NATIXIS

Universal Registration Document

and Financial Report

SOMMAIRE

The items in the Annuel Financial Report are identified in the summary using the pictogram ●
The Statement of Non-Financial Performance is identified in the summary using the pictogram ■

UNIVERSAL REGISTRATION DOCUMENT 2021

and Annual Financial Report

Natixis, creator of customized solutions in asset management, financing, investment, insurance* and payments*

natixis.com

AUTORITÉ DES MARCHÉS FINANCIERS
AMF

This universal registration document was filed with the French Financial Markets Authority (Autorité des Marchés Financiers – AMF) on March 11, 2022, as the competent authority designated under EU regulation 2017/1129 without prior approval in accordance with Article 9 of said regulation.

The universal registration document of Natixis may be used for the purposes of a public offer of securities or admission of securities for trade on a regulated market if supplemented by a securities note and, where applicable, a summary of all amendments to the universal registration document. All these are approved by the AMF in accordance with EU regulation 2017/1129.

* *The transfer of the Insurance and Payments business lines to BPCE will be submitted for approval to the General Shareholders' Meeting of March 22, 2022. For more details on the project, please refer to Note [1.2.2] of the notes to the consolidated financial statements in Chapter [5] of this Universal Registration Document.*

INTERVIEW

Nicolas Namias,

Chief Executive Officer of Natixis

A year and a half after his arrival at the helm of Natixis, Nicolas Namias takes stock of a pivotal year for our company, marked by the return of a commercial dynamic and new strategic ambitions, thus opening up good prospects for our business lines and support for our customers.

How do you see the year 2021 and the role of financial players?

It was an exceptional year in more ways than one. The health crisis has caused profound upheavals and financial players have played a key role in mitigating the effects of the crisis over the past two years; for example, banks have supported more than 650,000 customers in France, granting more than €130bn in EMP, and asset managers have helped to direct savings towards recovery plan projects. In addition, this year, the environmental, technological and societal transitions of our customers have accelerated and the financial industry has a role to play in these major transitions that affect all sectors.

In this context, all Natixis teams have demonstrated a remarkable commitment alongside our customers, whom we have actively advised and supported in their many challenges.

How have Natixis' business lines changed?

Our four business lines recorded very good results and confirmed the growth momentum started at the end of 2020.

In our two international business lines, all indicators are green. In Asset & Wealth Management, we strengthened our profitability and took full advantage of a more favorable environment. The growth in net inflows, margins and revenues is another testament to the strength and relevance of our model. For their part, the Corporate & Investment Banking business lines posted excellent performances in all our markets, in all our geographies, while reducing their cost of risk. This momentum concerns all activities, both Global markets and Investment Banking, structured finance and mergers and acquisitions.

In the retail business lines, the financial and commercial results of insurance continued to grow. The payments business line continued to expand, benefiting from the dynamism of its fintechs, and by continuously investing to adapt its offer to new customer uses.

This year, we also continued to develop our expertise platform in Porto, thus optimizing the services provided to our various business lines, and thus to our customers.

The performances recorded in 2021 are fully in line with the new strategic ambitions of our business lines, revealed as part of BPCE 2024, our group's strategic plan.

What are your strategic ambitions for 2024?

BPCE 2024 is above all a development plan for all our business lines. We will use three main levers: diversify, for the benefit of our customers and our development; commit to energy transition and SRI finance; transforming ourselves and investing to create sustainable value.

In each of our business lines, our objectives for 2024 are ambitious. In Asset & Wealth Management, we will assert Natixis Investment Managers as a world leader thanks to our unique model, decentralized expertise, unified distribution and strengthened controls. The entry into exclusive negotiations with La Banque Postale to acquire 40% of the share capital of AEW and 45% of the share capital of Ostrum AM, and thus hold 100% of these two companies, will contribute to our strategic objectives. Our asset management growth will also be sustainable: we are targeting €600bn in assets under sustainable or impact management by 2024 - i.e. more than 50% of our assets under management.

In addition, we want to make Natixis Corporate & Investment Banking the new brand of our Corporate & Investment Banking, the benchmark bank for our customers in eight key sectors: energy, metals & mining, real estate, transport, telecom & tech, environment, health and insurance. We will grow while supporting our customers in their sustainable growth strategy, thanks to our expertise in green finance developed within the Green & Sustainable hub, and by developing our offer to support our customers in their technological transition thanks to the recent creation of a dedicated Tech Hub.

In the retail business lines, we want to accelerate the deployment of responsible insurance solutions for customers of Groupe BPCE networks, by capitalizing on the investments made. And we want to make the payments business ever more innovative, a source of growth for the Group and differentiation for its networks.

To support these strategic ambitions, we have implemented a vast project to develop our business lines and simplify them within Groupe BPCE.

"We have a major role to play in supporting our customers in their environmental, technological and societal transitions, and this is an opportunity for our business lines and our employees"

What challenges does this Group project address?

This project, implemented in March 2022, will allow us to raise our ambitions even higher.

In concrete terms, the insurance and payments activities are joining Groupe BPCE's retail banking business lines. This completes the movement initiated by the creation of the Financial Solutions and Expertise division and strengthens the growth potential of the retail business lines, positioned as close as possible to their main customers.

For their part, the Asset & Wealth Management and Corporate & Investment Banking business lines are brought together in a new business unit called Global Financial Services, thus welcoming Groupe BPCE's international financial expertise. In this new framework, the aim is to provide them with greater strategic leeway and to offer them more direct access to the Group's resources.

Finally, the Group's project aims to rethink the operating model for the functional channels between Natixis and the BPCE community.

A final message?

As we approach this new milestone for our business lines and all our employees, I am delighted with the many assets we have in hand to continue to transform, develop and innovate. I want to approach 2022 with the conviction that we have a role to play in environmental, technological and societal transitions and that we remain fully committed to our customers in a very difficult international context. We have learned a lot again this year and I have confidence in the talents of the men and women of Natixis to continue to sustain and grow the winning model that we have built.

Natixis at a glance

As a designer of customized financial solutions, we support companies, banks, institutions and customers of the Banque Populaire and Caisse d'Epargne networks in the realization of their projects, all over the world, and design customized financial solutions for them. We build a sustainable business model with our customers thanks to our proximity, the quality of the strategic dialogue and the combination of our expertise.

Strong expertise in four business lines

BPCE (1)

GFS (2)

ASSET & WEALTH MANAGEMENT
- Asset management
- Wealth Management
- Employee Savings Plans

CORPORATE & INVESTMENT BANKING
- Consulting & investment banking
- Financing
- Corporate banking
- Capital markets

RB&I (3)

INSURANCE
- Life & personal protection insurance
- Non-life insurance

PAYMENTS
- Processing
- Digital payment
- Service vouchers and employee benefits

Corporate & Investment Banking

No.2 worldwide for euro bond issues
for financial institutions (Dealogic)

No.2 MLA worldwide for infrastructure financing
by value (IJGlobal, ranking as of today)

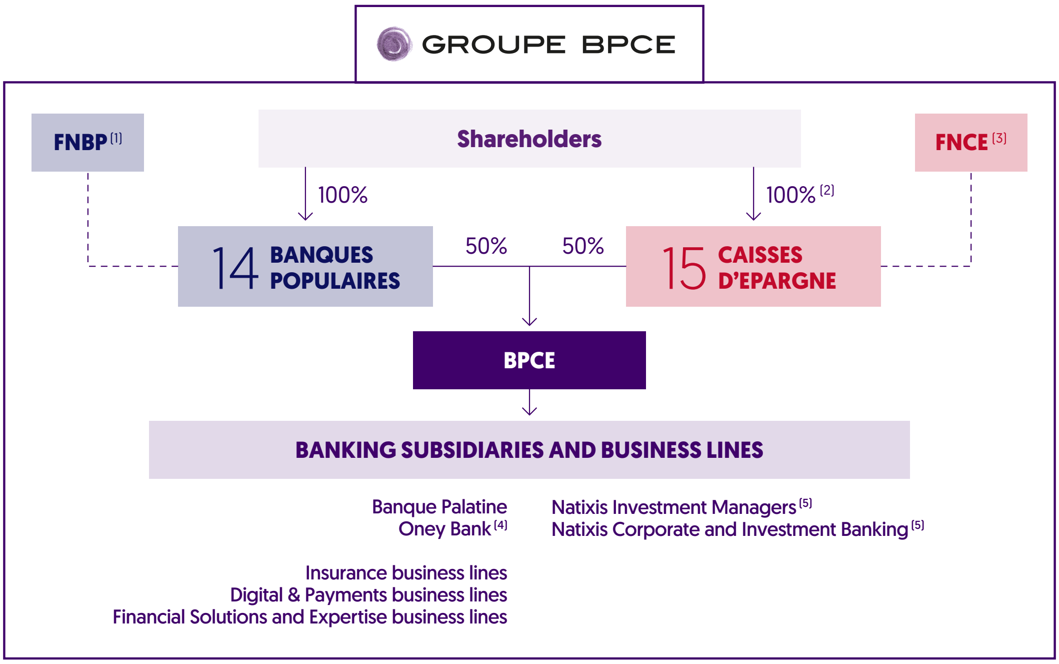
Asset & Wealth Management

>80% of funds ranked in the 1st and 2nd quartiles
by Morningstar for over past 5 years

1/3 of assets under management
for clients invested in sustainable development strategies

(1) BPCE: The transfer of the Insurance and Payments business lines to BPCE will be submitted for approval to the General Shareholders' Meeting of March 22, 2022. For more details on the project, please refer to Note [1.2.2] of the notes to the consolidated financial statements in Chapter [5] of this Universal Registration Document.
(2) GFS: Global Financial Services (www.natixis.com).
(3) RB&I: Retail Banking and Insurance.

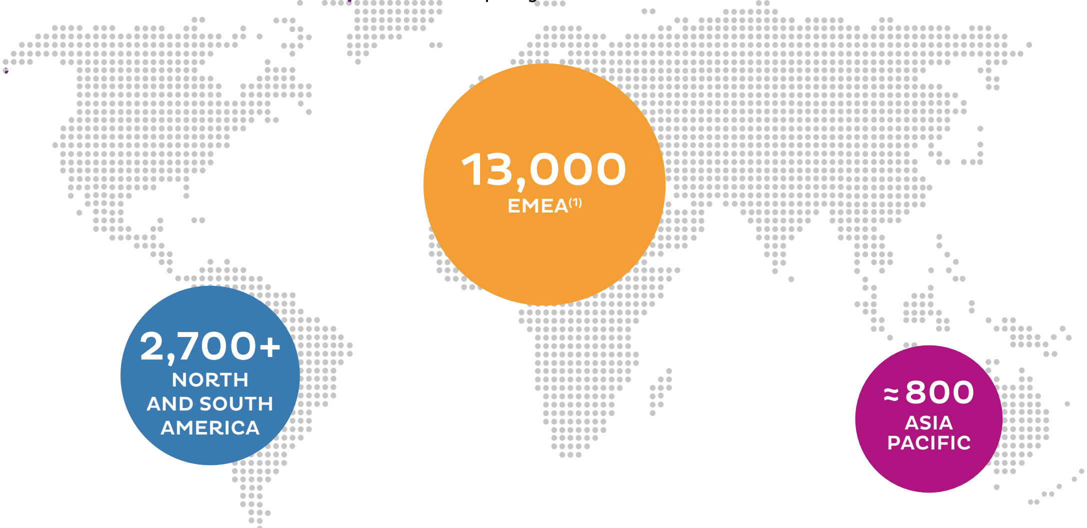
A subsidiary of Groupe BPCE



[1] Fédération Nationale des Banques Populaires
[2] Indirectly through Local Savings Companies
[3] Fédération Nationale des Caisses d'Epargne
[4] 50.1% owned
[5] *Via* Natixis SA

A worldwide presence

Over **17,000** employees in **35 countries**



(1) EMEA: Europe, Middle East, Africa (headcount as at December 31, 2021) excluding financial investments.

PROFILE

Key figures 2021

In 2021, Natixis posted a positive net income of €1,403m, up sharply thanks to a marked rebound in its business lines. These good results demonstrate the agility of its business model and the daily commitment of its teams to serving its customers. Through its results and sound financial position, Natixis demonstrates its ability to create sustainable value for all its stakeholders.

Natixis posted strong growth in net income thanks to a strong rebound in its business lines

€1,403m
Net income (GS)

€8,9*bn
Net banking income

11.6%
CET 1 Basel 3 fully loaded

* *Net Banking Income (NBI) of the business lines including the contributions to NBI of the Insurance and Payments business lines, reclassified as "income from discontinued operations" in the consolidated financial statements at December 31, 2021.*

Non-financial results

€18.5bn
sustainable bond issues

€116.5bn
Outstanding in assets under management SRI certified

N°1
Bank in the ranking of women

in SBF 120 governing bodies

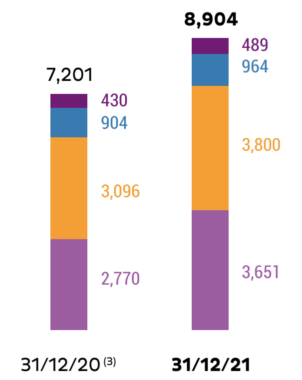
Financial results

(in millions of euros)	2021 NATIXIS	2020 (1)	2019 (1)	2018	2017
Net Banking Income	8,996	7,306	8,485	9,616	9,467
Gross operating income	2,295	1,478	2,369	2,793	2,835
Pre-tax profit	2,152	579	2,745	2,661	2,651
NET INCOME (GROUP SHARE) REPORTED	**1,403**	**101**	**1,897**	**1,577**	**1,669**
Cost/income ratio reported	74.5%	79.8%	72.1%	71.0%	70.1%
Underlying cost/income ratio (2)	73.3%	77.3%	71.3%	70.9%	68.9%
RoE reported	6.6%	(0.1)%	11.1%	9.2%	9.6%
Underlying RoE (2)	8.5%	2.4%	7.8%	9.4%	9.9%
RoTE reported	10.2%	(0.1)%	14.3%	11.8%	11.9%
Underlying RoTE (2)	11.1%	3.0%	10.0%	12.0%	12.3%

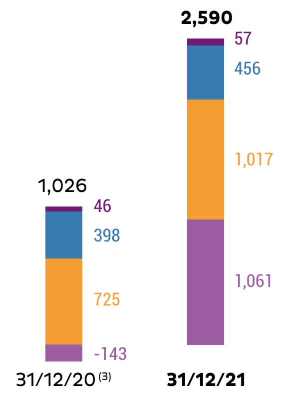
(1) The figures are restated following the announcement of the sale of a 29.5% stake in Coface, as communicated on April 20, 2020, published accounting data.
(2) Excluding exceptional items.

Business lines

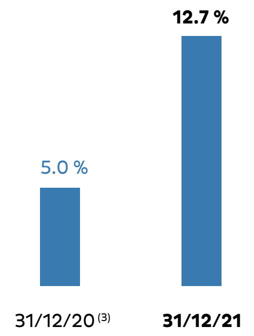
Business lines' Net Banking Income [4] *(in €m)*



Pre-tax profit by business line [5] *(in €m)*



ROE [1] after tax by business line *(in %)*



Corporate & Investment Banking AWM [2] Payments Insurance

(1) Reported figures including non-recurring items. Excluding non-recurring items, RoE 2020 of 6.0%, ROE 2021 of 13.6%.

(2) Asset & Wealth Management.

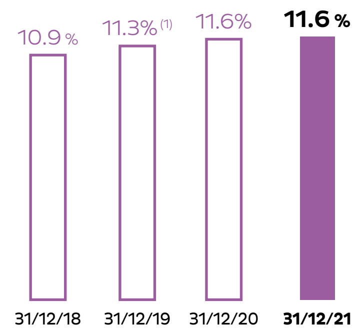
(3) Proforma of the new analytical standards applied in 2021.

(4) Net Banking Income (NBI) generated by the main business lines including the contributions to NBI of the Insurance and Payments business lines, reclassified as "income from discontinued operations" in the consolidated financial statements at December 31, 2021.

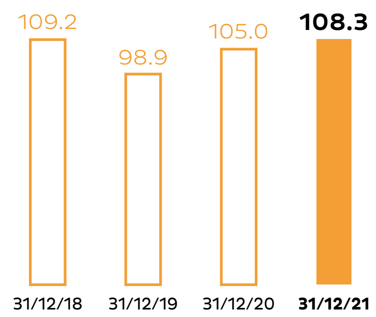
(5) Pre-tax profit of the business lines including the contributions to the EBITDA of the Insurance and Payments business lines, reclassified as "income from discontinued operations" in the consolidated financial statements at December 31, 2021.

Financial structure

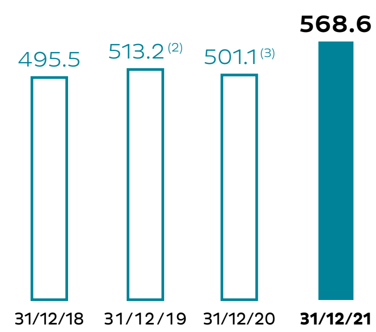
Common Equity Tier 1 ratio Basel 3 (phased) *(%)*



RWA Basel 3 (phased) *(in €bn)*



Balances sheet total *(in €bn)*



(1) In accordance with the ECB's recommendations, the 2019 dividend was reintegrated into Natixis' capital - see the press release of March 31, 2020.

(2) Restated.

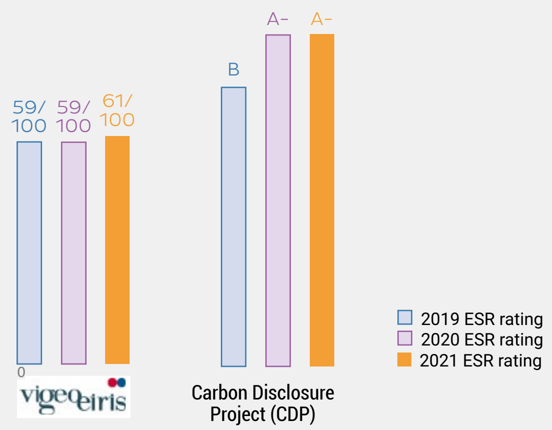
(3) Amounts restated in relation to the financial statements at December 31, 2020 (see note 5.4 of chapter 5.1).

Long- and short-term rating

(Situation on February 28, 2022)

	Standard & Poor's	Moody's	Fitch Ratings
Long-term rating	A	A1	A+
Short-term rating	A-1	P-1	F1
Perspective	stable	Stable	Negative

Extra-financial ratings



* *Since 2020, Natixis has completed the Carbon Disclosure Project (CDP) questionnaire with its parent company BPCE.*

BPCE 2024, an ambitious strategic development plan

On July 8, 2021, Groupe BPCE unveiled BPCE 2024, its strategic plan for 2024 which includes Natixis' strategic objectives.

"To be a leader in banking, insurance and asset management for everyone"

3 strategic priorities

WINNING SPIRIT

Additional revenues of €1.5bn in five priority areas

CUSTOMER

the highest quality of service with an adapted relationship model

CLIMATE

concrete and measurable commitments as part of a Net zero trajectory

3 key principles

SIMPLE

join forces to improve efficiency and satisfaction, with a simpler and more readable organization and the transformation of our banking information systems and services.

INNOVATIVE

strengthen our capacity for innovation, particularly around the use of data and accelerate payments to support the digitization of retail.

SECURE

focus on the security of our development model based on economic performance and financial strength, risk management and a strong trusted third party.

Financial targets for 2024

- ~ €25.5bn Group NBI
- Group cost / income ratio < 65%
- Group CET1 > 15.5%
- Cost of risk <25 basis points
- Net income (Group share) > €5 bn

NATIXIS at the heart of BPCE 2024

We want to be part of the three major transitions in our economies: the environmental and ecological transition, the technological transition, and the societal transition that creates new expectations for our customers.

Our ambition for 2024: Activate three main levers:

DIVERSIFY, *for the benefit of our customers and our development*	▪ Selectively enhance our value proposition to better support our clients and target the highest satisfaction rates ▪ Combine our strengths with the networks to increase our footprint on high-potential segments (e.g. French Midcaps and Healthcare) ▪ Conquer new clients in EMEA, the Americas and Asia-Pacific
COMMIT, *to energy transition and responsible finance*	▪ Cement our positioning as our clients' go-to financial partner for their energy transition strategy, by leveraging the expertise of our Green revenues for Natixis ▪ Position ESG at the center of our asset management and insurance activities ▪ Align our balance sheet and our investments on a "net zero" trajectory, in line with the Paris Agreement and the +1.5°C objective, by capitalizing on our existing Green Weighting Factor methodology ▪ Offer our clients responsible finance solutions focused on natural capital and social dimensions ▪ Operate at the highest standards of corporate responsibility, especially regarding our direct impacts on the environment
TRANSFORM, *and invest to deliver sustainable value*	▪ Continue to invest in the robustness of our infrastructure and of our oversight framework to ensure sustainable growth consistent with our risk appetite ▪ Invest in technology, particularly data and APIs, in order to develop our businesses and enhance our efficiency ▪ Develop the skills of our employees to promote mobility towards the jobs of the future ▪ Evolve and simplify our ways of working to cultivate our agility and collective engagement

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Retail business lines

INSURANCE

Accelerate the rollout of responsible insurance solutions for the clients of the networks, by capitalizing on the investments we have made

#DIVERSIFY *Accelerate the rollout of responsible insurance solutions for the clients of the networks, by capitalizing on the investments we have made.*

#COMMIT *Foster the development of our talents and our positive impact on society.*

#TRANSFORM *Attain profitability for our three activities, while maintaining our investment efforts.*

Objectives for 2024:

- **CAGR 20-24 NBI ~6%**
- P&C equipment rates (individuals) **35%**
- Growth in professional contracts IARD **+50%**
- % of units linked to life insurance gross inflows **40%**
- NPS IARD customer relationship platform **>40**
- Combined IARD ratio **<94%**

PAYMENTS

An innovative payments business line that acts as a source of growth for Groupe BPCE and of differentiation for the networks

#DIVERSIFY *Make payments a comparative advantage for the BPCE networks and continue our development on external clients, thanks to the excellence of our offering and customer experience.*

#COMMIT *Foster the development of our talents and our positive impact on society.*

#TRANSFORM *Attain profitability for our three activities, while maintaining our investment efforts.*

Objectives for 2024 :

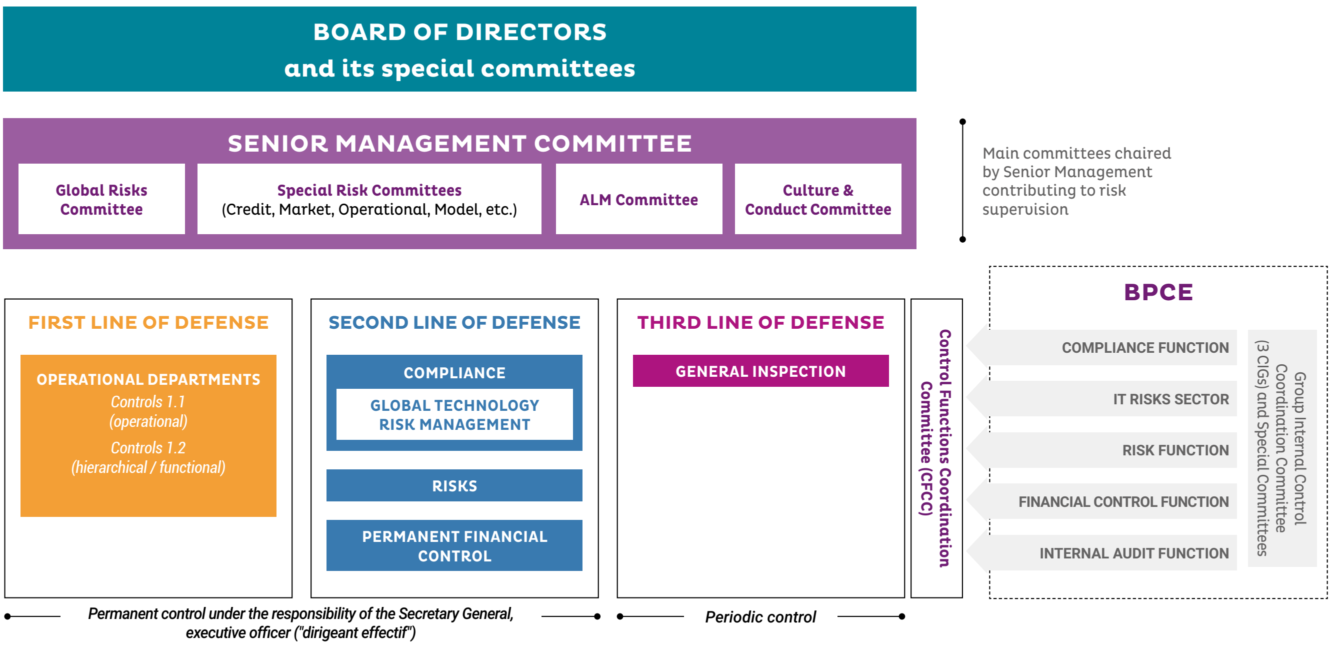
- **NBI growth of ~9%** tcam 2020-2024
- **Growth in VOLUMES** (tcam 2020-2024)
- Processing (Transactions processed) **~10%**
- Digital (merchant flows): **>30%**
- Benefits (Apetiz volumes): **~15%**
- Percentage of direct customers **>55%**

Risk management: a key issue

The economic environment remains strongly marked by uncertainties related to the Covid-19 pandemic, central bank policies and geopolitical tensions. In this context, the guidelines of the 2024 Strategic Plan have been drawn up in line with the Risk Appetite Framework. Adaptations to the risk supervision framework have been implemented and will continue to support changes in our business lines and anticipate emerging risks.

Risk governance

Natixis has set up a risk management system rolled out throughout the Company and supervised by the Board of Directors.



Risk management system

The Risk Appetite Statement **and the Risk Appetite Framework** define and frame the nature and level of risk that Natixis agrees to take as part of its business model and strategy. They are drawn up annually in line with the bank's strategic and financial management exercises and Groupe BPCE's risk appetite framework. They are reviewed by the Senior Management Committee and approved by the Board of Directors.

Natixis risk appetite principles are articulated in the **Risk Appetite Statement**. In particular, they establish the search for sustainable and consistent profitability and the refusal to commit to uncontrolled activities, with a view to creating sustainable value for all stakeholders. They are fully in line with Natixis' ambitious Corporate Social Responsibility strategy and the promotion of a strong risk culture.

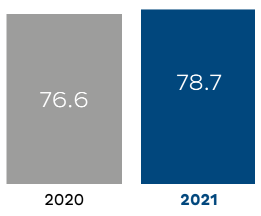
Risks considered as material for Natixis are governed by indicators and tolerance thresholds defined in the **Risk Appetite Framework**. These indicators are subject to regular and consolidated monitoring, presented to the Senior Management Committee and to the Risk Committee of the Board of Directors. Any breach of the tolerance thresholds is subject to a notification and escalation procedure.

CREDIT RISK

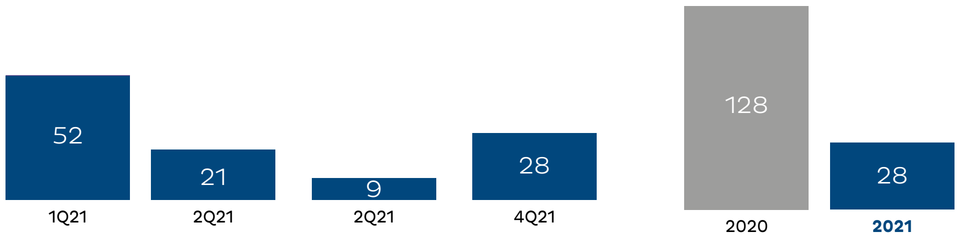
DEFINITION:

Credit risk is the risk of financial loss due to a debtor's inability to honor its contractual obligations.

Change in capital requirements for credit and counterparty risk (in billions of euros)



Cost of risk (in bps) (1)



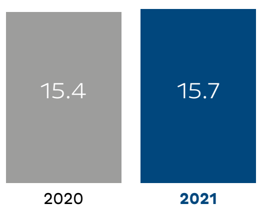
(1) *Cost of risk for business lines excluding credit institutions. Cost of risk expressed in bps of total outstandings, beginning of period.*

MARKET RISK

DEFINITION:

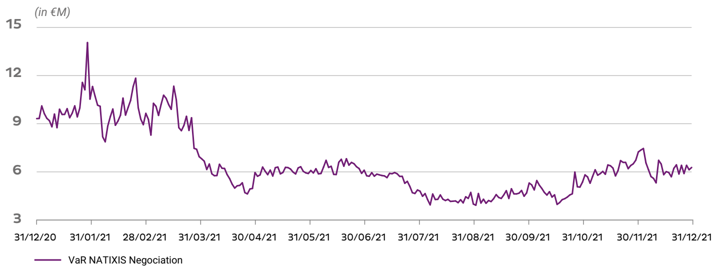
Market risk is the risk of loss in value caused by any adverse fluctuations in market parameters.

Change in capital requirement for market risk and CVA (in billions of euros)



Global VaR Natixis

- Trading portfolio (VaR 99%, 1 day)

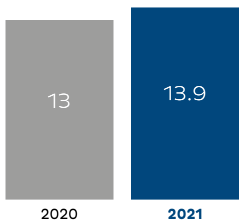


OPERATIONAL RISK

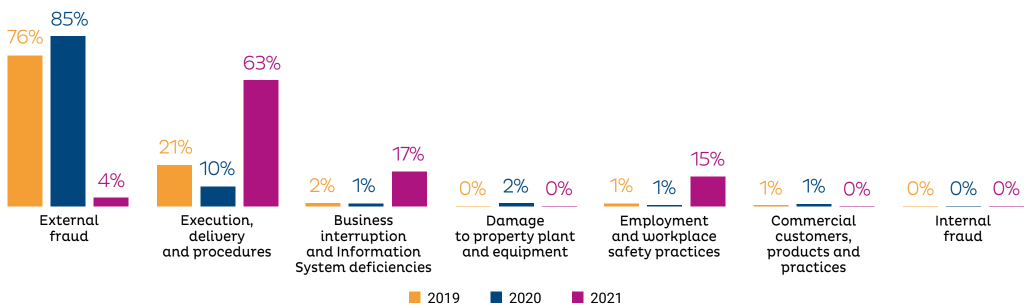
DEFINITION:

Operational risk is the risk of loss resulting from an inadequacy or failure of internal processes.

Change in capital requirements for operational risk (in billions of euros)



Breakdown of reported incidents by net amount, date and Basel category

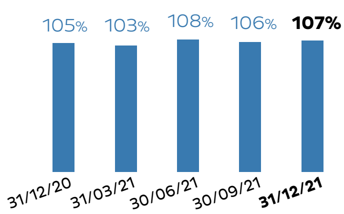


STRUCTURAL BALANCE SHEET RISKS

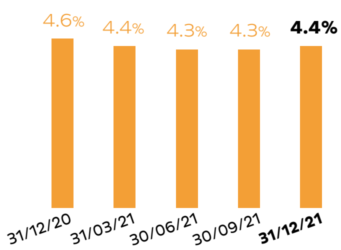
DEFINITION:

Structural balance sheet risks cover the risk of managing the bank's liquidity in order to meet its liquidity commitments, the risk of losses linked to changes in interest rates and credit spreads in bank portfolios, structural foreign exchange risk and the management of regulatory constraints and ratios.

Liquidity coverage ratio (LCR)



Leverage ratio



Committed to sustainable finance

Natixis places environmental and social responsibility at the heart of its strategic ambitions. ESR/ESG commitments permeate all of its business lines and functions and support customers towards a sustainable business model.

The ESR policy has **three priorities**

Development of sustainable business

Contributing to the energy transition and helping clients move towards a sustainable business model.

Direct impact & mobilization

Raising employee awareness, reducing the environmental footprint, responsible purchasing, commitment to solidarity initiatives.

Risk management

Integration of ESG criteria in our financing and investments.

Support for the Sustainable Development Goals (SDGs)

The Group's ESR policy actively contributes to **13 SDGs** in its business lines and operations

1 NO POVERTY | 3 GOOD HEALTH AND WELL-BEING | 4 QUALITY EDUCATION | 5 GENDER EQUALITY | 6 CLEAN WATER AND SANITATION | 7 AFFORDABLE AND CLEAN ENERGY | 8 DECENT WORK AND ECONOMIC GROWTH | 11 SUSTAINABLE CITIES AND COMMUNITIES | 12 RESPONSIBLE CONSUMPTION AND PRODUCTION | 13 CLIMATE ACTION | 14 LIFE BELOW WATER | 15 LIFE ON LAND | 17 PARTNERSHIPS FOR THE GOALS

Increasing employee engagement on ESR topics

- ESR e-learning trainingE
- Dedicated awareness-raising events (SEDD, SERD)
- Solidarity mobilization (solidarity day, mobilization with Natixis Foundation)

Our strategic ESR ambitions for 2024

IN OUR BUSINESS LINES

Commitment to the **energy transition** and **SRI finance**

Asserting our status as a key financial **partner for our customers** in their **energy transition** strategy, drawing on the expertise of our Green & Sustainable Hub

Position **ESG at the heart** of our asset management and insurance activities

Align our balance sheet and our investments on a net zero **trajectory in line with the Paris Agreement and a +1.5°C** target and based on our **Green Weighting Factor methodology**

Offer our customers SRI finance solutions focused on **natural and social capital**

Operate at the **highest level of corporate responsibility**, particularly for our direct impacts on the environment

Objectifs 2024 :

- **X 1.7** Green Natixis CIB revenues (1)
- **> €600bn, i.e. >50%** of Natixis IM assets under sustainable or impact management (2) in 2024
- **+ 1.5°C**
  - temperature trajectory of the Natixis CIB balance sheet by 2050 (+2.5°C by 2024)
  - temperature trajectory of the general life insurance fund by 2030 (+2°C by 2024)
- **-20%** carbon footprint per employee in 2024 vs. 2019

(1) Green revenues: revenues from the Green and Sustainable Hub, the Renewables sector and customers and dark green and medium green transactions of the Green Weighting Factor
(2) Sustainable: Article 8 SFDR equivalent, Impact: Article 9 SFDR equivalent.

IN OUR OPERATION

Commitment to the energy transition and SRI finance
Operating as a responsible company: our commitments by 2024

ENVIRONMENT
improve our direct environmental impact

Sustainable working environment
Reduce the energy consumption of our buildings by - 40% (vs. 2019)
0 single - use items

Digital sobriety
Reduce our IT carbon footprint - 10 % (vs. 2020)

Soft mobility
Promote modal shift, electric cars and alternatives to air transport

Reduce the carbon footprint per employee by 20% (vs. 2019)

Deploy the "My Green Footprint x" tool to enable employees to measure their ecological footprint

EMPLOYEES
be a responsible employer

Employee employability
Train 1,000+ employees through Step Up Academy programs

Support for change
E.g. systematize YourPulse surveys to measure employee engagement during transformations and support them

Diversity & Inclusion
40% women in all our leadership circles
3 000 leaders trained in inclusion / unconscious bias

COMMUNITY
promote social inclusion

Access to education/ labor market
1 day of volunteering per year available to each employee for a charitable commitment

Actions for solidarity
Mobilization of our NATIXIS FOUNDATION on projects with a social and environmental component

Responsible suppliers
Systematize social and sustainability criteria in our procurement process

1

NATIXIS **OVERVIEW**

1.1 History and links with BPCE

1.1.1 History

2009

Groupe BPCE, the N°2 banking group in France, is formed from the merger of CNCE and the Banque Fédérale des Banques Populaires

2009

Natixis launches its 2009-2013 strategic plan New Deal; securing its position as the corporate and investment banking, savings, solutions and specialized financial services arm of Groupe BPCE

2013

Natixis launches its 2014-2017 strategic plan New Frontier centered on the goal of becoming a bank for high value-added solutions, focused exclusively on its clients

2014

Natixis creates a unique insurance division, paving the way for Groupe BPCE to become a fully-fledged bancassurer

2017

- Natixis creates the new Payments business line aimed at becoming a major player in the payments sector in Europe
- Natixis unveils its new brand territory and the new visual identity, reflecting its shared culture: the Purple Touch

2018

- Natixis launches its 2018-2020 strategic plan New Dimension, founded on three pillars: Deepen, Digitalize & Differentiate
- Groupe BPCE decides to transfer Natixis' Specialized Financial Services business lines to BPCE S.A. in order to better meet clients' needs across the Banques Populaires and Caisses d'Epargne networks

2019

BPCE Group and Natixis sign the Principles for Responsible Banking and commit to strategically aligning their activities with the United Nations' Sustainable Development Goals and the Paris Agreement on climate change

- Natixis becomes the first bank to actively manage the climate impact of its balance sheet by implementing the Green Weighting Factor
- BPCE Group and Banque Postale Asset Management hold discussions to allow Natixis to become a major European insurance manager and euro fixed income manager

2020

- During the health crisis, Natixis is stepping up support for its customers across all its business lines, with adapted products and services and ever more advice
- Natixis and La Banque Postale create a European leader in fixed-income and insurance-related asset management: Ostrum Asset Management, which provides an asset management offering and dedicated investment services
- Natixis announces its withdrawal from shale oil and gas and accelerates its exit from the coal industry

2021

- Launch by Groupe BPCE of the Pléiade project comprising both a simplified tender offer for Natixis shares and an operation to simplify the Group's organization
- Signature of the "LGBT+ Engagement Charter" of L'Autre Cercle by the Senior Management Committee to strengthen Natixis' diversity and inclusion policy and promote a work environment that respects everyone
- Announcement of the strategic ambitions of Natixis' business lines, as part of "BPCE 2024", based on three principles: diversify, for the benefit of our clients and our development; commit to the energy transition and SRI finance; transform ourselves and invest to create sustainable value
- Opening of exclusive negotiations by Natixis Investment Managers to acquire the non-controlling interests held by La Banque Postale in Ostrum Asset Management and AEW Europe

1.1.2 Financial solidarity mechanism with BPCE

Including Natixis, all the institutions affiliated with the central institution of Groupe BPCE benefit from a guarantee and solidarity mechanism, the purpose of which, according to Articles L.511-31 and L.512-107-6 of the French Monetary and Financial Code, is to guarantee the liquidity and capital adequacy of all affiliated institutions, and to organize financial support within the Group. This financial support is based on legislative provisions imposing a legal solidarity mechanism by which the central institution is required to restore the liquidity or capital adequacy of affiliates in difficulty, and/or all affiliates of the Group, by providing, as necessary, the total capacity and regulatory capital of all contributing affiliates. Thus, in the event of difficulties for Natixis, (i) BPCE will firstly mobilize its own funds as a shareholder; (ii) if they are not sufficient, BPCE could call on the mutual guarantee fund created by BPCE, with, as of December 31, 2021, a total of €344.8 million in assets contributed equally by the two banking networks of Banque Populaire and Caisse d'Epargne, which is expected to grow through annual contributions (subject to the amounts that would be used in the event of a call to the fund); (iii) if BPCE's own funds and the mutual guarantee fund were not sufficient, BPCE could call on the guarantee funds of each of the two networks of Banque Populaire and Caisse d'Epargne for a total amount (in equal shares) of €900 million and on the mutual guarantee fund of the Banque Populaire and Caisse d'Epargne, made up of deposits made by the Banque Populaire banks and the Caisses d'Epargne in the books of BPCE in the form of term accounts with a fixed-term deposit duration of ten years and renewable indefinitely. Lastly, (iv) if the use of BPCE's regulatory capital and these three guarantee funds is insufficient, additional amounts would be requested from all the Banques Populaires and Caisses d'Epargne. It should be noted that the guarantee funds referred to above comprise a Groupe BPCE internal guarantee mechanism activated at the initiative of the BPCE Management Board, or a competent authority dealing with banking crises which may request their use if deemed necessary.

As a result of this full and complete legal solidarity, one or more affiliates cannot find themselves in compulsory liquidation, or be affected by resolution measures within the meaning of the EU Directive No. 2014/59 for the recovery and resolution of credit institutions, as amended by EU Directive No. 2019/879 (the "BRRD"), without all affiliates being in the same position.

In accordance with Article L.613-29 of the French Monetary and Financial Code, the judicial liquidation procedure would therefore be implemented in a coordinated manner with regard to the central institution and all of its affiliates.

In the event of court-ordered liquidation concerning all the affiliates, the external creditors with equal ranking or identical rights of all the affiliates would be managed in hierarchical order of creditors in equal fashion and irrespective of their association with any given affiliated entity. Consequently, holders of AT1 capital and other pari passu securities would be more affected than holders of T2 capital and other pari passu securities, who would be more affected than holders of senior non-preferred external debt, who, in turn, would be more affected than holders of senior preferred external debt. In the event of termination, and in accordance with Article L.613-55-5 of the French Monetary and Financial Code, identical depreciation and/or conversion rates would be applied to debts and receivables of the same rank, regardless of their attachment to a particular affiliated entity in the order of the hierarchy mentioned above.

Due to Natixis' affiliation with the BPCE central institution and the systemic nature of Groupe BPCE, and the assessment currently made by the resolution authorities, resolution measures would be more likely to be taken, if necessary, than the opening of court-ordered liquidation proceedings. Resolution proceedings may be initiated against BPCE and all affiliated entities if (i) the default of BPCE and all affiliated entities is proven or foreseeable, (ii) there is no reasonable prospect that another measure could prevent this default within a reasonable timeframe, and (iii) a resolution measure is required to achieve the resolution objectives: (a) guarantee the continuity of critical functions, (b) avoid significant adverse effects on financial stability, (c) protect Government resources by minimizing the use of exceptional public financial support and (d) protect the funds and assets of clients, in particular those of depositors. An institution is considered in default when it does not comply with the conditions of its authorization, if it is unable to pay its debts or other commitments when they fall due, or if it requests exceptional public financial support (subject to limited exceptions) or the value of its liabilities exceeds that of its assets.

In addition to the bail-in power, resolution authorities are given expanded powers to implement other resolution measures in relation to failing institutions or, in certain circumstances, their groups, which may include, among others: the sale of all or part of the activity of the institution to a third party or a bridge institution, the separation of assets, the replacement or substitution of the institution as debtor of the debt instruments, changes in the terms and conditions of the debt instruments (including modification of the maturity and/or amount of interest payable and/or the temporary suspension of payments), suspension of admission to trading or official listing of the financial instruments, and the removal of executive officers or the appointment of a temporary administrator (special administrator) and the issue of capital or equity.

1.2 Natixis business lines

1.2.1 Asset & Wealth Management

Ranked among the leaders in asset management worldwide (€1,245.5 billion in assets under management as of end-December 2021), Natixis Investment Managers supports investors in building portfolios by offering them a range of diversified and responsible solutions.

1.2.1.1 Asset Management

With its multi-affiliate model, which draws on the expertise of more than 20 asset management companies around the world, Natixis Investment Managers offers a wide range of solutions to enable its clients to achieve their investment objectives, whatever the market conditions. The Company is developing its offer around four key areas of expertise: fundamental active management, management under liability constraints, real assets and quantitative management.

In 2021, Natixis Investment Managers continued to strengthen its multi-affiliate model by announcing the purchase of La Banque Postale's shares in AEW Europe (40%) and in Ostrum AM (45%).

Natixis Investment Managers also continued its withdrawal from H2O AM, with the management company gradually resuming the distribution of funds, in the interest of unitholders and in agreement with the regulatory authorities.

The year 2021 was marked by favorable market conditions, solid management performances across all asset classes, and very dynamic inflows of €21.5 billion, of which €13 billion collected by Natixis Investment Managers' distribution platforms, across all geographic areas. This positive context has enabled Natixis Investment Managers to strengthen its positions: the growth of its assets under management (+8%), its margins and its revenues testifies to the solidity and relevance of its active multi-affiliate management model.

In the United States, Natixis Investment Managers continues to benefit from solid sales momentum (€17 billion in inflows) and is developing its distribution network, particularly with retail clients, through strengthened strategic distribution partnerships. In July 2021, the direct indexing activities, portfolio construction, multi-asset class portfolios and the portfolio management analysis and advisory activities were merged into Natixis Investment Managers Solutions to serve clients with a more legible offering.

In Europe, Latin America and Asia Pacific, inflows were positive (€4.5 billion in inflows), particularly in responsible equity management strategies and infrastructure. Major institutional clients have renewed their trust in Natixis Investment Managers' management companies, and distribution through the Banques Populaires and Caisses d'Epargne networks has generated solid gross inflows from European affiliates.

Alongside its affiliates, Natixis Investment Managers is continuing its commitment to financing a transition to a more sustainable economy, with the aim of achieving 50% of sustainable or impactful assets under management by 2024. As active managers, Natixis Investment Managers and its affiliates make their voices heard through actions of individual or collective commitment, active voting policies, but also through their participation in key market initiatives to advance responsible investment, which already represents nearly 33% of its business.

At the end of 2021, 99% of Natixis Investment Managers' assets were managed by asset management companies that have signed the PRI (Principles for Responsible Investment). The implicit temperature rise in the Natixis Investment Managers[(1)] equity and listed bond portfolios, published in the TCFD reports (Task Force on Climate-Related Financial Disclosures) of Groupe BPCE and Natixis, was found to be less than 3°C and at the temperature of its benchmark index (50% MSCI ACWI + 50% Bloomberg Barclays Global Aggregate Corporate Index).

Lastly, Natixis Investment Managers is continuing its investments to support its sustainable development objectives. In particular, it has invested, alongside other investors, in Iceberg Data Lab, a fintech specialized in data, which develops models to measure the impact of investments on the environment and biodiversity.

Natixis Investment Managers also intends to consolidate its position as a leading player in the Asset Management sector by becoming one of the most client-centric asset managers in the world by 2024. As such, the Company has recruited a Client Experience Manager, whose aim will be to support the Company in achieving this objective, in particular through the optimization of client journeys and the implementation of a Net Promoter Score.

(1) Measurement at December 31, 2020 on 72% of assets under management.

Natixis Investment Managers: more than 20 specialized investment managers in the US, Europe and Asia (as of December 2021 – assets under management in billions of euros)

- AEW (€67 billion), real estate asset management, real estate investment trusts (SCPI) and real estate mutual funds (OPCI)
- Alliance Entreprendre (€0.4 billion), Private Equity
- Alpha Simplex Group LLC (€5.5 billion), quantitative investment management
- DNCA Finance (€29.2 billion), fixed-income management and equities
- Dorval Asset Management (€1.5 billion), flexible management
- Flexstone Partners[(1)] (€4.8 billion), Private Equity
- Gateway Investment Advisers, LLC (€10.2 billion), hedged equity
- Harris Associates (€108.8 billion), US and international value stocks management
- Investors Mutual Limited (€3.3 billion), value-based Australian equities management
- Loomis, Sayles & Co. (€319.3 billion), equities (growth, core, value) and bonds (core to high-yield)
- Mirova (€28.6 billion), SRI equity and fixed income, infrastructure project financing
- MV Credit (€2.7 billion), real assets
- Naxicap Partners (€5.8 billion), Private Equity
- OSSIAM (€5.8 billion), strategy-based ETFs (Exchange Traded Funds)
- Ostrum Asset Management (€442.2 billion), fixed-income & equity management
- Seeyond (€8.6 billion), structured products and volatility
- Seventure Partners (€0.8 billion), Private Equity
- Thematics Asset Management (€3.9 billion), international thematic investing
- Vauban Infrastructure Partners (€6 billion)
- Vaughan Nelson Investment Management (€13.6 billion), value stocks and bonds
- WCM Investment Management (€94.1 billion)

Solutions Asia management offering (assets under management at end December 2021 - in billions of euros under management - Excluding H_2O AM)

- Natixis Investment Managers Solutions Europe (€75.2 billion)
- Natixis Investment Managers Solutions US (€44.5 billion)

1.2.1.2 Wealth Management

Natixis Wealth Management, with its French and Luxembourg footprint, offers clients (business proprietors, senior executives and owners of family wealth), wealth management and financial solutions to support them over the long term.

Groupe BPCE's clients, and those won directly, benefit from a wide range of expertise covering all aspects of their projects, at all stages of their development: corporate advisory, origination, vanilla and complex financing, investment, wealth engineering, and diversification solutions, particularly in Private Equity. Our entire value proposition is tailored to the level of customization requested by clients and is distributed via two channels, BtC (business to consumer) and BtB (business to business).

To further enrich its range of wealth management products and services, Natixis Wealth Management works with two of its subsidiaries: VEGA Investment Managers, growth asset manager specializing in European shares, and Massena Partners. VEGA Investment Managers' core expertise in collective management, delegated management and fund selection on an open-architecture basis complements that of Massena Partners, advising private family-owned groups and family offices, mainly in Private Equity.

In 2021, Natixis Wealth Management continued to develop its activities in synergy with Groupe BPCE, notably through the creation of its subsidiary Teora by Natixis Wealth Management, a high-end open architecture life insurance broker, which offers its made-to-measure solutions for the Banque Populaire banks, the Caisses d'Epargne and its own customers. It has also strengthened the repositioning of its direct customer franchise in the segment of direct customer "High Net Worth Individuals" by specializing its private bankers developers by business sector and by setting up a privileged partnership with Natixis Partners, to be as far ahead as possible of the liquidity events of the executive shareholders. Our ESG commitments continue with the enhancement of the offer of VEGA Investment Managers which has just launched VEGA Europe Active SRI and now has a range of seven SRI-labeled funds.

At the end of 2021, Natixis Wealth Management managed €35.7 billion in assets.

(1) Launched in January 2019 and bringing together three of Natixis Investment Managers' existing Private Equity affiliates: Euro-PE, Caspian Private Equity and Eagle Asia.

1.2.1.3 Natixis Interépargne

Natixis Interépargne, Groupe BPCE's reference in employee savings and pension plans, supports companies of all sizes in setting up and managing their employee savings and pension savings plans, as well as their employee shareholding to make them a driver of performance.

A pioneer in innovation for more than 50 years, its ability to adapt to a constantly changing environment and uses allows it to offer full access to a whole range of employee savings and supplementary pension solutions: company savings plans, company pension savings plans in securities account format or in insurance format (in partnership with Arial CNP Assurances).

It relies on the financial management offers of Natixis Investment Managers, a specialist in the active management of employee savings.

In 2021, Natixis Interépargne consolidated its position as a leading player in employee savings and pension savings plans with more than 74,000 corporate clients, over three million savers[(1)] and 26.7% market share in employee savings. With a 24.6% share of the SRI employee and pension savings market[(2)], Natixis Interépargne has consolidated its position as a leader in employee savings through Socially Responsible Investment.

Natixis Interépargne is delivering long-term performance thanks to the quality and consistency of its range and the constant work of management teams. In 2021 it was awarded second place at the Corbeilles de l'Épargne Salariale 2021 in the Corbeille Long Terme Épargne Salariale category and the certificate for the best management of diversified funds. 2021 also marked the development of the pension savings offer for companies, with 11,804 collective company pension savings plans[(3)] subscribed.

1.2.2 Corporate & Investment Banking

As of December 31, 2021, Corporate & Investment Banking (CIB) had 3,864 employees (FTEs) in 26 countries around the world: 36.3% of which in France, and 63.7% internationally.

Corporate & Investment Banking serves corporate clients, financial institutions, institutional investors, financial sponsors, public sector entities and the Groupe BPCE networks. It advises them and develops innovative tailor-made solutions to support their strategy by drawing on the full range of its expertise in consultancy, investment banking, financing, commercial banking and on the capital markets.

Corporate & Investment Banking has a cross-functional Advisory & Coverage team dedicated to covering Natixis clients. Since 2021, the team has brought together bankers and sector experts within the same team. This team has a strong regional presence in France and is supported internationally by all of Natixis' teams of experts. This structure encourages high responsiveness, close, personalized working relationships and in-depth strategic dialog with clients over the long term.

Corporate & Investment Banking's areas of expertise are:

- **Capital Markets:** a wide range of diversified, standard and bespoke products and solutions on the fixed income, credit, forex, commodities and equities markets;
- **Financing:** origination, arrangement and syndication of vanilla, classic and structured financing, as well as portfolio management for all financing under an originate-to-distribute (O2D) model;
- **Global Trade:** cash management, trade finance, export finance and commodity trade solutions;
- **Investment Banking:** acquisition & strategic finance, financing on the primary markets for bonds and equities, financial engineering applied to holdings, and financial structure and rating advisory services;
- **Mergers & Acquisitions:** preparation and execution of disposals and mergers, fund-raising, restructuring and capital protection.

These areas of expertise are adapted locally across the following three **international platforms**:

- **Americas:** Argentina, Brazil, Canada, Chile, Colombia, Mexico, Peru and the United States;
- **Asia-Pacific:** Australia, China, Hong Kong, India, Indonesia, Japan, Malaysia, Singapore, South Korea, Taiwan and Thailand;
- **EMEA** (Europe, the Middle East and Africa): Egypt, France, Germany, Italy, Russia, Saudi Arabia, Spain, the United Arab Emirates, and the United Kingdom.

In 2021, Natixis was marked by three significant events: the reorganization of Natixis and Groupe BPCE, the launch of the 2024 strategic plan, and a very good performance.

As a result, Corporate & Investment Banking under the name "Natixis Corporate & Investment Banking - Natixis CIB" will join Groupe BPCE's[(4)] new "Global Financial Services" (GFS) division in 2022, also with Asset & Wealth Management ("Natixis Investment Managers").

In addition, Groupe BPCE launched its new BPCE 2024 strategic plan. Within Corporate and Investment Banking', it will be deployed in the following areas:

- **Diversify clients, expertise and geographies:** by expanding into eight core industries (Energy, Metals and Mining, Real Estate, Transport, Telecom and Tech., Environment, Health, Insurance); By increasing the support for corporate clients, including medium-sized companies, with a commercial banking offer, while continuing to develop our special relationship with institutional clients; By reasserting our global dimension and our ability to support our clients on the American platforms and in the Asia-Pacific region.
- **By being the financial partner of choice for our clients for their energy transition:** By aligning our portfolio with a +2.5°C climate trajectory by 2024, then +1.5°C by 2050 and by using the unique Green Weighting Factor methodology; By broadening the dynamic to include social dimensions, natural resources and biodiversity.
- **By investing to strengthen robustness, competitiveness and attractiveness:** By accelerating investments in technology, to strengthen time to market and operational efficiency; By attracting talent; By developing the Natixis Corporate & Investment Banking brand.

In terms of performance, Corporate & Investment Banking benefited from strong commercial activity and a decrease in the cost of risk.

(1) Association Française de Gestion – December 31, 2021.
(2) Association Française de Gestion – December 31, 2020.
(3) Natixis Interépargne - 12/31/2021.
(4) For more details on the project, please refer to Note [1.2.2] of the notes to the consolidated financial statements in Chapter [5] of this Universal Registration Document.

These solid results are reflected in all its business lines and also illustrate its leadership position in green and sustainable finance.

Natixis has been able to increase its presence in the various segments of the sustainable finance markets, as evidenced by the very strong growth of CIB's green revenues under the impetus of its Green & Sustainable Hub (GSH).

This strong acceleration is based on the consolidation of our franchise in the most mature market segments: green, social and sustainable bond issues; green financing, notably renewable; and equity and bond investment solutions based on the structuring of ESG, Climate and Water indices.

In this context, Natixis has been able to support its clients in particularly innovative transactions, including the structuring of historic social issues in Central America (the State of Mexico) and in Africa (examples of the Republic of Benin, and the Development Bank of West Africa), while maintaining its presence with various French public institutions. Also internationally, the Americas platform was able to reactivate its green securitization franchise (ABS PACE) and expand its offering with the development of "green" securitization "Repeat bonds" and High Yield / LatAm markets (Transmasivo transaction, first Colombian USPP and sustainable USPP certified by CBI). The offer was also deployed in APAC: market structure of "Green Formosa", financing of sustainable infrastructures (DCI datacenter in Australia).

With regard to the Green & Sustainable Hub (GSH), efforts were made in terms of methodological and product innovation and was supported by its center of expertise. The latter, which guarantees product integrity, is also actively monitoring changes in the market and the particularly dense regulatory environment in 2021.

This innovation drive has enabled the integration of green and sustainable criteria into new asset classes. The inaugural transactions - Green RMBS of a French bank (BPCE), SLB in the High Yield (HY) segment, Green CAT Bonds and the "Impact Hypoteken" Green Mortgage Financing Platform in the Netherlands - have broadened the scope of Natixis' green financing offer. In terms of investment products, the GSH also continued to innovate for the Group's main banking networks (Banque Populaire and Caisses d'Epargne), for the insurance company Groupama, and for other institutional clients of the bank.

Investigations were also conducted on debt instruments and on the gradual integration of ESG factors into leveraged finance activities (e.g. Leverage Buy Out (LBO) transactions and the HY market segment).

Lastly, this year also saw the implementation of Natixis' major commitments in the fight against climate change: with the publication of its first transparency report, Climate-Related Financial Disclosures (TCFD), and its strategic modeling work on its climate trajectory. The targets set are +2.5°C by 2024, +2.2°C by 2030 and +1.5°C by 2050, thus actively contributing to Groupe BPCE's "Net Zero" commitment.

Research

Global markets research, now CIB research, complements Natixis' sales strategy. It publishes analyzes to inform Natixis clients' decisions, organizes and participates in visual or digital conferences to present its views, as well as round tables on current, market or sectoral topics.

Recognized for the macroeconomic expertise of its Chief Economists in its three international platforms.The growing use of big data and machine learning has made it possible to define and publish innovative indicators, particularly on uncertainty, sentiment and risk, which are increasingly scrutinized by Natixis' clients.

It also participates in the process of creating financial solutions adapted to the expectations of Natixis clients, via valuation models, risk management and asset allocation strategies on equity derivatives, interest rates, credit and foreign exchange.

CIB research develops in-depth analysis on key sectors such as infrastructure, real estate, health and insurance, as well as on strategic themes for its clients such as energy transition and technological and digital transformation. The strong participation of CIB Research in the Explore Tech 2021 event demonstrates Natixis' desire to support its clients in the many future technological challenges.

Research expertise is also recognized in booming market segments such as the development of the hydrogen sector or the carbon market (carbon capture, carbon allowances and credits).

1.2.2.1 Global markets (Capital Markets)

Natixis offers its corporate, institutional and Groupe BPCE network clients a wide range of hedging products and financing and investment solutions, combined with recognized economic research.

Its Capital Markets activities are organized around the following axes:

- enhancing its offering with tailored and innovative solutions for the various asset classes. This tailor-made approach enables it to meet the specific needs of each of its clients and to distinguish itself from its competitors;
- access to a wide range of cash flow products through electronic platforms, helping to provide liquidity to its clients;
- continued international development in terms of clients and regions, relying on the presence of Corporate & Investment Banking (CIB) in Europe, the Middle East, the Americas and Asia-Pacific;
- a multi-underlying focus, represented by the Global Securities Financing team active in the money, bond and equity markets.

In order to provide a comprehensive response to its professional clients, Natixis has brought together its sales and financial engineering teams and organized them into four divisions:

- two divisions known as "solutions" to reinforce the commercial proximity with its clients. These are:
  - "Cross Asset Solutions", which offers unique multi-asset class access to distributors, mutual insurance companies, pension funds and family office managers,
  - "Multi-Asset Solutions", which meets the needs of institutional investors, asset managers and corporates;
- a unique financial engineering division that offers innovative hedging, investment and financing solutions for all asset classes;
- a MACSE (Multi-Asset Client Servicing & Execution) division that coordinates flow activities and digital offers.

Natixis has adapted its offering to meet the demands of its clients and partners in the **Capital Markets**, in an environment still troubled by the pandemic. The bank has been a source of proposals to its corporate and institutional clients on hedging and investment solutions. It was also able to guide them through their IBOR transitions and their environmental, societal and governance (ESG) issues.

In **Fixed Income**, Natixis supported its clients in their restructuring operations, opening up new opportunities for its franchise and also responded to the strong demand for hedging products and private placements resulting from the upturn in economic activity in the second half of the year. The bank has also been proactive by offering interest rate and currency hedges adapted to a context of fluctuating volatility. It increased its market share in the flow market thanks in particular to the increase in electronic transactions. In line with the Group's strategic priorities, it strengthened its position as a leading player in green energy, notably by concluding its very first green forex hedge with a major European energy producer.

In **equity derivatives**, Natixis maintained its reduced risk profile and refocused on its strategic clients while maintaining its leading position in the financial savings offering with social and environmental responsibility. The bank worked with several well-known index administrators and worked with Mirova to jointly develop new innovative offers for the Banque Populaire and Caisse d'Epargne networks.

Global Securities Financing

A product of the merger of the Equity Finance (Equity Derivatives) and Securities Financing group (Fixed Income) teams, Global Securities Financing aims to promote dialog with clients in order to offer them multi-underlying and multi-product solutions.

Global Securities Financing's primary areas of expertise are secured funding and collateral management (repos, securities lending/borrowing, etc.), repo market-making and credit and sovereign securities lending/borrowing, and index (equity) market-making, and it has a Solutions Department.

The pooling of expertise facilitates the development of innovative hybrid solutions to serve clients' funding or exposure needs.

CVA desk

Global Markets has a centralized XVA management desk (CVA, FVA). Its core responsibilities are to measure and manage XVA exposures and hedge the main risks generated by these exposures.

1.2.2.2 Funding

The Corporate & Investment Banking financing business performed well in 2021, driven by financing in the Infrastructure sector, a good performance in syndication and portfolio management.

Real Assets Finance

Concerning the **financing of real assets**, activities in the Aviation sector remain affected by the COVID-19 crisis, despite a recovery compared to 2020. In this context, the Bank showed resilience in all regions, in loan and bond products (e.g. Avolon, Castelake), securitization (Carlyle ABS) and leasing (VMO). Activities in the Infrastructure and Energy sector in 2021 were very buoyant in all regions, driven by growing demand supported by the digital and energy transition.

This very solid performance was reflected in the rankings of the 2021 League Tables (second MLA worldwide, second MLA in the USA), particularly in renewable energies (fourth worldwide).

Natixis was also named "ESG Infrastructure Bank of the Year" at the IJ Global ESG Awards for 2021. This award underlined its major role in emblematic ESG financing, and, more generally, its contribution to the development of "green and sustainable" finance.

Natixis has arranged numerous renewable projects (Vineyard, Edenvale, Slate, etc.) and Telecoms (Napoleon, Phoenix Tower, etc.) and is positioned on projects related to emerging sectors such as Hydrogen. Finally, on the Real estate sector, performance remains solid in Europe. The Bank consolidates its leading position in the European real estate market (2nd MLA and 2nd Bookrunner according to the Dealogic 2021 ranking). In the United States, after a low base in 2020, origination resumed at the end of 2021. In real estate too, Natixis contributes to the environmental transition and has arranged and distributed numerous sustainable financing transactions such as the transaction for Unibail-Rodamco-Westfield.

Distribution & Portfolio Management

In Distribution & Portfolio Management (DPM), the teams dynamically distribute the bank's financing portfolio, in terms of credit quality and profitability, through a geographical, sectoral and product approach, including value preservation through credit restructuring under the responsibility of the Work-Out & Restructuring team. DPM's mission is to develop the bank's originate-to-distribute (O2D) model through a team of 180 professionals present on the bank's three platforms (EMEA, Americas and Asia-Pacific). In 2021 Natixis continued to diversify its business from four strategic sectors to eight industries, developed its O2D model, at the heart of its strategy, while building a digital platform for the management of these loans as part of the Global Financing Chain and by integrating the temperature dimension into the management of its portfolio in addition to the Green Weighting Factor.

Global Trade

Established in 2020, Global Trade continued to develop in 2021. Global Trade brings together trade finance and cash management activities to serve corporate clients, commodity trading players and the Banque Populaire and Caisse d'Epargne networks.

In 2021, Global Trade stepped up its positioning on positive impact transactions as well as its support for its clients energy transition. In the Commodity Trade Finance sector, for example, Natixis played the role of Green/KPI Coordinator for Trafigura, Gunvor, and Bunge, on the first RCFs including Indicators related to the environment. The Structured Export Finance (SEF) team carried out the largest export finance transaction for the Republic of Benin and for the VINCI group for a project with a strong social component aimed at modernizing and strengthening the national electricity transport and distribution network, particularly in under-equipped rural areas. The SEF team also structured a financing of around €190 million for the transformation of the Norske Skog Golbey site in close collaboration with Caisse d'Epargne Grand Est Europe.

In addition, Global Trade continued to innovate in the digital field, for example with the implementation of My Tracked Transfer G4C to provide its clients with a new traceability experience for cross-border payments.

Global Trade also continued to develop its digital offer with the launch of Trade Tracker and key initiatives such as the implementation of Komgo for Trade Finance or the establishment of a partnership with Trustpair, in the fight against fraudulent transfers.

1.2.2.3 Investment Banking

The goal of the Investment Banking business line is to strengthen strategic dialog with clients by offering them the best possible combination of solutions to meet their financing needs. Accordingly, it includes acquisition & strategic finance, financing on the primary markets for bonds and equities, financial engineering applied to listed holdings (strategic equity capital markets transactions – a team reporting both to the Head of Investment Banking and that of global markets). It also includes financial structure and rating advisory services.

Acquisition & Strategic finance

Natixis is a world-class player in strategic and acquisition finance, with over 25 years of experience in the sector and offices in the EMEA region (Paris, London, Milan, Madrid and Dubai), Asia-Pacific (Hong Kong and Sydney) and the United States (New York). It offers corporate clients, investment funds, family offices and institutional clients a full range of financing solutions (bonds, loans, private placements) for their various strategic requirements, including acquisitions, shareholder restructuring, investments, debt financing, post-IPO financing, etc. In 2021, Natixis was named No. 1 bookrunner for sponsored loans in France *(source: Dealogic)* and No. 6 in the EMEA region *(source: Refinitiv)*.

Natixis arranges tailor-made financing solutions by drawing on all its consulting (mergers and acquisitions, ratings and Green/ESG) and origination expertise on the primary equity and bond markets. It is also recognized for its structuring and placement capacity, thanks to its dedicated syndication and secondary-market teams.

In a context of economic recovery, the acquisition & strategic finance teams (ASF) have been involved in multiple transactions in France and abroad, in diversified sectors with particularly strong momentum in the fields of health, telecommunications and infrastructure, particularly renewable energies.

In a very promising context for mergers and acquisitions, 2021 saw strong growth in the Leverage Finance market for both loans and high-yield bond issues, particularly in Europe. For example, in the healthcare sector, ASF supported the EQT investment fund for the acquisition of **Cerba Healthcare** (a French medical biology group) with the establishment of financing of €2.6 billion as Physical Bookrunner on the Term Loan tranche and Joint Lead Bookrunner on the bond tranches. Natixis also arranged financing of €185 million by being sole Underwriter and Bookrunner for the acquisition of **Bianalisi** (Italian laboratories and clinics group) by Charme Capital Partners. In the telecommunications sector, ASF has distinguished itself in Australia by financing the delisting of **Vocus Group**, acquired by the Macquarie Infrastructure and Real Assets (MIRA) consortium and Aware Super (Australian pension fund). The funding of AUS$2.15 billion is historically the largest "Term Loan B Cov-lite" made in Australia. In France, acting as Global Coordinator, Natixis Structured Financing of €1.9 billion on behalf of ICG at the time of the acquisition of **Circet**, a French provider of telecommunications infrastructure services in Europe.

Natixis teams have supported many companies in the financing of their acquisitions, particularly cross-border one. In France, Natixis acted as co-advisor for the financing of **Faurecia** in the context of its acquisition of a 60% stake in Hella (an automotive subcontractor listed in Frankfurt), which created the world's seventh largest supplier to the automotive industry. In the Middle East, Natixis arranged, as MLA Bookrunner, financing of $900 million for the acquisition of 45% of **Louis Dreyfus Company by ADQ** (Abu Dhabi Development Holding Company), the Abu Dhabi sovereign fund. In Asia, Natixis arranged on behalf of **China Three Gorges** a bridge loan of $500 million to support the acquisition of the entire capital of Alcazar Energy Partners, one of the largest developers and producers of renewable energy in the Middle East and North Africa.

In addition, in collaboration with the Advisory & Coverage, Global Trade and Power & Renewables teams, Natixis arranged, as MLA Bookrunner for **X-Elio Energy**, the first syndicated liquidity facility in Revolving format (RCF senior secured) granted to an independent energy producer in Spain. Also in the energy sector, as Joint Bookrunner and Sole Sustainability Structurer/Coordinator, Natixis arranged the first sustainability-linked high-yield bond issue for an electricity producer and supplier outside Europe: $1.1 billion in the United States issued by **NRG Energy**.

Bond origination

With a presence in the main European, American and Asian markets, Natixis supports all types of issuers (corporates, financial institutions, sovereigns/supranationals/agencies), to enable them to obtain financing on the bond markets in euros and in other currencies (£, $, ¥) in the investment grade and high yield, senior secured (covered bonds) and unsecured, hybrid, regulatory subordinated debt and private placements segments, while developing expertise in the ESG format.

Activity in the primary bond market was particularly strong in 2021. In this context, Natixis was a key player in the European bond market and ranked second on the League Table "Global EUR Financial Institutions (financial obligations)" and on the League Table "Euro Global Covered Bonds" *(source: Dealogic)*. Natixis strengthened its positioning in sustainable finance by winning 65 ESG mandates.

Natixis managed more than 200 issues in the financial issuers segment. Among other transactions, Natixis acted as sole structurer advisor and sole bookrunner of the BPCE RAC tier 2 issue, the first issue of this type since 2014 (double tranche of 1.75 billion), sole structuring advisor and global coordinator of the AT1 issue of La Banque Postale (750 million), and joint bookrunner of the AT1 issue of Banco Sabadel (500 million). With regard to insurance, Natixis acted as global coordinator of the MACIF/Aéma group's regulatory capital issues that enabled the financing of the acquisition of Aviva France and Aesio Mutuelle (RT1 tier 2 & tier 3 for a total amount of 1,750 billion), as joint bookrunner of the tier 2 issue of Hannover Re, and tier 2 of Munich Re (an ESG-Sustainability transaction of 1 billion).

In the corporate segment, Natixis distinguished itself by managing nearly a hundred transactions. In particular, Natixis acted as joint bookrunner for Air France-KLM (double tranche for a total amount of 800 million), SAUR (ESG-Sustainability issue, double tranche for a total of 750 million), ENEL (3 multi-tranche issuance mandates for a total of 7.8 billion), EDF (ESG-Green issue for 1,850 billion), Indofood ($600 million at 30 years), Fosun (total of $1 billion), ENN – Natural Gaz ($800 million), and Ascendas Real Estate Investment Trust (seven years for $300 million).

In addition, Natixis participated in hybrid debt issues as joint-bookrunner for Veolia (500 million) and Telefonica (750 million).

In the sovereign, supranational and agency segment, Natixis confirmed its excellent year in 2020 by managing, as joint bookrunner, numerous emblematic transactions, including the Kingdom of Belgium and the European Union (ESG-Social double tranche for more than 14 billion), the World Bank group (three transactions including two ESG-Green transactions for a total of 5.75 billion), CADES, UNEDIC, and Société du Grand Paris (two ESG-Green issues for an amount of 3.25 billion).

Lastly, in the emerging markets issuers segment, Natixis stood out by being joint bookrunner on the inaugural ESG-Green issues in Mexico (€1,250 billion), the Republic of Benin (€500 million) and Banque Ouest Africaine de développement (750 million), then issues by Dubai Aerospace (three tranches for a total amount of $2.25 billion), and UzAuto Motors (inaugural issue of $300 million).

Strategic Equity Capital Markets

SECM is the department, unique in French banks, which supports the bank's clients at each stage of the Equity life cycle, from the IPO, growth and consolidation phases to their delisting.

On the primary equity side, and upstream, SECM provides clients with personalized advice in all transactions affecting the structure of their equity: IPOs, capital increases, issues of convertible or exchangeable bonds. Natixis also provides advice on how to conduct tender offers. Natixis also includes the corporate broking activity, which offers intermediation services to clients: acquisitions or disposals of equity investments, share buybacks and liquidity contracts on the market.

The year 2021, marked by record commercial dynamism, enabled SECM to participate in the largest issue of convertibles in France (Safran), in the largest capital increase in France (Air France) and to play a leading role in the largest IPO in Saudi Arabia with Acwa Power.

Likewise, our Corporate Broking team maintained its leading position in share buybacks (in volume and number) for the seventh consecutive year on SBF 120 issuers.

The SECM team, specialized in equity engineering originates, structures and implements value-added solutions on Natixis clients' equity positions (equity investments, treasury shares, investments, etc.) by using all types of instruments directly or indirectly linked to shares.

SECM is a reference in equity engineering and the use of tailor-made derivatives, an activity that requires first-class client focus and responsiveness, innovation, expertise and excellence in structuring and execution as well as total confidentiality, backed by strict intervention rules and a dedicated team that manages all aspects of the transaction.

2021 demonstrated that SECM is a major player in the Strategic Equity sector in the EMEA region and in Asia, with financing and protection solutions with major corporate clients.

Its comprehensive range of structured solutions for financial engineering, listed securities and listed equity derivatives enables it to provide solutions in three key areas:

- equity investment (economic exposure, construction of positions, M&A on listed shares, strategic investments, capital increases, dilution risk, exchangeable bonds, and equity engineering);
- shareholders: (reference shareholders, investment vehicles, Family Office and Holding companies);
- own shares: (treasury shares, employee shareholding plans, stock options, structured share buybacks, indexed financing, convertible bonds).

1.2.2.4 Mergers & Acquisitions

Natixis' Mergers & Acquisitions (M&A) teams help large and medium-sized commercial and industrial enterprises, institutional investors and investment funds prepare and execute disposals and mergers, fund-raising, restructuring and capital protection.

Natixis and the global M&A affiliates network carried out numerous large-scale transactions this year.

In the United States, Solomon Partners advised EDF on the sale of a 49.99% stake in CENG, a nuclear portfolio of four GMs located in PJM and NYISO, in Exelon. In France, Natixis Partners advised Advent International and the directors/founders of the Circet group in connection with the sale of an equity interest to ICG. In the United Kingdom, Fenchurch advised JC Flowers on the sale of interactive investor to abrdn.

In France, Natixis ranks ninth in value of operations *(source: Refinitv)*.

1.2.3 Insurance

Insurance division

The Insurance division consists of a holding company, Natixis Assurances, which owns various operating insurance subsidiaries that develop and manage a comprehensive range of insurance solutions for individuals and professionals. The division is structured as two large business lines and one activity common to all of Groupe BPCE:

- the **Personal Insurance business line**, which focuses on the development of portfolios for life insurance, investment and pension savings, and a very wide range of personal protection coverage (death benefit, work cessation and dependency) and payment protection solutions;
- the **Non-Life Insurance business line**, which develops portfolios for auto and multi-risk homeowners' insurance, personal accident insurance, legal protection, healthcare, and property & casualty insurance;
- **Corporate Solutions**, which handles Groupe BPCE insurance matters that are not dealt with by its own insurance subsidiaries, e.g. the Group's insurance program.

Natixis' Insurance division had 2,017 full-time equivalent (FTE) employees at the end of 2021, compared to 1,904 at the end of 2020. The Insurance business generated total revenue from direct sales of €14.3 billion in 2021.

The Insurance division comprises several legal entities (excluding investment vehicles):

Group company	Legal form	Location	% voting rights	% ownership
Natixis Assurances	Joint stock company	France	100%	100%
BPCE Vie	Joint stock company	France	100%	100%
BPCE Prévoyance	Joint stock company	France	100%	100%
BPCE Assurances	Joint stock company	France	100%	100%
Natixis Life	Joint stock company	Luxembourg	100%	100%
BPCE APS	Simplified joint-stock company	France	53%	53%
BPCE Relation Assurances	Economic Interest Group	France	100%	100%
BPCE IARD	Joint stock company	France	50%	50%
ADIR	Joint stock company	Lebanon	34%	34%
Ecureuil Vie Développement	Simplified joint-stock company	France	51%	51%

The Group's five biggest entities are:

- BPCE Vie, a mixed life insurance company that offers all types of policies and agreements with commitments linked to the length of the policyholder's life. It accounts for most of the Personal Insurance business line workforce and provides the other entities of the Insurance division with the resources they need for their operations;
- BPCE Assurances, a non-life insurance company that offers a full range of property & casualty insurance products (auto insurance, multi-risk homeowners' insurance, personal accident coverage, health insurance, legal protection and business and personal protection insurance for professionals);
- Natixis Life, a Luxembourg-based life insurance company that offers life insurance and investment solutions to high net-worth clients;
- BPCE Prévoyance, a non-life insurance company whose operations include insurance coverage for accidents, illness and different forms of financial loss;
- BPCE IARD, a non-life insurance company that offers a full range of property & casualty insurance products (auto insurance, multi-risk homeowners' insurance and legal and multi-risk coverage for professionals).

In terms of location, most of the Insurance division's activity is in France via companies established in France. The Personal Insurance business line also owns a Luxembourg-based entity specialized in life insurance products for Wealth Management clients, and is a client of the BPCE networks and non-Group entities in various EU countries. It also owns an entity in Lebanon through an equity interest in a subsidiary in partnership with a local private bank.

