.k. Property, plant, equipment and intangible assets used in operations, investment property

In millions of euros	31 December 2024			31 December 2023		
	Gross carrying amount	Cumulative depreciation / amortisation and impairment provisions	Net carrying amount	Gross carrying amount	Cumulative depreciation / amortisation and impairment provision	Net carrying amount
Investment property	53	(27)	26	42	(21)	21
Land and buildings	366	(251)	115	440	(295)	145
Equipment, furniture and fixtures	178	(158)	20	202	(173)	29
Plant and equipment leased as lessor under operating leases	449	(16)	433	652	(46)	606
Other intangible assets	218	(115)	103	204	(123)	81
Property, plant and equipment	1,211	(540)	671	1,498	(637)	861
Of which right-of-use	279	(216)	63	344	(256)	88
Property, plant and equipment and investment property	1,263	(566)	697	1,540	(658)	882
Purchased software	241	(218)	23	271	(236)	35
Internally-developed software	1,036	(858)	178	982	(802)	180
Other intangible assets	267	(111)	156	277	(101)	176
Intangible assets	1,544	(1,187)	357	1,530	(1,139)	391

• Intangible assets

Other intangible assets mainly include leasehold rights, goodwill and trademarks acquired by the Group.

• Depreciation, amortisation and impairment

Net depreciation and amortisation expense amounted to EUR 165 million in 2024, compared with EUR 171 million in 2023.

Net impairment losses on property, plant and equipment and intangible assets was zero in 2024, compared with EUR 0.8 million in 2023.

5.l. Goodwill

In millions of euros	2024	2023
Net carrying amount at beginning of period	1,215	1,029
Acquisitions	(8)	182
Divestments	(84)	-
Reclassification as non-current assets held for sale (Note 8.c.)	-	6
Exchange rate adjustments	5	(2)
Impairment losses recognised during the period	-	-
Other movements	-	-
Net carrying amount at end of period	1,128	1,215
Gross carrying amount	1,910	2,003
Cumulative impairment recognised at end of period	(782)	(788)



Goodwill impairment tests are carried out using three different valuation methods: one based on the review of transactions involving entities with similar activities, a second consisting of identifying market parameters induced by listed entities with similar activities, and a third using the expected future profitability (discounted cash flow method - DCF).

If one of the two methods based on similar entities suggests a need to recognise an impairment loss, the DCF method is used to validate this result and possibly determine the appropriate amount.

The DCF method relies on a number of assumptions regarding forecast revenue flows, expense flows and cost of risk (cash flows) based on medium-term (five-year) business plans. Cash flows are projected beyond five years based on a growth rate to infinity and can be normalised when the short-term environment does not reflect the normal economic cycle.

5.m. Provisions for contingencies and charges

	31 December 2023	Net additions to provisions	Provisions used	Changes in value recognised directly in equity	Effect of movements in exchange rates and other	31 December 2024
In millions of euros						
Provisions for employee benefit obligations	304	31	(98)	(6)	2	233
of which post-employment benefits (Note 7.b)	22	5	(6)	(6)	5	20
of which provision for other long-term benefits (Note 7.c)	44	7	(8)	-	(1)	42
of which provisions for voluntary departure, early retirement and headcount adaptation plans (Note 7.d)	231	15	(81)	-	(2)	163
of which provision for share-based payments	7	4	(3)	-	-	8
Provisions for financing commitments (Note 2.f)	114	(19)	(11)	-	1	85
Provisions for litigation	255	17	(167)	-	-	105
Other provisions for contingencies and charges	109	-	(41)	-	(20)	48
Total provisions for contingencies and charges	782	29	(317)	(6)	(17)	471

The provisions for disputes cover, in particular, disputes relating to the interpretation of and changes in regulations on loans to individuals.

5.n. Transfers of financial assets

As part of the proprietary securitisation business described in Note 6.d, the Group carries out securitisation transactions, some of which are partially refinanced by outside investors.

Financial assets that have been transferred but not derecognised by the Group are mainly composed of securitised assets. The liabilities associated with these securitised assets consist of the securitisation notes subscribed by third parties.

- Repurchase agreements:**

Securities sold under repurchase agreements totalled EUR 84 million at 31 December 2024 (EUR 110 million at 31 December 2023). Liabilities associated with securities sold under repurchase agreements were recorded under "Repurchase agreements" for EUR 84 million at 31 December 2024 (EUR 110 million at 31 December 2023).

- Securitisation transactions partially refinanced by external investors, whose recourse is limited to the transferred assets:**



	Carrying amount of transferred assets	Carrying amount of associated liabilities	Fair value of the transferred assets	Fair value of associated liabilities	Net position
In millions of euros, at 31 December 2024					
Securitisation					
Financial assets at amortised cost	3,132	2,637	3,132	2,638	494
Total	3,132	2,637	3,132	2,638	494

	Carrying amount of transferred assets	Carrying amount of associated liabilities	Fair value of the transferred assets	Fair value of associated liabilities	Net position
In millions of euros, at 31 December 2023					
Securitisation					
Financial assets at amortised cost	5,184	4,111	5,184	4,108	1,076
Total	5,184	4,111	5,184	4,108	1,076

A number of securitisation units, which were subscribed by BNP Paribas Personal Finance itself and have therefore not been reported in the consolidated balance sheet, are lent. At 31 December 2024, the carrying amount of lent securities was EUR 7,089 million (EUR 7,526 million at 31 December 2023).

The Group also made transfers of financial assets resulting in their full derecognition with continuing involvement due to provided collateral, for which it received commissions. The Group set aside provisions in respect of the collateral reported under "Provisions for contingencies and charges".

	31 December 2024				Gains or losses recognised at the transfer date	Recognised income and expenses	
	Other amounts payable to the transferee in respect of the transferred assets	Carrying amount of liabilities	Fair value of liabilities	Maximum exposure to loss		2024	Total
In millions of euros							
Continuing involvement	-	-	-	-	-	-	-
Guarantee commitments	308	29	29	308	(14)	2	(28)

in millions of euros	31 December 2023				Gains or losses recognised at the transfer date	Recognised income and expenses	
	Other amounts payable to the transferee in respect of the transferred assets	Carrying amount of liabilities	Fair value of liabilities	Maximum exposure to loss		2023	Total
Continuing involvement	-	-	-	-	-	-	-
Guarantee commitments	349	33	33	349	(14)	2	(30)

6. COMMITMENTS GIVEN OR RECEIVED

6.a. Financing commitments given or received

Contractual value of financing commitments given or received by the Group:

In millions of euros	31 December 2024	31 December 2023
Financing commitments given	-	-
to credit institutions	-	-
to customers	20,253	19,584
Credit facilities	20,253	19,584
Other financing commitments given	-	-
Total financing commitments given	20,253	19,584
Of which stage 1	19,690	19,283
Of which stage 2	328	256
Of which stage 3	35	45
Financing commitments received	-	-
from credit institutions	861	1,536
from customers	-	-
Total financing commitments received	861	1,536

6.b. Guarantee commitments given by signature

In millions of euros	31 December 2024	31 December 2023
Guarantee commitments given	-	-
to credit institutions	340	383
to customers	41	48
Financial guarantees	41	40
Other guarantees	-	-
Total guarantee commitments given	381	423
Of which stage 1	314	353
Of which stage 2	-	-
Of which stage 3	67	70



6.c. Other guarantee commitments

- Financial instruments given as collateral

In millions of euros	31 December 2024	31 December 2023
Financial assets pledged as collateral for transactions with credit institutions and financial customers	-	-
Securities sold under repurchase agreements	84	110

Financial instruments given as collateral or transferred under repurchase agreements by the Group that the beneficiary is authorised to sell or reuse as collateral amounted to EUR 151 million at 31 December 2024 (EUR 121 million at 31 December 2023).

6.d. Securitisation transactions

- Proprietary securitisation activities (originator)

As part of BNP Paribas Personal Finance's day-to-day cash management activities and its objective of reducing risk-weighted assets, less liquid assets such as customer loans (consumer loans, auto loans and home loans) can be quickly converted to cash through securitisation.

The BNP Paribas Personal Finance Group's 2024 securitisation plan has been heavily impacted by lower than expected production levels of auto loans and consumer loans. As the size of eligible deposits is smaller, several transactions had to be postponed until 2025.

However, BNP Paribas Personal Finance issued three SRT transactions during the year.

ECARAT DE 2024, a cash credit risk transfer securitisation (SRT) within the meaning of regulation 575-2013, contributed significantly to the reduction in the capital requirements of the BNP Paribas Personal Finance group. Donatello 1, BNPP PF's first synthetic securitisation, was also launched in December 2024. This represents a securitisation tool that complements cash securitisation in order to meet the RWA reduction targets of BNPP PF and the BNP Paribas Group.

Securitisation	Significant Risk Transfer (SRT)	Type	Date	Country	Originator	Type of assets	Outstandings securitised
ECARAT DE 2024	Yes	Cash	June 2024	Germany	Stellantis Germany	Auto loans	EUR 375M
Donatello 1	Yes	Synthetic	December 2024	France	Findomestic	Consumer loans	EUR 900M

The securities subscribed by BNP Paribas Personal Finance's originator entities and lent to BNP Paribas SA, amounted to EUR 7.1 billion at 31 December 2024 compared with EUR 7.5 billion at 31 December 2023.

The total stock of securitised receivables amounted to EUR 12.2 billion at 31 December 2024 across thirteen transactions.



7. SALARIES AND EMPLOYEE BENEFITS

7.a. Salaries and employee benefit expenses

In millions of euros	2024	2023
Fixed and variable remuneration, incentive bonuses and profit-sharing	796	820
Employee benefit expense	163	453
Payroll taxes	58	58
Total salary and employee benefit expense	1,015	1,331

7.b. Post-employment benefits

IAS 19 distinguishes between two categories of plans, each handled differently depending on the risk incurred by the entity. When the entity is only committed to paying a fixed amount, stated as a percentage of the beneficiary's annual salary, for example, to an external entity handling payment of the benefits based on the assets available for each plan member, it is described as a defined-contribution plan. Conversely, when the entity's obligation is to manage the financial assets funded through the collection of contributions from employees and to bear the cost of benefits itself or to guarantee the final amount subject to future events, it is described as a defined-benefit plan. The same applies if the entity entrusts the management of the collection of premiums and payment of benefits to a separate entity but retains the risk arising from the management of the assets and/or from future changes in the benefits.

- **Main defined-contribution pension plans for BNP Paribas Personal Finance Group**

In France, the BNP Paribas Personal Finance Group pays contributions to mandatory state and complementary pension schemes.

Since defined-benefit plans have been closed to new employees in most countries outside France, they are offered the benefit of joining defined-contribution pension plans.

The amount paid into defined-contribution post-employment plans for the year ended 31 December 2024 was EUR 54 million, compared with EUR 52 million for the year ended 31 December 2023.

The breakdown by geographic area is as follows:

Contributions in EUR millions	2024	2023
France	28	28
Italy	18	17
Others	8	7
TOTAL	54	52

- **Main defined-benefit pension plans for BNP Paribas Personal Finance Group entities and retirement bonuses and end-of-service awards**

Defined-benefit pension plans have all been closed to new entrants. This mainly concerns plans benefiting employees of entities located within Stellantis Bank SA Niederlassung Deutschland and PSA Bank Deutschland in Germany, whose plans were almost 100% funded at 31 December 2024, compared with 93% at 31 December 2023, and within Stellantis Financial Services UK Ltd in the United Kingdom, whose plans was 130% funded at 31 December 2024, unchanged from 31 December 2023.



- Other post-employment benefits

The employees of the BNP Paribas Personal Finance Group companies are offered various contractual benefits such as retirement bonuses and end-of-service awards. In France, the obligations for these benefits are funded through a contract held with a third-party insurer outside the BNP Paribas Personal Finance Group. At 31 December 2024, 125% of this commitment was covered by financial assets, compared with 111% at 31 December 2023. Abroad, commitments in respect of these other benefits are concentrated in Italy, where rights were frozen on 31 December 2006.