The Insurance division was created in 2014, in line with Groupe BPCE's strategic ambition to become a fully-fledged bancassurance player primarily serving clients from the two main banking networks of Groupe BPCE: the Banque Populaire and Caisse d'Epargne savings banks. This goal resulted in the following structuring operations:

- in March 2014, Natixis Assurances acquired 60% of BPCE Assurances, a non-life insurance company created to serve clients of the Caisse d'Epargne network, and in 2017 it bought the remaining 40% stake previously held by MACIF and MAIF. As a result of this transaction, Natixis Assurance became the sole shareholder of BCPE Assurances. Following the renegotiation of the partnership agreement with Covéa, BPCE Assurances handles new non-life insurance business with the individual clients of the Banque Populaire banks in addition to those of the Caisse d'Epargne banks;
- the renegotiation of the terms of the existing partnership between Groupe BPCE and CNP Assurances, finalized in the first quarter of 2015. Accordingly, the distribution of life insurance policies for pension savings and personal protection insurance, handled by the Personal Insurance business line, was extended to the Caisse d'Epargne network, with effect from January 1, 2016.

Natixis' Insurance division, through its different operational entities, now offers a comprehensive range of life and non-life insurance policies, with the Banque Populaire and Caisse d'Epargne banks being the main contributors to the business.

Insurance division's operating environment

Launched in July 2021, the BPCE 2024 strategic plan aims to accelerate the deployment of responsible insurance solutions for network clients by capitalizing on the investments made with the following priorities:

- accelerate property & casualty and personal protection insurance and roll out innovative life insurance and healthcare offerings;
- position the general fund on a more proactive trajectory than the Paris agreement and promoting SRI UC. (target: +2°C by 2024 and +1.5°C by 2030);
- continue to invest in client experience and operational efficiency: offer client and advisor experiences of the highest standard, notably based on the potential of data and digital technology, and improve management ratios.

Over the last few years, the Insurance division has been operating in unprecedented market conditions: macroeconomic and financial shifts have resulted in the implementation of monetary policies with significant impacts on life insurance policies for pension savings, and, to a lesser extent, for the non-life insurance business. In particular, historically low interest rates, which are the main source of revenue for life insurance players, have led to significant changes in product and investment strategies:

- life insurance products aimed to improve the sharing of outcomes among the various stakeholders in order to ensure balance between sustainable business competitiveness and solvency protection in the medium term;
- a variety of commercial initiatives targeted at end-clients and the business provider networks, aimed at increasing the share of inflows and assets invested in unit-linked products;
- the steady decline in returns from traditional fixed-rate assets has led to a number of changes in asset management policy:
  - the diversification of fixed-income investments towards private debt,
  - the gradual reallocation of the equity bucket towards recurring-dividend shares,
  - development of a bucket for unlisted investments in Private Equity and real assets.

In addition, the insurance business is monitored via prudential and regulatory oversight, a process that has seen significant changes:

- since 2016, the Solvency II directive has defined the prudential framework within which Natixis Assurances and its subsidiaries operate. Its implementation has led to a change in the organization, operating methods and the system for assessing the minimum capital adequacy required by the activities;
- similarly, regulations have come into force in the insurance sector recently (PRIIPS, IDD, GDPR, easier termination of payment protection insurance), all of which are likely to lead to changes to products and operating procedures;
- finally, the forthcoming entry into force of IFRS 9 and IFRS 17 will require the Insurance division to adapt its financial and technical management; Natixis Assurances is continuing its preparatory work for the application of these standards expected on January 1, 2023.

Lastly, the rapid development of digital technology and its application in the development of new methods of distribution and client interaction is a source of opportunities that the Insurance division is closely monitoring. Accordingly, it has pursued a policy aimed at:

- digitizing its management processes: the business line intends to continue the digitization and automation of low value-added processes, in order to position itself among the most efficient players in terms of management costs in relation to outstandings. In Personal Insurance, a multi-site, multi-brand client relationship model has been operational since 2018, with the same organization, tools and client relationship processes for the Banque Populaire banks and the Caisses d'Epargne. A platform for managing estates was also created;
- adapting subscription processes to incorporate new digital tools and client behaviors. A significant share of non-life subscriptions is already carried out and formalized remotely using an electronic signature. Steps are being taken to anticipate and prepare for the rapid development of these approaches;
- intensifying the quality of the relationship model with our clients, in order to be recognized as a leader in client orientation by employees. Maintaining excellent quality of service from the relational platforms to clients and advisors is a major challenge, with a target of Net Promoter Score with the best market standards;
- continuing to adapt information systems with a view to operational efficiency and improved quality of service: efficiency of the relationship platforms and the information system. Wishing to put data at the heart of the model, in the service of development, client satisfaction, the employee experience and operational efficiency, developments are carried out to continue to open up the IS architecture and open up to new distribution and revenue models by 2024;
- outsourcing low-value-added operations to address variations in business activity or to process specific operations for which adequate in-house skills or expertise is not immediately available;

Natixis Assurances' strategy for these two business lines is therefore to develop a sustainable level of business activity, by maintaining the right balance between price competitiveness and the preservation of fundamental technical parameters.

Personal Insurance

Revenue (direct sales) amounted to €12.5 billion, up 36%. Gross inflows (direct business) in Savings are thus higher than before the health crisis: +12% compared to 2019. Outstandings were up 12% to €81.3 billion. Revenue from personal protection insurance and payment protection insurance improved 14% to €1,214 million in 2021.

Non-Life Insurance

The Non-Life Insurance activity confirmed a real "shift in gear" with an increase in vested contributions of 8% compared to last year to stand at €1,790 million. This growth was driven by auto insurance (+11%) and multi-risk homeowners' insurance (+10%), in line with the acceleration in the growth of the portfolio following the successful deployment of new offers in both networks.

The portfolio of contracts grew by 6% to reach 6.8 million policies at the end of 2021, driven by good sales momentum and control of cancelation rates.

1.2.4 Payments

Natixis Payments is a payment services player backed by Groupe BPCE. It offers all economic players a complete range of payment solutions and related services.

Through its various entities, Natixis Payments operates across the entire value chain, from issuance to acquisition, from online payments to e-wallets and prepaid cards. Natixis Payments therefore provides comprehensive management of domestic and international payment instruments.

It draws on its robust technological grounding, its fintechs and teams of experts to develop a complete range of innovative solutions with carefully selected partners.

The division's organization, built around three business units, reflects all the solutions proposed by the division:

- the Processing BU (Natixis Payment Solutions), in charge of the Electronic Banking and Cash Flow processing activities, on behalf of the Banque Populaire and Caisse d'Epargne networks;
- the Digital Payments BU (Dalenys, Payplug, Xpollens, Joinly) which markets omnichannel e-commerce solutions (Dalenys/PayPlug) and issuance, payment method management (Smoney) and online contributions for non-profit organizations (Joinly). The Dalenys and PayPlug e-commerce offers are aimed at large remitters and small and medium-sized businesses, respectively. Xpollens' (formerly S-money) ensures, via its issuing platform, and in partnership with Visa, the issuance and management of means of payment in a Bank as a Service model (embedded payments);
- the Bimpli BU (formerly the Benefits BU resulting from the merger of the NIT, Comiteo, Titres Cadeaux, Lakooz and Jackpot entities) which offers a wide range of services and benefits to employees (restaurant vouchers, gift cards, ticketing, online prize pools) while at the same time capitalizing on its digital offering;
- in addition to its support functions, the Payments division also relies on its Networks Business Line department to facilitate the marketing of payment offers and solutions by the Banque Populaire and Caisse d'Epargne networks.

Natixis Payments covers all market segments with tailored, user-oriented solutions in the retail, major corporate, SME, government, fintech, non-profit, financial institution and individual markets in Europe.

In 2021, Natixis Payments, as part of the new BPCE 2024 strategic plan, confirmed its ambition to become the French benchmark for the digitization of payments and retail. To this end, Natixis Payments intends to differentiate itself from its competitors by offering a top-notch client experience and capitalizing on its capacity for technological innovation.

The division also continued its development momentum by increasing its workforce by 9%, with talents that complement its range of know-how and provide the skills essential to its development (data, IT build, sales, product management).

1.2.5 Financial investments

Coface

A global expert in trade risk prevention and guarantees for corporate clients

Over 75 years of experience and a dense geographic network have made Coface a benchmark in credit insurance, risk management and the global economy. The experts at Coface, which aims to become the most agile credit insurance partner in its industry, operate in the heart of the global economy. They help their 50,000 clients build successful, dynamic and growth-oriented companies by protecting them from the risk of financial default by their clients. Coface's services and solutions protect companies and help them make the necessary credit-related decisions to strengthen their ability to sell their products on both domestic and export markets.

Changes in governance

On the Board of Directors

On February 10, 2021, Natixis and Arch Capital Group announced that the transaction relating to the sale of 29.5% of the shares of Coface S.A. had obtained all the necessary authorizations. In accordance with the announcements made in February 2020, the directors representing Natixis tendered their resignation.

On January 6, 2022, Natixis announced that it had sold all of its residual stake in the Coface entity.

2

CORPORATE GOVERNANCE

This chapter partially corresponds to the Board of Directors' report on corporate governance as required by the Article L.225-37 of the French Commercial Code (refer to the cross-reference table for the annual financial report and the management report in Chapter [8] of this universal registration document) and includes information on the composition of the Board and the conditions under which its work is prepared and organized, how its governance is structured, and its policy for compensating corporate officers.

2.1 Natixis governance at February 10, 2022

This report has been prepared in accordance with Article L.225-37-4 of the French Commercial Code and contains the following information:

- a list of all offices and functions held in all companies by each of the corporate officers during the fiscal year;
- the composition and the conditions for preparing and organizing the work of the Board;
- a description of the diversity policy applied to the members of the Board of Directors and information relating to the results in terms of gender balance within the Senior Management Committee and, more generally, within the top 10% of positions with the highest responsibility;
- the agreements entered into, directly or through an intermediary, between, on the one hand, one of the corporate officers or one of the shareholders holding more than 10% of the voting rights in a company and, on the other hand, another company controlled by the former within the meaning of Article L.233-3 of the French Commercial Code, with the exception of agreements relating to ongoing transactions and entered into under normal conditions;
- a table summarizing current authorizations granted by the General Shareholders' Meeting in respect of capital increases, pursuant to Articles L.225-129-1 and L.225-129-2 of the French Commercial Code, and showing how these authorizations were used during the fiscal year *(see section 8.3.7.1 of Chapter 8 of this universal registration document);*
- the Senior Management procedures as provided for in Article L.225-51-1 of the French Commercial Code;
- any potential limitations that the Board of Directors places on the powers of the Chief Executive Officer;
- the Corporate Governance Code to which Natixis refers, as well as a summary table of provisions whose application has been rejected;
- the specific conditions governing the participation of shareholders in the General Shareholders' Meeting or the provisions of the bylaws that provide for these terms and conditions *(see section 8.2 of Chapter 8 of this universal registration document)*.

The information in this section takes into account Appendix 6 of Commission Delegated Regulation (EU) No. 2019/980 of March 14, 2019, AMF Recommendation No. 2012-02 as amended on January 5, 2022, consolidating the recommendations published since 2012 by the French Financial Markets Authority, the guide to compiling universal registration documents published by the AMF on January 5, 2022, and lastly the Afep-Medef Corporate Governance Code for listed companies as amended in January 2020 ("Afep-Medef code").

2.1.1 Specific governance

A Board of Directors with a separation of duties of the Chairman of the Board of Directors and Chief Executive Officer

At the Combined General Shareholders' Meeting of April 30, 2009, Natixis changed its form of governance from a joint stock company with a Supervisory Board and a Management Board to a joint stock company with a Board of Directors. The Company has opted for this mode of governance with the aim of creating a single custodian of Natixis' best interests and value creation. It permits unity of action, which is an essential requirement in terms of control, responsiveness and foresight in Company management.

At its meeting of April 30, 2009, Natixis' Board of Directors opted to **separate the positions of Chairman of the Board of Directors and Chief Executive Officer**. This decision was a result of the Company's desire to comply with best practices in corporate governance and to make a clear distinction between the strategic direction, decision-making and control functions that come under the Board of Directors' responsibilities, and the operational and executive functions that fall to the Chief Executive Officer. This decision complies with the obligations applicable to credit institutions since 2014 by the French law transposing the CRD 4 Directive.

Majority and equal representation of the Banques Populaires and Caisses d'Epargne networks

In accordance with the governance rules of Natixis established at the time of its incorporation and as set out in the BPCE bylaws, the Board has a majority and equal representation of the Banques Populaires and Caisses d'Epargne networks; this is accompanied by a balanced representation of the executive and non-executive managers of the two networks.

BPCE's representation

Following the squeeze-out by BPCE effected on July 21, 2021 and the delisting on the same day of the Natixis shares from the regulated market of Euronext Paris, Natixis is nearly wholly owned by BPCE (99.78% as of December 31, 2021).

The Chairman of the BPCE Management Board chairs the Board of Directors of Natixis and BPCE, a legal entity, holds a seat on the Board.

The presence of a third of independent directors

Given the Group's structure and the presence of a majority shareholder, BPCE, the proportion of independent directors is equal to one-third, in strict compliance with Afep-Medef code's recommendations set out in the internal regulations of the Board of Directors of Natixis.

This governance, specific to Natixis, is illustrated by the composition of its Board of Directors as at February 10, 2022 *(see section 2.1.2 below)* and explains the specific cases of derogation from the Afep-Medef code *(see section 2.1.3 below)*.

2.1.2 Summary table of the Board of Directors on February 10, 2022

First name/Last name	Gender	Age (at 31/12/2021)	Nationality	Number of shares	First appointed	Date term of office expires	Length of service	Overall attendance rate on the Board and Committees in 2021[(a)]	Number of mandates in other listed companies	Risk Committee	Audit Committee	Compensation Committee	Appointment Committee	Strategic Committee	CSR Committee
	Personal information				Directorship information					Committees					
Directors from BPCE															
Laurent Mignon (Chairman)	M	58	French	236,700	01/06/2018	2023 AGM	3	100%	2					●	
BPCE Represented by Catherine Halberstadt *(since 01/01/2018)*	F	63	French	3,150,897,741[(c)]	25/08/2009	2023 AGM	12	83%	0	●	●			●	
Independent directors															
Diane de Saint Victor	F	66	French	0	04/04/2019	2025 AGM	2	100%	2			●	★	●	
Nicolas de Tavernost	M	71	French	0	31/07/2013	2025 AGM	8	100%	2			★	●	●	
Anne Lalou	F	58	French	0	18/02/2015	2022 AGM	6	92%	2			●	●	★	★
Catherine Pariset	F	68	French	0	14/12/2016	2023 AGM	5	100%	0	●	★			●	
Bernard Oppetit[(b)] *(until 13/12/2021)*	M	65	French	0	12/11/2009	2022 AGM	12	99%	1	★	●			●	●
Laurent Seyer *(since 13/12/2021)*	M	56	French	0	13/12/2021	2022 AGM	0	N/A	0	★	●			●	●
Directors from Banque Populaire banks															
Alain Condaminas[(b)] *(until 28/05/2021)*	M	64	French	0	29/05/2012	2024 AGM	9	100%	0			●		●	
Dominique Garnier *(since 29/05/2021)*	M	60	French	0	28/05/2021	2024 AGM	0	100%	0			●		●	
Sylvie Garcelon	F	56	French	0	10/02/2016	2024 AGM	5	82%	0		●			●	●
Philippe Hourdain	M	65	French	0	23/06/2020	2022 AGM	1	100%	0				●	●	
Catherine Leblanc	F	66	French	0	23/06/2020	2025 AGM	1	100%	0			●		●	
Directors from Caisse d'Epargne banks															
Daniel de Beaurepaire[(b)] *(until 04/11/2021)*	M	71	French	0	28/05/2019	2023 AGM	2	98%	0		●		●	●	
Didier Dousset *(since 10/02/2022)*	M	66	French	0	10/02/2022	2023 AGM	0	N/A	0		●		●	●	
Dominique Duband	M	63	French	0	06/02/2020	2022 AGM	1	98%	0					●	●
Nicole Etchegoïnberry[(b)] *(until 01/09/2021)*	F	65	French	0	20/12/2018	2024 AGM	3	98%	0	●			●	●	
Laurent Roubin *(from 22/09/2021)*	M	52	French	0	22/09/2021	2024 AGM	0	100%	0	●			●	●	
Christophe Pinault	M	60	French	0	20/12/2018	2025 AGM	3	88%	0	●		●		●	
NUMBER OF MEETINGS IN 2021										8	6	6	4	4	2
AVERAGE ATTENDANCE RATE										90%	90%	95%	96%	100%	88%

★ *Chairman* ● *Member*

(a) Attendance rate by body detailed in the sheet of each director.
(b) Directors whose terms of office ended during fiscal year 2021.
(c) These shares are held by BPCE.

2.1.3 Monitoring table of compliance with the recommendations of the Afep-Medef code

The Company refers to the Afep-Medef Corporate Governance Code, which is available on the Natixis website: ***www.natixis.com***.

As part of the "comply or explain" rule referred to in Article 27.1 of the Afep-Medef code, Natixis believes that its practices comply with the recommendations of the Afep-Medef code. However, certain recommendations in view of the specific nature of its governance mentioned above *(see section 2.1.1 of this chapter)* were excluded for the reasons set out in the following table:

Audit Committee (Article 16.1 of the Code) "The proportion of independent directors on the Audit Committee should be at least equal to two thirds…"	Independent members do not make up two thirds of the Natixis Audit Committee, as recommended by the Afep-Medef code, in order to represent the different components of the Company's main shareholder (members from the Caisse d'Epargne and the Banque Populaire banks, in addition to a Groupe BPCE representative). Strictly following the Afep-Medef code recommendations on the composition of the Audit Committee would require Natixis' independent directors to sit on more than three Special Committees, at the risk of negatively affecting the quality of those Committees' work, in light of the resulting increased workload. That is why Natixis promotes a balance of directors within the Committees, which are, additionally, always chaired by an independent director. It should be noted that the opinions and recommendations of the Audit Committee are only adopted if the majority of members present, including the Chairman, voted for them.
Appointments Committee (Article 17.1 of the Code) "It […] must mostly consist of independent directors."	The number of independent directors on Natixis' Appointments Committee is not greater than half the total number of members, despite the recommendation by the Afep-Medef code. It has a balanced composition (50% independent, 50% non-independent), and the Committee is chaired by an independent director. Like the Audit Committee, strictly following the Afep-Medef code recommendations on the composition of the Appointments Committee would require Natixis' independent directors to sit on more than three Special Committees, at the risk of negatively affecting the quality of that Committee's work, in light of the resulting increased workload. That is why Natixis promotes a balance of directors within the Committee, which is, additionally, always chaired by an independent director. It should be noted that the opinions and recommendations of the Appointments Committee are only adopted if the majority of members present, including the Chairman, voted for them.
Compensation Committee (Article 18.1 of the Code) "It […] must mostly consist of independent directors."	The number of independent directors on the Compensation Committee is not greater than half the total number of members, despite the recommendation by the Afep-Medef code. It has a balanced composition (50% independent, 50% non-independent), and the Committee is chaired by an independent director. Like the Audit Committee and the Appointments Committee, strictly following the Afep-Medef code recommendations on the composition of the Compensation Committee would require Natixis' independent directors to sit on more than three Special Committees, at the risk of negatively affecting the quality of that Committee's work, in light of the resulting increased workload. That is why Natixis promotes a balance of directors within the Committee, which is, additionally, always chaired by an independent director. It should be noted that the opinions and recommendations of the Compensation Committee are only adopted if the majority of members present, including the Chairman, voted for them.
Session of the Board of Directors held without the executive officers (Article 11.3 of the Code) "It is recommended that at least one meeting not attended by the executive corporate officers should be organized each year."	Natixis does not have an executive director on its Board. Nicolas Namias is the Chief Executive Officer of Natixis but not a director. Natixis' Board of Directors does not have a formal arrangement to hold a session without the executive officer present. However, the Chief Executive Officer was not present at the part of the Board Meeting during which his performance was evaluated and his compensation set.
Director ethics (Article 20 of the Code) "The director must be a shareholder in a personal capacity and own a minimum number of shares, which is significant in relation to the directors' fees allocated."	The Company's shares are not offered to the public and are not admitted for trading on a regulated market. In addition, BPCE holds 99.78% of the capital.
Executive corporate officer obligation to hold shares (Article 23 of the Code) "The Board of Directors sets a minimum number of shares that executive corporate officers must hold in registered form until the end of their term of office. This decision is reviewed at least at each renewal of their term of office."	The Company's shares are not offered to the public and are not admitted for trading on a regulated market. In addition, BPCE holds 99.78% of the capital.
Equity ratio (Article 26.2 of the Code) "The report on corporate governance includes […] information on the ratios used to measure the differences between the compensation of executive corporate officers and that of the Company's employees."	Natixis does not apply the recommendation that information should be published on the ratios to measure the differences between the compensation of executive corporate officers and that of the Company's employees. Indeed, the objective pursued by the legislator when drafting this legal provision, now included in the code, is not relevant given the capital structure of Natixis, whose share capital is now almost entirely held by BPCE in which the Banque Populaire and the Caisses d'Epargne banks jointly hold all of the share capital and the voting rights.

2.1.4 Positions and functions held by the corporate officers during the fiscal year

Laurent Mignon

Chairman of the BPCE Management Board

Born 28/12/1963
Nationality: French
Address:
50 avenue Pierre Mendès-France,
75201 Paris Cedex 13

Chairman of the Board of Directors

First appointed:
co-opted as a director and appointed Chairman of the Board by the Board on 01/06/2018 and ratified at the AGM of 28/05/2019

Term expires: 2023 AGM (a)

Member – Strategic Committee

First appointed: Board of Directors Meeting of 01/06/2018

KEY ADVISORY SKILLS

- See the skills map in section 2.2.1.1. C

Attendance rate at governing body meetings in 2021	Board of Directors	Strategic Committee
	100%	100%

A graduate of the HEC business school and Stanford Executive Program, Laurent Mignon worked in several divisions of Banque Indosuez over more than 10 years, including positions on the trading floor and in investment banking. In 1996 he joined Schroders in London, then AGF as Chief Financial Officer in 1997. He was appointed to the AGF Executive Committee in 1998, then became Deputy CEO in charge of Banque AGF, AGF Asset Management and AGF Immobilier in 2002. He became CEO in charge of the Life Insurance and Financial Services and Credit Insurance divisions in 2003, before his appointment as Chief Executive Officer and Chairman of the Executive Committee in 2006. From September 2007 to May 2009 he was managing partner at Oddo et Cie alongside Philippe Oddo.

From May 2009 to May 2018, Laurent Mignon was Chief Executive Officer of Natixis. He has been a member of the BPCE Management Board since August 6, 2013. **Laurent Mignon has been Chairman of the Management Board of BPCE since June 1, 2018.**

Other offices held in 2021:

Within Groupe BPCE

- Member of the Management Board *(since 06/08/2013)* and Chairman of the Management Board *(since 01/06/2018)* of BPCE
- Chairman of the French Banking Association (AFB) *(since 01/09/2021)*
- Chairman of CE Holding Participations *(since 06/06/2018)*

Outside Groupe BPCE

- Member of the Executive Committee of the Fédération Bancaire Française (French Banking Federation) *(since 01/09/2019)*
- Member of the Board of Arkema (1) *(since 27/10/2009)*, AROP (Association pour le Rayonnement de l'Opéra National de Paris) *(since 10/12/2015)*, and CNP Assurances *(since 01/06/2018)*
- Non-voting member of ODDO BHF SCA *(since 29/03/2019)* and FIMALAC *(since 16/04/2019)*

Compliance with stacking rules	Afep-Medef code	French Monetary and Financial Code
	Compliant	Compliant

Offices held in previous fiscal years

2017	2018	2019	2020
Chief Executive Officer of Natixis *(since May 2009)*	(until 31/05/2018)		
Chairman of the Board of Directors of: Natixis Investment Managers (since 01/09/2010)	(until 01/06/2018)		
Coface S.A. (1) *(since 22/11/2012)*	(until 15/06/2018)		
Director of Peter J. Solomon Company LP *(since 08/06/2016)*	(until 30/05/2018)		
Director of Peter J. Solomon GP, LLC *(since 15/12/2017)*	(until 30/05/2018)		
Chairman of the Board of Directors of Natixis Assurances *(since 23/03/2017)*	(until 07/06/2018)		
	Vice-Chairman of the Fédération Bancaire Française (French Banking Federation) *(from 01/06/2018 to 31/08/2018)*		
	Chairman of the Fédération Bancaire Française *(since 01/09/2018)*	(until 31/08/2019)	
	Chairman of the Board of Directors of Crédit Foncier de France *(since 17/05/2018)*	(until 31/07/2019)	
	Chairman of the Association Française des Établissements de Crédit et des Entreprises d'Investissement *(since 01/09/2018)*	(until 31/08/2019)	
	Director of Sopassure *(since 18/06/2018)*		(until 02/02/2020)

(a) 2023 AGM called to approve the financial statements for the year ended 31/12/2022.
(1) Listed company.
(2) Non-group company.

Nicolas Namias

Chief Executive Officer of Natixis

Born 25/03/1976

Nationality: French

Address:
30 avenue Pierre
Mendès-France
75013 Paris

First appointed:
Board of Directors Meeting of 03/08/2020

Term expires: 2024 AGM [(a)]

KEY ADVISORY SKILLS

- Mastery of issues related to finance, corporate strategy, business development, insurance

An alumnus of the elite École Nationale d'Administration (ENA) with degrees from Stanford Graduate School of Business (Executive Program), ESSEC and Institut d'Études Politiques de Paris, Nicolas Namias began his career in 2004 in the Treasury Department of the French Ministry of Economy and Finance. He was first tasked with preparing for the international financial summits of the G8 and G20, before being named as the Government's Substitute Commissioner to the French Financial Markets Authority. In 2008, he joined the Finance division of Groupe BPCE, then became Head of Planning for Commercial Banking and Insurance. In 2012, he was named Technical Advisor to the Prime Minister for the funding of the economy, businesses, and international economic affairs.

Nicolas Namias returned to Groupe BPCE in 2014 as Head of Strategic Planning at Natixis and a member of the Executive Committee. In this role, he has coordinated all acquisitions carried out by Natixis since 2014. In September 2017, he was appointed Chief Financial Officer and Head of Strategic Planning, and as a member of the Natixis Senior Management Committee.

In June 2018, Nicolas Namias was appointed as a member of the BPCE Management Board in charge of Finance, Strategy, Legal Affairs and the Secretary's Office of the Supervisory Board. From November 2018 to August 2020, he was a BPCE Management Board Member in charge of Finance and Group Strategy.

Since August 3, 2020, Nicolas Namias has been the Chief Executive Officer of Natixis and a member of the BPCE Management Board.

Other offices held in 2021:

Within Groupe BPCE

- Member of the BPCE Management Board (since 01/06/2018)
- Chairman of the Board of Directors: Natixis Investment Managers *(since 28/08/2020)*, Natixis Payment Solutions *(since 10/09/2020)*, Natixis Assurances *(since 21/09/2020)*, Coface S.A. [(1)] *(from 09/09/2020 to 10/02/2021)*
- Director of Solomon Partners GP LLC *(since 14/09/2020)*

Outside Groupe BPCE

- Manager of SCI Nantucket *(since July 2018)*

Compliance with stacking rules	Afep-Medef code Compliant	French Monetary and Financial Code Compliant

Offices held in previous fiscal years			
2017	**2018**	**2019**	**2020**
■ Member of the Board of Natixis Partners *(since 13/05/2015)*	▸ (until 10/07/2018)		
■ Member of the Board of Natixis Partners Espana *(since 29/01/2016)*	▸ (until 17/01/2018)		
■ Permanent representative of Natixis HCP, Director of Ellisphère *(from 30/09/2014 to 13/04/2017)*			
■ Chief Executive Officer of Natixis HCP *(from 30/09/2014 to 27/06/2017)*			
■ Vice-Chairman and member of the Supervisory Board of Seventure Partners *(from 24/07/2015 to 18/10/2017)*			
■ Member of the Board of Natixis Assurances *(since 26/10/2017)*	▸ (until 19/06/2018)		
■ Permanent representative of Natixis, Director of Natixis Investment Managers *(since 11/12/2017)*	▸ (until 06/09/2018)		
■ Permanent representative of Natixis, Director of Compagnie Française d'Assurance pour le Commerce Extérieur *(since 11/12/2017)*	▸ (until 06/09/2018)		
		■ Permanent representative of Natixis, Director of Natixis Coficiné *(from 07/02/2018 to 08/11/2018)*	
	■ Permanent representative of BPCE, Director: Crédit Foncier de France *(since 01/06/2018)*	▸ (until 31/07/2019)	
	■ Permanent representative of BPCE, Director of CE Holding Participations *(since 01/06/2018)*		▸ (until 01/12/2020)
		■ Chairman of the Board of Directors: GIE BPCE Financial Services *(from 18/04/2019)*	▸ (until 15/10/2020)
		■ Chairman of the Board of Directors of Crédit Foncier de France *(since 01/08/2019)*	▸ (until 02/10/2020)
	■ Director of: Natixis *Coficiné* *(since 30/11/2018)*		▸ (until 05/05/2020)
■ Permanent representative of Natixis, Member of the Board of IFCIC (Institut pour le Financement du Cinéma et des Industries Culturelles) *(from 16/12/2016)*			▸ (until 16/06/2020)
	■ Deputy Chief Executive Officer of CE Holding Participations *(since 06/06/2018)*		▸ (until 01/12/2020)

(a) 2024 AGM called to approve the financial statements for the year ending 31/12/2023.
(1) Listed company.

BPCE – Permanent representative Catherine Halberstadt

Member of the Senior Management Committee in charge of Financial Solutions and Expertise (SEF) activities

BPCE

Address:
50 avenue Pierre Mendès-France,
75201 Paris Cedex 13

Catherine Halberstadt:

Born 09/10/1958

Nationality: French

Address:
50 avenue Pierre Mendès-France,
75201 Paris Cedex 13

Director

First appointed:
co-opted by the Board of Directors on 25/08/2009 and ratified at the AGM of 27/05/2010

Term expires: 2023 AGM [(a)]

Member – Audit Committee

First appointed: Board of Directors Meeting of 21/12/2017

Member – Risk Committee

First appointed: Board of Directors Meeting of 21/12/2017

Member – Strategic Committee

First appointed: Board of Directors Meeting of 21/12/2017

KEY ADVISORY SKILLS

- Refer to the skills mapping in section 2.2.1.1. C

Attendance rate on governance bodies in 2021	Board of Directors	Audit Committee	Risk Committee	Strategic Committee
	100%	67%	63%	100%

Catherine Halberstadt holds a postgraduate degree in Accounting and another in Business, Administration and Finance from the École Supérieure de Commerce de Clermont-Ferrand. In 1982 she joined Banque Populaire du Massif Central, where she was successively appointed Head of Human Resources, Chief Financial Officer, Chief Operations Officer and, from 2000, Deputy Chief Executive Officer. Catherine Halberstadt became Chief Executive Officer of Natixis Factor in 2008.

Catherine Halberstadt was Chief Executive Officer of Banque Populaire du Massif Central from September 1, 2010 to March 25, 2016.

From January 1, 2016 to October 31, 2018, she served as the BPCE Management Board member in charge of Human Resources, Internal Communications and the Corporate Secretary's Office of BPCE.

Catherine Halberstadt was a member of the Management Board of BPCE in charge of Human Resources from November 1, 2018 to March 25, 2021

Since March 25, 2021, she has been a member of the Senior Management Committee in charge of Financial Solutions and Expertise (SEF) activities.

Other offices held in 2021:

Within Groupe BPCE

- Member of the BPCE Management Board in charge of Human Resources *(from 01/01/2016 to 25/03/2021)*
- Member of the Senior Management Committee in charge of Solutions Expertises Financières (SEF) activities *(since 25/03/2021)*
- Chairwoman and member of the Supervisory Board of SOCFIM *(since 31/03/2021)*
- Chairwoman and Director of the Board of Directors of: BPCE Financement *(since 26/03/2021)*, BPCE Lease *(since 26/03/2021)*, BPCE Real Estate Solutions *(since 31/03/2021)*, Pramex International *(since 15/04/2021)*, BPCE Factor *(since 22/04/2021)*, Compagnie Européenne de Garanties et Cautions (CEGC) *(since 01/04/2021)*
- Director of Oney Bank *(since 14/04/2021)*

Outside Groupe BPCE

- Non-voting member of Bpifrance *(since 18/12/2020)*

Compliance with stacking rules	Afep-Medef code Compliant	French Monetary and Financial Code Compliant

Offices held in previous fiscal years

2017	2018	2019	2020
Director of Crédit Foncier *(since 10/05/2012)*			(until 02/12/2020)
Member of the Board of Bpifrance Financement *(since 12/07/2013)*, Chairwoman of the Appointments Committee and the Compensation Committee, Chairwoman of the Audit Committee and the Risk Committee of Bpifrance Financement *(since 24/09/2015)* [(1)]			(until 18/12/2020)

(a) 2023 AGM called to approve the financial statements for the year ended 31/12/2022.
(1) Non-group company.

Didier Dousset

(since February 10, 2022)
Chairman of the Steering & Supervisory Board of Caisse d'Epargne et de Prévoyance Île-de-France

Born 07/06/1955
Nationality: French
Address:
12 allée du Clos Saint Pierre
94429 Le Plessis-Trévise

Director

First appointed:
co-opted by the Board of Directors on 10/02/2022

Term expires: 2023 AGM [(a)]

Member – Appointments Committee

First appointed: Board of Directors Meeting of 10/02/2022

Member – Audit Committee

First appointed: Board of Directors Meeting of 10/02/2022

Member – Strategic Committee

First appointed: Board of Directors Meeting of 10/02/2022

KEY ADVISORY SKILLS

- See the skills map in section 2.2.1.1. C

Attendance rate at governing body meetings in 2021	Board of Directors	Appointments Committee	Audit Committee	Strategic Committee
	N/A	N/A	N/A	N/A

Didier Dousset began his career in 1978 as a project manager in the office of the mayor of Saint-Maur-des-Fossés. In 1983, he became Director of the Local Authorities Office at the town hall of Plessis-Trévise, then Deputy Mayor of Villiers-sur-Marne (1995-2008).

From 2003 to 2008, he was elected General Councilor of the Val-de-Marne department.

From 2014 to 2016, he served as Vice-Chairman of the Haut-Val-de-Marne urban community. From 2015 to 2017, he was appointed Chairman of the Agence Régionale de l'Environnement et des Nouvelles Énergies (ARENE) and served as Chairman of the Mouvement Démocrate du Val-de-Marne (Modem) from 2014 to 2020.

Since April 28, 2021, Didier Dousset has been Chairman of the Steering & Supervisory Board of Caisse d'Epargne et de Prévoyance Ile-de-France.

Other offices held in 2021:

Within Groupe BPCE

- Member *(since 14/12/2020)*, then Chairman of the Steering & Supervisory Board of Caisse d'Epargne Île-de-France, Chairman of the Compensation Committee and member of the Audit Committee and the Risk Committee *(since 28/04/2021)*
- Member *(since 30/01/2009)*, then Chairman of the Board of Directors of Société Locale d'Epargne Val-de-Marne *(since 16/06/2017)*

Outside Groupe BPCE

- Regional Councilor in charge of the energy transition for Grand Paris Sud Est Avenir *(since 23/03/2016)*
- Metropolitan Councilor for Métropole du Grand Paris *(since 11/03/2016)*
- Mayor of Plessis-Trévise *(since 14/03/2014)*
- Regional Councilor of Île-de-France (from 2015 to June 27, 2021)
- Member of the Board of Directors of Île-de-France Mobilités (formerly STIF) and Université Paris-Est Créteil (UPEC) *(from 2016 to June 27, 2021)*
- Chairman of the Management Board of Agence Régionale de l'Energie et du Climat (AREC) *(from 2017 to June 27, 2021)*
- Chairman of the Commission de l'Environnement et de l'Aménagement du Territoire *(from 2017 to June 27, 2021)*

Compliance with stacking rules	Afep-Medef code Compliant	French Monetary and Financial Code Compliant

Offices held in previous fiscal years

2017	2018	2019	2020
■ Chairman of the Agence Régionale de l'Environnement et des Nouvelles Energies (ARENE) *(from 2015 to 2017)* ■ Chairman of the Mouvement Démocrate (MoDem) of Val-de-Marne *(since November 2014)*			▸ (end of November 13, 2020)

(a) *2023 AGM called to approve the financial statements for the year ended 31/12/2022.*

Dominique Duband

Chairman of the Steering & Supervisory Board of Caisse d'Epargne et de Prévoyance Grand Est Europe

Born 10/03/1958

Nationality: French

Address:
50 rue de Laxou
54000 Nancy

Director

First appointed:
co-opted by the Board of Directors on 06/02/2020
and ratified at the AGM of 20/05/2020

Term expires: 2022 AGM [(a)]

Member – Strategic Committee

First appointed: Board of Directors Meeting of 06/02/2020

Member – ESR Committee

First appointed:
Board of Directors Meeting of 17/12/2020 with effect as of 01/01/2021

KEY ADVISORY SKILLS

- See the skills map in section 2.2.1.1. C

Attendance rate at governing body meetings in 2021	Board of Directors 93%	ESR Committee 100%	Strategic Committee 100%

A graduate of the École Nationale des Travaux Publics de l'État (ENTPE) and having earned a postgraduate degree in Corporate Administration, Dominique Duband began his career as an engineer in the departmental infrastructure directorate, then the general council of the Meurthe-et-Moselle department, before joining Solorem, a semi-public urban planning corporation, in 1989.

In 1991 he joined the Batigère Group as a new building operations Manager. After five years in charge of rental management, he became Director of Batigère Nancy in 1997. In 2001, he was appointed to the Management Board, then Chairman of the Management Board of Batigère from 2002 until 2014. From June 2014 to June 2018 he was Chairman of the Supervisory Board of Batigère.

In 2016 he was appointed Director of the Société Locale d'Épargne Meurthe-et-Moselle.

From 2018 to the end of October 2021, he was a member of the Supervisory Board of Banque BCP Luxembourg. Dominique Duband has been Chairman of the Steering & Supervisory Board of Caisse d'Epargne et de Prévoyance Grand Est Europe since May 28, 2018.

Other offices held in 2021:

Within Groupe BPCE

- Chairman of the Steering & Supervisory Board, Member of the Risk Committee, Chairman of the Compensation Committee and Appointments Committee of Caisse d'Epargne et de Prévoyance Grand Est Europe CEGEE *(since 28/05/2018)*
- Member of the Board of Société Locale d'Épargne Meurthe-et-Moselle *(since 15/02/2016)*
- Member of the Supervisory Board of: Banque BCP Luxembourg *(from 03/07/2018 to end of October 2021)*

Outside Groupe BPCE

- Director of: Presence Habitat *(since 18/06/2009)*, Groupe Batigère *(since 20/07/2017)*, Livie *(since 27/06/2018)*, AMLI *(non-profit) (since 18/06/2008)*, Fédération Nationale des S.A. et Fondations d'HLM (since 16/06/2016), Avec Batigère (non-profit) *(since 29/06/2017)*, Fondation d'Entreprise Batigère *(since 22/05/2017)*, Coallia Habitat *(since 26/06/2019)*, Coallia (non-profit) *(since 26/06/2019)*
- Chairman of the Board of Directors of Interpart *(since 28/06/2018)*

Compliance with stacking rules	Afep-Medef code Compliant	French Monetary and Financial Code Compliant

Offices held in previous fiscal years			
2017	**2018**	**2019**	**2020**
■ Chairman of the Supervisory Board of Batigère-Sarel [1] *(from June 2014 to June 2017)*			
■ Chairman of the Supervisory Board of Batigère [1] *(since 29/06/2014)*	▸ (until 18/06/2018)		
■ Permanent representative of Interpart [1] Director of Soval [1] *(since 18/06/2015)*	▸ (until 19/06/2018)		
■ Permanent representative of Batigère Île-de-France [1], Director of Novigère [1] *(since 30/06/2014)*	▸ (until 20/06/2018)		
■ Permanent representative of Batigère Sarel [1], Director of CILGERE Entreprises Habitat Constructions [1] *(from 07/03/2014 to 20/05/2016)*			
■ Director of AORIF (non-profit) *(from 03/12/2014 to 10/11/2016)*			
■ Member of the Steering & Supervisory Board of Caisse d'Epargne of Lorraine Champagne Ardenne CELCA *(since 2016)*	▸ (until 2018)		
■ Director of Érigère [1] *(since 29/06/2009)*		▸ (until 14/06/2019)	
■ Director of Batigère Rhône-Alpes *(since 19/06/2008)*			▸ (until 17/09/2020)
	■ Director of GIE Batigère Développement Grand Paris [1] *(since 27/06/2017)*	▸ (until 15/05/2019)	
	■ Member of the Supervisory Board of Batigère [1] *(since 29/06/2017)*	▸ (until 25/03/2019)	
	■ Permanent representative of Groupe Batigère, Member of the Supervisory Board of Batigère Île-de-France *(since 26/06/2018)*	▸ (until 31/10/2019)	

(a) 2022 AGM called to approve the financial statements for the year ended 31/12/2021.
(1) Non-group company.

Sylvie Garcelon

Chief Executive Officer of Banque Populaire Aquitaine Centre Atlantique

Born 14/04/1965

Nationality: French

Address:
10 Quai des Queyrires
33072 Bordeaux Cedex

Director

First appointed:
co-opted by the Board of Directors on 10/02/2016
and ratified at the AGM of 24/05/2016

Term expires: 2024 AGM [(a)]

Member – Audit Committee

First appointed: Board of Directors Meeting of 10/02/2016

Member – Strategic Committee

First appointed: Board of Directors Meeting of 10/02/2016

Member – ESR Committee

Date of first reappointment:
Board of Directors Meeting of 17/12/2020 effective 01/01/2021

KEY ADVISORY SKILLS

- See the skills map in section 2.2.1.1. C

Attendance rate at governing body meetings in 2021	Board of Directors	Audit Committee	ESR Committee	Strategic Committee
	93%	83%	50%	100%

A graduate of SKEMA BUSINESS SCHOOL, Sylvie Garcelon joined the Banques Populaires group in 1987 in the General Inspection Department. In 1994 she became Corporate Secretary at SBE before joining the Finance Department of BRED in 2000. In 2003 she joined Natixis where she held positions first in Third-Party Asset Management, then in the Information Systems and Logistics Department. In 2006, she was appointed Chief Executive Officer of M.A. Bank, then Chairwoman of the Management Board in 2010. In April 2013, she joined CASDEN as Deputy Chief Executive Officer before being appointed Chief Executive Officer in May 2015.

Since April 1, 2021, Sylvie Garcelon has been Chief Executive Officer of Banque Populaire Aquitaine Centre Atlantique.

Other offices held in 2021:

Within Groupe BPCE

- Chief Executive Officer of Banque Populaire Aquitaine Centre Atlantique (*since 01/04/2021*)
- Chief Executive Officer of CASDEN Banque Populaire (*from May 2015 to 31/03/2021*)
- Director of the Fondation d'Entreprise Banque Populaire (*since 14/06/2016*), I-BP (*since 01/04/2021*), Albian-IT (*since 01/04/2021*), BP Development (*since 24/06/2021*), SOCAMA (*since 19/05/2021*)
- Treasurer of the Fédération Nationale des Banques Populaires (*since 04/04/2017*)
- BPCE non-voting member (*from 20/12/2018 to 27/05/2021*)

Outside Groupe BPCE

- Chairwoman of Ouest Croissance SCR (*since 24/06/2021*)
- Director of the CNRS (*from 24/11/2017 to 22/11/2021*), Foncière Aquitaine Poitou Charente (*since 01/06/2021*), BP Immo Nouvelle Aquitaine (*since 01/04/2021*), BRG Sud Ouest Investissement (*since 01/04/2021*), Rebondir Nouvelle Aquitaine (*since 01/04/2021*)

Compliance with stacking rules	Afep-Medef code Compliant	French Monetary and Financial Code Compliant

Offices held in previous fiscal years

2017	2018	2019	2020
▪ Chief Executive Officer of the Bureau du Management Financier (absorbed by CASDEN in November 2017) *(from April 2013 to November 2017)* ▪ Director of Banque Palatine, member of the Audit Committee and the Risk Committee *(since 05/10/2016)*			▸ (until 26/05/2020)

(a) *2024 AGM called to approve the financial statements for the year ending 31/12/2023.*

Dominique Garnier

(since May 29, 2021)
Chief Executive Officer of Banque Populaire Alsace Lorraine Champagne

Born 20/06/1961
Nationality: French
Address:
3 rue François de Curel
57000 Metz

Director

First appointed:
co-opted by the Board Meeting of 28/05/2021
with effect as of 29/05/2021

Term expires: 2024 AGM [(a)]

Member – Strategic Committee

First appointed: Board Meeting of 28/05/2021
with effect as of 29/05/2021

Member – Compensation Committee

First appointed: 28/05/2021 with effect as of 29/05/2021

KEY ADVISORY SKILLS

- See the skills map in section 2.2.1.1. C

2

Attendance rate at governing body meetings in 2021	Board of Directors	Compensation Committee	Strategic Committee
	100%	100%	N/A

A graduate of ESSCA, the Banques Populaires Cycle of Higher Studies and the Banques Populaires Center for Further Management Training, Dominique Garnier began his career at Banque Populaire Anjou Vendée before joining Banque Fédérale des Banques Populaires in the General Inspection from 1992 to 1994. In 1995, he was appointed Director of Development at Banque Populaire Anjou Vendée and then Deputy Chief Executive Officer - Chief Operating Officer of Banque Populaire Atlantique in 2002. From 2008 to 2010, he was successively Deputy Director of Strategy at Banque Fédérale des Banques Populaires, Director of Commercial Coordination at BPCE, then Chief Executive Officer of Banque Populaire Sud Ouest. He was appointed Chief Executive Officer of Banque Populaire Aquitaine Centre Atlantique in November 2011.

He joined BPCE in 2018 as Chief Executive Officer of the Financial Solutions and Expertise division (SEF) before being appointed **Chief Executive Officer of Banque Populaire Alsace Lorraine Champagne on May 20, 2021.**

Other offices held in 2021:

Within Groupe BPCE

- Chief Executive Officer of Banque Populaire Alsace Lorraine Champagne (BPALC) *(since 20/05/2021)*
- Permanent representative of BPALC, Director of Informatique Banque Populaire (iBP) *(since 20/05/2021)*
- Permanent representative of BPALC, Director of Batigère Groupe SAS *(since 25/05/2021)*
- Director of the Fédération Nationale des Banques Populaires *(since 11/06/2021)*
- Chief Executive Officer, member of the BPCE Senior Management Committee in charge of the SEF ("Financial Solutions and Expertise") activities *(from April 2019 to May 2021)*
- Chairman of the Board of Directors of: BPCE Factor *(from April 2019 to April 2021)*, BPCE Financement *(from April 2019 to April 2021)*, BPCE Lease *(from April 2019 to March 2021)*, Pramex International *(from June 2019 to April 2021)*, BPCE Solutions Immobilières *(from March 2019 to March 2021)*, CEGC *(from April 2019 to April 2021)*, and Oney Bank *(from October 2019 to April 2021)*
- Chairman of the Supervisory Board of Société Centrale pour le Financement de l'Immobilier (SOCFIM) *(from February 2019 to March 2021)*

Compliance with stacking rules	Afep-Medef code Compliant	French Monetary and Financial Code Compliant

Offices held in previous fiscal years

2017	2018	2019	2020
■ Chief Executive Officer of Banque Populaire Aquitaine Centre Atlantique *(from November 2011)*	▸ (until November 2018)		
	■ Chief Executive Officer member of the BPCE Senior Management Committee in charge of managing the integration of the factoring, surety and guarantee, leasing, consumer financing and securities activities business lines *(from December 2018)*	▸ (until March 2019)	
	■ Director of Compagnie Financement Foncier (SCF) *(from 16/05/2018 to 30/11/2018)*		
■ Vice-Chairman of the Board of Directors of Fondation d'entreprise Banque Populaire *(since 14/06/2016)*	▸ (until 30/11/2018)		
■ Director of Crédit Foncier *(since 15/10/2009)*, IAE Bordeaux *(since 18/11/2014)*, Natixis Coficiné *(since 29/04/2015)*	▸ (until 30/11/2018)		
■ Non-voting member of BPCE *(since 09/05/2017)*	▸ (until 30/11/2018)		
■ Ex officio member of Crédit Maritime du Littoral du Sud Ouest *(since 01/09/2010)*	▸ (until 04/06/2018)		
■ Permanent representative of BPACA, Director of Albian IT *(since November 2011)*, Association des BP pour la creation d'Entreprise *(since 10/11/2011)*, GIE BPCE-IT *(since 17/07/2015)*, Informatiques Banques Populaires *(since 28/06/2012)*, Ouest Croissance *(since November 2011)*, Socama Aquitaine Centre Atlantique *(since 08/11/2011)*, Socami Centre Atlantique *(since 08/11/2011)*, Socami du Sud Ouest *(since 08/11/2011)*	▸ (until 30/11/2018)		
■ Permanent representative of BPACA, Chairman of the Supervisory Board of Ouest Croissance Gestion *(since 06/06/2019)*	▸ (until 30/11/2018)		

(a) 2024 AGM called to approve the financial statements for the year ending 31/12/2023.

Philippe Hourdain

Chairman of the Board of Directors of Banque Populaire du Nord

Born 19/06/1956

Nationality: French

Address:
847 avenue de la République
59700 Marcq-en-Barœul

Director

First appointed:
Board of Directors Meeting of 23/06/2020

Term expires: 2022 AGM [(a)]

Member – Appointments Committee

First appointed: Board of Directors Meeting of 23/06/2020

Member – Strategic Committee

First appointed: Board of Directors Meeting of 23/06/2020

KEY ADVISORY SKILLS

- See the skills map in section 2.2.1.1. C

Attendance rate at governing body meetings in 2021	Board of Directors	Appointments Committee	Strategic Committee
	100%	100%	100%

With a postgraduate degree from the IAE business school in Lille, Philippe Hourdain began his career in 1979 in sales at France Rail Publicité before taking over as regional head for the company.

In 1983, he joined advertising publishing agency Epure as sales Director, and in 1986, he was appointed special advisor at the French Ministry for Industry, seconded to the State Secretary for Tourism. From 1988 to 1994, he held the position of sales Director of printing group Techniphoto. He then chaired SAS Investissements et Actions from 1994 to 2018. Philippe Hourdain was also founding Chairman of HPC-ADLIS from 1994 to 2018.

Within Groupe BPCE, Philippe Hourdain has been **Chairman of the Board of Directors of Banque Populaire du Nord since October 16, 2016**.

Other offices held in 2021:

Within Groupe BPCE

- Chairman of the Board of Directors of Banque Populaire du Nord *(since 16/10/2016)*

Outside Groupe BPCE

- Chairman of CCI Région Hauts de France *(since 23/06/2016)*
- Chairman of Norlink Fédération *(since September 2020)*
- Member of the Board of SAS CCIWEBSTORE *(since 26/09/2018)*
- Non-associate Manager of SCI Templemars 4 *(since 17/08/2018)*
- Manager of SCI Lille II *(since 19/01/2005)*

Compliance with stacking rules	Afep-Medef code Compliant	French Monetary and Financial Code Compliant

Offices held in previous fiscal years

2017	2018	2019	2020
Chairman of the Norlink Ports association *(from 25/01/2017)*.		▸ (until December 2019)	
Chairman of SAS Investissements et Actions *(since 1994)*.	▸ (until 2018)		
Founding Chairman of HCP-ADLIS [(1)] *(since 1994)*	▸ (until 2018)		
		Director of the Groupement des Acteurs Régionaux Portuaires (GARP) [(1)] *(from 26/11/2019 to 31/12/2019)*	
Chairman of the Ports of Lille *(since February 2010)*			▸ (end of April 2020)
Chairman of GIE CMDU *(since 20/04/2012)*			▸ (until 30/09/2020)
	Member of the Board of BPCE Financement *(since 27/11/2018)*.		▸ (until 25/11/2020)

(a) 2022 AGM called to approve the financial statements for the year ended 31/12/2021.

(1) Non-group company.

Anne Lalou

Dean of the Web School Factory and Chairwoman of the Innovation Factory

Born 06/12/1963

Nationality: French

Address:
59 rue Nationale
75013 Paris, France

Independent director

First appointed:
co-opted by the Board of Directors on 18/02/2015
and ratified at the AGM of 19/05/2015

Term expires: 2022 AGM (a)

Chairwoman – Strategic Committee

First appointed: Board of Directors Meeting of 18/02/2015

Member – Compensation Committee

First appointed: Board of Directors Meeting of 18/02/2015

Member – Appointments Committee

First appointed: Board of Directors Meeting of 18/02/2015

Chairwoman – ESR Committee

Date of first reappointment:
Board of Directors Meeting of 17/12/2020 effective 01/01/2021

KEY ADVISORY SKILLS

- See the skills map in section 2.2.1.1. C

Attendance rate at governing body meetings in 2021	Board of Directors	Appointments Committee	Compensation Committee	ESR Committee	Strategic Committee
	100%	75%	83%	100%	100%

A graduate of the ESSEC Business School, Anne Lalou began her career as a Manager and then Assistant Director in the M&A Department at Lazard in London then Paris. She was then made Head of Outlook and Development at Havas in Paris. She was Chairwoman and Chief Executive Officer of Havas Édition Électronique before joining Rothschild & Cie as Managing Director.

Anne Lalou joined Nexity in 2002 where she served as General Secretary and Director of Development, before her appointment as Chief Executive Officer of Nexity-Franchises in 2006, then as Deputy Chief Executive Officer of the Distribution division until 2011.

Anne Lalou has been Dean of the Web School Factory since 2012, and Chairwoman of the Innovation Factory since 2016.

Other offices held in 2021:

- Dean of the Web School Factory *(since April 2012)*
- Chairwoman of Innovation Factory *(since 2016)*
- Member of the Supervisory Board *(since 07/05/2010)*, Chairwoman of the ESR Committee *(since 2014)*, member of the Finance Committee *(since 2012*) and member of the Digital Committee of Eurazeo *(since 2021)* (1)
- Director *(since 18/03/2014)*, member *(since 22/06/2017)* and Chairwoman of the Compensation and Appointments Committee *(since October 2020)* of Korian (1)

Compliance with stacking rules	Afep-Medef code Compliant	French Monetary and Financial Code Compliant

Offices held in previous fiscal years

2017	2018	2019	2020
▪ Chairwoman of the Compensation and Appointments Committee of Korian Medica S.A. (1) (2) *(from 18/03/2014 to 22/06/2017)* ▪ Chairwoman of the Ethics, Quality and ESR Committee *(since 22/06/2017)*			▸ (end in October 2020)

(a) 2022 AGM called to approve the financial statements for the year ended 31/12/2021.
(1) Listed company.
(2) Non-group company.

Catherine Leblanc

Chairwoman of the Board of Directors of Banque Populaire Grand Ouest

Born 11/02/1955

Nationality: French

Address:
15 boulevard de la Boutière
35768 Saint-Grégoire cedex

Director

First appointed:
Board of Directors Meeting of 23/06/2020

Term expires: 2025 AGM [(a)]

Member – Compensation Committee

First appointed: Board of Directors Meeting of 23/06/2020

Member – Strategic Committee

First appointed: Board of Directors Meeting of 23/06/2020

KEY ADVISORY SKILLS

- See the mapping of expertise in section 2.2.1.1. C

Attendance rate at governing body meetings in 2021	Board of Directors	Compensation Committee	Strategic Committee
	100%	100%	100%

A graduate of Université Paris XI and holder of a PhD in law, Catherine Leblanc began her career in 1980 as legal counsel at the Fédération Nationale de la Mutualité Française, then as senior advisor for the Centre National sur les Droits de la Femme in 1982.

In 1983, she joined the Paris Chamber of Commerce and Industry. She held various positions including Director of Finance and Human Resources (from 1990 to 1999) and Director of Development (from 1999 to 2000).

In 2001, she joined the ESSCA School of Management as Academic and Research Director. She was then appointed Deputy Chief Executive Officer of ESSCA in 2006, before becoming Chief Executive Officer in 2007 until November 2018.

Within Groupe BPCE, Catherine Leblanc has been Chairwoman of the Board of Directors of Banque Populaire Grand Ouest since May 21, 2019.

Other offices held in 2021:

Within Groupe BPCE

- Chairwoman of the Board of Directors of Banque Populaire Grand Ouest *(since 21/05/2019)*

Outside Groupe BPCE

- Member of the Board of Association Saint Yves Université Catholique de l'Ouest *(since 15/06/2019)*

Compliance with stacking rules	Afep-Medef code Compliant	French Monetary and Financial Code Compliant

Offices held in previous fiscal years

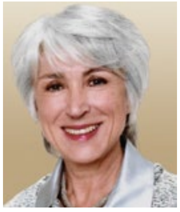
2017	2018	2019	2020
Manager of SCI Boudou Bleu [(1)] *(since 2002)*		(until 2019)	
Director of Banque Populaire Atlantique *(from 27/04/2010 to 06/12/2017)*			
Member of the International Advisory Board of the Antwerp Management School *(since January 2016)*		(until December 2019)	
Member of the International Advisory Board of Deakin University [(1)] *(since March 2016)*		(until December 2019)	
Vice-Chairwoman of Banque Populaire Grand Ouest *(since 07/12/2017).*		(until 21/05/2019)	
Director of BPCE Factor *(since 02/12/2016)*			(until 03/12/2020)

(a) 2025 AGM called to approve the financial statements for the year ending 31/12/2024.

(1) Non-group company.

Catherine Pariset

Member of the Board of Directors of PSA Finance, Generali Vie and Generali IA



Born 22/08/1953

Nationality: French

Address:
19 rue Ginoux
75015 Paris, France

Independent director

First appointed:
co-opted by the Board of Directors on 14/12/2016,
and ratified at the AGM of 23/05/2017

Term expires: 2023 AGM [(a)]

Chairwoman – Audit Committee

First appointed: Board of Directors Meeting of 14/12/2016

Member – Risk Committee

First appointed: Board of Directors Meeting of 14/12/2016

Member – Strategic Committee

First appointed: Board of Directors Meeting of 14/12/2016

KEY ADVISORY SKILLS

- See the skills map in section 2.2.1.1. C

Attendance rate at governing body meetings in 2021	Board of Directors	Audit Committee	Risk Committee	Strategic Committee
	100%	100%	100%	100%

With a master's degree in Management from the University of Paris IX Dauphine, Catherine Pariset spent thirty-five years in audit and consulting, and was a partner at PricewaterhouseCoopers (PwC) from 1990 to 2015. Catherine Pariset was the partner in charge of the global audit of AXA, Sanofi, Crédit Agricole, Caisse des Dépôts, Compagnie des Alpes and Generali France. She also served as a member of the PwC Board for seven years, and was partner overseeing the insurance and banking sectors.

Other offices held in 2021:

- Director, Chairwoman of the Appointments and Compensation Committee, Member of the Audit Committee and of the Risk Committee of Banque PSA Finance *(since 22/02/2019)*
- Director and member of the Special Committees of Generali Vie and Generali IA *(since 11/03/2020)*

Compliance with stacking rules	Afep-Medef code Compliant	French Monetary and Financial Code Compliant

Offices held in previous fiscal years

2017	2018	2019	2020
▪ Member of the Supervisory Board of Eurodisney SCA [(1)] *(from 17/02/2016 to 13/09/2017)* ▪ Member of the Supervisory Board of Eurodisney Associés SCA *(from 17/02/2016 to 13/09/2017)* ▪ Member of the Eurodisney Audit Committee *(from 09/11/2016 to 13/09/2017)*			

(a) 2023 AGM called to approve the financial statements for the year ended 31/12/2022.
(1) Listed company.

Christophe Pinault

Chairman of the Management Board of Caisse d'Epargne et de Prévoyance Bretagne Pays de Loire

Born 26/11/1961

Nationality: French

Address:
15, avenue de la Jeunesse
44703 Orvault Cedex

Director

First appointed:
co-opted by the Board of Directors on 20/12/2018
and ratified at the AGM of 28/05/2019

Term expires: 2025 AGM [(a)]

Member – Risk Committee

First appointed: Board of Directors Meeting of 20/12/2018

Member – Compensation Committee

First appointed: Board of Directors Meeting of 20/12/2018

Member – Strategic Committee

First appointed: Board of Directors Meeting of 20/12/2018

KEY ADVISORY SKILLS

- See the skills map in section 2.2.1.1. C

Attendance rate at governing body meetings in 2021	Board of Directors	Risk Committee	Compensation Committee	Strategic Committee
	93%	75%	83%	100%

A graduate of ISC Paris Business School, ITB (Institut Technique Bancaire) and ICG IFG (Institut Français de Gestion), Christophe Pinault began his career in 1984 at Banque Populaire Anjou-Vendée before moving to Crédit Agricole de la Mayenne and Crédit Mutuel Anjou.

In 2002 he joined Caisse d'Epargne des Pays de la Loire as Head of the Network, then Member of the Management Board in charge of Development. He then joined Crédit Foncier in 2007 as Deputy Chief Executive Officer in charge of Development. In 2013 he was appointed Chairman of the Management Board of Caisse d'Epargne Côte d'Azur.

He has been Chairman of the Management Board of Caisse d'Epargne et de Prévoyance Bretagne Pays de Loire since April 24, 2018.

Other offices held in 2021:

Within Groupe BPCE

- Chairman of the Management Board of Caisse d'Epargne Bretagne Pays de Loire CEBPL *(since 24/04/2018)*
- Chairman of the Supervisory Board of: Batiroc Bretagne-Pays de Loire *(since 04/05/2018)*, Sodero Gestion SAS *(since 04/05/2018)*
- Chairman of the Board of Directors of Sodero Participations SAS *(since 04/05/2018)*
- Permanent Representative of CEBPL, Member of the Board of GIE IT-CE *(since 14/05/2018)*
- Director of: FNCE *(since 27/04/2018)*, Turbo *(since 18/07/2019)*
- Member of the Board and Treasurer of the Belem Foundation *(since 02/07/2015)*

Compliance with stacking rules	Afep-Medef code Compliant	French Monetary and Financial Code Compliant

Offices held in previous fiscal years

2017	2018	2019	2020
- Chairman of the Management Board of Caisse d'Epargne et de Prévoyance Côte d'Azur CECAZ *(since 01/07/2013)*	▸ (until 26/04/2018)		
- Permanent Representative of CECAZ, Member of the Board of ERILIA *(since 03/06/2016)*	▸ (until 26/04/2018)		
- Member of the Board of GIE Caisse d'Epargne Syndication Risque *(since 22/05/2014)*	▸ (until 26/04/2018)		
- Director of BPCE Assurances (since 12/06/2007) and member of the Audit and Risk Committee *(since 05/12/2017)*			▸ (until 02/07/2020)
- Natixis Investment Managers *(since 21/05/2013)* and member of the Audit and Accounts Committee *(since 12/12/2017)*	- then Chairman of the Audit and Accounts Committee *(since 11/09/2018)* - Member of the Board of IXION *(from 29/03/2018 to 12/11/2018)* - Permanent Representative of CEBPL, non-voting member of ERILIA *(from 14/05/2018 to 12/11/2018).*		▸ (until 09/12/2020)
- Chairman of the Supervisory Board of CE Développement SAS *(since 13/12/2016)*			▸ (until 03/12/2020)
- Member of the Supervisory Board of Seventure Partners *(since 25/07/2016)*			▸ (until 16/12/2020)
- Member of the Supervisory Board of Alliance Entreprendre SAS *(since 29/09/2016)*			▸ (until 17/11/2020)
- Member of the Supervisory Board of Caisse d'Epargne Capital *(since 08/11/2016)*, then Chairman *(since 14/06/2017)*			▸ (until 15/12/2020)

(a) 2025 AGM called to approve the financial statements for the year ending 31/12/2024.

Laurent Roubin

(since September 22, 2021)
Chairman of the Management Board of Caisse d'Epargne Hauts de France

Born 02/11/1969
Nationality: French
Address:
135 Pont de Flandres
59777 Euralille

Director

First appointed:
co-opted by the Board of Directors on 22/09/2021

Term expires: 2024 AGM [(a)]

Member – Risk Committee

First appointed: Board of Directors Meeting of 22/09/2021

Member – Appointments Committee

First appointed: Board of Directors Meeting of 22/09/2021

Member – Strategic Committee

First appointed: Board of Directors Meeting of 22/09/2021

KEY ADVISORY SKILLS

- See the skills map in section 2.2.1.1. C

Attendance rate at governing body meetings in 2021	Board of Directors	Risk Committee	Appointments Committee	Strategic Committee
	100%	100%	100%	N/A

Laurent Roubin is a graduate of the École Centrale Paris and the University of Stanford (Executive Program). He holds a DESS from the University of Paris-Dauphine.

He began his career in 1992 at the Compagnie Bancaire Group holding company, then in the Risk Department of Cetelem Spain (BNP PARIBAS Group). In 1996, he joined PriceWaterhouseCoopers Management in the Banking and Financial Institutions Department.

In 2002, he was appointed to the Management Board of the Caisse d'Epargne du Pas-de-Calais, in charge of finance and risks.

In 2005, he joined Ixis Asset Management and became head of operations at Natixis Asset Management.

He joined Caisse Nationale des Caisses d'Epargne in 2008 to become Head of Business Development for the Caisses d'Epargne at BPCE. In 2011, he was appointed Chairman of the Management Board of Caisse d'Epargne de Picardie. In 2016, he became a member of the Groupe BPCE Management Board, Chief Executive Officer in charge of Retail Banking and Insurance.

Since 2018, Laurent Roubin has been Chairman of the Management Board of Caisse d'Epargne Hauts de France.

Other offices held in 2021:

Within Groupe BPCE

- Chairman of the Management Board of Caisse d'Epargne Hauts de France *(since 19/10/2018)*
- Chairman of the Board of Directors of SIA Habitat *(since 12/11/2018)*
- Vice-Chairman of FNCE *(since 05/05/2021)*
- Member of the Supervisory Board of Société Immobilière Grand Hainaut (SIGH) *(since 12/11/2018)*, then Chairman of the Supervisory Board *(since 14/06/2019)*
- Chairman of the Comité Régional FBF des Hauts-de-France *(from 12/11/2018 to 30/06/2021)*
- Chairman of the Hauts-de-France FBF Regional Committee *(from 12/11/2018 to 30/06/2021)*
- Chairman of the Board of Directors of BPCE International et Outre-Mer *(from 25/05/2016 to 17/12/2021)*
- Director of: Fondation d'Entreprise Caisse d'Epargne *(from 12/11/2018 to 17/05/2021)*, Oney Bank *(from 22/10/2019 to 20/10/2021)*
- Permanent representative of CEHDF, Director of: BPCE IT *(since 12/11/2018)*, Habitat en Région Participations *(since 22/04/2021)*
- Permanent representative of CEHDF, member of the Supervisory Board of IT-CE *(since 12/11/2018)*
- Treasurer of the Fondation des Possibles - Fondation d'Entreprise *(since 12/11/2018)*
- Manager SNC Ecureuil 5 rue Masseran *(since 05/05/2021)*

Outside Groupe BPCE

- Permanent representative of CEHDF, member of the Supervisory Board of Euratechnologies *(since 29/01/2019)*

Compliance with stacking rules	Afep-Medef code Compliant	French Monetary and Financial Code Compliant

Offices held in previous fiscal years

2017	2018	2019	2020
■ Member of the BPCE Management Board *(since 17/05/2016)*	▸ (until 01/11/2018)		
■ Chairman of the Board of Directors of Banque Palatine *(since 24/05/2016)*	▸ (until 19/11/2018)		
■ Director of Crédit Foncier *(since 26/07/2016)*	▸ (until 01/11/2018)		
■ Permanent representative of BPCE, non-voting member of Erilia *(since 2016)*	▸ (until 31/10/2018)		
■ Member of the Supervisory Board of Fidor Bank *(since 23/03/2017)*		▸ (until 22/07/2019)	
	■ Permanent representative of BPCE, Director of Natixis Investment Managers *(from 11/06/2018 to 01/11/2018)*		

(a) 2024 AGM called to approve the financial statements for the year ending 31/12/2023.

Diane de Saint Victor

Member of the Board of Directors of C&A, Imperial Brands and Transocean

Born 20/02/1955
Nationality: French
Baarerstrasse 63
6300 Zug
Switzerland

Independent director

First appointed:
co-opted by the Board of Directors on 04/04/2019
and ratified at the AGM of 28/05/2019

Term expires: 2025 AGM [(a)]

Chairwoman – Appointments Committee

First appointed: Board of Directors Meeting of 04/04/2019

Member – Compensation Committee

First appointed: Board of Directors Meeting of 04/04/2019

Member – Strategic Committee

First appointed: Board of Directors Meeting of 04/04/2019

KEY ADVISORY SKILLS

- See the skills map in section 2.2.1.1. C

Attendance rate at governing body meetings in 2021	Board of Directors	Appointments Committee	Compensation Committee	Strategic Committee
	100%	100%	100%	100%

A lawyer by training with an advanced degree in corporate law and another in international law, Diane de Saint Victor started her career as a lawyer in 1977 before joining Thales in 1987 as a legal consultant. From 1988 to 1993 she was a legal consultant at General Electric in the Healthcare division, and then internationally in France and the United States.

In 1993, she joined Honeywell where, for 10 years, she served as Company Secretary for Europe, then International and Vice-Chairwoman for Public Affairs Europe in departments in both France and Belgium.

From 2004 to 2006 she was Senior Vice-Chairwoman and Company Secretary of EADS (Airbus) in France.

From 2007 to November 2020, she was General Secretary and General Counsel of ABB, then General Secretary of ABB until the end of March 2020.

She became a member of the Board of Directors of Transocean (since May 2020), C&A (since October 2021) and Imperial Brands (since November 2021).

Other offices held in 2021:

- Member of the Board of Directors, member of the Audit Committee and of the Health, Safety, Environmental & Sustainability Committee *(since 07/05/2020)* at Transocean [(1)]
- Member of the Board of Directors of C&A *(since 14/10/2021)* and member of the Compensation Committee *(since 14/10/2021)*
- Member of the Board of Directors of Imperial Brands *(since 15/11/2021)* and member of the Compensation Committee and the People & Governance Committee *(since 15/11/2021)*

Compliance with stacking rules	Afep-Medef code Compliant	French Monetary and Financial Code Compliant

Offices held in previous fiscal years

2017	2018	2019	2020
ABB General Secretary *(since 2007)*			(until 31/03/2020)
Director at Barclays Bank PLC & Barclays Bank PLC *(since 2013)*	(until March 2017)		
Company Secretary and member of the Executive Committee of ABB Ltd [(1)] *(since 2007)*		(until 11/12/2019)	
Vice-Chairwoman of the Board of Directors of ABB Asea Brown Boveri Ltd *(since 2007)*		(until 31/12/2019)	
Member of the Board of Directors of the US Chamber of Commerce in France *(since 2017)*		(until 31/12/2019)	
		Member of the Board of Directors, member of the Audit Committee, the Stakeholders' Relations Committee and the Corporate social responsibility Committee of ABB India Ltd [(1)] *(since 13/11/2019)*	(until 31/07/2020)
		Member of the Board of Directors, Chairwoman of the Compensation Committee and member of the Audit Committee of Altran Technologies *(since 15/05/2019)*	(until 21/04/2020)

(a) *2025 AGM called to approve the financial statements for the year ending 31/12/2024.*
(1) *Listed company.*

Laurent Seyer
(since December 13, 2021)

Born 16/02/1965

Nationality: French

Address:
38 quater rue de Tourville
78100 Saint-Germain-en-Laye

Independent Director

First appointed:
co-opted by the Board of Directors on 13/12/2021

Term expires: AGM 2022 (a)

Chairman – Risk Committee

First appointed: Board of Directors Meeting of 13/12/2021

Member – Audit Committee

First appointed: Board of Directors Meeting of 13/12/2021

Member – ESR Committee

First appointed: Board of Directors Meeting of 13/12/2021

Member – Strategic Committee

First appointed: Board of Directors Meeting of 13/12/2021

KEY ADVISORY SKILLS

- See the skills map in section 2.2.1.1. C

Attendance rate at governing body meetings in 2021	Board of Directors	Audit Committee	Risk Committee	ESR Committee	Strategic Committee
	N/A	N/A	N/A	N/A	N/A

Laurent Seyer spent 24 years at Société Générale where he held various management positions in the General Inspectorate, mergers & acquisitions and equity derivatives. He was Chairman and CEO of Lyxor Asset Management from 2006 to 2012.

He then joined AXA Investment Managers LLC in Paris as a member of the Management Board, first as Global Head of Multi Asset Client Solutions and subsequently Global Head of Client Group.

In 2014, he joined MSCI Inc. in London as Global Head of Client Coverage before becoming Chief Client Officer and Chief Operating Officer until 2020.

Other offices held in 2021:

- Chairman of Ellesse SAS *(since 27/11/2020)*

Compliance with stacking rules	Afep-Medef code Compliant	French Monetary and Financial Code Compliant

Offices held in previous fiscal years

2017	2018	2019	2020
▪			

(a) 2022 AGM called to approve the financial statements for the year ended 31/12/2021.

Nicolas de Tavernost

Chairman of the Groupe M6 Management Board

Born 22/08/1950
Nationality: French
Address:
89, Avenue Charles de Gaulle
92575 Neuilly sur Seine Cedex

Independent director
First appointed: AGM of 31/07/2013
Term expires: 2025 AGM [a]

Chairman – Compensation Committee
First appointed: Board of Directors Meeting of 06/08/2013

Member – Appointments Committee
First appointed: Board of Directors Meeting of 17/12/2014

Member – Strategic Committee
First appointed: Board of Directors Meeting of 06/08/2013

KEY ADVISORY SKILLS
- See the skills map in section 2.2.1.1. C

Attendance rate at governing body meetings in 2021	Board of Directors	Appointments Committee	Compensation Committee	Strategic Committee
	100%	100%	100%	100%

A graduate of Sciences Po Bordeaux and holding a post-graduate degree (DES) in public law, Nicolas de Tavernost began his career in 1975 with the cabinet of Norbert Ségard, Secretary of State for Foreign Trade, then moved to the French Post and Telecommunications Services. In 1986, he took over as Head of Audiovisual Operations at Lyonnaise des Eaux, during which time he oversaw the plans to create M6.

In 1987 he was appointed Deputy CEO of Métropole Télévision M6, where he has served as Chairman of the Management Board since 2000.