- Obligations under defined-benefit pension plans and indemnities payable on retirement

- Assets and liabilities recognised on the balance sheet

In millions of euros, at 31 December 2024	Defined-benefit obligation arising from wholly or partially funded plans	Defined-benefit obligation arising from unfunded plans	Present value of defined-benefit obligation	Fair value of plan assets	Net obligation	of which assets recognised in the balance sheet for defined benefit plans	of which obligation recognised in the balance sheet for defined-benefit plans
Germany	119		119	(119)		(5)	6
France	39	1	40	(49)	(9)	(10)	1
United Kingdom	31		31	(40)	(9)	(9)	-
Others		13	13		13	-	13
TOTAL	189	14	203	(208)	(5)	(25)	20

In millions of euros, at 31 December 2023	Defined-benefit obligation arising from wholly or partially funded plans	Defined-benefit obligation arising from unfunded plans	Present value of defined-benefit obligation	Fair value of plan assets	Net obligation	of which assets recognised in the balance sheet for defined benefit plans	of which obligation recognised in the balance sheet for defined-benefit plans
Germany	119		119	(110)	9		9
France	45	1	46	(50)	(4)	(5)	1
United Kingdom	28		28	(37)	(9)	(9)	-
Others		12	12		12	-	12
TOTAL	192	13	205	(197)	8	(14)	22

- Change in the present value of the defined-benefit obligation

In millions of euros	2024	2023
Present value of defined-benefit obligation at start of period	205	150
Current service cost	3	3
Interest cost	7	7
Past service cost	(3)	(8)
Actuarial (gains) losses on change in demographic assumptions		
Actuarial (gains) losses on change in financial assumptions	(7)	11
Actuarial (gains) losses on experience adjustments	5	(1)
Benefits paid directly by the employer	(1)	
Benefits paid from assets	(8)	(8)
Exchange rate (gains)/losses on obligation	1	
(Gains)/losses on obligation related to changes in the consolidation scope	1	51
Other movements		-
Present value of defined-benefit obligation at end of period	203	205



In millions of euros	2024	2023
Fair value of assets at start of period	197	145
Expected return on assets	7	8
Actuarial gains/(losses) on assets	11	(6)
Benefits paid from assets	(8)	(8)
Exchange rate (gains)/losses on obligation	2	
(Gains)/losses on obligation related to changes in the consolidation scope	(1)	58
Fair value of assets at end of period	208	197

- Components of the cost of defined-benefit plans

In millions of euros	2024	2023
Service cost	-	(4)
Current service cost	3	3
Past service cost	(3)	(7)
Settlements	-	-
Net financial expense	-	(1)
Interest cost	7	7
Interest income on plan assets	(7)	(8)
Total recognised in salary and employee benefit expense		(5)

- Other items recognised directly in equity

In millions of euros	2024	2023
Other items recognised directly in equity	13	(16)
Actuarial gains (losses) on plan assets	11	(6)
Actuarial (losses)/gains of demographic assumptions on the present value of obligations	-	-
Actuarial (losses)/gains of financial assumptions on the present value of obligations	7	(11)
Experience (losses)/gains on obligations	(5)	1

- Main actuarial assumptions used to calculate obligations

In the Eurozone, the BNP Paribas Personal Finance Group discounts its obligations using the yields of high-quality corporate bonds, with a term consistent with the duration of the obligations.

The following discount rate ranges have been used:

In %	31 December 2024		31 December 2023	
	Discount rate	Salary increase rate ⁽¹⁾	Discount rate	Salary increase rate ⁽¹⁾
Germany	3.40%	2.50%	3.20%	2.30% to 2.50%
France	3.40%	2.10% to 4.10%	3.20%	3.00%
United Kingdom	5.00%	NA	5.30%	3.20%
Others	3.10%	3.50%	3.60%	3.10%

⁽¹⁾ Including price increases (inflation)

Average discount rates weighted by obligation amounts are as follows:



- in the Eurozone: 3.38% at 31 December 2024 for a weighted average duration of 12.7 years, compared with 3.22% at 31 December 2023 for a weighted average duration of 12.7 years;
- in the United Kingdom: 5.00% at 31 December 2024 for a weighted average duration of 14.1 years, compared with 5.29% at 31 December 2023 for a weighted average duration of 14.7 years.

The impact of a 100bp change in discount rates on the present value of post-employment benefit obligations is as follows:

Change in the present value of obligations in millions of euros	31 December 2024		31 December 2023	
	Discount rate -100bp	Discount rate +100bp	Discount rate -100bp	Discount rate +100bp
Germany	18	(15)	17	(14)
France	5	(4)	5	(4)
United Kingdom	5	(4)	4	(4)
Others	1	(1)	1	(1)

The inflation assumptions used to calculate obligations are determined locally depending on the monetary area, except for the Eurozone for which the assumption is determined centrally.

Average discount rates weighted by obligation amounts are as follows:

- in the Eurozone: 2.10% at 31 December 2024 compared with 2.30% at 31 December 2023;
- in the United Kingdom: 3.15% at 31 December 2024 compared with 3.20% at 31 December 2023.

The impact of a 100bp increase in inflation rates on the present value of post-employment benefit obligations is as follows:

Change in the present value of obligations in millions of euros	31 December 2024	31 December 2023
	Inflation rate +100bp	Inflation rate +100bp
Germany	15	14
France	5	5
United Kingdom	4	4
Others	-	-

Variation effects of discount and inflation rates presented above are not cumulative.

Actual rate of return on plan assets over the period

	2024	2023
Germany	10.50% to 15.90%	9.85% to 11.50%
France	2.80%	2.60%
United Kingdom	7.60%	-9.00%
Others	unfunded	unfunded



Breakdown of plan assets

in %	31 December 2024							31 December 2023						
	Shares	Sovereign bonds	Non-Governmental bonds	Real estate	Deposit accounts	Others	TOTAL	Shares	Sovereign bonds	Non-Governmental bonds	Real estate	Deposit accounts	Others	TOTAL
Germany	20%	59%	0%	0%	1%	21%	100%	24%	55%	0%	0%		21%	100%
France ⁽¹⁾	12%	64%	13%	9%	2%	0%	100%	8%	59%	18%	13%	2%	0%	100%
United Kingdom	2%	0%	98%	0%	3%	0%	100%	2%		98%		3%		100%
BNP Paribas Personal Finance Group	15%	48%	21%	2%	1%	13%	100%	16%	48%	22%	3%	1%	12%	100%

⁽¹⁾ In France, the breakdown of plan assets corresponds to the breakdown of the general fund of the insurance firm that handles the commitments.

The BNP Paribas Personal Finance Group introduced an asset management governance process for assets backing defined-benefit pension plan commitments, the main objectives of which are the management and control of the risks in terms of investments.

It sets out investment principles, in particular, by defining an investment strategy for plan assets, based on financial objectives and financial risk management, to specify the way in which plan assets have to be managed via financial management servicing contracts.

The investment strategy is based on an assets and liabilities management analysis that should be realised at least every three years for plans for which assets value is more than EUR 100 million.

7.c. Other long-term benefits

The BNP Paribas Personal Finance Group offers its employees various long-term benefits, mainly long-service awards and the ability to save up paid annual leave in time savings accounts.

The net provision of the corresponding obligation amounted to EUR 29 million at 31 December 2024 (EUR 31 million at 31 December 2023).

As part of the BNP Paribas Group's variable compensation policy, annual deferred compensation plans are set up for certain high-performing employees or pursuant to special regulatory frameworks. Under these plans, payment is deferred over time and is subject to the performance achieved by the business lines, divisions and BNP Paribas Group.

Since 2013, the BNP Paribas Group has had a Group loyalty scheme with a cash payment, at the end of a three-year vesting period (or four years from 2022), which fluctuates according to the Group's intrinsic performance. The aim of this scheme is to involve different categories of managerial staff in the Group's development and profitability objectives. These personnel are representative of the Group's talent and the breadth of its managerial framework, i.e. senior managers, managers in key positions, line managers and experts, high-potential managers, high-performing young managers with good career development prospects and key contributors to the Group's results.

The amounts allocated under this plan are linked to changes in the Group's operational performance over the duration of the plan (for 80%) and to the achievement of the Group's Corporate Social Responsibility (CSR) targets (for 20%). These ten targets are in line with the four pillars on which the Group's CSR policy is based. In addition, the final payment is subject to continuous service within the Group between the grant date and the payment date, provided that the Group's operating income and pre-tax income for the year prior to payment are strictly positive. For employees subject to special regulatory frameworks, this loyalty scheme is adjusted in accordance with the CRD European Directive.

The net obligation related to deferred compensation plans and loyalty schemes amounts to EUR 13 million at 31 December 2024 (EUR 13 million at 31 December 2023).

in millions of euros	31 December 2024	31 December 2023
Net provisions for other long-term benefits	42	44



7.d. Termination benefits

The BNP Paribas Personal Finance Group has implemented various voluntary redundancy plans and headcount adaptation plans for employees who meet certain eligibility criteria. The obligations to eligible active employees under such plans are provided for as soon as a bilateral agreement or a bilateral agreement proposal for a particular plan is made. Furthermore, BNP Paribas Personal Finance records charges related to redundancy plans due to restructuring once the Group has established a formalised and detailed plan which has been announced to the parties concerned.

In millions of euros	31 December 2024	31 December 2023
Provision for voluntary departure, early retirement plans, and headcount adaptation plans	163	231

7.e. Share-based payments

As part of the Group's variable remuneration policy, deferred annual compensation plans offered to certain high-performing employees or set up pursuant to special regulatory frameworks may entitle beneficiaries to variable compensation settled in cash but linked to the share price, payable over several years.

Variable compensation for employees, subject to special regulatory frameworks

Since the publication of the Decree by the French Ministry of Finance on 13 December 2010, and following the provisions of the European Directive CRD 4 of 26 July 2013, modified by the CRD 5 Directive of 20 May 2019, transposed into the French law in the Monetary and Financial Code by the Ordinance of 20 February 2014, and the Ordinance of 21 December 2020, as well as the Decrees and Orders of 3 November 2014 and 22 December 2020 and the Delegated European Regulation of 25 March 2021, the variable compensation plans apply to Group employees performing activities that may have a material impact on the Group's risk profile.

Under these plans, payment is deferred over time and is contingent on the performance achieved by the business lines, core businesses and Group.

Sums will mostly be paid in cash linked to the increase or decrease in the BNP Paribas share price.

- Deferred variable compensation for other Group employees

Sums due under the annual deferred compensation plans for high-performing employees are partly paid in cash linked to the increase or decrease in the BNP Paribas share price.

• Expense of share-based payments

Expense / (revenue) in millions of euros	2024	2023
Prior deferred compensation plans	-	(1)
Deferred compensation plans for the year	4	3
Total	4	2



8. ADDITIONAL INFORMATION

8.a. Changes in share capital and earnings per share

• Share capital transactions

At 31 December 2024, the share capital of BNP Paribas Personal Finance was divided into 88,182,845 fully paid-up shares with a nominal value of EUR 7 each (83,404,922 shares at 31 December 2023).

• Subordinated Debt eligible to equity

BNP Paribas Personal Finance has issued subordinated loans that pay subscribers a variable rate coupon and that can be redeemed at the end of a fixed period and then on each coupon date.

The following table summarises the characteristics of this issue:

Issue	Issue date	Currency	Gross (in millions of euros)	Rate and term before the first call date	Rate after the first call date
BNP Paribas Personal Finance	20 December 2017	EUR	280	3-month Euribor + 4.16% 5 years	3-month Euribor + 4.16%
BNP Paribas Personal Finance	18 December 2019	EUR	550	3-month Euribor + 4.74% 5 years	3-month Euribor + 4.74%
BNP Paribas Personal Finance	22 February 2023	EUR	100	3-month Euribor + 4.75% 5 years	3-month Euribor + 4.75%
Total as at 31 December 2024			930		

• Earnings per share

Basic earnings per share are calculated by dividing the net income for the period attributable to holders of ordinary shares by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share correspond to the net income for the period attributable to holders of ordinary shares divided by the weighted average number of shares outstanding during the period as adjusted for the maximum effect of the conversion of dilutive equity instruments into ordinary shares.

As the BNP Paribas Personal Finance Group has no dilutive instruments convertible into ordinary shares, basic earnings per share are equal to diluted earnings per share.

At 31 December 2024, the average number of ordinary shares outstanding during the period was 83,744,337 (80,277,307 shares at 31 December 2023).

Basic earnings per share for 2024 amounted to EUR -2.70 (EUR -10.83 for 2023).

• Capital Increase

By a decision of the Board of Directors on 27 November 2024, acting on a delegation of authority granted by extraordinary resolution of the shareholders dated 14 May 2024, the company's share capital was increased by EUR 33,445,461, through the issue of 4,777,923 new shares with a nominal value of EUR 7 each, to EUR 617,279,915, and additional paid-in capital of EUR 466,554,539 was recorded.

This capital increase was recorded by decision of the Chief Executive Officer on 5 December 2024.



8.b. Business combinations and loss of control or significant influence

Operations of 2024

- **Cetelem SA de CV**

On 27 March 2024, BNP Paribas Personal Finance sold 80% of its stake of its Mexican subsidiary Cetelem SA de CV.

The BNP Paribas Group lost exclusive control of this entity but kept a significant influence.

This partial disposal is accompanied by an agreement for the future disposal of the residual interest, thereby depriving the Group of the return on the shares held, and leading to the recognition of a debt of EUR 125 million.

The loss of control led to the recognition of a net gain on disposal of EUR 119 million and to a decrease of the Group's balance sheet by EUR 3.1 billion, in particular in financial assets at amortised cost.