Other offices held in 2021:

Within RTL group

- Chairman of the Groupe M6 Management Board[1] *(since May 2000)*
- Chairman and Member of the Board of Société Nouvelle de Distribution *(since June 2019)*
- Member of the Board of Groupe M6 Fondation d'Entreprise *(since 2018)*
- Member of the Supervisory Board of Salto Gestion *(from 16/09/2019 to 10/03/2021)*
- Permanent Representative of M6 Publicité, Director of: M6 Diffusion S.A. *(since 2013)*, M6 Editions S.A., M6 Événements S.A. *(since 15/03/2012)*
- Permanent Representative of Métropole Télévision, Director of: Extension TV SAS, C. Productions S.A. *(since 21/10/2012)*, Société d'Exploitation Radio Chic – SERC S.A. *(since 02/10/2017)*, Société de Développement de Radio diffusion – SODERA S.A. *(since 02/10/2017)*, and Médiamétrie *(from 22/11/2017 to 27/04/2021)*
- Permanent representative of Métropole Télévision, Chairman of: M6 Publicité S.A. *(since 2001)*, Immobilière M6 SAS *(since 2001)*, M6 Interactions SAS *(since 2001)*, M6 Foot SAS *(since 2001)*, M6 Distribution Digitale SAS *(since 2019)*
- Permanent Representative of C. Productions S.A., Member of the Board of M6 Films S.A. *(since 01/01/2015)*
- Permanent Representative of Métropole Télévision, Managing Partner of SCI 107 avenue Charles de Gaulle *(since 2001)*
- Representative of RTL Group, Member of the Supervisory Board and Vice-Chairman of the Compensation Committee of Atresmedia 1 *(since 29/10/2003)*

Outside RTL group

- Member of the Board of GL Events S.A. *(since May 2008)*
- Volunteer member of the Board of the RAISE endowment fund *(since 22/11/2013)* and of Polygone S.A. *(from 02/03/2013 to 31/12/2021)*
- Chairman of Sortir de prison intégrer l'entreprise (SPILE), a non-profit under French law 1901 that helps ex-offenders find work, and Chairman of the Groupe M6 Management Board *(from April 2013 to 12/01/2021)*
- Chairman of the Association des Chaînes Privées *(since December 2020)*

Compliance with stacking rules	Afep-Medef code Compliant	French Monetary and Financial Code Compliant

Offices held in previous fiscal years

2017	2018	2019	2020
▪ Permanent representative of Métropole Télévision [2], Chairman of TCM DA SAS *(from 27/06/2013 to 20/11/2017)*			
▪ Member of the Board of the Football Club des Girondins de Bordeaux *(since 2001)*	▸ (until 06/11/2018)		
▪ Permanent Representative of Métropole Télévision, Member of the Board of SASP Football Club des Girondins de Bordeaux *(since 2012)*	▸ (until 06/11/2018)		
▪ Permanent representative of Métropole Télévision, Director of Société Nouvelle de Distribution S.A. *(since June 2011)*		▸ (until 27/06/2019)	
▪ Permanent representative of Métropole Télévision, Chairman of M6 Digital Services *(since June 2011)*		▸ (until 01/02/2019)	
▪ Permanent representative of Métropole Télévision, Chairman of SNC Catalogue MC SAS *(since 22/07/2016)*		▸ (until 20/06/2019)	
▪ Member *(since 18/12/2002)*, then Chairman of the Supervisory Board *(since 02/10/2017)* of Ediradio S.A. (RTL/RTL2/FUN RADIO)	▸ (until 30/04/2018)		
▪ Member of the Board of Directors of RTL France Radio *(since 02/10/2017)*	▸ (until 28/06/2018)		
▪ Permanent representative of Métropole Télévision, Director of IP France S.A. *(since 02/10/2017)*	▸ (until 31/05/2018)		
▪ Permanent representative of Métropole Télévision, Director of IP Régions S.A. *(since 02/10/2017)*	▸ (until 31/05/2018)		
▪ Permanent representative of Métropole Télévision, Chairman of SNC Audiovisuel FF SAS *(since 20/07/2017)*		▸ (until 20/06/2019)	
▪ Permanent representative of Métropole Télévision, Chairman of M6 Bordeaux SAS *(since 2001)*			▸ (until 31/12/2020)
	▪ Permanent representative of Métropole Télévision, Chairman of M6 Hosting *(since 09/07/2018)*	▸ (until 01/02/2019)	
▪ Permanent representative of M6 Publicité, Director of: Home Shopping Service S.A. *(since 2013)*			▸ (until 01/10/2020)

(a) 2025 AGM called to approve the financial statements for the year ending 31/12/2024.
(1) Listed company.
(2) Non-group company.

Henri Proglio

Chairman of Henri Proglio Consulting SAS

Born 29/06/1949

Nationality: French

Address:
9 avenue Mercier
75008 Paris, France

Non-Voting Member

First appointed:
Board of Directors Meeting of 04/04/2019 and ratified at the AGM of 28/05/2019

Term expires: 2023 AGM [(a)]

Member – Compensation Committee

First appointed (as a non-voting member):
Board of Directors Meeting of 04/04/2019

Member – Strategic Committee

First appointed (as a non-voting member):
Board of Directors Meeting of 04/04/2019

KEY ADVISORY SKILLS

- A nationally and internationally recognized industrialist
- Expertise in managing large corporations
- Extensive knowledge of strategic issues

Attendance rate at governing body meetings in 2021	Board of Directors	Compensation Committee	Strategic Committee
	80%	67%	50%

A graduate of HEC Paris, Henri Proglio began his career in 1972 at Générale des Eaux group (now Veolia Environnement), where he held various positions in Senior Management. In 1990 he was appointed Chairman and CEO of CGEA, a subsidiary specializing in waste management and transport. In 2000 he became Chairman of Vivendi Environnement (Veolia Environnement), and in 2003 Chairman and Chief Executive Officer.

In 2005 he was also appointed Chairman of the School Council of his Alma Mater, HEC.

From 2009 to November 22, 2014, Henri Proglio was Chairman and Chief Executive Officer of EDF. Since 2015, he has been Honorary Chairman of EDF.

Other offices held in 2021:

- Chairman of Henri Proglio Consulting SAS *(since 09/01/2015)*
- Honorary Chairman of EDF [(1)] *(since 2015)*
- Member of the Board of: Dassault Aviation [(1)] *(since 2008)*, ABR Management Russia *(since 2014)*, Akkuyu Nuclear JSC (Turkey) *(since 2015)*, Atalian *(since 01/09/2017)*, and FCC *(since 27/02/2015)*

Compliance with stacking rules	Afep-Medef code Compliant	French Monetary and Financial Code Compliant

Offices held in previous fiscal years

2017	2018	2019	2020
▪ None			

(a) 2023 AGM called to approve the financial statements for the year ended 31/12/2022.
(1) Listed company.

Exiting director in 2021

Daniel de Beaurepaire

(until November 4, 2021)
Chairman of the Steering & Supervisory Board of Caisse d'Epargne Île-de-France

Born 23/09/1950
Nationality: French
Address:
26-28 rue Neuve Tolbiac
75013 Paris, France

Director
First appointed: AGM of 28/05/2019
Term expires: 2023 AGM [a]
Member – Appointments Committee
First appointed: Board of Directors Meeting of 28/05/2019
Member – Audit Committee
First appointed: Board of Directors Meeting of 06/02/2020
Member – Strategic Committee
First appointed: Board of Directors Meeting of 28/05/2019

KEY ADVISORY SKILLS
- See the skills map in section 2.2.1.1. C

Attendance rate at governing body meetings in 2021	Board of Directors	Appointments Committee	Audit Committee	Strategic Committee
	93%	100%	100%	100%

A graduate of ESC Rouen and a certified chartered accountant and auditor, Daniel de Beaurepaire began his career in 1978 at the Deloitte audit firm, where he was appointed partner in 1985. He left the company in 1995.

From 1996, he worked at the firm International Audit Company, becoming its Chairman in 2005, then he joined the accounting firm GEA Conseil where he became Co-Manager in the same year.

He was appointed Co-Manager of audit firm GEA Finances in 2010 until June 2018.

From 2009 to 2012, Daniel de Beaurepaire was Chairman of Société Locale d'Epargne PME Professionnels, then Director at Locale d'Épargne Économie Sociale et d'Entreprise from 2013 to 2014.

In 2015 he was appointed Chairman of Société Locale d'Épargne Paris Ouest.

He became a member of the Caisse d'Epargne Île-de-France Steering & Supervisory Board in April 2015, which he chaired from April 2017 to April 2021.

Other offices held in 2021:

Within Groupe BPCE
- Member of the Steering & Supervisory Board of Caisse d'Epargne Île-de-France *(since 29/04/2015)*, then Chairman *(from 26/04/2017 to 29/04/2021)*
- Member of the Board *(since 16/01/2015)*, then Chairman of the Société Locale d'Épargne Paris Ouest *(since 04/02/2015)*

Outside Groupe BPCE
- Member of the Board and Treasurer of Association Société des Amis de Versailles *(since 11/06/2019)*
- Fédération française des sociétés d'amis de musées *(since 27/11/2020)*

Compliance with stacking rules	Afep-Medef code Compliant	French Monetary and Financial Code Compliant

Offices held in previous fiscal years

2017	2018	2019	2020
Manager of GEA Finances [1] *(since 2010)*	(until 28/06/2018)		
	Director of S.A. Compagnie Européenne de Garanties et Cautions *(since 10/07/2018)*		(until 09/07/2020)
Manager of GEA Conseil *(since January 2005)*			(until 25/03/2020)
Chairman of SAS International Audit Company *(since January 2005)*			(until 25/03/2020)

(a) *2023 AGM called to approve the financial statements for the year ended 31/12/2022.*
(1) *Non-group company.*

Exiting director in 2021

Alain Condaminas

(until May 28, 2021)
Chief Executive Officer of Banque Populaire Occitane

Born 06/04/1957
Nationality: French
Address:
33-43 avenue Georges Pompidou,
31135 Balma Cedex

Director
First appointed: AGM of 29/05/2012
Term expires: 2024 AGM [(a)]
Member – Compensation Committee
First appointed: Board of Directors Meeting of 29/05/2012
Member – Strategic Committee
First appointed: Board of Directors Meeting of 29/05/2012

KEY ADVISORY SKILLS
- See the skills map in section 2.2.1.1. C

Attendance rate at governing body meetings in 2021	Board of Directors	Compensation Committee	Strategic Committee
	100%	100%	100%

Alain Condaminas has a Master's Degree in Economics and a postgraduate degree in Finance and Banking Techniques. He joined Groupe Banque Populaire in 1984. In 1992, he began working at Banque Populaire Toulouse-Pyrénées as Head of Production, supervising the Human Resources Department, and subsequently as Head of Operations. In 2001 he became Chief Executive Officer of Banque Populaire Quercy-Agenais. In 2003 he oversaw a merger with Banque Populaire du Tarn et de l'Aveyron, then a second merger in 2006 with Banque Populaire Toulouse-Pyrénées to create today's Banque Populaire Occitane.

Alain Condaminas was Chief Executive Officer of Banque Populaire Occitane from 2006 until March 31, 2021.

Other offices held in 2021:

Within Groupe BPCE

- Chief Executive Officer of Banque Populaire Occitane *(from October 2006 to 31/03/2021)*
- Chairman and Director of the Fondation d'entreprise BP Occitane *(from 20/06/2011 to 31/03/2021)*
- Director of: Caisse Autonome des Retraites des Banques Populaires (CAR-BP) *(since 03/06/2016)*, Institution de Prévoyance des Banques Populaires (IPBP) *(since 03/06/2016)*, Retraite Supplémentaire des Banques Populaires (RSBP) *(since June 2019)*
- Permanent representative of BP Occitane, Director of: i-BP *(from 2001 to 31/03/2021)*, BP Développement *(from 19/06/2018 to 31/03/2021)*
- Permanent representative of BP Occitane, member of the Investment Committee of Multicroissance *(from 01/11/2006 to 31/03/2021)*
- Permanent representative of BP Occitane, member of the Investment Committee of Sud Croissance *(from 26/11/2019 to 31/03/2021)*

Outside Groupe BPCE

- Permanent representative of BP Occitane, Director of IRDI *(from 2006 to 31/03/2021)*
- Permanent representative of BP Occitane, member of the Supervisory Board of: SOTEL *(from 2001 to 31/03/2021)* and IRDI Gestion *(from 19/06/2015 to 31/03/2021)*

Compliance with stacking rules	Afep-Medef code	French Monetary and Financial Code
	Compliant	Compliant

Offices held in previous fiscal years

2017	2018	2019	2020
Member of the Supervisory Board and Risk Committee of BPCE *(since 16/12/2015)*	(until 31/12/2018)		
Permanent Representative of BP Occitane, Manager of SNC Immocarso *(since 2007)*	(until 29/10/2018)		
Member of the Board of Natixis Investment Managers International *(since 15/03/2007)*	(until 28/09/2018)		
	Director of Ostrum Asset Management *(since 28/09/2018)*		(until 26/10/2020)

(a) 2024 AGM called to approve the financial statements for the year ending 31/12/2023.

Exiting director in 2021

Nicole Etchegoïnberry

(until September 1, 2021)
Chairwoman of the Management Board of Caisse d'Epargne Loire-Centre

Born 17/12/1956
Nationality: French
Address:
12 rue de Maison-Rouge,
45146
Saint-Jean-de-la-Ruelle

Director

First appointed:
co-opted by the Board of Directors on 20/12/2018
and ratified at the AGM of 28/05/2019

Term expires: 2024 AGM [(a)]

Member – Risk Committee

First appointed: Board of Directors Meeting of 20/12/2018

Member – Appointments Committee

First appointed: Board of Directors Meeting of 20/12/2018

Member – Strategic Committee

First appointed: Board of Directors Meeting of 20/12/2018

KEY ADVISORY SKILLS

- See the skills map in section 2.2.1.1. C

Attendance rate at governing body meetings in 2021	Board of Directors	Appointments Committee	Risk Committee	Strategic Committee
	91%	100%	100%	100%

Nicole Etchegoïnberry has a PhD in Information Technology and began her career in information systems at Banque Courtois, followed by a stint at Fédération du Crédit Mutuel Midi Atlantique. She then joined the Caisse Régionale du Crédit Agricole Mutuel de Toulouse, where she held senior positions in development and markets. In 2001 Nicole Etchegoïnberry joined Caisse d'Epargne de Midi Pyrénées where she oversaw the bank's IT migration and banking operations.

From 2005 to 2008 Nicole Etchegoïnberry was Chief Executive Officer of the former Caisse d'Epargne subsidiary Gestitres, specialized in securities account management and financial instruments custody. In 2008 she became Chairwoman of the Management Board of GIE GCE Business Services, which handles the Caisse d'Epargne group's IT project management.

Nicole Etchegoïnberry was Chairwoman of the Management Board of Caisse d'Epargne Loire-Centre from August 1, 2009 to August 31, 2021.

Other offices held in 2021:

Within Groupe BPCE

- Chairwoman of the Management Board of Caisse d'Epargne Loire-Centre CELC *(from 01/08/2009 to 31/08/2021)*
- Chairwoman of the Board of Directors of Association "Les Elles du Groupe BPCE" *(from 01/10/2012 to 01/09/2021)*
- Director of Association Parcours Confiance Loire-Centre *(from 07/07/2009 to 01/09/2021)*
- Vice-Chairwoman of the Board of Directors of Touraine Logement ESH *(from 29/06/2017 to 01/09/2021)*, Director *(from 2009 to 01/09/2021)*
- Permanent representative of CELC, Director of: FNCE *(from 01/08/2009 to 01/09/2021)*, GIE IT-CE *(from 21/04/2011 to 01/09/2021)*, ALBIANT-IT S.A. *(from 11/12/2015 to 01/09/2021)*, GIE BPCE IT *(from 24/07/2015 to 01/09/2021)*, Fondation d'entreprise Caisse d'Epargne Loire-Centre *(from 18/12/2015 to 01/09/2021)*

Outside Groupe BPCE

- Member of the Board of Financi'Elles *(from 24/03/2011 to 01/09/2021)*
- Permanent Representative of CELC, Member of the Board of the CANCER@WORK association *(from 12/04/2018 to 01/09/2021)*

Compliance with stacking rules	Afep-Medef code Compliant	French Monetary and Financial Code Compliant

Offices held in previous fiscal years

2017	2018	2019	2020
Chairwoman of the Board of Directors of GIE BPCE Services Financiers *(since 17/12/2013)*		(until 18/04/2019)	
Permanent representative of CELC, Chairwoman of the Board of Directors of BPCE Solutions Credit (formerly Ecureuil Crédit) *(since September 2008)*		(until 13/12/2019)	
Permanent representative of CELC, Chairwoman of the Board of Directors of BPCE Trade *(since 30/06/2017)*		(until 14/11/2019)	
Director of Crédit Foncier de France *(since October 2009)*		and member of the Risk Committee and the Audit Committee, Chairwoman of the Audit Committee *(since September 2019)*	(until 24/07/2020)
Director of BPCE International et Outre-Mer *(since 05/08/2013)*			(until 08/10/2020)
	Chairwoman of the Board of Directors of Développement Métropolitain de Orléans Métropole *(since 13/04/2018)*		(until 27/02/2020)
	Chairwoman of the Board of Directors of Développement Métropolitain de Orléans Métropole *(since 13/04/2018)*		(until 27/02/2020)
	Chairwoman of the Board of Directors of Développement Métropolitain de Orléans Métropole *(since 13/04/2018)*		(until 27/02/2020)

(a) *2024 AGM called to approve the financial statements for the year ending 31/12/2023.*

Exiting director in 2021

Bernard Oppetit

(until December 13, 2021)
Chairman of Centaurus Capital Limited

Born 05/08/1956
Nationality: French
Address:
53 Davies Street
London W1K5JH
England

Independent director

First appointed:
co-opted by the Board of Directors on 12/11/2009
and ratified at the AGM of 27/05/2010

Term expires: 2022 AGM[(a)]

Chairman – Risk Committee

First appointed: Board of Directors Meeting of 17/12/2014

Member – Audit Committee

First appointed: Board of Directors Meeting of 17/12/2009

Member – Strategic Committee

First appointed: Board of Directors Meeting of 11/05/2011

Member – ESR Committee

First appointed:
Board of Directors Meeting of 17/12/2020 effective 01/01/2021

KEY ADVISORY SKILLS

- See the skills map in section 2.2.1.1. C

Attendance rate at governing body meetings in 2021	Board of Directors	Audit Committee	Risk Committee	ESR Committee	Strategic Committee
	93%	100%	100%	100%	100%

With a degree from the École Polytechnique, Bernard Oppetit forged his career with the Paribas group from 1979 to 2000, first in Paris, then in New York, and finally London.

As Deputy Director of the Financial Management division (1980-1987), Bernard Oppetit joined Paribas North America first as a Risk Arbitrage Trader (1987-1990), and then as Global Head of Risk Arbitrage (1990-1995). In 1995, while still heading up Risk Arbitrage, he moved to London to become Global Head of Equity Derivatives (1995-2000).

In 2000, Bernard Oppetit founded Centaurus Capital, a hedge fund investment management company. Bernard Oppetit remained as Chairman of Centaurus Capital, a holding company, after it sold its investment business.

Other offices held in 2021:

Within Centaurus Capital group

- Chairman of Centaurus Capital Limited *(since 2000)*
- Director of Centaurus Capital Group *(since August 2000)*

Outside Centaurus Capital Group

- Member of the Board and Chairman of the Cnova Audit Committee [(1)] *(since 20/11/2014)*
- Trustee of The Academy of St Martin-in-the-Fields *(since June 2016)*

Compliance with stacking rules	Afep-Medef code Compliant	French Monetary and Financial Code Compliant

Offices held in previous fiscal years

2017	2018	2019	2020
■ Trustee of École Polytechnique Charitable Trust *(from 2015 to 01/11/2017)* ■ Director of: Centaurus Capital Holdings Limited, Centaurus Global Holding Limited, Centaurus Management Company Limited *(since August 2000)*			▸ (until 30/09/2020)

(a) *2022 AGM called to approve the financial statements for the year ended 31/12/2021.*
(1) *Listed company.*

2.2 Management and oversight of corporate governance

2.2.1 The Board of Directors

2.2.1.1 Composition and organization of the Board of Directors

The Natixis Board had fifteen directors as of February 10, 2022. It is composed as follows:

- two members from BPCE, namely Laurent Mignon and BPCE itself, represented by Catherine Halberstadt;
- four members from Banques Populaires, namely Sylvie Garcelon, Dominique Garnier, Philippe Hourdain and Catherine Leblanc;
- four members from the Caisses d'Epargne, namely Didier Dousset, Dominique Duband, Christophe Pinault and Laurent Roubin; and
- five independent members, namely Anne Lalou, Catherine Pariset, Diane de Saint Victor, Laurent Seyer and Nicolas de Tavernost.

In accordance with Article L.225-27-1 of the French Commercial Code, the Board of Directors of Natixis does not have a director representing the employees or a director representing the employee shareholders. However, two representatives of the Social and Economic Committee attend every Board of Directors' Meeting in an advisory capacity.

In accordance with Article L.225-19 of the French Commercial Code, the number of directors who are over the age of 70 is limited to one third of the number of directors in office. A director of Natixis was over the age of 70 as of February 10, 2022 *(see the summary table of the Board of Directors in section 2.1.2 of this chapter)*.

In addition, in accordance with Article 14.1 of the Afep-Medef code, the term of office of Natixis directors is four (4) years.

A – Main changes in the composition of the Board of Directors

The main changes made to the composition of the Board of Directors in FY 2021 that are likely to have a material impact on the Company's governance are as follows:

- on May 28, 2021, the General Shareholders' Meeting of Natixis:
  - ratified the co-opting of Philippe Hourdain as Director to replace Thierry Cahn, who resigned, for the remainder of the term of office, i.e. until the General Shareholders' Meeting of Natixis called in 2022 to approve the financial statements for the fiscal year ended on December 31, 2021,
  - ratified the co-opting of Catherine Leblanc as Director at the Board Meeting of June 23, 2020, to replace Bernard Dupouy, who resigned, for the remainder of his term of office, i.e. until the end of the General Shareholders' Meeting of Natixis called in 2023 to approve the financial statements for the fiscal year ending December 31, 2022,
  - reappointed Nicolas de Tavernost as Director for a term of four (4) years, terminating at the end of the General Shareholders' Meeting called in 2025 to approve the financial statements for the fiscal year ending December 31, 2024,
  - appointed Christophe Pinault as Director, following his resignation in order to facilitate the staggering of the Directors' terms of office, for a period of four (4) years ending at the end of the General Shareholders' Meeting called in 2025 to approve the financial statements for the fiscal year ending December 31, 2024,
  - appointed Diane de Saint Victor as Director, following her resignation in order to facilitate the staggering of the Directors' terms of office, for a period of four (4) years ending at the end of the General Shareholders' Meeting called in 2025 to approve the financial statements for the fiscal year ending December 31, 2024,
  - appointed Catherine Leblanc as Director, following her resignation in order to facilitate the staggering of the Directors' terms of office, for a period of four (4) years ending at the end of the General Shareholders' Meeting called in 2025 to approve the financial statements for the fiscal year ending December 31, 2024;
- on May 28, 2021, at the close of the General Meeting, the Board of Directors of Natixis:
  - co-opted Dominique Garnier as Director, with effect as of May 29, 2021, to replace Alain Condaminas, who resigned, for the remainder of his term of office, i.e. until the General Shareholders' Meeting of Natixis called in 2024 to approve the financial statements for the fiscal year ending December 31, 2023, and appointed him as a member of the Compensation Committee. Dominique Garnier is also an ex-officio member of the Strategic Committee;
- on September 22, 2021, the Board of Directors of Natixis:
  - co-opted, with immediate effect, Laurent Roubin as a Director to replace Nicole Etchegoïnberry, who resigned, for the remainder of her term of office, i.e. until the General Shareholders' Meeting of Natixis called in 2024 to approve the financial statements for the fiscal year ending December 31, 2023, and appointed her successor as a member of the Appointments Committee and of the Risk Committee. Laurent Roubin is also an ex-officio member of the Strategic Committee;
- on December 13, 2021, the Board of Directors of Natixis:
  - co-opted, with immediate effect, Laurent Seyer as a Director to replace Bernard Oppetit, who resigned, for the remainder of the term of office, i.e. until the General Shareholders' Meeting of Natixis called in 2022 to approve the financial statements for the fiscal year ended on December 31, 2021 and appointed him Chairman of the Risk Committee, and a member of the Audit Committee and of the CSR Committee. Laurent Seyer is also an ex-officio member of the Strategic Committee;
- on February 10, 2022, the Board of Directors of Natixis:
  - co-opted, with immediate effect, Didier Dousset as a Director to replace Daniel de Beaurepaire, who resigned, for the remainder of his term of office, i.e. until the General Shareholders' Meeting of Natixis called in 2023 to approve the financial statements for the year ending December 31, 2022, and appointed him a member of the Audit Committee and of the Appointments Committee. Didier Dousset is also an ex-officio member of the Strategic Committee.

B – Procedure for staggering terms of office

In accordance with the staggered appointments procedure initiated at the Combined General Shareholders' Meeting on May 23, 2018, the current terms of office expire as follows:

2022 AGM	Dominique Duband, Philippe Hourdain, Anne Lalou, Laurent Seyer
2023 AGM	Laurent Mignon, BPCE (represented by Catherine Halberstadt), Didier Dousset, Catherine Pariset, (and Henri Proglio - non-voting member)
2024 AGM	Dominique Garnier, Laurent Roubin, Sylvie Garcelon
2025 AGM	Catherine Leblanc, Christophe Pinault, Diane de Saint Victor and Nicolas de Tavernost

In line with this procedure, the Ordinary General Meeting of May 28, 2021 appointed three directors (Catherine Leblanc, Christophe Pinault and Diane de Saint Victor) following their resignation to promote a harmonious staggering of their terms of office.

C – Diversity policy of the Board of Directors

Convinced that the quality of the Board of Directors should be assessed in the light of the complementarity of the profiles and ethics of its members, Natixis has implemented a diversity policy pursuant to Article 7.2 of the Afep-Medef code. The initial version of this policy was approved by the Board of Directors at its meeting of February 12, 2019 and updated on December 17, 2020. This diversity policy highlights the specific characteristics of Natixis' governance as well as the skills that the Board of Directors must bring together, with the appropriateness of the directors' profile being assessed with regard to the collective and balanced representation of skills, as illustrated by the skills map detailed below.

Diversity policy statement

The objective of the Natixis Board of Directors' diversity policy is to ensure that members of the Board are able, at all times, to make informed, judicious and objective decisions by taking into consideration Natixis' business model, its risk appetite, its strategy and the markets in which Natixis operates, and secondly, to challenge and monitor the decisions taken by Senior Management.

In addition to the rules governing the composition of the Natixis Board of Directors, this policy describes the criteria used to ensure the diversity of the Board, in particular:

- **the knowledge and qualifications needed to perform the duties of a Board member**, in particular in relation to Natixis' specific activities (solid understanding of the banking and financial sector, financial management and the accounting principles applicable to credit institutions, corporate management, risk management and internal control, corporate strategy, technologies and digital transformation, Human Resources, international development, the regulatory environment, governance social and environmental responsibility);
- **a balanced representation of women and men** within the Board (with a long-term gender balance of at least 40%) and as regards the Chairmanship of its special Committees;
- **a balance in terms of directors' seniority** with, on the one hand, the term of office of director set at four years and, on the other hand, the rule for determining independence (for independent directors, not having been a director for more than 12 years when reappointed); and
- **international outreach** with regard to Natixis' activities and geographical deployment.

This policy will be applied when a new director is appointed and when the Appointments Committee and the Board perform their annual review of the Board's composition.

Accordingly, whenever a director is appointed, a "fit and proper" report outlining the candidate's experience and skills, as well as their status with respect to other offices held simultaneously, availability, integrity and conflicts of interest, accompanied by their résumé, is sent to the members of the Appointments Committee for review. The Committee then provides the Board with its opinion.

It is specified that the Appointments Committee favors the complementarity of skills and the diversity of cultures and experiences in order to have sufficiently rich and varied profiles.

Implementation and monitoring of the diversity policy

The Board of Directors (and its Appointments Committee) regularly examines the best way to balance its membership and that of its Committees. To this end, the Appointments Committee periodically assesses, at least once a year, the structure, size, membership and effectiveness of the Board with regard to the missions assigned to it and submits any useful recommendations to the Board.

Skills and expertise of the members of the Board of Directors

As part of the review of the Board's diversity, at its meeting of December 3, 2021, the Appointments Committee examined an updated mapping of the skills and expertise of Board members to assess the level of knowledge and expertise of each director for each area of expertise considered (including the four Natixis business lines and eleven other areas of expertise).

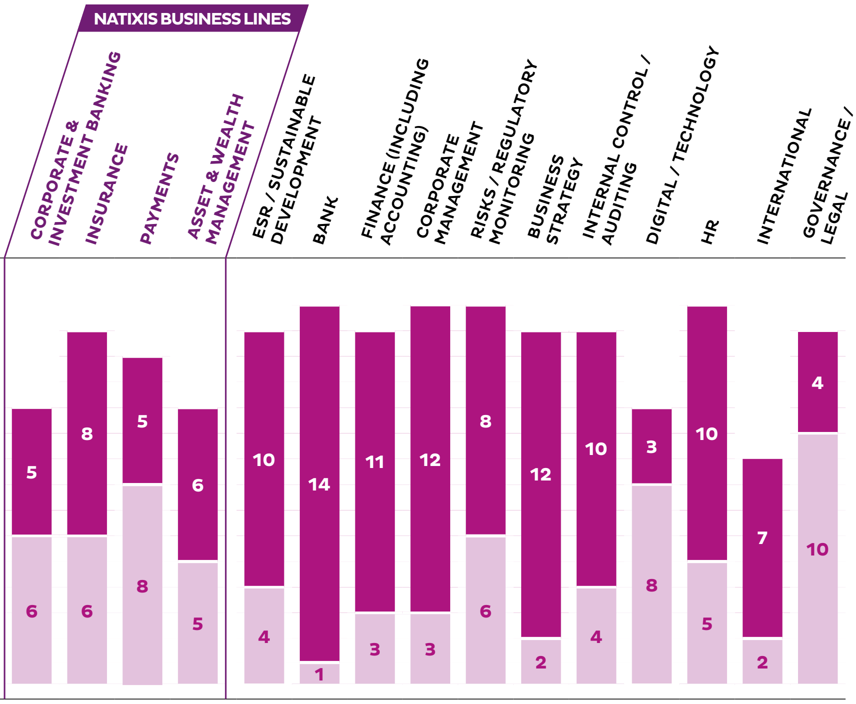
Analysis of this mapping revealed a great diversity and complementarity in terms of the directors' knowledge, skills and experience. In accordance with the opinion of the Appointments Committee, the Board of Directors, at its meeting of December 13, 2021:

- noted that the evaluation of the balance and diversity of knowledge, skills and experience that the Board members have, both individually and collectively, had provided satisfactory results; and
- determined the qualifications deemed necessary for the duties to be performed within the Board of Directors as presented to it for fiscal year 2022.

Overall summary of the breakdown of skills of the members of the Board of Directors

Mapping of Natixis Board skills as of February 10, 2022

Skills and expertise of the Board



Skills and expertise by director

	Corporate & Investment Banking	Insurance	Payments	Asset & Wealth Management	ESR / Sustainable Development	Bank	Finance (including accounting)	Corporate management	Risks / regulatory monitoring	Business strategy	Internal control / auditing	Digital / technology	HR	International	Governance / legal
L. Mignon	●	●	●	●	●	●	●	●	●	●	●	○	●	●	○
C. Halberstadt	●	●	●	○	○	●	●	●	●	●	●	○	●		○
D. Dousset		○	○		●	●	○	○	○	○	○		○		○
D. Duband		○	○		●	●	○	●	○	○	○		●		○
S. Garcelon	○	●	○	○	●	●	●	●	●	●	●	○	○		○
D. Garnier	○	●	●	○	●	●	●	●	●	●	●	○	●	○	○
P. Hourdain		○	○		●	●		○	○	●	○	●	●		●
A. Lalou	●			●	●	●	●	●	○	●	●	●	○	●	○
C. Leblanc		○	○		○	●	●	●		●			●	○	●
C. Pariset	●	●	○	●		●	●	○	●		●		○	●	
Ch. Pinault	○	●	●	●	●	●	●	●	●	●	●	○	○		○
L. Roubin	○	●	●	●	○	●	●	●	●	●	●	●	●	●	○
D. de Saint Victor	○	○	○	○	●	●	○	●	○	●	●	○	●	●	●
L. Seyer	●	●		●	○	●	●	●	●	●	●	○	●	●	●
N. de Tavernost	○	○	○	○	●	○	●	●	○	●	○	○	●	●	○

● *Expertise*
○ *Knowledge*

Independent directors

Therefore, one-third of the members of the Board of Directors are independent, in accordance with the Afep-Medef code. As of February 10, 2022, the five independent directors of Natixis are: Anne Lalou (Dean of the Web School Factory and Chairwoman of the Innovation Factory), Catherine Pariset (Director of PSA Finance, Generali Vie and Generali IA), Diane de Saint Victor (Director of C&A, Imperial Brands and Transocean), Laurent Seyer (currently released from his professional obligations) and Nicolas de Tavernost (Chairman of the Management Board of the M6 Group).

As is the case every year, at its meeting of December 13, 2021, and following the report submitted by the Appointments Committee, Natixis' Board of Directors examined each independent director's expertise, judgment and freedom of thought and expression, specifically with respect to the independence criteria recommended by the Afep-Medef code, and the criteria in the Board's Internal Rules *(see section 2.2.1.2. A of this chapter)*.

The Board of Directors took care to appraise whether the companies in which the independent directors hold a corporate office have a significant business relationship with Natixis or its corporate Group.

Natixis applies the concept of "reference banker", i.e. "a banker essential to all requirements of the Company", to assess the importance of business relationships, identify any situation of dependency on Natixis, and gauge whether these relationships are likely to affect the independence of the director's judgment.

To this end, the Board of Directors analyzes a range of indexes, criteria and parameters including the duration, extent and nature of the banking, trade and consulting relationships, the volume of commitments and the weight of Natixis compared to total indebtedness, and the Company's liquidity requirements.

After examination, it emerges that Natixis is not the "benchmark banker" for companies in which the independent directors perform their duties as executive corporate officers or their professional activity.

Natixis has few or no business relations with any of these companies.

Furthermore, to date, the independent directors are not in a position of conflict of interest with respect to the non-executive corporate offices they hold in other companies, in accordance with the Code of Ethics applicable to all Board of Directors' members under which they undertake to inform the Company of any conflict of interest in which they will be involved and to comply with the process related to the handling of the said conflict of interest.

After review of the independence criteria, Natixis' Board of Directors determined that Anne Lalou, Catherine Pariset, Diane de Saint Victor and Nicolas de Tavernost meet the necessary independence criteria. Noting that the term of office of Bernard Oppetit reached the recommended limit of 12 years within Natixis, the Board of Directors, on the favorable opinion of the Appointments Committee, co-opted Laurent Seyer as an independent director on December 13, 2021 to replace Bernard Oppetit, who resigned.

Criteria to be assessed [(a)]	Diane de Saint Victor	Anne Lalou	Bernard Oppetit	Catherine Pariset	Nicolas de Tavernost
Cannot be or have been during the last five years: ▪ an employee or executive corporate officer of Natixis; ▪ an employee, executive corporate officer or director of a company consolidated by Natixis; ▪ an employee, executive corporate officer or director of BPCE or of a company consolidated by BPCE.	OK	OK	OK	OK	OK
Is not an executive corporate officer of a company in which Natixis directly or indirectly holds a directorship, or in which an employee of Natixis or an executive corporate officer of Natixis (currently or within the last five years) holds a directorship.	OK	OK	OK	OK	OK
Is not a customer, supplier, or corporate or investment banker or advisor (or linked directly or indirectly to these persons) to the Company or the group and does not derive a significant portion of business from the Company or its group.	OK	OK	OK	OK	OK
Has no close family ties with a corporate officer.	OK	OK	OK	OK	OK
Has not been an auditor of the Company in the previous five years.	OK	OK	OK	OK	OK
Has not been a Board member of the Company for more than 12 years (independent director status is lost once a Board member has served for 12 years).	OK	OK	OK [(b)]	OK	OK
Is not a Board member representing a major shareholder of Natixis or BPCE.	OK	OK	OK	OK	OK
Does not receive variable compensation in cash or in shares, or any performance-linked compensation from Natixis or the Group.	OK	OK	OK	OK	OK

(a) See section 2.2.1.2. B of this chapter.

(b) Until November 12, 2021.

Gender balance

As of February 10, 2022, the Board of Directors consists of six women and nine men.

Natixis went from being a Board of Directors composed of 33% women five years ago (five women and ten men) to a Board composed of 40% women.

Four of the six Board Committees are also chaired by a woman.

Balance in terms of seniority

The average length of service of the members of the Board of Directors was four years as of February 10, 2022. None of the independent directors has been a member of the Board for more than twelve years.

International outreach

Nine directors have international experience, either because they have held a position outside France or exercised an activity in an international group as part of their professional career, or because they hold or have held one or more mandates in foreign companies *(see skills map above)*.

D – Director selection policy

Since December 17, 2020, the Board of Directors, on the proposal of the Appointments Committee, has adopted a policy for the selection of future Natixis directors, which has been drawn up in accordance with:

- guidelines and recommendations from the regulatory authorities aimed at improving the formalization of director selection processes;
- the Afep-Medef code, which requires the Appointments Committee to organize a procedure to select future independent directors.

The aim is to ensure that the members of the Board of Directors are, at any time, collectively able to:

i make informed, judicious and objective decisions taking into consideration Natixis' business model, its risk appetite, its strategy and the markets in which it operates;

ii challenge and monitor the decisions taken by Senior Management.

This selection policy for future directors, the content of which is described in the **diagram below** concerns both Group Board members and independent directors.

PROCESS FOR SELECTING A NEW DIRECTOR

	Profile		Applications	Selection	Designation
INDEPENDENT DIRECTORS	**Definition by the Appointments Committee in conjunction with the Chairman of the Board of Directors of the profile sought with regard to:** ▪ requirements in terms of skills and experience (mapping of skills and expertise); ▪ highly sought-after values and qualities; ▪ gender balance; ▪ criteria to be met in accordance with the diversity policy.	*The range of skills, knowledge and experience of the Board must be sufficiently broad and diverse in accordance with the diversity policy for directors.*	> Selection of a recruitment firm. > Shortlist of candidates drawn up by the Chairman of the Appointments Committee, in conjunction with the General Secretariat.	> Chairman of the Appointments Committee, the Chairman of the Board of Directors, the Chief Executive Officer and the General Secretary discuss candidate profiles. > Shortlisted candidates interviewed by the Appointments Committee, which makes its recommendation to the Board of Directors.	Proposal made to shareholders at the General Shareholders' Meeting to appoint the chosen candidate *(approval of the appointment or ratification if a temporary appointment has been made).*
INTERNAL DIRECTORS FROM THE GROUP	**OBJECTIVE** Guarantee the collective ability of the Board to: ▪ make informed decisions; ▪ ensure the smooth running of the company; ▪ challenge and monitor decisions made by senior management.	*The profile of the candidate must enable the Board to have a majority and for the two networks Banque Populaire and Caisse d'Epargne to be equally represented (and more specifically for the representation of the executive and non-executive officers of the two networks to be balanced).*	> List drawn up of potential candidates likely to be approached as directors in the short- and medium-term. > List of potential candidates together with background information shared by the Chairman of the Board with the Appointments Committee.	> Discussions between the Chairman of the Appointments Committee (in conjunction with the General Secretary) and the Chairman of the Board of Directors on shortlisted profiles. > Review of the candidate(s) by the Appointments Committee and selection of the candidate by the Board on the recommendation of the Appointments Committee.	Proposal made to shareholders at the General Shareholders' Meeting to appoint the chosen candidate *(approval of the appointment or ratification if a temporary appointment has been made).*

2.2.1.2 Role and powers of the Board of Directors

A – Legal and statutory requirements, and Internal Rules of the Board of Directors

The duties of the Board of Directors are defined by the law and the bylaws.

The current version of the Internal Rules, adopted on February 10, 2022, completes the legal and statutory provisions by stipulating the rules governing the Board of Directors' operation and setting out the rights and duties of its members. **These rules are available in full on the Natixis website *www.natixis.com***.

The Board of Directors, assisted by the Special Committees, is involved in the following matters:

- **Strategic orientations**

  The Board of Directors determines the orientations of the Company's activity and sees to the implementation thereof, in accordance with its corporate interest, taking into account the environmental and social issues associated with its activity. Within the limits of the company's corporate purpose and the powers expressly granted by law or its bylaws to the General Shareholders' Meetings, the Board concerns itself with all matters affecting the Company's performance and governs by virtue of its deliberations. The Board of Directors performs the controls and checks it deems appropriate.

  A number of transactions are subject to prior authorization by the Board of Directors:

  - the extension of Natixis' activities to include new core businesses not currently exercised by the Company;
  - any acquisition or increase in shareholdings, as well as any investments, divestments or the formation of joint ventures by Natixis or any of its main subsidiaries, involving an amount in excess of €100 million, in the event that the Group's structure is modified;
  - any asset transfers, mergers or spin-offs in which Natixis is involved.

- **Financial statements**
  - The Board of Directors approves the management report.
  - It reviews the draft budget for the following year.
  - It reviews and approves the parent company and consolidated financial statements of the Company, ensuring their accuracy and fairness.
  - The Board of Directors verifies the publishing process, as well as the quality and reliability of the information that Natixis intends to publish and disclose.

- **Internal control/Risk management/Compliance**
  - The Board of Directors verifies that the executive managers have properly implemented the supervisory mechanisms, especially in terms of the separation of duties and the prevention of conflicts of interest, that ensure the Company is effectively and prudently managed.
  - The Board of Directors reviews the governance framework as set out in Article L.511-55 of the French Monetary and Financial Code, periodically assesses its effectiveness, and ensures that corrective measures have been taken to remedy any shortcomings.
  - The Board of Directors approves and regularly reviews the policies and strategies governing the taking, management, monitoring and mitigation of the risks to which Natixis is or could be exposed, including the risks generated by the economic environment, social risks and environmental risks.
  - The Board of Directors is informed of any resignation/ appointment of the Company's Chief Risk Officer.

- **Governance**
  - In accordance with the law and the bylaws, the Chairman convenes and chairs the Board and organizes and guides its work. He chairs General Shareholders' Meetings. The Chairman of the Board of Directors or the Chief Executive Officer are required to provide each director with all the documents and information needed to carry out their duties.

    As a reminder, the Board of Directors of a credit institution may not be chaired by the Chief Executive Officer.
  - Under the conditions defined in Article 15 of the Company bylaws, the Board of Directors may appoint a Chief Executive Officer from among the directors or otherwise, whom it may dismiss at any time. The Chief Executive Officer may delegate his powers to any corporate officer of his choosing, with or without the option of substituting one for another.
  - The Board of Directors appoints the executive officers (within the meaning of Article L.511-13 of the French Monetary and Financial Code) and convenes the General Shareholders' Meeting, sets the agenda and implements its decisions.
  - It may, at the proposal of the Chairman, set up its own Committees to deliberate on those issues submitted for examination by the Board itself or its Chairman. It determines the structure and powers of these Committees, which conduct their activities under its responsibility.
  - In light of Natixis' corporate purpose and in accordance with the provisions of the French Commercial Code (Article L.823-19) and the French Monetary and Financial Code (Article L.511-89), the Board of Directors must draw on an Audit Committee, a Risk Committee, a Compensation Committee and an Appointments Committee.
  - With respect to the assessment of the Board of Directors' work, the Internal Rules specify that, at least once a year, an agenda item will be devoted to evaluating the Board's and its Special Committees' operation, an account of which is included in Natixis' annual report *(for 2021, see section 2.2.1.4 "Assessment of the Board of Directors' work in 2021")*.
  - It approves the report on corporate governance.
  - Minutes of Board Meetings are drawn up in accordance with legal and regulatory provisions in force.

- **Compensation policy**
  - The Board of Directors adopts and reviews the general principles of the Company's compensation policy and monitors their implementation.
  - It determines the level and terms of compensation of the Chairman of the Board of Directors, the Chief Executive Officer and of the Deputy Chief Executive Officer(s) after consultation with the Compensation Committee.
  - It issues an opinion on how well Natixis' compensation policy complies with current regulation, particularly regarding the Company's regulated staff.
  - It sets the rules for the distribution of compensation allocated to the directors by the General Shareholders' Meeting.

B – Code of Ethics for members of the Board of Directors

To reaffirm its commitment to good governance, the Board of Directors has adopted a Code of Ethics for its members (appended to the Internal Rules). The purpose of this charter is to promote the application of corporate governance principles and best practices by the directors of Natixis.

Before assuming office, every one of Natixis' directors must ensure that they are familiar with the general or specific obligations incumbent upon them, such as those resulting from laws or regulations, bylaws, Internal Rules and this code, as well as any other binding texts.

The members of Natixis' Board of Directors agree to comply with the guidelines contained in this code, which are reproduced below.

Article 1: Attendance

All directors must devote sufficient time and attention to the performance of their duties and regularly attend the meetings of the Board and Committees of which they are a member, as well as the General Shareholders' Meeting. Consequently, they must ensure that the number and commitment level of their directorships permit them to be available when required, especially if they also hold executive positions.

Article 2: Directorship and Corporate Interest

Each director represents all the shareholders and endeavors to act in the corporate interest of Natixis at all times. They undertake to defend and promote the values of Natixis.

Article 3: Professionalism and Efficiency

Directors contribute to the collegiality and efficiency of the work of the Board and Special Committees. They make recommendations that they feel will improve the Board's operating procedures, specifically during the Board's periodic evaluation.

Together with the other members of the Board, they see to it that the guidance and control duties are accomplished in accordance with the laws and regulations in force.

They ensure that the positions taken by the Board are formally decided on, properly reasoned and entered into the minutes of its meetings.

Article 4: Confidentiality

Members of the Board of Directors and of the Committees, as well as any individual attending the meetings of the Board and the Committees, are bound by a general confidentiality obligation on their deliberations.

Article 5: Prevention of Insider Trading – Inside Information

a) General abstention obligation in the event of holding inside information on any issuer

In accordance with European Regulations on market abuse, inside information is "any information of a precise nature, which has not been made public, relating, directly or indirectly, to one or more issuers or to one or more financial instruments, and which, if it were made public, would be likely to have a significant effect on the prices of those financial instruments or on the price of related derivative financial instruments."

If the Board of Directors has received inside information, the directors, the non-voting members and any individual attending Board or Committee Meetings must refrain from:

- performing or attempting to perform any insider trades (the term "insider trades" refers to (i) the use of inside information by a person in possession of such information to buy or sell, for themselves or for a third party, directly or indirectly, financial instruments related to this information, and (ii) the use of the recommendations or inducements of a person in possession of inside information if the person using the recommendation or inducement knows, or ought to know, that it is based upon inside information);
- recommending to another person or inducing them to perform any insider trades; or
- unlawfully disclosing inside information.

These requirements apply to listed companies about which the director may receive inside information in the course of the work of the Board, whether they are clients, counterparties or third parties. They also apply to listed debt securities issued by Natixis or its subsidiaries (bonds, EMTNs), by BPCE, or by any company in which Natixis holds or may come to hold an investment.

Other restrictions may be applicable under regulations outside the European Union.

b) Specific restrictions on securities issued by Natixis or its subsidiaries

Natixis applies a restrictive policy with regard to personal transactions by executives in listed debt securities issued by Natixis or by its subsidiaries, and requires directors and non-voting directors to refrain from carrying out any transactions in these securities during their term of office unless approved by Natixis Compliance.

In this context, Natixis places the directors and the non-voting member on a list of "permanent insiders" of Natixis. A permanent insider is any individual or legal entity that, on account of the nature of their functions or position in an issuing entity, has continuous access to inside information held by that issuing entity.

Also, members of the Board of Directors are advised of the risks posed by transactions executed on Natixis stock by persons closely associated with them, especially:

- a spouse, or a partner considered to be equivalent to a spouse in accordance with national law;
- a dependent child, in accordance with national law;
- a relative who has shared the same household for at least one year on the date of the transaction concerned;
- a legal entity, trust or partnership:
  - the managerial responsibilities of which are discharged by a person discharging managerial responsibilities or by a person who is closely associated with them,
  - that is directly or indirectly controlled by such a person,
  - that is set up for the benefit of such a person, or
  - the economic interests of which are substantially equivalent to those of such a person.

The sanctions for such actions are administrative and criminal.

c) Reporting obligations

In the exceptional event that a Director or the non-voting member conducts a transaction in Natixis securities, they would be required to report this transaction to Natixis and the relevant regulator within the time limits and under the conditions provided for by the regulations in force.

This reporting obligation also applies to transactions in Natixis shares that would be carried out by the people who are closely related to them as defined above.

Natixis may also ask each director and non-voting member to provide any information in relation to the trading of listed companies' securities necessary for it to fulfill its reporting obligations to all authorities such as stock market authorities, both in France and abroad.

Article 6: Independence and Conflicts of Interest

The Appointments Committee examines the situation of each director and non-voting member with regard to potential conflict of interest when they are first appointed and when their mandate is renewed. All directors and non-voting members endeavor to prevent, for the entire duration of their mandate, any conflict that could arise between their own interests and the interests of Natixis. As such, directors and non-voting members strive to preserve their independence in judgment, decision and action in all circumstances.

They shall refrain from being influenced by any factor unrelated to Natixis' corporate interest, which they are tasked with defending and avoiding any situation in which their personal interest interferes, or could appear to interfere, with that of Natixis.

A conflict of interest is any situation that risks compromising the ability of a director or non-voting member to make decisions in the best interests of Natixis and to exercise their duties independently of:

- their financial interests;
- their personal or professional relationships with holders of qualifying equity investments within Natixis;
- their personal or professional relationships with Natixis employees;
- any other current or past positions held;
- their personal or professional relationships with external stakeholders.

In the event that a director or non-voting member cannot avoid being in one of these situations, they must immediately inform the Chairman of the Board of Directors, or Natixis' General Secretary if applicable, of any conflict of interest in which they may be involved. The director or non-voting member must specify if they are directly or indirectly connected and in what capacity, and they must contribute to documenting the conflict of interest.

The Chairman of the Board of Directors, or the General Secretary, if applicable, shall conclude whether a conflict of interest exists and ensure compliance with the Related Party Agreements Procedure.

If a director or non-voting member finds themselves in a conflict of interest, they must abstain from participating in any discussion within the Board of Directors, or the Special Committee, if applicable, connected to the area of their conflict of interest; in such instances, they must abstain from the Board's deliberations and votes, and the section of the minutes related to the area of their conflict of interest is not submitted to their approval.

Article 7: Information/Training

All directors have a duty to learn and to ask, within the appropriate time frame, the Chairman of the Board of Directors, and/or the Special Committees of which they are a member, to provide the information needed for the Board or the Special Committees to take useful action on the matters on its agenda.

In addition, all directors must receive training by attending, where necessary, the training modules provided by the Company.

Article 8: Application of the Code

Should a member of Natixis' Board of Directors no longer be in a position to perform their duties in compliance with the Code, either for their own reasons or for any other reason including those specific to Natixis' rules, they must notify the Chairman of the Board of Directors, seek measures to remedy the situation, and, if none are found, suffer the personal consequences with respect to the performance of their duties.

Natixis' Chief Compliance Officer is available to each Board member for any questions about the Code of Ethics.

C – Integrity of directors and conflicts of interest

In accordance with Article L.225-37-4 of the French Commercial Code, the list of functions exercised by the corporate officers of Natixis is provided in section 2.1.4 of this chapter.

Disclosure of non-conviction

To the best of Natixis' knowledge, none of the members of the Board of Directors or Senior Management has been convicted of fraud, filed for bankruptcy, liquidation or receivership, convicted and/or punished by official or regulatory bodies, disqualified from acting as a member of administrative, management or supervisory bodies of an issuer, or from participating in the management or conduct of the business of an issuer within at least the previous five years.

Conflicts of interest

Members of the Natixis Board of Directors include BPCE (Natixis' main shareholder) and employees or individuals holding other jobs within Groupe BPCE, particularly in the Caisse d'Epargne and the Banque Populaire banks. Natixis and its subsidiaries maintain business relations with BPCE and the entities of Groupe BPCE.

Furthermore, members of the Natixis Board of Directors include independent directors belonging to third-party groups that can maintain banking or business relations with Natixis or its subsidiaries.

To the best of Natixis' knowledge, these situations do not affect those directors' independence of judgment, decision, and action. When needed, the Internal Rules of the Board of Directors and the Code of Ethics set out a conflict-of-interest resolution system for all members of the Board of Directors. They also require Board members to notify the Chairman of the Board (or the General Secretary of Natixis) of any conflict of interest and to abstain from participating in the part of the Board or Special Committee Meeting addressing the conflict of interest, and from voting on the corresponding resolution.

In addition, to the knowledge of Natixis, there is no potential conflict of interest between the duties of the members of the Board of Directors towards Natixis and their private interests and/or other duties towards third parties.

To the best of Natixis' knowledge, there are no service agreements binding members of the Board of Directors or Senior Management to Natixis that could confer benefits according to the terms of such an agreement and that might by their nature compromise the independence of members or interfere with their decision-making.

Summary of NATIXIS' share transactions disclosed to the AMF by persons discharging managerial responsibilities and by persons closely associated with them

Summary of transactions in the Company's shares by executives during fiscal year 2021, reported to the AMF in accordance with Article L.621-18-2 of the French Monetary and Financial Code and Articles 223-22 to 223-26 of the AMF General Regulation.

Name	Transaction date	Transaction	Number of shares	Amount of transactions *(in euros)*
Laurent MIGNON	March 1, 2021	Free share acquisition [(a)]	66,689	0.00
Laurent MIGNON	May 24, 2021	Free share acquisition [(b)]	22,030	0.00
Laurent MIGNON	May 27, 2021	Reciprocal share purchase and sale agreement with conditions [(c)]	257,045	0.00
Laurent MIGNON	June 7, 2021	Sale [(d)]	106,790	4.0010
Dominique GARNIER	June 8, 2021	Sale [(d)]	6,443	4.0010
Nathalie BRICKER	March 1, 2021	Free share acquisition [(a)]	5,555	0.00
Nathalie BRICKER	May 27, 2021	Reciprocal share purchase and sale agreement with conditions [(c)]	15,598	0.00
Nathalie BRICKER	June 10, 2021	Sale [(d)]	5,471	4.00
Anne-Christine CHAMPION	May 27, 2021	Reciprocal share purchase and sale agreement with conditions [(c)]	109,998	0.00
Anne-Christine CHAMPION	June 8, 2021	Sale [(d)]	78,801	4.0010
Mohamed KALLALA	May 27, 2021	Reciprocal share purchase and sale agreement with conditions [(c)]	175,062	0.00
Mohamed KALLALA	June 18, 2021	Sale [(d)]	97,310	4.00
Nicolas NAMIAS	March 1, 2021	Free share acquisition [(a)]	10,627	0.00
Nicolas NAMIAS	May 30, 2021	Reciprocal share purchase and sale agreement with conditions [(c)]	23,063	0.00
Nicolas NAMIAS	June 7, 2021	Sale [(d)]	6,330	4.0010
André-Jean OLIVIER	March 1, 2021	Free share acquisition [(a)]	15,468	0.00
André-Jean OLIVIER	May 24, 2021	Free share acquisition [(b)]	4,015	0.00
André-Jean OLIVIER	May 27, 2021	Reciprocal share purchase and sale agreement with conditions [(c)]	52,347	0.00
André-Jean OLIVIER	June 10, 2021	Sale [(d)]	94,339	4.00
Cécile TRICON-BOSSARD	March 1, 2021	Free share acquisition [(a)]	5,500	0.00
Cécile TRICON-BOSSARD	May 27, 2021	Reciprocal share purchase and sale agreement with conditions [(c)]	27,487	0.00
Cécile TRICON-BOSSARD	June 9, 2021	Sale [(d)]	30,891	4.00
Véronique SANI	May 31, 2021	Reciprocal share purchase and sale agreement with conditions [(c)]	8,251	0.00
Jean RABY	March 1, 2021	Free share acquisition [(a)]	93,614	0.00
Pierre-Antoine VACHERON	March 1, 2021	Free share acquisition [(a)]	25,466	0.00
Pierre-Antoine VACHERON	June 1, 2021	Reciprocal share purchase and sale agreement with conditions [(c)]	275,388	0.00

(a) Natixis free share plans of April 13, 2018 and April 12, 2019.

(b) Natixis free share plan of July 23, 2017.

(c) Put options on NATIXIS shares resulting from liquidity commitments entered into with BPCE as part of the simplified tender offer initiated by BPCE for NATIXIS, relating to unavailable free shares and free shares being acquired.

(d) Disposal as part of the simplified tender offer initiated by BPCE for Natixis.

Employment contract and/or services agreement

It is specified that no director is bound by an employment contract and/or a service contract with the Company.

D – "Regulated" agreements

Internal charter

In accordance with AMF recommendation No. 2012-05, the Natixis Board of Directors, at its meeting of February 17, 2013, adopted an internal charter of related-party agreements, which was updated, respectively, on December 17, 2014 in order to incorporate the amendments made by Order No. 2014-863 of July 31, 2014, on February 11, 2021 to take into account the provisions of Law No. 2019-486 of May 22, 2019 relating to growth and the transformation of companies known as the "Pacte" and on December 13, 2021.

This charter defines the criteria for establishing "related-party agreements" in accordance with the provisions of Article L.225-38 of the French Commercial Code.

In particular, it sets out the procedure to be followed, from the notification of the Board of Directors to approval by the General Shareholders' Meeting, in light of the Statutory Auditors' special report.

Regulated agreements authorized and declassified in fiscal year 2021

During fiscal year 2021, the Board of Directors authorized **three new regulated agreements** under Article L.225-38 of the French Commercial Code:

- at its meeting of June 23, 2021: the temporary implementation of open money market cross-transactions (without maturity date) with the option of early redemption with notice between BPCE and Natixis for an amount of approximately €47 billion (i.e. the equivalent of €42.75 billion corresponding to Natixis' NSFR requirement) for a price of between 5 and 15 bp (with the latter being reviewed every six months depending on market conditions to date).

  The transaction is justified in the interests of Natixis and Groupe BPCE in order to comply with the prudential requirements relating to the NSFR applicable from June 28, 2021 and pending formal authorization for an exemption from the ECB. This agreement will be submitted for approval at the General Shareholders' Meeting of May 24, 2022.

  The common officers who did not take part in the deliberations or take part in the vote in accordance with Article L.225-40 of the French Commercial Code were:

  - Laurent Mignon (Chairman of the Board of Directors of Natixis and Chairman of the Management Board of BPCE),
  - Catherine Halberstadt (permanent representative of BPCE on the Board of Natixis and member of the Senior Management Committee of BPCE) and Nicolas Namias (Chief Executive Officer of Natixis and member of the Management Board of BPCE);

- at its meeting of September 22, 2021: the conclusion of the negotiation protocol relating to the transfer of the Insurance and Payments activities by Natixis to BPCE.
  It is specified that the transaction is justified in view of the interests of Natixis and the BPCE group, particularly in view of the fairness of the valuation of the "Insurance" and "Payments" business lines, it being specified that the proposed project would complete the movement initiated by the successful creation of the SEF division within Groupe BPCE, the insurance business lines. Since Insurance and Payments is now directly attached to BPCE, it is better able to ensure its future development in conjunction with its primary customers, which would allow the Company to refocus on its traditional core business lines by dedicating the necessary resources to them.

This negotiation protocol will be submitted for approval to the General Shareholders' Meeting of March 22, 2022.

The corporate officers concerned on the day of the transaction and who did not participate in the deliberations or take part in the vote in accordance with Article L. 225-40 of the French Commercial Code are as follows:

  - Laurent Mignon, Catherine Halberstadt (permanent representative of BPCE), Sylvie Garcelon, Dominique Garnier, Philippe Hourdain, Catherine Leblanc, Daniel de Beaurepaire, Dominique Duband and Christophe Pinault.

- at its meeting of December 13, 2021: the conclusion of a rebilling agreement relating to the "Schéma Directeur Immobilier" between Natixis, BPCE and Natixis Immo Exploitation (the other Group companies being intended to adhere to the said agreement by way of amendment). This agreement aims to streamline the real estate sites of the BPCE community and Natixis in the Paris region and includes a project to transform working methods.

  It is specified that it is in the interest of Natixis to join the joint transformation and management program for Groupe BPCE's real estate sites.

  This agreement will be submitted for approval at the General Shareholders' Meeting of March 22, 2022.

  The common officers who did not take part in the deliberations or take part in the vote in accordance with Article L.225-40 of the French Commercial Code were:

  - Laurent Mignon (Chairman of the Board of Directors of Natixis and Chairman of the Management Board of BPCE), Catherine Halberstadt (permanent representative of BPCE on the Natixis Board of Directors and member of the Senior Management Committee of BPCE), and Nicolas Namias (Chief Executive Officer of Natixis and member of the BPCE Management Board);

Since the end of the fiscal year 2021 and at its meeting of February 10, 2022, the Board of Directors authorized **three new related-party agreements** under Article L. 225-38 of the French Commercial Code:

- the conclusion of two contribution agreements, one between Kimo (Holding Assurances) and Natixis, the other between Shiva (Holding Payment) and Natixis, and approved all the terms and conditions, particularly financial, provided for in said agreements.

It should be noted that these transactions are justified in light of Natixis' interests, particularly in view of the fairness of the valuation of the Insurance and Payments business lines, it being specified that these transactions complete the movement initiated by the successful creation of the SEF division within the Groupe BPCE, with the Insurance and Payments business lines now reporting directly to BPCE, allowing Natixis to refocus on global business lines by dedicating the necessary resources.

These contribution agreements will be submitted for approval to the General Shareholders' Meeting of March 22, 2022.

The corporate officers concerned on the day of the transaction and who did not participate in the deliberations or take part in the vote in accordance with Article L. 225-40 of the French Commercial Code are as follows:

  - Laurent Mignon (Chairman of the Board of Directors of Natixis and Chairman of the Management Board of BPCE), Catherine Halberstadt (permanent representative of BPCE on the Board of Natixis and member of the BPCE Senior Management Committee), Sylvie Garcelon, Dominique Garnier, Philippe Hourdain, Catherine Leblanc, Didier Dousset, Dominique Duband, Laurent Roubin and Christophe Pinault;

- the conclusion of a memorandum of understanding relating to the transfer of operating resources and employees between BPCE, BPCE Achats, BPCE Services, Albiant-IT, Natixis, Natixis Immo Exploitation and Natixis Payment Solutions and approved all the conditions and terms and conditions, in particular financial terms, of said protocol.

It is specified that the proposed transfers of employees and operating resources and the conclusion of the memorandum of understanding are in the interest of Natixis insofar as these transfers are necessary for the disposal transactions by Natixis of the Insurance and Payments business lines for the benefit of BPCE, and consequently to the refocusing of Natixis on global business lines by dedicating the appropriate resources to them.

This memorandum of understanding will be submitted for approval to the General Shareholders' Meeting of March 22, 2022.

The corporate officers concerned on the day of the transaction and who did not participate in the deliberations or take part in the vote in accordance with Article L. 225-40 of the French Commercial Code are as follows:

- Laurent Mignon (Chairman of the Board of Directors of Natixis and Chairman of the Management Board of BPCE), Catherine Halberstadt (permanent representative of BPCE on the Board of Natixis and member of the BPCE Senior Management Committee), Sylvie Garcelon, Dominique Garnier, Philippe Hourdain, Catherine Leblanc, Didier Dousset, Dominique Duband, Laurent Roubin and Christophe Pinault.

At the end of its annual review of the related-party agreements entered into and authorized during previous fiscal years, the execution of which was continued during the fiscal year, the Board approved the downgrading at its meeting of December 13, 2021 of:

- the outsourcing service contract, the conclusion of which between Natixis and BPCE-IT/Albiant IT had been authorized by the Natixis Board of Directors on December 17, 2020; and
- the negotiation protocol relating to the sale by Natixis to BPCE of its Securities and Guarantees, Finance Leasing, Factoring, Consumer Credit and Securities activities of its Specialized Financial Services division (the Smith Project), the conclusion of which had been authorized by the Natixis Board of Directors on September 12, 2018.

This information on regulated agreements is included in the Statutory Auditors' special report presented to the General Shareholders' Meeting. *(see section 8.4 of Chapter 8 of this universal registration document)*.

2.2.1.3 Work of the Board of Directors in 2021

The Board of Directors held a total of 15 meetings in 2021. The attendance rate was 97% for the year as a whole (versus 96% in 2020).

Each director's individual attendance rate for Board of Directors' and Committee Meetings is provided in section 2.1.4 of this chapter *(see the directors' individual fact sheets)*.

All documents relating to the agenda are attached to the convening notice or are sent or handed to the directors within a reasonable timeframe, prior to the meeting via a secure digital platform. Exceptionally, they may be provided at a meeting.

The Chief Executive Officer attended all meetings, except for the meeting during which his compensation was discussed, so that the Board members could hear his opinion on important issues and ask him any questions that they deemed relevant.

The Chief Financial Officer, the General Secretary and, as and when required, one or more business line heads have been invited to provide further information on subjects raised in meetings. Finally, the representatives of the Social and Economic Committee were invited to every Board of Directors Meeting.

The main topics addressed by the Board of Directors in 2021 were as follows:

Financial position and monitoring of Natixis activity	▪ Review of the quarterly and half-yearly financial statements and approval of the annual financial statements (parent company and consolidated); ▪ Approval of the proposed allocation of income; ▪ Review and approval of the budget for 2022; ▪ Economic and benchmark reviews/Business market review, and Life of the stock; ▪ Review and approval of press releases (until July 21, 2021) ▪ Approval of the Board's management report including the corporate governance report and the report on the use of authorizations to increase the Company's share capital; ▪ Feedback on the work of the Audit Committee.
Internal control Risk management Compliance	▪ Approval of the annual review of the Risk Appetite Framework (RAF) ▪ Approval of the annual review of indicators and alert thresholds defined in the Order of November 3, 2014; ▪ Acquisition of the liquidity situation and approval of the level of liquidity risk tolerance; ▪ Approval of strategies, policies, procedures, systems, tools and limits with regard to liquidity risk and underlying assumptions; ▪ Approval of the ALM standards; ▪ Approval of contingency plans, particularly in light of the results of the alternative scenarios regarding liquidity positions and risk mitigation factors; ▪ Approval of the audit program for 2022; ▪ Follow-up on H2O; ▪ Monitoring of the implementation of recommendations made by Natixis' General Inspection Department; ▪ Recording of the status of the non-compliance risk management framework; ▪ Review of the activity and results of compliance control; ▪ Approval of AML/CFT control reports and asset freeze; ▪ Stress tests and ICAAP review; ▪ Feedback on the work of the Risk Committee and the US Risk Committee.
Corporate governance	▪ Approval of the Board of Directors' report on corporate governance (included in the management report); ▪ Approval of the documentation of the Combined General Meeting of May 28, 2021 and of the organizational arrangements for the General Meeting; ▪ Approval of responses to written questions from shareholders; ▪ Approval of the compliance of the bylaws with the laws and regulations in force; ▪ Approval of the amendment to the charter on regulated agreements; ▪ Renewal of the term of office of a director; ▪ Appointment of three directors following their resignation to promote the staggering of terms of office; ▪ Co-option of three new directors; ▪ Composition of Special Committees; ▪ Appointment of a new executive manager; ▪ Review of independent member status; ▪ Analysis of the qualifications needed for the duties carried out on the Board of Directors; ▪ Evaluation of the balance and diversity of knowledge, skills and experience that the Board members have, both individually and collectively; ▪ Review of the results of the assessment of the work of the Board of Directors and its specialized Committees for fiscal year 2020; ▪ Launch of the assessment of the work of the Board of Directors and its specialized Committees for fiscal year 2021; ▪ Convening of the General Shareholders' Meeting and the Annual Meeting for holders of participating securities; ▪ Review of regulated agreements authorized in previous years; ▪ Authorization to sign regulated agreements; ▪ Feedback on the work of the Appointments Committee.
Compensation	▪ Compensation of executive corporate officers in 2020 and 2021; ▪ Review of the financial terms for the end of duties of the outgoing Chief Executive Officer; ▪ Approval of the request for repayment of the severance payment paid to the outgoing Chief Executive Officer and monitoring of the measures implemented for its recovery; ▪ Changes to the methods used to determine the compensation for the termination of service of the Chief Executive Officer for the future; ▪ Amendment and approval of the compensation policy for directors for fiscal year 2021; ▪ Approval of the Natixis' compensation, including the deferral policy, the terms of payment of variable compensation and the amounts of variable compensation by business line; ▪ Recording of the Natixis policy on professional equality; ▪ Approval of the payment of an incentive supplement in 2021 for fiscal year 2020 for Natixis; ▪ Information on the report on compensation policies and practices in fiscal year 2021; ▪ Adjustment of the compensation policy as part of the simplified public tender offer; ▪ Feedback on the work of the Compensation Committee.

Financial transactions and/or strategy	▪ Approval of the terms of the strategic plan for 2021-2024 ▪ Examination and authorization of strategic projects ▪ Approval of the contribution of the Insurance and Payments activities to BPCE ▪ Information on the capital increase following the bonus share allocations of the 2018 and 2019 plans ▪ Launch of the consultation process of the Social and Economic Committee on the Company's strategic orientations in accordance with Article L.2312-24 of the French Labor Code ▪ Opinion of the Social and Economic Committee on the Company's strategic orientations in accordance with Article L.2312-24 of the French Labor Code ▪ Opinion of the Social and Economic Committee on the Company's financial and economic position in accordance with Article L.2312-22 (2) of the French Labor Code ▪ Renewal of bond and warrant issue authorizations for fiscal year 2022
ESR	▪ Approval of the declaration related to the Modern Slavery Act; ▪ Report on the work of the ESR Committee
Simplified public tender offer initiated by BPCE for Natixis shares	▪ Ratification and approval of the creation of an ad hoc Committee composed of independent directors ▪ Appointment of an independent expert ▪ Initial assessment of the proposed public offer for Natixis shares ▪ Presentation by the independent expert of their report and conclusions ▪ Review and reasoned opinion on the proposed simplified public tender offer ▪ Review of the Natixis draft memorandum in response to the simplified tender offer initiated by BPCE and approval of the standardized press release ▪ Review of the treatment of unavailable securities and changes made to employee savings instruments ▪ Authorization to modify the allocation of treasury shares held by Natixis
Other items	▪ Creation of a new shared services entity abroad ▪ Total transfers of assets and liabilities (TUP) from Natixis subsidiaries to Natixis.

2.2.1.4 Assessment of the work of the Board of Directors in 2021

As in previous years, Natixis assessed the work of its Board of Directors and specialized Committees, in accordance with recommendations set out in the Afep-Medef code regarding the correct governance of listed companies.

Every three years (2010, 2013, 2016, 2019), Natixis enlists the services of an independent outside firm to assess the work of its Board and Special Committees. Natixis conducts its own internal assessment for the other years. As such, for fiscal year 2021, Natixis conducted an internal assessment to review the structure and operation of the Board of Directors and its Special Committees and evaluate their overall performance.

With regard to the follow-up given to the previous assessment, the Board of Directors:

- decided to generalize the practice of executive summaries integrated into presentation materials in order to optimize the management of meetings;
- within the framework of the Strategic Committee, devoted a significant part of its time to the review of Natixis' strategy, particularly as part of the preparation and approval of the strategic plan for 2021-2024.

The assessment for fiscal year 2021 focused on the following themes:

- the makeup and size of the Board of Directors;
- the suitability of the skills of the members of the Board with regard to the mapping of expertise and the diversity policy;
- the integration and development of the directors, including the relevance of the 2021 training program;
- the organization, frequency and duration of Board Meetings;
- the effectiveness of the separation of functions;
- the quality of the information communicated;
- the decision-making and information process;
- Board performance monitoring;
- the contribution of the Board of Directors to the preparation of the 2021-2024 strategic plan and to the project to reorganize Groupe BPCE, including delisting;
- the contribution in terms of external growth projects;
- the monitoring of risk management;
- the contributions to strategy;
- the composition and functioning of the Special Committees.

Each director as well as the non-voting member and the Chairman of the Board of Directors answered the questionnaire in an individual interview. An interview was also conducted with a representative of the SEC (Social and Economic Commitee). In addition, in accordance with the recommendations of the Afep-Medef code, as part of the assessment of the actual contribution of each director to the work of the Board of Directors, each of them was invited to assess the individual skills of the Board members.

The results of the interviews were collated in an evaluation report, a summary of which was presented at the meeting of the Board of Directors held on February 10, 2022.

The report shows that the directors have a very positive view of the Board of Directors, which they see as working well, and consider that the directors are involved, diligent and constructive.

With regard to the composition of the Board of Directors and its specialized committees, all directors consider that it is satisfactory in terms of profiles and that the skills map updated in 2021 will help identify the right profiles for the Board.

The directors praised the role and involvement of the Chairman of the Board of Directors in the organization and facilitation of Board Meetings and noted that he encourages debate.The separation of duties between the Chairman of the Board of Directors and the Chief Executive Officer is considered functional.

The directors believe that Board Meetings are conducted in a courteous and constructive environment, with open debates where participants are free to speak their minds. They note that, legitimately, the Board devotes a significant portion of its time to financial and regulatory matters and suggest that specific items be provided for on business lines and a regular update on the monitoring of external growth transactions.

The directors note a good *affectio societatis* between the members of the Board, which should be fostered by the organization of moments of informal discussions, as soon as health conditions allow. As for the training of directors, the training program is considered to be of excellent quality. Lastly, as regards the Committees, the directors consider that the work carried out is of good quality makes an effective contribution to the workings of the Board.

2.2.1.5 Director training

Natixis renewed the training program for Board members in 2021. The training program implemented complements the existing one for the members of the BPCE Supervisory Board.

The program covers three areas:

- "fundamentals" training for new Board members and others interested in participating. It comprises modules to give Board members a useful understanding of the issues discussed at Board Meetings;
- "expertise" training on technical or complex issues so that Board members can properly understand, monitor and validate technical or complex matters discussed at Board Meetings. The modules are spread over the course of the year and cover areas such as accounting and financial matters, risk management, director liability (civil, criminal and regulatory), Capital Markets activities, compliance principles, cybersecurity, and so forth;
- "ad hoc" training, provided as and when needed, to give Board members the necessary knowledge and skills to perform their duties. The aim is to examine in depth issues related to the business lines or other topical issues and provide memos to the directors on their secure website that address economic, accounting, regulatory, compliance, legal and other matters.

The training is provided by internal, and occasionally, external trainers.

In fiscal year 2021, 15 training sessions were organised and open to members of the BPCE Supervisory Board and members of the Social and Economic Committee. Directors were also invited to attend sessions held by BPCE for Supervisory Board members.

The training provided by Natixis in 2021 covered the following topics:

- cybersecurity;
- prudential regulations: solvency and liquidity;
- focus on the Corporate & Investment Banking business;
- capital management and RWA;
- induction process for new directors (Natixis strategy, business lines and values);
- the risk management system (including a focus on the US system);
- capital and financial market activities: rules, operation, controls (with a focus on complex market products and associated risks);
- the business lines, activities and operations of an asset management company;
- valuation systems: fair value, observability and leveling;
- the Risk Appetite Framework;
- model risk management;
- the ESR strategy (including regulatory focus on sustainable finance);
- non-compliance risks (financial security, the AML/CFT system, the fight against corruption);
- director's liability (civil, criminal, and regulatory);
- compensation mechanisms.

2.2.1.6 The non-voting member

First name/ Last name	Age (as of 01/03/2022)	Participation rate in Board and Committee Meetings in 2021	Nationality	First appointed	End date of the term of office
Non-voting member					
Henri Proglio	72	BoD: 80% Comp. Com: 67% SC: 50%	French	04/04/2019	2023 AGM

As of April 4, 2019, Natixis' Board of Directors includes a non-voting member, Henri Proglio. He was an independent director until November 17, 2018, the end of his twelve-year term as member of the Supervisory Board and then as a Board member of Natixis.

His knowledge of the Group dating back to 2006, his recognized expertise in financial matters, and his experience in managing large corporations and tackling strategic challenges make for a useful and effective contribution to the Board of Directors. He attends Board Meetings in an advisory capacity and contributes to the work of the Compensation Committee and the Strategic Committee.

The non-voting member received compensation totaling €30,000 in 2021, which is deducted from the directors' compensation package.

2.2.2 Special Committees: offshoots of the Board of Directors

To assist it in its review process, prepare some of its deliberations and comply with the French Monetary and Financial Code, Natixis' Board of Directors has six specialized Committees: an Audit Committee, a Risk Committee, a Compensation Committee, an Appointments Committee, a Strategic Committee, and a Environmental and Social Responsibility Committee (ESR) each chaired by an independent director.

2.2.2.1 The Audit Committee

A – Organization

The Audit Committee has five members. As of February 10, 2022, its members were:

Catherine Pariset	Chairwoman
BPCE, represented by Catherine Halberstadt	Member
Didier Dousset *(since February 10, 2022 – position previously held by Daniel de Beaurepaire)*	Member
Sylvie Garcelon	Member
Laurent Seyer *(since December 13, 2021 – position previously held by Bernard Oppetit)*	Member

The Audit Committee's Chairwoman and members have extensive accounting and financial expertise gained over the course of their professional careers. Catherine Pariset has an auditing career spanning 35 years. Catherine Halberstadt was Chief Executive Officer of Banque Populaire du Massif Central for several years and has in-depth knowledge of retail banking and corporate financing. Sylvie Garcelon is Chief Executive Officer of Banque Populaire Aquitaine Centre Atlantique and has extensive financial experience. Didier Dousset is Chairman of the Steering & Supervisory Board and a member of the Audit Committee of Caisse d'Epargne Ile-de-France and has in-depth knowledge of accounting, finance, internal control and audit. Lastly, Laurent Seyer has a wealth of operational experience due to the executive positions he held at Société Générale (1988-2006) and an in-depth knowledge of the finance and asset management businesses.

Two of the five members are independent (Catherine Pariset and Laurent Seyer).

Catherine Pariset chaired the Audit Committee for the entire period.

The Audit Committee does not have two-thirds independent members, as recommended by the Afep-Medef code, in order to ensure representation of the various components of its majority shareholder (members from the Caisses d'Epargne and the Banques Populaires, and a BPCE representative) but it is consistently chaired by an independent director *(see the summary table of compliance with the recommendations of the Afep-Medef code in section 2.1.3 of this chapter)*. Furthermore, the opinions and recommendations of the Audit Committee are adopted if the majority of members present, including the Chairwoman, vote for them.

B – Role and powers

Natixis' Audit Committee has Internal Rules specifying its powers and its operating procedures, the latest version of which was approved by the Board of Directors on February 9, 2017.