- **BNP Paribas Personal Finance Bratislava branch (Slovakia)**

The activities of the BNP Paribas Personal Finance Bratislava Branch in Slovakia were sold on 2 April 2024. This disposal resulted in a gain on disposal of EUR 0.8 million and a reduction in the Group's balance sheet of EUR 53 million.

- **Magyar Cetelem Bank ZRT (Hungary)**

On 30 September 2024, BNP Paribas Personal Finance sold 100% of its stake in its Hungarian subsidiary, Magyar Cetelem Bank ZRT, to Cofidis SA.

The BNP Paribas Personal Finance Group lost exclusive control of this entity, resulting in the recognition of a loss on disposal of EUR 42.8 million and a decrease in the Group's balance sheet of EUR 247 million, mainly in financial assets at amortised cost.

These disposals were classified as an activity held for sale in the 2023 consolidated financial statements of the BNP Paribas Personal Finance Group and described in Note 8.c Activities held for sale.

Operations of 2023

- **Partnership with Stellantis**

On 3 April 2023, BNP Paribas Personal Finance became the exclusive partner of Stellantis captive company in its financing activities across three strategic markets: Germany, Austria and the United Kingdom.

This operation involved the purchase of three entities in these three countries, in conjunction with the sale of activities to various Stellantis joint ventures in France, Italy and Spain. In the 2022 consolidated financial statements, the disposal of the Italian and Spanish retail portfolios was treated as held for sale in accordance with IFRS 5.

This restructuring increased the Group's balance sheet by EUR 8 billion, in particular in financial assets at amortised cost, and led to the recognition of a net gain on disposal of EUR 54 million and of a goodwill of EUR 73 million.



8.c. Minority interests

In millions of euros	Share capital, additional paid-in capital and retained earnings	Changes in assets and liabilities recognised directly in equity that will not be reclassified to profit or loss	Changes in assets and liabilities recognised directly in equity that may be reclassified to profit or loss	Minority interests
Balance at 1 January 2023	787	5	(16)	776
Appropriation of net income for 2022	(7)	-	-	(7)
Increases in capital and issues	310	-	-	310
Remuneration on undated super subordinated notes	(3)	-	-	(3)
Impact of internal transactions on minority shareholders	(17)	-	-	(17)
Change in commitments to repurchase minority shareholders' interests	1	-	-	1
Other movements	-	-	-	-
Changes in assets and liabilities recognised directly in equity	-	(5)	18	12
Net income as at 31 December 2023	133	-	-	133
Balance at 31 December 2023	1,204	(1)	2	1,205
Appropriation of net income for 2023	(123)	-	-	(123)
Increases in capital and issues	-	-	-	-
Capital reductions or repayments	-	-	-	-
Remuneration on undated super subordinated notes	(8)	-	-	(8)
Impact of internal transactions on minority shareholders	-	-	-	-
Change in commitments to repurchase minority shareholders' interests	2	-	-	2
Other movements	1	-	-	1
Changes in assets and liabilities recognised directly in equity	-	3	20	23
Net income as at 31 December 2024	110	-	-	110
Balance at 31 December 2024	1,186	2	22	1,210

• Main minority interests

The assessment of the material nature of minority interests is based on the contribution of the relevant subsidiaries to the Group balance sheet (before elimination of intra-group balances and transactions) and to the Group profit and loss account.

	31 December 2024	2024						
	Total assets before elimination of intra-group transactions	Revenues	Net income	Net income and changes in assets and liabilities recognised directly in equity	Minority shareholders' interest (%)	Net income attributable to minority interests	Net income and changes in assets and liabilities recognised directly in equity, attributable to minority interests	Dividends paid to minority shareholders
In millions of euros								
Contribution of Stellantis Bank SA group entities	20,350	544	209	256	50%	104	128	131
Other minority interests						6	5	-
TOTAL								



	31 December 2023	2023						
	Total assets before elimination of intra-group transactions	Revenues	Net income	Net income and changes in assets and liabilities recognised directly in equity	Minority shareholders' interest (%)	Net income attributable to minority interests	Net income and changes in assets and liabilities recognised directly in equity attributable to minority interests	Dividends paid to minority shareholders
In millions of euros								
Contribution of Stellantis Bank SA group entities	20,030	536	243	244	59%	122	122	3
Other minority interests						11	23	7
TOTAL						133	145	10

There are no particular contractual restrictions on the assets of Stellantis Bank SA related to the presence of the minority shareholder.

• Commitments to repurchase minority shareholders' interests

In connection with the acquisition of certain entities, the Group granted minority shareholders put options on their holdings at a fixed price.

The total value of these commitments, which are recorded as a reduction in shareholders' equity, amounted to EUR 59 million at 31 December 2024, compared with EUR 61 million at 31 December 2023.

8.d. Significant restrictions in subsidiaries, joint ventures and associates

Significant restrictions related to the ability of entities to transfer cash to the Group

The ability of entities to pay dividends or to repay loans and advances depends, *inter alia*, on local regulatory requirements for capitalisation and legal reserves, as well as the entities' financial and operating performance. During 2023 and 2024, no BNP Paribas Personal Finance Group entity was subject to significant restrictions other than those related to regulatory requirements.

Significant restrictions relative to the Group's ability to use the assets lodged in consolidated structured entities

Access to the assets of consolidated structured entities in which third-party investors have invested is limited inasmuch as these entities' assets are reserved for the holders of units or shares. The total amount of these assets is shown in Note 5.n "Transfers of financial assets".

Significant restrictions related to the Group's ability to use assets pledged as collateral or under repurchase agreements

The financial instruments pledged by the BNP Paribas Personal Finance Group as collateral or sold under repurchase agreements are listed in Notes 5.n "Transfers of financial assets" and 6.c "Other guarantee commitments".



8.e. Remuneration awarded to the Group's corporate officers

Compensation and benefits awarded to directors and officers totalled EUR 1,375 million for 2024, compared with EUR 1,537 million for 2023.

8.f. Other related parties

Other related parties of the BNP Paribas Personal Finance Group comprise consolidated companies (including entities accounted for using the equity method), other BNP Paribas Group entities and entities managing post-employment benefit plans offered to Group employees (except for multi-employer and multi-industry schemes).

Transactions between the BNP Paribas Personal Finance Group and related parties are carried out on an arm's length basis.