Under the authority of the Natixis Board of Directors, the Audit Committee's primary duties are:

- checking the clarity of information published by Natixis, assessing the relevance of the accounting methods adopted for the preparation of Natixis' individual and consolidated financial statements, monitoring the process of preparing financial information (preparing the financial statements, the management report, etc.) and making recommendations to guarantee the integrity of the information;
- monitoring the statutory audit of the quarterly, half-yearly and annual consolidated financial statements and annual individual financial statements, as well as Natixis' draft budgets and material off-balance sheet commitments, far enough in advance to allow their presentation to Natixis' Board of Directors; and the half-yearly and annual management reports;
- monitoring the effectiveness of the internal control and risk management systems with regard to the procedures for preparing and processing accounting and financial information;
- ensuring the Statutory Auditors' adherence to the independence conditions by which they are bound; accordingly, the Committee must:
  - ensure that the fee amount paid by Natixis, or the percentage of the net sales of the firms and networks represented by that fee, does not, by its nature, undermine the independence of the Statutory Auditors,
  - establish the rules governing the services that the Statutory Auditors may provide and governing the authorization of services other than the certification of the financial statements;
- monitoring the Statutory Auditors' performance of their duties;
- submitting a recommendation to Natixis' Board of Directors for the appointment of Statutory Auditors or auditing firms;
- reviewing the Statutory Auditors' work schedule, the results of their audits and their recommendations, and any follow-up action thereof;
- issuing an opinion on the report presented to it on an annual basis with regard to commercial relations between Natixis or one or more of its subsidiaries, and all or some of the entities forming Groupe BPCE;
- reporting regularly to the Board of Directors on the performance of its duties. It also reports on the results of the certification of the financial statements, the way in which this duty contributed to the integrity of the financial information and the role it played in this process. Any difficulty encountered is reported without delay.

The Company's Chief Executive Officer provides the Audit Committee with any documents and information it needs to perform its duties. The following list is not exhaustive:

- parent and consolidated financial, accounting, and regulatory documents prepared periodically by the Company;
- summary reports by the Company's Statutory Auditors;
- any audit reports concerning the Company;
- accounting policies and methods applied within the Company;

- consolidated budgets, as well as any related documents provided to the Board of Directors or, if applicable, the Audit Committee of the principal subsidiaries.

The Audit Committee may submit to the Board of Directors any proposals to conduct an audit, especially concerning the financial statements of the Company and its subsidiaries.

The Committee may also, if it deems it appropriate, call on the skills of outside experts or consultants for the purpose of explaining any topic that falls under its remit.

The Audit Committee meets at least once a quarter. Minutes of the Audit Committee Meetings are prepared by the secretary of the Board of Directors. These minutes are shared with the Audit Committee members and approved at the following session. The Board of Directors is made aware of the Audit Committee's work so that it can make fully informed decisions.

C – Work of the Audit Committee in 2021

The Natixis Audit Committee met six times in fiscal year 2021. The attendance rate was 87% for the year as a whole.

Each director's individual attendance rate at Audit Committee Meetings is provided in section 2.1.4 of this chapter *(see the directors' individual fact sheets)*.

Within a reasonable amount of time before a Committee Meeting, a file containing the items on the agenda is sent to each director via a secure digital platform for review and analysis in preparation for the meeting.

For each matter submitted for review and analysis, the Audit Committee had the opportunity to hear from relevant Natixis personnel as well as to familiarize itself with reports on these matters.

The Audit Committee monitored the statutory audit of Natixis' yearly, half-yearly and quarterly, parent company and consolidated financial statements, as well as its draft budgets, before they were presented to Natixis' Board of Directors.

Depending on the agenda, various Audit Committee Meetings were also attended by Natixis' Chief Financial Officer, the Chief Risk Officer, the General Secretary as well as the Head of Accounting and Ratios and the Natixis and BPCE Heads of General Inspection. The Statutory Auditors are also present.

For the purposes of performing the audit, the Audit Committee heard the presentations of the Finance Department and the comments of the Statutory Auditors at the closing of the annual financial statements and at the review of the half-year and quarterly financial statements.

In 2021, the Audit Committee's duties focused on the following items in particular:

Financial condition	▪ Review of the quarterly, half-yearly and annual parent company and consolidated financial statements ▪ Budget review 2022 ▪ Update on the financial framework/trajectory of the strategic plan and the associated stress tests ▪ Statutory Auditors' observations ▪ Review of the results of the sharing arrangements for the US affiliates of Natixis Investment Managers and DNCA
Other items	▪ Update of the documentary corpus (memorandum of principle and policy) on observability and fair value levels ▪ Update on the procedure relating to the valuation of ordinary agreements concluded under normal conditions ▪ Statutory Auditors' audit plan for 2021, budget allocated for audits, and follow-up on completed/ongoing audits ▪ Follow-up on Statutory Auditors' fees for 2021 (certification and other assignments) ▪ Information on prior authorizations given by the leader of the Audit Committee for the completion of the Statutory Auditors' services ▪ Follow-up on the preparation of the 2021 Statutory Auditors' reports on the annual and consolidated financial statements

2.2.2.2 The Risk Committee

A – Organization

The Risk Committee is composed of five members. As of February 10, 2022, the Risk Committee was composed as follows:

Laurent Seyer (since December 13, 2021 – position previously held by Bernard Oppetit)	**Chairman**
BPCE, represented by Catherine Halberstadt	Member
Laurent Roubin *(since September 22, 2021 – position previously held by Nicole Etchegoïnberry)*	Member
Catherine Pariset	Member
Christophe Pinault	Member

Two of the five members are independent (Catherine Pariset and Laurent Seyer). Note that the opinions and recommendations of the Risk Committee are adopted if the majority of members present, including the Chairman, vote for them.

The Chairman and the members of the Risk Committee have an enhanced understanding of Natixis' risk management and internal control as a result of their extensive expertise gained over the course of their professional careers.

The Risk Committee has been chaired by Laurent Seyer since December 13, 2021.

B – Role and powers

Natixis' Risk Committee has Internal Rules specifying its powers and its operating procedures, the latest version of which was approved by the Board of Directors on November 7, 2017.

Under the authority of the Natixis Board of Directors, the Risk Committee's primary duties are, in particular:

- advising the Board of Directors on the bank's overall strategy and risk appetite, both current and future;
- assisting the Board of Directors when it checks the implementation of that strategy by the executive officers and by the Head of Risk Management;
- issuing an opinion on the procedures established by Natixis that are used to ensure compliance with regulations as well as risk monitoring and control; to that end, it receives the reports on risks, specifically operational, market or counterparty risks, prepared at the behest of the Company's Chief Executive Officer;
- monitoring the effectiveness of the internal control and risk management systems;

- assisting the Board of Directors in determining guidelines and verifying that the executive officers have properly implemented the supervisory mechanisms, (especially in terms of the separation of duties and the prevention of conflicts of interest, that ensure the Company is effectively and prudently managed);
- reviewing, pursuant to its remit, whether the prices of products and services proposed to clients are compatible with Natixis' risk strategy. If these prices do not correctly reflect the risks, the Committee presents the Board of Directors with an action plan to remedy the situation;
- reviewing, without prejudice to the responsibilities of the Compensation Committee, whether the incentives set out by Natixis' compensation policy and practices are compatible with the latter's situation with regard to the risks to which it is exposed, its capital, its liquidity and the probability and scheduling of the expected benefits;
- assisting the Board of Directors in reviewing the aforementioned governance mechanism, assessing its effectiveness and ensuring that corrective measures have been taken to remedy any shortcomings;
- regularly examining the strategies and policies governing the taking, management, monitoring and reduction of the risks to which Natixis is or could be exposed, including risks created by the economic environment. To that end, at least once a year the Risk Committee analyzes the documents used to define and monitor Natixis' risk appetite, namely the Risk Appetite Statement and the Risk Appetite Framework. The Risk Committee also studies the results of internal stress tests as well as measures of consumption of economic capital. The Risk Committee studies all limit changes between two annual reviews, including changes to industry-based limits;
- examining compliance risk monitoring-related items at least once a year, pursuant to Article 253 of the French Ministerial Order of November 3, 2014 on internal control of banking sector businesses, payment services, and investment services;
- giving its opinion on the appointment or dismissal of the Head of General Inspection at Natixis;
- ensuring that the findings of assignments carried out by the General Inspection and by regulatory and supervisory authorities (specifically the French Prudential Supervisory Authority) are followed up on. To that end, a summary of General Inspection Department reports on Natixis and its subsidiaries is prepared for the Risk Committee, which also receives all reports from the regulatory and supervisory authorities (specifically the ACPR) on Natixis and its subsidiaries;
- addressing Natixis' annual internal audit program, including audits of subsidiaries, with this program being presented to the Committee at least one week prior to its approval.

At the proposal of the Chairman, the Risk Committee may, if deemed appropriate by the Committee and after consulting the Chairman of the Board of Directors, invite to its meetings any Natixis manager (including managers of one of the main subsidiaries or the Chairman of its Risk Committee) who is able to shed light on issues handled by the Risk Committee. It can also invite the Chief Financial Officer, the Chief Risk Officer, the General Secretary, the Natixis Head of General Inspection, the BPCE Head of General Inspection, and Natixis' Statutory Auditors. The Chief Risk Officer, the Compliance Officer, and the Natixis Head of General Inspection have permanent direct access to the Risk Committee.

C – Work of the Risk Committee in 2021

The Risk Committee met eight times in fiscal year 2021. The attendance rate was 88% for the year as a whole.

Each director's individual attendance rate at Risk Committee Meetings is provided in section 2.1.4 of this chapter *(see directors' individual fact sheets)*.

Within a reasonable amount of time before a Committee Meeting, a file containing the items on the agenda is sent to each director via a secure digital platform for review and analysis in preparation for the meeting.

In 2021, the Risk Committee's duties focused on the following items:

Risk management	▪ Key points from the risk dashboard and the bank's risk environment outlook ▪ Regular monitoring of the autocalls action plan ▪ Summary of the main changes in risk policies ▪ Annual review of the risk appetite framework (RAF) and the indicators and alert thresholds defined in accordance with the decree of November 3, 2014 ▪ Regular updates on the risk appetite framework (notification of threshold breaches and indicator limits, review of thresholds with regard to temporary operational limits) ▪ Presentation of the risk appetite framework of the US and APAC platforms ▪ Examination of the adequacy of the prices of products and services offered to customers with the risk strategy ▪ Projected cost of risk for 2021 ▪ Model risk management update ▪ Updates on BCBS 239 principles ▪ Presentation of the ICAAP report ▪ Update on internal stress test results ▪ Review of liquidity risk tolerance ▪ Review of strategies, policies, procedures, systems, tools and limits with regard to liquidity risk and underlying assumptions ▪ Results of alternative stress scenarios ▪ Results of reviews and analyses of changes in the liquidity situation ▪ Review of the ALM standards ▪ Annual analysis of contingency plans, particularly in light of the results of alternative scenarios regarding liquidity positions and risk mitigation factors ▪ Check that the compensation policy is compatible with the risks

Internal control	▪ Presentation of the annual report on internal control ▪ Evaluation of the effectiveness of the internal control framework and procedures of the Risks function in place for fiscal year 2020, in accordance with the Order of November 3, 2014 (including evaluation of the performance of Risk Management and Compliance) ▪ Review of assignments conducted by Natixis General Inspection and BPCE General Inspection during the fiscal year ▪ Monitoring of the implementation of recommendations made by Natixis General Inspection and BPCE General Inspection ▪ Main risks identified during the Natixis General Inspection missions ▪ Updates to the 2021 audit plan and presentation of the draft 2022 audit plan ▪ Presentation of the Natixis General Inspection's budget
Compliance	▪ Review of the activity and results of compliance control ▪ Status of the compliance system and regulatory reports ▪ Update on cybersecurity and technological risks ▪ Annual MIFID II update (product governance, registration system and complaints) ▪ Presentation of the follow-up letter on the AML-CFT system
Other items	▪ Risk assessment of the strategic plan ▪ Update on the Libor indices/transition ▪ Presentation of capital consumption in an economic approach ▪ Update on risk and compliance management in the Insurance business lines ▪ Updates on the management and strengthening of Natixis Investment Managers' risk and compliance system

US Risk Committee

The US Risk Committee is an offshoot of the Risk Committee. This Committee, created in 2016, meets an American regulatory requirement (Dodd Frank Act) applicable from July 1, 2016 to foreign banks established in the United States and meeting certain activity threshold criteria.

The US Risk Committee's membership is the same as the Risk Committee's. It is tasked with monitoring the management of risks related to Natixis' Combined US Operations.

The US Risk Committee met five times during the 2021 fiscal year. Its work focused on the following points:

- annual review of the USRC charter;
- periodic review of CUSO activity and business lines;
- periodic review of changes in the risks of the US platform, including compliance risks;
- review of the CUSO risk identification and assessment exercise;
- review and approval of the CUSO Risk Appetite Statement (RAS) and Risk Appetite Framework (RAF);
- assessment of the 2021-2024 strategic plan in relation to the RAF and impacts on the risk management of the US platform;
- review and approval of CUSO risk policies, including the Risk Management Framework (RMF) and Model Risk Management (MRM);
- periodic review of the macroeconomic and regulatory environment (in particular the Libor transition and climate risk) of the US platform;
- assessment of the conclusions of regulatory reviews and approval (when necessary) of related action plans;
- review of the US Contingency Funding Plan;
- review and monitoring of the priorities, action plan and resources of the US Chief Risk Officer for 2021 and update of the associated action plan (including an independent review of the 2021 action plan);
- periodic monitoring of the conclusions of the Loan Review and the Audit;
- 2021 review and approval of the compliance and credit risk plans for the US CIB;
- examination of the impacts of the health crisis on the activities of the US platform (in particular in terms of liquidity risk and cost of risk);
- monitoring of the credit risk management system;
- strengthening of the regulatory reporting and data quality system;
- strengthening of the model risk management framework;
- review of the annual report of the Head of Information Systems Security;
- review and monitoring of specific work within the scope of Natixis IM, in particular the reorganization of the Risks & Compliance functions and the management of liquidity, investment and concentration risks.

2.2.2.3 The Compensation Committee

A – Organization

The Compensation Committee has seven members. As of February 10, 2022, the Compensation Committee consisted of:

Nicolas de Tavernost	Chairman
Dominique Garnier (since May 29, 2021 – position previously held by Alain Condaminas)	Member
Diane de Saint Victor	Member
Anne Lalou	Member
Catherine Leblanc	Member
Christophe Pinault	Member
Henri Proglio (non-voting member)	Member

Three of the members are independent (Anne Lalou, Diane de Saint Victor and Nicolas de Tavernost).

The Compensation Committee has been chaired by Nicolas de Tavernost since August 6, 2013.

The number of independent directors on the Compensation Committee is not greater than half the total number of members, despite the recommendation of the Afep-Medef code. It has a balanced composition (50% independent, 50% non-independent) and is chaired by an independent director *(see summary table on compliance with Afep-Medef code recommendations in section 2.1.3 of this chapter)*. Furthermore, the opinions and proposals of the Compensation Committee are adopted if the majority of members present, including the Chairman, vote for them.

B – Role and powers

The role of Natixis' Compensation Committee is to prepare the decisions that Natixis' Board of Directors issues with regard to compensation, including that of Natixis employees who have a significant impact on the Company's risk. The Compensation Committee's powers and operating procedures are detailed in the Internal Rules, the latest version of which was approved on December 17, 2014 by the Board of Directors.

The Compensation Committee is responsible for submitting proposals to Natixis' Board of Directors concerning:

- the amount and terms of compensation paid to the Chairman of the Board of Directors of Natixis, including benefits in kind, pension plans and collective personal protection insurance, as well as the allocation of stock options or share purchases;
- the amount and terms of compensation paid to the CEO and, where applicable, one or more Deputy CEOs, including benefits in kind, pension plans and collective personal protection insurance, as well as the allocation of stock options or share purchases;
- rules for allocating compensation to Natixis directors and the total amount submitted to the shareholders at Natixis' General Shareholders' Meeting for a decision;
- the monitoring of the compensation of the Chief Risk Officer and the Compliance Officer;
- whether Natixis' compensation policy complies with regulations, including for the category of staff referred to in the French Ministerial Order of November 3, 2014, as well as for employees referred to in French Law No. 2013-672 on the Separation and Regulation of Banking Activities ("SRAB") and Section 619 of the US Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Volcker Rule"), or regulated categories of staff within Asset Management (AIFMD) or Insurance activities (Solvency II);
- the annual review of Natixis' compensation policy, specifically those employee categories whose professional activities are likely to have a significant impact on the risk profile of Natixis or the Group.

The Compensation Committee may have cause to review and issue an opinion on the insurance taken out by Natixis to cover its executive officers' liability.

The Compensation Committee reviews proposals related to the employee savings plan, including plans for a capital increase reserved for Natixis employees, and, where applicable, plans for a stock subscription or purchase, or for an allocation of bonus shares to be submitted to the Board of Directors or the General Shareholders' Meeting for approval.

Natixis' CEO provides the Compensation Committee with any documents that may assist it in performing its duties and to ensure it is fully informed.

It confers with Natixis' Internal Control Departments or outside experts as appropriate.

C – Work of the Compensation Committee in 2021

The Compensation Committee met six times in fiscal year 2021. The attendance rate was 95% for the year as a whole.

Each director's individual attendance rate at Compensation Committee Meetings is provided in section 2.1.4 of this chapter *(see directors' individual fact sheets)*.

Within a reasonable amount of time before a Committee Meeting, a digital file containing the items on the agenda is sent to each director via a secure digital platform for review and analysis in preparation for the meeting.

In 2021, the Committee focused on the following areas:

Executive corporate officers	▪ Review of the components of compensation for 2020 and 2021 for executive corporate officers and validation of the compensation principles for the 2021 fiscal year
Compensation policy and regulations	▪ Review of regulatory aspects ▪ Review of the compensation policy for members of the Board of Directors ▪ Review of the financial conditions for the end of duties of the outgoing Chief Executive Officer ▪ Examination of the request for restitution of the severance payment paid to the outgoing Chief Executive Officer ▪ Examination of the methods for determining the compensation for the end of duties of the Chief Executive Officer for the future ▪ Review of the mechanisms for adapting the compensation policy as part of the simplified takeover bid ▪ Deferred pay policy: definition of the performance conditions for regulated staff for 2021 ▪ Review of Natixis' compensation policy, including of the deferred income rules and conditions for paying variable compensation as well as the amounts of variable compensation for each business line ▪ Review and monitoring of the achievement of performance conditions applicable to deferred variable compensation ▪ Analysis of the compensation for the heads of control functions and regulated staff for fiscal year 2020 ▪ Review of specific Risk and Compliance targets (2020 review & presentation of 2021 targets) ▪ Analysis of compensation awarded to the 100 highest-paid employees ▪ 2020 annual report on the compensation for regulated staff under CRD IV ▪ Policy on gender equality in the workplace and presentation of the Equal Pay Indexes ▪ Update on employee savings plans

2.2.2.4 The Appointments Committee

A – Organization

The Appointments Committee has six members. As of February 10, 2022, its members were:

Diane de Saint Victor	Chairwoman
Didier Dousset *(since February 10, 2022 – position previously held by Daniel de Beaurepaire)*	Member
Laurent Roubin *(since September 22, 2021 – position previously held by Nicole Etchegoïnberry)*	Member
Philippe Hourdain	Member
Anne Lalou	Member
Nicolas de Tavernost	Member

Three of the six members are independent (Anne Lalou, Diane de Saint Victor and Nicolas de Tavernost). The number of independent directors on the Appointments Committee is not greater than half the total number of members, despite the recommendation by the Afep-Medef code. It has a balanced composition (50% independent, 50% non-independent) and is chaired by an independent director *(see summary table on compliance with Afep-Medef code recommendations in section 2.1.3 of this chapter).* Furthermore, the opinions and proposals of the Appointments Committee are adopted if the majority of members present, including the Chairman, vote for them.

Natixis' Chief Executive Officer is involved as required with the Appointments Committee's work.

The Appointments Committee has been chaired by Diane de Saint Victor since April 4, 2019.

B – Role and powers

The responsibilities assigned to Natixis' Appointments Committee are, in essence, reviewing the selection of corporate officers and members of the Board, and assessing their individual and collective expertise, as well as the effectiveness of the Board of Directors. The Appointments Committee's powers and operating procedures are described in detail in the Internal Rules of the Board of Directors, the latest version of which was approved on December 17, 2014.

The Committee's primary duties are:

- issuing an opinion and, upon request from Natixis' Board, making proposals and recommendations to the Board on the appointment of a CEO and, when appropriate, one or more Deputy Chief Executive Officers of Natixis;
- issuing an opinion and making recommendations to the Board of Directors on the selection/appointment of directors;
- evaluating the balance and diversity of knowledge, skills and experience that the Board members have, both individually and collectively;
- detailing the duties and the qualifications required for serving on Natixis' Board of Directors, and assessing the time to be spent on that service;
- deciding on a set of targets for the balanced representation of men and women on the Board of Directors. The Committee prepares a policy aimed at achieving those targets. Natixis' target and policy as well as the implementation procedures are made public;
- periodically, at least once a year, assessing the structure, size, composition and effectiveness of the Board of Directors with regard to the responsibilities that are assigned to it, and submitting any useful recommendations to the Board;
- periodically, at least once a year, assessing the knowledge, skills and experience of the Board of Directors, both individually and collectively, and presenting it with a report on this topic; and
- periodically scrutinizing the policies of the Board of Directors on selecting and appointing Natixis' executive managers, Deputy Chief Executive Officers and the Chief Risk Officer and making recommendations thereon.

Qualification as an independent director is discussed by the Appointments Committee, which prepares a report for the Board. Each year, based on this report and before the publication of the annual report, the Board of Directors reviews the status of each of its members based on independence criteria set out in the Board of Directors' Internal Rules *(see section 2.2.1.2 A of this chapter).*

C – Work of the Appointments Committee in 2021

The Appointments Committee met four times in fiscal year 2021. The attendance rate was 96%.

Each director's individual attendance rate at Appointments Committee Meetings is provided in section 2.1.4 of this chapter *(see directors' individual fact sheets).*

Within a reasonable amount of time before a Committee Meeting, a file containing the items on the agenda is sent to each director via a secure digital platform for review and analysis in preparation for the meeting.

In 2021, the Committee focused on the following areas:

Independence of directors	▪ Verification of independence criteria for each director
Makeup of the Board of Directors and reorganizing governance	▪ Review of the policy for the selection and appointment of the Chief Risk Officer ▪ Opinion on the co-option of four new directors ▪ Opinion on the renewal of a director ▪ Opinion on the appointment of three directors ▪ Review of the self-assessment of the functioning of the Natixis Board of Directors and its Committees ▪ Examination of the qualifications of independent directors ▪ Analysis of the qualifications needed for the duties carried out on the Board of Directors ▪ Evaluation of the balance and diversity of knowledge, skills and experience that the Board members have, both individually and collectively ▪ Identification of a person or a dominant group within the Board of Directors who might be detrimental to Natixis' interests

D – Succession plan for executive corporate officers

As part of its work, the Appointments Committee reviews on a regular basis the succession plan for the Chief Executive Officer.

With regard to the succession plan for the Chairman of the Board of Directors of Natixis, it should be noted that pursuant to an internal governance rule specific to the Group, the Chairman of the Management Board of BPCE is also the Chairman of the Natixis Board of Directors.

Through its work and discussions, the Committee has developed a plan that is adapted to short-, medium- and long-term situations while making diversity, in all its components, a key element. The Committee enlisted the services of a specialized consulting firm to assess and implement the plan.

The Chairman of the Board of Directors was involved in the preparation of this plan both to ensure its consistency with the practices of the Company and more broadly of Groupe BPCE, and to take into account the high potential internal profiles of the Group.

To carry out its mission, the Appointments Committee keeps the Board informed of the progress of its work and coordinates with the Compensation Committee.

2.2.2.5 The Strategic Committee

A – Organization

The Strategic Committee is made up of all the directors and the non-voting member. Depending on the topics being discussed, certain members of Natixis' Senior Management Committee may be invited to participate on the Strategic Committee. External persons may also participate on the Committee.

The Strategic Committee has been chaired by Anne Lalou since February 10, 2016.

B – Role and powers

The responsibilities assigned to the Strategic Committee are to thoroughly examine the overall strategy of Natixis and its business lines, and to share Senior Management's vision for Groupe BPCE.

In addition, the meetings of this Committee are opportunities for the Board of Directors to get to know the management team that works with the Chief Executive Officer better and improve the Board's working methods.

C – Activity of the Strategic Committee in 2021

The Strategic Committee meets at least once a year. In 2021, the Strategic Committee met four times, including a day dedicated to discussing strategy.

The attendance rate was 97%.

Each director receives the documents related to the agenda within a reasonable timeframe via a secure digital platform.

The Natixis Strategic Committee met in 2021 to examine the following points:

- specific strategic projects such as the simplified public tender offer for Natixis shares by BPCE;
- the progress of the new strategic plan for 2021-2024;
- the financial trajectory of Natixis compared to its peers;
- the targets and milestones for 2024 for each of Natixis' business lines.

During these meetings, the Committee was involved in discussions on the preparation of the next strategic plan.

2.2.2.6 The Environmental and Social Responsibility (ESR) Committee

A – Organization

The ESR Committee has four members:

Anne Lalou	Chairwoman
Dominique Duband	Member
Sylvie Garcelon	Member
Laurent Seyer *(since December 13, 2021 – position previously held by Bernard Oppetit)*	Member

Two of the members are independent (Anne Lalou and Laurent Seyer).

The CSR skills of the four members are recognized by the Board of Directors. Anne Lalou, Dominique Duband, Sylvie Garcelon and Laurent Seyer share their expertise and experience in this area with the Committee. Laurent Seyer will also provide his expertise in terms of risks and facilitate coordination with the Risk Committee.

B – Role and powers

Natixis' ESR Committee has Internal Rules specifying its powers and its operating procedures, which were approved by the Board of Directors on December 17, 2020.

In general, the ESR Committee ensures, in accordance with Article L.225-35 of the French Commercial Code, that environmental and social issues are taken into account by the Board of Directors when determining the Company's business guidelines and their implementation.

The main tasks of the Committee are:

- to review the Group's ESR strategy and commitments, particularly in relation to the green and sustainable finance strategy of all its business lines;
- to examine the results of actions taken by Natixis to reduce its own environmental footprint (control of resource consumption, waste management and mobility practices) and that of its financing and investment activities;
- to monitor employee awareness-raising measures;
- to examine, in conjunction with the Compensation Committee, the procedures for taking into account non-financial criteria in the compensation policy for executive corporate officers;
- to examine ESR risks in conjunction with the Risk Committee and the impact of environmental and societal issues in terms of investment, economic performance and reputation;
- to monitor the reporting systems, the preparation of non-financial information and, in particular, the Non-Financial Performance Report (DPEF) and, in general, any information required by current ESR legislation;
- to review Natixis' non-financial ratings annually.

The ESR Committee reports on its work to the Board of Directors and more specifically presents its conclusions for discussion and, where applicable, for deliberation.

C – Activity of the ESR Committee in 2021

The ESR Committee met twice during the 2021 fiscal year. The attendance rate was 88%.

Each director's individual attendance rate at ESR Committee Meetings is provided in section 2.1.4 of this chapter *(see directors' individual fact sheets).*

Within a reasonable amount of time before a Committee Meeting, a file containing the items on the agenda is sent to each director via a secure digital platform for review and analysis in preparation for the meeting.

In 2021, the Committee focused on the following areas:

Strategy	▪ General presentation of Natixis' ESR strategy and organization ▪ Presentation of Natixis' alignment strategy and its connection with the Group alignment strategy
TCFD Report	▪ Preparation of the DPEF (content, data collection methodology), review of non-financial risks to be published in the URD and review of Natixis non-financial ratings ▪ Presentation of the draft TCFD report
Other items	▪ Monitoring of employee awareness-raising actions and presentation of KPIs for monitoring the strategic plan

2.2.3 Senior management

As of February 10, 2022, Senior Management is structured around the Chief Executive Officer, Nicolas Namias, and the Senior Management Committee, whose activities for 2021 are detailed below *(see section 2.2.3.4 below).*

As of February 10, 2022[(1)], the members, alongside the Chief Executive Officer, were as follows:

- Nathalie Bricker (Chief Financial Officer, executive officer);
- Anne-Christine Champion (Co-Head of Corporate & Investment Banking);
- Mohamed Kallala (Co-Head of Corporate & Investment Banking);
- François Codet (Head of the Insurance division);
- André-Jean Olivier (General Secretary, executive officer);
- Tim Ryan (Head of the Asset & Wealth Management division);
- Véronique Sani (Technology & Transformation Director);
- Cécile Tricon-Bossard (Group Human Resources Director);
- Pierre-Antoine Vacheron (Head of the Payments division);
- Franck Leroy (Chief Risk Officer).

An Executive Committee (Comex), an information body whose activity is detailed below *(see section 2.2.3.5 below)*, brings together, in addition to the members of the Senior Management Committee, the heads of certain core business lines and support functions essential to the running of the Company.

2.2.3.1 Gender balance within the Senior Management Committee and the top 10% of positions with the highest responsibility

A – Gender diversity policy within the Senior Management Committee

The balanced representation of women and men on the governing bodies which, within the meaning of Article 7.2 of the Afep-Medef code, include the Board of Directors and the Senior Management Committee, is a key issue for Natixis. The diversity policy applied to the Board of Directors is described in section 2.2.1.1. C of this chapter.

In 2019, the Company signed the United Nations Principles for Gender Equality. By signing the seven principles for the empowerment of women, Natixis is committed to implementing gender equality governance at the highest level of the Company.

As part of the 2024 strategic plan, Natixis has set itself targets for increasing diversity in all its leadership circles, with a target of 40%. The rate of representation of women on Natixis' Senior Management Committee was 36% as of December 31, 2021.

Natixis has thus gone from a Senior Management Committee composed exclusively of men six years ago, to a Committee composed today of seven men and four women, each holding strategic positions: the Chief Financial Officer, the Technology & Transformation Director, the Human Resources Director and the Co-Head of Corporate & Investment Banking. Natixis is determined to be exemplary both in terms of significantly increasing the representation of women and as regards the profiles of women who hold the highest positions in support activities and business lines.

This rise of women in governing bodies is the result of a specific action plan initiated several years ago structured around:

- the setting of quantified targets and monitoring in each business line;
- strong competency-based Human Resources and recruitment processes;
- succession plans that systematically include female profiles;
- blended career development programs.

With regard to the latter, in 2019 Natixis built and implemented the "Women's Sponsorship Program" to enable the most talented female employees to benefit, for one year, from the support of a member of the Senior Management Committee or the Executive Committee. The objective is to promote these female talents, increase their visibility and thus actively prepare their access to career opportunities within Natixis.

In addition, coaching programs dedicated to women such as "career success for women" have been offered for more than ten years. They enable employees to develop their leadership skills and assert their ambitions every year.

(1) The transfer of the Insurance and Payments business lines to BPCE will be submitted for approval to the General Shareholders' Meeting of March 22, 2022. For more details on the project, please refer to Note [1.2.2] of the notes to the consolidated financial statements in Chapter [5] of this Universal Registration Document.

Thanks to the actions it has undertaken, Natixis is now the **leading bank in the ranked list of women in SBF 120 governing bodies** produced by the State Secretariat for Gender Equality and published in October 2021. It progresses to 10th place.

This ranking recognizes the progress and efforts made to increase female presence in the leadership circles to which the members of the Senior Management Committee belong.

B – Gender balance in the top 10% of positions with the highest responsibility

In accordance with Article L.22-10-10 2° of the French Commercial Code, 30% of women hold positions in the top 10% of positions with the highest responsibility. This corresponds to the top-ranking leadership circle, Global Leaders (equivalent to the top 100) and includes members of the Senior Management Committee and members of the Natixis Executive Committee.

2.2.3.2 The Chief Executive Officer

The Chief Executive Officer is responsible for the Natixis' Senior Management, in accordance with the Board of Directors' decision of April 30, 2009 to separate the offices of Chairman of the Board of Directors and Chief Executive Officer.

On August 3, 2020, Nicolas Namias was appointed as Chief Executive Officer by the Board of Directors with effect as of August 4, 2020, for a period of four years ending with the adjournment of the 2024 Natixis General Shareholders' Meeting held to approve the financial statements for the year ending December 31, 2023.

Nicolas Namias therefore became executive officer of Natixis ("dirigeant effectif", as defined by Articles L.511-13 and L.532-2 of the French Monetary and Financial Code).

The Chief Executive Officer may delegate a portion of his powers to any corporate officer of his choosing, with or without the option of substituting one for another. In light of this fact, Natixis has a comprehensive system for assigning and monitoring delegations of power and of signing authority, which encompasses the delegation of Senior Management Authority to members of the Senior Management Committee. Furthermore, each business line and support function has defined and regularly updates its own signing authority rules, in keeping with the fundamental principles laid down by Senior Management.

On the Chief Executive Officer's recommendation, the Board of Directors may appoint one to five Deputy Chief Executive Officers from among the directors or otherwise to assist the Chief Executive Officer.

In conjunction with the Chief Executive Officer, the Board of Directors determines the scope and duration of the powers conferred upon the Deputy Chief Executive Officers. They have the same powers with respect to third parties as the Chief Executive Officer.

Disclosure of non-conviction

The Chief Executive Officer has not been convicted of fraud, filed for bankruptcy, liquidation, receivership or companies put into administration, convicted and/or punished by official or regulatory bodies, disqualified from acting as a member of administrative, management or supervisory bodies of an issuer, or from acting in the management or conduct of the business of an issuer within at least the previous five years.

Conflicts of interest

There is no potential conflict of interest between the duties of the Chief Executive Officer towards Natixis and his private interests and/or other duties towards third parties.

In addition, there are no service agreements binding the Chief Executive Officer to Natixis that could confer benefits according to the terms of such an agreement and that might call into question his independence or interfere in his decision-making.

2.2.3.3 Executive officers

In accordance with Articles L.511-13 and L.532-2 of the French Monetary and Financial Code, Natixis currently has three executive officers: Nicolas Namias, Chief Executive Officer, Nathalie Bricker, Chief Finance Officer and André-Jean Olivier, General Secretary, the latter having been appointed by the Board of Directors at its meeting of July 7, 2021.

As executive officers, Nicolas Namias, Nathalie Bricker and André-Jean Olivier stand surety and assume full liability toward the supervisory authorities, and specifically the French Prudential Supervisory Authority and the European Central Bank (ECB), for the following activities:

- the bank's effective management, within the meaning of Article L.511-13 of the French Monetary and Financial Code;
- disclosure to the ACPR of any accounting or financial documents that the ACPR may request, and responses to any questions or requests for information, per Articles L.571-4 to L.571-9 of the same Code;
- the periodic evaluation and control of the effectiveness of the mechanisms and procedures set up to comply with the French Ministerial Order of November 3, 2014 on internal control of banking sector businesses (as amended by the Order of February 25, 2021);
- the determination of capital requirements.

In this context, the executive officers are authorized to request and receive all useful information from any division, department, controlled entity or subsidiary of Natixis.

In the event of the absence of the executive corporate officer, the other executive officers will ensure business continuity until the Board of Directors appoints a new Chief Executive Officer based on a recommendation by the Appointments Committee.

2.2.3.4 Activities of the Senior Management Committee

Following Natixis' conversion into a joint stock company with a Board of Directors, a Senior Management Committee was set up in early May 2009 in order to examine and validate the Company's main decisions and steer its management.

Barring exceptions, it meets weekly, chaired by the Chief Executive Officer. During fiscal year 2021, it was composed of the heads of the following four areas of activity: Asset & Wealth Management, Retail Banking, Insurance and Payments as well as of the main managers of the functional departments.

Except where circumstances prevented them from doing so, the members of the Senior Management Committee were present at all meetings in 2021. Representatives from the business lines or different support functions were invited to present projects or policies falling within their departmental remits.

Work was finalized on the 2021-2024 strategic plan (BPCE 2024) in 2021 and it was announced on July 8 as part of the presentation of the Groupe BPCE strategic plan.

The Senior Management Committee continued the work to prepare the plan, which began in 2020, with several days of strategic meetings to define the strategic objectives for the business lines and the priority cross-cutting issues. The “BPCE 2024” plan is based on three major areas for Natixis’ business lines: diversifying for the benefit of customers and development, committing to the energy transition and SRI finance, and transforming and investing to create sustainable value. The 2018-2020 “New Dimension” plan enabled Natixis to be recognized by its clients as a house of expertise, driven by an entrepreneurial spirit. The new strategic plan reflects the ambition to continue to develop the business franchises in all regions.

The year 2021 was also marked by the implementation of Groupe BPCE’s project to develop the business lines and simplify the Group with, on the one hand, the delisting of Natixis on July 21 and, on the other hand, the clarification of the target organizations with a view to transferring the Insurance and Payments businesses in the first quarter of 2022 (subject to agreements). The Group’s new organization was presented during the communication of the “BPCE 2024” strategic plan, built around two business lines: on the one hand, Retail Banking and Insurance (regional banks and businesses serving retail), and, on the other hand, Global Financial Services (Asset & Wealth Management, Corporate & Investment Banking).

In this context, in 2021, the Senior Management Committee studied and approved all the strategic orientations, but also all the strategic transactions carried out by Natixis during the year, before presentation to the Company’s Board of Directors. In particular, it examined external growth opportunities and supervised various projects and initiatives.

In terms of strategic transactions, in the Asset & Wealth Management business, Natixis IM announced in December 2021 a project to extend and renew the industrial partnership with La Banque Postale, in Ostrum Asset Management, until the end of 2030. In this context, Natixis Investment Managers announced the acquisition of the minority stakes held by La Banque Postale in Ostrum Asset Management (45%) and AEW Europe (40%). In addition, after the announcement of the evolution of the relationship between Natixis Investment Managers and H2O AM, the Senior Management Committee continued its discussions to define the scenario for the withdrawal of the partnership, while ensuring an orderly transition in the interest of the customers of H2O AM.

In the Corporate Center segment, we noted the announcement in February 2021 of the sale by Natixis of a 29.5% stake in Coface to Arch Financial Holdings Europe IV Limited, an affiliate of Arch Capital Group Ltd.

The Senior Management Committee also oversaw the implementation of Natixis’ ESR strategy. Within Corporate & Investment Banking, Natixis CIB, work continued to stabilize the balance sheet temperature trajectory by 2050, in line with the Paris Agreement, based on the proprietary Green Weighting Factor method. We noted the first publication of the Natixis climate report in October 2021 following the recommendations of the TCFD (Task Force on Climate-Related Financial Disclosures) and detailing the actions implemented to support the transition to a low-carbon economy and adaptation to climate change in the various Natixis businesses. The Senior Management Committee reviewed and approved all the commitments made.

Beyond the environmental transition, the Senior Management Committee supported the discussions on the challenges of technological transition for clients and in particular the creation of the Tech Hub by Natixis CIB.

The Senior Management Committee also encouraged initiatives in favor of employee engagement and diversity with identified objectives concerning Diversity and Inclusion for 2024 and the signing of the LGBT+ Engagement Charter of L’Autre Cercle. By adopting this charter, Natixis reaffirmed its desire to guarantee its employees an inclusive working environment.

The Senior Management Committee oversaw the management and monitoring of the impacts of the COVID-19 health crisis for employees, customers and all stakeholders.

The Senior Management Committee regularly examined the Company’s business development and results during its meetings throughout the year. It reviewed the annual, half-yearly and quarterly financial statements before their presentation to the Board of Directors and was involved in defining the Company’s financial communication (until July 21, 2021).

Furthermore, the Senior Management Committee oversaw Natixis’ adaptation to changes in the economic and regulatory environment in the banking and insurance sectors. Specifically, it regularly monitored any regulatory changes and initiatives.

After in-depth discussions with the businesses and support functions involved, the Senior Management Committee approved the main management decisions, and reviewed and approved the budget and capital trajectory, the enhanced and validated Risk Appetite Framework, internal stress tests and ICAAP report. In addition, it approved the terms and conditions governing mandatory annual negotiations and the compensation review policy, the appointment of executive officers and managers, and all significant projects or investments/divestments.

Furthermore, the Senior Management Committee monitored the management, risk management and compliance measures within Natixis, and regularly reviewed changes in the Company’s risks, as well as the consequences of audits. It also focused on conduct-related issues.

2.2.3.5 Activities of the Executive Committee

Natixis has an Executive Committee (Comex) comprising the members of the Senior Management Committee and the heads of certain business lines and support functions essential to the Company’s success.

The Executive Committee, which has over 40 members, met several times in 2021 at seminars during which its members were invited to provide insight and analysis on the strategies proposed by the Senior Management Committee and to incorporate managerial information for the purposes of distributing it to the teams.

The members of the Executive Committee also took part in the preparation of the strategic plan for 2021-2024, communicated in July.

2.3 Compensation policy for corporate officers

Natixis' compensation policy is a key component in the implementation of the Company's strategy. It is structured in a way that promotes employee engagement over the long term and increases the Company's employer appeal, while discouraging excessive risk-taking.

This section first presents the principles of the compensation policy for corporate officers, then the compensation policy for directors, and finally the policy and elements of compensation paid or awarded for the past fiscal year to the Chairman of the Board of Directors, on the one hand, and the Chief Executive Officer on the other.

Information on the members, roles and powers of the Compensation Committee are detailed in the previous section of the corporate governance chapter *(see section 2.2.2.3)*.

2.3.1 Compensation policy for corporate officers

Natixis' compensation policy is a key aspect of the implementation of a sustainable company strategy. The Board of Directors ensures that it is in line with the corporate interest. It ensures that the different components of compensation are balanced and that the benefits granted are in line with the duties performed. It also ensures that compensation is structured to promote long-term employee engagement and enhance the Company's appeal, while discouraging excessive risk taking.

It reflects the individual and collective performance of its business lines and employees, and incorporates financial and qualitative performance criteria, including non-financial criteria and specifically Environmental and Social Responsibility. It also serves to align the interests of Natixis' various stakeholders over time, ensuring that it is not a source of conflicts of interest between employees and clients, while promoting behaviors that are in line with Natixis' culture and rules of good conduct.

In order to ensure that the process for setting and amending the compensation policy is independent and relevant, the Compensation Committee (whose role is detailed in section 2.2.2.3 of this chapter) conducts an annual analysis of the principles of the compensation policy for corporate officers and formulates proposals for the Board of Directors. Together, they ensure compliance with conflict-of-interest regulations pursuant to applicable legislation and the Board of Directors' internal rules.

The compensation policy strictly complies with regulations in Natixis' countries and sectors of operation, including the CRD, the French law on the separation and regulation of banking activities, AIFMD, UCITS, MiFID, IDD and Solvency.

Compensation of executive corporate officers follows the principles of Natixis' general compensation policy applicable to all employees, especially for employee categories whose professional activities have a significant impact on Natixis' risk profile, details of which are set out in the annual report on compensation policies and practices published each year before the General Shareholders' Meeting.

After consulting with the Compensation Committee, the Board of Directors determines the various pay components of Natixis' executive corporate officers based on the principles of competitiveness with market practices for similar roles and the way said components relate to performance.

COMPETITIVENESS
COMPARISON WITH MARKET PRACTICES

+

PERFORMANCE
INDIVIDUAL AND COLLECTIVE FINANCIAL AND EXTRA-FINANCIAL CRITERIA

In exceptional circumstances, the Board of Directors may adapt certain provisions of the compensation policy, in line with its principles.

If there is a change in governance or a new corporate officer is appointed, the Board of Directors will ensure compliance with the core principles of the compensation policy and may decide to deviate therefrom depending on the interested parties' profiles.

2.3.2 Non-executive corporate officers

The members of the Board of Directors of Natixis receive compensation subject to the terms and conditions set out below.

The overall annual budget for compensation to be allocated to members of the Board of Directors is €650,000 *(see the 36th resolution of the Combined General Shareholders' Meeting of May 19, 2015)*.

On the basis of fifteen directorships and one non-voting member, the compensation of the members of the Board of Directors complies with the following rules:

Governing body	Compensation	
	Fixed portion (prorated to the term of office)	Variable portion
Board of Directors		
Chairman	N/A	N/A
Member	€8,000	€2,000/meeting *(capped at seven meetings)*
Audit Committee		
Chairman	€17,000	€2,000/meeting *(capped at six meetings)*
Member	€3,000	€1,000/meeting *(capped at six meetings)*
Risk Committee (including the US Risk Committee)		
Chairman	€17,000	€2,000/meeting *(capped at ten meetings)*
Member	€3,000	€1,000/meeting *(capped at ten meetings)*
Appointments Committee		
Chairman	€15,000	€2,000/meeting *(capped at three meetings)*
Member	€2,000	€1,000/meeting *(capped at three meetings)*
Compensation Committee		
Chairman	€15,000	€2,000/meeting *(capped at four meetings)*
Member	€2,000	€1,000/meeting *(capped at four meetings)*
ESR Committee		
Chairman	€12,000	€2,000/meeting *(capped at two meetings)*
Member	€2,000	€1,000/meeting *(capped at two meetings)*
Strategic Committee		
Chairman	N/A	€12,000/meeting *(capped at one meeting)*
Member	N/A	€2,000/meeting *(capped at one meeting)*

Board members receive a fixed portion of €8,000 per year for participating in Board Meetings as well as a variable portion of €2,000 per meeting, attributable according to their attendance, with the number of meetings paid over a full year being capped at seven; as a result, the maximum amount paid for meetings of the Board of Directors may not exceed €22,000 for any directorship.

This amount will be divided between incoming and outgoing Directors in the event of a change in the composition of the Board of Directors during a given fiscal year.

In addition, compensation is earned for participation in the Board's various Special Committees, if applicable, as presented in the table above.

As an example, a director who is also a member (not a Chairman or Chairwoman) of all the Committees would receive €57,000 over a full year for 100% attendance of all the meetings of the Board of Directors and of the Committees.

The compensation paid to Committee Chairs is greater than that paid to members, given the workload and responsibilities involved.

Moreover, in accordance with the rules applicable within Groupe BPCE, the portion of directors' compensation going to BPCE directors is granted and paid directly to BPCE and not to the directors.

Given the waiver by the Chairman of the Board of Directors of any compensation due in respect of his office as a director, it is specified, as necessary, that this policy does not apply to the Chairman of the Board of Directors.

The methods for distributing the fixed and variable compensation of directors were approved by the Board of Directors for the fiscal year 2022, it being noted that these may be adapted by the Board of Directors in the event of a change in the composition of the Board of Directors or a change to take account of an increase in workload or responsibilities.

It is specified that the duration of the terms of office of the members of the Board of Directors is detailed in the summary table of the composition of the Board of Directors. Furthermore, the appointment and revocation conditions of the Board of Directors' members are referred to in Article L.225-18 of the French Commercial Code. Any Board member can also resign his or her position without providing a reason. In the event of director's vacancy by death or resignation, the Board of Directors can, between two General Shareholders' Meetings, make temporary appointments. Appointments made by the Board of Directors are subject to ratification to the next General Shareholders' Meeting. And finally, no director is bound by an employment contract and/or a services agreement with the Company.

2.3.3 Chairman of the Board of Directors

The compensation of the Chairman of the Natixis Board of Directors is determined by the Board of Directors in consideration of the Chairman's experience and by benchmarking against the market. Laurent Mignon's gross annual fixed compensation for his duties as Chairman of the Board of Directors is €300,000 and has remained unchanged since 2018.

In accordance with the principles approved by the General Shareholders' Meeting on May 28, 2021, Laurent Mignon received gross compensation of €300,000 for fiscal year 2021 in connection with his duties as Chairman of the Natixis Board of Directors.

It should be noted that Laurent Mignon was appointed Chairman of the Board of Directors of Natixis on June 1, 2018, until the General Meeting of Natixis in 2023 called to approve the financial statements for the fiscal year ended on December 31, 2022. In addition, the criteria for appointing and dismissing the Chairman of the Board of Directors are set out in Article L.225-47 of the French Commercial Code.

2.3.4 Chief Executive Officer

Fixed compensation

The fixed compensation for the Chief Executive Officer is established based on the skills and expertise required to perform his duties and is in line with market practices for similar roles.

The fixed compensation of the Chief Executive Officer for fiscal year 2021 was of €800,000 gross until the end of August, then of €1,000,000 from September 1, i.e. €866,667 for Nicolas Namias over 2021.

Annual variable compensation

Furthermore, the compensation of the Chief Executive Officer is closely tied to the Company's performance, especially through annual variable compensation that is contingent upon the achievement of predetermined targets. Details regarding these targets and the extent to which they have been achieved at the end of the period, are assessed by the Board of Directors after consulting with the Compensation Committee. The criteria include quantitative objectives relating to the financial performance of BPCE and Natixis, and strategic objectives as well, including in terms of ESR.

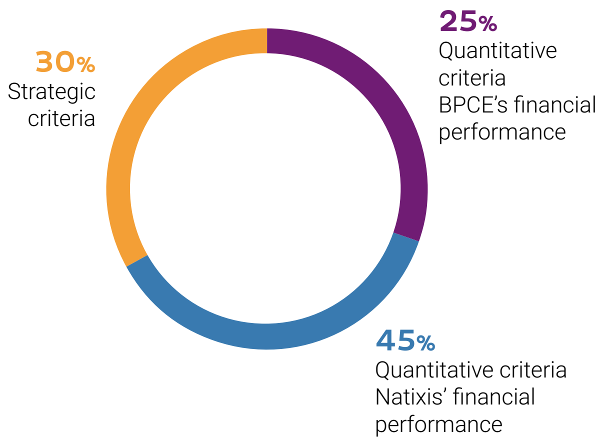
The annual target variable compensation for 2021 is €1.2 million corresponding to 100% of the fixed compensation, plus the target of the long-term incentive plan (LTIP CDG) of 20% of fixed compensation, which was not awarded in 2021.

The terms of payment of the Chief Executive Officer's annual variable compensation comply with applicable regulations, especially regulatory provisions relating to supervision of compensation as provided for by the European Directive CRD V of May 20, 2019. In particular, the payment of a fraction of the variable compensation awarded is deferred over time, is conditional, and is subject to the condition of presence and performance criteria.

The deferred portion of the variable compensation awarded represents at least 40% of the variable compensation awarded and 50% of the annual variable compensation is indexed to the change in Groupe BPCE's Net Income Group Share.

As a reminder, the Chief Executive Officer is prohibited from using hedging or insurance strategies, both during the vesting period for components of deferred variable compensation and during the lock-up period.

The objectives defined for fiscal year 2021 were as follows:



For fiscal year 2021, the criteria for determining the annual variable compensation set by the Board of Directors were as follows:

Rules for determining variable compensation for 2021

Range from 0% to 156.75% of the target, i.e. a maximum of 156.75% of the fixed compensation		
Quantitative criteria BPCE's financial performance*	25%	▪ 12.5% net income (Group share) ▪ 8.3% cost/income ratio ▪ 4.2% GNP
Quantitative criteria Natixis' financial performance*	45%	▪ 11.25% GNP ▪ 11.25% net income (Group share) ▪ 11.25% cost/income ratio ▪ 11.25% ROTE
Strategic criteria	30%	▪ 10% finalizing and launching of the new Strategic Plan and Transformation projects progress ▪ 10% oversight in terms of control and risks ▪ 5% accentuate the positioning of Natixis as a player with an impact on ESR and energy transition issues in the various business lines ▪ 5% promote and encourage employee engagement

* *Underlying data.*

The Board of Directors assessed the level of performance of Nicolas Namias with regard to the criteria defined for 2021 and, after obtaining the opinion of the Compensation Committee, decided to allocate to Nicolas Namias:

- for the BPCE quantitative criteria: 150.00% of the annual bonus target;
- under Natixis quantitative criteria: 177.13% of the annual bonus target;
- for strategic criteria: 120.00% of the annual bonus target.

With regard to the strategic criteria, the Board took into account in particular the numerous achievements of 2021, such as the 2024 guidelines and the quantified ambitions defined with all the business lines and support functions and the associated communication actions as well as significant advances on the simplification and development project in coordination with BPCE.

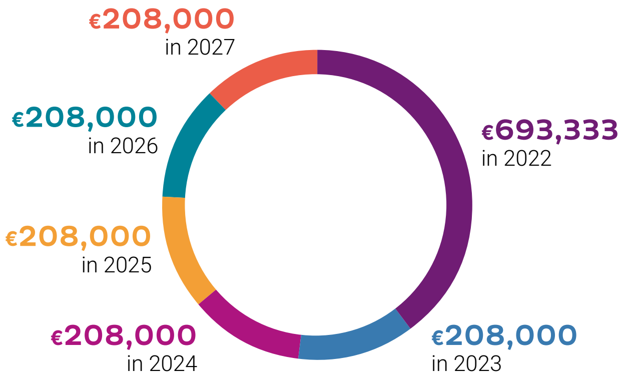
The Board also noted the strong positioning of Natixis' business lines on ESR and environmental transition issues: for example, in Corporate & Investment Banking, the development via the Green & Sustainable Hub of innovative solutions and instruments for clients and significant operations in renewables and the energy transition, and in the Asset Management business lines, 34% of outstandings classified as sustainable and responsible at the end of September 2021.

The sum of the criteria represented a gross amount of €1,838,520. The Board of Directors has decided to award to Nicolas Namias, in respect of 2021, an annual variable compensation of €1,733,333 gross in accordance with the CRD rules (capping of variable compensation at 200% of fixed compensation), i.e. 144.4% of the target variable compensation.

A portion of the annual variable compensation will be paid in 2022, i.e. €693,333, the other portion will be deferred over five years (from 2023 to 2027) and fully indexed to the change in Groupe BPCE's net income Group share, i.e. €1,040,000. This deferred amount will be paid in five annual installments, subject to the presence condition and the fulfillment of performance conditions.

Breakdown of annual variable compensation for the 2021 fiscal year by vesting date

Nicolas Namias, Chief Executive Officer



60% of the annual variable compensation of Nicolas Namias for fiscal year 2021 is deferred to 2023, 2024, 2025, 2026 and 2027, and will be indexed in its entirety.

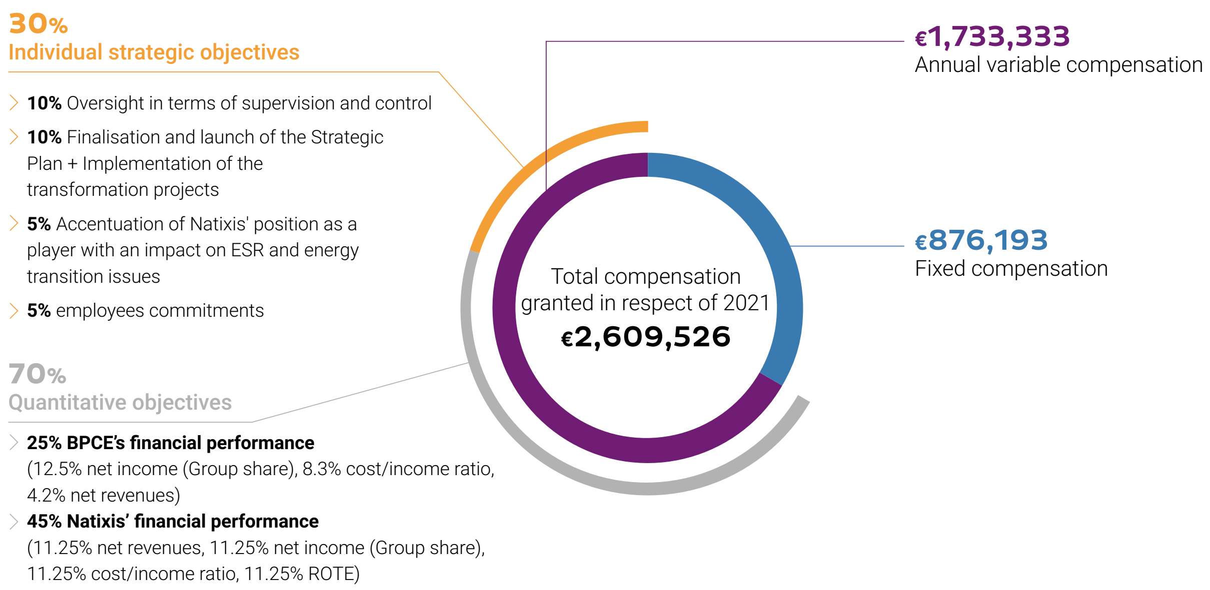
Long-term compensation plan

The Chief Executive Officer is eligible for allocations under long-term incentive plans ("LTIP CDG") for the members of the Natixis Senior Management Committee, corresponding to 20% of his gross annual fixed compensation, for which the vesting is subject to presence and the achievement of performance conditions.

The total variable compensation awarded (annual variable compensation and LTIP) to the Chief Executive Officer during the fiscal year cannot exceed twice his fixed gross annual compensation.

Nicolas Namias did not benefit from any allocation under the 2021 Long-Term Incentive Plan.

Structure of the total compensation awarded for the position of Chief Executive Officer for the fiscal year 2021



Fringe benefits

The Chief Executive Officer receives a family allowance in accordance with the same rules as those applied to Natixis employees in France. The Chief Executive Officer has a company car.

The Chief Executive Officer also receives social protection benefits whose terms are identical to those applicable to Natixis' employees or implemented by Groupe BPCE for its executive officers.

Nicolas Namias received a family allowance under the same terms and conditions as those applied to Natixis employees, i.e. €447. The benefit in kind for Nicolas Namias' company car is €9,079.

Nicolas Namias also receives health benefits and personal protection insurance, the terms of which are identical to those applicable to Natixis' employees or implemented by Groupe BPCE for its executive officers. The corresponding employer contribution amount for this protection is €16,131.

Post-employment benefits

Pension Plan

Like the rest of the staff, the Chief Executive Officer is covered by the mandatory pension plan. He is not covered by the kind of supplementary pension plans described in Article 39 or Article 83 of the French General Tax Code. The "Article 82" mechanism applicable to its predecessor was not renewed for Nicolas Namias.

Severance payments

The monthly reference compensation is equal to one-twelfth of the sum of the fixed compensation paid in respect of the last calendar year in activity and the average variable compensation paid over the last three calendar years of activity.

The amount of severance pay is equal to: Monthly Reference Compensation x (12 months +1 month per year of seniority).

The Chief Executive Officer will not receive contract termination payment in the event of gross negligence or willful misconduct, if he leaves the Company at his initiative to take another position or changes his position within Groupe BPCE, or exercises his right to retire.

Furthermore, in line with the provisions of the Afep-Medef corporate governance code, the right to a benefit is contingent on meeting performance criteria and requirements, as verified by the Board of Directors where appropriate. On February 11, 2021, the Board of Directors of Natixis provided the following update: the assessment of the achievement of objectives will be carried out over the previous two fiscal years to reflect the process of defining and monitoring budgets which is carried out over a full fiscal year. In addition, the data relating to the net income (Group share) and ROE to assess the achievement of the budget will be the underlying data:

1. average Natixis underlying net income over the two fiscal years preceding departure greater than or equal to 75% of the average budget forecast for the period;
2. Average underlying Natixis ROE over the two fiscal years preceding departure greater than or equal to 75% of the average budget forecast for the period;
3. Natixis cost/income ratio below 75% over the last half-year closed prior to departure.

The amount of the payment shall be determined based on the number of performance criteria met:

- if all three criteria are met: 100% of the agreed payment;
- if two criteria are met: 66% of the agreed payment;
- if one criterion is met: 33% of the agreed payment;
- if none of the criteria is met: no payment will be made.

As a reminder, the amount of the Chief Executive Officer's severance payment, combined with the non-compete indemnity if warranted, may not exceed the equivalent of 24 months of monthly reference compensation.

Non-compete indemnities

The non-compete agreement is limited to a period of six months and carries an indemnity equal to six months of fixed compensation, as in force on the date on which the CEO leaves office.

On February 11, 2021, the Board of Directors decided on the following items, approved at the General Shareholders' Meeting of May 28, 2021:

- the payment of the non-compete compensation is excluded when the executive officer asserts his pension rights;
- in any event, no non-compete compensation may be paid beyond age 65;
- it is also specified that the non-compete compensation must be paid in installments during its term.

The amount of the non-compete indemnity, together with the severance payment, if applicable, received by the Chief Executive Officer is capped at 24 months of the monthly reference compensation (both fixed and variable).

Upon the departure of the Chief Executive Officer, the Board of Directors must make a decision regarding whether to enforce the non-compete clause.

Nicolas Namias did not receive any severance or non-compete benefits in 2021.

Nicolas Namias was appointed Chief Executive Officer by the Board of Directors on August 3, 2020, with effect as of August 4, 2020, for a period of four years ending with the adjournment of the 2024 Natixis General Shareholders' Meeting held to approve the financial statements for the year ending December 31, 2023. In addition, the criteria for appointing and dismissing the Chief Executive Officer are set out in Articles L.225-51-1 and L.225-55 of the French Commercial Code.

2.3.5 Standardized tables compliant with AMF recommendations

AMF Table No. 1

Summary of the compensation, stock options and shares granted to each executive corporate officer

	FY 2021	FY 2020
Nicolas Namias, Chief Executive Officer		
Compensation due or granted for the fiscal year	€ 2,609,526 [(a)]	€525,119 [(a)]
Value of options granted during the fiscal year	0	0
Value of bonus shares granted during the fiscal year	€0	€0
TOTAL	**€2,609,526**	**€525,119**
Nicolas Namias' other compensation for his duties at BPCE	**€0**	**€672,548**
Laurent Mignon, Chairman of the Board of Directors		
Compensation due or granted for the fiscal year	€300,000	€300,000
Value of options granted during the fiscal year	0	0
Value of bonus shares granted during the fiscal year	0	0
TOTAL	**€300,000**	**€300,000**
Laurent Mignon's other compensation for his duties at BPCE	**€2,780,529**	**€2,171,169**

(a) *Including €447 family allowance and €9,079 of beneficit in kind for the company car in 2021, and €670 family allowance and €3,710 of beneficit in kind for the company car in 2020.*

AMF Table No. 2

Summary of the compensation granted to each executive corporate officer

In the tables below:

- the expression "amounts due or granted" refers to compensation and benefits allocated to corporate officers in connection with their duties over the year, irrespective of the payment date;
- the expression "amounts paid" refers to compensation and benefits actually paid to corporate officers in connection with their duties over the year, irrespective of the date granted, and including securities delivery.

	FY 2021		FY 2020	
	Amount due or allocated	**Amount paid**	Amount due or allocated	Amount paid
Laurent Mignon, Chairman of the Board of Directors				
Fixed compensation for corporate office duties	€300,000	€300,000	€300,000	€300,000
Annual variable compensation	€0	€0	€0	€0
Extraordinary compensation	€0	€0	€0	€0
Directors' fees	€0	€0	€0	€0
Benefits in kind	€0	€0	€0	€0
TOTAL	**€300,000**	**€300,000**	**€300,000**	**€300,000**
Other compensation of Laurent Mignon in respect of his duties as Chief Executive Officer of Natixis [(a)]	**N/A**	**€350,967** [(a)]	**N/A**	**€539,924** [(a)]
Laurent Mignon's other compensation for his duties at BPCE	**€2,780,729**	**€2,091,728**	**€2,171,169**	**€1,901,439**
Nicolas Namias, Chief Executive Officer				
Fixed compensation for corporate office duties	€866,667	€866,667	€330,158	€330,158
Annual variable compensation	€1,733,333	€161,112[(b)]	€190,581	€79,947 [(b)]
Extraordinary compensation	€0	€0	€0	€0
Directors' fees	€0	€0	€0	€0
Benefits in kind	€9,526[(c)]	€9,526 [(c)]	€4,380 [(c)]	€4,380 [(c)]
TOTAL	**€2,609,526**	**€1,037,305**	**€525,119**	**€414,485**
Nicolas Namias' other compensation for his duties at BPCE	**N/A**	**€241,819**	**€672,548**	**€753,322**

(a) *This amount includes payment of deferred variable compensation and securities delivery in respect of previous years and granted for his duties as Chief Executive Officer of Natixis. The securities delivery under the Senior Management Committee Long-Term Incentive Plans is presented in AMF Table No. 7.*

(b) *This amount includes payment of deferred variable compensation and securities delivery in respect of previous years and granted for his other duties. The securities delivery under the Senior Management Committee Long-Term Incentive Plans is presented in AMF Table No. 7.*

(c) *The deferred amount corresponds to the family allowance and/or the company car benefit in kind.*

The compensation paid to Nicolas Namias in 2021 in connection with his duties as Chief Executive Officer of Natixis was composed of €876,193 in fixed compensation and fringe benefits, and €161,112 in variable compensation, the items of which are detailed below, and corresponding to variable compensation awarded for previous positions at Natixis. The performance condition applicable to the deferred portion of the variable compensation awarded to Nicolas Namias is that Natixis' net operating income was strictly positive (in respect of plans allocated up to 2020). As this condition was met for fiscal year 2021. The installments relating to the three previous fiscal years were paid to the beneficiary. The difference between amounts granted and the amounts actually paid is correlated to the change in the share price for the portion indexed to the Natixis share price.

	Deferred securities or similar instruments portion of variable compensation for fiscal year 2017	Deferred securities or similar instruments portion of variable compensation for fiscal year 2018	Deferred cash portion of variable compensation for fiscal year 2018	Deferred cash portion of variable compensation for fiscal year 2019	Cash portion of variable compensation for fiscal year 2020, paid in March 2021	Portion of the variable in instruments similar to securities for fiscal year 2020, paid in October 2021	Total
Laurent Mignon							
Paid in 2021	€255,646	€46,014	€49,308	€0	€0	€0	€350,967
Granted (initial amount)	€380,025	€49,308	€49,308	€0	€0	€0	€478,641
Nicolas Namias							
Paid in 2021	€34,528	€13,540	€14,508	€0	€49,269	€49,268	€161,112
Granted (initial amount)	€51,333	€14,508	€14,508	€0	€49,269	€49,269	€178,887

AMF Table No. 3

Compensation received by non-executive corporate officers of Natixis

In accordance with the principles approved by the General Shareholders' Meeting on May 28, 2021, the non-executive corporate officers received the compensation detailed in the tables below.

1) Compensation paid by Natixis

	FY 2021					FY 2020
Director	Board of Directors		Committees			
(in euros)	Amount	o/w variable compensation	Amount	o/w variable compensation	Total amount awarded [(a) (b)]	Total amount awarded [(a) (b)]
BPCE *(represented by Catherine Halberstadt)*	22,000 [(c)]	14,000	17,000 [(c)]	11,000	39,000 [(c)]	61,000 [(c)]
Laurent Mignon *(as Director)*	N/A	N/A	N/A	N/A	N/A	24,000 [(d)]
Daniel de Beaurepaire (term of office until November 4, 2021)	20,750.69	14,000	14,219.17	10,000	34,969.86	35,696.72
Alain Condaminas (term of office until May 28, 2021)	9,777.17	6,533.33	5,477.63	4,666.67	13,254.80	30,000
Dominique Duband	22,000	14,000	6,000	4,000	28,000	22,257.93
Nicole Etchegoïnberry (term of office until September 1, 2021)	14,659.36	9,333.33	11,084.25	7,750	25,743.61	38,000
Sylvie Garcelon	22,000	14,000	13,000	8,000	35,000	32,000
Dominique Garnier (term of office since May 29, 2021)	12,222.83	7,466.67	2,522.37	1,333.33	14,745.20	N/A
Philippe Hourdain	22,000	14,000	7,000	5,000	29,000	15,279.23
Anne Lalou	22,000	14,000	39,000	23,000	61,000	45,000
Catherine Leblanc	22,000	14,000	8,000	6,000	30,000	14,845.90
Bernard Oppetit (term of office until December 13, 2021)	22,000	14,000	44,000	22,000	66,000 [(e)]	61,000 [(e)]
Catherine Pariset	22,000	14,000	40,000	20,000	62,000	60,000
Christophe Pinault	22,000	14,000	17,000	12,000	39,000	39,000
Laurent Roubin (term of office since September 22, 2021)	5,013.70	2,800	3,883.56	2,500	8,897.26	N/A
Diane de Saint Victor	22,000	14,000	29,000	12,000	51,000 [(e)]	51,000 [(e)]
Laurent Seyer (term of office since December 13, 2021)	N/A	N/A	N/A	N/A	N/A	N/A
Nicolas de Tavernost	22,000	14,000	30,000	13,000	52,000	52,000

(a) *The amount allocated corresponds to the amount paid, the payment being made over the same fiscal year.*
(b) *Amounts before withholding tax of 30% or 12.8% for non-resident Directors in France.*
(c) *Including the compensation of Laurent Mignon in respect of his office as Director.*
(d) *In accordance with the rules applicable within Groupe BPCE, the compensation due to Laurent Mignon, as Director, is allocated and paid directly to BPCE. Laurent Mignon receives a gross amount of €300,000 for his duties as Chairman of the Board of Directors (see section 2.3.2.1 above).*
(e) *Directors not resident in France (withholding tax of 12.8%).*

2) Compensation paid by companies included in Natixis' scope of consolidation*

Director	FY 2021		FY 2020	
(in euros)	**Total amount allocated**	**Total amount paid**	Total amount allocated	Total amount paid
BPCE	35,100	45,600 [(a)]	47,100	29,700 [(b)]
Alain Condaminas	N/A	6,000 [(c)]	6,000	4,800 [(d)]
Christophe Pinault	N/A	7,500 [(c)]	7,500	5,000 [(d)]

(a) *Including a portion of compensation for fiscal year 2020.*
(b) *Including a portion of compensation for fiscal year 2019.*
(c) *Compensation for fiscal year 2020.*
(d) *Compensation for fiscal year 2019.*

AMF Table No. 4

Subscription or call options granted during the period to each executive corporate officer by the issuer and by any Group companies

No subscription or call options were granted in fiscal year 2021.

AMF Table No. 5

Subscription or call options exercised during the period by each executive corporate officer

No subscription or call options were exercised in fiscal year 2021.

AMF Table No. 6

Bonus shares allocated to each executive corporate officer in 2021

Bonus shares granted by the General Shareholders' Meeting during the fiscal year to each corporate officer by the issuer and by all Group companies	Plan date	**Number of shares awarded during the fiscal year**	Value of options according to the method adopted for the consolidated financial statements	Vesting date	**Date of transferability**	Performance conditions
Laurent Mignon	N/A	N/A	N/A	N/A	N/A	N/A
Nicolas Namias	N/A	N/A	N/A	N/A	N/A	N/A

AMF Table No. 7

Bonus shares that became transferable during the fiscal year for each executive corporate officer

Name of executive corporate officer	No. and date of plan	Number of shares that became transferable during the fiscal year [(a)]	Vesting conditions
Laurent Mignon	13/04/2018	56,517	[(b)]
	12/04/2019	10,172	[(b)]
	23/05/2017	22,030	[(b)]
Nicolas Namias	13/04/2018	7,634	[(b)]
	12/04/2019	2,993	[(b)]
TOTAL	**N/A**	**99,346**	**N/A**

(a) *30% of the shares issued to corporate officers will be subject to a lock-in period ending upon their termination of office.*
(b) *Regarding the principles of compensation for corporate officers, see section 2.3.4 "Annual variable compensation" and "Long-term compensation plan".*

AMF Table No. 8

Group (Natixis, BPCE, Caisse d'Epargne, Banque Populaire) – Record of subscription options or call options granted

No subscription or call options have been granted by the Company since 2009.

AMF Table No. 9

Subscription options or call options granted to the top ten non-corporate officer employees and options exercised by them

No subscription or call options were granted or exercised by Natixis employees in fiscal year 2021.

AMF Table No. 10

Allocation of free shares in the process of being vested or vested in 2021 for each executive corporate officer

Information on bonus shares allocated	Date of General Shareholders' Meeting	Date of Board of Directors' Meeting	Total number of free shares granted [(a)]	Share vesting date	End of lock-in period [(b)]	Number of shares vested as of 31/12/2021	Cumulative number of lapsed or canceled shares	Allocated shares remaining at the end of the fiscal year
Laurent Mignon[(c)]	24/05/2016	23/05/2017	29,911	23/05/2021	23/05/2021	22,030	7,881	0
Laurent Mignon	24/05/2016	13/04/2018	56,517 [(e)]	01/03/2021	01/10/2021	56,517	-	0
Laurent Mignon	24/05/2016	23/05/2018	11,661	23/05/2022	23/05/2022	-	11,661[(e)]	0
Laurent Mignon	24/05/2016	12/04/2019	10,172 [(e)]	01/03/2021	01/10/2021	10,172	-	0
Laurent Mignon	24/05/2016	12/04/2019	20,345 [(e)]	01/03/2022	01/10/2022	-	-	20,345
Nicolas Namias[(d)]	24/05/2016	13/04/2018	7,634 [(e)]	01/03/2021	01/10/2021	7,634	-	0
Nicolas Namias	24/05/2016	23/05/2018	2,125	23/05/2022	23/05/2022	-	2,125[(e)]	0
Nicolas Namias	24/05/2016	12/04/2019	2,993 [(f)]	01/03/2021	01/10/2021	2,993	-	0
Nicolas Namias	24/05/2016	12/04/2019	5,986 [(f)]	01/03/2022	01/10/2022	-	-	5,986

(a) All shares allocated in fiscal years 2017 to 2019 inclusive are subject to performance conditions.

(b) The lock-in requirement for shares allocated to corporate officers is 30% of the shares delivered until the end of their terms of office for allocations prior to May 20, 2020; from this date, the lock-in obligation applies to 100% of the shares.

(c) The following were previously awarded and vested for Laurent Mignon before fiscal year 2021:
by the Board of Directors on 06/11/2013, 90 shares, vested on 01/03/2016;
by the Board of Directors on 31/07/2014, 31,955 shares, vested on 01/08/2018;
by the Board of Directors on 18/02/2015, 27,321 shares, vested on 18/02/2019;
by the Board of Directors on 28/07/2016, 28,755 shares, vested on 01/03/2018;
by the Board of Directors on 28/07/2016, 57,510 shares, vested on 01/03/2019;
by the Board of Directors on 10/04/2017, 17,947 shares, vested on 01/03/2019;
by the Board of Directors on 28/07/2016, 37,370 shares, vested on 28/07/2020;
by the Board of Directors on 10/04/2017, 35,894 shares, vested on 01/03/2020;
by the Board of Directors on 13/04/2018, 28,258 shares, vested on 01/03/2020.
30% of these shares are subject to a lock-in obligation until the end of his term of office, except for the 90 shares allocated in 2013 for which the lock-in obligation applies to all vested shares until the end of his term of office.

(d) For Nicolas Namias, the following were previously awarded and vested before fiscal year 2021:
- by the Board of Directors on April 10, 2017, 2,633 shares, vested on March 1, 2020.
- by the Board of Directors on April 13, 2018, 3,817 shares, vested on March 1, 2020.
30% of these shares are subject to a holding period until the end of their term of office.

(e) A Phantom Share plan was substituted for the Long-Term Incentive Plan in the process of being acquired, initially granted in the form of performance shares, the performance conditions of which could no longer be assessed because of the delisting.

(f) Shares allocated as part of the deferred component of annual variable compensation in respect of previous fiscal years.

AMF Table No. 11

Situation of executive corporate officers

FY 2021	Employment contract		Supplementary pension plan		Payments or benefits due, or likely to be due, as a result of the termination or change of office [(a)]		Compensation paid on account of a non-compete clause [(a)]	
Executive corporate officers	**yes**	**no**	**yes**	**no**	**yes**	**no**	**yes**	**no**
Laurent Mignon, Chairman of the Board of Directors Term of office began: June 1, 2018 Date term of office expires: at the end of the General Meeting of May 2023		X		X		X		X
Nicolas Namias, Chief Executive Officer Term of office began: August 4, 2020 Date term of office expires: at the end of the General Meeting of May 2024		X		X[(b)]	X		X	

(a) See section 2.3.4 "Severance and non-compete benefits".

(b) Like the rest of the staff, the Chief Executive Officer is covered by the mandatory pension plan. He is not covered by the kind of supplementary pension plans described in Article 39 or Article 83 of the French General Tax Code.