RELATIONS BETWEEN CONSOLIDATED BNP PARIBAS PERSONAL FINANCE GROUP COMPANIES AND THE BNP PARIBAS GROUP

A list of companies consolidated by the BNP Paribas Personal Finance Group is provided in Note 8.j "Scope of consolidation". Transactions and outstanding balances between fully-consolidated entities are eliminated. The tables below show transactions with entities accounted for under the equity method. They also include all transactions with other fully-consolidated BNP Paribas Group companies.

• Outstanding balances with related parties

Besides, securitisation units self-subscribed by BNP Paribas Personal Finance (see Note 6.d) and other securities were lent or sold under repurchase agreements to BNP Paribas SA.

• Profit and loss items with related parties

	31 December 2024			31 December 2023		
	Other consolidated BNP Paribas Group companies	Joint ventures	Associates	Other consolidated BNP Paribas Group companies	Joint ventures	Associates
In millions of euros						
ASSETS						
On demand accounts	1,927			1,819		
Loans	3,791	51	3	3,711	265	
Securities	16	134	-	27	224	
Other assets	248	-	14	219		13
Total	5,982	185	17	5,776	489	13
LIABILITIES						
On demand accounts	166			146		
Other borrowings	66,673			66,612		
Debt securities	3,021	-	-	3,089		
Other liabilities	264	-	6	196		
Total	70,124	-	6	72,043	-	-
FINANCING AND GUARANTEE COMMITMENTS						
Guarantee commitments given	347	-	-	391		
Financing commitments given	-	-	-	-		
Total	347	-	-	391		



In millions of euros	2024			2023		
	Other consolidated BNP Paribas Group companies	Joint ventures	Associates	Other consolidated BNP Paribas Group companies	Joint ventures	Associates
Interest income	937	19	-	963	22	-
Interest expense	(3,314)	-	-	(2,722)	-	-
Commission income	379	-	-	372	-	14
Commission expense	(22)	-	-	(16)	-	-
Services provided	32	-	-	11	-	-
Services received	(377)	-	-	(228)	-	-
Lease income	5	-	-	5	-	-
Total	(2,360)	19	-	(1,615)	22	14

8.g. Fair value of financial instruments carried at amortised cost

The information supplied in this note must be used and interpreted with the greatest caution for the following reasons:

- these fair values are an estimate of the value of the relevant instruments at 31 December 2024. They are liable to fluctuate from day to day as a result of changes in various parameters, such as interest rates and credit quality of the counterparty. In particular, they may differ significantly from the amounts actually received or paid on maturity of the instrument. In most cases, the fair value is not intended to be realised immediately, and in practice might not be realised immediately. Consequently, this fair value does not reflect the actual value of the instrument to BNP Paribas Personal Finance as a going concern;
- most of these fair values are not meaningful, and hence are not taken into account in the management of BNP Paribas Personal Finance activities which use these instruments;
- estimating a fair value for financial instruments carried at historical cost often requires the use of modelling techniques, rules and assumptions that may vary from bank to bank. This means that comparisons between the fair values of financial instruments carried at historical cost as disclosed by different banks may not be meaningful;
- the fair values shown below do not include the fair values of finance leases, non-financial instruments such as property, plant and equipment, goodwill and other intangible assets such as the value attributed to demand deposit portfolios or customer relationships. Consequently, these fair values should not be regarded as the actual contribution of the instruments concerned to the overall valuation of the BNP Paribas Personal Finance Group.

In millions of euros, as at 31 December 2024	Estimated fair value				Carrying value
	Level 1	Level 2	Level 3	Total	
FINANCIAL ASSETS					
Loans and advances to credit institutions and customers ⁽¹⁾		2,280	70,009	72,289	72,678
Debt securities at amortised cost (note 5.e)	7	17	121	145	145
FINANCIAL LIABILITIES					
Deposits from credit institutions and customers		76,561		76,561	76,066
Debt securities (note 5.g)	813	3,475		4,288	4,286
Subordinated debt (note 5.g)		1,779		1,779	1,613

⁽¹⁾ Finance leases excluded



in millions of euros, at 31 December 2022	Estimated fair value				Carrying value
	Level 1	Level 2	Level 3	Total	
FINANCIAL ASSETS					
Loans and advances to credit institutions and customers ⁽¹⁾		6,698	69,886	76,584	76,919
Debt securities at amortised cost (note 5.e)	120	31	69	220	221
FINANCIAL LIABILITIES					
Deposits from credit institutions and customers		76,461		76,461	76,053
Debt securities (note 5.g)	624	5,761		6,385	6,388
Subordinated debt (note 5.g)		1,863		1,863	1,926
⁽¹⁾ Finance leases excluded					

The valuation techniques and assumptions used by BNP Paribas Personal Finance ensure that the fair value of financial assets and liabilities carried at amortised cost is measured on a consistent basis throughout the Group. Fair value is based on prices quoted in an active market when these are available. In other cases, fair value is determined using valuation techniques such as discounting of estimated future cash flows for loans, liabilities and debt securities at amortised cost, or specific valuation models for other financial instruments as described in Note 1 "Summary of significant accounting policies applied by the Group". The description of the fair value hierarchy levels is also presented in the accounting principles (Note 1.e.9). In the case of loans, liabilities and debt securities at amortised cost that have an initial maturity of less than one year (including demand deposits) or of most regulated savings products, fair value equates to carrying amount. These instruments have been classified in Level 2, except for loans to customers, which are classified in Level 3.

8.h. Events after the reporting period

On 30 January 2025, the Spanish Supreme Court handed down an unfavourable ruling on the aspects of transparency. This event after the reporting period was covered by an additional provision in Banco Cetelem's local financial statements in addition to the existing provision and was not included in BNP Paribas PF's consolidated financial statements at 31 December 2024.



8.i Scope of consolidation

			31 December 2024				31 December 2023			
Name		Country	Method	% control	Interest (%)	Ref.	Method	% control	Interest (%)	Ref.
Consolidating company										
BNPP Personal Finance		France								
BNPP Personal Finance (Austria branch)		Austria	Full	100.0%	100.0%		Full	100.0%	100.0%	
BNPP Personal Finance (Bulgaria branch)		Bulgaria								S1
BNPP Personal Finance (Portugal branch)		Portugal	Full	100.0%	100.0%		Full	100.0%	100.0%	
BNPP Personal Finance (Czech Republic branch)		Czech Rep.	Full	100.0%	100.0%		Full	100.0%	100.0%	
BNPP Personal Finance (Romania branch)		Romania	Full	100.0%	100.0%		Full	100.0%	100.0%	
BNPP Personal Finance (Slovakia branch)		Slovakia	Full	100.0%	100.0%		Full	100.0%	100.0%	
Consolidated companies										
Auto ABS UK Loans PLC	1	United Kingdom				S3	Full	-	-	E3
AutoFlorence 1 SRL	1	Italy	Full	-	-		Full	-	-	
AutoFlorence 2 SRL	1	Italy	Full	-	-		Full	-	-	
AutoFlorence 3 SRL	1	Italy	Full	-	-		Full	-	-	E2
Autonomia 2019	1	France				S1	Full	-	-	
Autonomia Spain 2019	1	Spain	Full	-	-		Full	-	-	
Autonomia Spain 2021 FT	1	Spain	Full	-	-		Full	-	-	
Autonomia Spain 2022 FT	1	Spain	Full	-	-		Full	-	-	
Autonomia Spain 2023 FT	1	Spain	Full	-	-		Full	-	-	E2
Axa Banque Financement		France	Equity	35.0%	35.0%		Equity	35.0%	35.0%	
Banco Cetelem SA		Brazil								S2
Banco Cetelem SA		Spain	Full	100.0%	100.0%		Full	100.0%	100.0%	
BON Mercantl E Servicos Ltda		Brazil								S2
BNPP Personal Finance BV		Netherlands	Full	100.0%	100.0%		Full	100.0%	100.0%	
BNPP Personal Finance South Africa Ltd		South Africa	Full	100.0%	100.0%		Full	100.0%	100.0%	
BON BNPP Consumer Finance Co Ltd		China	Equity	1.7%	1.7%	V3	Equity	1.8%	1.8%	V3
Cafneo		France	Full	51.0%	50.8%		Full	51.0%	50.8%	
Carrefour Banque		France	Equity	40.0%	40.0%		Equity	40.0%	40.0%	
Central Europe Technologies SRL		Romania	Full	100.0%	100.0%		Full	100.0%	100.0%	
Cetelem America Ltda		Brazil								S2
Cetelem Business Consulting Shanghai Co Ltd		China	Full	100.0%	100.0%		Full	100.0%	100.0%	
Cetelem Gestion AIE		Spain	Full	100.0%	99.0%		Full	100.0%	99.0%	
Cetelem SA de CV		Mexico	Equity	20.0%	0.0%	S2	Full	100.0%	100.0%	
Cetelem Services Informatiques AIE		Spain	Full	100.0%	81.0%		Full	100.0%	81.0%	
Cetelem Servicos Ltda		Brazil								S3
Cofica Bail		France	Full	100.0%	100.0%		Full	100.0%	100.0%	
Cofipar		France	Full	100.0%	100.0%		Full	100.0%	100.0%	
Creation Consumer Finance Ltd		United Kingdom								S2
Creation Financial Services Ltd		United Kingdom								S2
Credit Moderne Antilles Guyane		France	Full	100.0%	100.0%		Full	100.0%	100.0%	
Credit Moderne Ocean Indian		France	Full	97.8%	97.8%		Full	97.8%	97.8%	
Domofinance		France	Full	55.0%	55.0%		Full	55.0%	55.0%	
E Carat 10	1	France								S1



Name	Country	31 December 2024				31 December 2023			
		Method	% control	Interest (%)	Ref.	Method	% control	Interest (%)	Ref.
E Carat 11 PLC	t United Kingdom								S3
E Carat 12 PLC	t United Kingdom				S3	Full	-	-	
Ecarat De SA	t Luxembourg	Full	-	-	E2				
Ekspres Bank AS	Denmark	Full	100.0%	100.0%		Full	100.0%	100.0%	
Ekspres Bank AS (Norway branch)	Norway	Full	100.0%	100.0%		Full	100.0%	100.0%	
Ekspres Bank AS (Sweden branch)	Sweden	Full	100.0%	100.0%		Full	100.0%	100.0%	
Evilis	France	Equity	49.2%	49.2%		Equity	49.2%	49.2%	V4
Expo Atlantico (EAI Investimentos Imobiliaris SA)	s Portugal	Equity	-	-		Equity	-	-	
Expo Indico EII Investimentos Imobiliaris SA	s Portugal	Equity	-	-		Equity	-	-	
Fidomesto Banca SPA	Italy	Full	100.0%	100.0%		Full	100.0%	100.0%	
Florence Real Estate Developments SPA	Italy	Full	100.0%	100.0%		Full	100.0%	100.0%	
Florence SPV SRL	t Italy	Full	-	-		Full	-	-	
Securitization funds UCI and RMBS Prado (x)	t Spain	Equity ⁽¹⁾	-	-		Equity ⁽¹⁾	-	-	
Securitization funds Genius (y)	t China	Equity ⁽¹⁾	-	-		Equity ⁽¹⁾	-	-	E3
Securitization funds Wisdom (z)	t China	Equity ⁽¹⁾	-	-		Equity ⁽¹⁾	-	-	E3
QCC Consumo Establecimiento Financiero de Credito SA	Spain	Full	51.0%	51.0%		Full	51.0%	51.0%	
Genius Auto Finance Co Ltd	China	Equity ⁽¹⁾	25.0%	25.0%		Equity ⁽¹⁾	25.0%	25.0%	V1
International Development Resources AS Services SA	Spain	Full	100.0%	100.0%		Full	100.0%	100.0%	
Igema Services	France								S2
Loisirs Finance	France	Full	51.0%	51.0%		Full	51.0%	51.0%	
Magyar Cetelem Bank ZRT	Hungary				S2	Full	100.0%	100.0%	
Neully Contentieux	France	Full	95.9%	95.9%		Full	95.9%	95.9%	
Noria 2018-1	t France								S1
Noria 2020	t France								S1
Noria 2021	t France	Full	-	-		Full	-	-	
Noria 2023	t France	Full	-	-		Full	-	-	E2
Noria Spain 2020 FT	t Spain	Full	-	-		Full	-	-	
Opel Finance NV	Netherlands								S3
Opel Finance SA	Switzerland				S3	Full	100.0%	50.0%	
PBD Germany Auto Lease Master SA	t Luxembourg	Full	-	-		Full	-	-	E3
Personal Finance Location	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
Phedra Hypotheken 2010 BV	t Netherlands	Full	-	-		Full	-	-	
RCS Botswana Pty Ltd	Botswana	Full	100.0%	100.0%		Full	100.0%	100.0%	
RCS Credi Pty Ltd	South Africa	Full	100.0%	100.0%		Full	100.0%	100.0%	
RCS Investment Holdings Namibia Pty Ltd	Namibia	Full	100.0%	100.0%		Full	100.0%	100.0%	
Servicios Financieros Carrefour EFC SA	Spain	Equity	37.3%	40.0%		Equity	37.3%	40.0%	
Stellantis Bank SA	France	Full	50.0%	50.0%		Full	50.0%	50.0%	
Stellantis Bank SA (Germany branch)	Germany	Full	50.0%	50.0%		Full	50.0%	50.0%	
Stellantis Bank SA (Austria branch)	Austria	Full	50.0%	50.0%		Full	50.0%	50.0%	
Stellantis Bank SA (Spain branch)	Spain								S1
Stellantis Bank SA (Italy branch)	Italy								S1
Stellantis Financial Services UK Ltd	United Kingdom	Full	100.0%	50.0%		Full	100.0%	50.0%	E3
TEB Finansman AS	Turkey								S2
Unite de Credito Inmobiliarios SA	Spain	Equity ⁽¹⁾	40.0%	40.0%		Equity ⁽¹⁾	40.0%	40.0%	