3

RISK FACTORS, **RISK MANAGEMENT** AND PILLAR III

2021 Regulatory ratios

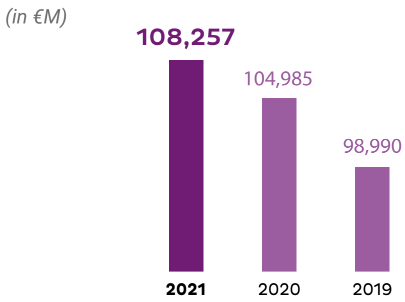
13.5% Tier 1 ratio

11.6% CET1 ratio

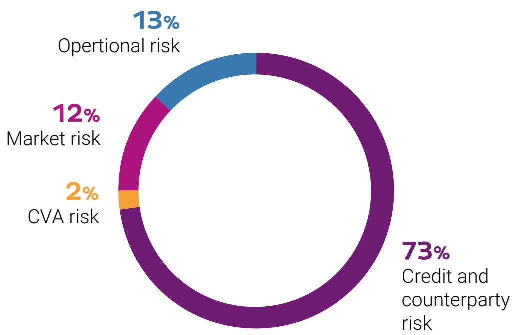
16.2% Total capital ratio

4.4% Leverage ratio

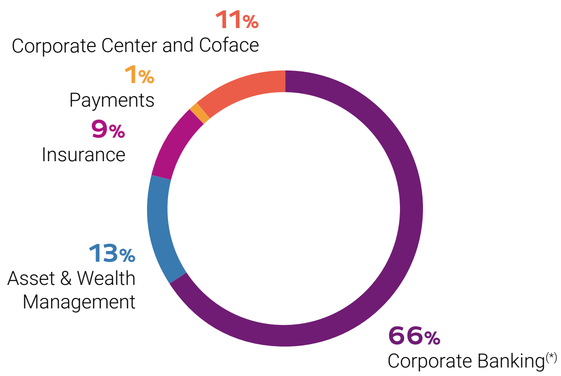
Change in risk-weighted assets



Capital requirements by risk type

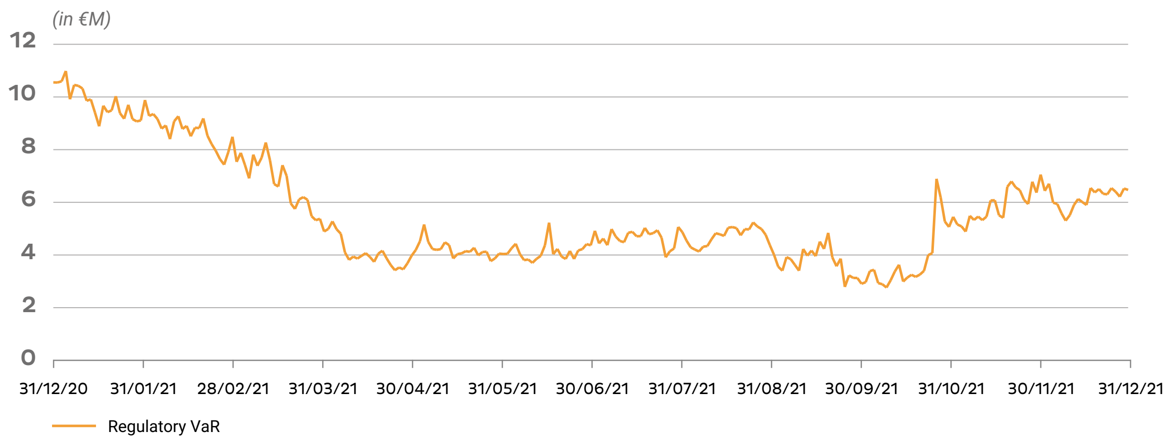


Capital requirement by business line



(*): including Treasury and Collateral Management

Natixis regulatory VaR for the 2020-2021 period



3.1 Risk factors

The main types of risk to which Natixis is exposed are presented below. They are the material risks identified to date which, by Natixis' estimations, could adversely affect the viability of its activities, and are generally measured in terms of the impact these risks could have on Natixis' capital adequacy ratios or net income. The risks to which Natixis is exposed may arise from several risk factors related to, among other things, macroeconomic and regulatory changes to its operating environment, or relating to implementing its strategy and conducting its business. Pursuant to Article 16 of Regulation (EU) 2017/1129, known as "Prospectus 3", of June 14, 2017, whose provisions with respect to risk factors came into effect on July 21, 2019, the intrinsic risks of Natixis' business are presented as five main categories:

- credit and counterparty risk;
- financial risks;
- non-financial risk;
- strategic and business risk;
- Risks related to Insurance activities;
- risks related to the holding of securities issued by Natixis.

The presentation of the risk factors below is to be assessed based on the structure of Natixis on the filing date of the universal registration document.

As a reminder, following the closing of the simplified public tender offer filed by BPCE for the shares of Natixis, open from June 4, 2021 to July 9, 2021 inclusive, on July 13, 2021, BPCE announced that it held 91.80% of the share capital and voting rights of Natixis. In accordance with the opinion of the French Financial Markets Authority, published the same day (D&I No. 221C1758 of July 13, 2021), on July 21, 2021, BPCE squeezed out all Natixis shares that had not been tendered to the public offer under the same financial conditions as the simplified public tender offer, i.e. €4 per Natixis share. As a result, due to the successful implementation of the squeeze-out, Natixis was delisted on July 21, 2021. This change is part of an ambitious industrial project for the development of Natixis' business lines and the simplification of its functional channels that Groupe BPCE has studied and is likely to result in particular in:

- Transfer to BPCE of the Insurance and Payment business lines;
- Grouping of the business lines serving Corporate & Investment Banking and Asset & Wealth Management clients within a new division.

This project is expected to be operational in the first quarter of 2022. It includes the following steps:

i. the contribution by Natixis to a company wholly owned by BPCE of all the shares held by Natixis in Natixis Assurances;

ii. the contribution by Natixis to a company wholly owned by BPCE of all the shares held by Natixis in Natixis Payment Solutions, Partecis and Natixis Payment Holding (NPH), Natixis subsidiaries that carry out the activities of Groupe BPCE's Payments business line;

iii. the distribution by Natixis to its shareholders of the shares of Holding Assurances and Holding Payments received as compensation, respectively, for the Assurances contribution and the Payment contribution; and

iv. the acquisition by BPCE of all of the shares received by the beneficiaries of free shares in Holding Assurances and Holding Payments as a result of the exercise of the sales agreements provided for in the liquidity contracts.

At the end of the proposed transaction, BPCE will directly hold all of the share capital and voting rights of Holding Assurances and Holding Payments.

The information-consultation process of the relevant employee representative bodies within Groupe BPCE was initiated on September 23, 2021 and was concluded on January 11, 2022 concerning the aforementioned transactions, after the terms of the related negotiation protocol had been approved by the Board of Directors on September 22, 2021.

On February 10, 2022, the Board of Directors of Natixis also voted in favor of the contribution agreements relating to the contributions of the Insurance and Payments activities to the two aforementioned holding companies, as well as the draft resolutions submitted to it relating to the distribution of shares received in exchange to shareholders and the capital increase.

Credit and counterparty risks

The concentration of credit and counterparty risk may compound Natixis' exposure

Natixis is exposed to credit and counterparty risk through its financing, structuring, trading and settlement activities for financial instruments that are performed in large part by its Corporate & Investment Banking (CIB) division.

Credit and counterparty risk is one of the major risks identified by Natixis and represented 73% of total RWA as at December 31, 2021.

For information, at December 31, 2021, Natixis' exposure to credit and counterparty risk (Exposure at Default excl. CVA) totaled €344.6 billion, split primarily between companies (32%), banks and similar bodies (37%), and sovereigns (22%). At 54%, exposure to credit and counterparty risk was concentrated in France, followed by the rest of Europe (EU and non-EU) at 18%, North America at 15% and Asia at 6%.

Should one or more of its counterparties fail to honor their contractual obligations, Natixis could suffer varying degrees of financial loss depending on the concentration of its exposure to said counterparties. Moreover, if the ratings or default of counterparties belonging to a single group or single business sector were to deteriorate significantly, or if a country's economic situation or financing with leverage were to weaken, Natixis' credit risk exposure could worsen.

Natixis' ability to carry out its financing, structuring, trading and settlement transactions also depends, among other factors, on the stability and financial soundness of other financial institutions and market participants. This is because financial institutions are closely interconnected, due in large part to their trading, clearing and financing operations. A default by one participant in the financial industry market could have repercussions on other financial institutions, causing a chain of defaults by other participants in this market, and therefore lead to financial losses for Natixis.

A material increase in Natixis' impairments or provisions for expected credit losses could adversely affect its net income and financial position.

As part of its activities, and wherever necessary, Natixis recognizes provisions for non-performing loans, reflecting actual or potential losses in respect of its loan and receivables portfolio, under "Cost of risk" on its income statement. As of December 31, 2021, Natixis' cost of risk stood at -€181.3 million (of which -€12.7 million for Stages 1 and 2).

Given the context of the COVID-19 pandemic, Natixis believes that the following six sectors in its portfolio are particularly vulnerable[(1)] oil/gas (4.1% of total exposure), air transport and aviation/defense (1.6% of total exposure), automotive (1.1% of total exposure), hotels/catering and tourism/leisure (0.4% of total exposure), specialized distribution (0.8% of total exposure) and communication/media (0.8% of total exposure).

Since January 1, 2018, Natixis has applied IFRS 9 "Financial Instruments," which requires provisions to be booked from the initial recognition of a financial instrument. This new provisioning model applies to outstandings recognized at amortized cost or at fair value through other comprehensive income recyclable to income and to loan and guarantee commitments given (excluding those recognized at fair value through profit or loss), as well as to lease receivables *(see Note 5 "Accounting principles and valuation methods" to the consolidated financial statements for the fiscal year ended December 31, 2021 in Chapter [5.1] "Consolidated financial statements and notes" of the 2021 universal registration document)*.

The highly uncertain environment created by the impacts of the health crisis on the global economy has required special attention since 2020 in order that forecasts can be made. In this context, Natixis therefore used the various press releases published by ESMA, the EBA, the ECB and the IASB to determine expected credit losses in view of the COVID-19 crisis.

In view of this, Natixis has revised its macroeconomic forecasts (forward looking) and adapted them to take into account the specific context of COVID-19 and the measures taken to support the economy. Natixis used three main scenarios to calculate the IFRS 9 provisioning parameters with projections for the year 2023:

- the central scenario was updated based on the scenarios determined by its economists and validated by Natixis' governance bodies in June 2021;
- a pessimistic scenario, corresponding to a deterioration of the macroeconomic variables defined under the central scenario;
- an optimistic scenario, corresponding to a more favorable outcome for the macroeconomic variables defined under the central scenario.

This new scenario takes into account the improvement in various economic indicators (growth in GDP, decline in the unemployment rate) which reflect the economic recovery in France since May 2021. The situation in the United States is also better with a level of GDP growth similar to that of the end of 2019. Although the effects of the health crisis seemed to have faded in the last quarter of 2021, the US economic recovery was slower than expected and there were still some uncertainties about the evolution of the economic environment. The forecasts of the consensus forecast of November 2021 remain in line with the central scenario mentioned above for all indicators except for the consumer price index. The consensus forecasts an increase in inflation which should continue in 2022 following the post-COVID-19 economic recovery and increasing pressure on prices. However, it should be noted that data on the consumer price index are not part of the parameters used by the IFRS 9 impairment models.

In addition, although the economic outlook is improving, several European countries have again had to introduce lockdowns due to the emergence of a new variant. Taking into account both the improved outlook for the global economy and the current state of the economic recovery along with the accompanying uncertainty, Natixis has therefore decided to place significant weighting on the pessimistic scenario. Natixis therefore used the following scenario weightings for the calculation of provisions at December 31, 2021: pessimistic: 35% - central: 60% - optimistic: 5%.

Probabilities of default (PD) are adjusted by sector based on an assessment of each sector's rating over a 6- to 12-month period. The sector's forward looking weighted average PD, determined by the transition matrix, is compared and adjusted to align with the PD equivalent to the sector's expected rating.

Under this framework, performing loans (Stage 1), for which there has been no material increase in credit risk since initial recognition, are provisioned for 12 months of expected losses. Underperforming loans (Stage 2), i.e. for which there has been a material increase in credit risk since initial recognition, without this being sufficient for them to be classified as non-performing loans, are provisioned based on lifetime expected losses. Non-performing loans (Stage 3) are loans for which there is objective evidence of impairment loss. Natixis determines the provisions for non-performing loans based on an individual expected cash flow recovery analysis, whether these cash flows come from the counterparty's activity or from the potential execution of guarantees. Non-performing loans that are not impaired following the individual analysis are provisioned at a standard rate based on historical unexpected losses on unprovisioned loans.

As at December 31, 2021, non-performing loans to clients amounted to €3,069 million and were predominantly distributed as follows: 29% for France, 23% for the rest of Europe, 12% for North America, 9% for Asia, and 11% for Central and Latin America. The ratio of Natixis' non-performing loans to gross customer loan outstandings (excluding repurchase agreements) was 4.5% and the overall coverage rate of these non-performing loans was 35.5%.

The increase in credit risk concerning S1 and S2 loans is measured against the following criteria: changes to counterparty ratings (for large corporates, banks and sovereigns loan books) since initial recognition, changes to probability of default within one year (for individual customer, professional customer, SME, public sector and social housing loan books) since initial recognition; placement on the watchlist; forborne status; the ratings of the country of the counterparty; and the existence of one or more contracts more than 30 days past due.

Uncertainties related to the health crisis (duration, scope, resurgence of the epidemic, emergence of new variants, etc.) make it difficult to forecast the impact of the crisis on the economy as well as on the countries or sectors of activity of Natixis' counterparties. This could result in a substantial increase in losses and provisions, adversely affecting Natixis' cost of risk, its results and financial position.

(1) Exposures determined based on Exposure At Default (EAD).

Reduced or no liquidity of assets such as loans could make it more difficult for Natixis to distribute or structure such assets and thus have a negative impact on Natixis' results and financial position

In accordance with the "originate to distribute" model, Natixis originates or acquires certain assets with a view to distribute them at a later stage by way of syndication or securitization.

Natixis' origination activity is mainly focused on financing granted to large corporates as well as on specialized and acquisition financing. Distribution mainly concerns banks and non-bank financial institutions.

Natixis thus also grants various forms of bridge financing to securitization vehicles (SPVs). This financing enables each SPV to build up a temporary portfolio of financial assets (generally loans) during the warehousing phase. At the close of the transaction, the SPV raises capital by issuing securities subscribed by investors and allocates the proceeds to the repayment of the warehousing credit facility. The outcome of this financing is subject to both the good credit performance of the provisional portfolio and the appetite of investors for this type of product (CLO – Collateralized Loan Obligations, RMBS – Residential Mortgage-Backed Securities, in particular).

If there is less liquidity on the syndication or securitization markets in particular for these aforementionned assets, or if Natixis is unable to sell or reduce its positions, Natixis may have to bear more credit risk and market risk associated with these assets for longer than anticipated. The lack of liquidity in the secondary markets for such assets may require Natixis to reduce its origination activities, which could impact revenues and could affect its relations with customers, which in turn could adversely affect its results and financial position. Furthermore, depending on market conditions, Natixis may have to recognize a value adjustment on these assets that are likely to adversely affect its results.

Financial risks

A deterioration in the financial markets could generate significant losses in Natixis' capital market activities

As part of its Capital Markets activities and to meet the needs of its clients, Natixis operates on the financial markets – namely the debt, forex, commodity and equity markets.

In recent years, the financial markets have fluctuated significantly in a sometimes exceptionally volatile environment which could recur and potentially result in significant losses for capital market activities.

This was notably the case during the first half of 2020 due to the health crisis. Fiscal year 2021 was marked by excellent market performance with equity markets once again above their pre-COVID-19 crisis levels, credit spread levels that returned to levels lower than the situation prior to the COVID-19 crisis and relatively low levels of volatility.

If the situation were to deteriorate again following, for example, a resumption of the health crisis or due to less effective vaccines in the face of new variants or for any other reason related to the geopolitical context of changes in the macroeconomic and financial environment, losses could be recorded due to the high volatility of markets for several market and hedging products in which Natixis operates.

In particular, market volatility can make it difficult to manage the portfolios of Natixis activities, particularly those exposed to strong fluctuations in share prices and interest rates to which Natixis is particularly exposed.

Thus, taking the example of the COVID-19 health crisis in 2020, there were adverse impacts on Natixis business lines as well as on the Asset Management business dealing with equity risk factor-sensitive products related to:

- the sharp increase in equity volatility, which negatively affected the valuation of equity-indexed options;
- the sharp decline or cancelation of dividend distributions announced at the General Shareholders' Meetings of large companies, combined with the steep drop in forecasts, which had a negative impact on equity products;
- the deterioration of the financial markets with the fall in the equity markets, which had a negative impact on the value of Natixis Investment Managers' seed money portfolio, the effect of which was mitigated by the overlay implemented as part of the portfolio hedging;
- the impact of the health crisis on the real economy, which generated declines in the valuation of real assets in the fields of Real Estate and Private Equity and which had a negative impact on Natixis Investment Managers' sponsorship portfolio.

In order to limit the potential impacts in the event of a sharp fall in equities, Natixis has implemented extreme risk hedging strategies since January 2021.

In addition, in 2021, unfavorable impacts were also noted in connection with the rate effect. Indeed, the anticipation of increases in key interest rates by the main central banks (FED, ECB, Bank of England) and the reduction in quantitative easing operations (massive intervention of asset purchases by the central bank) to control the risks of long-term inflation, caused strong movements in short-term rates and their implicit volatilities. Although there was no major impact on the portfolios exposed to interest rate risk at Natixis, this was reflected in the month of October 2021 by:

- a strong upward movement in short-term rates of around 0.25% on the two-year EUR rates with no impact on long-term rates ("Bear Flattening") accompanied by an increase in volatility of 50 basis points;
- a significant retracement of these increases following the accommodating speeches of the central bankers to reassure market operators.

It should be noted that the market risk of the Corporate & Investment Banking business line (including CVA) made up 12% of Natixis' total RWA as at December 31, 2021.

Natixis' access to certain financing could be adversely affected in the event of a financial crisis or a downgrade of its credit rating and that of Groupe BPCE

Since 2011, Natixis' funding structure has relied on a joint funding platform between Natixis and BPCE. Natixis secures of its medium- and long-term funding for its vanilla, public and private, senior and subordinate subfund emissions from Groupe BPCE via the intermediary of BPCE S.A. Natixis remains Groupe BPCE's medium and long-term issuer for structured private funding operations.

Fiscal year 2021 did not see any major tensions in the liquidity market, following 2020, which was marked by a crisis of medium intensity, gradually absorbed by the massive intervention of central banks around the world (in particular the ECB and the FED).

Since then, in the last quarter of 2021, central banks have announced their respective exit strategies and prospects for the support programs put in place in 2020 (notably LTRO – Long Term Funding Operation at the ECB and PEPP – Pandemic Emergency Purchase Program at the FED). The markets anticipate this gradual exit from regional support programs, which could generate tensions on the liquidity spreads of banking players in the coming months. However, during 2021, banking sector liquidity spreads remained within a stable range, at levels slightly higher than those observed before the crisis and well below the levels reached at the height of the crisis of 2020 (from February to June 2020). During the period covered, Natixis' spread was very strongly correlated with that of its French banking peers.

During the past year, the LCR column (Liquidity Coverage Ratio) has consistently risen above 100%. The same is true for the NSFR (Net Stable Funding Ratio), which entered into force in June 2021.

In 2021, the Standard & Poor's agency modified the rating assigned to Groupe BPCE, following a banking sector review covering the whole of continental Europe. BPCE's rating has thus changed from an external rating of A+ with a negative outlook to A with a stable outlook. This change, which took place on June 24, 2021, did not have a substantial negative impact on the short- and long-term liquidity spreads of BPCE and Natixis.

During this period, Moody's confirmed the external rating assigned to Groupe BPCE on August 3, 2021. This rating remains unchanged at A1 stable outlook. Fitch confirmed its rating of A+ on October 27, 2021. This rating has remained unchanged since September 24, 2020.

If Groupe BPCE's credit ratings were to be downgraded by the main rating agencies, Groupe BPCE's liquidity and, consequently, that of Natixis, as well as the corresponding cost of financing could be adversely affected or trigger additional obligations under its financial market contracts.

Fluctuations in the fair value of securities held by Natixis, due to changes in issuer credit quality, may adversely affect Natixis' shareholders' equity and its capital adequacy

On the regulatory front, this risk concerns Natixis-held securities in the banking book category that are designated at fair value, offsetting other comprehensive income (OCI). Natixis is mainly exposed to this risk through the debt instruments it holds as part of its liquid asset buffer. This risk manifests itself as a decrease in the value of financial assets resulting from changes to credit issuer quality for debt securities (CSRBB — credit spread risk in the banking book). For information, as of December 31, 2021, the risk of change in value calculated for the CSRBB on Natixis' liquid asset buffer amounted to less than €300 million.

During the COVID-19 health crisis, credit spreads reflecting the credit quality of issuers changed significantly. After rising sharply in early March, reflecting a deteriorated perception of the credit quality of issuers, credit spreads gradually tightened since the end of May, albeit without returning to their pre-crisis levels. Given the quality of assets held as part of its liquid asset buffers, the fair value variations of shares were mostly contained, and remained in compliance with the risk appetite Natixis set for itself for this kind of risk. The emergence or resurgence of crises (particularly related to COVID-19) could lead to a further deterioration in credit spreads and, consequently, have a negative impact on Natixis' equity and on its solvency.

As of December 31, 2021, the credit risk of the securities held by Natixis as part of the liquidity reserve had not changed significantly.

The fair value of the derivatives portfolio includes valuation adjustments that may have an impact on Natixis' net income and shareholders' equity

The fair value of Natixis' derivatives is determined by factoring in certain additional adjustments including:

- the quality of the counterparty (Credit Value Adjustment or CVA) by including in the valuation of derivatives, the credit risk corresponding to the risk of non-payment of the sums due by the associated counterparty;
- the risk of Natixis own credit spread (Debt Value Adjustment or DVA) by including in the passive valuation of non-collateralized or imperfectly collateralized derivative instruments, the credit risk borne by our counterparties on Natixis (i.e. the potential losses Natixis makes its counterparties run in the event of downgrading of its rating or default);
- the cost of liquidity (Funding Value Adjustment or FVA) by including in the valuation of non-collateralized or imperfectly collateralized derivatives, the costs related to the financing or refinancing of margin calls and future initial margins associated with hedging derivatives which are collateralized.

These additional adjustments recognized in the income statement have a direct impact on Natixis' net banking income and shareholders' equity. Furthermore, these additional adjustments may change significantly and could affect the business and financial position and, consequently, have a significant negative impact on Natixis or on the fair value of its derivatives. For information, as of December 31, 2021, changes in CVA, DVA and FVA amounted to €25.7 million, -€4.1 million and -€16.1 million, respectively.

Non-financial risks

Should Natixis fail to comply with applicable laws and regulations, it could be exposed to heavy fines and other administrative and criminal sanctions likely to have a material adverse effect on its financial position, business and reputation

Non-compliance risk is defined as the risk of legal, administrative or disciplinary sanctions, but also of financial loss or reputational damage, resulting from a failure to comply with the legislative and regulatory provisions, Codes of Conduct and standards of good practice specific to banking and insurance activities, whether national or international.

The banking sector is subject to sectoral regulation, both in France and internationally, aimed in particular at regulating the financial markets and relations between investment service providers and clients or investors. These regulations have a major impact on Natixis' operational processes. In addition, the banking sector is also subject to dedicated supervision by the competent French and supranational authorities.

Non-compliance risk includes, for example, the use of inappropriate means to promote and market the bank's products and services, inadequate management of potential conflicts of interest, disclosure of confidential or privileged information, or failure to comply with new client or supplier due diligence procedures, particularly with respect to financial security (including anti-money laundering and counter terrorist financing, compliance with embargoes, anti-fraud and corruption).

Natixis' Compliance Department oversees non-compliance risk prevention and mitigation *(see Section 3.2.9 of the 2021 universal registration document)*. Natixis nevertheless remains exposed to the risk of fines or other major sanctions imposed by regulatory and supervisory authorities, as well as civil or criminal legal proceedings that could have a material adverse effect on its financial position, business and reputation.

In the course of its activities, Natixis is exposed to unethical acts or behaviors contrary to ethics and to laws and regulations by its employees and third parties that could damage its reputation and expose it to sanctions and could negatively impact its financial position and its business outlook

Natixis' reputation is crucial to building relationships and building customer loyalty. The use of inappropriate means to promote and market its products and services, inadequate management of potential conflicts of interest, legal and regulatory requirements, rules of ethics, laws on money laundering, the requirements of economic sanctions, information security policies and sales and transaction practices could damage the reputation of Natixis and Groupe BPCE.

Any inappropriate behavior by a Natixis employee or service provider, any cybercrime or cyberterrorism to which Natixis' communication and information systems could be subject, or any fraud, embezzlement or other wrongdoing to which Natixis could be exposed or any court decision or regulatory action with a potentially unfavorable outcome.

Applicable to all Natixis employees, Natixis' Code of Conduct formalizes the general principles of conduct in force at Natixis, and establishes guidelines for all employees regarding expected behavior when carrying out their duties and responsibilities.

Natixis also requires its suppliers and contractors to comply with the key principles of the Code of Conduct.

To implement the Code of Conduct on a day-to-day basis, Natixis has established a conduct framework with its own Committee (the Global Culture and Conduct Committee) and training program.

However, even with the adoption of a Code of Conduct, Natixis is exposed to potential actions or behaviors by employees, suppliers and contractors that are unethical or not in the client's interests, that do not comply with the laws and regulations on corruption or fraud, or that do not meet financial security or market integrity requirements.

Such actions or behavior could have negative consequences for Natixis, damage its reputation and expose Natixis, its employees or its stakeholders to criminal, administrative or civil sanctions that could adversely affect its financial position and business outlook.

An operational failure, or an interruption or failure of Natixis' third-party partners' information systems, or a breach of Natixis' information systems could result in losses or reputational damage

Natixis is exposed to several types of operational risks, including process and procedural weaknesses, acts of fraud (both internal and external), system failures or unavailability, as well and cybercrime, and an operational failure related to a health risk.

Due to the nature of its activities, Natixis is highly dependent on its communication and information systems, as its activities require it to process a large number of increasingly complex transactions. Although Natixis has made data transmission quality a priority, any breakdown, interruption or failure of these communication and information systems could result in errors or interruptions to the systems it uses for customer relationship management, the general ledger, deposit and loan processing transactions, and/or risk management. To the extent that interconnectivity increases, Natixis is exposed to the risk of a breakdown or operational failure of its clearing agents, foreign exchange markets, clearing houses, custodians or other financial intermediaries or external service providers. Like the other control functions, the Operational Risk function contributes to the assessment of risks borne by suppliers as part of the Group's compliance program with EBA regulations on outsourcing.

Natixis is also exposed to the risk of cybercrime. Cybercrime covers a range of malicious and/or fraudulent acts, perpetrated digitally in an effort to manipulate data (personal, banking, insurance, technical or strategic data), processes and users, with the aim of causing material losses to companies, their employees, partners, clients and counterparties. A company's data assets are exposed to complex and evolving threats likely to have material financial and reputational impacts on all companies, and in particular those in the banking sector. Given the increasing sophistication of the criminal enterprises behind cyberattacks, regulatory and supervisory authorities have begun to highlight the importance of Information and Communication Technology (ICT) risk management. Preventing cybercrime risk is a priority for Natixis, which makes every effort to implement the guidelines established by these authorities through cooperation between its Information Systems (IS) and Technology Risk Management (TRM) Departments. This has resulted in a mapping of risks relating to information systems security, as well as a far-reaching campaign to raise all employees' awareness on IS security matters.

During 2021, no incident related to cybercrime had a material adverse impact on Natixis' financial position or reputation. However, as cyberattacks are constantly evolving to become increasingly advanced and taking into account the evolution of the geopolitical context, the measures described above may not be sufficient in the future to fully protect Natixis, its employees, partners and clients. The occurrence of such attacks could potentially disrupt Natixis' client services, result in the alteration or disclosure of confidential data or lead to business interruptions and, more broadly, have a material adverse effect on its business, financial position and reputation.

Operational difficulties could also arise as a result of unforeseen or catastrophic events, such as terrorist attacks, natural disasters or a major health crisis. In 2020 and 2021, Natixis demonstrated its resilience in the face of the COVID-19 pandemic and has been able to adapt rapidly to the successive phases of the crisis as well as to changes in government directives, in France and abroad. All of the players in charge of operational continuity management have collectively contributed, thanks to their expertise and responsiveness, to keeping all business lines and support functions operational. The resilience of Natixis in the technological and logistics areas has made it possible to strengthen the remote working system.

Natixis cannot guarantee that interruptions, failures in its communication and information systems or third-party systems or that a breach of its information systems will not occur or, should they occur, that they will be immediately resolved with no impact on the bank. The occurrence of one or more of the events described above may result in lost business and other additional costs and losses for Natixis, or result in reputational damage.

Any damage to Natixis' reputation could affect its competitive position and have a negative impact on its financial position

Natixis' reputation is pivotal to its ability to conduct its business. Thanks to Natixis' current reputation, it is able to maintain relationships with its clients, employees, suppliers, partners and investors that are built on trust.

The occurrence, whether once or repeatedly, of one or more of the risks identified in this section, a lack of transparency or communication errors could harm Natixis' reputation. There is greater reputation risk today due to the growing use of social media across the economic sphere. In addition to its own negative impact, any damage to Natixis' reputation could be accompanied by a loss of business or affect its competitive position and negatively impact its financial position.

In the specific case of asset management activities, the reputational risk and the associated potential losses are closely linked to the various aspects of the investment process, whether at the level of the management of the various investment funds by the affiliates or through direct investments by Natixis Investment Managers and/or Natixis (i.e. external acquisitions, seed money and sponsorship activities). A confidence shock impacting the reputation of the Group or its affiliates could result in an outflow of funds, a decrease in assets under management and ultimately in revenue generated by the business.

Strategic and business risks

The COVID-19 pandemic underway since early 2020 could adversely affect Natixis' business, operations and financial performance

The COVID-19 pandemic and the measures taken by the various governments and central banks in many countries (border closures, travel restrictions, lockdown measures, etc.) have had and should continue to have potentially unfavorable impacts on business, the economy and financial markets worldwide.

A number of uncertainties remain, particularly with regard to the duration of the pandemic, the deployment of vaccines and their effectiveness in the face of the emergence of new variants of the virus, and the effect of the economic and monetary policies implemented at the national and international level. The COVID-19 pandemic has been disruptive for clients, suppliers and staff (production difficulties, disrupted supply chains, slowdown in investments, shocks to supply and demand, etc.), because of how it has brought economic activity to a near-standstill. The final impact on the global economy and financial markets will largely depend on the intensity of the pandemic and the effects of the decisions made by authorities to stimulate the economy and limit the spread of the virus. In addition, international logistics chains, severely strained by the traffic restrictions put in place, remain very disrupted, resulting in shortages affecting certain consumer goods (for example, a shortage of semiconductors creating telephone snf automotive production delays) or tensions on the supply of hydrocarbon raw materials or the labor market, affecting prices in a specific way (increase in the price of commodities) or more generally (inflation).

The COVID-19 pandemic may have an unfavorable material direct and indirect impact on Natixis' business, its financial environment, operating results, outlook, capital and financial ratings (including possible changes to its outlook or ratings).

Over the full year of 2020, the mainly market-related effects resulting from the COVID-19 crisis impacted Natixis' net banking income, cost of risk and CET1 ratio, with the following main effects: an impact of -€283 million on the net banking income of Corporate & Investment Banking due to mark-downs of dividends following the announcement of their cancellation, an increase in the cost of risk of nearly €610 million and a CET1 ratio impact of around 45 bp.

Given the rise in the financial markets in 2021 and the improvement in the macroeconomic and financial environment, the negative effects did not affect fiscal year 2021, but an unfavorable change in these factors would be likely to have an impact on the business, operations and the financial performance of Natixis, as mentioned above.

Some targets of the new strategic plan for 2024 may not be achieved, which could potentially significantly affect Natixis' business, financial position and results

Regarding Natixis' business, 2021 is the year for embarking on its new 2024 Strategic Plan, which was revealed in July 2021 as part of the new Groupe BPCE 2024 Plan. This strategic plan set the development axes of the various Natixis divisions, some of which are the subject of a project to integrate them into Groupe BPCE's retail banking business lines, and the financial targets for 2024. For Natixis, the "BPCE 2024" plan is a growth and investment plan based on three areas:

- diversification, for the benefit of our customers and our development;
- commitment, to the energy transition and SRI finance;
- transformation, and investment to create sustainable value.

For the Asset & Wealth Management division, the average annual growth in net banking income is expected to be more than 3% over the 2020-2024 period with a very limited market effect, without external growth and cumulative net inflows over 2021-2024 of €100 billion. In addition, Natixis Investment Managers intends to position itself as an ESG leader (Environmental, Social, Governance) in Europe with 50% of its assets under sustainable or impact management.

For the Corporate & Investment Banking division, the average annual growth in net banking income is expected to be around 7% over the period from 2020 to 2024, including an additional €500 million in revenue from its eight core industries. Natixis CIB also aims to align its balance sheet with a +2.5°C trajectory by 2024, then a +1.5°C trajectory by 2050.

For the Insurance division, which is the subject of a planned transfer to BPCE, the average annual growth in net banking income is expected to be around 6% over the 2020-2024 period. Other targets for 2024 have been defined, such as the property and casualty/personal protection equipment rate for individual customers of Banque Populaire and Caisses d'Epargne of around 35% or the unit-linked ratio on gross life insurance inflows at 40%.

Lastly, for the Payments division, which, is also the subject of a planned transfer to BPCE, the average annual growth in net banking income is expected to be around 9% over the 2020-2024 period. Other targets for 2024 have been set, such as growth in digital payment volumes of over 30%.

Achievement of the various objectives set by this plan is based on the implementation by Natixis and, more broadly, by Groupe BPCE of a certain number of initiatives and investments. Some of these objectives may not be achieved, which could potentially significantly affect the business, financial position and results of Natixis and, more broadly, of Groupe BPCE.

Natixis' risk measurement system, based in particular on the use of models, could fail and expose Natixis to unidentified or unanticipated risks that could have a negative impact on its results and financial position

Natixis' risk management measurement system, which is based on the use of models, could fail and expose Natixis to unidentified or unforeseen risks, and could result in major losses.

Risk management techniques which often use models may prove inadequate for certain types of risks. Certain rating or VaR measurement models (as defined in Section [3.2.6.3]) that Natixis uses to manage its risks are based on observed historical market behavior.

To quantify its risk exposure, Natixis then conducts a primarily statistical analysis of these observations *(see Section [3.2.6.4] of the 2021 universal registration document for a detailed description of the risk management system)*. The measurement metrics and tools used may provide inaccurate conclusions on future risk exposures, mainly because of factors that Natixis may not have anticipated or correctly assessed or taken into account in its statistical models, or because of unexpected and unprecedented market trends that could reduce its ability to manage its risks.

Consequently, the losses borne by Natixis could prove far greater than those forecast using historical averages. Moreover, Natixis' quantitative models do not incorporate all risks. For instance, part of the VaR measurement model is designed on the basis of positive interest-rate environment assumptions. In early 2016, because the interest rate environment for interest rate derivatives was negative, stressed VaR was overestimated by €5 million.

Natixis could encounter difficulties in identifying, implementing its policy and integrating any new entity in the context of acquisitions or joint ventures, which could adversely affect its profitability, cause losses or affect its reputation

Natixis may consider opportunities for external growth or partnership. Although it is Natixis' intention to conduct an in-depth analysis of the companies it will acquire or the joint ventures in which it will participate, it is generally not possible to conduct an exhaustive review. As a result, Natixis may have to bear commitments or experience risks that were not initially foreseen. Likewise, the expected results of an acquired company or joint venture may prove to be disappointing and the expected synergies may not be achieved in full or in part, or the transaction may result in higher costs than expected. Natixis may also encounter difficulties when integrating a new entity. The failure of an announced external growth operation or the failure to integrate a new entity or joint venture may significantly affect Natixis' profitability.

In particular, the recognition of goodwill during these external growth transactions could lead, in the event of a lasting deterioration in profitability, to a write-down in the financial statements (during periodic testing) or to recognition of a loss in the event of disposal. At the end of December 2021, Natixis goodwill was €3.44 billion, spread over the various Natixis divisions but mainly concentrated within the Asset & Wealth Management division. Significant recent impairments of goodwill or losses on disposals concerned Coface (in 2016 and 2020) and H20 (in 2020 and 2021). In the case of joint ventures, Natixis is exposed to additional risks and uncertainties insofar as it may depend on systems, controls and persons beyond its control and, as such, may be held liable, suffer losses or damage to its reputation. Furthermore, conflicts or disagreements between Natixis and its partners within the joint venture may have a negative impact on the benefits sought by the joint venture.

In addition, litigation could arise in connection with external growth transactions and have an unfavorable impact on the integration process, on the financial benefits or on the expected synergies.

Preventing risks linked to climate change could have a negative impact on the performance of Natixis' activities that operate in sectors with a negative environmental and climate impact

Among the risks related to climate change, we mainly distinguish the transition risk, which results from the process of transition to a low-carbon economy, for example, regulatory changes, technological breakthroughs, changes in consumer preferences, and physical risk, which reflects the risks related to the direct impact of climate change and the increase in extreme weather events. Climate change risks are factors that aggravate traditional categories of risk (credit and counterparty risk, market and structural risk, operational risks, reputation risk, compliance risks, liquidity and financing risks, risks related to insurance activities) and are likely to impact Natixis' activities, results and financial position in the short, medium and long term.

Natixis monitors these risks in the course of conducting its business, that of its counterparties and in its investments on its own behalf or on behalf of third parties.

Accordingly, Natixis has committed to stop financing companies whose main activities include the exploration, production, transportation and storage of oil sands. Natixis has also committed to no longer finance oil exploration and production projects in the Arctic region nor the trade in oil from the Ecuadorian market (linked to the Amazon region) nor, since May 2020, the exploration and production of shale oil and gas. Lastly, in 2015 Natixis committed to stop financing the exploration, production, transportation and storage of coal, and includes companies for which these activities represent more than 50% of their business. In 2019, this percentage was lowered to 25%. This policy was topped up with a timetable to withdraw fully from thermal coal production by 2030 for facilities in Europe and OECD countries, and by 2040 in the rest of the world.

In 2019 Natixis adopted the Green Weighting Factor – GWF, a tool that uses a color scale to rate a loan book's exposure to climate risk. The aim is to encourage the lending businesses to favor clients and projects whose operations have a less harmful climate impact at an identical credit risk and thus accompany the transition.

In 2021, Natixis developed a tool for assessing the temperature of Natixis CIB's financing portfolio based on the GWF methodology and a process for monitoring this temperature by setting targets included in the 2024 strategic plan published in July 2021. This management of the portfolio temperature contributes to Groupe BPCE's objective of a 2050 Net Zero trajectory (equivalent to a limited warming of portfolios of +1.5°C by 2050).

For a more detailed description of Natixis' ESR (environmental and social responsibility) policy and commitments, please refer to Chapter [7] "ESR Report" - and to section [7.3.3] for a description of climate risk management.

A change in the business mix of Natixis' lending activities in favor of transactions with a positive climate and environmental impact could have a negative impact on Natixis' performance due to lost opportunities in sectors presenting a material environmental impact. Postponing this adjustment in its portfolios could negatively affect credit quality. But keeping borrowers with a material climate impact in its loan book could have a negative impact on its credit quality should stricter regulations be imposed.

Lastly, the ECB published its best practice guide for addressing climate risks in autumn 2020. We anticipate that this will be accompanied by a strengthening by the EBA of the regulations regarding the fight against global warming. This increase could penalize activities with a strong impact on the climate (directly through operational constraints for Natixis' clients or through the increase in the price of carbon allowances). Insofar as the energy transition will probably take place over a long period, the strengthening of these regulations could have an adverse effect on some of Natixis' activities such as financing and investment activities in the hydrocarbons, commodities and transport sectors, for example.

Natixis' ability to attract and retain qualified employees is critical to the success of its business and failure to do so may significantly affect its performance

Natixis employs over 17,200 people (permanent and fixed-term employment contracts) around the world (excluding financial investments) located as follows: 65.3% in France, 13% in the EMEA region, 16.4% in the Americas and 5.2% in Asia-Pacific. The performance of Natixis' activities is closely linked to its people. Indeed, Natixis' business model is based on areas of expertise, which requires the recruitment of qualified employees. Moreover, stepped-up regulations on the back of the 2008 financial crisis have required Natixis to strengthen and align its business lines to regulations an area of expertise that requires drawing from a tight job market (scarce and mobile profiles). Natixis' success relies in part on its ability to retain key people, be they at management level, leaders or staff, and to continue to attract highly qualified professionals and talents. A high turnover or the departure of talent could affect Natixis' skills and know-how in key areas, which could reduce its business outlook and consequently affect its financial results.

In addition, the financial sector is subject to specific regulations concerning employee compensation policies, in particular fixed and variable compensation, performance conditions and deferred payments. These regulations may constrain Natixis in its ability to attract and retain talent. Directive 2013/36/EU of the European Parliament and of the Council of June 26, 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms ("CRD IV"), which applies since 2014 to institutions in the European Economic Area ("EEA"), and Directive (EU) 2019/878 of the European Parliament and of the Council of May 20, 2019 amending the CRD IV Directive, applicable since January 2021, provide for a cap on the variable portion of compensation compared to its fixed portion, which may reduce Natixis' ability to offer attractive compensation models and thus attract and retain employees, particularly in the face of competitors outside the EEA who are not subject to these regulations.

In addition, the context linked to the COVID-19 pandemic has reinforced the aspirations of some workers to access new work organization methods. If Natixis were unable to adapt its organization to employee expectations, this could affect its ability to attract and retain its employees, or attract new ones, particularly those with high qualifications, and thus reduce their satisfaction and, consequently, affect the quality of its services and its performance.

Unfavorable economic or market conditions, and the economic environment of persistently low interest rates, could weigh on Natixis' profitability and financial position

Natixis is the subsidiary of Groupe BPCE within which the activities of Asset & Wealth Management, Corporate & Investment Banking, Insurance and Payments are currently carried out, the latter two activities being the subject of a plan to transfer them to BPCE.

These businesses are sensitive to changes in the financial markets, and more generally to economic conditions in France, Europe and the rest of the world.

Adverse economic conditions in Natixis' main markets could have the following negative impacts in particular:

- unfavorable economic conditions could affect the business and operations of Natixis' customers, leading to a higher rate of default on loans and receivables and increased provisions for non-performing loans. A significant increase in these provisions or the realization of losses in excess of the provisions recorded could have an adverse effect on Natixis' results and financial position;
- the end of the ultra-accommodating monetary policies of central banks in 2022 could have significant impacts on all asset classes;

- a decline in prices on the bond, equity or commodity markets could reduce business volumes on these markets;
- macro-economic policies adopted in response to actual or anticipated adverse economic conditions could have unintended negative effects, and may negatively impact market parameters such as interest rates and foreign exchange rates, which could affect the results of Natixis' businesses that are most exposed to market risk;
- perceived favorable economic conditions generally or in specific business sectors could result in asset price bubbles decorrelated from the actual value of the underlying assets; this could in turn exacerbate the negative impact of corrections when conditions become less favorable and cause losses in Natixis' businesses;
- a significant economic disruption (such as the 2008 financial crisis, the European sovereign debt crisis of 2011 or the COVID-19 crisis since 2020) could have a severe negative impact on all Natixis' activities, particularly if the disruption is characterized by an absence of market liquidity that makes it difficult to finance Natixis and to sell certain classes of assets at their estimated market value or, in extreme cases, to sell them at all;
- an adverse change in the market prices of various asset classes could affect the performance of the Natixis Investment Managers management companies, due in particular to a decrease in the assets on which the management fees are charged;
- low interest rates may also negatively affect the profitability of Natixis' Insurance activities, as Insurance subsidiaries may not be able to generate sufficient returns on investments to cover amounts paid out to the beneficiaries of some of their insurance products. Low interest rates may also affect commissions charged by Natixis Asset Management subsidiaries on money market and other fixed-income products. In addition, if market interest rates were to increase in the future, particularly in the event of an economic recovery or higher inflation than expected by the monetary authorities, a portfolio consisting of low-interest loans and fixed-income securities could suffer a loss in value. A context of persistently higher inflation and a rise in interest rates could also weigh on Natixis' financing costs and access to liquidity. This could adversely affect the profitability and financial position of Natixis. For information, as of December 31, 2021, the sensitivities of the economic value of the consolidated scope of Natixis calculated according to EBA standards for a parallel movement upwards and downwards (with the regulatory floor and shocks of +/- 200 bps for the EUR and USD currencies) represent, respectively, an amount of -€17 million and €0.4 million.

In addition, the main markets in which Natixis operates could be affected by uncertainties such as those relating to changes in global trade (particularly related to geopolitical tensions, changes in the price of commodities and energy, tensions on global supply chains), the geopolitical context or of any other nature. Moreover, the COVID-19 pandemic, which has affected and continues to affect the global economy and whose main impacts on Natixis are presented under the risk factor *"The current COVID-19 pandemic under way since early 2020 could adversely affect Natixis' business, operations and financial performance"*, is a perfect illustration of such uncertainties.

The military action carried out by the Russian Federation in Ukraine since February 2022 constitutes an event likely to affect Natixis' business

At the end of February 2022, the Russian Federation launched a major military action in Ukraine. While Ukraine is not a member of NATO, the Western reaction to this invasion was strong. In a concerted manner, the European Union, the United States and many other states have adopted a series of unprecedented sanctions, including the freezing of the Russian Central Bank's foreign assets, the exclusion of certain Russian banks from SWIFT, and the announcement by many Western groups of their disengagement from the Russian Federation.

Even if the essential subject of energy and natural gas remains for the moment outside the scope of the measures taken on both sides, the United States and Great Britain have announced their intention to ban the import of Russian oil and gas. In addition, new economic measures and sanctions could be adopted, including by the European Union and the United States, and retaliatory economic measures and sanctions could be adopted by the Russian Federation. This conflict could have major consequences on the Russian economy but also on the Western economies and more generally on the world economy. The risk of default on Russian debt, rising inflation and the loss of purchasing power for the population in Russia are significant. A questioning of growth prospects and increased inflationary pressure cannot be ruled out in both the United States and Europe.

As of February 28, 2022, direct exposures to Russian and Ukrainian clients (direct on-balance sheet and off-balance sheet exposures net of guarantees to Russian and Ukrainian clients) amounted to €788[(1)] million in Russia (of which €615 million - *in management data* - to corporate and structured financing counterparties) and €63[(2)] million in Ukraine.

In addition, in the Asset Management business on behalf of the Group's clients, the exposure to Russia of the various funds managed by Natixis Investment Managers, corresponding mainly to investments in bonds issued by the Russian government, amounted to €302 million (*in management data*) as of February 28, 2022, and €97 million (*in management data*) to Ukraine. These exposures should be compared with assets under management of €1,259 billion as of December 31, 2021 (including H2O's assets under management).

In addition, the risk of expropriation measures that the Russian authorities could take against foreign companies in retaliation for the sanctions imposed was mentioned.

In this respect, Natixis has a subsidiary in Russia, Natixis Moscow, with equity of eq. €73 million as of December 31, 2021, including eq. €48 million of subordinated debt with Natixis. Natixis is also an issuer of structured private placements denominated in rubles for eq. €83 million (*in management data*) as of February 28, 2022. Of the resources raised in ruble, approximately eq. €58 (*in management data*) million are used to refinance the subsidiary. At the beginning of March 2022, most of the subsidiary's assets consisted of ruble and foreign currency loans to bank counterparties, as well as its excess liquidity with the Central Bank of Russia (approximately €66 million - *in management data* - at the beginning of March 2022).

In addition to the above, the direct market risk on Russian or ruble assets is not material.

Finally, H2O AM funds and mandates are exposed to a basket of emerging currencies including the Russian ruble. The long exposure to the Russian ruble was built via forwards with physical settlement at maturity. As of March 3, 2022, this exposure represented less than 7.5% of their overall gross currency exposure.

(1) In management data - Gross exposures: €1,310m in Russia.
(2) In management data - Gross exposures: €122m in Ukraine.

Legislative and regulatory measures taken in response to changes in the economic world (technological change, sustainable development, financial crisis, etc.) that could have a significant impact on Natixis and the environment in which it operates

Legislative and regulatory texts are constantly evolving to take into account the lessons of crises or simply to adapt to the transformation of the economic and financial environment. The financial crises including those of 2008, the COVID-19 pandemic, technological innovation and the challenges posed by sustainable development are examples and are at the origin of many changes.

All of these changes have significantly changed, and are likely to change in the future, the environment in which Natixis and other financial institutions operate. Natixis is exposed to risk related to these legislative and regulatory changes.

Among the measures that have been or may be adopted, without being exhaustive, some could potentially:

- prohibit or limit some kinds of financial products or activities, thereby partially restricting the diversity of Natixis' sources of income. For example, the introduction of a withholding tax on dividends from borrowed securities under certain circumstances could weaken the appeal of some of Natixis' current products;
- strengthen internal control requirements, which would require investing heavily in Human Resources and materials for risk monitoring and compliance purposes;
- amend the capital requirement framework and necessitate investment in internal calculation models. For example, changes related to the Basel regulations (in particular revised Basel 3) being transposed in Europe could lead to a review of the Risk-Weighted Asset calculation models for certain activities;
- strengthen the requirements regarding the conditions for granting and monitoring loans, but also influence the management of transactions for customers in difficulty;
- introduce new prescriptive provisions to identify, measure and manage environmental, societal and governance risks, particularly in relation to sustainable development and the transition to a low-carbon economy (e.g. amendments to the regulations on financial products, enhanced information disclosure requirements);
- strengthen requirements in terms of personal data protection and cybercrime, in connection with the publication on September 24, 2020 of the proposal for a European regulation on the digital operational resilience of the financial sector, which could, among other things, lead to additional costs related to additional investments in the bank's information system;
- modify, create or strengthen regulations related to digitization and technological innovations in connection with the emergence of crypto assets, discussions on the digital currencies of central banks, the use of artificial intelligence and robotization or because of the technological developments in payment services and fintechs;
- transform the banking model with disintermediation and increased competition linked to European "open banking" initiatives such as the "PSD2" Payment Services Directive;
- require the bank to make a substantial financial contribution to guarantee the stability of the European banking system and limit the impact of a bank failure on public finances and the real economy;
- introduce a tax on financial transactions at the European level;
- impose new obligations following the proposals for measures published by the European Commission in July 2021 aimed at strengthening the European framework for the fight against money laundering and the financing of terrorism as well as the establishment of a new European agency dedicated to the fight against money laundering.

Natixis is also subject to complex and changing tax rules in its various jurisdictions. Changes in the applicable tax rules, uncertainty about the interpretation of such changes or their impacts may have a negative effect on Natixis' business, financial position, costs and results.

In addition, a number of adjustments, new regulations and postponements regarding the entry into force of certain regulations, notably related to prudential requirements, have been adopted by the national and European authorities in the context of the COVID-19 pandemic. The long-term or temporary nature of these adjustments, novelties and postponements, and more generally the short, medium and long-term impact of the health crisis on regulatory changes, are still uncertain, so it is impossible to determine or measure at this stage their actual impact on Natixis.

In this changing legislative and regulatory environment, it is impossible to predict the impact these new measures will have on Natixis. Moreover, Natixis is incurring, and could incur in the future, significant costs to update or develop programs to comply with these new legislative and regulatory measures, and to update or enhance its information systems in response to or in preparation for these measures. Despite its efforts, Natixis may also be unable to fully comply with all applicable legislation and regulations and could therefore be subject to financial or administrative penalties. In addition, new legislative and regulatory measures could force Natixis to adapt its activities, which could affect its results and financial position. Lastly, under new regulations Natixis may be obligated to increase its capital requirements or its overall funding costs.

Risks related to Insurance activities

In 2021, the Net Banking Income (NBI) of the Insurance business stood at €964 million. The Insurance business line net banking income (excluding cross-business net revenues of €13.7 million) was split between Personal Insurance for €635.1 million and Property and Casualty Insurance for €315.7 million.

A deterioration in market conditions, and specifically excessive movements in interest rates, either upward or downward, could have a material adverse impact on Natixis' Personal Insurance business and its profit

The main risk to which Natixis' insurance subsidiaries are exposed in their Personal Insurance business is market risk. Exposure to market risk is mainly related to the capital guarantee on the scope of euro-denominated savings products.

Among these market risks, interest rate risk is structurally significant for Natixis Assurances as its general funds include a high bond component. Fluctuations in interest rates may:

- in the case of higher rates, reduce the competitiveness of the euro-denominated offer (by making new investments more attractive) and cause waves of redemptions on unfavorable terms with unrealized capital losses on outstanding bonds;
- in the case of lower rates, in the long term make the return on the general funds too low to meet their capital guarantees.

Due to the allocation of general funds, the widening of spreads and the decline in the equity markets could also have a significant negative impact on the results of Natixis' personal insurance business, through the creation of provisions for impairment due to the decrease in the valuations of investments at fair value through profit or loss.

A mismatch between the insurer's expected claims expense and the actual benefits paid out by Natixis to policyholders could have a material adverse impact on its Property & Casualty Insurance business and on the protection portion of its Personal Insurance business, as well as on its results and financial position

The main risk to which Natixis' Insurance affiliates are exposed in their activities is underwriting risk. This risk results from a mismatch between, first, the claims actually incurred and the benefits actually paid as compensation for these claims and, second, from the assumptions that the subsidiaries use to price their insurance products and to establish technical reserves for potential compensation.

Natixis uses both its own experience and industry data to develop claims rate and actuarial estimates, including to determine the price of insurance products and establish the related technical reserves. However, there is no guarantee that the actual situations observed a posteriori correspond to these estimates and unforeseen risks such as pandemics or natural disasters could result in the payment to policyholders of amounts greater than those anticipated. As such, changes in climate phenomena (known as "physical" climate risks) are subject to particular vigilance on the part of Natixis Assurances.

In the event that the actual benefits paid by Natixis to policyholders are higher than the underlying assumptions initially used to establish the reserves, or if events or trends were to cause Natixis to change the underlying assumptions, Natixis could be exposed to greater-than-expected liabilities, which could adversely affect its Property & Casualty Insurance business and the protection portion of its Personal Insurance business, as well as its results and financial position.

In the persistent context of the COVID-19 pandemic, the 2021 fiscal year was marked by very dynamic commercial activity in both business lines.

Commercial activity for 2021 showed significant growth compared to 2020. At €14.6 billion, revenue at the end of 2021 was up 32% compared to the end of 2020. This growth can be seen in all insurance activities, and was mainly driven by savings (+39%) which benefited from strong momentum compared to very low inflows in the first half of 2020 in connection with the first confinement. As a result, collection was higher than before the health crisis: +11% compared to 2019.

The 2021 result benefited in particular from the 12% increase in outstandings in the savings business, as well as the good performance of the individual protection business and borrowers' insurance. Its evolution also benefited from a favorable base effect, as fiscal year 2020 was marked by the economic consequences of the health crisis and, in particular, the decline in the equity markets.

In terms of underwriting risk:

- in property and casualty insurance: claims were at higher levels than in 2020, a year marked by several lockdowns that led to a decline in motor insurance claims. The deterioration in the MRH (Multi-Risk Residential) loss ratio was mainly due to the recording of serious claims and weather events;
- in personal insurance: claims in personal protection and in borrowers' insurance improved in 2021, due to reversals of provisions.

Gross operating income from Insurance activities posted positive growth.

In addition, the SCR (Solvency Capital Requirement) was hedged at December 31, 2021, thanks in particular to a favorable economic and financial environment. The various actions implemented in recent years, in particular in terms of financial hedging, reinsurance, diversification of activities and investment management, have contributed to the resilience of Natixis Assurances' solvency. It should be noted that the potential deterioration in the economic and financial environment, in particular the decline in the equity markets and the level of interest rates, could adversely affect the solvency of Natixis Assurances, by negatively affecting future margins.

Risk related to holding Natixis securities

Holders of Natixis securities and certain other Natixis creditors may suffer losses if Natixis should undergo resolution proceedings

Directive (EU) 2014/59 establishing a framework for the recovery and resolution of credit institutions and investment firms ("**BRRD 1**"), transposed into French law by order No. 2015-1024 of August 20, 2015 which also adapted French law to the provisions of European Regulation 806/2014 of July 15, 2014 which established the rules and a uniform procedure for the resolution of credit institutions under a single resolution mechanism and a single Bank Resolution Fund, aim in particular to set up a single resolution mechanism giving resolution authorities a "bail-in" power aimed at combating systemic risks attached to the financial system and in particular at avoiding financial intervention by governments in the event of a crisis. Directive (EU) 2019/879 of May 20, 2019 ("**BRRD 2**", and together with BRRD 1, the "**BRRD**" regulation) amended BRRD 1 and was transposed into French law by order No. 2020-1636 of December 21, 2020. In particular, the powers provided for by the BRRD regulation allow the resolution authorities, in the event that a financial institution or the group to which it belongs subject to BRRD becomes or is close to defaulting, to write down, cancel or convert into shares, the securities and eligible liabilities of this financial institution. In addition to the possibility of using this "bail-in" mechanism, the BRRD grants the resolution authorities more extensive powers, allowing them in particular to (1) force the entity to recapitalize itself in order to comply with the conditions of its authorization and continue the activities for which it is approved with a sufficient level of confidence on the part of the markets; if necessary, by modifying the legal structure of the entity, and (2) reduce the value of the receivables or debt instruments, or convert them into equity securities for transfer to a bridging institution for capitalization, or as part of the sale of a business, or recourse to an asset management vehicle.

As at December 31, 2021, Natixis' CET1 capital stood at €12.5 billion, total Tier 1 capital at €14.6 billion, and Tier 2 regulatory capital at €2.9 billion.

As a member of Groupe BPCE, Natixis may be subject to resolution proceedings in the event of default by Natixis and Groupe BPCE. Such resolution proceedings would be initiated against BPCE and all affiliated entities. If the financial position of Natixis or Groupe BPCE were to deteriorate, or be perceived as deteriorating, the existence of the powers provided for by the BRRD could cause the market value of Natixis financial securities to decline more rapidly.

If resolution proceedings were to be implemented at Groupe BPCE level, the exercise by a competent authority of the powers provided for by the BRRD could result in:

- the full or partial write-down of Natixis equity instruments, leading to the full or partial loss of the value of these instruments;
- the full or partial conversion of eligible financial instruments into Natixis shares, resulting in the unwanted holding of Natixis shares and a possible financial loss when reselling these shares;
- a change to the contractual conditions of the financial instruments that could alter the instruments' financial and maturity terms; such a change could result in lower coupons or longer maturities and have a negative impact on the value of said financial instruments.

Additionally, the implementation of resolution measures would also significantly affect Natixis' ability to make the payments required by such instruments or, more generally, to honor its payment obligations to third parties. Indeed, the debt securities issued by Natixis under its issuance programs constitute general and unsecured and senior contractual commitments within the meaning of Article L.613-30-3-I 3° of the French Monetary and Financial Code. These securities could be impacted as a last resort once the subordinated receivables and debt instruments (Common Equity Tier 1 instruments, Additional Tier 1 capital instruments and Fund instruments and Tier 2 capital) have been affected by "bail-in" measures. In any event, holders of equity securities would have been the first to be affected by the impairment of Natixis.

3.2 Risk management

3.2.1 Organization of Natixis' internal control system

Natixis' internal control system encompasses all the steps taken by the institution to measure, monitor and manage the risks that are inherent to its various activities in accordance with legal and regulatory requirements. The system complies with the provisions set forth in the French Ministerial Order of November 3, 2014 on internal control by companies in the banking, payment services and investment services sector.

It is structured in accordance with the principles set out by BPCE, with the objective of ensuring a consolidated approach to risk within the framework of the control exercised by the shareholding group.

The objective is to ensure the effectiveness and quality of the Company's internal operations, the reliability of accounting and financial information distributed both internally and externally, the security of operations, and compliance with laws, regulations and internal policies.

3.2.1.1 Overview of the internal control system

(Data certified by the Statutory Auditors in accordance with IFRS 7)

Natixis' internal control system comprises:

- **first-level permanent controls** performed by operational staff on the processing in their charge, following internal procedures and legal and regulatory requirements;
- **second-level permanent controls** performed by four departments that are independent of operational staff:
  - **the Compliance Department,** which reports to the General Secretary, is notably responsible for managing compliance risk, performing second-level controls, and organizing the first-level permanent control system,
  - **the Global Technology Risks Management (G-TRM) Department**, reporting to the Compliance Department, is responsible for managing IT risks. These may relate to information system security, business continuity, IT governance and strategy, IT production activities or processes related to changes in the information system,
  - **the Risk division,** which is headed by the Chief Risk Officer, reports directly to Senior Management and is responsible for measuring, monitoring and managing the risks inherent to the business activities, in particular credit and counterparty risk, market structural balance sheet risks,, operational risk and model risk,
  - **the Permanent Financial Control team** within the Finance division, which reports functionally to the Compliance Department, verifies the quality and accuracy of accounting and regulatory information;
- **periodic control,** assumed jointly by the two general inspectorates of Natixis and BPCE. It ensures, through surveys, the periodic control of the compliance of operations, the level of risk actually incurred, compliance with procedures, and the effectiveness and appropriateness of the entire internal control system. The General Inspection of Natixis is under the responsibility of the Chief Executive Officer and under the supervision of the Chairman of the Risk Committee of the Board of Directors.

The General Secretary, an executive officer, is **responsible for permanent controls** and ensures their consistency and effectiveness.

Natixis organizes its control functions on a **global basis** in order to ensure that the internal control mechanism is consistent throughout the Company. Second-level permanent control and internal audit functions within subsidiaries or business lines report to Natixis' corresponding Central Control Departments, either on a functional basis in the case of subsidiaries or on a hierarchical basis in the case of business lines.

The purpose of this structure is to ensure adherence to the following principles:

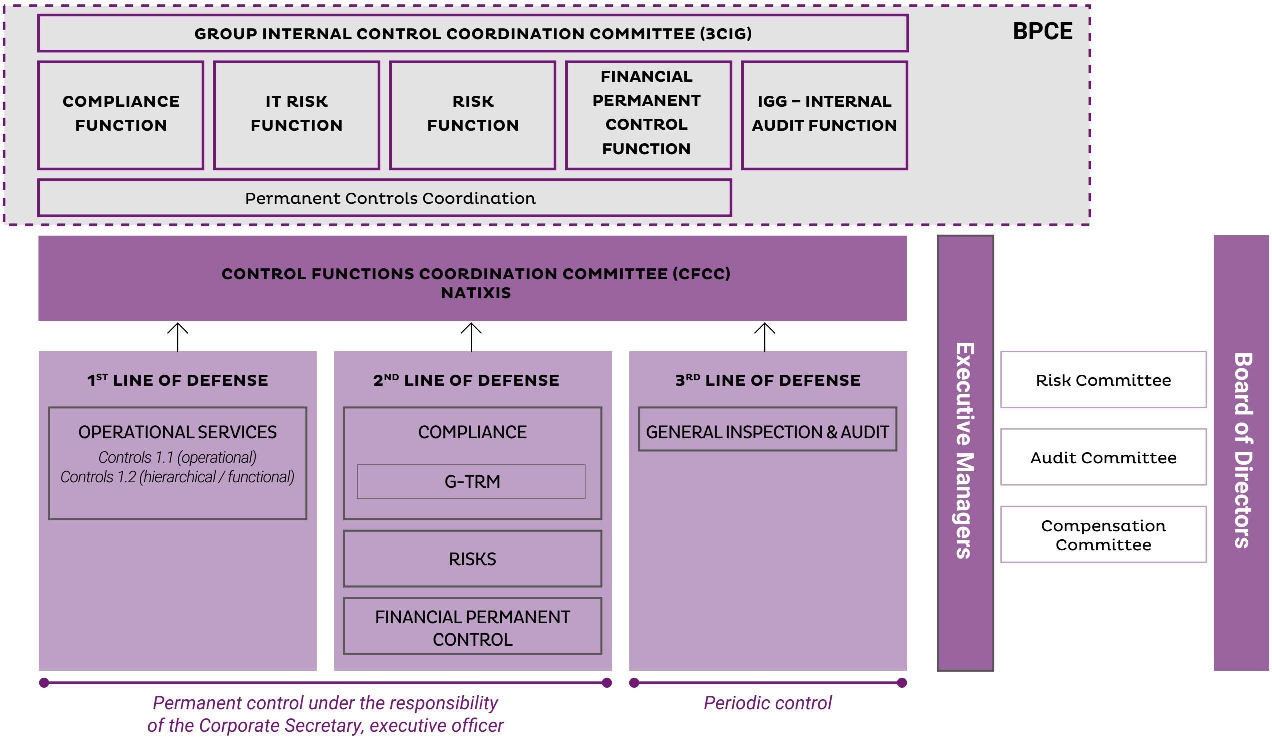
- a strict segregation of duties between units responsible for performing transactions and those that approve them, in particular accounting teams;
- strict independence between the operational and functional units responsible for undertaking and validating transactions, and the units that control them.

The **Control Functions Coordination Committee** coordinates the system as a whole.

The **executive officers**, under the supervision of the Board of Directors, are responsible for implementing Natixis' internal control system in its entirety.

The **Board of Directors** is kept regularly informed of all significant risks, risk management policies and changes made thereto.

Organization of Natixis' internal control system



3.2.1.2 The Control Functions Coordination Committee

The Control Functions Coordination Committee (CFCC) is chaired by the Natixis Chief Executive Officer or his substitute, the Corporate Secretary. It brings together the Chief Risk Officer, the Head of Compliance, the Inspector General, the ISS-BC manager, the Head of the Permanent Financial Control Department, a representative of the BPCE General Secretariat and, as necessary, certain operational or functional managers. The CFCC coordinates the entire internal control system by:

- addressing all issues pertaining to the organization and planning of control services;
- highlighting areas of emerging or recurring risk within the scope under consideration and reporting any significant anomalies observed to the executive body (for example, monitoring the backlog of the main corrective measures); and
- providing the executive body with updates on ongoing controls performed by internal or external control functions or by regulators, and ensuring that the conclusions from these undertakings are taken into account by the operational business lines.

The CFCC met four times in 2021.

The conclusions of controls carried out under this system, supplemented with the results of internal and external audits are reported to the Board of Directors via its extensions, the Audit Committee and the Risk Committee.

3.2.1.3 First-level permanent control

First-level permanent controls are carried out by operational or functional staff on the transactions they perform, following internal procedures and legal and regulatory requirements. Transactions may be subject to a control by operational staff themselves (level 1.1) and to a separate control by the chain of command or by a functional department responsible for validating these transactions (level 1.2).

The first-level controls are centrally managed through a dedicated tool that is used to consolidate results, identify areas at risk and produce reports. The Compliance Department helps the operational departments or support functions define and update these controls.

3.2.1.4 Second-level permanent control

Second-level permanent controls are performed by four departments that are independent of operational and support function staff.

The **Compliance Department** is responsible for carrying out permanent controls in relation to non-compliance risk, in particular around the following areas: customer protection, professional conduct and ethics, market abuse and financial security. In addition to the risks of non-compliance, the division carries out permanent second-level controls on certain operational risks. In addition, the Compliance Department monitors the implementation by operational business lines and support functions of the recommended corrective measures (for more details on non-compliance risk, see section 3.2.9).

The main actions of the **Global Technology Risks Management (G-TRM) Department** concern the definition and control of the regulatory framework for IT risks. As such, this department defines policies and rules, carries out second-level control and oversees the assessment and management of associated risks. The second-level control plan is made up of a section that applies to Groupe BPCE as a whole supplemented by a section that is more specific to Natixis. It is the result of a risk-based approach. These controls are carried out on the basis of first-level controls reported by the contributors (Data & Technology Department, logical security correspondent for authorizations, local manager of the business continuity plan) *(for more details on technological risks, see section 3.2.8)*.

The **Risk division** performs controls on credit and counterparty risk, market structural balance sheet risks, operational risk and model risk. Specific risks related to the Insurance and Asset Management activities are included in these controls, and its scope of action extends to all the entities within Natixis' consolidation scope *(see section 3.2 for more detailed information)*.

The **Permanent Financial Control team** of the Finance division reports functionally to the Compliance Department. This team helps to ensure the reliability of accounting and financial information, through the implementation of control systems covering accounting, tax returns and essential reports produced by the Finance division, which cover all the reports required by the regulator *(see 3.2.2 "Internal control procedures relating to accounting and financial information")*.

3.2.1.5 Periodic control

The third level of control - internal audit function - within the meaning of the revised decree of November 3, 2014 is assumed by General Inspection Department.

In this respect, the General Inspection Department is independent of all operational entities and support functions. With no operational role, it can never find itself in a position of conflict of interest. It reports to the Chief Executive Officer of Natixis and to the Chairman of the Board of Directors' Risk Committee. The Natixis Inspector General, responsible for the internal audit function, is a permanent guest on Natixis' Audit and Risk Committees. He or she has the opportunity to meet with the Chairman of the Risk Committee one-on-one. The General Inspection Department has a strong functional link with its BPCE counterpart, in accordance with the Natixis Audit Charter. In accordance with these principles, the General Inspection Department coordinates a global audit function at Natixis and is part of the Groupe BPCE Internal Audit Function.

The General Inspection Department reports on all its activities and projects to the Risk Committee, which then presents a summary report to the Board of Directors.

It conducts audits across Natixis' full scope (Natixis S.A., subsidiaries and branches) and covers all classes of risk arising from the various business activities carried out. It has full and unrestricted access to all information, confidential or otherwise. Its field of investigation encompasses all of Natixis' operational activities, its support functions – including entities in charge of permanent control assignments – and its outsourced activities. For all the business lines, these audits lead to an assessment of the suitability of existing control points in the processes audited as well as an appraisal of the risks arising from the relevant activities. It is based on the work carried out in this area on a recurring basis by operational departments and second-level permanent control functions. The audits lead to recommendations ranked in order of priority to strengthen the mechanisms for controlling and managing audited risks and to make them more comprehensive.

The reports are sent to BPCE's Chairman of the Management Board and General Inspection Department and to Natixis' Chairman of the Risk Committee and Senior Management, as well as to the audited units.

The General Inspection Department regularly monitors the implementation of recommendations and presents its findings to Natixis' Senior Management Committee, the Risk Committee and the Board of Directors via the Chairman of the Risk Committee. To this end, it performs due diligence and carries out follow-up audits.

The work of Natixis' General Inspection Department is based on an annual Audit Plan drafted and executed jointly with BPCE's General Inspection Department, after consulting the various members of the Senior Management Committee. The Chairmen and Chairwomen of the Audit and Risk Committees are also consulted. This annual program is part of a multi-year plan. which was increased from four to five years following the publication of the amended decree of November 3, defining intervention intervals and a calibration of resources adapted to the risks as well as to regulatory recurrence requirements.

The audit plan may be revised during the year, at the request of Senior Management or if circumstances require (current events, deterioration of the environment or the emergence of new risks, for example). In addition to conventional audit assignments, the General Inspection Department is also able to carry out ad hoc audits in order to address issues arising during the year and not initially included in the Audit Plan.

Natixis' annual and multi-year audit plans are approved by its Chief Executive Officer. The Annual Audit Plan is examined by the Risk Committees of Natixis and BPCE and approved by the Natixis Board of Directors.

In 2021, the General Inspection Department carried out missions on all the risk classes generated by Natixis' activities, while continuing to strengthen the resources devoted to managing the risks related to market activities and the use of financial models, as well as by maintaining constant vigilance on the control of credit risks potentially generated by the health crisis. In addition, several projects and specialized sites have mobilized all the staff of General Inspection Department, and this throughout its sector. The quality control of audit work and the implementation of recommendations has been strengthened and the use of data analysis techniques has been extended to identify risks (with a new risk assessment tool) and in the conduct of inspection missions.

Lastly, Natixis' General Inspection Department collaborated with its BPCE counterpart on a number of projects and assignments. The two departments held eight meetings in 2021. The meetings provided a forum for addressing matters related to audit plans and practices, as well as matters related to risk assessment and assignment evaluation (Joint General Inspection Coordination Committee).

3.2.2 Internal control procedures relating to accounting and financial information

3.2.2.1 General system

Consolidated financial statements and statutory declarations (including capital adequacy ratios, liquidity ratios, or those covered by the Resolution) and Natixis Pillar III are prepared by the Finance division using the tools and guidelines developed and administered by Natixis S.A.

Natixis prepares its declarations separately, although the sub-group, of which it is the head, has been included, since July 1, 2009, in Groupe BPCE's consolidated financial statements.

In this respect, the processes for preparing the consolidated financial statements and reporting as well as Pillar III, while being operationally independent, are closely linked to those of BPCE.

The reliability of these processes is based on the following core principles:

- the definition, in coordination with BPCE, and dissemination of the accounting and regulatory principles applicable to Natixis subsidiaries and branches, including the analysis and interpretation of new standards published during the period;
- documentation and management of the various stages of preparation of these declarations;
- audit trails justifying all published accounting and management data, based on the individual contributions made by each entity and restatements made centrally;
- documented and formalized first- and second-level control systems, thus contributing to the management of risks related to accounting and financial information (balance sheet, net income, regulatory and financial information, Pillar III information);
- procedures for archiving and securing data;
- support and appropriate training for the accounting and regulatory reporting teams of those consolidated entities that use the consolidation and data collection tools so that best practices are shared across the Company.

The preparation of the consolidated financial statements also relies on:

- the use of a direct consolidation method, rolled out throughout Natixis, allowing for the analysis and control of the consolidation packages of each consolidated company via a formal review process;
- preparation of consolidated financial statements on a quarterly basis. This allows for greater control over financial reporting within tight time frames;
- a process of automated accuracy and consistency checks of individual information from consolidated entities whose non-compliance blocks the transmission of data.

For the preparation of its financial information, Natixis has a powerful and secure tool for collecting accounting and regulatory information on all its banking and insurance entities.

Natixis is also continuing its project to streamline and pool data, which is gradually being implemented through the introduction of certified accounting quality data for all summary functions (accounting and regulatory, financial oversight, financial management and risks) and which makes it possible to produce the declarations required by the regulator (MREL, Anatitres, Anacrédit) on a granular grid.

Concerning the publication of Pillar III, it is based in particular on involve several departments. Pillar III is based on the publication of regulatory information produced through various declarations (COREP and FINREP, in particular).

Lastly, Natixis, and Groupe BPCE more broadly, publish the financial information (consolidated financial statements, regulatory statements and Pillar III) on a schedule that complies with the practices of all banking players.

3.2.2.2 Permanent control system for accounting, financial and regulatory information

As part of its missions and in accordance with the order of November 3, 2014 on the internal control of companies in the banking sector and European supervision by the Single Supervisory Mechanism, the internal control system contributes to risk management. The management of all types of risks is governed by an umbrella charter in accordance with the BPCE framework. This permanent control system aims to ensure, for the financial information published, its quality with regard to the requirements defined by the order of November 3, 2014 on internal control or the obligations relating to reporting (in particular those arising from the application of CRR 2).

The fact that most subsidiaries have their own management and control functions means that internal control procedures are decentralized and are tailored to the organization of each of the consolidated entities, relying on a multi-tier accounting control process:

- a first level, where permanent controls localized in the operational business lines are integrated into the processing process and formalized in detailed work programs. This principle is also applied to the Pillar III production and control processes;
- a second line of defense overseen by each entity's Finance, Compliance or Risk Departments where permanent second-level controls, independent of processing processes, are performed to ensure the reliability of accounting and regulatory reporting processes and verify the existence and quality of the first-level controls. For Pillar III, this work is carried out by the second-level permanent control of the Finance and Risk divisions;
- lastly, a final level of this system entrusted to the General Inspection Department in its periodic control role.

The accounting and financial reporting control system is primarily based on the following fundamental principles:

- separation of the accounting production and control functions; and
- homogenization of control processes within the various business lines and entities of the Group: method, tool, feedback and timing of the process.

It also draws on:

- the application of the principles defined by BPCE, which specifies in particular the scopes subject to a two-level control process and which provides for the implementation of a management approach for the control teams. In addition, it is requested that the evaluation process of the production and control system be broken down into five assertions in accordance with the BCBS 239 principles which are: Documentation, Organization, Auditability, Control, Accuracy and Clarity (only for internal management reporting);

- two types of missions, operational on the one hand, to carry out first-level controls and their review and to carry out additional second-level controls (this work being carried out either within the framework of the orders, or in the form of interim missions), and organizational on the other hand, within the framework of the management and supervision of the control unit;
- formalized documentation as part of the "Accounting and financial information quality control framework" drawn up by Groupe BPCE. This includes procedures that describe in detail the organization of the system;
- control maps showing the nature, frequency of performance and responsibilities by level of control across all scopes (accounting and regulatory);
- centralized management within the Finance, Risk or Compliance departments, implemented by a dedicated Finance Audit function, which reviews the first-level controls and, moreover, the Performance of additional second-level controls;
- a risk-based approach, enabling the permanent financial control teams to guide and pace their work with regard to the quality of internal control processes.

It should be noted that in 2021, a tool to formalize the performance of first- and second-level controls and their feedback was rolled out centrally as well as in subsidiaries and branches. On this occasion, the control systems and mappings were updated and the control methodologies were streamlined and standardized.

In addition to the operational control missions assigned to it, the Permanent Financial Control Department carries out the following tasks as part of the management and supervision of the control unit within the consolidated Natixis group:

- definition of the control policy applicable to Natixis and its subsidiaries: organizational and operational principles of permanent internal control for accounting, fiscal and regulatory matters, in accordance with the policy established by Groupe BPCE;
- management of the control system within the subsidiaries, working with the Permanent Financial Control officers appointed by each of the local Financial, Compliance or Risk Departments. This takes place through quarterly Financial Control Committee Meetings, themed workshops, and bilateral cooperation with international entities and platforms;
- monitoring and implementing an accounting and regulatory control environment within each entity by collecting and operating a set of periodic reporting dashboards. The results of these dashboards are then sent to each entity, including a process for alerting the finance, compliance or risk officers and, if necessary, the central or local Control Functions Coordination Committees;
- continuation of actions undertaken to strengthen second-level controls.

Scope of accounting and financial information

For accounting, permanent and periodic controls apply to the completion and/or monitoring of:

- for justifying accounts, accuracy and veracity checks, such as the procedures for management/financial account reconciliation (on-balance-sheet outstandings and off-balance-sheet commitments), reconciliation of cash accounts and checking and clearing of suspense items;
- consistency checks through analytical reviews;
- checks to make sure income and expenses are allocated to the correct period;
- compliance and presentation controls relating to compliance with accounting rules;
- correct processing of specific transactions in line with the relevant principles;
- controls of financial information by ensuring the traceability and completeness of the data;
- adjustment of anomalies identified at the time of these controls as well as the corresponding analyses and documentation.

These controls are conducted using several accounting systems, whose number is being reduced, however, due to the integration of a significant part of Natixis' consolidated scope into the target financial information ecosystem.

Natixis and its subsidiaries continue to develop their accounting and financial control procedures and to equip themselves with appropriate audit trail tools. The Finance division has a role of supervising, supporting and monitoring the controls carried out within the subsidiaries.

Scope of regulatory and prudential information

The regulatory area, like the accounting scope, has a permanent and periodic control system based on the same types of controls. In addition to, and in order to take into account the specificities inherent in the regulatory field, the control system is also based on:

- controls on quality, traceability and data processing (in line with the BCBS 239 program) necessary for the production of these declarations;
- consistency checks between published reports, where possible and relevant;
- compliance and presentation controls in respect of the regulatory requirements specific to each reporting process.

With regard to Pillar III, it is governed by provisions strictly defined by Groupe BPCE (in particular the framework for the preparation and publication of reports and management indicators) aimed at strengthening the production, control and publication environment of the report and the quality of its underlying indicators.

The objective of Pillar III is to establish market discipline through a set of reporting and transparency obligations, both qualitative and quantitative, concerning the institution's risk exposure, risk assessment procedures and capital adequacy. In addition, in accordance with the CRR II amendment brought by Regulation (EU) 2019/876 on Article 431, the management body or Senior Management must adopt formal policies to comply with the disclosure requirements.

Thus, a specific internal control system has been deployed to provide additional assurance to Senior Management on the information (published in Pillar III).

In addition to the documentation and the self-checking or control procedures for elements contributing to Pillar III, an independent control system for the publication of Pillar III has been defined, including roles and responsibilities.

The second-level control system consists of ensuring that the information required for the Pillar III report has been prepared in accordance with the policies, procedures, systems and controls in force.

Its review is carried out jointly by Natixis' Risk division and Permanent Financial Control, based on the Group's standard assessment grid. Pillar III is fully in line with the BCBS 239 methodology deployed by the Group, given that the information reported mainly comes from regulatory data (FINREP, COREP, ICAAP, etc.), supplemented by qualitative information. The use of the standard grid makes it possible to harmonize the scoring methods according to pre-defined criteria (documentation, organization, auditability, accuracy, existing control system and clarity).

A special analysis is carried out on the accuracy of Pillar III publications to ensure that they are aligned with the requirements of the European Directive (implementing Regulation (EU) 2021/637) which sets the content of the financial information to be published, the format and frequency of publication.

For the prudential indicators underlying Pillar III, their assessment is fully integrated into Natixis' existing permanent control system through quarterly closing checks and ad hoc missions.

3.2.2.3 Changes to the system

In 2021, the system for controlling accounting, financial and regulatory information was strengthened and adapted:

- by a change in the reporting of permanent financial control to the Chief Financial Officer;
- the definition and implementation of a new organization in line with the strategic plans of Natixis and BPCE and that accompanies the development of the activities in Porto;
- the implementation of changes in standards **CRR II, FINREP 2021 and RUBA** (Unified banking and similar reporting – from the decree of January 31, 2022). **Pillar III** is also concerned with the obligation to publish a certificate concerning the quality of the data;
- to **changes to the decree of November 3, 2014** which concern the extension of the permanent control coverage, the evaluation of transactions in the management systems, the accounting frameworks, the frequency of the review of market risk transactions and the management of IT risk;
- the implementation of **new reporting** (COVID, SBSD – "Security Based Swap Dealers" given the status of a swap dealer in New York);
- continued deployment of the **tool for reporting the results** of first- and second-level permanent controls in Natixis subsidiaries and branches;
- by implementing the Group system dedicated to **BCBS 239** (creation of CDO functions (Chief Data Officer) and teams dedicated to data quality);
- as part of the "**Deep dive**" requested by the regulator, the LOD1 (Line of defense level 1- first level of permanent control) within the internal control system dedicated to this exercise is now supplemented by an LOD2 team (Line of defense level 2 – second level of permanent control within the internal control system) for the contribution of Natixis in this exercise managed by BPCE;
- with the pooling of the data used (inventories and certified accounting data) for the various summary systems;
- the ongoing progress of the project to streamline the information systems used for market and financing transactions in France and abroad;
- finally, the continuation of remedial actions in response to the recommendations made during the control work.

In 2022, the main areas of development will be:

- the completion of the roll-out of the new organization, which is in line with the strategic plans of Natixis; and
- control of the financial impacts of structural operations undertaken;
- the launch of new declarations for which projects were initiated in 2021, such as the RUBA reporting, the first application of which was postponed to the decree of January 31, 2022 by the regulator;
- the continued implementation of the project to streamline and pool the data used by the various summary systems, with a view to acquiring, controlling and transforming accounting and management data in a single system;
- continued deployment of the **tool for reporting the results** of first- and second-level permanent controls in Natixis subsidiaries and branches;
- the implementation of remedial actions in response to the recommendations issued by the ECB following the "**Deep dive**" exercises conducted in 2021 and managed by BPCE.

3.2.2.4 External controls

In addition to the control procedures followed by the Finance divisions responsible for preparing individual or consolidated accounts, the quality of accounting controls is verified by:

- the one-off assignments of BPCE and Natixis General Inspections;
- the inspections carried out by the banking supervisory authorities as well as the thematic investigations initiated by the latter (and in particular the "Deep dive" exercises in 2021);
- audits conducted by the Statutory Auditors. This work is carried out by a group of firms working in a uniform manner each quarter on most of the entities falling within Natixis' scope of consolidation and whose opinions rely on, in particular, compliance with policies determined by Natixis and validated beforehand and the effectiveness of local internal control procedures.

3.2.3 Risk governance and management system

3.2.3.1 Risk management system

Natixis' risk management is based on independent control functions, each addressing the risks falling within their scope of oversight.

The risk management function, carried out by the Risk division, is structured as an independent and global matrix that covers all scopes under its responsibility and related geographic areas.

The Risk division is organized around four main areas:

- six cross-functional departments (Credit Risk, Market Risk, Operational Risk, Structural Balance Sheet Risk, Enterprise Risk Management and Model Risk & Risk Governance) covering their specific risks. Enterprise Risk Management is dedicated to developing risk models and managing the risk appetite system and the performance of regulatory monitoring activities for the entire Risk division. Convinced of the importance of the risks and opportunities arising from climate change, Groupe BPCE and Natixis have made the energy transition and the climate one of the priorities of their strategy for several years. To support this ambition, the existing system has just been strengthened by the creation of a department dedicated to climate risks within Groupe BPCE. Functionally reporting to the Natixis Risk division, this new department, a true center of expertise, will, in addition to its missions within Groupe BPCE, be responsible for implementing the climate risk system within Natixis. In this context, work will be carried out with all Natixis Risk division teams in close collaboration with the business lines and the ESR teams;

- three regional departments operating in the geographic areas of the platforms (Americas, Asia-Pacific and EMEA [Europe, Middle East, Africa]);
- three departments dedicated to Asset & Wealth Management, Insurance and Payments;
- a dedicated IT department.

The risk management function steers the risk appetite framework, recommends risk policies consistent with those of Groupe BPCE to Senior Management for approval, and makes proposals to the executive body on principles and rules in the following areas:

- risk-taking decision procedures;
- the delegation framework;
- risk measurement;
- risk oversight.

It also independently validates models as part of its wider risk model management framework.

It plays an essential role within the Committee structure, the highest-level of which is Natixis' Global Risks Committee, which meets once per quarter.

In addition, it regularly reports on its work, submitting its analyses and findings to Natixis' executive officers, to Natixis' supervisory body, and to Groupe BPCE. A dedicated function generates a consolidated risk overview using a scorecard that indicates the various risks (credit, market, liquidity, operational, modeling, etc.). To fulfill these responsibilities, the Risk division uses an IT system tailored to the activities of Natixis' businesses, applying its modeling and quantification methods for each type of risk.

The management and monitoring of Natixis' structural balance sheet risks are under the authority of the Asset/Liability Management Committee (or "ALM Committee"). The ALM Committee's monitoring scope includes overall interest rate risk, liquidity risk, structural foreign exchange risk and leverage risk.

The Compliance function oversees the compliance risk management system of Natixis S.A. and of its French and international branches and subsidiaries. It is also in charge of fraud risk prevention, information systems security, and business continuity.

Its operating rules are governed by a charter signed off by the Senior Management Committee.

The Compliance function's preventative actions – advice, raising awareness and training – are a key driver to improving Natixis' management of compliance risk.

3.2.3.2 Organization

(Data certified by the Statutory Auditors in accordance with IFRS 7)

Risk management governance is a structured organization involving all levels of the bank:

- the Board of Directors and its Special Committees (Risk Committee, Audit Committee, etc.);
- the executive officers and the Special Risk Committees they chair within the bank;
- central departments, independent of the business lines;
- the business lines (Asset & Wealth Management, Corporate & Investment Banking, Insurance, and Payments).

3.2.3.3 Risk culture

Natixis is defined by its strong risk culture at every level of the organization.

The risk culture is central to the risk function's guiding principles, as set out in the Risk Charter. The risk culture framework is based on two main pillars:

- harmonizing best practices within the bank by deploying a compendium of risk policies, standards and procedures covering all the bank's major risks (credit, market, operational and model) and outlining the bank's strategic vision and risk appetite;
- deploying a three-pillar strategy in respect of the bank's risk culture:
  - a focus on awareness-raising and communication with a reinforcement of the digital communication of the sector (Risk in Mind digital magazine, Risk Meeting Point newsletter, reinforcement of the Risk division's presence on the internal social network, deployment of Risk in Mind, Sharepoint) and the implementation of "lessons learned" sessions aimed at disseminating knowledge of past incidents and sharing lessons learned. In addition, the visual identity of the Risk division has been reviewed and modernized to increase the penetration of risk culture awareness messages,
  - a focus on training aspects with, in addition to mandatory e-learning, the promotion of training for all employees on specific topics related in particular to changes in regulations, and onboarding sessions for newcomers,
  - a "career path" pillar incorporating "risk culture" as a recruitment criterion, the introduction of cross-over business/risk pathways and the inclusion of "risk culture" as an employee appraisal criterion.

The Code of Conduct adopted by Natixis in December 2020 is another effective means of inculcating the risk culture, as it defines the rules of conduct applicable to all employees, and encourages greater involvement and accountability. Four guiding principles serve as the building blocks of Natixis' DNA and are adapted to each profession and function. The rules fall into the following themes:

- being client-centric;
- behaving ethically;
- acting responsibly towards society;
- protecting Natixis' and Groupe BPCE's assets and reputation.

An e-learning module was made mandatory for all employees and was rolled out after adapting the performance indicators and dashboards to each entity.

An analysis was then presented at Conduct Committee Meetings held for each entity. They are four-party Committees that bring together the business line, Human Resources, Compliance and the Risk division.

In addition to this system, in 2021 Natixis adopted a new framework aimed at better anticipating risk management: I-CARE "Issues Considered As Reportable for Escalation". This refers to "outcomes", meaning any malfunction, failure or weakness identified in a process, system or control that could expose Natixis to one or more risks.

Lastly, Natixis' compensation policy is structured in a way that encourages the long-term commitment of the Company's employees while ensuring appropriate risk management.

3.2.3.4 Adequacy of risk management systems

In the course of 2021, the Board's Risk Committee reviewed the assessment of Natixis' Risk Appetite Strategic Plan and was presented with a summary of the main changes in credit risk and market risks management policies.

These systems cover all risks, as described in the order of November 3, 2014 on internal control, amended by the order of February 25, 2021.

3.2.3.5 Risk appetite

(Data certified by the Statutory Auditors in accordance with IFRS 7)

Natixis' risk appetite is defined as the nature and the degree of risk that the bank is willing to take within the bounds of its business model and strategy.

It is established in a manner consistent with the strategic plan, the budget process and the activities carried out by Natixis and falls within the general framework of Groupe BPCE's risk appetite.

The system is based on two elements:

1. the Risk Appetite Statement (RAS), which sets out, in qualitative and quantitative terms, the risks that the Bank is prepared to take based on its business model;
2. the Risk Appetite Framework (RAF), which describes the interface between the organization's key processes and the implementation of the governance that puts the RAS into action.

Risk appetite is reviewed annually by Senior Management and approved by the Board of Directors after consultation by the Risk Committee.

Risk Appetite Statement

Natixis' risk appetite principles result from the selection and control of the types of risks that the Bank is prepared to take in pursuit of its business model. They ensure consistency between Natixis' overarching strategic guidelines and its capacity to manage risks.

The business model developed by Natixis is based on its recognized areas of expertise (corporate financing, capital market activities, Asset & Wealth Management, Insurance and Payments), in response to the needs of its clients and those of Groupe BPCE.

The Bank seeks sustainable and consistent profitability in balance with its consumption of scarce resources (capital, liquidity, balance sheet). It declines any engagement with activities that it does not master.

Activities with high risk/profitability ratios are subject to strict selection and oversight. Market risk management in particular has a highly selective investment approach, coupled with limited tolerance for extreme risk, and very close monitoring.

Natixis incurs risks that are intrinsic to its Corporate & Investment Banking, Asset & Wealth Management, Insurance and Payments business activities:

- **credit risk** generated by Corporate & Investment Banking is managed under specific risk policies adapted by business and subsidiary, concentration limits defined by counterparty, country (mature and emerging), sector, and through extensive portfolio monitoring with stress tests and segment reviews. The system allows for the selective management of issuance commitments through independent analyses (business lines/risk function) conducted by the various Credit Committees;
- the bank's market activities – which aim to meet the needs of its clients and exclude all forms of proprietary trading – incur **market risk**. The market risk supported thereby is managed according to a body of risk policies and specific qualitative and quantitative indicators (e.g. list of authorized instruments, VaR measurement, stress tests, sensitivities);
- **leverage risk and liquidity risk** are monitored by financial management and are subject to specific oversight by Senior Management within a dedicated governance body (ALM Committee every two months). These two risks require setting specific objectives for managing scarce resources using a dedicated framework and management objectives for leverage required for business lines. In addition, liquidity risk is monitored in collaboration with BPCE, the "ultimate lender" for affiliates and responsible for MLT issues of public "vanilla" funding transactions. Within structural balance sheet risks, Natixis is exposed to credit spread risk;
- the bank's **solvency trajectory** is set by Senior Management and overseen by the Ratio & Capital Steering Department, which sets the target levels of capital and regulatory capital requirements. This trajectory takes into account changes in the bank's scope and activity, methodological changes, particularly with regard to regulatory capital requirements, as well as debt issuance or equity;
- **operational risk**, due to its nature, is present across all the bank's business lines and functions. It is managed through a system, which has been rolled out across the business lines and geographic areas, using a shared data collection tool to map risks on an annual basis and provide feedback on losses and incidents, in collaboration with the other control functions, which enables to implement corrective and preventive action plans accordingly; As a rule, Natixis has no particular appetite for operational risk and manages it very closely;
- Natixis is exposed to **non-compliance risk** in respect of banking and financial regulations, which it is committed to control through the implementation of a Code of Conduct and strict compliance with the laws, regulations and standards governing its activities, in France and internationally, in the realm of financial security, ethics and client protection;
- Natixis' most important asset is its **reputation** and its relationship with its clients. Clients' interests are therefore put first and the bank – irrespective of the business activity, entity or geographic area – is dedicated to operating at the highest level of ethical standards, and in line with the best transaction execution and security. This risk arising from the existence of other "direct" risks such as financial, legal or operational risks is closely monitored using indicators that combine an ex ante/ex post approach;
- **model risk** concerns both internal models within the meaning of Directive 2013/36/EU (CRD IV) and all other models used by the bank (including those used for the valuation of financial products) within the meaning of the definition of a model under Directive SR 11-7 of the Board of Governors of the Federal Reserve System. It mainly concerns Corporate & Investment Banking market

activities and is subject to dedicated governance and monitoring through specific indicators;

- Natixis brings together the risks related to Insurance activities (Natixis Assurances), Asset Management (Natixis Investment Managers) and those related to Payments activities, under specific scopes. With regard to **Insurance activities**, the main risks incurred by the bank concern underwriting risk, in particular for non-life risks and market risks arising from the investments of insurance companies (interest rate risk, equity risk, spread risk, real estate risk and foreign currency risk). **Asset Management activities** involve reputational, non-compliance (specific management of conflicts of interest) and operational risks. They are also exposed to investment risks (Private Equity, seed money and real estate). Revenues are highly dependent on market trends. In addition, a large part of the financial risks are borne by investors, as Asset Management is a fiduciary activity.
- Natixis is also exposed to the following global risks: business and strategic risks, risks related to macroeconomic and regulatory changes (unfavorable economic conditions and the strengthening of additional regulatory requirements), and those related to other external factors. As such, climate-related risks are directly integrated into Natixis' main risk identification and monitoring processes.

Risk Appetite Framework

Each risk identified and considered material for the bank is monitored using an indicator and tolerance thresholds:

- a threshold setting the risk exposure allocated to each business line; and
- a limit stating the maximum risk that, if exceeded, would pose a risk to Natixis' business continuity and/or stability (in terms of solvency, liquidity, results and reputation).

Any breach of the tolerance thresholds (thresholds and limits) defined in the Risk Appetite Framework is subject to a notification and escalation procedure with executive officers and subsequently the supervisory body. This operational framework is applied by type of risk (credit and counterparty risk, market risk, structural balance-sheet risks, including liquidity risk and leverage risk, operational risk, solvency risk, etc.) and draws on Natixis' pre-existing measuring and reporting systems.

It is regularly reviewed, consolidated and presented to the Senior Management Committee and the Board of Directors' Risk Committee.

The risk appetite framework forms part of Natixis' main processes, especially regarding:

- risk identification: risks are mapped every year to give an overview of the risks to which Natixis is or could be exposed (by business line and type of risk). With this approach it is possible to identify material risks, the indicators of which are included in the risk appetite framework;
- the budget process and overall stress tests;
- the Group strategic plan – BPCE 2024.

In accordance with regulations concerning systemically important financial institutions, Groupe BPCE has drawn up a recovery prevention plan (PPR).

3.2.3.6 Risk reporting and assessment systems

At both local and central level, the finance and risk function teams aggregate the data and produce consolidated risk indicators and reports.

The information system of the risk assessment system is global and deployed across the entire scope (including Natixis subsidiaries and branches) in France and internationally.

In line with the BCBS 239 regulation, the IT architecture principles have been clarified, endorsed and backed by the implementation of a master scheme with a multi-year deployment plan.

This work defined a target architecture for the risk and finance functions in order to comply with the requirements of BCBS 239, the principles of which are structured around the following objectives:

- the production of risk indicators is based on operational data placed under the responsibility of the business lines and certified within the "Golden sources" applications;
- risk and finance applications share common frameworks;
- the alignment of data between the central (Natixis S.A.) and the local (subsidiaries and branches), including with regard to Groupe BPCE;
- the automation of business processes and reporting practices, particularly through the risk and finance datalake;
- the ability to access the full history of data and the associated audit trail through the various repositories;
- easy access to data and measurements produced through standardized analysis tools and interfaces;
- the consistency of risk measurements with respect to accounting and the ability to cross-reference finance and risk data calculated at the contract/transaction level;
- the implementation of control and monitoring processes to monitor the quality of the data and the consistency of the measurements.

These architectural principles, largely implemented by the end of 2021, are applied to the following six main application scopes:

- the calculation chains for credit risk, market risk, counterparty risk on market transactions, structural risks (liquidity, interest rate, foreign exchange) and operational risk;
- the prudential chain for the calculation of RWA.

3.2.3.7 Risk typology

(Data certified by the Statutory Auditors in accordance with IFRS 7)

Natixis is exposed to a set of risks inherent to its activities, which may change, particularly as a result of regulatory requirements.

Credit and counterparty risk

Credit risk is the risk of financial loss due to a debtor's inability to honor its contractual obligations. Assessing the probability of default and, in such cases, how much we can expect to recover is a key component of measuring credit quality. Credit risk increases in periods of economic uncertainty, insofar as such conditions may lead to a higher rate of default.

Counterparty risk is the risk of exposure to a counterparty defaulting on market transactions. Counterparty risk evolves as market parameters fluctuate.

Natixis is exposed to these risks because of the transactions it executes with its customers (for example, loan activities, over-the-counter derivatives (swaps, options, etc.), and repurchase agreements, etc.).

Securitization risk

Securitizations are transactions whereby credit risk inherent to a set of exposures is housed in special-purpose entities (generally a special-purpose entity (SPE) or "conduit"), which is then divided into tranches, usually for the purpose of selling them to investors. The SPE issues units that may in some cases be subscribed for directly by investors, or by a multi-seller conduit which refinances the purchases of its shares by issuing short-maturity notes (treasury notes or commercial paper).

Rating agencies assess the creditworthiness of available-for-sale units for investors.

In general, securitizations have the following characteristics:

- they result in a material transfer of risk where the transaction is originated by Natixis;
- payments made in the course of the transaction depend on the performance of the underlying exposures;
- the subordination of tranches, defined by the transaction, determines the distribution of losses over the term of the risk transfer.

Market risk

Market risk is the risk of loss in value caused by any adverse fluctuations in market parameters. These parameters notably include the prices of securities (bonds, equities) and raw materials, interest rates, prices derivative financial instruments and foreign exchange rates.

Asset liquidity is an important component of market risk. In the event of insufficient or non-existent liquidity (for example, because of a reduced number of transactions, or a major imbalance in the supply and demand of certain assets), a financial instrument or any other tradable asset may not be able to be traded at its estimated value.

The absence of liquidity may lead to reduced access to Capital Markets, unforeseen cash or capital requirements, or legal restrictions.

Operational risk

Operational risk is the risk of loss due to inadequate or failed internal processes, whether this is attributable to employees or information systems, or relate to external events with financial, regulatory, legal or reputational impacts.

The Groupe BPCE Insurance Department is tasked with analyzing insurable operational risks and taking out appropriate insurance coverage. Natixis and its subsidiaries benefit from insurance policies pooled with Groupe BPCE against potentially significant consequences resulting from fraud, embezzlement and theft, operating losses or the incurring of Natixis' civil liability or that of its subsidiaries or the employees for which it is responsible.

Non-compliance risk

Non-compliance risk is defined in French regulation as the risk of a legal, administrative or disciplinary penalty, accompanied by significant financial losses or reputational damage, that arises from a failure to comply with the provisions specific to banking and financial activities, whether these are stipulated by national or directly applicable European laws or regulations, or by instructions from executive officers, issued in accordance with the policies of the supervisory body. This risk is a sub-category of operational risk, by definition.

Cyber risk

Cyber risk is caused by a malicious and/or fraudulent act, perpetrated digitally in an effort to manipulate data (personal, banking/insurance, technical or strategic data), processes and users, in order to cause material losses to companies, their employees, partners and clients. The transformation of banking information systems, the new technologies it heralds and the increased outsourcing of related services offer cybercriminals new opportunities to carry out increasingly sophisticated and automated attacks.

Natixis' ability to conduct its business is determined by the availability of its information system, the guaranteed integrity and confidentiality of data and the traceability of every transaction.

Reputational risk

Reputational risk is the risk of damage to the confidence shown in the Company by its customers, counterparties, suppliers, employees, shareholders, supervisors, or any other third parties whose trust, in whatever respect, is a prerequisite for the normal conduct of business.

Reputational risk is essentially a risk contingent on the other risks incurred by the bank.

Legal risk

Legal risk is defined under French regulations as the risk of any legal dispute with a third party, arising from an inaccuracy, omission or deficiency that may be attributable to the Company's operations.

Model risk

This is the risk of direct economic loss or economic loss as a consequence of an image problem or legal dispute or reputational harm, due to errors made when defining, implementing or using valuation models, regulatory capital models or other models.

Overall interest rate risk

The overall interest rate risk is defined as the risk of losses on the banking portfolio as a result of adverse changes in interest rates due to inconsistencies between the rates in use and those of the assets.

As is the case for most corporate and investment banks, Natixis has very few financial assets and liabilities generating structural interest rate positions. Natixis' overall interest rate risk concerns contractual transactions. The most significant positions concern exposures on the short end of the yield curves and are related in particular to the shift in the IBOR rate refixing date. It is therefore a second-rate risk at the bank level.

Liquidity risk

Liquidity risk is the risk that Natixis will be unable to honor its commitments to its creditors due to the positive difference of maturities between assets and liabilities. This risk could arise, for example, in the event of massive withdrawals of customer deposits, a crisis of confidence, or an overall market liquidity crisis. As a corporate and investment bank, this risk results primarily from mismatched positions between transactions with contractual maturities, as Natixis has fewer stable and permanent customer resources than retail banks, and partly funds its operations on the markets.

Spread risk is the risk of an increase in the cost of funding in the event of a liquidity crisis, given fixed-margin long-term assets, or when forced to reinvest long-term funds at higher rates relative to available assets.

Structural foreign exchange risk

Structural foreign exchange risk is defined as the risk of transferable equity loss generated by an unfavorable fluctuation in exchange rates against the currency used in the consolidated accounts due to a mismatch between the currency of net investments (refinanced by purchases of the same currency) and the currency of equity.

Natixis' structural foreign exchange risk for the most part concerns structural positions in the US dollar due to the consolidation of foreign branches and subsidiaries funded in this currency.

Other risks

Insurance business-related risk is the risk to profits of any difference between expected and incurred claims. Depending on the insurance product in question, the risk varies according to macroeconomic changes, changes in customer behavior, changes in public healthcare policy, pandemics, accidents and natural disasters (such as earthquakes, industrial accidents or acts of terrorism or war).

Strategic risk is the risk inherent to the strategy chosen or resulting from Natixis' inability to implement its strategy.

Climate risk is the increased vulnerability of businesses to variations in climate indices (temperature, rainfall, wind, snow, etc.). It may be physical in nature (increase in extreme weather events) or related to environmental transition (new carbon regulations).

Environmental and social risks arise from the operations of the clients and companies in which Natixis invests.

3.2.3.8 Stress tests

Natixis has developed a comprehensive stress test mechanism to dynamically monitor and manage risks.

The set is an integral part of the risk and financial management system and contributes to Natixis' capital and regulatory requirements planning process.

Natixis' stress test mechanism is structured as follows:

- comprehensive internal and external exercises;
- periodic regulatory exercises;
- specific exercises by scope.

Comprehensive internal stress tests

The purpose of comprehensive internal stress tests is to assess the impact of a baseline economic scenario and of stressed economic scenarios on a bank's income statement, risk-weighted assets and equity.

The scenarios proposed by the Economic Research team are discussed and approved at a Groupe BPCE Executive Management Committee Meeting and presented at a Natixis Senior Management Committee Meeting.

They are converted into levels or shocks to economic and financial variables, such as GDP, inflation, employment and unemployment, interest and exchange rates, main stock market indice levels, and commodity prices, over a three-year period. These variables are factored into projection models used by Natixis to apply stress to the various aggregates on the income statement, risk-weighted assets and equity.

The baseline scenario's trajectory is derived from market consensus, forwards and futures.

For the overall internal stress test carried out in 2021, the context has favored maintaining the scenarios used in 2020. Despite the emergence of vaccines, the resurgence of variants and the extent of the health crisis in certain geographical areas have favored the maintenance of a scenario focused on the health crisis. In addition, government support with massive recourse to debt also presented a potential risk of a sovereign crisis in 2021.

The first adverse scenario is characterized by a resurgence of the COVID pandemic in the first part of 2022 (resistance to the vaccine), with a counterpart of a very marked loss of activity due to containment measures but with differentiated effects on sectors due to learning effects.

The second adverse scenario simulates a crisis of confidence in the European Union in 2022, with the return of the fear of refusing to pool debts, particularly in connection with the debt related to COVID-19.

An opposite scenario, used for the reverse stress test, is constructed from the sensitivity observed on the various components of Natixis in order to achieve a predefined target for the CET1 ratio. The narrative of this scenario is a version quite similar to the adverse EBA 2021 scenario, based on an extended scenario of COVID-19 due to the rather slow start of the vaccination campaign and the rapid spread of the delta variant (more contagious and more virulent) in a "lower for longer" interest rate environment.

These projections are based on internal models, based on the sensitivities and trends observed in financial and economic variables, or on internal historical data.

The results of the stress tests were approved by the Senior Management Committee and presented to the Risk Committee of the Board of Directors. They have been analyzed as part of the process of calculating Natixis' solvency trajectory. This impact was measured in terms of net income (Group share), net banking income and Common Equity Tier 1.

These tests help evaluate the areas where Natixis shows vulnerability or weakness and contribute to the establishment of adaptive or remedial measures.

In addition, in 2021, an assessment was prepared as part of the 2021-2024 strategic plan with a central scenario based on the latest IMF forecasts and an update of the adverse scenario built for the 2021 internal stress exercise.

These trajectories were examined by the Senior Management Committee.

Regulatory stress tests

Regulatory stress tests correspond to ad hoc requests from the ECB, the EBA, and any other supervisor. The last regulatory exercise was carried out in the first half-year 2021 based on the methodologies published by the EBA on behalf of the ECB. Natixis contributed to the exercise conducted for Groupe BPCE's scope.

Specific stress tests

The specific stress test exercises run by the Natixis Risk division are detailed in the dedicated sections of this document (and in particular the credit stress tests detailed in section 3.2.4, subsection 4.2.3.10 "Commitment monitoring framework", as well as the market stress tests detailed in section 3.2.6, subsection 3.2.6.3 "Market risk measurement methodology").

3.2.4 Credit and counterparty risks

3.2.4.1 Organization

The risk control framework is overseen by the Risk division with the active involvement of all the bank's business lines and support functions. All the internal standards, policies and procedures are consistent with BPCE's framework and are reviewed periodically to take into account the results of internal controls, regulatory changes and the bank's risk appetite.

Credit risk management and control are performed in accordance with the segregation of duties. Accordingly, together with the other divisions, the Risk division is in charge of monitoring credit risk through various departments that:

- define the credit risks policies and internal credit risk management procedures;
- set credit risk limits and exposure thresholds;
- issue transaction authorizations after a counter-analysis of the credit risk and the counterparty risk in line with the processes for credit approval and limit authorization;
- define internal rating methodologies and models;
- implement second-level permanent controls;
- monitor exposures and report to Natixis' Senior Management.

Working with the business lines, the main duty of the Risk division is to provide an opinion, based on all relevant and useful information, on the risks taken by the bank.

Credit decisions are made within the limit authorizations granted jointly to the business lines and to certain members of the risk function, and are approved personally by the Chief Executive Officer or any other person they authorize to that end. They are sized by counterparty category and internal credit rating, and by the nature and duration of the commitment. Furthermore, these authorizations can be exercised only when the transaction satisfies the criteria set out in the risk policy of each sector and activity.

In conjunction with BPCE, Natixis has defined the rating methods applicable to the asset classes held jointly.

The credit risk monitoring system is based on the establishment of a number of Committees whose main objectives are as follows:

- make individual risk decisions on limits, ratings and LGDs of all types of counterparties and all types of transactions via the Natixis Credit Committee (CCN) or the Regional Credit Committee (CCR) in accordance with the level of the delegation established by Natixis;
- ensure compliance with the limits and take all necessary specific actions via the Credit Risk Limits Supervisory Committee;
- decide on the monitoring of counterparties and their level of provisioning, carry out enhanced monitoring of these counterparties via the Watchlist and Provisions Committee;
- validate the fair value measurement of overholding transactions following the unfinished distribution process according to IFRS rules and the ECB guidelines via the Fair Market Valuation Committee;
- record credit risk decisions on matters not relating to individual counterparties within the framework of the Natixis Credit Risk Committee;
- validate sector, country and sovereign ratings, recommending the probabilities attached to IFRS 9 scenarios, presenting and validating internal stress-test scenarios, presenting analyzes on topics identified by Senior Management via the Geo-Sector Committee.

3.2.4.2 Risk profile

Natixis' risk profile is governed by the risk appetite and risk policies, which include the sector limits set by Natixis and the various country caps.

Natixis is exposed to credit, counterparty and distribution risk as part of its activities with its large corporate customers in 27 countries:

- financing activities:
  - via the origination, arrangement and syndication of traditional "plain vanilla" financings, and the management of the portfolio of all these financings under the "originate-to-distribute" model,
  - via the origination, arrangement and syndication of strategic financing and acquisitions (acquisition financing, LBO financing) but also financing on the primary bond and equity markets,
  - via financial engineering on investments and advice on financial structure;
- market activities: through interest rate hedging, foreign exchange, commodity, equity or repurchase agreements;
- trade finance activities;
- specialized financing activities organized around three main business lines: "Infrastructure & Energy", "Real Estate & Hospitality" and "Aviation";
- securitization and structured credit activities.

3.2.4.3 Objectives and risk policy

Natixis' risk policies have been defined as a component of the bank's overall risk appetite and credit risk control and management framework. The policies are the product of consultation between the Risk division and the bank's various business lines. They are intended to establish a framework for risk-taking while applying risk appetite and Natixis' strategic vision by business line or by sector.

Natixis now has some 20 risk policies, which are regularly revised and cover the various Corporate & Investment Banking business lines (corporates, LBO, aircraft finance, real estate finance, project finance, commodities finance, banks, insurance, etc.) and those of the subsidiaries.

The framework defined by these risk policies distinguishes between recommendations based on best practices, and strict (qualitative or quantitative) supervisory criteria, any deviation from which affects the decision-making process and the usual system of limit authorizations.

The quantitative framework is generally based on:

- commitment ceilings by business line or sector;
- commitment sub-limits by type of counterparty, type of product, or sometimes by geographic area.

This framework helps monitor the concentration of the bank's commitments in relation to a given sector or type of risk.

The qualitative framework is, for its part, built on the following criteria:

- business sectors: preferred sectors, banned sectors;
- targets: customers to be targeted or excluded based on various criteria (size, rating, country of operation, etc.);
- structuring: maximum durations, financial ratios, contractual clauses, collateral arrangements, etc.;
- products.

Checks are carried out as required during the individual processing of loan applications to ensure the correct application of the risk policy. Overall monitoring also takes place on a quarterly basis (checking compliance with ceilings and the number of deviations) and is presented to the Global Risk Committees.

Finally, a global policy also governs exposure to Natixis' main sectors. As with any credit policy, any breach of one of the sector limits in place is reported to the relevant Committee/body for decision and, if necessary, a remediation plan is proposed to reduce the sector exposure below the level of the corresponding limit.

3.2.4.4 General principles for granting and managing credit risks

Natixis' credit risk measurement and management procedures are based on:

- a standardized risk-taking process, structured via a system of limit authorizations and decision-making Committees;
- independent analyses carried out by the Risk division during the loan application review process;
- rating tools and methodologies providing standardized and tailored assessments of counterparty risk, thereby making it possible to evaluate the probability of default within one year and the loss given default;
- a system for monitoring counterparties with a high level of risk;
- information systems that give an overview of outstanding loans and credit limits;
- a system for monitoring and escalating limit violations;
- regular information to management and the central body via the dissemination of dashboards, in particular to monitor changes in the indicators defined as part of the risk appetite system;

In addition, in the context of the health crisis, Natixis has strengthened its credit risk monitoring and anticipation processes by:

- the implementation of identifiers in its information systems for customers who have benefited from support measures (loans guaranteed by the State, moratoriums, adjustments or specific financing related to the crisis, etc.);
- the introduction of new dashboards to monitor changes in the exposures of clients who have benefited from the support measures;
- specific reviews of portfolios in vulnerable sectors with the implementation in certain cases of risk management actions;
- cost of risk anticipation exercises based on granular portfolio reviews.

With regard to CSR (Corporate social responsibility), Natixis has gradually rolled out several tools to assess and manage its exposure within Corporate & Investment Banking.

The Credit Risk Department ensures the integration of ESG (environmental, social and governance) criteria into sectoral credit policies and the consideration of climate risk in the Bank's transaction approval and review process for Corporate & Investment Banking and ensures the operational implementation of climate risk identification tools. It relies on the expertise of the CSR Department for the most sensitive transactions.

Thus, during the credit granting and periodic review process, each file is subject to a specific assessment according to the following system:

- application of the "Green Weighting Factor" system, which consists of assessing the climate impact of transactions via the allocation of a climate rating;
- updating of the climate ratings assigned to each transaction during periodic reviews and presentation to the Credit Committee;
- analysis of compliance with commitments (compliance with applicable CSR policies and associated exclusion lists, particularly in the coal and oil and gas sectors);
- application of the "ESR Screening" system: identification and assessment of the environmental, social and governance risks of corporate customers during the KYC system and in-depth analysis for customers identified as being the most at risk;
- analysis according to the Equator Principles for project financing in the broad sense (including financing of project acquisitions, financing of projects with corporate guarantees, etc.). This due diligence is based on the dual involvement of the business lines and the CSR Department.

In order to strengthen its assessment of physical and transition climate risks, in 2020, Natixis launched work on methodologies for the quantitative measurement of its exposure to climate, physical and transition risks. This work should continue in the coming years.

3.2.4.5 Counterparty risk management

(Data certified by the Statutory Auditors in accordance with IFRS 7)

The principles of counterparty risk management are based on:

- measurement of exposure to counterparty risk;
- counterparty risk limits and allocation procedures;
- a value adjustment in respect of counterparty risk (Credit Valuation Adjustment);
- counterparty risk mitigation;
- incorporation of wrong-way risk.

Measuring exposure to counterparty risk

Natixis uses an internal model to measure and manage its own counterparty risk. Based on Monte Carlo-type simulations for the main risk factors, the model measures the positions for each counterparty and for the entire lifespan of the exposure, taking into account the netting and collateralization criteria.

Thus, the model determines the EPE (Expected Positive Exposure) profile and the PFE (Potential Future Exposure) profile, the latter of which is the main indicator used by Natixis for assessing counterparty risk exposure.

For the purpose of determining capital requirements for counterparty risk, the European Central Bank has partially authorized Natixis S.A. to use the internal EEPE (Effective Expected Positive Exposure) model to calculate exposure. For other entities, as well as the scope of operations for which Natixis S.A. is not authorized to use the EEPE model, exposure is determined using the mark-to-market method.

Counterparty risk limit framework

The limits are defined depending on the counterparty risk profile and after analysis of all information relevant and useful for decision-making purposes.

The limits are in line with Natixis' credit approval process and are reviewed and approved either by means of delegated authority or by credit Committees.

The limits are monitored daily using the dedicated consolidation systems to ensure compliance with the supervision mechanisms.

Credit valuation adjustment

Natixis includes Credit Valuation Adjustment (CVA) in the valuation of derivative instruments.

These adjustments comprise the expected loss as per a counterparty's default risk and aim to account for the fact that Natixis cannot recover the entire market value of the transactions.

Natixis has calculated capital requirements for the CVA since January 1, 2014.

Wrong-Way Risk

Wrong-Way Risk (WWR) refers to the risk that Natixis' exposure to a counterparty is heavily correlated with the counterparty's probability of default.

From a regulatory standpoint, this risk is presented as two concepts:

- Specific Wrong Way Risk (SWWR): it arises when the future exposure is strongly and positively correlated with the probability of default of the counterparty and there is a direct legal relationship between the underlying issuer and the counterparty. For example, for a securities financing transaction, the SWWR can be identified when the issuer of the reference asset and the counterparty are part of the same group. This risk is assessed in accordance with the European regulatory requirements of the CRD IV Directive and is subject to a capital surcharge in the calculation of capital requirements. The authorization process for transactions subject to the SWWR is subject to a specific granting system:
  - ex ante: the Front Office, in charge of identifying these transactions, must inform the Risk division as part of the approval process as well as for the monitoring, reporting and calculation of the regulatory capital of these transactions. Transactions submitted to the SWWR are treated as "one-off" requests (for both market and credit risk) regardless of existing limits. The risk-weighted assets (RWA) of these transactions are determined by considering each transaction as a separate netting set with an exposure in the event of default (EAD) corresponding to the notional amount of the transaction,
  - ex post: control is carried out by the Risk division through dedicated weekly reporting;
- General Wrong-Way Risk, i.e. the risk generated when there is a correlation between the counterparty's credit quality and general market factors. This is assessed through exposure to country risk through a system of limits defined for emerging countries and validated annually by the Committee. More specifically, these limits apply to activities generating WWR in the context of securities financing transactions ("Security Financing Transaction") (i.e. repurchase agreements, Total Return Swaps) and credit derivatives (CDS)). The WWR limits are monitored monthly by the overstepping Committee.

3.2.4.6 Rating system

Internal rating system

(Data certified by the Statutory Auditors in accordance with IFRS 7)

The internal rating system is an integral part of Natixis' credit risk assessment, monitoring and control mechanism. It covers all the methods, processes, tools and controls used to evaluate credit risk. It takes into account fundamental inputs, including probability of default (PD), which corresponds to a rating as well as loss given default (LGD), expressed as a percentage of exposure at default (EAD).

Pursuant to regulatory requirements, all counterparties in the banking book and the related exposures must have an internal rating if they:

- carry a loan or are assigned a credit limit;
- guarantee a loan;
- issue securities used as collateral for a loan.

The internal rating mechanism is based on:

- internal rating methodologies specific to the various Basel asset classes and consistent with Natixis' risk profile; there is a unique rating procedure and methodology for each type of counterparty;
- an IT system used for managing the successive stages of the rating process, from the initiation of the process to the approval and logging of the complete process;
- procedures and controls that place internal ratings at the heart of the risk management system, from transaction origination to ex post analysis of defaulting counterparties and the losses incurred on the relevant loans;
- periodic reviews of rating methodologies, the method for calculating the LGD and the underlying risk inputs.

With respect to country risk, the system is based on sovereign ratings and country ratings that limit the ratings that can be given to non-sovereign counterparties. These ratings are reviewed annually or more often if necessary.

Since September 30, 2010, Natixis has used specific internal rating methods for each asset class that are approved by the French Prudential Supervisory Authority, and that use the advanced internal ratings-based method (A-IRB) to rate "corporates", "sovereigns", "banks", "Specialized Financing" exposure categories.

The rating is based on two approaches: statistical approaches and those based on expert opinion methodologies developed by the department in charge of credit risk measurement models within the Enterprise Risk Management division in collaboration with the Credit Risk Department (in particular, as the owner of the expert models). The department in charge of credit models of the Enterprise Risk Management division is in charge of all methodologies for measuring and assessing credit risks, both operational and non-financial (climate risk, etc.).

The department's work focuses on the following activities:

- quantitative modeling of individual risk parameters (PD, LGD, CCF, etc.);
- expert credit risk rating methodologies;
- projection methodologies (stress tests and IFRS 9);
- the modeling of operational and non-financial risks (climate risk);
- measures of economic capital (credit default, concentration, etc.) and non-financial risks.

Indicative equivalents between internal ratings based on expert appraisal and external agency ratings (corporates, banks, Specialized Financing institutions)

Internal rating	S&P/Fitch equivalent	Moody's equivalent	1-year PD
AAA	AAA	Aaa	0.03%
AA+	AA+	Aa1	0.03%
AA	AA	Aa2	0.03%
AA-	AA-	Aa3	0.03%
A+	A+	A1	0.03%
A	A	A2	0.03%
A-	A-	A3	0.08%
BBB+	BBB+	Baa1	0.16%
BBB	BBB	Baa2	0.30%
BBB-	BBB-	Baa3	0.52%
BB+	BB+	Ba1	0.85%
BB	BB	Ba2	1.33%
BB-	BB-	Ba3	2.00%
B+	B+	B1	2.91%
B	B	B2	4.12%
B-	B-	B3	5.71%
CCC+	CCC+	Caa1	7.74%
CCC	CCC	Caa2	10.31%
CCC-	CCC-	Caa3	13.54%
CC	CC	Ca	17.50%
C	C	C	22.32%

The rating scale varies according to the type of counterparty and includes 21 notches for major corporates, banks and Specialized Financing institutions. It should be noted that internal ratings are also one of the criteria used to determine the level of authority required to approve credit applications.

Internal rating system

For assets under the standard method, Natixis uses external ratings from Fitch Ratings, Standard & Poor's, Moody's, DBRS (Dominion Bond Rating Service) and the Banque de France (BDF).

The external rating agencies' alphanumeric credit rating scales and the risk weighting coefficients are reconciled in accordance with the note published by the ACPR: Method for calculating prudential ratios within CRD IV (Capital Requirements Directive IV).

When a bank portfolio exposure does not have a directly applicable external credit rating, the Bank's customer standards allow – on a case-by-case basis and after analysis – the application of a rating based partially on an internal or exposure rating of the issuer (or of the guarantor, if applicable).

3.2.4.7 Validation of internal models

Validation of models

In accordance with regulatory requirements, Natixis has established internal model validation policies and procedures for evaluating credit and counterparty risk. This independent model validation policy is part of its wider risk model management framework.

As part of the Model Risk & Risk Governance Department which reports to the Chief Risk Officer, Model Risk Management (MRM) is responsible for the governance and standards applicable to a model's life cycle. The various stages of a model's life cycle – design, IT development, validation, and use – are clearly presented and the roles and responsibilities of each participant specified and detailed.

Internal counterparty risk models and rating models are validated by the validation team of the Groupe BPCE Risk division or, acting with the authorization of the Groupe BPCE MRM Committee, by the Natixis Risk division's Risk Model Validation team. The Natixis Risk Model Validation team uses a six-fold validation process:

- data and parameters applied by the model: analysis of data quality and representativeness, integrity of controls, error reports, comprehensiveness of data, etc.;
- methodology: analysis of the model's underlying theory, analysis of estimates, sizing methods, risk indicators, aggregation rules, model benchmarking, analysis of precision and convergence;
- usage and robustness test: the validation team ensures that the internal models are used by qualified staff, that usage procedures are documented and up to date, and conducts independent ex post controls and stress tests;
- IT development: counter-implementation, code analysis, tests;
- compliance with regulations: gap analysis;
- documentation: analysis of the quality and comprehensiveness of the methodological documentation received.

The design, modification and ongoing management of the model are performed by the model designers on behalf of the model owner. Model Risk Management, an independent entity, is called upon for all new models as well as for all modifications or improvements to existing models. On an annual basis, this team in charge of designing the rating models and, more generally, calculating credit or counterparty risk, regularly reviews the models which cover the analysis of backtesting and usage tests.

The third line of defense is the General Inspection Department, which annually reviews internal models and compliance with the risk model management framework and the correct application by Model Risk Management of its own policies and procedures.

Where authorization is granted, the findings and results of the model validation process performed at Natixis are presented to the Risk Model Oversight Committee for confirmation, then submitted to the Model Risk Management Committee for approval before being sent to the Standards and Methods Committee of the Groupe BPCE Risk, Compliance and Permanent Control division for final validation and possible submission to the regulator.

This Model Risk Management Committee is tasked with supervising the risk model for all of Natixis' activities by, on one hand, approving validation reports and the related remediation plans and, on the other hand, monitoring consolidated risk model indicators. The Risk Model Oversight Committee is chaired by the Head of the Model Risk & Risk Governance Department. The Model Risk Management Committee is chaired by the Chief Executive Officer of Natixis, directly or indirectly through a specific delegation of authority.

Rating tool performance monitoring (backtesting and benchmarking)

Backtesting and benchmarking are an integral part of the model validation process. Backtesting and performance monitoring programs are used at least once a year to ensure the quality and reliability of rating models, probability of default scales and LGD and EAD estimate models. They include a detailed analysis based on a range of indicators, e.g. differences in terms of severity and migration compared with agency ratings, changes in ratings before default, observed defaults and losses and changes in ratings prior to default, and the performance measurements of LGD models, based on the quantitative analysis of historical data and supplemented by qualitative analysis.

Rating method performance monitoring and backtesting of PD

The rating methods are periodically checked and undergo external benchmarking to ensure the consistency of ratings produced using expert appraisal methods, as well as their robustness over time according to regulatory requirements. The monitoring methods are defined through a backtesting procedure tailored to each type of model.

For Natixis, the corporate (including structured finance), interbank and sovereign portfolios, which are handled using dedicated rating tools, have the lowest default rates (Low Default Portfolios). These portfolios are backtested in accordance with their specific nature, namely the low number of defaults and the difficulty in creating and maintaining a PD scale based on internal data.

The backtesting procedure, which draws on these data (and sometimes external data in the case of backtesting of the banking model or the major corporates rating grids particularly), consists of two stages: an analysis of the absolute performance, which is based on the default rate and internal migrations, and an analysis of relative performance, which is based on a comparison with external ratings. Alerts are triggered by performance rules and indicators as necessary.

The severities observed between internal ratings and agency ratings are studied. Natixis analyzes all internal ratings of counterparties, which are also rated by rating agencies (Standard and Poor's, Moody's and Fitch). The extent to which the risk assessments are aligned can be determined through these analyses.

The change in the portfolio's credit quality over one year is also analyzed by looking at internal rating migrations. Additional indicators are also calculated to verify the internal risk ranking (Gini Index, average rating, previous year's ratings, ratings of counterparties that have defaulted) and provide statistics as a supplement to the qualitative analyses.

Monitoring and backtesting of internal LGDs, EADs (via CCFs) and ELBEs using advanced methods

The LGD, ELBE and EAD (CCF) *(see glossary)* levels for the different lending scopes are backtested at least once a year (based on internal data), as are the rating models and the associated PD, to verify the reliability of the estimates over time.

Backtesting of LGDs, EADs (CCFs) and ELBEs is carried out by the Enterprise Risk Management teams and makes it possible to:

- verify that the model is correctly calibrated;
- review the model's discrimination power;
- assess the model's stability over time.

The inputs of the models for the scope of specialized financing and collateral (financial or other) are regularly updated, so that they reflect actual conditions as accurately as possible. Both the market inputs and collection inputs are updated.

The losses and estimates produced by the models are compared based on historical data covering as long a period as possible.

The indicators defined for backtesting are used both to validate the model and measure its performance. Two main types of indicators are used:

- population stability indicators: these analyses are used to check that the population observed is still similar to the population that was used to build the model. The model may be called into question if the segmentation variables or the LGDs result in excessively large distribution differences. All of these indicators are compared with the benchmark indicators (usually those calculated when the model was built or those from external data or agencies). These analyses are applicable to both expert appraisal-based models and statistical models;
- model performance indicators: the model's performance is measured to validate the segmentation and also to quantify, overall, the differences between the forecast and actual figures. This is achieved by using statistical indicators, which are compared against those calculated during modeling.

Loss given default models (internal LGD) are calculated:

- on expert models based on internal and external histories and external benchmarks for banks and sovereigns;
- on a statistical basis for the corporate asset class;
- using stochastic models if there is a claim against a financial asset.

The results of the backtesting may require recalibrating the risk input, where appropriate.

Once complete, a backtesting report is produced to provide:

- all the results of the backtesting indicators used;
- any additional analyses;
- an overall opinion of the results in accordance with the Group's standards.

The report is then submitted to the internal validation teams (Model Risk Management) for their input, and subsequently presented to the various Committees to inform the bank's management.

Backtesting of LGDs and PDs by exposure class

	2021 backtesting figures			
	Observed LGDs	Model LGDs	Observed default rate	Estimated PD
Sovereigns	40.20%	65.20%	0.37%	2.23%
Banks	28.41%	59.78%	0.11%	0.52%
Corporate	29.04%	32.57%	0.61%	0.66%

This table provides a general summary of the system's performance but differs from the annual backtests carried out within the Group, which are conducted on a model-by-model basis and not overall by portfolio. However, this table allows a comparison of estimates and actual results for each internal input over an extended period and for a significant, representative percentage of each exposure class. The results come from data warehouses used for modeling. This is based on all performing customers for default rates and PD, and on all customers in default for LGD. These results also take into account the latest regulatory changes (guidance on probability of default (PD) estimates and loss given default (LGD) estimates).

These checks are conducted by backtesting the various rating models once a year by scope and the results are presented to the Credit Risk Model Monitoring Committee (CRMMC) which meets at least quarterly. Subsequently, the results are submitted to the internal validation team (Model Risk Management) and presented to the various Committees in order to inform the bank's Management.

The CRMMC Committee:

- serves as a forum for presenting the results of performance and stability measurements;
- analyzes the indicators whose alert thresholds have been exceeded;
- decides on any measures to be taken to correct any deviations or anomalies. These measures may take different forms, including changing rating practices, methodologies, performance analyses or alert threshold values.

Monitoring and backtesting of counterparty risk model

Backtesting and validation are key items of governance in the Internal Model Method approach. In accordance with general regulatory requirements, the reliability of internal models must be monitored regularly using a comprehensive backtesting program. This process is essential for ensuring the quality and relevance of the results obtained from the models that have been developed and used for both internal risk management, and to meet regulatory obligations.

The counterparty risk backtesting program is designed to validate the key assumptions on which the exposure model is built – stochastic processes for market risk factors, correlations and pricing models – and to identify notable discrepancies in specific model elements.

The framework developed is based on the following two backtests:

- market risk factor backtesting, i.e. to assess the predictive capacity of the stochastic processes used to describe the dynamics of unique risk factors;
- portfolio backtesting: i.e. to assess the full exposure model (stochastic process, correlations and pricing) for portfolios representing Natixis' exposures.

In respect of the market risk factor, backtesting uses historical trends to test risk factor predictions based on the stochastic processes. Backtesting can be performed ex-post by taking the aggregate historical market data for the selected backtesting period, or, to expand the results over wider time horizons and/or cover a broader range of market conditions. It may also be performed retroactively: this specific approach is called retro-backtesting. Here, the aim is to demonstrate that the models would have worked correctly had they been implemented in earlier periods and are thus suitable for future use.

In terms of exposure, the backtest applies historical Mark-to-Market (MtM) values of static backtesting portfolios to test the predicted future MtM values. In terms of risk factors, exposures are backtested ex post by gathering the historical prices achieved, even though retro-backtesting capacities have been introduced for a sub-group of products. The ex-post approach involves duplicating the transactions in the dedicated backtesting portfolios directly in the front-office systems. The ageing process is thus similar to that of real portfolios. Retro-backtesting uses a specific tool to retro-backtest MtM on the main product categories.

The results are factored in at transaction level for historical and retroactive approaches and at several aggregated levels, including the product type and the counterparty for the historical approach only. The transactions considered for static backtesting duplicated in the front-office portfolios were chosen in such a way as to ensure the representativeness of portfolios and are discounted on an annual basis. Present and future prices are taken from the CCR (Counterparty Credit Risk) model engine, current prices being reconciled every quarter with those of the front-office systems, acting as reference.

3.2.4.8 Main internal models used by Natixis

Main internal models: PD, LGD, CCF and volatility discounts (EU CRE)

Modeled input	Portfolio	Number of models	Description/Methodology
PD	Sovereigns	1	Expert analysis-based rating models using macroeconomic criteria and the assessment of legal and political risks
	Banks	3	Expert analysis-based rating models based on quantitative criteria (accounting balance sheet) and qualitative criteria (questionnaire). Model by type of counterparty and by geographic area
	Corporates (incl. SMEs)	12	Expert analysis-based rating models by business sector for corporates and statistical models for SMEs (scores)
	Specialized Financing	6	Expert analysis-based rating models by type of financed asset
	Retail SMEs	10	Statistical models by business sector
LGD	Sovereigns	1	Qualitative model based on internal and external defaults. The assessment of LGD during periods of decline is included insofar as all defaults are included for the LGD model
	Banks	1	Qualitative models based on internal and external defaults by type of counterparty. LGD assessed in this model include defaults occurring in periods of decline
	Corporates (incl. SMEs)	2	Statistical models (decision trees or assessment of recoverable assets) by type of financed asset. The safety buffers included in the LGD models serve to cover periods of decline (primarily via bootstrap techniques)
	Specialized Financing	4	Models used to assess assets on resale. Asset disposal assumptions are based on adverse scenarios
CCF	Corporate Financing (incl. SMEs), financial institutions and sovereigns	1	Model calibrated on internal defaults and segmentation by type of product and type of counterparty
Volatility correction	Financial and other collateral	4	Stochastic models based on historical market prices with assumptions based on internal data and expertise

Main models used for counterparty risk

Calculating the EEPE (Effective Expected Positive Exposure) requires simulating the potential changes in risk factors at future dates over a large number of scenarios using a Monte Carlo approach. The Mark-to-Market value of each transaction is then remeasured at each simulated time horizon and under each scenario. For offsetting, exposure is then calculated by price aggregation taking into account the legal framework (master agreements and credit support annex) allowing price offsetting and offsetting for collateral exposures. The exposure value for a given counterparty is equal to the sum of the exposure values calculated for all offsetting sets.

The model mainly applies the following elements:

- pricing models for reassessing products on various trajectories;
- modeling of the close-out netting framework;
- distribution models of the factors distributed and called during the valuation stage.

Model by asset class
Interest rate/currency distribution model
Basis interest rate/currency distribution model
Equity distribution model
Commodity futures distribution model
Credit distribution model
Inflation distribution model

3.2.4.9 Credit and counterparty risk mitigation techniques

(Data certified by the Statutory Auditors in accordance with IFRS 7)

Credit risk mitigation is a technique for mitigating the credit risk incurred by the bank in the event of partial or total counterparty default.

Credit risk mitigation (ARC) techniques are taken into account in the calculation of prudential capital requirements subject to their eligibility (compliance with the various criteria provided for by European Parliament and Council Regulation No. 575/2013 found in the bank's internal documentation). They include the recognition of netting agreements, collateral (assets given as collateral) and personal sureties (first demand guarantees, sureties, credit derivatives). For information, the criteria used to offset transactions on Natixis' balance sheet are described in Note 7.3 "Offsetting of financial assets and liabilities" in Section 5.1 - Consolidated financial statements and notes.

The ARCs are entered into dedicated applications and fed into the regulatory calculation tool. They must be taken into account in accordance with the recommendations of the prudential texts. The eligibility of guarantees is subject to control points defined throughout the granting process of an operation up to the calculation of the resulting capital requirements.

Natixis uses a number of credit risk mitigation techniques, including netting agreements, personal guarantees, asset guarantees or the use of credit-default swaps (CDS) for hedging purposes.

Credit risk mitigation techniques involve two types of guarantee:

- non-financial or personal collateral:

  one or more guarantors commit to pay the creditor in the event of borrower default. It includes personal guarantees, on-demand guarantees and credit derivatives;
- financial or real collateral, or secured loans:

  the creditor is granted real security rights to one or more assets belonging to the borrower or guarantor. Forms of collateral include cash deposits, securities, commodities (such as gold), real estate assets, mortgage-backed securities, life insurance policy pledges.

Collateral eligibility is governed by the following process:

- vetting by the Legal Department of the documents relating to the collateral and the enforceability of the collateral;
- validation by the Risk division.

In accordance with regulatory provisions, the bank performs the valuation of guarantees, periodically reviews these valuations and carries out any necessary adjustments.

The collateral is adjusted for its volatility and type. Collections on collateral are estimated quarterly or annually on the basis of conservative valuations and haircuts and take into account the actual enforcement of such collateral in times of economic slowdown.

Depending on their nature, collateral guarantees must meet the following specific eligibility criteria:

- non-financial guarantee: the eligibility of personal guarantees depends on the quality of the guarantor and must fulfill several conditions:
  - represent a direct claim on the guarantor and refer to specific exposures,
  - be irrevocable and unconditional,
  - if the counterparty defaults, the bank can take legal action against the guarantor within the permitted time frame to settle payment arrears under the legal document governing the transaction,
  - the guarantee is an obligation secured by a legal document that establishes the guarantor's liability,
  - the guarantor covers all types of payments to be made by the borrower in question;
- financial guarantee: eligibility is determined by the relevant legal framework, the nature of the guarantee (financial collateral, real collateral or netting agreement), borrower and liquidity. It must be valued at least once a year and meet several conditions:
  - all the legal documents are binding on all parties and are legally valid in all relevant jurisdictions,
  - the bank has the right to realize or take ownership of the collateral in case of default, insolvency or bankruptcy,
  - there is no material positive link between the quality of the counterparty credit and the value of the collateral,
  - the asset must be liquid and its value sufficiently stable over time for its realization to be certain.

In terms of monitoring, collateral and netting agreements are:

- analyzed, when a loan application is approved or reviewed, to ascertain the suitability of the instrument or guarantee provided as well as any associated improvement in risk quality;
- checked, processed and documented based on standard contracts or contracts approved by the Legal Department;
- subject to registration and monitoring procedures in the risk administration and management systems.

Similarly, providers of sureties (via signature guarantees, CDS or private credit insurance) are examined, rated and monitored, as with debtors.

Natixis may take steps to reduce commitments in order to lower concentration risk by counterparty, sector and geographic area. Concentration risk is rounded out with an analysis, based on stress test methodologies (migration of ratings according to macroeconomic scenarios). Natixis may buy credit-default swaps and enter into synthetic securitization transactions in order to reduce all or part of the credit risk exposure attached to some assets by transferring the risk to the market. Natixis bears the counterparty risk attached to the credit-default swap sellers, which are generally OECD banks. Transactions with non-bank third parties are fully collateralized in cash. These transactions are subject to decision-making and monitoring procedures that apply to derivative transactions.

Mitigating counterparty risk

Natixis reduces its exposure to counterparty risk using three measures:

- setting up a framework agreement with its counterparties enabling full termination-netting, where possible. One of the main objectives of a framework agreement is the ability of the parties to terminate all outstanding transactions in the event of default by one of the parties. The master agreement defines the methodology for valuing the underlying transactions and determining a final closing amount by offsetting all hedged transactions. The close-out netting mechanism reduces the credit risk vis-à-vis the other party.

  The most widely used framework agreement for over-the-counter derivatives transactions is that of the International Swaps and Derivatives Association (ISDA) or, in the case of over-the-counter transactions under French law, that of the Fédération Bancaire Française (FBF);
- the addition to these framework agreements, of a collateral agreement defining the implementation of a collateral exchange that fluctuates according to the valuation of the portfolios of transactions with the counterparties concerned. The guarantee mechanism mitigates credit risk and potential losses on derivatives transactions resulting from market fluctuations. Collateral can take the form of cash or securities (e.g. government bonds) that are exchanged between the two parties after a margin call.

The parties may add or modify the characteristics of the collateral exchange, by varying the type of eligible collateral, the frequency of margin calls, the threshold or the minimum transfer amount. The Variation Margin (VM) was introduced to comply with margin requirements for derivatives that are not subject to mandatory clearing under the European Market Infrastructure Regulation ("European Market Infrastructure Regulation" [EMIR]). Indeed, the margin requirements under EMIR require the relevant counterparties to exchange a margin on their OTC derivative contracts that are not cleared by a central counterparty ("CCP"). The regulation imposes two types of margin:

  - the variation margin (VM), which hedges the current credit exposure resulting from fluctuations in market value,
  - the initial margin (IM) which covers the potential future credit exposure for the period between the last exchange of VM and the liquidation of the positions following the default of the counterparty. Unlike VM, IM must be separated and cannot be reused;

- the use of clearing houses. The latter, by substituting for their members, bear most of the counterparty risks. To do this they use an initial margin and variation margin call system.

Use of clearing houses (CCP)

Netting is used by Natixis as part of the usual counterparty risk mitigation framework for its market activities (repo, derivatives) in accordance with EMIR and Dodd-Frank Act regulations.

Natixis only deals directly or indirectly with approved bodies with which it has signed appropriate legal documentation and which have a minimum internal rating of A (A- for brokers).

The clearing activity benefits from a specific framework and is accompanied by the establishment of specific thresholds on initial margin and default funds when Natixis is a member of the house.

When Natixis uses the intermediary services of a broker, the limit on the initial margin is added to the other limits that Natixis may have on this counterparty.

New requests for the establishment of thresholds as well as their annual reviews are validated by the credit Committee according to Natixis' credit decision-making process.

Compliance with the thresholds is monitored daily by the Credit Risk Monitoring Department, which also updates the thresholds in the credit risk monitoring tool and produces a monthly exposure dashboard with the CCPs. In addition, in the event of breaches noted, the department communicates this information in the weekly reports on market breaches and in the monthly breach Committee.

These limits are integrated into the systemic risk sensitivities of the bank, in particular for major risks and concentrations.

3.2.4.10 Commitment monitoring framework

(Data certified by the Statutory Auditors in accordance with IFRS 7)

Concentration risk and monitoring:

Concentration risk by group of counterparties is primarily managed by the major regulatory risks system. The regulation relating to the control of large exposures is intended to avoid excessive concentration of risks on the same set of related counterparties such that it is likely that if one of them were to encounter financial difficulties, the others would also experience financing or repayment difficulties. The aggregate of risks to a single beneficiary may not exceed 25% of the institution's total equity. Natixis is below the concentration thresholds set by the regulations since the internal rules set limit exposure to a group of clients to a maximum of 10% of its equity.

The monitoring of country and geographic concentration risk is based on global limits that are reviewed annually.

The risk of sectoral concentration in the main sectors is controlled via the aforementioned global policy in paragraph 3.2.4.2. The operational limits encompass all financing transactions involving counterparties in the corresponding sector.

Measuring and monitoring systems

Natixis' commitments are measured and monitored on a daily basis using dedicated consolidation systems. An IT system enables comprehensive consolidation of limits and credit exposures across a scope covering all of Natixis' exposure to credit risk and most of that of its subsidiaries.

The Risk division provides Senior Management and the Bank's business line heads with reports analyzing Natixis' risks: trend analyses, indicators, stress test results, etc.

Credit risk supervision is based on:

- the accountability of the business lines;
- various second-level control actions conducted by the Credit Risk Department of the Risk division (e.g. rating and limit checks, etc.).

This supervision is based on a rigorous selection of loan applications, regular monitoring of counterparties and anticipation of their potential deterioration, notably through the "Credit Alert" system. This system is based on daily information sent to the analysts concerned (Front Office and risks) covering:

- financial data (e.g. unfavorable change in equity or cash flow from operations);
- market data (e.g. share price, external rating, CDS); and
- events relating to the Company's development (e.g. placing on a watch list).

It incorporates a growing number of indicators thereby making it possible to act in advance of a deteriorating situation (e.g. review of the file, switch to watch list or default).

As regards limit breaches, the dedicated monthly Committee Meeting analyzes changes in limit breaches using specific indicators (number, notional, duration, businesses concerned, etc.), and examines major breaches and monitors their correction.

Since the implementation of the new European guidelines on default, Natixis has been sending BPCE its cases of unpaid bills, overdrafts, bankruptcy proceedings and forbearance on a daily basis and receives in return, after aggregation with the data reported by the other Group institutions, the status (sound, sensitive or default) applicable to all of its third parties.

Exposures showing deterioration in the level of risk are identified as they arise and reported immediately to the Risk division and the business concerned, in accordance with both the counterparty watchlist, specific provisioning and alert procedures.

They are then placed on the watchlist, as decided by the Risk division or the competent Credit Committee depending on the amount of exposure.

Corporate & Investment Banking risks are monitored by the Restructuring and Special Affairs Department (DRAS), which intervenes in difficult and default cases where necessary. The litigation department handles collections of loans in litigation.

Monitoring of non-performing and disputed loans and provisioning mechanism

(Data certified by the Statutory Auditors in accordance with IFRS 7)

Individual provisions

The Natixis Watchlist and Provisions Committee meets once a quarter and covers all the bank's business lines. It reviews all non-performing loans under watch that may give rise to provisions or adjustments to existing provisions, and decides on the amount of provisioning necessary, based on the provision amounts submitted to it individually by the business lines, the Restructuring and Special Affairs Department and the Risk division.

This Committee is organized by the Risk division and chaired by the Chief Executive Officer. It brings together the Chief Risk Officer, the members of the Senior Management Committee in charge of the business lines and finance, Financial Control division and the heads of the relevant support functions.

It draws on a structure of preparatory Committees that are jointly steered by the Risk division and each of the bank's business lines.

Provisions for expected credit losses

In addition to individual provisions, Natixis records provisions for expected credit losses (ECL) at initial recognition.

These financial instruments are divided into three categories depending on the increase in credit risk observed since their initial recognition. An impairment charge is recorded on outstanding amounts in each category.

Performing loans for which credit risk has increased materially since initial recognition are classified in Stage 2 (S2). The impairment or the provision for credit risk is determined on the basis of the instrument's expected credit losses at maturity (lifetime ECL).

Measurements of an increase in credit risk resulting in S2 classification are based on a combination of quantitative and qualitative criteria. The quantitative criterion is based on the change in rating since initial recognition. Additional qualitative criteria are used to categorize as Stage 2 any contracts included on a non-S3 watchlist, undergoing adjustments due to financial hardship (forbearance) or more than 30 days past due. Additional criteria based on the sector rating and the level of country risk are also used.

The sector and country rating process is centered on a Geo-Sector Committee comprising the Finance division, the Risk division and Corporate & Investment Banking representatives. The main objective of this Committee, established for the purpose of implementing IFRS 9, is to validate sector ratings as well as country and sovereign scores on a quarterly basis. These ratings are then used as the basis for calculating ECL. Sector ratings in particular are compiled on the basis of the work carried out as part of the half-yearly financial statements.

Stress tests

The credit stress test system covers Natixis scopes subject to the A-IRB, F-IRB and standardized approaches. It is based on choosing scenarios that replicate plausible crisis situations and high degrees of severity, in keeping with market practices, while taking past events, market trends and the environment into account so that purely historical or theoretical scenarios are eliminated.

The system is a true risk management tool, with scenarios that are regularly introduced and revised. The Risk division regularly works on improving the methods used and adding to the scopes defined for the stress scenarios, with particular attention paid to the market stress requirements.

New scenarios were reviewed in 2021 and presented to the Global Risk Committee as well as to the Senior Management Committee. These internal credit stress test scenarios are based on macroeconomic assumptions prepared in collaboration with economic research, country risk analysts and Groupe BPCE, and comprise three scenarios covering the period between 2022 and 2024:

- a baseline scenario based on the most probable macroeconomic and financial context. This reference scenario is supplemented this year by an "enhanced" version due to the uncertainty of the evolution of the economic context. The baseline scenario corresponds to the bank's policy regarding provisions;
- two "Adverse" credit scenarios corresponding to (i) the assumption of a European sovereign debt crisis, and (ii) the assumption of a crisis caused by a second lockdown linked to the COVID-19 pandemic;
- a "reverse" credit scenario, including the "Adverse" scenario of the EBA exercise conducted in early 2021, this scenario is considered more severe than the two internal "Adverse" scenarios defined above.

3.2.4.11 Quantitative information

EAD, RWA and CR by Basel approach and exposure class (NX01)

	31/12/2021			31/12/2020		
(in millions of euros)	**EAD**	**RWA**	**CR**	EAD	RWA	CR
Credit risk						
Internal approach	**167,129**	**57,934**	**4,635**	**142,975**	**58,714**	**4,697**
Equity	5,890	18,360	1,469	5,757	18,085	1,447
Governments and central banks	59,524	707	57	40,949	563	45
Other assets						
Retail						
Corporates	91,738	36,458	2,917	86,975	37,242	2,979
Institutions	7,566	1,585	127	6,115	1,108	89
Securitization	2,412	824	66	3,179	1,717	137
Standardized approach	**116,614**	**11,592**	**927**	**78,149**	**10,279**	**822**
Governments and central banks	7,184	1,306	104	9,252	1,175	94
Other assets	6,235	5,562	445	6,330	5,470	438
Retail	450	316	25	514	333	27
Corporates	3,263	2,135	171	1,890	1,186	95
Institutions	87,656	415	33	49,667	344	28
Defaulted exposures	45	64	5	44	53	4
Exposures secured by mortgages on immovable property	294	124	10	279	112	9
Exposures to institutions and corporates with a short-term credit assessment	55	47	4	87	51	4
Securitization	11,432	1,624	130	10,087	1,554	124
Sub-total credit risk	**283,743**	**69,526**	**5,562**	**221,125**	**68,993**	**5,519**
Counterparty risk						
Internal approach	**41,067**	**8,449**	**676**	**40,565**	**6,845**	**548**
Governments and central banks	9,335	247	20	8,791	158	13
Corporates	16,498	4,593	367	17,331	5,093	407
Institutions	15,115	3,533	283	14,158	1,515	121
Securitization	120	76	6	285	78	6
Standardized approach	**19,428**	**608**	**49**	**15,737**	**595**	**48**
Governments and central banks	1,096	170	14	1,478	234	19
Retail						
Corporates	391	105	8	417	54	4
Institutions	17,756	270	22	13,523	224	18
Defaulted exposures	2	3		1	2	
Exposures to institutions and corporates with a short-term credit assessment	149	55	4	79	46	4
Securitization	34	5		239	35	3
CCP default fund contribution	**364**	**145**	**12**	**297**	**152**	**12**
Sub-total counterparty risk	**60,859**	**9,202**	**736**	**56,599**	**7,592**	**607**
Market risk						
Internal approach		**5,571**	**446**		**7,147**	**572**
Standardized approach		**7,772**	**622**		**5,975**	**478**
Equity risk		527	42		421	34
Foreign exchange risk		3,003	240		2,971	238
Commodity risk		1,725	138		1,179	94
Interest rate risk		2,518	201		1,404	112
Sub-total market risk		**13,343**	**1,067**		**13,122**	**1,050**
CVA	**9,730**	**2,296**	**184**	**7,877**	**2,284**	**183**
Settlement-delivery risk		**9**	**1**		**6**	
Operational risk (standardized approach)		**13,882**	**1,111**		**12,988**	**1,039**
Total		**108,257**	**8,661**		**104,985**	**8,399**

Exposure and EAD by Basel exposure class (NX03)

(Data certified by the Statutory Auditors in accordance with IFRS 7)

(in millions of euros)	Exposure		EAD		
Exposure class	31/12/2021	o/w off-balance sheet	31/12/2021	o/w off-balance sheet	2021 average
Corporates	**140,720**	**83,010**	**111,898**	**54,616**	**111,396**
Other than SMEs and SF	114,342	71,090	89,884	46,745	90,023
Specialized Financing (SF)	23,902	11,232	20,017	7,346	19,490
SME	2,476	689	1,998	524	1,884
Institutions	**139,257**	**50,687**	**128,448**	**39,878**	**120,091**
Governments and central banks	**77,752**	**12,946**	**77,138**	**12,335**	**73,270**
Governments and central banks	75,646	11,635	75,202	11,191	71,282
Regional governments or local authorities	470	229	466	229	452
Public sector entities	1,637	1,082	1,470	915	1,536
Retail	**821**	**141**	**450**	**35**	**454**
Other than SMEs	568	91	258	19	315
SME	253	50	192	16	139
Securitization	**14,530**	**10,527**	**13,997**	**10,527**	**13,079**
Other assets	**6,235**		**6,235**		**6,335**
Equity	**5,890**	**167**	**5,890**	**167**	**5,699**
Collective investments undertakings					
Exposures secured by mortgages on immovable property	**295**	**2**	**294**	**1**	**284**
Exposures to institutions and corporates with a short-term credit assessment	**206**	**150**	**205**	**150**	**205**
Defaulted exposures	**146**	**15**	**47**	**8**	**66**
TOTAL 31/12/2021	**385,853**	**157,646**	**344,602**	**117,716**	**330,879**
TOTAL 31/12/2020	**308,560**	**139,358**	**277,724**	**109,485**	**272,240**

EAD by geographic area and by basel exposure class (NX05)

(Data certified by the Statutory Auditors in accordance with IFRS 7)

(in millions of euros)

Exposure class	France	Europe*	North America	Other	Total
Corporates	**32,184**	**34,743**	**21,432**	**23,539**	**111,898**
Other than SMEs and SF	27,434	27,790	16,984	17,675	89,884
Specialized Financing (SF)	3,529	6,580	4,385	5,521	20,017
SME	1,220	372	62	343	1,998
Institutions	**97,878**	**16,181**	**9,348**	**5,040**	**128,448**
Governments and central banks	**42,349**	**9,153**	**11,916**	**13,720**	**77,138**
Governments and central banks	41,368	8,020	11,811	13,708	74,907
International organizations		295			295
Multilateral development banks					
Regional governments or local authorities	394	72			466
Public sector entities	587	765	105	12	1,470
Securitization	**4,341**	**1,946**	**7,055**	**655**	**13,997**
Other assets	**5,328**	**341**	**522**	**44**	**6,235**
Share	**4,116**	**596**	**1,054**	**125**	**5,890**
Retail	**352**	**27**		**71**	**450**
Other than SMEs	228	24		6	258
SME	124	2		65	192
Exposures secured by mortgages on immovable property	**258**	**29**		**7**	**294**
Exposures to institutions and corporates with a short-term credit assessment	**7**	**23**	**71**	**103**	**205**
Defaulted exposures	**31**	**6**	**8**	**2**	**47**
Collective investments undertakings					
TOTAL AS OF 31/12/2021	**186,845**	**63,043**	**51,407**	**43,308**	**344,602**
TOTAL AS OF 31/12/2020	**130,639**	**57,028**	**46,664**	**43,393**	**277,724**

* Europe = European Union + Europe (outside EU).