Name	Country	31 December 2024				31 December 2023			
		Method	% control	Interest (%)	Ref.	Method	% control	Interest (%)	Ref.
United Partnership	France	Equity ⁽¹⁾	50.0%	50.0%		Equity ⁽¹⁾	50.0%	50.0%	
Vauxhall Finance Ltd	United Kingdom				53	Full	100.0%	50.0%	
XPERA Consumer Finance EPC SA	Spain	Full	51.0%	51.0%		Full	51.0%	51.0%	
Zhejiang Wisdom Puhua Financial Leasing Co Ltd	China	Equity ⁽¹⁾	25.0%	25.0%		Equity ⁽¹⁾	25.0%	25.0%	V1

(a) At 31 December 2024, the securitisation funds UCI and RMBS Prado included 13 funds (FOC UCI 11, 12, 14 to 17, RMBS Prado VII to XI, Green Belem I and RMBS Belem No 2), unchanged from 31 December 2023

(b) At 31 December 2024, the securitisation funds Genius included 8 funds (Generation 2024-1 to 4 Retail Auto Mortgage Loan Securitisation, Generation 2023-2 to 5 Retail Auto Mortgage Loan Securitisation) versus 11 funds (Generation 2021-4 Retail Auto Mortgage Loan Securitisation, Generation 2022-1 to 5 Retail Auto Mortgage Loan Securitisation, Generation 2023-1 to 5 Retail Auto Mortgage Loan Securitisation) at 31 December 2023

(c) At 31 December 2024, the securitisation funds Wisdom included 10 funds (Wisdom Puhua Leasing 2022-2 to 3 Asset-Backed Securities, Wisdom Puhua Leasing 2023-2 Asset-Backed Notes, Wisdom Puhua Leasing 2023-1 & 2 Asset-Backed Securities, Wisdom Puhua Leasing Xinghe 2023-1 Asset-Backed Securities, Wisdom Puhua Leasing Xinghe 2024-1 to 4 Asset-Backed Securities) versus 13 funds (Wisdom Puhua Leasing 2021-2 & 3 Asset-Backed Securities, Wisdom Puhua Leasing 2022-1 Asset-Backed Notes, Wisdom Puhua Leasing 2022-1 to 3 Asset-Backed Securities, Wisdom Puhua Leasing 2023-1 & 2 Asset-Backed Notes, Wisdom Puhua Leasing 2023-1 & 2 Asset-Backed Securities, Wisdom Puhua Leasing Zhixing 2023-1 & 2 Asset-Backed Notes, Wisdom Puhua Leasing Xinghe 2023-1 Asset-Backed Securities) at 31 December 2023

Changes in consolidation method

New entities (NE) in the scope of consolidation

- E1: Pacing qualifying thresholds
- E2: Incorporation
- E3: Purchase, gain of control or significant influence

Removals (RE) from the scope of consolidation

- R1: Cessation of activity (liquidation, etc.)
- R2: Disposal, loss of control or loss of significant influence
- R3: Pacing qualifying thresholds
- R4: Merger, Universal transfer of assets and liabilities

Variable (V) in voting or partnership interest

- V1: Additional purchase
- V2: Partial disposal
- V3: Divisor
- V4: Increase in %

Equity* Controlled but non-material entities consolidated under the equity method as associated

- S: Structured entities
- F: Securitisation funds

Miscellaneous

- DP: Change in the consolidation method not related to a change in ownership interest

- JT: Jointly controlled entities under proportional consolidation in the prudential scope



8.j. Fees paid to the statutory auditors

Excluding tax, in thousands of euros	Deloitte		BDO		E&Y		TOTAL	
	Gross	%	Gross	%	Gross	% 1	Gross	% 1
Certification of statutory audit	2,788	94%	2,470	99%	1,507	87%	6,765	94%
- Issuer	939	-	543	-	-	-	1,482	-
- Consolidated subsidiaries	1,849	-	1,927	-	1,507	-	5,283	-
Services other than those required for the certification of statutory audit	189	6%	19	1%	231	13%	439	6%
- Issuer	75	-	19	-	-	-	94	-
- Consolidated subsidiaries	114	-	-	-	231	-	345	-
TOTAL	2,977	100%	2,489	100%	1,738	100%	7,204	100%
of which fees paid to statutory auditors in France for their statutory audit engagement	1,201	-	1,063	-	342	-	2,606	-
of which fees paid to statutory auditors in France for services other than those required for their statutory audit engagement	75	-	19	-	-	-	94	-

Excluding tax, in thousands of euros	Deloitte		BDO		Waters		TOTAL	
	Gross	%	Gross	%	Gross	%	Gross	%
Certification of statutory audit	2,284	92%	2,589	99%	1,984	97%	6,857	96%
- Issuer	558	-	543	-	-	-	1,101	-
- Consolidated subsidiaries	1,726	-	2,046	-	1,984	-	5,756	-
Services other than those required for the certification of statutory audit	204	8%	38	1%	57	3%	299	4%
- Issuer	30	-	30	-	-	-	60	-
- Consolidated subsidiaries	174	-	8	-	57	-	239	-
TOTAL	2,488	100%	2,627	100%	2,041	100%	7,156	100%
of which fees paid to statutory auditors in France for their statutory audit engagement	703	-	1,071	-	438	-	2,212	-
of which fees paid to statutory auditors in France for services other than those required for their statutory audit engagement	35	-	38	-	25	-	98	-

Audit fees paid to external auditors who are not part of the network of the external auditors certifying the individual and consolidated financial statements of BNP Paribas Personal Finance, mentioned in the table above, amounted to EUR 14 thousand for the year ended 31 December 2024.