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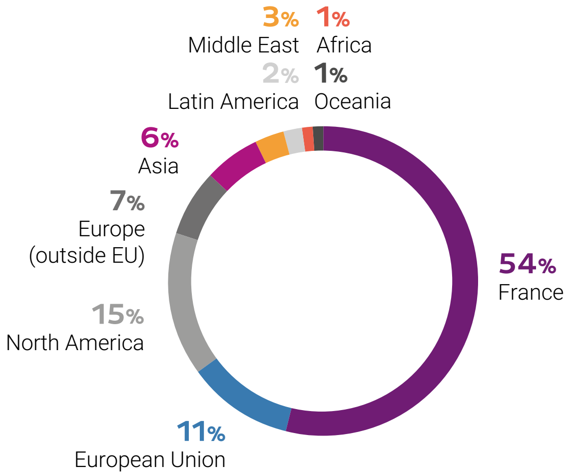
EAD by geographic area (NX06)

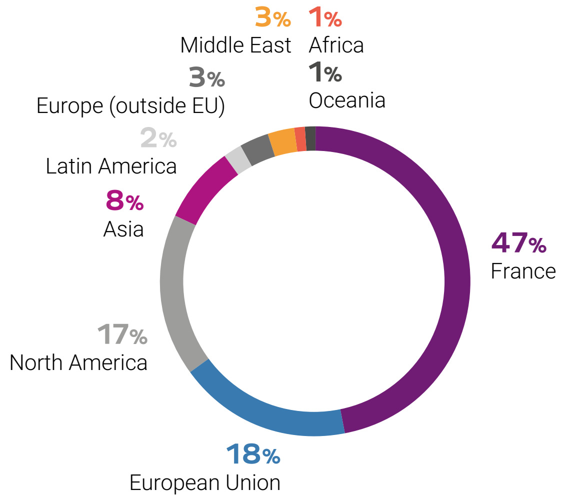
(Data certified by the Statutory Auditors in accordance with IFRS 7)

As of 31/12/2021(*)



** The United Kingdom is no longer part of the EU as of 31/12/2021.*

As of 31/12/2020(*)



** The United Kingdom is still considered in the EU as of 31/12/2020.*

EAD by internal rating (S&P equivalent) (NX12)

(Data certified by the Statutory Auditors in accordance with IFRS 7)

The following table shows the breakdown of exposures at risk by internal rating (S&P equivalent) for asset classes measured using the IRB approach, excluding:

- exposures to equities (calculated using a simple weighting);
- pool-based exposures (acquired portfolios) and third parties grouped into homogeneous risk classes;
- securitization positions.

(% breakdown)

Grade	Internal rating	31/12/2021	31/12/2020
Investment Grade	AAA		0.1%
	AA+	5.0%	6.9%
	AA	18.7%	9.2%
	AA-	13.4%	16.2%
	A+	7.1%	5.6%
	A	9.8%	11.9%
	A-	10.1%	10.1%
	BBB+	5.8%	6.3%
	BBB	6.4%	7.4%
	BBB-	7.1%	7.7%
Investment Grade		**83.4%**	**81.3%**
Non-Investment Grade	BB+	4.5%	4.6%
	BB	3.6%	4.6%
	BB-	3.2%	2.9%
	B+	1.7%	2.0%
	B	0.8%	1.0%
	B-	0.6%	0.5%
	CCC+		
	CCC		
	CCC-		
	CC		
	C		
Non-Investment Grade		**14.3%**	**15.7%**
Unrated	**Unrated**	**0.5%**	**0.6%**
Default	**D**	**1.7%**	**2.3%**
TOTAL		**100.0%**	**100.0%**

3.2.5 Securitization transactions

3.2.5.1 General policy

(Data certified by the Statutory Auditors in accordance with IFRS 7)

Natixis offers its clients a securitization offering with the aim of accessing financing at attractive conditions, diversifying sources of financing, and improving balance sheet structure and ratios.

This offer may include different services that can be performed alone or in combination: transaction arrangement, market placement, temporary back-to-back financing (warehousing), an interest rate derivative entered into with a securitization vehicle. It is supplemented by a limited market-making activity in ABSs (Asset-Backed Securities) and CLOs (Corporate Loan-backed Obligations), which mainly concerns senior-level exposures, and which provides the expertise required to successfully place securities with investors and drive the market for its clients.

This offer is provided on the three platforms where this business line is present: Europe, the United States and Asia. The customers who subscribe can be of different types: banks, specialized credit institutions (credit card issuer, consumer financing, etc.), credit or private equity funds, insurance companies, asset managers, etc.

Although the portfolios on which these transactions are carried out are mostly homogeneous, the types of assets can be varied, for example:

- commercial receivables;
- lease receivables;
- residential or commercial mortgages;
- business loans;
- consumer loans or outstanding credit cards.

Natixis also carries out this activity on its own behalf as part of its funding and risk management.

When carrying out this activity, Natixis may be involved in different roles:

- either as an investor via a financing and/or interest rate derivative transaction for a client, or via the ABSs and CLOs market-making activity that it carries out. In the investor role, Natixis pursues a strategy of diversification both in terms of geography and the types of underlying assets and sectors;
- as a sponsor, i.e. on transactions for its clients to create and manage ABS programs;
- as an originator, as part of its funding activities or through synthetic securitization (whose objective is to transfer part of the credit risk of a portfolio of receivables to investors).

This activity is conducted under Natixis' general "Originate-to-Distribute" strategy. Asset-backed financing by securitization granted by Natixis to a client is generally for a limited period with the intention of being refinanced through a market transaction. The risk positions carried are not classified as "re-securitisations". All customer financing projects by securitization follow the Natixis credit decision-making process. Three criteria are used: amount, maturity and credit quality (including the rating [external if available]).

Each structured arrangement submitted for decision must include a reasoned request as well as a description of the arrangement, the collateral, the assignor/originator, the capital structure of the planned securitization (tranching) as well as an analysis of the associated protections and the various stress tests in accordance with regulations.

Securitization assets outside the trading book are subject to approval by the credit committees.

A counter-analysis is then carried out by the Risk division and, if necessary, a quantitative analysis of the portfolio's default risks. Transactions are examined, and decisions are made based on all the loan application's parameters, including the expected profit margin on the loan, the capital burn and compliance with the current risk policy.

Like vanilla finance transactions, securitization structures and transactions are reviewed at least once a year, while transactions on the watchlist are re-examined at least once a quarter.

Natixis manages the risks associated with securitization positions through two mechanisms:

- the first involves the daily identification of all rating downgrades (where applicable) affecting Natixis' securitization positions as well as the associated potential risks and, if necessary, deciding on an appropriate course of action;
- the second is based on the analysis of securitization positions according to quantitative (resistance to portfolio downgrades and credit quality, rating if available, valuation) and qualitative criteria (analysis).

Market risk in the banking book:

This is small, as exposures are matched in currency and rates.

Liquidity risk of banking book assets:

Securitization positions are financed internally by Group treasury or via conduits sponsored by Natixis.

With regard to activities recognized in the trading book, Natixis may hold securitization positions (secondary market), resulting from purchase and sale transactions with its clients. The activity is governed by a Volcker manual as well as a limit mandate, which specifies the types of risks borne, as well as their holding procedures.

Natixis does not use the IAA (Basel Internal Assessment Approach) on its securitization positions.

3.2.5.2 Rating system

(Data certified by the Statutory Auditors in accordance with IFRS 7)

Natixis uses the SEC-IRBA, SEC-SA and SEC-ERBA methods, depending on the case, and chooses the appropriate category while respecting the hierarchy of methods.

Natixis relies on four external credit rating agencies, among others, for securitization transactions: Moody's, DBRS (Dominion Bond Rating Service), Fitch-IBCA and Standard & Poor's.

3.2.5.3 Securitization vehicles

Natixis acts as sponsor in ABCP-type securitization transactions through three vehicles, namely Versailles, Bleachers and Magenta. Of these vehicles, only two are consolidated in Natixis' scope of regulatory consolidation: Versailles and Bleachers. For both vehicles, Natixis plays a predominant role in the selection and management of acquired receivables as well as the management of the issuance program, thus giving it power over the conduits' relevant activities and influence over the amount of their returns. In contrast, given that Natixis is not part of the governing body holding the power to decide on Magenta's relevant activities, this conduit is not consolidated in Natixis' regulatory consolidation scope.

3.2.6 Market risks

3.2.6.1 Objectives and policy

(Data certified by the Statutory Auditors in accordance with IFRS 7)

The Risk division, via the Market Risk Department, places great importance on the formal definition of all risk policies governing market transactions based on both a qualitative and forward-looking analysis. This approach is mainly based on the strategic review of global risk budgets, business targets and market trends and relies on a proactive early warning system for the most sensitive areas at risk.

These market risk policies focus on a set of methodological principles in terms of risk monitoring and supervision and provide a matrix approach to businesses by asset class and management strategy.

3.2.6.2 Organization of market risk management

(Data certified by the Statutory Auditors in accordance with IFRS 7)

Market risk control is based on a limit authorization structure that is overseen by the Global Risk Committee and in which the Market Risk Committee, chaired by the Chief Executive Officer or the delegated representative, plays an essential role.

The Risk division:

- defines the risk measurement methods, standards and procedures relating to market risks;
- examines annual limit reviews (including risk appetite) and ad hoc requests for modifications (VaR, stress tests, operational indicators, loss alerts);
- raises alerts for areas at risk to the business lines or to Natixis' Senior Management;
- is responsible for the analysis and daily measurement of P&L (economic, hypothetical and actual), the measurement of the risks incurred, the daily reporting of all these metrics, and the notification of any exceeding of the allocated limits to the Group front office and management;
- independently verifies prices and their adjustments in accordance with regulations;
- determines the observability status of the parameters used in the valuation of financial products in position;
- validates and oversees the valuation and risk measurement models used by the front office in the management tools, as well as the models and methodologies relating to the bank's internal model.

3.2.6.3 Market risk measurement methodology

(Data certified by the Statutory Auditors in accordance with IFRS 7)

Natixis' market risk management is based on a risk metrics model that measures the risks incurred by each entity of the Company.

Different techniques are used to measure market risk. These measures enable identification of the risks incurred by the positions in the portfolio according to different shock waves:

- on a local basis, the sensitivity sets make it possible to identify potential losses resulting from small movements in the underlying risk factors;
- with unstressed daily shocks, the VaR is used to estimate a potential loss on the positions of the current portfolio to which the most significant shocks of the past rolling year are applied;
- with stressed daily shocks, the stressed VaR makes it possible to estimate a potential loss on the positions of the current portfolio on which the most significant shocks of recent past rolling years are applied;
- with shocks of greater magnitude through shocks of three days and ten consecutive days, stress tests (specific and global) make it possible to estimate exceptional immediate potential losses.

This set of risk measures is governed by a global monitoring system and responds to Natixis' risk appetite, which is itself based on a system of specific limits.

Allocation of positions in the trading book

The bank's financial assets and off-balance sheet products must be classified in one of the two portfolios defined by prudential regulations: the trading book or the banking book. A position that is not included in the trading book falls under the banking book.

According to the regulations (Article 4 (1) (86) of the CRR), the trading book includes "all positions on financial instruments and commodities held by an institution for trading purposes or for the purpose of hedging positions already held for trading purposes, in accordance with Article 104.

The allocation of transactions to the trading book is governed by a dedicated procedure, which is based in particular on the management intentions and liquidity of the instruments. This procedure applicable at Natixis level is part of the overall procedure established for Groupe BPCE. Reclassifications of positions between banking and trading portfolios are exceptional, subject to authorization by the Natixis Prudential Committee and ultimately approved by BPCE's ad hoc bodies.

The operational classification of positions is carried out at the portfolio level and the management intention is defined in the risk mandates of each operator.

Value at Risk (VaR)

Natixis' internal VaR model was approved by the French Prudential Supervisory Authority in January 2009. Natixis uses VaR to calculate capital requirements for market risks within approved scopes, and to manage and supervise market risks. The model is based on a calculation by computer simulation, based on Monte Carlo-type methodology, taking into account a portfolio's potentially non-linear characteristics with respect to different risk factors.

VaR is calculated and monitored daily for all the Natixis trading portfolios. Market data used in the valuation of portfolios (share prices, indices, interest rates, exchange rates, commodity prices and the related volatility) are updated on a daily basis when available, and the statistical data used (standard deviation and correlations) are updated weekly.

All the trading portfolios are subject to adequate risk monitoring and supervision systems, in accordance with the market risk policies in force. A VaR limit is set at an overall level and for each business.

These measurements give a snapshot of VaR and help identify potential losses in each business, based on a predetermined confidence level (99%) and time period (1 day).

To this end, a statistical model has been constructed to track the behavior of market parameters affecting portfolio value. The calculation method is based on an econometric model whose standard deviations are calculated as being the maximum (risk factor by risk factor) standard deviations calculated over rolling 12-month and 3-month periods. This method makes VaR more responsive if the markets suddenly become more volatile.

For the calculation of VaR, the portfolio's holding horizon is set at one day for risk monitoring and 10 days for the calculation of capital. The 10-day holding period involves extrapolating from the one-day VaR by multiplying it by the square root of 10.

For a set of products including the most complex products, VaR is measured by limited development via sensitivities.

VaR levels are managed by limits set at different levels of Natixis (desks, business lines) and thereby helping to reduce the bank's risk appetite from an operating perspective.

Portfolio valuation methods vary according to product and are either based on a total revaluation or on sensitivity to first or second order market inputs to factor in both linear and non-linear effects (in particular for derivative financial instruments).

General risk and specific risk are calculated according to a single model that incorporates the correlation between the risk factors.

Yields used by Natixis to simulate potential changes in risk factors are absolute yields for most risk factors. The exceptions to this rule are exchange rates, share prices and indices, precious metals prices and indices, commodity indices and commodity futures.

Moreover, the reliability of the VaR is measured regularly through comparison with the changes in the daily trading results, a process also known as backtesting. This exercise allows an ex-post comparison of the potential losses, as projected ex-ante by the VaR, with the actual losses.

Stressed Value at Risk (SVaR)

Due to changing regulatory standards (Basel 2.5), Natixis implemented a daily stressed VaR model (SVaR), which is calculated based on a fixed econometric model over a continuous 12-month period including a representative crisis scenario relevant to its portfolio. The calculation method is based on a historical simulation for a one-day horizon and a confidence level of 99%. However, unlike VaR, which uses 260 daily fluctuation scenarios on a sliding one-year period, stressed VaR uses a one-year historical window corresponding to a period of significant financial tension.

In the same way as the VaR, the stressed VaR is calculated by limited development through sensitivity by risk factor for the most complex products.

As is the case for the VaR, portfolio valuation methods vary according to product and are either based on a total revaluation or on sensitivity to first or second order market inputs to factor in both linear and non-linear effects (in particular for derivative financial instruments).

The stressed period currently used by Natixis covers the period between August 1, 2008 and July 31, 2009, as it is the most conservative one for calculating stressed VaR.

As is the case for VaR, the 10-day holding period used by Natixis involves extrapolating from the one-day stressed VaR by multiplying it by the square root of 10.

Performance monitoring and testing of VaR and SVaR

Natixis' internal model is based on a calculation of VaR and stressed VaR.

To check that the calculation assumptions are respected, particularly the confidence interval of 99%, backtesting calculations are performed on the P&L on a daily basis.

These involve comparing 99% VaR levels with actual and hypothetical daily P&L levels.

The measurements are conducted on Natixis' consolidated accounts and across all of its main activities.

In the event that negative real or hypothetical P&L levels exceed the VaR calculation for the same day, an analysis is performed and explanations provided according to internally-defined criteria.

The regulator is subsequently contacted to inform them of any such exceptions within Natixis' authorized consolidation scope.

In the event of too many exceptions over a period of one year, on a sliding annual basis, an add-on is made to the multiplying factor applied in calculating VaR and SVaR during measurements of Natixis' capital.

Incremental Risk Charge (IRC)

The IRC is the capital charge required to cover rating migration risk and the default within one year of issuers for approved products in terms of specific interest rate risk. Calculated using a Monte Carlo internal simulation model, the IRC is a 99.9% value at risk which corresponds to the largest risk after eliminating the 0.1% of worst outcomes over a period of one year.

Rating and default migrations are simulated using an issuer correlation model and migration matrices over a capital horizon of one year. Positions are remeasured based on various scenarios. Thus, for each scenario, positions may be downgraded, upgraded or go into default.

The liquidity horizon, which represents the time required to sell a position or hedge it in unfavorable market conditions, used in the IRC calculation model is one year for all positions and all issuers.

The calibration of the transition matrix is based on Standard & Poor's historical transition data. For both corporates and sovereigns, the historical depth exceeds 20 years. For issuers not rated by S&P, restatements are performed internally.

Correlation assumptions are based on the rating of each issuer's creditworthiness within the IRC horizon (one year). The simulation process is based on intrasector correlation inputs.

The internal IRC calculation model used by Natixis was approved by the French Prudential Supervisory Authority in 2012.

In accordance with regulatory requirements, Natixis established an internal model validation policy as well as procedures. This model validation phase is a prerequisite for their use.

Stress tests and operational indicators

In addition to VaR, SVaR and IRC measures, stress tests are used to simulate the impact of extreme market conditions on the value of Natixis' portfolios as well as operational indicators:

1) stress tests to measure potential losses on portfolios in extreme market conditions. Natixis' mechanism is based on two categories of stress tests: overall stress tests and dedicated stress tests for each business.

Overall stress tests are subject to continuous review. They are performed daily and can be grouped into two categories:

- **historic stress tests** consist of reproducing sets of changes in market parameters observed during past crises in order to create an ex post simulation of the P&L changes recorded. While stress tests do not have any predictive value, they do make it possible to gauge the exposure of the portfolio to known scenarios. There are 8 hypothetical stress tests covering the most significant events since 1987, the year of the stock market crash, including the Lehman Brothers collapse in 2008, through to the sovereign debt crisis in 2011,
- **hypothetical stress tests** are used to simulate changes in market parameters for all the activities, based on plausible assumptions regarding one market's predicted response compared with another's, depending on the nature of the initial stress. Stresses are determined through a joint effort involving the Risk division, the front office and Economic Research. A set of seven scenarios has been defined:

1. fall in stock market indices combined with a flattening of the yield curve and an increase in credit spreads,
2. strong rise in European interest rates in an inflationary environment,
3. failure of a financial institution with a rise in credit spreads and interest rates and a moderate fall in equity markets,
4. commodity crisis based on a scenario of disruption to supply due to geopolitical events,
5. emerging market crisis reflecting the consequences of a sudden withdrawal of capital from an emerging country during a global economic downturn (higher funding costs, stock market crash and depreciation of the currency against the dollar),
6. failure of a high-profile corporate based on a credit market shock,
7. liquidity crisis characterized mainly by a sharp widening of European interbank spreads, a widening of the liquidity spread and higher "peripheral" yields.

Specific stress tests are also calculated daily in the management tools for all the portfolios and are governed by limits. They are set on the basis of the same severity standard and are aimed at identifying the main loss areas by portfolio.

An aggregate stress test measure representing a combination of specific stress tests calculated for each business line completes the overall framework. This summary indicator at the bank level results from the quadratic aggregation of various specific stress tests designed to reflect the specificities of each activity as well as the effects of diversification between the different business lines.

In addition, this system is supplemented by ad hoc stress tests characterizing a current event likely to generate significant market movements. Ad hoc stress tests use expected market trends based on economic research that is translated into overall stress-test scenarios. They measure the banks resilience to major current events, and allow hedging strategies to be adapted accordingly.

All stress test mechanisms are defined by the Risk division, which is responsible for defining principles, methodology and calibration and scenario choices. The Stress Test Committee is responsible for the operational implementation of stress tests and meets on a monthly basis. The Committee approves work to be carried out, its workload and determines the annual IT budget;

2) loss alerts by portfolio and aggregated by business line, which alert management and the Risk division if losses reach a certain threshold over a given month or on a cumulative basis since the beginning of the year. These thresholds are set by the Market Risk Committee according to the characteristics of each portfolio, past performance and budgetary targets;

3) the supervisory framework includes operational indicators on an overall and/or by business basis, which focus on more directly observable criteria (sensitivity to changes in the underlying and to volatility, correlation, nominals, etc.). The limits of these qualitative and quantitative indicators are set in line with the VaR and stress test limits.

Independent valuation control

The valuation of Natixis' various market products forms part of the independent control system made up of dedicated procedures.

In accordance with the provisions of IFRS 9, financial instruments recognized in the fair value through profit or loss category are valued at their market value *(see chapter [5] in Notes 5.6 and 7.5 for more information on the principles used to determine the fair value of financial instruments)*.

Fair value determination is subject to a control procedure aimed at verifying that the valuation of financial instruments is determined and validated by an independent function in terms of prices and/or valuation models.

Independent price verification

Independent price verification is carried out by Market Risk's IPV (Independent Price Verification) teams which, in line with the division's policy, control the market inputs used in the valuation process for the bank's transactions. The review of market inputs may lead to valuation adjustments recognized in economic results and the financial statement.

IPV governance is based in particular on:

- a supervisory system built around Committees (Fair Value Level Committee, Valuation Committee, LPI Committee);
- a policy and set of procedures, explaining the validation and escalation system;
- a set of weekly and monthly reports;
- dedicated tools.

Validation of models

In accordance with regulatory requirements, Natixis has established internal model validation policies and procedures for evaluating market risk and valuation models. This independent model validation policy is part of its wider risk model management framework.

As part of the Model Risk & Risk Governance Department which reports to the Chief Risk Officer, Model Risk Management is responsible for the governance and standards applicable to a model's life cycle. The various stages of a model's life cycle – design, IT development, validation, and use – are clearly presented and the roles and responsibilities of each participant specified and detailed.

Internal market risk models are validated by the Natixis Risk division's Risk Model Validation team, under the authorization of the Groupe BPCE MRM Committee. Valuation models are validated by the Valuation Model Validation team, under the authorization of the Groupe BPCE MRM Committee. The Natixis Validation teams use a six-fold validation process:

- data and parameters applied by the model: analysis of data quality and representativeness, integrity of controls, error reports, comprehensiveness of data, etc.;
- methodology: analysis of the model's underlying theory, analysis of estimates, sizing methods, risk indicators, aggregation rules, model benchmarking, analysis of precision and convergence;
- usage and robustness test: the validation team ensures that the internal models are used by qualified staff, that usage procedures are documented and up to date, and conducts independent ex-post controls and stress tests;
- IT development: counter-implementation, code analysis, tests;
- compliance with regulations: gap analysis;
- documentation: analysis of the quality and comprehensiveness of the methodological documentation received.

Specifically, the following aspects are assessed in respect of valuation models:

- the theoretical and mathematical validation of the model, the analysis of assumptions and their justification in model documentation;
- algorithm validation and benchmarking;
- the analysis of the model's stability and convergence of the numerical method in a stress scenario;
- the assessment of implied risk factors and calibration, the analysis of input, and the upstream identification of models;
- the measurement of model risk and validation of the related reserves methodology.

The design, modification and ongoing management of the model are performed by the model designers on behalf of the model owner. Model Risk Management, an independent entity, is called upon for all new models as well as for all modifications or improvements to existing models. On an annual basis, the team in charge of designing internal or valuation models monitors the models' performance, notably through an analysis of backtesting and usage tests.

The third line of defense is the General Inspection Department, which annually reviews internal models and compliance with the risk model management framework and the correct application by Model Risk Management of its own policies and procedures.

The results of the model validation process performed at Natixis are presented to the Model Oversight Committees for confirmation, then submitted to the Model Risk Management Committee for approval before being sent, in the case of internal models, to the Standards and Methods Committee of the Groupe BPCE Risk, Compliance and Permanent Control division for final validation and possible submission to the regulator.

This Model Risk Management Committee is tasked with supervising the risk model for all of Natixis' activities by, on one hand, approving validation reports and the related remediation plans and, on the other hand, monitoring consolidated risk model indicators. The Model Oversight Committees are chaired by the Head of the Model Risk & Risk Governance Department. The Model Risk Management Committee is chaired by the Chief Executive Officer of Natixis, directly or indirectly through a specific delegation of authority.

Natixis' adjustment policy

The Risk division is tasked with defining and implementing the adjustment policy for Capital Market activities' management results.

The aim of this policy is twofold:

- ensure the reliability of the result announced by applying the principle of prudence;
- protect Natixis from adverse events that cannot be easily hedged or that are non-hedgeable.

The adjustment policy thus defines the principles for calculating adjustments for market risks to financial instruments measured at fair value.

Adjustments for market risks are divided into:

- adjustments for the cost of position reversals/liquidity positions;
- adjustments for input uncertainty;
- adjustments for model uncertainty.

The shocks applied and methodologies used are updated on a continuous basis.

Adjustment amounts are updated on a monthly basis. Changes in methodology applied to adjustment calculations in respect of market and model-related uncertainties are submitted for independent validation by the Model Risk Management teams.

3.2.6.4 Quantitative market risk measurement data

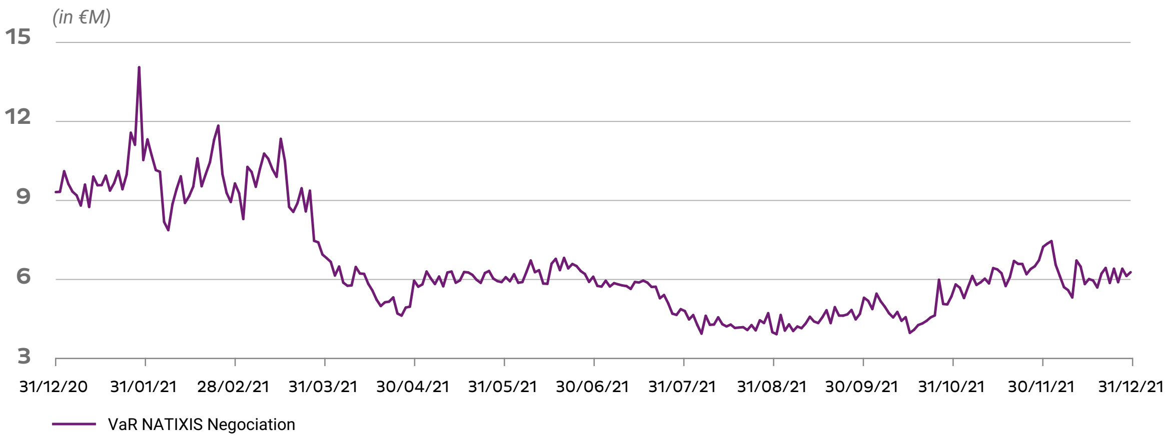
(Data certified by the Statutory Auditors in accordance with IFRS 7)

Change in Natixis VaR

The VaR level for Natixis' trading books averaged €6.5 million. It bottomed out at €3.9 million on September 3, 2021 and peaked at €14.1 million on January 29, 2021, standing at €6.3 million as of December 31, 2021.

The following chart shows the VaR trading history between December 31, 2020 and December 31, 2021 for the entire scope.

Overall Natixis VaR – Trading portfolio (1 day 99% VaR)



Breakdown of total trading VaR by scope

(Data certified by the Statutory Auditors in accordance with IFRS 7)

The following table presents the key VaR figures – (99% VaR, 1 day):

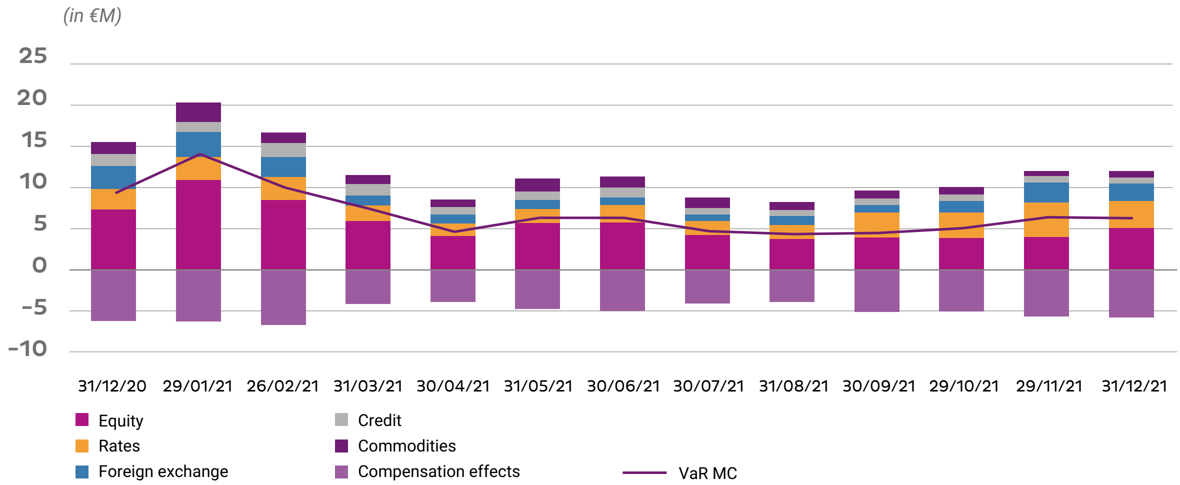
(in millions of euros)

Natixis trading book	VaR as of 31/12/2021
Natixis	**6.3**
of which:	
Global Markets	6
Equity Markets	*3.5*
Commodities	*0.9*
Fixed Income	*3.3*
Global Securities Financing	*4.6*
Other run-off activities	0.9

As of December 31, 2021, the VaR by business was at a lower level than the previous year (€6.3 million compared with €9.3 million on December 31, 2020). This decrease is essentially linked to a return to normalcy in the markets following the COVID-19 health crisis, which had led to an increase in the shocks used in the calculation of VaR the previous year.

VaR breakdown by risk factors and netting effect

The breakdown of the VaR by risk factor provides a picture of the monthly contribution of the main risks and the netting effects in terms of VaR.

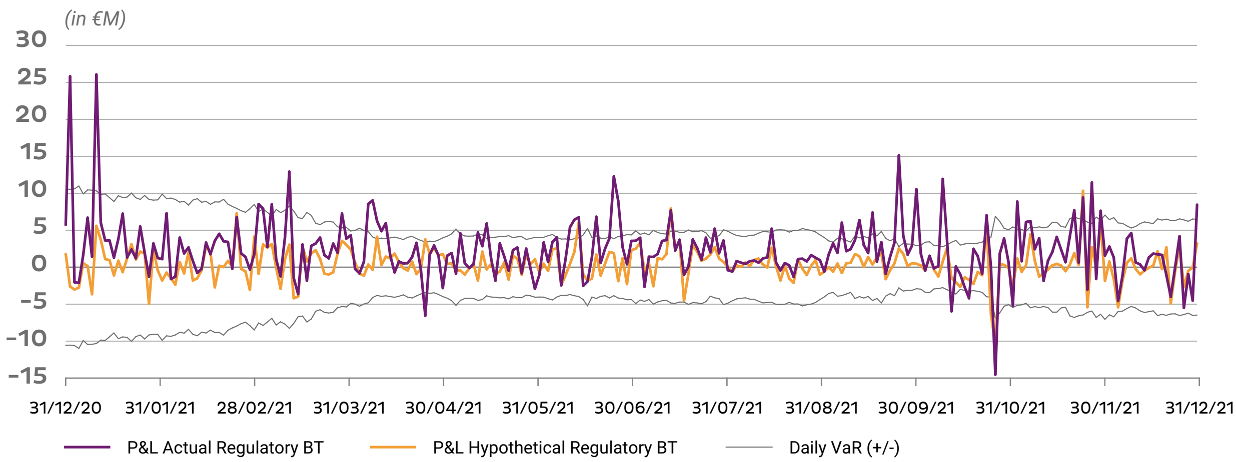


The VaR peak observed in January is explained in particular by the increase in VaR on the scopes mainly composed of equities due to the high volatility of the markets in the context of the COVID-19 crisis.

In February, the VaR began to fall and will remain at a relatively low level due to econometrics no longer including shocks related to the COVID-19 crisis that occurred in early 2020.

Natixis backtesting for regulatory scope

The following chart shows the results of backtesting (ex post comparison of potential losses, as calculated ex-ante by VaR (99%, 1 day), with hypothetical and actual P&L impacts) on the regulatory scope, and can be used to verify the solidity of the VaR indicator.



In 2021, four actual backtesting exceptions and two hypothetical backtesting events were noted at the Natixis regulatory level.

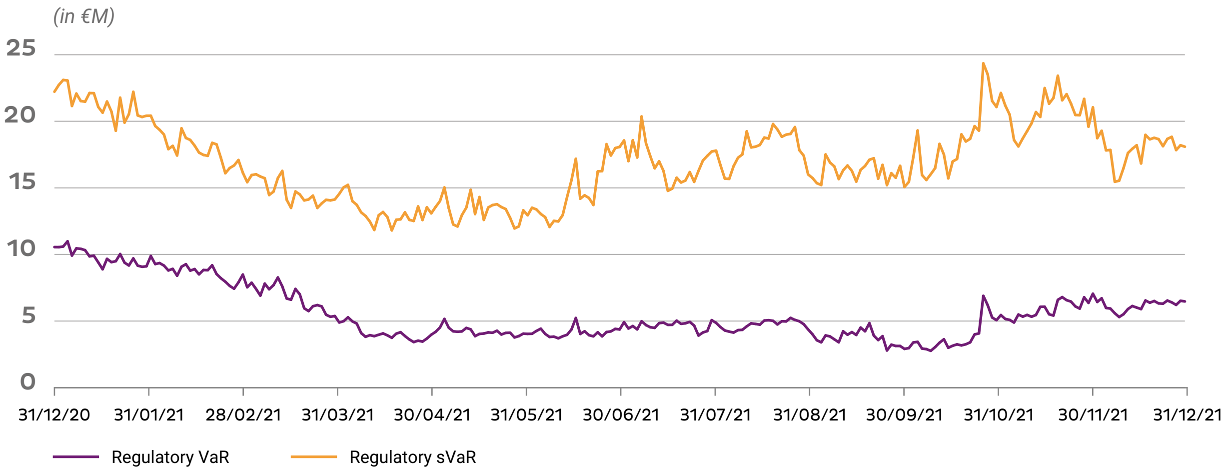
Four real backtesting exceptions were recorded in 2021, on April 29, then on October 14, 20 and 28. They result, on the one hand, from fair value adjustments which are calculated on an ad hoc basis and which can thus generate significant impacts in terms of PnL, and, on the other hand, losses from the significant market movements observed in rates in October.

The two hypothetical backtesting events were recorded on October 27 and 28.

Natixis regulatory stressed VaR

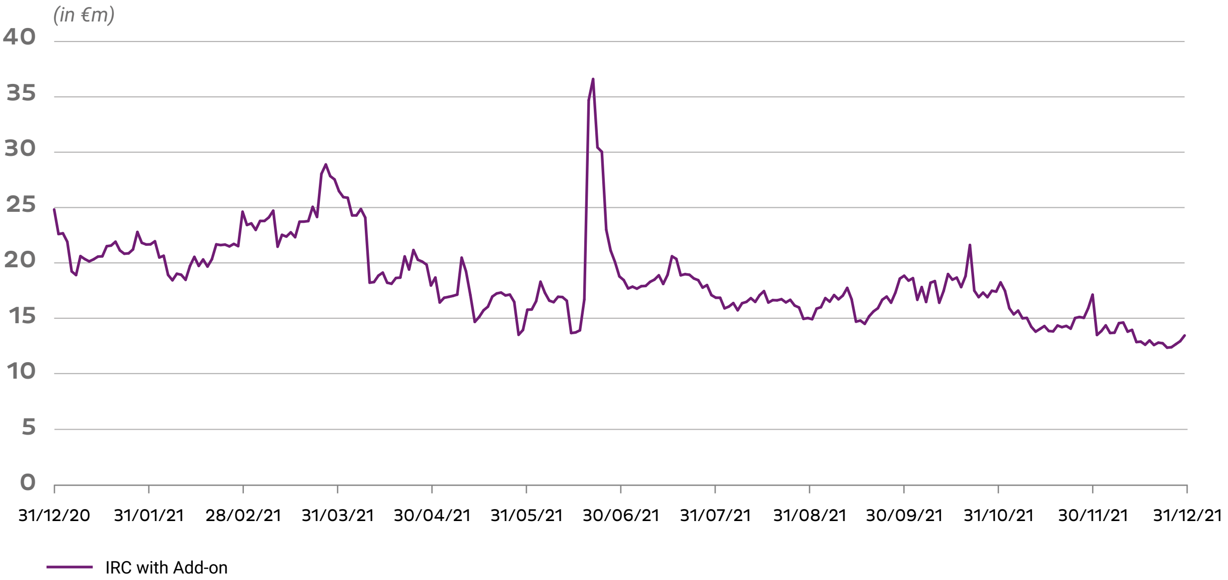
Natixis' regulatory stressed VaR averaged €16.9 million. It bottomed out at €11.8 million on April 22, 2021 and peaked at €24.3 million on October 28, 2021, and stood at €18.1 million as of December 31, 2021.

Change in regulatory VaR (99% VaR, 1 day) and stressed VaR (99% SVaR, 1 day):



IRC indicator

This indicator covers the regulatory scope. Natixis' IRC averaged €18.4 million, bottoming out at €12.3 million on December 27, 2021, with a peak of €36.6 million on June 25, 2021, and stood at €13.4 million on December 31, 2021.



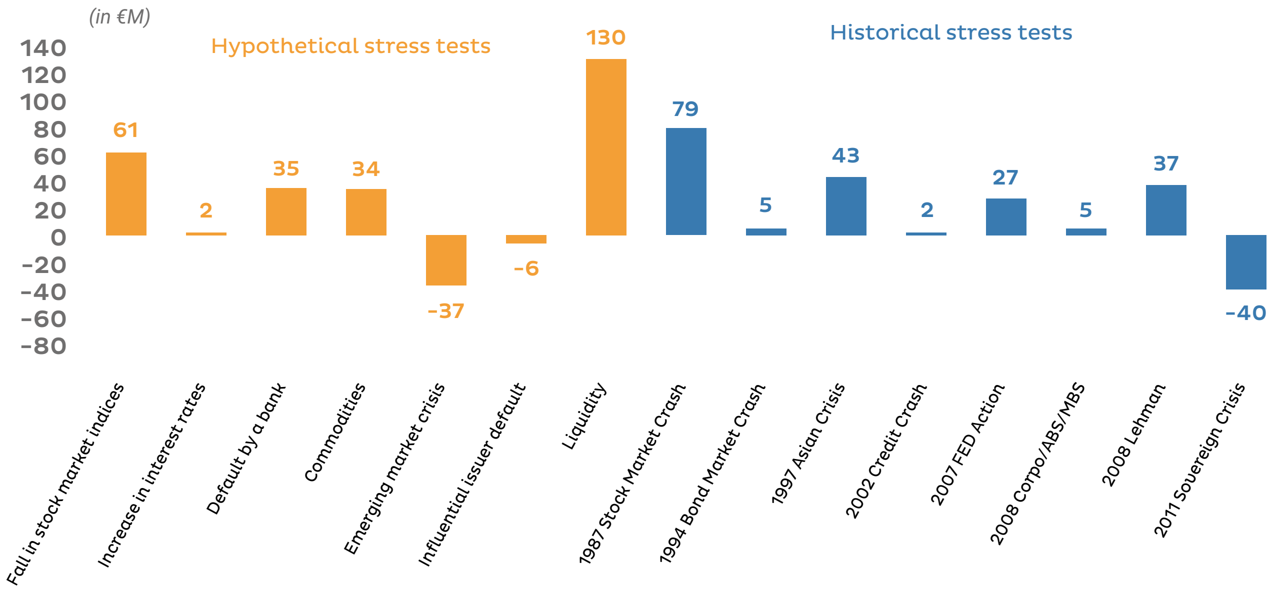
Stress test results for the Natixis scope

(Data certified by the Statutory Auditors in accordance with IFRS 7)

Overall stress test levels reached an average level of +€25.2 million as of December 31, 2021, versus +€17.5 million as of December 31, 2020.

The historical stress test replicating the sovereign debt crisis in 2011 gave the maximum loss (-€40 million as of December 31, 2021).

Overall stress tests as of December 31, 2021



3.2.7 Operational risks

3.2.7.1 Objectives and policy

As part of the definition of its risk appetite, and in accordance with Article 98 of the French Ministerial Order of November 3, 2014, Natixis defined its operational risk tolerance policy with a view to limiting losses related to operational risks and regularly reviewing actions to reduce risks. The policy sets out the governance established, the quantitative and qualitative management framework, and the monitoring performed thus far.

It defines the operational risk management criteria, including:

- quantitative indicators: one historical indicator measuring the cost of risk, one individual indicator identifying the occurrence of major incidents to be reported to the regulator (Article 98 of the French Ministerial Order of November 3, 2014), a specific individual indicator raising the alert on internal fraud events, and an operational risk management indicator measuring the progress of corrective actions;
- a qualitative indicator regarding the compliance of the governance of the system;
- specific indicators monitoring Information and Communication Technology (ICT) risk, including cyber risk.

The operational risk management system identifies, measures, monitors and controls the level of operational risks for all the Company's business lines and support functions in France and abroad.

3.2.7.2 Organization

The function in charge of operational risk ensures the monitoring and management of risks arising from failures attributable to operating procedures, employees and internal systems or arising from outside events.

Its duties, as described in the operational risk policies and procedures validated by the Natixis Operational Risk Committee, include:

- recording incidents via a network of Operational Risk Officers across all business lines and support functions;
- analyzing serious incidents using an escalation process;
- mapping potential risks, both qualitatively and quantitatively, based on a risk self-assessment and audits and controls carried out by the business lines;
- links with other control functions;
- establishing key risk indicators and environmental variables of a predictive nature.

The mechanism is managed by Natixis' Operational Risk Committee which determines the operational risk policy, monitors Natixis' operational risk exposure and makes final decisions on hedging and reduction. It is the operational extension of the executive body and of which it has full decision-making powers for issues within its area of responsibility. This quarterly Committee, in which the Finance division, the Compliance Department, including the Global Technology Risk Management business line, the Information Systems Department (Technology & Transformation), including the Data Office, the Enterprise Risk Management Department, the General Inspection Department and the Operational Risk Department of Groupe BPCE take part, is chaired by the Chief Executive Officer, the Chief Risk Officer (his deputy), with the Head of Operational Risks acting as secretary. The standing members of the Operational Risk function, apart from the Head of the department, are the departments' Heads of Operational Risk and the Data, Methods & Projects Officer.

The Operational Risk Committees of the business lines and support functions are offshoots of Natixis' Operational Risk Committee, which closely manages the operational risk exposure of each scope. These Committees are organized according to the function's governance matrix (location and business lines). They are facilitated by the Head of the Operational Risk Department acting as Committee secretary. Each Committee is chaired by the Head or manager of the Scope (business line or support function, depending on the entity) with the participation of operational managers, support function representatives and the dedicated compliance managers.

The structure of the function mirrors the organization of:

- the divisions under the responsibility of the operational risk managers;
- geographical locations under the responsibility of the operational risk managers of the Americas, Europe-Middle East-Africa and Asia-Pacific platforms reporting hierarchically to the local risk manager and functionally to the operational risk manager;
- the support and control functions under the responsibility of an operational risk manager covering – in addition to the activities within his or her remit – overall and systematic operational risks (loss of access to premises or information systems, or loss of employee availability) to which Natixis is exposed.

The function has 75 FTEs dedicated to Natixis' operational risk management. Within their designated scopes (subsidiary, branch, business line or support function), they are responsible for instilling the operational risk culture, recording and analyzing incidents, mapping risks, proposing and following up corrective actions, compiling reports and escalating information to management. Analyses are carried out across the Bank where the support or control functions are involved, or where the processes have an impact on teams, whether in the front, middle or back office.

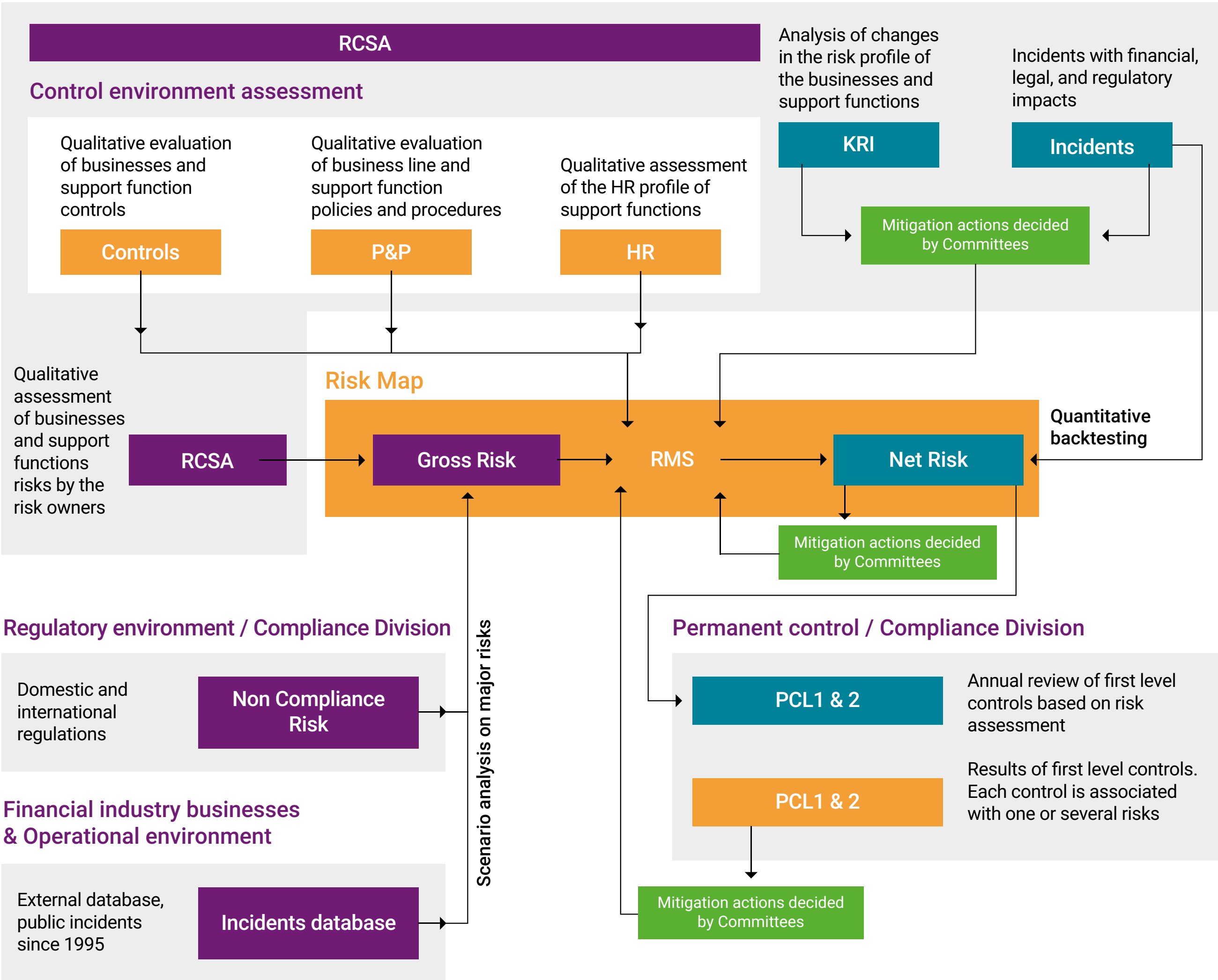
This framework is managed using a single information system that has been deployed across the Company's entities, business lines and support functions in France and internationally. This internal tool is available in French and English and hosts all the components of the operational risk oversight system (incidents, risk mapping, risk management systems, key risk indicators, corrective actions, Committees, etc.). The accuracy of the information entered or approved by the operational risk managers is ensured through reconciliation with information from other functions (finance, compliance, legal, Information Systems Security, data quality, insurance, etc.).

The calculation of capital requirements for operational risk is established using the standard method for all Natixis operating divisions in cooperation with Enterprise Risk Management. For the purposes of managing its economic capital, Natixis uses an internal methodology to obtain an overall estimation of its level of exposure to operational risk by business line entity, geographic region and certain major risk situations. The methodology relies on a value at risk (VaR) calculation based on risk mapping, factoring in identified incidents for backtesting and known external losses.

3.2.7.3 Operational risk monitoring

Risk mapping

Risk mapping is central to operational risk monitoring:



KRI: Key Risk Indicator
RMS: Risk Management System
RCSA: Risk Control & Self Assessment
HR: Human Resources
P&P: Policies and procedures

The department in charge of operational risks, together with each business line, entity or support function and in consultation with the other control functions, manages the review of the operational risk mapping. The latter is based on the identification and descriptive analysis of risks, the quantification of these risk situations (definition of an average frequency, an average loss and a maximum loss), taking into account existing risk management systems. This mapping, based on the analysis of processes, is carried out on all of the bank's activities. A history of internal incidents is used to check the consistency of the results obtained (backtesting), as well as the analysis of the findings of internal audits and results of permanent controls.

The risk mapping process serves to identify Natixis' exposed business lines and its biggest risks in order to be able to manage them through corrective action and indicators.

The mapping of extreme risk situations (i.e. of very low frequency and severe impact, such as regulatory fines, major natural disasters, pandemics, terrorist attacks, etc.) is based on the use of external data including data on financial industry incidents.

In addition to the risk mapping, more than 600 KRIs (key risk indicators) are set up, with limits and monitored at regular intervals, aiming to dynamically detect changes in operational risk exposure. They apply either to Natixis (overall indicators), to the business lines, or to the support functions that, with the operational risk manager, set the indicators as relevant early warning indicators during the mapping process. These indicators are submitted to the Operational Risk Committee for approval. Any breach of their thresholds, that is the subject of a systematic alert, may trigger action to be carried out immediately or requiring OR Committee approval.

Identifying losses and incidents

Recording and analyzing incidents

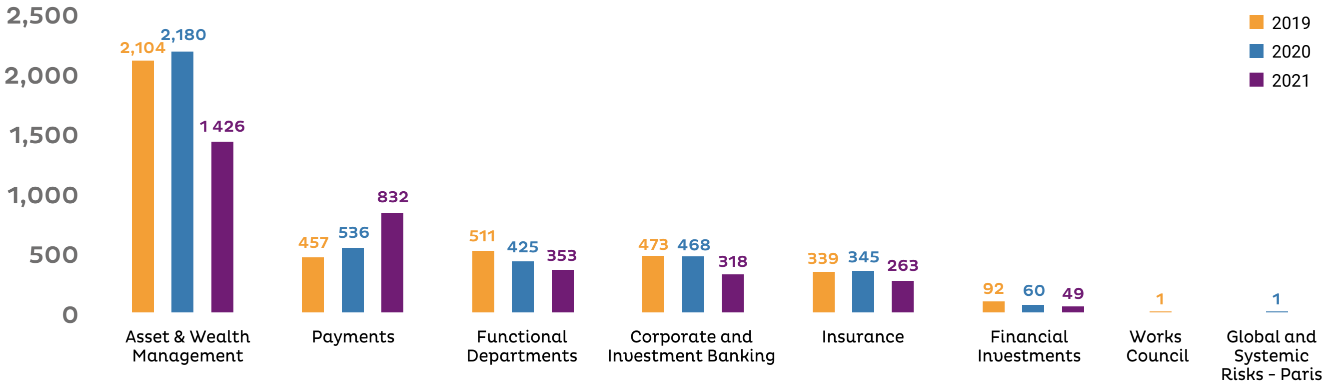
Incidents are recorded throughout the year. From a threshold of declaration set at respectively €5,000 for the Corporate & Investment Banking and Asset Management business lines and €1,500 for the Payments, Insurance and Wealth Management businesses. A single definition of "serious incident" is used, in compliance with Groupe BPCE standards (€300,000 gross). All serious incidents (above the defined threshold or deemed serious by the business line and the Head of the Operational Risk Department) are reported immediately to the business line's management and to Natixis' Chief Risk Officer.

Following an investigation involving all relevant parties, the operational risk manager of the business line compiles a standardized full report, including a factual description of the event, the analysis of the initial cause, the description of the impact and the proposed corrective actions. At all levels of the Company, the business line Operational Risk Committees review their serious incidents. They decide on the implementation of corrective actions, propose the associated deadlines and deliverables, and monitor progress. The entities and business lines can decide to apply these measures to their own threshold, which is lower than that of Natixis and consistent with its activity and level of risk.

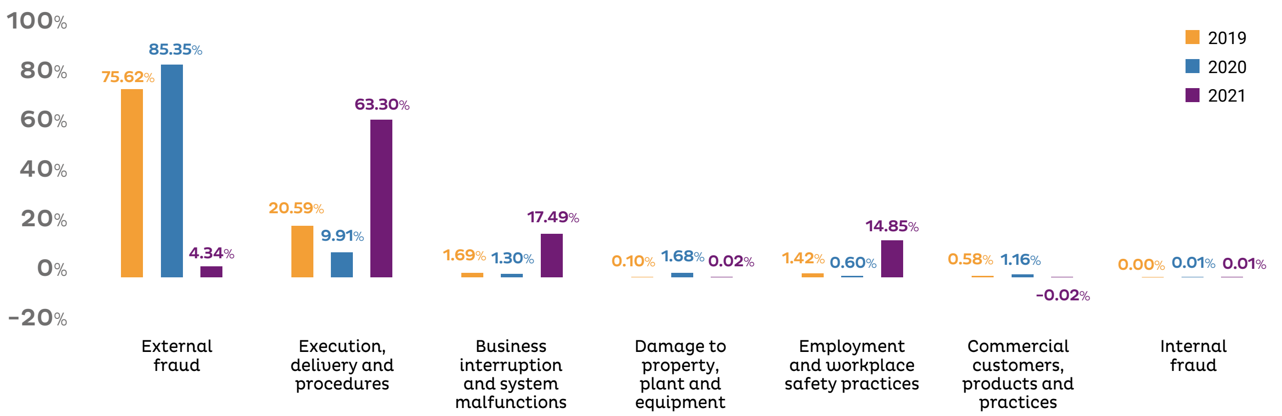
Overall trend of reported incidents

In 2021, 3,241 incidents that occurred in the year (representing 4,288 single incidents) were entered into the recording tool by the Natixis business lines.

Breakdown of the volume of incidents by activity and year of occurrence



Percentage breakdown of the net amount of incidents by Basel category and year of occurrence



Measures to reduce risk

Natixis has implemented measures in every business line and support function to monitor the corrective actions to reduce the Bank's exposure to operational risks. 76% of the 514 corrective actions initiated in 2021 were implemented by the business lines in charge and are monitored by the business line and central Operational Risk Committees. These actions, defined to reduce and resolve operational risk, are ranked according to three priority levels depending on the risks incurred. The Natixis Operational Risk Committee is alerted to any delay in a first-level priority corrective action; a justification for the delay must then be provided.

3.2.7.4 Risk profile

In 2021, a risk analysis was performed on all of Natixis' business lines and support and control functions.

The Corporate & Investment Banking and Asset & Wealth Management business lines account for the majority of risks under review owing to the extensive nature of the divisions' activities and operations in both France and internationally.

Natixis' risk profile features two main risk categories in terms of high potential impact: cross-functional risk (regulatory, pandemic, technological, including cyber, legal and climate) and business line risk, concentrated under Corporate & Investment Banking to which the Company as a whole is exposed. Tailored risk management mechanisms have been introduced to cover these risks, including the safeguarding of procedures and controls, raising employee awareness, Business Continuity Plans, Information Systems Security and insurance policies.

3.2.7.5 Operational risk insurance

Reporting to the Natixis Insurance division, the Groupe BPCE Corporate Insurance Department is responsible for:

- analyzing insurable operational risks; and
- taking out appropriate insurance coverage (direct insurance and/or transfer).

Natixis and its subsidiaries benefit from the guarantees provided in the following main insurance programs:

- coverage for its insurable operational risks; and
- which are pooled with Groupe BPCE.

A/ Combined "Global Banking *(Damage to Valuables & Fraud)*" & "Professional Civil Liability" policy with a total maximum payout of €215.5 million per year of insurance including:

- **a)** €72.5 million per year, combined "Global Banking/Professional Civil Liability/Cyber-Risks" and mobilizable under the guaranteed amounts indicated in b) and/or c) and/or d) below;
- **b)** €48 million per claim and per year (sub-limited under "Fraud" to €35 million per claim), dedicated solely to "Global Banking" risk;
- **c)** €25 million per claim and per year, solely reserved for "Professional Civil Liability" risk;
- **d)** €70 million per claim and per year, combined "Global Banking/Professional Civil Liability" insurance available in addition to or after use of the amounts guaranteed set out in b) and/or c) above.

The maximum amount that can be paid out for any one claim under this arrangement is €118.5 million under "Professional Civil Liability" coverage and €119 million under "Fraud" coverage in excess of the applicable deductibles.

B/ "Regulated Intermediation Civil Liability" (*in three areas: Financial Intermediation, Insurance Intermediation, Real Estate Transactions/Management)* with a total maximum payout of €10 million per claim and €13 million per year.

C/ "Operating Civil Liability" covering €100 million per claim, as well as a "Subsidiary Owner Civil Liability"/"Post Delivery-Reception Civil Liability" coverage extension for up to €35 million per claim and per year of insurance.

D/ "Company Directors Civil Liability" for up to €200 million per claim and per year of insurance.

E/ "Material Damage" to Buildings and their contents (including IT equipment) & Consecutive "banking business losses", up to a total of €300 million per claim (sub-limited to consecutive "bank business losses" at a rate of €100 million per claim and €200 million per year).

F/ "Protection of Digital Assets against Cyber-Risks" & the consecutive "losses in banking activities", for up to €140 million per claim and €196.5 million per year of insurance.

This coverage extends worldwide for initial risk or umbrella risk, subject to certain exceptions, mainly in terms of "Professional Civil Liability" where the policy does not cover permanent institutions based in the United States (where coverage is obtained locally by Natixis' US operations).

All the insurance policies mentioned above were taken out with reputable, creditworthy insurance companies. All the insurance policies mentioned above are purchased with deductibles (accepted retention level) in accordance with Natixis' retention capacity.

3.2.8 Balance sheet management

3.2.8.1 Governance and organization

(Data certified by the Statutory Auditors in accordance with IFRS 7)

Natixis is affiliated with the central institution of the Caisses d'Epargne and the Banques Populaires (BPCE) banks, as defined by the French Monetary and Financial Code. Article L.511-31 of the French Monetary and Financial Code stipulates that central institutions are credit institutions and, as such, they must oversee the cohesion of their network and ensure the proper operation of affiliated institutions and companies. To this end, they take any necessary measures, notably to guarantee the liquidity and capital adequacy of all such institutions and companies as well as the network as a whole.

In accordance with Groupe BPCE's organization and the missions of the central body, the supervision of the management of structural balance sheet risks, ALM policies and strategies are placed under the authority of the Group Strategic ALM Committee. These policies and strategies are applied at the level of each affiliate, including Natixis.

Within Natixis, the Asset and Liability Management Committee (the "ALM Committee") is a Senior Management Committee chaired by the Chief Executive Officer. It acts as a relay for the Group Strategic ALM Committee for the activities it hosts. This bimonthly Committee brings together members of the Senior Management Committee in charge of the Finance division, the Risk division and the CIB, representatives of the CIB business lines, the head of the BOAT ("buffer, financial operations, ALM and treasury"), the head of the BPCE/Natixis liquidity pool (of which Natixis treasury is a part), the members of SBSR ("Structural Balance Sheet Risk"), and representatives of BPCE's Financial Management division and Risk division.

The main missions of this Committee are:

- overseeing the implementation of ALM strategies and policies set by the central body within Natixis;
- overseeing the management of ALM constraints allocated by the Group to Natixis;
- validation of the liquidity envelopes allocated to the business lines as part of the annual budgetary procedure and in connection with the market footprint envelope allocated by the Group Strategic ALM Committee;
- pre-validation of Natixis' contribution to Groupe BPCE's annual medium-term funding program;
- validation of internal ALM sub-limits within the Natixis scope in line with the overall limits allocated by the Group;
- validation of the internal liquidity pricing policy;
- approval of ALM documentation (standard, LMP, etc.).

The BOAT Department ensures the implementation of decisions taken by this Committee by executing or coordinating them with the other business lines. It thus exercises the first line of defense (LoD1) and operates under the control and within the mandates overseen by the second line of defense (LoD2) of the SBSR Department of the Risk division.

the Risk division, which is responsible for independently evaluating the structural ALM risk monitoring system, second-level controls on cash and ALM indicators (dedicated SBSR Department), and the approval of identified ALM methods for use in a model (dedicated Model Risk & Risk Governance Department). The Risk division also proposes the limits specified under the risk appetite system, which are validated by the Board of Directors.

3.2.8.2 Management of liquidity and funding risk

Targets and policy

(Data certified by the Statutory Auditors in accordance with IFRS 7)

Groupe BPCE's funding policy, strategy and organization in which Natixis participates are placed under the aegis of the Group Strategic ALM Committee. They are based in particular on:

- a capital accumulation and preservation strategy to defend, strengthen and promote Groupe BPCE's credit signature and rating on international liquidity markets;
- centralization of liquidity management and access to the liquidity markets within a crossentity and cross-border liquidity pool supervised by BPCE and operating from the balance sheet of both BPCE S.A. and Natixis S.A. (e.g. via its EMEA, Americas and APAC platforms). This organization facilitates the application of a single pricing policy and optimizes the cost of funding and facilitates the liquidity circulation within the Group;
- a strategy of diversifying sources of funding by geographical area, currency, counterparty, maturity and product to ensure stable and long-term funding of activities regardless of currency or geographical location, while ensuring that the market footprint is contained;
- a risk policy aiming to promote adequacy in terms of maturity between uses and resources within the framework of the Group's risk appetite, in order to ensure the respect of its commitments towards its customers, and of its regulatory and economic constraints;
- a strategy of generating collateral and maintaining liquidity buffers to preserve business continuity in case of liquidity turmoil.

This policy, this organization, and this strategy apply to all affiliates and are applied to the Natixis scope, which is responsible in part for its execution through the common liquidity pool.

Monitoring system

(Data certified by the Statutory Auditors in accordance with IFRS 7)

The steering, management, measurement and supervision of this risk are based on the following Group system:

- periodic measurement and monitoring of Natixis' contribution to the Group's market footprint in order to preserve Groupe BPCE's loan-to-deposit ratio and rating;
- periodic measurement and monitoring of gross unsecured liquidity consumption of each business line with the Treasury in order to contain the bank's funding needs within the framework of the financial resources and market footprint allocated by the Group;
- periodic measurement and supervision of the Natixis contribution to the short and medium-term liquidity mismatches of Groupe BPCE into liquidity in order to promote the adequacy of the maturity of resources with that of uses. It is supplemented internally by a measure of the ratios coverage between assets and liabilities;
- periodic liquidity stress measurements designed to test Groupe BPCE's resistance to adverse scenarios of a systemic, idiosyncratic or combined nature affecting its liquidity over different time horizons;
- measures with observation thresholds for Natixis' contribution to the Group's funding structure to oversight the Group's funding and diversification policy;
- periodic tests of the unsecurred overnight market for assessing the depth of credit limits opened by investors on Groupe BPCE.

Contingency funding plan under liquidity stress

(Data certified by the Statutory Auditors in accordance with IFRS 7)

The business continuity plan in the event of a liquidity crisis known as the "Contingency Funding Plan" (CFP) refers to the body of documents describing the governance, organization, strategies and action levers to be used in the event of a liquidity crisis to preserve the Group's liquidity and ensure the continuity of its activities. It consists of:

- a permanent monitoring system based on the daily publication of quantitative and qualitative indicators (the "Early Warning Indicators") with associated alert thresholds to facilitate the decision-making and escalation process regarding the activation or deactivation of the CFP;
- a description of the organization and governance to be implemented in the event of activation;
- a description of the strategies and action levers to be implemented;
- a quantification of the action levers to be implemented to free up liquidity.

Given the organization of Groupe BPCE and in view of the responsibility of its central body, this plan is unique, covers the whole of Groupe BPCE and its affiliates and is placed under the responsibility of the BPCE Resolution Department. The Group CFP is broken down into sub-CFP for each basin to facilitate its operational execution. That of Natixis, also under the responsibility of the resolution function within the Natixis Finance division, is thus broken down into sub-CFPs by geographical platforms.

The Group's Resolution Department conducts regular tests to ensure its operationality, identify any weaknesses and propose areas for improvement. Natixis takes part in these exercises in the same way as the other affiliates of the Group.

Funding principles and structure

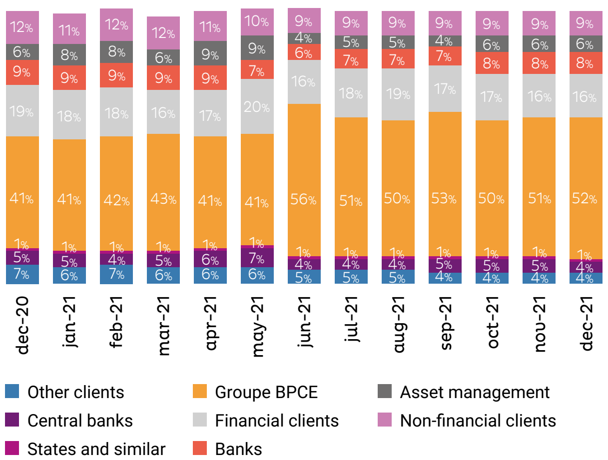
(Data certified by the Statutory Auditors in accordance with IFRS 7)

Funding strategy

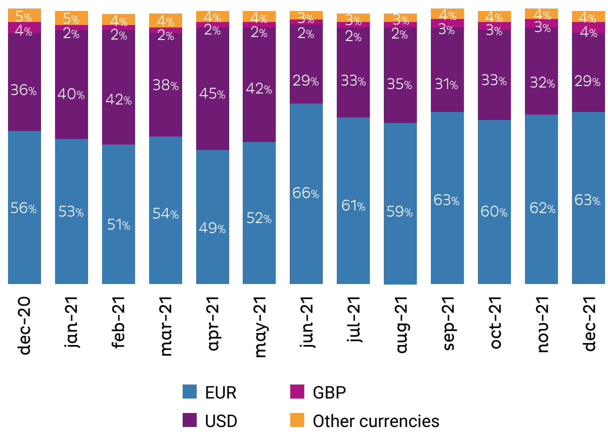
As mentioned in the section "Objectives and policy" in the same chapter, the funding strategy is unique, defined and supervised by the Group Strategic ALM Committee. Natixis participates in the execution of this strategy through the BPCE/Natixis liquidity pool under the aegis of the BPCE Financial Management division.

Funding structure for 2021

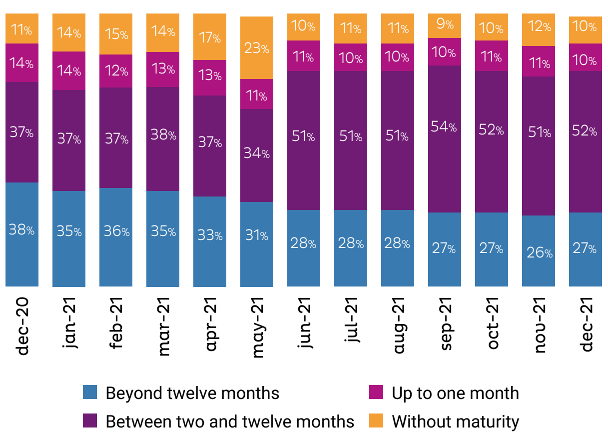
By main counterparty category



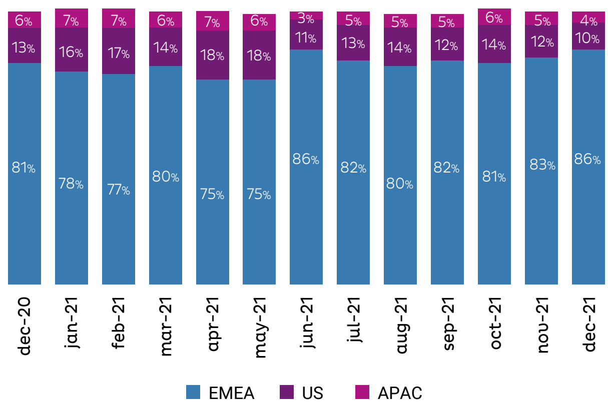
By currency



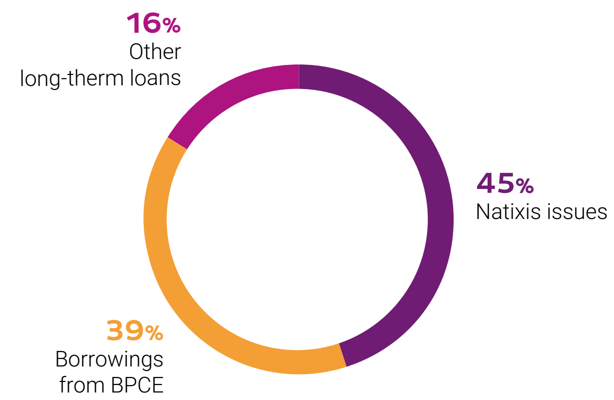
By maturity



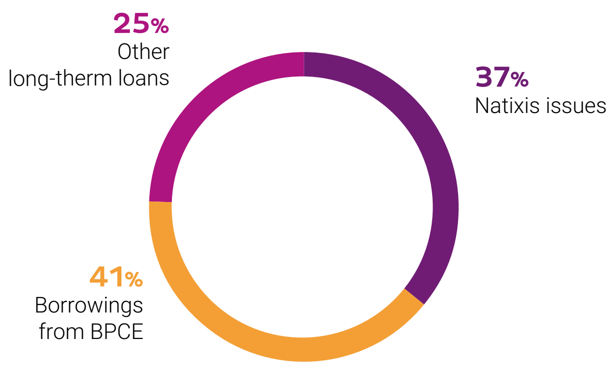
By platform



2021 MLT funding program



2020 MLT funding program



Sources: Management data.

Funding

Short-term funding

After 2020 was marked by lockdowns, the progress made by vaccination campaigns throughout 2021 in developed countries has made it possible to limit the consequences of COVID-19 variants and create the conditions for the reopening of the global economy. While consumer demand for goods and services, supported by government stimulus plans, has been strong, commodity supply and logistics issues have severely disrupted supply.

This situation has led to a rise in prices initially described as temporary by the Central Banks but which, however, seems to be of a more lasting nature and which has ended up changing the appreciation of the financial markets regarding changes in key interest rates in the main global economies.

The Fed thus decided to end its liquidity injections via its Quantitative Easing program at the end of the first quarter of 2022. On this time, the American Central Bank will be satisfied with renewing the deadlines of its bond portfolio and may begin to consider increases in key rates (three are expected by the market in 2022). The Bank of England, faced with both post-lockdown bottlenecks and disruptions related to Brexit, decided to act immediately by raising its directors rates by 15 bps in December. The European Central Bank is currently more cautious, but part of the Board of Governors seems keen to start normalizing monetary policy. The PEPP, a share purchase program put in place during the pandemic, will therefore not be renewed at the end of the first quarter of this year.

The past year has been very favorable for issuers of short-term debt for a good part of the year as the inflow of liquidity injected by Central Banks has pushed yields and credit spreads down, forcing investors to extend the maturity of their securities purchases to maintain decent returns. The outstanding amount of Natixis' short-term securities issuance programs, valued in euros, increased over the year from €30.08 billion to €32.98 billion. However, part of this increase is due to the increase in the US currency, which is used to denominate a large part of Natixis' issues. At the end of 2021, programs denominated in dollars represented 59.6% of outstandings. Issuance rates remain very low, as evidenced by the average three-month Euribor for the year, which, at -0.549%, is well below the ECB deposit facility rate (-0.50%), marking the bottom of the zone's monetary policy corridor. At the end of the year, the index was even below -0.60%.

Natixis' short-term issuance program outstandings

(in millions of euros or euro equivalents)	Deposit certificates	Commercial papers
Program cap *	45,000	25,244
Outstandings at 31/12/2021	21,401	11,581

* *For certificates of deposit, the ceiling of the NEU CP (Negotiable EUropean Commercial Paper) program only.*

Long-term funding

In view of the anchoring of inflation at levels well above 2% in the second half of 2021 (CPI (United States Consumer Price Index) in December at 5% in the euro zone and at 7% in the United States), the discourse of Central Banks has changed: in November, Jerome Powell confirmed the Fed's desire to accelerate the reduction of asset purchases ("tapering"). In Europe, the ECB decided to reduce asset purchases with the end of the PEPP (Pandemic Emergency Purchase Program) at the end of March 2022.

These announcements led to an increase in long-term interest rates with a UST 10Y ending the year at 1.50% (up by +59 bps in 2021) and a BUND 10Y at -0.5% (+34 bps).

Liquidity was abundant throughout the year. Credit spreads generally tightened for non-financial corporate debt and were also on a downward trend, but to a lesser extent, for the preferred senior euro debt of euro zone banks. As part of the implementation in 2019 of TLTRO3 operations, the objective of which was to maintain favorable credit conditions in the euro zone, the ECB extended for one year (from June 2021 to 2022) the option offered to banks (subject to conditions) to refinance at a subsidized deposit rate 50 bps below the deposit facility.

Against this market backdrop, Natixis raised €16.8 billion in funding in 2021 (of which €877 million in self-held securities) under its medium- and long-term funding program. As the only long-term issuer in the public issues segment, BPCE provided Natixis with financing for a total euro-equivalent amount of €4.6 billion.

Issues and outstandings of Natixis' medium- and long-term debt issuance programs

(in millions of euros or euro equivalents)	EMTN	NEU MTN	US MTN	Bond issues
Issues at 31/12/2021	4,546	0	0	7,392
Outstandings at 31/12/2021	13,889	143	94	12,576

3.2.8.3 Structural foreign exchange risk

(Data certified by the Statutory Auditors in accordance with IFRS 7)

Targets and policy

The policy of holding structural foreign exchange positions aims to desensitize the CET1 ratio to Fx rate changes. These positions, whose revaluation is accounted by OCI, make it possible to match the CET1 in foreign currency with the RWAs in foreign currency. They are obtained by converting capital EUR based in foreign currencies when injecting it in foreign branches or subsidiaries, or by accumulating abroad retained earnings denominated in foreign currencies.

Structural foreign exchange position

	Structural change	
Currency *(equivalent in millions of euros)*	Opening position (31/12/2020)	**Closing position (31/12/2021)**
USD	4,716	5,219
DZD	154	158
JPY	13	28
GBP	103	143
AUD	100	129
CAD	89	102
CNY	40	44
HKD	30	34
RUB	24	25
Other	34	27

3.2.8.4 Overall interest rate risk

General policy

(Data certified by the Statutory Auditors in accordance with IFRS 7)

Natixis hosts Groupe BPCE's CIB activities, which are mainly conducted and managed on a variable/floating rate basis. This structural specificity common to most investment banks preserves Natixis net revenus from interest rate changes. It accordingly consitutes a diversifying asset for Groupe BPCE relative to retail activities. Natixis' policy for managing overall interest rate risk is therefore not aimed at structurally holding directional interest rate positions in the banking book over the long term.

With some exceptions, fixed-rate financial assets and liabilities are returned against adjustable interest rates and, as part of the transition of indices, against so-called risk-free rates (RFR) via interest rate swaps. The overall interest rate positions are mainly centralized in the Treasury Department, and managed within the framework of mandates and limits granted by the SBSR (Structural Balance Sheet Risk) team of the Risk division. The accounting treatment of the hedging relationship follows IAS accounting standards.

Overall interest rate risk management system

(Data certified by the Statutory Auditors in accordance with IFRS 7)

Natixis applies the framework for measuring and monitoring interest rate risk set out by the Group ALM. The measurement is produced for Natixis' consolidated prudential banking portfolio from the consolidated ALM database owned by Metric calculation & reporting, and in accordance with Groupe BPCE standards.

The interest rate risk of Natixis' banking portfolio is managed and monitored under the authority of the ALM Committee, which is chaired by the Chief Executive Officer and attended by the members of the Senior Management Committee in charge of the Finance division, Risk division and the CIB division, as well as the head of the liquidity pool, and the Head of Financial Management of Natixis and his BPCE counterpart.

Three families of measurements are carried out:

- a static interest rate gap calculation;
- sensitivity of economic value calculations: this indicator measures the change in this value under different yield curve distortion scenarios (including those defined by the EBA);
- changes in net interest income calculations: to assess the sensitivity of net interest income.

Limits were approved by the Group Strategic ALM Committee for these indicators. They are part of the Groupe BPCE system but also of Natixis' internal risk appetite system, with a low level of materiality.

The SBSR Department acts as a second line of defense and second-level controller of these indicators and their limits, which are reported in the ALM Committee and in the risk dashboard.

SBSR also calculates the sensitivity of income from instruments recognized at fair value in the Banking Book.

In addition to this system, operational interest rate risk monitoring measures by portfolio are calculated daily by Front IT systems. Their monitoring and control is carried out by the SBSR Department.

In the case of subsidiaries, monitoring compliance with the rate limits is the responsibility of each local Risk division.

Quantitative information

(Data certified by the Statutory Auditors in accordance with IFRS 7)

The Natixis contribution to the fixed rate gap of Groupe BPCE presented below consolidates all transactions in the prudential banking book. These transactions are matured in this indicator until their next rate refix date. This indicator is calculated on a quarterly basis.

Interest rate gap by maturity as at December 31, 2021

Maturity *(in millions of euros)*	1 year	3 years	5 years	7 years
Interest rate gap (fixed-rate)	(454)	(541)	(122)	(168)

The table below shows the sensitivity of the economic value (ΔEVE) and the net interest income (ΔNII) of Natixis' consolidated banking book according to the various regulatory scenarios of interest rate changes at the reporting dates:

Sensitivity of economic value and net interest income (IRRBB – Table B)

	ΔEVE		ΔNII	
Period (in millions of euros)	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Parallel upward shift	(17)	(152)	98	27
Parallel downward shift	0.4	27	(34)	(1)
Steepening	(101)	(63)		
Flattening	65	(13)		
Rise in short rates	55	(59)		
Fall in short rates	(46)	(2)		
Maximum				
Period	**31/12/2021**		**31/12/2020**	
Tier-1 capital	**14,635**		**14,194**	

Stress tests are calculated using the progressive regulatory floor approach as well as the multi-currency aggregation method as per the EBA Guidelines of July 2018. The sensitivity presented below relating to NII is that of the first year.

Given its nature, overall interest rate risk is a marginal risk for Natixis and calls for no special comments.

The stress scenarios set by the European Banking Authority (200 bps parallel upward or downward shift in yield curves, steepening, flattening, rise or fall in short rates with a progressive floor) would lead to a variation of -€101 million in the economic value of the banking book (using the EBA's currency offsetting rules) based on the upward yield curve scenario of December 31, 2021.

The sensitivity of Natixis' NIM to interest rate variations under various stress scenarios in 2021 was relatively stable. In the event of a parallel upward shift of +200 bps in the yield curves, the sensitivity was positive and represented less than 1% of CET1.

3.2.8.5 Breakdown of financial liabilities by contractual maturity

(Data certified by the Statutory Auditors in accordance with IFRS 7)

Breakdown of financial liabilities by contractual maturity

	31/12/2021									
(in billions of euros)	**Total**	**Demand**	**Less than 1 month**	**1 to 3 months**	**3 to 6 months**	**6 months to 1 year**	**1 year to 2 years**	**2 years to 5 years**	**Over 5 years**	**Undated**
Due to central banks	0.0									0.0
Other financial liabilities held for trading purposes – excluding trading derivatives	126,1	17,0	51,8	17,4	2,9	4,8	1,6	2,5	3,5	24,6
o/w repurchase agreements	*87,6*	*17,0*	*51,2*	*17,4*	*1,7*	*0,3*	*0,0*	*0,0*	*0,1*	*0,0*
Secured debt	*0,0*	*0,0*	*0,0*	*0,0*	*0,0*	*0,0*	*0,0*	*0,0*	*0,0*	*0,0*
Unsecured debt	*0,0*	*0,0*	*0,0*	*0,0*	*0,0*	*-0,0*	*-0,0*	*0,0*	*0,0*	*0,0*
Financial liabilities at fair value through profit or loss	25,3	0,0	1,1	1,8	2,5	3,1	5,0	9,3	2,5	0,0
o/w repurchase agreements	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*
Secured debt	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*
Unsecured debt	*24.9*	*0.0*	*1.0*	*1.8*	*2.5*	*3.1*	*4.9*	*9.3*	*2.4*	*0.0*
Trading derivatives	51.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	51.9
Hedging derivatives	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.3
Amounts due to credit institutions	136.3	9.4	20.8	6.2	9.4	13.9	62.9	12.3	1.4	0.0
o/w repurchase agreements	*6.0*	*0.0*	*3.1*	*1.7*	*1.2*	*0.0*	*0.0*	*0.0*	*-0.0*	*0.0*
Amounts due to customers	*35.4*	*20.7*	*5.9*	*3.6*	*1.1*	*0.9*	*0.1*	*0.3*	*1.4*	*1.3*
o/w repurchase agreements	*0.8*	*0.6*	*0.0*	*0.2*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*
Debt securities	*38.8*	*0.0*	*5.9*	*12.4*	*9.7*	*8.7*	*0.3*	*0.8*	*1.0*	*0.0*
o/w covered bonds	*1.4*	*0.0*	*0.0*	*0.3*	*0.0*	*0.0*	*0.3*	*0.5*	*0.3*	*0.0*
Revaluation adjustments on portfolios hedged against interest rate risk	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1
Subordinated debt	4.4	0.0	0.0	0.0	0.0	1.1	0.4	1.4	1.4	0.1
TOTAL	**418.6**	**47.0**	**85.5**	**41.4**	**25.5**	**32.6**	**70.3**	**26.6**	**11.3**	**78.3**

The information contained in the above table excludes Insurance activities.

	31/12/2020									
(in billions of euros)	Total	Demand	Less than 1 month	1 to 3 months	3 to 6 months	6 months to 1 year	1 year to 2 years	2 years to 5 years	Over 5 years	Undated
Due to central banks	0.0									0.0
Other financial liabilities held for trading purposes – excluding trading derivatives	131.8	4.3	81.0	8.9	2.4	4.0	2.0	4.3	4.2	20.6
o/w repurchase agreements	*95.3*	*4.3*	*80.6*	*7.9*	*1.3*	*0.9*	*0.2*	*0.0*	*0.1*	*0.0*
Secured debt	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*
Unsecured debt	*0.3*	*0.0*	*0.0*	*0.3*	*0.0*	*-0.0*	*-0.0*	*0.0*	*0.0*	*0.0*
Financial liabilities at fair value through profit or loss	27.9	0.0	1.1	6.0	2.5	3.6	4.4	8.7	1.6	0.0
o/w repurchase agreements	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*
Secured debt	*0.1*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*
Unsecured debt	*23.9*	*0.0*	*1.0*	*2.5*	*2.4*	*3.6*	*4.4*	*8.7*	*1.4*	*0.0*
Trading derivatives	49.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	49.9
Hedging derivatives	0.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.5
Amounts due to credit institutions	84.7	12.8	3.7	17.5	10.1	14.1	7.9	17.4	1.1	0.1
o/w repurchase agreements	*9.1*	*0.0*	*4.5*	*1.2*	*1.4*	*1.0*	*0.9*	*0.0*	*0.0*	*0.0*
Amounts due to customers	*30.2*	*20.7*	*2.9*	*0.2*	*0.8*	*0.9*	*0.2*	*0.2*	*1.1*	*1.3*
o/w repurchase agreements	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*
Debt securities	*35.7*	*0.0*	*6.6*	*11.8*	*6.6*	*8.0*	*0.7*	*0.6*	*1.4*	*0.0*
o/w covered bonds	*1.3*	*0.0*	*0.0*	*0.0*	*0.0*	*0.1*	*0.3*	*0.5*	*0.3*	*0.0*
Revaluation adjustments on portfolios hedged against interest rate risk	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.2
Subordinated debt	4.1	0.0	0.0	0.0	0.9	0.6	1.1	1.0	0.2	0.3
TOTAL	**365.1**	**37.8**	**95.3**	**46.3**	**23.2**	**31.2**	**16.3**	**32.2**	**9.7**	**73.0**

The information contained in the above table excludes Insurance activities.

3.2.9 Compliance risk

For a definition of compliance risk, refer to section [3.2.3.6] Risk typology.

3.2.9.1 Compliance organization

The Compliance Department is responsible for managing the risk of non-compliance, coordinating the first-level permanent control system and is responsible for carrying out second-level controls. It also includes IT risk supervision and business continuity (Global Technology Risks Management – G-TRM), as well as personal data protection. Its scope of action encompasses Natixis and its subsidiaries and branches in France and abroad, thanks to its functional structure.

Responsibilities

The Compliance Department advises and assists all Natixis employees on how to prevent compliance risks when performing their duties. It positions itself as a key player in the operational implementation of the principles set out in the Natixis Code of Conduct *(www.natixis.com/natixis/en/governance)* which, with respect to compliance, are included in Natixis' compliance policies and procedures.

The scope of the compliance function covers non-financial risks and, in particular, the legislative and regulatory provisions specific to banking and financial activities, as well as professional standards aimed at preventing any risk of non-compliance. It includes the compliance of the products or services provided, the integrity of the markets, financial security and the prevention of fraud, the supervision of technological risks and the processing of personal data.

In this context, the Compliance Department participates in the implementation of standards, policies and procedures and issues opinions, in particular for the management of new activities, new products or new organizations by ensuring their compliance with the applicable texts.

The Compliance Department also monitors regulations and carries out training and awareness-raising actions on the numerous regulatory changes, particularly concerning the fight against money laundering and the financing of terrorism, tax evasion and information security.

The Compliance Department coordinates first-level permanent controls of compliance risks. In addition, it sets up and implements second-level permanent controls to ensure that procedures are applied within the business lines and that compliance risks are managed, as part of a risk-based approach *(see 3.2.1 Organization of Natixis internal control system)*. To this end, Compliance maps non-compliance risks. Lastly, it ensures that any dysfunctions noted by the businesses concerned are corrected.

Governance

The Compliance Department performs its duties independently of the operational departments. It reports to the General Secretary of Natixis, an executive officer and member of the Senior Management Committee, who is responsible for permanent control declared to the ACPR (French Prudential Supervisory Authority). Natixis' Head of Compliance is a member of the Executive Committee.

The Compliance Department reports to the members of Natixis' Senior Management Committee and the Board of Directors (Risk Committee) on the main risks detected, and on the implementation and effectiveness of the measures to address these risks. It participates in the preparation of various reports for the regulators.

The compliance function applies the operating and reporting principles of Groupe BPCE.

The operating rules of the Compliance Department are set out in a charter approved by Natixis' Senior Management Committee. This charter constitutes the minimum framework to be applied by the entire sector.

Global oversight

Natixis organizes its control functions on a global basis in order to ensure that the internal control mechanism is consistent throughout the Company. This organization aims to ensure compliance with the principle of strict independence between, on the one hand, the operational and functional units responsible for initiating and validating transactions, and, on the other hand, the units that control them.

The Natixis Compliance Department provides guidance, leadership and oversight to the compliance managers of the entities as part of its operations. This role is carried out through hierarchical reporting to Natixis, the parent company, and direct links to the branches and subsidiaries.

The compliance function is deployed across all Natixis entities, whether or not the activities or entities are regulated, provided that the entities concerned are under sole or joint control.

At least one Compliance Officer is appointed for each country in which Natixis operates.

Tools

The Compliance Department is equipped with a set of tools to cover all the areas within its remit, namely:

- operational surveillance tools used in conjunction with KYC tools to detect money laundering and internal fraud and prevent terrorist financing;
- systems allowing the comparison of data to control customer databases and filter transactions in terms of compliance with international financial sanctions and embargoes;
- tools to track sensitive transactions, keep insider lists, manage conflicts of interest and detect instances of market abuse; and
- tools to ensure all permanent level 2 controls incumbent on the compliance function.

3.2.9.2 Employees and Professional Ethics

Conflicts of interest

Conflicts of interest are prevented by:

- using risk maps to identify situations posing a risk of conflict of interest;
- setting up and monitoring information barriers;
- checking compensation policies;
- being compliant with the rules of good conduct applicable to Natixis staff; and
- staff training.

Conflict of interest is managed through:

- compliance with the conflict of interest prevention framework;
- cooperation among the business lines, Compliance and Management in order to identify and manage conflicts of interest;
- close monitoring by Compliance with the help of a transactional conflict detection tool; and
- an escalation process for mediating unresolved conflicts of interest if needed.

Whenever the risk of compromising a customer's interests becomes unavoidable in spite of the internal procedures in place, Natixis informs the customer of the nature of the conflict of interest before taking action on the customer's behalf. This allows the customer to make an informed decision on whether to proceed with the transaction.

Circulation of information

Information barriers are put in place and reviewed each time the organizational structure changes in order to prevent the unwarranted circulation of confidential information. These barriers function as partitions between business lines and departments. They limit the circulation of information on a "need-to-know" basis, which means that information is transmitted only in the customer's interest and only to employees who absolutely require the information to carry out their duties. These barriers may be organizational, physical or electronic and may be permanent or temporary. Natixis has set up a permanent information barrier separating its Asset Management business activities within Natixis Investment Managers from its other activities.

Pursuant to regulations in force, the entry of sensitive transactions into a special tool that allows Compliance to rapidly identify issuers to be placed on the watchlist or on the prohibition list, as well as employees to be placed on the insider list.

Market integrity

In accordance with the requirements of the EU Regulation on market abuse, Natixis has set up a framework for detecting transactions likely to constitute market abuse. This framework is incorporated within its internal control system. Alerts are processed and potential cases of market abuse are analyzed by a surveillance tool and dedicated teams. Transactions that could constitute market abuse are reported to the Autorité des Marchés Financiers (AMF – French Financial Markets Authority) or to local regulators, in accordance with the regulations in force.

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3.2.9.3 Protection of clients and investors

The protection of customers' interests is a core concern for Natixis that is reflected in the policies of every entity in France and abroad, as well as being included in its Code of Conduct. In all circumstances, employees are required to serve customers with diligence, loyalty, honesty and professionalism, and to offer financial products and services that are appropriate to customers' abilities and needs.

In this context, and in order to maintain a high level of customer protection, Natixis establishes and maintains a body of procedures and carries out controls on this topic.

This resulted in the implementation of various systems used to manage KYC and other information, establish governance for products offered to clients and preserve their assets. Concerning the GDPR and the protection of clients' personal data, see section [3.2.9.6] Personal data protection.

Client information

There is a client information procedure encompassing all the MiFID 2 obligations with respect to client onboarding, as well as the pre- and post-trade information due to clients based on their status as non-professional clients, professional clients or eligible counterparties as defined by regulations.

There is also a specific procedure for cost and expense information, and key information documents for packaged products to be provided to non-professional clients, thus ensuring Natixis' compliance with PRIIPS obligations.

Know Your Customer (KYC)

The procedures for customer onboarding are in line with the various regulatory requirements governing the prevention of money laundering and terrorist financing (AML-CTF) and compliance with embargoes and sanctions, the prevention of corruption (Sapin II) and the prevention of tax avoidance (FATCA, AIE, DAC6). The onboarding procedures are also designed to protect customers through compliance with MiFID, EMIR and the Dodd-Frank Act.

The customer contact entry tool has been rolled out across all Corporate & Investment Banking locations.

Protection of client financial instruments and funds

If financial instruments or funds belonging to clients are held, the clients' ownership rights to these assets are maintained and guaranteed. The use of client-owned financial instruments for the institution's own purposes is only permitted if clients have previously given their express consent. Similarly, regulations prohibit the signing of title transfer collateral arrangements with non-professional clients.

Product governance

MiFID 2 and IDD (Insurance Distribution Directive) established the principle of product governance, which aims to define and regularly review a target market for all financial instruments and insurance products sold by Natixis and to ensure that the product was sold to the intended target. This includes ensuring that the distribution strategy is consistent with, and appropriate for, the target market. Product governance applies to all kinds of clients, regardless of their classification, and all products regardless of their level of complexity or trading venue.

Adapting product governance, especially the definition and validation of the target market, to operations is handled through dedicated Committees.

Handling of customer complaints

This framework ensures that:

- customers receive transparent information on how their complaints are being handled;
- complaints are handled effectively; and
- corrective action is enforced to remedy any problems identified.

3.2.9.4 Financial security

The Financial Security Department reports to Compliance and manages the anti-money laundering and counter-terrorist financing (AML/CTF), corruption and fraud prevention framework, and ensures that Natixis and its branches and subsidiaries comply with financial sanctions and embargoes.

2021 was a year marked by the continuation of the work undertaken concerning:

- managing the financial security system;
- indicators used by the Financial Security Supervisory Committee (AMLSOC) which were harmonized for the parent company, subsidiaries and branches, both in France and abroad;
- the increase in the number of Natixis financial security teams;
- the international sanction compliance framework, especially the system for screening transactions and client databases;
- the KYC system by strengthening the management of the KYC chain and in particular quality controls and the launch of new projects to harmonize and simplify KYC operational procedures and processes;
- work on the convergence of the financial security systems of the Asset Management entities and the Natixis M&A stores with the Natixis global system;
- the training system through the deployment of a new AML-CFT e-learning course for all Natixis employees and the completion of face-to-face/remote training for employees exposed to AML-CFT and Sanctions;
- the mapping of the risk of corruption for all Natixis entities, in accordance with AFA's recommendations;
- defining criteria for identifying staff exposed to the risk of corruption and enriching the training material for staff exposed with practical cases illustrating the corruption scenarios identified as part of the corruption risk mapping exercise in order to personalize training according to the entities and business lines;
- the deployment of the KYS (Know Your Supplier) project on supplier risk assessment, in most of the entities in France and internationally;
- the system for combating the financing of terrorism;
- strengthening of the system for politically exposed persons.

Anti-money laundering and counter-terrorist financing

As part of its efforts to combat money laundering and terrorist financing, in 2021 Natixis enhanced its AML-CTF framework by integrating the new requirements from laws and reports issued by French, European and international authorities and public bodies.

In accordance with the regulations in force, Natixis' AML-CTF system primarily consists of the following:

- in-depth and up-to-date information about the business relationship, both before onboarding and throughout the relationship;
- a risk-based approach allowing clients to be classified according to the money laundering and terrorist financing risks identified;
- a screening system for client databases and transactions that uses automated tools or requests;
- an oversight system using permanent and periodic controls;
- internal transmission of alerts and suspicious activity to the department authorized to report suspicious activity to the relevant financial intelligence units;
- a system for archiving and storing data relating to business relationships and transactions;
- an employee training and information system.

Natixis Financial Security continued to strengthen its monitoring tools in 2021.

Furthermore, the a priori AML-CTF referral criteria used by Natixis S.A.'s Financial Security were strengthened and redefined as part of reinforcing monitoring across the consolidated scope of Natixis S.A. and its subsidiaries. Accordingly, before a transaction or financing can be prepared, an opinion on cases that meet one or more criteria on the list of referral criteria must be provided by Natixis S.A.'s Financial Security.

As for counter-terrorist financing, Natixis continued its work on the CTF risk map based on an assessment of the exposure of Natixis' business lines, branches and subsidiaries. In addition, the geopolitical watch report is distributed internally, thereby keeping people informed of the latest developments in this area and providing them with guidelines on implementing appropriate vigilance measures and dedicated controls.

Compliance with financial sanctions and embargoes

Natixis has a framework of internal policies and procedures, screening tools, training and permanent supervision controls ensuring compliance with the financial sanction and embargo regulations to which it is subject.

The framework draws on measures for verifying client databases and screening transactions with a view to identifying, on an ongoing basis, any person or entity subject to financial sanctions, specifically account freezes or restricted access to bank financing. This makes it possible to freeze the accounts or transactions of Natixis customers as quickly as possible. It is also able to prevent any transactions linked to sectors, goods or technologies that are subject to restrictions or bans pursuant to embargo measures. Jurisdictions subject to embargo undergo constant supervision and heightened diligence as part of a prudent and restrictive approach.

A team of experts dedicated to financial sanctions provides specific assistance and advice to the Bank's business lines and entities.

In 2021, Natixis continued to strengthen its system of compliance with international sanctions, notably with the implementation of new changes to its screening tools and lists.

Prevention of corruption

In accordance with the requirements introduced by Article 17 of the law of December 9, 2016 on transparency, the fight against corruption and the modernization of the economy (known as the Sapin 2 law), and based on the recommendations and guides of the French Anti-Corruption Agency (AFA), Natixis has strengthened certain rules and procedures in its compliance system to bring them up to the highest international standards in terms of preventing corruption.

Natixis' Chief Executive Officer is responsible for the corruption prevention program. The anti-corruption framework as a whole is managed and coordinated by a dedicated team within Compliance's Financial Security Department. It relies on a network of anti-corruption officers within all of Natixis' business lines, subsidiaries and branches, in France and abroad. Governance is ensured through dedicated Committees.

The anti-corruption system includes:

- a regularly updated corruption risk map;
- standards and procedures. This includes a policy dedicated to the prevention and detection of corruption, communicated to all employees, as well as internal regulations incorporating the rules in this area and illustrations of the behaviors to be prohibited, resulting from the mapping exercise of corruption risk. The various high-risk situations are also managed through dedicated procedures, such as the procedures for preventing and managing conflict-of-interest situations, conducting anti-corruption due diligence when initiating business relationships with third parties (including clients, intermediaries and suppliers) and prior to forming partnerships or carrying out merger and acquisition transactions, and supervising recruitment. High-risk practices, including giving/accepting gifts or invitations, sponsorship initiatives, sponsoring, donations and third-party compensation, are also governed by specific procedures;
- a control system. The corruption aspects are fully incorporated within the existing permanent control system, particularly through specific controls covering high-risk situations and practices and they are included in accounting procedures and controls;
- a whistleblowing system. The corruption prevention program is based on Natixis' alert system. Natixis employees can use the whistleblowing system to report any facts or events they encounter that may indicate corruption or influence peddling;
- a training system. To ensure that these rules and procedures are disseminated and adopted, compulsory e-learning training has been rolled out for all employees and specific training sessions have been held for the members of Natixis' Executive Committee and employees who are most likely to be exposed to corruption risk.

In addition to the French regulations that apply to all Natixis entities, Natixis ensures strict compliance with the local regulations applicable to its foreign operations, such as the UK Bribery Act and the US Foreign Corrupt Practices Act.

The main corruption prevention program rules and procedures can be found in Natixis' anti-corruption policy, available at *www.natixis.com*.

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3.2.9.5 IT risk

In application of the directives of the European Banking Authority and the decree of February 25, 2021 on IT risk, Natixis has strengthened its IT risk management system. In particular, Natixis has set up two lines of defense, the proper coordination of which is guaranteed by the holding of a regular, global operational Committee Meeting to manage technological risks. The IT teams and correspondents within the business lines constitute the first level. The Global Technology Risks Management (G-TRM) Department (reporting to the Compliance Department) provides the second level. Natixis is also part of Groupe BPCE's Information Systems Security and Business Continuity divisions. As such, it applies the policies and methods defined by Groupe BPCE.

Information Systems Security

The G-TRM Department manages its activity through risks. It employs a method which identifies, in terms of operational risk, the risk situations of concern to the business lines and their potentially vulnerable IT assets. Risk assessments may be conducted during the annual review or may be completed as part of work done to support another project. The business projects monitored by G-TRM generally give rise to the expression of specific requirements in order to better manage risks.

In light of these risks, the G-TRM Department implements an annual second-level permanent control plan covering all areas of IT system security. Particular attention is paid to checks on access rights and intrusion tests on information assets exposed on the Internet.

The risk-based approach also helped to establish the strategic plan for 2024. This program, entitled CyberResilience aims to bring the level of maturity of the current system to that of the best market standards, to broaden our risk-based approach, to significantly strengthen the industrialization of the cybersecurity model, and to improve Natixis' ability to cope with a major cyber disaster and continue to protect our data.

Business continuity

Natixis' business continuity framework combines incident management based on their consequences (unavailability of the IT system, sites, or critical skills or suppliers) with emergency measures specific to each scenario (overflowing of the Seine, cyberattack, etc.).

Natixis now has a large inventory of laptops that enables it to respond appropriately in the event of a slow-moving crisis (Seine flood, strikes, etc.). This enabled it to effectively manage the COVID-19 crisis by relying heavily and securely on remote working.

Natixis regularly tests this entire framework using first- and second-level controls, crisis management exercises and backup solution tests. In this context, Natixis carries out a multi-year test plan of its resilience capacities in the event of cyber-attacks.

Control of IT processes

Natixis has extended its technological risk management system to include risks related to IT processes (IT governance and strategy, IT production, IT system development management).

The G-TRM Department has modified its risk mapping accordingly and has drawn up operational policies aimed at controlling all these risks. They were rolled out in 2021 for all entities backed by Natixis' cross-functional information system. An initial second-level control plan made it possible to verify its proper application.

3.2.9.6 Personal data protection

Reporting to the Chief Compliance Officer, the Natixis Data Protection Officer coordinates a community of "data privacy liaisons" distributed across all Natixis entities and business lines.

This unit aims to ensure that Natixis complies with all regulations relating to the protection of personal data and, more specifically, to ensure compliance with the European Regulation on the protection of personal data (GDPR). A Data Privacy Committee meets regularly to monitor the function's activities and manage the remaining alignment measures required.

Natixis has a personal data register and procedures for key processes, such as handling data leaks, processing requests by individuals to exercise their rights, dealing with referrals to the authorities, updating and annually reviewing the register, carrying out the first and second-level control plan, managing training needs, conducting the regulatory watch and ensuring Privacy by Design/Default in projects.

3.2.10 Legal risk

Like many banking groups, Natixis and its consolidated subsidiaries are involved in litigation before the courts and may be investigated by regulatory authorities.

As assessed as of December 31, 2021, the financial consequences of litigation deemed likely to have, or which have in the recent past had, a material impact on the financial position of Natixis and/or Natixis and its consolidated subsidiaries as a whole, or on their profitability or their business, have been included in Natixis' consolidated financial statements.

The most significant disputes are described below. Their inclusion in the list does not indicate that they will necessarily have an impact on Natixis and/or its consolidated subsidiaries. The other disputes are deemed unlikely to have a material impact on Natixis' financial position or profitability and/or that of Natixis and its consolidated subsidiaries as a whole, or have not reached a stage where it can be determined whether they will have such an impact.

3.2.10.1 Legal and arbitration proceedings

Madoff fraud

The Madoff outstandings are estimated at €319.3 million in equivalent value at December 31, 2021, fully provisioned at this date, compared to €503.4 million at December 31, 2020, following the confirmation of the liquidation of certain assets deposited in the name of Natixis and fully provisioned. The effective impact of this exposure will depend on both the extent of recovery of down invested for Natixis and the outcome of the measures taken by the bank, notably in terms of legal proceedings. Furthermore, in 2011 a dispute emerged over the application of the insurance policy for professional liability in this case, which had been taken out with successive insurers for a total amount of €123 million. In November 2016, the Paris Court of Appeal vindicated the Commercial Court's prior ruling that primary insurers were liable to cover the losses incurred by Natixis due to the Madoff fraud, up to the amount for which the bank was insured. On September 19, 2018, the Court of Cassation subsequently annulled the judgment under appeal and referred the case back to the Paris Court of Appeal with a differently constituted bench. On September 24, 2019, the Court ruled against Natixis, overturning the ruling by the Commercial Court of Paris. Natixis filed an appeal with the Cour de Cassation in December 2019. The Court of Cassation dismissed the appeal on November 4, 2021, so that the judgment of the Paris Court of Appeals of September 24, 2019, unfavorable to Natixis, became final and irrevocable.

Irving H. Picard, the court-appointed trustee for Bernard L. Madoff Investment Securities LLC (BMIS), submitted a restitution claim concerning the liquidation of amounts received prior to the discovery of the fraud through a complaint filed with the United States Bankruptcy Court for the Southern District of New York against several banking institutions, including a $400 million claim against Natixis. Natixis denies the allegations made against it and has taken the necessary steps to defend its position and protect its rights. Natixis has launched appeals, including a motion to dismiss the case on a preliminary basis, or prior to any ruling on the merits, and a motion to withdraw the reference to transfer certain matters to the United States District Court. These proceedings have been subject to numerous rulings and appeals and are still ongoing. A November 2016 ruling by the bankruptcy court dismissed a number of restitution claims initiated by the trustee on the grounds of extraterritoriality. In September 2017, the Second Circuit Court granted the BMIS liquidator and the defendants the right to appeal the bankruptcy court's ruling on the grounds of extraterritoriality directly through the Second Circuit, thereby avoiding the need to file an intermediary appeal with the district court. In February 2019, the Court of Appeals for the Second Circuit overturned the bankruptcy court's extraterritoriality ruling. In August 2019, Natixis joined the group of defendants that filed a request for permission to appeal the Second Circuit Court's ruling before the Supreme Court. In June 2020, the Supreme Court refused to hear the case. The court of the Second Circuit clarified the concept of "good faith" by deciding (i) that it is determined according to the standard of "inquiry notice" which is less favorable to the defendants, and (ii) that the burden of proof lies not with the liquidator of BMIS but with the defendants. These preliminary points having now been decided, the proceedings are continuing on the merits.

Furthermore, the liquidators of Fairfield Sentry Limited and Fairfield Sigma Limited have initiated a large number of proceedings against investors having previously received payments from these funds for redemptions of shares (over 200 proceedings have been filed in New York). Some Natixis entities have been named as defendants in some of these proceedings. Natixis deems these proceedings to be entirely unfounded and is vigorously defending its position. These proceedings have been suspended for several years, and in October 2016 the bankruptcy court authorized the liquidators to modify their initial claim. The defendants filed joint responses in May and June 2017. In August 2018, the bankruptcy court ruled on a motion to dismiss filed by the defendants (requesting that the case be dismissed on a preliminary basis and prior to any ruling on the merits). The judge only gave a ruling on one of the merits (that of personal jurisdiction), having found that the latter was missing from the claim made against the defendants. In December 2018, the judge ruled on the motion to dismiss, rejecting the liquidators' common law claims (unjust enrichment, money had and received, mistaken payment and constructive trust) as well as contractual claims. However, it overturned the motion to dismiss in respect of claims founded on British Virgin Islands' law, while reserving the right to file a plea for the application of Section 546(e) safe harbor provision. In May 2019, the liquidators appealed the bankruptcy court's ruling before the District Court. The defendants, including Natixis, submitted on March 9, 2020 a motion to dismiss this appeal and renewed this initial motion on March 16, 2020. The bankruptcy court asked the defendants to limit the motion to dismiss to arguments that can lead to the dismissal of all the actions of the liquidators (as per Section 546 (e) of the safe harbor provision or impropriety of the initial petition). In December 2020, the bankruptcy court dismissed the action brought under the law of the British Virgin Islands, considering that the defendants, including Natixis, are covered by Section 546 (e) safe harbor. This decision, which may result in the rejection of claw back requests, is subject to appeal. The case is ongoing.

Criminal complaint coordinated by ADAM

In March 2009, the Paris public prosecutor's office (Parquet de Paris) launched a preliminary investigation into a complaint filed by Natixis minority shareholders and coordinated by the Association de Défense des Actionnaires Minoritaires (ADAM – Association for the Defense of Minority shareholders). As the plaintiffs have initiated civil proceedings, a judicial investigation opened in 2010. On February 14, 2017, Natixis came under investigation for false and misleading information on account of two messages sent in the second half of 2007, at the beginning of the subprime crisis.

After judicial investigation, a committal for trial was ordered on June 28, 2019.

The committal concerns only one of the messages, disseminated on November 25, 2007, explaining the risks to which Natixis was exposed at the time as a result of the subprime crisis. The second message was dismissed.

The Paris Criminal Court, in a judgment handed down on June 24, 2021, condemned Natixis, deeming insufficient the information provided by said press release of November 25, 2007, and more specifically the risks to which the bank was exposed at the time due to the subprime crisis.

It imposed a fine of €7.5 million. The civil parties were awarded total compensation of around €2 million.

Natixis, which considers that it has not committed any offense, appealed against this judgment, as the Paris Criminal Court did not take into account the arguments presented at the hearing.

MMR claim

In 2007, Ixis Corporate & Investment Bank (the predecessor of Natixis) issued EMTNs (Euro Medium Term Notes) indexed to a fund that invested in the Bernard Madoff Investment Securities fund. Renstone Investments Ltd (the apparent predecessor of MMR Investment Ltd) is alleged to have subscribed, via a financial intermediary acting as the placement agent, for these bonds in the amount of US$50 million.

In April 2012, MMR Investment Ltd filed a joint claim against Natixis and the financial intermediary before the Commercial Court of Paris, claiming not to have received the bonds, despite having paid the subscription price to the financial intermediary. The claim mainly concerns the reimbursement of the subscription price of the bonds and, as an alternative, the annulment of the subscription on the grounds of defect in consent.

On February 6, 2017, the Commercial Court of Paris dismissed all of MMR Investment Ltd's claims. This ruling was upheld by the Paris Court of Appeal on October 22, 2018. An appeal was brought by MMR Investment Ltd. On September 8, 2021, the Court of Cassation dismissed MMRI's appeal.

Securitization in the United States

Since 2012, five separate legal proceedings regarding residential mortgage-backed security (RMBS) transactions executed between 2001 and mid-2007 have been initiated against Natixis Real Estate Holdings LLC before the New York Supreme Court.

Two of these five proceedings relate to accusations of fraud. One was dismissed in 2015 as time-barred. Some of the claims relating to the second case were also dismissed as time-barred and, in 2018, Natixis settled the outstanding claims before the court issued a final ruling on the merits of the case.

Three of these five proceedings have been brought against Natixis, purportedly on behalf of certificate holders, alleging that Natixis failed to repurchase defective mortgages from certain securitization transactions. Two of them were dismissed as time-barred, and the plaintiffs' appeals were also dismissed. As for the only action currently in progress, which involves a claim of approximately US$820 million, Natixis believes that the claims against it are unfounded for a number of reasons. In particular because the actions against it are time-barred and because the plaintiffs do not have standing to act.

EDA — Selcodis

Through two complaints filed on November 20, 2013, Selcodis, on the one hand, and EDA, on the other, brought joint claims before the Commercial Court of Paris against Natixis and two other banking institutions for unlawful agreement, alleging that such actions led to the refusal to grant a guarantee to EDA and to the termination of various loans.

Under this lawsuit, Selcodis is claiming compensation for the losses purportedly suffered as a result of the court-ordered liquidation of its subsidiary EDA, and is requesting that the defendants be ordered to pay damages and interest, which it assesses to be €32 million. For its part, EDA is requesting that the defendants be ordered to bear the asset shortfall in its entirety, with its amount being calculated by the court-appointed receiver.

Natixis considers all of these claims to be unfounded.

On December 6, 2018, after consolidating these claims, the Commercial Court of Paris found them to have expired and deemed them closed. The plaintiffs filed an appeal against this ruling in January 2019.

The judgment was delivered on June 24, 2020. The Court of Appeal dismissed the claim that the proceedings were time-barred. It was decided not to appeal to the Court of Cassation.

The resumption of proceedings took place in March 2021 to resume the action on the merits. The case is ongoing.

MPS Foundation

In June 2014, MPS Foundation (Fondazione Monte dei Paschi di Siena), an Italian foundation, filed a claim against 11 banks, including Natixis, which granted it financing in 2011 at the request of its previous executive officers, on the grounds that the financing thus granted was in violation of its bylaws, which state that MPS Foundation cannot hold debt exceeding 20% of its total balance sheet. The damages claimed by MPS Foundation against the banks and its former directors amount to €285 million.

Natixis considers these accusations unfounded.

Following an objection as to jurisdiction, the Tribunal of Siena referred the case to the Tribunal of Florence on February 23, 2016.

On December 20, 2021 an agreement was signed (notably providing for the payment by Natixis of €922,221.30) and the plaintiff agreed to waive its legal action. The file is closed.

Formula funds

Following an inspection by the AMF in February 2015 with regard to Natixis Asset Management's (now Natixis IM International) compliance with its professional obligations, particularly the management of its formula funds, the AMF's Enforcement Committee delivered its decision on July 25, 2017, issuing a warning and a fine of €35 million. The Enforcement Committee found a number of failings concerning the redemption fees charged to funds and structuring margins.

Natixis IM International filed an appeal against this ruling with the French Council of State. In its decision of November 6, 2019, the French Council of State overturned the Enforcement Committee's decision, reducing the fine to €20 million. It let the warning stand.

In addition, UFC-QUE CHOISIR, in its capacity as a consumer rights non-profit, brought claims before the Paris District Court on March 5, 2018 against the Asset Management company to obtain compensation for the financial losses suffered by the holders of the formula funds in question. The case is ongoing.

Société Wallonne du Logement

On May 17, 2013, Société Wallonne du Logement (SWL) filed a complaint against Natixis before the Charleroi Commercial Court (Belgium), contesting the legality of a swap agreement entered into between SWL and Natixis in March 2006 and requesting that it be annulled.

All of SWL's claims were dismissed in a ruling by the Charleroi Commercial Court on November 28, 2014. On September 12, 2016, the Mons Court of Appeal annulled the contested swap agreement and ordered Natixis to repay to SWL the amounts paid by SWL as part of the swap agreement, less any amounts paid by Natixis to SWL under the same agreement and taking into account any amounts that would have been paid had the previous swap agreement not been terminated. The Court of Cassation of Belgium overturned this ruling on June 22, 2018. In February 2019, SWL lodged an appeal procedure with a Court of Appeal.

On April 22, 2020, the Court of Appeal of Liège annulled the contested swap agreement and ordered Natixis to repay to SWL an amount corresponding to the difference between the execution cost of the contested swap agreement and the amounts that would have been paid had the previous swap agreement not been terminated, in addition to interest at the legal rate. Natixis appealed to the French Supreme Court against this decision.

An agreement was signed on December 27, 2021 ending the case.

SFF/Contango Trading S.A.

In December 2015, the South African Strategic Fuel Fund (SFF) entered into agreements to sell certain oil reserves to several international oil traders. Contango Trading S.A. (a Natixis subsidiary) provided financing for the deal.

In March 2018, SFF filed a lawsuit before the South African Supreme Court (Western Cape division, Cape Town), primarily against Natixis and Contango Trading S.A., with a view to having the agreements invalidated, declared null and void, and to obtain fair and equitable compensation.

A judgment was delivered on November 20, 2020 declaring the nullity of the transactions and granting Contango Trading S.A. restitution and reparations in the amount of US$208,702,648. On December 22, 2020, the judge authorized SFF and Vitol to appeal this judgment and at the same time SFF paid Contango Trading S.A. the sum of US$123,865,600 in execution of the uncontested part of the judgment.

This judgment was partially appealed.

On March 11, 2021, Contango Trading S.A. decided to file a tort action in order to preserve its rights and avoid the statute of limitations on the tort claim.

Lucchini Spa

In March 2018, Natixis S.A. was summoned, jointly and severally with other banks, by Lucchini Spa (under extraordinary administration) to appear before the Court of Milan, with Lucchini Spa's receiver alleging improprieties in the implementation of the loan restructuring agreement granted to Lucchini Spa.

In its decision on July 21, 2020, the Court of Milan dismissed all Lucchini Spa's claims and sentenced it to pay cost of proceedings for a total amount of €1.2 million, of which €174,000 for each bank or group of banks.

Lucchini Spa appealed against the judgment. The case is ongoing.

Competition Authority/Natixis Intertitres and Natixis

On October 9, 2015, a company operating in the meal voucher industry lodged a complaint with the Competition Authority (Autorité de la Concurrence) to contest industry practices with respect to the issuance and acceptance of meal vouchers. The complaint targeted several French companies operating in the meal voucher industry, including Natixis Intertitres.

In its decision of December 17, 2019, the Competition Authority ruled that Natixis Intertitres had participated in a practice covering the exchange of information and a practice designed to keep new entrants out of the meal voucher market.

Natixis Intertitres was fined €4,360,000 in its own right, along with two other fines totaling €78,962,000, jointly and severally with Natixis.

This decision was the subject of a press release from the Competition Authority dated December 18, 2019.

Natixis and Natixis Intertitres have appealed against this decision and believe they have strong arguments to challenge it. Under these conditions, no provisions were made in the financial statements at December 31, 2019, or at subsequent closing dates. This situation is unchanged as of December 31, 2021.

Bucephalus Capital Limited/Darius Capital Conseil

On June 7, 2019, Bucephalus Capital Limited (a UK law firm), together with other firms, brought claims against Darius Capital Partners (a French law firm, now operating under the name Darius Capital Conseil, a 70%-held subsidiary of Natixis Investment Managers) before the Paris Commercial Court, to contest the breach of various contractual obligations, particularly with respect to a framework agreement dated September 5, 2013 setting out their contractual relations and various subsequent agreements. Bucephalus Capital Limited claims a total of €178,487,500.

Darius Capital Conseil consider these claims to be unfounded. The case is ongoing.

European Government Bonds Antitrust Litigation

At the end of December 2019, Natixis was added as a defendant in a class action brought to the US District Court, SD New York, on allegations of violations in the market for European Government Bonds (EGBs) between January 1, 2007 and December 31, 2012. The class action was initially brought against several identified banks and banks of unknown identity ("John Doe") in March 2019.

Natixis, like the other defendants in this case, requested the dismissal of the action on a preliminary basis and before any decision on the merits on multiple grounds, a request which was denied at this stage.

Natixis intends to continue to defend itself vigorously, both on the merits and procedurally, against these allegations that it considers unfounded.

Disputes of receivables offset

On July 17, 2020, a case was brought against Natixis and another defendant before the English courts in order to request a declaratory judgment recognizing the merits of a set-off made on a transaction financed by Natixis. The plaintiff is also contesting the transfer to Natixis of the payment rights under the transaction. Natixis counterclaimed for payment in the amount of US$55,396,323.46. An agreement, the terms of which are confidential, was reached and, in November 2021, the English courts issued a decision terminating the proceedings.

In March 2020, cases were brought before the courts of the State of New York following a set-off made by Natixis upon the payment of a standby letter of credit, the set-off taking into account a debt of the recipient in the form of a standby letter of credit. Natixis asked the Court to uphold the merits of the set-off and to dismiss the demand for payment made against the bank in the amount of US$46,076,165.15. The Court ruled against Natixis, which filed an appeal.

European Government Bonds – Cartel Decision

On May 20, 2021, the European Commission issued an infringement decision against Natixis and found that it had breached EU competition rules by participating in a cartel on the primary and secondary European Government Bonds market in 2008-2009.

As Natixis left the cartel more than five years before the Commission began its investigation, it benefited from the limitation period. No fines were thus imposed on Natixis.

On July 30, 2021, Natixis filed a request with the General Court of the European Union to set aside the Commission's decision. The appeal is based, in particular, on the argument that the Commission is only entitled to issue a decision on infringement if it can demonstrate a "legitimate interest" in doing so, and on the argument of infringement of Natixis' rights of defense.

H_2O carriers collective

At the end of October 2021, a non-profit organization called "Collectif porteurs H2O" and 85 natural and legal persons claiming to have invested in seven UCITS managed by the UK H2O AM LLP entity and the French H2O AM Europe entity, between 2015 and 2021 (hereinafter the "Fund"), brought proceedings against the Luxembourg entity Natixis Investment Managers S.A. before the President of the Paris Commercial Court, alongside the main players in the funds (managers, statutory auditor, custodian), as part of a summary action. This was not an action for damages, but a procedure aimed at obtaining the appointment of an expert and the production of evidence relating to the management of the Funds.

Situation of dependency

Natixis is not dependent on any patent or license, or on any industrial, commercial or financial supply contract.

3.2.11 Other risks

3.2.11.1 Risks related to Insurance activities

Natixis Assurances

Natixis Assurances is the Insurance division of Natixis and is structured into two business lines:

- the Personal Insurance business, focused on developing portfolios of life insurance and endowment policies for investment and retirement purposes, as well as personal protection insurance portfolios;
- the Non-life Insurance business, focused on developing portfolios for auto and Multi-Risk Homeowners' insurance, personal accident insurance, legal protection, healthcare and property and casualty insurance.

Given the predominance of the Investment Solutions activity, the main risks to which Natixis Assurances is exposed are financial. The Company is also exposed to underwriting risks (for both Life and Non-life Insurance), as well as counterparty risk.

Market risk

Market risk is in large part borne by the subsidiary BPCE Vie on the financial assets that underpin its commitments with guaranteed principal and returns (euro-denominated policies: €63.5 billion on the balance sheet). The Company is exposed to asset impairment risk (fall in the equity or real estate market, widening spreads, interest rate hikes) as well as the risk of lower interest rates which would generate insufficient income to meet its guaranteed principal and returns. To manage this risk, BPCE Vie has only sold policies with a minimum guaranteed return in recent years: more than 95% of the policies have a zero minimum guaranteed return. The minimum guaranteed return averaged 0.12%. In addition, since mid-2021, new contracts have included a gross capital guarantee for management fees.

To manage market risk, the sources of return have been diversified, namely via investments in new asset classes (financing the economy, infrastructure, etc.). This diversification is managed by a strategic allocation, defined on a yearly basis, that takes into account regulatory constraints, commitments to policyholders and commercial requirements.

Credit risk

Credit risk is monitored and managed in compliance with Natixis Assurances' standards and internal limits. As of December 31, 2021, 67% of the fixed-income portfolio is invested in securities rated equal to or higher than A.

Life Insurance underwriting risk

The main risk to which life Insurance underwriting is exposed is linked to the Investment Solutions activity. In an especially low interest-rate environment, the biggest risk is that of fewer redemptions and/or excessive inflows in euro-denominated vehicles, as reinvestments in securities dilute the main fund's return. To prioritize inflows in unit-linked policies, measures have been taken, such as the creation of unit-linked products and communication campaigns focused on unit-linked products.

Non-life Insurance underwriting risk

The Non-life Insurance underwriting risk to which Natixis Assurances is exposed is borne by its subsidiary BPCE Assurances:

- premium risk: to ensure that the premiums paid by the policyholders match the transferred risk, BPCE Assurances implemented a portfolio monitoring policy whereby each policy is given a score based on its track record over three years. Factored in are types of claims, number of claims, their cost and other variables specific to the activity in question (degree of liability and bonuses/penalties for auto insurance, for instance). This monitoring policy also contributes to detecting potential risks arising from large claims, and to arranging adequate reinsurance coverage;
- risk of loss: each time inventory is taken, an actuarial assessment of the reserves for claims to be paid is conducted based on analytical methods recognized by the profession and required by the regulator;
- catastrophe risk: catastrophe risk is the exposure to an event of significant magnitude generating a multitude of claims (storm, civil liability risk, etc.). This risk is therefore reinsured either through the government in the event of a natural disaster or an attack, for example, or through private reinsurers, specifically in the event of a storm or a civil liability claim, or through reinsurance pools.

Counterparty risk

The counterparty risk to which Natixis Assurances is exposed mainly concerns reinsurance counterparties. The selection of reinsurers is a key component of managing this risk:

- Natixis Assurances deals with reinsurers that are subject to a financial rating by at least one of the three internationally recognized rating agencies, and that have a Standard & Poor's equivalent rating of A- or higher;
- using several reinsurers ensures counterparty diversification and limits counterparty risk.

Exposure to sovereign risk

(This information forms an integral part of the financial statements certified by the Statutory Auditors.)

Exposure to sovereign debt (Natixis Assurances) is presented in the following table as net book value before application of the sharing mechanism between policyholders and insurers specific to life insurance.

Exposure *(in millions of euros)*[(a)]	31/12/2021	31/12/2020
Germany	650	387
Austria	39	80
Belgium	1,194	1,308
Spain	1,061	837
United States	225	102
France	8,385	8,730
Italy	389	618
Luxembourg	643	660
Poland	101	117
Portugal	184	190
Slovakia	93	102
Other sovereign countries	457	290
TOTAL	**13,422**	**13,420**

(a) Excluding Coface exposure at December 31, 2021 and December 31, 2020.

3.2.11.2 Strategic risk

Strategic risks are defined as:

- the risk inherent to the strategy chosen; or
- resulting from Natixis' inability to implement its strategy.

Strategy risks are monitored by the Board of Directors, supported by its Strategic Committee, which examines the strategies guiding Natixis' activities at least once a year. The Board of Directors also approves strategic investment projects and any transactions, particularly acquisitions and disposals, that are likely to significantly affect Natixis' results, the structure of its balance sheet or its risk profile.

Senior Management is in charge of defining and steering Natixis' strategy, with assistance from the Senior Management Committee.

The membership of these various bodies is presented in Chapter [2] of this document. The Internal Rules of the Board of Directors, including the procedure for calling meetings, can be found in Chapter [2] paragraph [2.2.1.2].

3.2.11.3 Climate risk

Pursuant to Article 173 of the energy transition act, as of the 2016 fiscal year Natixis is required to report on the risks linked to climate change and on its low-carbon strategy.

The identification and management of risks linked to social and climate change are detailed in Chapter [7] of this universal registration document.

3.2.11.4 Environmental and social risks

The identification and management of environmental and social risks are detailed in Chapter [7] of this universal registration document.

3.3 Basel 3 Pillar III disclosures

Regulatory framework for the Pillar III report

The report on Pillar III is prepared in accordance with the European Regulation (CRR II) 2019/876, in particular according to Articles 431 to 455 of the regulation, which detail the information to be published by institutions under Pillar III. The CRR II-CRD V legislative package was adopted on May 20, 2019 by the European Parliament and entered into force on June 28, 2021. The information to be provided under Pillar III has also been prepared in accordance with Implementing Regulation (EU) 2021/637 of the European Commission of March 15, 2021, which brings together most of the previous regulatory texts in a single, comprehensive text.

Policy, validation and approval

Throughout the fiscal year ended December 31, 2021, and to date, Natixis has implemented a framework for controls and disclosure procedures to ensure the completeness and accuracy of the information provided in Natixis' Pillar III.

3.3.1 Capital management and capital adequacy

Regulation (EU) No. 2019/876 of the European Parliament and Council (Capital Requirement Regulation or CRR) requires reporting companies (notably lending institutions and investment firms) to publish quantitative and qualitative information on their risk management activities.

Natixis' risk management system and level of risk exposure are described in this chapter, in section 3.2 "Risk management" of this universal registration document.

3.3.1.1 Regulatory framework

Since January 1, 2014, the Capital Requirements Directive (CRD) IV and the Capital Requirements regulation (CRR) have applied Basel 3 regulations in Europe.

As under Basel 2, the Basel 3 regulatory provisions are divided into three pillars:

- Pillar I: a set of rules defining the measurement of risks and capital based on various possible methodologies and minimum observable requirements;
- Pillar II: framework governing the role of the supervisory authorities. For each supervised institution, the competent authorities may define additional capital requirements according to the risk exposure, and internal governance and management systems;
- Pillar III: requires institutions to disclose a large number of items highlighting the level of risks incurred, capital adequacy and the adequacy of their management.

The CRR/CRD IV package aims to strengthen the financial soundness of banking institutions, notably by proposing:

- a stricter definition of the capital items eligible to meet regulatory capital requirements;
- reinforced regulatory capital requirements, in particular for counterparty risk on derivatives;
- higher ratios to observe, specifically regarding CET1 capital and capital buffers:
  - a capital conservation buffer, which represents 2.5% of total weighted risk exposures,
  - a countercyclical capital buffer, i.e. the average of the countercyclical capital buffer of each country in which Natixis holds risk exposures, weighted by the amount of said exposures. The rate applied in France has been zero since 2nd quarter of 2020,
  - buffer for systemically important institutions: additional requirement for large institutions (G-SIBs/O-SIB), it aims to reduce their risk of bankruptcy. Natixis is not subject to this buffer,
  - systemic risk buffer: its objective is to limit long-term non-cyclical systemic or macroprudential risks. It can be applied to all of the institution's exposures or to sectoral exposures. It is currently at 0%;
- in addition, other mechanisms have been introduced, including mechanisms to limit dividend payouts, interest on Additional Tier One (AT1) subordinated debt and variable compensation (Maximum Distributable Amount, or MDA).

In 2019, this legislative framework was amended with the adoption by the European Parliament of a new regulatory package: CRR II/CRD V, the main provisions of which have applied since June 28, 2021.

These include: the establishment of proportionality rules, the introduction of a requirement for the leverage ratio, the introduction of a minimum capital requirement and eligible liabilities (MREL) in order to increase the loss-absorbing capacity of institutions, the non-deduction of part of the value of certain intangible assets (software), the adoption of a new method to calculate the exposures at default on derivatives (SA-CCR), the review of the major risks framework, the introduction of a net stable funding ratio (NSFR).

Since November 2014, the supervision of major European banks has been exercised directly by the ECB. Based on the SREP process (or Supervisory Review and Evaluation Process) of Pillar II, the ECB sets for each institution the level of ratio to comply with in addition to the minimum requirements of the prudential regulations (applicable to all institutions supervised in a uniform manner): each subject institution is thus assigned an additional solvency requirement. to be complied with (referred to as "P2R" or Pillar 2 Requirement) as well as a recommended additional requirement ("P2G" or Pillar 2 Guidance). However, in the very specific context of the health crisis, the ECB had temporarily relaxed the applicable regulatory framework.

At the end of the SREP process and after application of these new provisions, Natixis must therefore meet a CET1 capital ratio of 8.3%, of which 1.27% for Pillar II (excluding P2G), 2.5% for the capital conservation buffer and 0.03% for the countercyclical buffer. **As of March 1, 2022, under the SREP process, Natixis must comply with a CET1 capital ratio of 8.44%, of which 2.5% under the capital conservation buffer of 1.41% under Pillar II (excluding P2G) and 0.04% for the countercyclical buffer.**

3.3.1.2 Prudential consolidation scope

In accordance with Article 18 of the CRR, the prudential consolidation scope is established based on the following principles:

Entities, excluding insurance companies, fully consolidated or accounted for using the equity method in the statutory scope *(see universal registration document 2021 – Note 16 in Chapter 5 "Consolidated financial statements and notes")* are included in the scope of consolidation.

The Versailles conduit and Natixis insurance companies are accounted for using the equity method in the prudential scope.

As part of the work on step-in risk, Natixis has not identified any additional securitization SPVs to be included in the prudential consolidation scope of December 31, 2021.

Only the "Caisse Française de Développement Industriel" (CFDI) entity is not included in the Natixis scope of consolidation but is subject to regulatory reporting (COREP). CFDI complies with regulatory requirements.

In agreement with the supervisor, Natixis has already used the exemption provided for in Article 7 of the CRR for certain subsidiaries whose business is not significant or whose corporate purpose is not its own.

The absence of any transfer or repayment problem within the Group is presented in Note 3.3.2 of Chapter 5 "Consolidated financial statements and notes".

Differences between accounting and regulatory scopes of consolidation and the mapping of financial statement categories with regulatory risk categories (EU LI 1)

			Carrying values of items				
Assets *(in millions of euros)*	Carrying values as reported in published financial statements	Carrying values under scope of regulatory consolidation	Subject to the credit risk framework	Subject to the CCR framework	Subject to the securitization framework	Subject to the market risk framework	Not subject to regulatory capital requirements or subject to deduction from capital
Cash, central banks	48,882	48,882	48,882	-	-	-	-
Financial assets at fair value through profit or loss	212,025	211,791	29,694	129,356	7,042	164,859	-
Hedging derivatives	190	190	-	190	-	-	-
Financial assets at fair value through other comprehensive income	12,122	12,122	12,122	-	203	-	-
Debt instruments at amortized cost	1,277	1,244	1,244	-	-	-	-
Loans and receivables due from banks and similar items at amortized cost	86,732	86,694	84,861	1,833	-	-	-
Customer loans and receivables at amortized cost	70,146	68,919	65,818	3,101	-	1,985	-
Revaluation adjustments on portfolios hedged against interest rate risk	-	-	-	-	-	-	-
Insurance business investments	-	-	-	-	-	14	-
Current tax assets	202	202	202	-	-	-	-
Deferred tax assets	1,226	1,226	446	-	-	-	780
Accrual accounts and other assets	4,637	4,695	4,695	-	-	-	-
Non-current assets held for sale	125,880	4,743	4,743	-	-	-	-
Deferred profit-sharing	-	-	-	-	-	-	-
Investments in associates	522	522	428	-	-	-	95
Investment property	-	-	-	-	-	-	-
Property, plant and equipment	964	964	964	-	-	-	-
Intangible assets	348	348	-	-	-	-	348
Goodwill	3,440	3,440	-	-	-	-	3,440
TOTAL ASSETS	**568,594**	**445,985**	**254,101**	**134,480**	**7,245**	**166,858**	**4,663**

Note: Carrying values under scope of regulatory consolidation do not equal the sum of risk type breakdown. An exposure can be subject to several risk types.

Liabilities *(in millions of euros)*	Carrying values as reported in published financial statements	Carrying values under scope of regulatory consolidation	Carrying values of items: Subject to the credit risk framework	Subject to the CCR framework	Subject to the securitization framework	Subject to the market risk framework	Not subject to regulatory capital requirements or subject to deduction from capital
Central banks	-	-	-	-	-	-	-
Financial liabilities at fair value through profit or loss	200,628	203,663	418	139,860	418	111,932	38,617
Hedging derivatives	288	288	-	-	-	-	288
Deposits and loans due to banks and similar items	135,863	135,854	-	6,033	-	3,945	129,821
Deposits and loans due to customers	34,355	34,613	-	797	-	38	33,816
Debt securities	38,723	35,725	-	-	-	-	35,725
Revaluation adjustments on portfolios hedged against interest rate risk	133	133	-	-	-	-	133
Current tax liabilities	626	635	-	-	-	-	635
Deferred tax liabilities	454	454	-	-	-	-	454
Accrual accounts and other liabilities	6,435	6,461	-	-	-	-	6,461
Liabilities on assets held for sale	124,366	1,438	-	-	-	-	1,438
Liabilities related to insurance policies	-	-	-	-	-	-	-
Provisions	1,580	1,579	718	-	-	-	861
Subordinated debt	4,073	4,073	-	-	-	-	4,073
Shareholders' equity (Group share)	20,868	20,868	-	-	-	-	20,868
Share capital & reserves	11,036	11,036	-	-	-	-	11,036
Consolidated reserves	7,233	7,233	-	-	-	-	7,233
Gains and losses recorded directly in equity	1,093	1,093	-	-	-	-	1,093
Non-recyclable gains and losses recorded directly in equity	103	103	-	-	-	-	103
Net income/(loss)	1,403	1,403	-	-	-	-	1,403
Non-controlling interests	202	202	-	-	-	-	202
TOTAL LIABILITIES	**568,594**	**445,985**	**1,136**	**146,690**	**418**	**115,915**	**273,391**

Note: Carrying values under scope of regulatory consolidation do not equal the sum of risk type breakdown. An exposure can be subject to several risk types.

Differences between consolidation scopes (entity by entity) (EU LI3)

The table below lists the subsidiaries for which the method of regulatory consolidation is different from the method of accounting consolidation.

		Prudential consolidation method					
Name of entity	Method of accounting consolidation	Full consolidation	Proportionate consolidation	Equity method	Neither consolidated nor deducted	Deducted	Description of the entity
VERSAILLES	Full consolidation			X			Securitization vehicle
NATIXIS ASSURANCES	Full consolidation			X			Insurance company holding company
NATIXIS LIFE	Full consolidation			X			Life insurance
BPCE PRÉVOYANCE	Full consolidation			X			Personal protection insurance
FRUCTIFONCIER	Full consolidation			X			Insurance real estate investments
BPCE VIE	Full consolidation			X			Insurance
REAUMUR ACTIONS	Full consolidation			X			Insurance investment mutual fund
NAMI INVESTMENT	Full consolidation			X			Insurance real estate investments
BPCE RELATION ASSURANCES (GIE)	Full consolidation			X			Mutual fund
FCT TULIP NOTE – COMPARTMENT 1	Full consolidation			X			Insurance investments (Securitization funds)
FCT NA F ECO IMM II	Full consolidation			X			Insurance investments (Securitization funds)
DNCA INVEST NORDEN	Full consolidation			X			Insurance investment mutual fund
THEMATICS AI AND ROBOTICS	Full consolidation			X			Asset management
AAA ACTIONS AGRO ALIMENTAIRE	Full consolidation			X			Insurance investment mutual fund
FRUCTIFONDS IMMOBILIER	Full consolidation			X			Insurance real estate investments
OPCI FRANCEUROPE IMMO	Full consolidation			X			Insurance investment mutual fund
SELECTIZ	Full consolidation			X			Insurance investment mutual fund
SELECTIZ PLUS	Full consolidation			X			Insurance investment mutual fund
ALLOCATION PILOTÉE ÉQUILIBRE C	Full consolidation			X			Insurance investment mutual fund
MIROVA EUROPE ENVIRONNEMENT C	Full consolidation			X			Insurance investment mutual fund
VEGA EURO RENDEMENT FCP RC	Full consolidation			X			Insurance investment mutual fund
BPCE ASSURANCES	Full consolidation			X			Insurance company
BPCE APS	Full consolidation			X			Service providers

3.3.1.3 Composition of capital

In accordance with the provisions introduced by the CRR and with the national provisions defined by the ACPR, regulatory capital (calculated on the basis of book equity), comprises three categories, as described below.

Each category comprises liability items extracted from the consolidated financial statements and restated by automatically applying deductions, either directly or subject to thresholds.

In addition, until 2021, prudential capital is subject to the so-called phasing and grandfathering arrangements accompanying the implementation of the CRR. Since January 1, 2019, only the grandfathering arrangements are still active, the phasing having ended.

With the entry into force of the CRR2 Regulation, from June 30, 2021, new eligibility criteria related to the powers of impairment of the Single Resolution Board and the absence of netting agreements were introduced for recognition of subordinated instruments in regulatory capital. These provisions have led to the introduction of grandfathering rules, for instruments issued before June 27, 2019 that do not meet these additional conditions, until June 28, 2025.

Common Equity Tier One (CET1)

The Common Equity Tier 1 (CET1) is calculated using shareholders' equity (excluding reclassified hybrid securities), with the following restatements:

- estimated dividend;
- goodwill and intangible assets;
- recyclable unrealized gains and losses on hedging derivatives;
- own credit risk on debts issued and financial instruments (Debit Value Adjustment);
- prudent valuation adjustments;
- expected loss on equity positions and shortfall of provisions on expected losses on credit positions;
- revaluation adjustments on defined-benefit plan commitments;
- non-bank non-controlling interests;
- bank non-controlling interests exceeding the limits set by regulations;
- company-controlled stock and cross-shareholdings;
- amount exceeding threshold 1 on non-material holdings of capital instruments issued by financial entities;
- amount exceeding threshold 2 on material holdings of capital instruments issued by financial entities;
- amount exceeding threshold 2 on deferred tax assets dependent on future earnings and resulting from temporary differences;
- amount exceeding threshold 3 common to amounts not deducted in respect of threshold 2;
- any surplus deduction of Additional Tier One capital *(see below)*;
- deferred tax assets dependent on future earnings, but not related to temporary differences;
- insufficient hedging by provisions for non-performing exposures.

Additional Tier One (AT1) Capital

AT1 capital comprises:

- subordinated debt instruments recognized as AT1 after applying phase-in arrangements;
- deductions made from this category;
- any surplus deduction of Tier 2 capital *(see below)*.

Detailed information on the debt instruments recognized in Additional Tier 1 capital and their characteristics as at December 31, 2021, as required by Commission Implementing Regulation No. 1423/2013 (Annex II) is available on the Natixis website *(www.natixis.com)*.

Tier Two (T2) Capital

T2 capital comprises:

- subordinated debt instruments recognized as T2 capital after applying phase-in arrangements;
- deductions made from this category;
- any surplus provisions related to expected losses.

Detailed information on debt instruments recognized in Tier 2 capital and their characteristics as at December 31, 2021, as required by Commission Implementing Regulation No. 1423/2013 (Annex II) is available on the Natixis website *(www.natixis.com)*.

As at December 31, 2021, the transition from shareholders' equity to prudential CET1 capital, Tier 1 capital and total capital after applying phase-in arrangements, is summarized in the table below.

Composition of regulatory capital (EU CC1)

		Amount	Source based on balance sheet reference numbers/letters within the regulatory scope of consolidation
Common Equity Tier 1 capital: instruments and reserves			
1	Capital instruments and the related share premium accounts	9,304	
	o/w ordinary shares	9,304	
	o/w instrument type 2		
	o/w instrument type 3		
2	Retained earnings	5,118	
3	Accumulated other comprehensive income (and other reserves)	2,824	
EU-3a	Fund for general banking risks	0	
4	Amount of qualifying items referred to in Article 484 (3), and the related share premium accounts subject to phase out from CET1)	0	
5	Non-controlling interests (amount allowed in consolidated CET1)	0	
EU-5a	Independently reviewed interim profits net of any foreseeable charge or dividend	614	
6	**Common Equity Tier 1 (CET1) capital before regulatory adjustments**	**17,860**	
Common Equity Tier 1 capital: regulatory adjustments			
7	Additional value adjustments (negative amount)	(546)	
8	Intangible assets (net of related tax liability) (negative amount)	(3,701)	
9	Empty set in the EU		
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)	(692)	1
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments not measured at fair value	(47)	2
12	Negative amounts resulting from the calculation of expected loss amounts	(97)	
13	Any increase in equity that results from securitized assets (negative amount)	0	
14	Gains or losses on liabilities at fair value resulting from changes in own credit standing	10	
15	Defined-benefit pension fund assets (negative amount)	0	
16	Direct, indirect or synthetic holdings by an institution of own CET1 instruments (negative amount)	(8)	
17	Direct, indirect and synthetic holdings of the CET1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to artificially inflate the equity of the institution (negative amount)	0	
18	Direct, indirect and synthetic holdings by the institution of CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above the 10% threshold and net of eligible short positions) (negative amount)	0	
19	Direct, indirect and synthetic holdings of CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	0	
20	Empty set in the EU		
EU-20a	Exposure amount of the following items which qualify for a risk weighting of 1,250%, where the institution opts for deduction	0	
EU-20b	o/w qualifying holdings outside the financial sector (negative amount)	0	
EU-20c	o/w securitization positions (negative amount)	0	
EU-20d	o/w free deliveries (negative amount)	0	
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in 38 (3) are met) (negative amount)	0	

		Amount	Source based on balance sheet reference numbers/letters within the regulatory scope of consolidation
22	Amount exceeding the 17.65% threshold (negative amount)	0	
23	o/w direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities;	0	
24	Empty set in the EU		
25	o/w deferred tax assets arising from temporary differences	0	
EU-25a	Losses for the current fiscal year (negative amount)		
EU-25b	Foreseeable tax expenses relating to CET1 items, unless the institution correctly adjusts the amount of CET1 items when these tax expenses proportionally reduce the amount against which such items can be used to cover risks or losses (negative amount)	0	
26	Empty set in the EU		
27	Qualifying AT1 deductions that exceed the AT1 capital of the institution (negative amount)	0	
27a	Other regulatory adjustments to CET1 capital (including IFRS 9 phase-in arrangements if applicable)	(279)	
28	**Total regulatory adjustments to Common Equity Tier 1 (CET1)**	**(5,360)**	
29	**COMMON EQUITY TIER 1 (CET1)**	**12,499**	
Additional Tier 1 (AT1) capital: instruments			
30	Capital instruments and the related share premium accounts	2,157	
31	o/w classified as equity under applicable accounting standards	2,157	
32	o/w classified as liabilities under applicable accounting standards		
33	Amount of qualifying items referred to in Article 484 (4) and the related share premium accounts which will be progressively excluded from AT1, in accordance with Article 486 (3) of CRR.	0	
EU-33a	Amount of qualifying items referred to in Article 494 a (1) subject to the exclusion of AT1 equity	0	
EU-33b	Amount of qualifying items referred to in Article 494 b (1) subject to the exclusion of AT1 capital.	0	
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including non-controlling interests not included in row 5) issued by subsidiaries and held by third parties	0	
35	o/w instruments issued by subsidiaries subject to phase out		
36	**Additional Tier 1 (AT1) capital before regulatory adjustments**	**2,157**	
Additional Tier 1 (AT1) capital: regulatory adjustments			
37	Direct, indirect or synthetic holdings by an institution of its own AT1 instruments (negative amount)	0	
38	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to artificially inflate the own funds of the institution (negative amount)	0	
39	Direct, indirect and synthetic holdings of AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above the 10% threshold and net of eligible short positions) (negative amount)	0	
40	Direct, indirect and synthetic holdings of AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	(22)	3
41	Empty set in the EU		
42	Qualifying AT2 deductions that exceed the AT2 capital of the institution (negative amount)	0	
42a	Other regulatory adjustments to AT1 capital	0	
43	**Total regulatory adjustments to Additional Tier 1 (AT1) capital**	**(22)**	
44	**Additional Tier 1 (AT1) capital**	**2,135**	

		Amount	Source based on balance sheet reference numbers/letters within the regulatory scope of consolidation
45	**Tier 1 capital (T1 = CET1 + AT1)**	**14,635**	
Tier 2 capital: instruments			
46	Capital instruments and the related share premium accounts	3,800	4
47	Amount of qualifying items referred to in Article 484 (5), and the related share premium accounts subject to phase out from CET5)	45	4
EU-47a	Amount of qualifying items referred to in Article 494 a (2) subject to exclusion of T2 capital	0	
EU-47b	Amount of qualifying items referred to in Article 494 b (2) subject to the exclusion of T2 capital	117	4
48	Qualifying own funds instruments included in consolidated T2 capital (including non-controlling interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties	0	
49	o/w instruments issued by subsidiaries subject to phase out	0	
50	Credit risk adjustments	27	
51	**Tier 2 (T2) capital before regulatory adjustments**	**3,989**	
Tier 2 (T2) capital: regulatory adjustments			
52	Direct, indirect or synthetic holdings by an institution of own T2 instruments and subordinated loans (negative amount)	0	
53	Holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to artificially inflate the own funds of the institution (negative amount)	0	
54	Direct and indirect holdings of the instruments and T2 subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	0	
54a	Empty set in the EU		
55	Direct and indirect holdings of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	(1,110)	3
56	Empty set in the EU		
EU-56a	Deductions of qualifying liabilities exceeding the bank's qualifying liabilities (negative amount)	0	
EU-56b	Other regulatory adjustments to Tier 2 capital	0	
57	**Total regulatory adjustments to Tier 2 (T2) capital**	**(1,110)**	
58	**Tier 2 (T2) capital**	**2,879**	
59	**Total capital (TC = T1 + T2)**	**17,514**	
60	**Total risk exposure amount**	**108,257**	
Capital ratios and buffers			
61	Common Equity Tier 1 (as a percentage of total risk exposure amount)	11.55%	
62	Tier 1 capital (as a percentage of total risk exposure amount)	13.52%	
63	Total capital (as a percentage of total risk exposure amount)	16.18%	
64	Overall CET1 capital requirement of the institution (CET1 requirement in accordance with Article 92 (1), plus additional CET1 requirement that the institution is required to hold in accordance with Article 104 (1) (a) of Directive 36/2013/EU, plus the overall buffer requirement in accordance with Article 128 (6) of Directive 36/2013/EU) expressed as a percentage of the risk exposure amount.	8.30%	
65	o/w capital conservation buffer requirement	2.50%	
66	o/w countercyclical buffer requirement	0.04%	
67	o/w systemic risk buffer requirement	0.00%	

		Amount	Source based on balance sheet reference numbers/letters within the regulatory scope of consolidation
EU-67a	o/w global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer	0.00%	
EU-67b	o/w: additional capital requirements to address risks other than the risk of excessive leverage	1.27%	
68	**Common Equity Tier 1 available to meet buffer requirements (as a percentage of risk exposure amount)**	**5.78%**	
National minima (if different from Basel 3)			
69	(not relevant in EU Regulations)		
70	(not relevant in EU Regulations)		
71	(not relevant in EU Regulations)		
Amount below deduction thresholds (before risk weighting)			
72	Direct and indirect holdings of the capital and qualifying liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	211	5
73	Direct and indirect holdings by the institution of the CET 1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	994	6
74	Empty set in the EU		
75	Deferred tax assets arising from temporary differences (amount below 10% threshold, net of related tax liability where the conditions in Article 38 (3) are met)	449	
Applicable caps on the inclusion of provisions in Tier 2			
76	Credit risk adjustments included in T2 in respect of exposures subject to standardized approach (prior to the application of the cap)	0	
77	Cap on inclusion of credit risk adjustments in T2 under standardized approach	154	
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	27	
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	283	
Capital instruments subject to progressive exclusion			
80	Current cap on CET1 instruments subject to phase-out arrangements	0	
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	0	
82	Current cap on AT1 instruments subject to phase-out arrangements	182	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	0	
84	Current cap on T2 instruments subject to phase-out arrangements	219	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	0	

Table of transition from shareholder's equity to prudential capital after applying phase-in arrangements (EU CC2)

		Balance sheet as in the published financial statements	Transparent treatment of entities held for sale [(a)]	Reprocessing insurance companies	Other restatements	Balance sheet under regulatory scope of consolidation	Reference
		As at December 31, 2021				**As at December 31, 2021**	
Assets - Breakdown by assets according to the balance sheet in the published financial statements							
1	Cash, central banks	48,883	0			48,883	
2	Financial assets at fair value through profit or loss	212,025	1	53	(287)	211,792	
	o/w holdings of CET 1 instruments Capital of Entities of the financial SEC in which the institution does not have a significant investment					*82*	*5*
	o/w holdings of CET 1 instruments of the financial sector in which the institution has a significant investment					*26*	*6*
3	Hedging derivatives	190				190	
4	Financial assets at fair value through other comprehensive income	12,122	12			12,134	
	o/w holdings of CET 1 instruments Capital of Entities of the financial SEC in which the institution does not have a significant investment					*30*	*5*
	o/w holdings of CET 1 instruments of the financial sector in which the institution has a significant investment					*968*	*6*
5	Debt instruments at amortized cost	1,277			(33)	1,244	
6	Loans and receivables due from banks and similar items at amortized cost	86,732	828	(294)	(38)	87,229	
7	Customer loans and receivables at amortized cost	70,146	8	1,528	(2,755)	68,928	
	o/w Subordinated loans to customers – when the institution does not hold a significant investment					*99*	*5*
	o/w Subordinated loans to customers – when the institution holds a significant investment					*1,132*	*3*
8	Insurance business investments		122,691	(122,691)		0	
9	Current tax assets	202	3	(1)		205	
10	Deferred tax assets	1,226	32	(26)	(4)	1,229	
	Loss carryforwards					711	1
	Other temporary differences					518	
11	Accrual accounts and other assets	4,637	601	(264)	26	4,999	
12	Non-current assets held for sale	125,880	(125,479)	0		401	
13	Investments in associates	522	196	2,458		3,176	
14	Investment property	0				0	
15	Property, plant and equipment	964	560	(45)		1,479	
16	Intangible assets	348	316	(148)		515	
17	Goodwill	3,440	231	(93)		3,578	
	Total assets	**568,594**	**0**	**(119,522)**	**(3,091)**	**445,981**	
Liabilities- Breakdown by liability according to the balance sheet in the published financial statements							
1	Central banks						
2	Financial liabilities at fair value through profit or loss	200,628	5,523	(2,489)	1	203,663	
	of which Tier 2 subordinated loans at fair value net of discount					*8*	*4*
3	Hedging derivatives	288				288	
4	Deposits and loans due to banks and similar items	135,863	3,016	(3,023)		135,855	
5	Deposits and loans due to customers	34,355	120	258		34,733	

		Balance sheet as in the published financial statements	Transparent treatment of entities held for sale [(a)]	Reprocessing insurance companies	Other restatements	Balance sheet under regulatory scope of consolidation	Reference
		As at December 31, 2021				As at December 31, 2021	
6	Debt securities	38,723		83	(3,082)	35,725	
7	Revaluation adjustments on portfolios hedged against interest rate risk	133				133	
8	Current tax liabilities	626	11	8		645	
9	Deferred tax liabilities	454	39	(36)	(3)	454	
	of which Deferred tax liabilities associated with deferred tax assets that depend on future profits and do not result from other temporary differences					*19*	*1*
10	Accrual accounts and other liabilities	6,435	1,495	(282)	(5)	7,643	
11	Liabilities on assets held for sale	124,366	(124,290)			76	
12	Liabilities related to insurance policies	0	113,747	(113,747)		0	
13	Provisions	1,580	89	(42)	(1)	1,625	
14	Subordinated debt	4,073	251	(251)		4,073	
	of which subordinated loans under the regulatory Tier 2 category, net of discount					*3,954*	*4*
	Total liabilities	**547,523**	**0**	**(119,521)**	**(3,090)**	**424,912**	
Shareholders' equity							
1	Shareholders' equity (Group share)	20,868				20,868	
	of which Cash flow hedge reserve					*47*	*2*
2	Non-controlling interests	202				202	
	Total equity	**21,070**				**21,070**	

(a) The entities of the Insurance and Payments divisions as well as the structure carrying the associated operating resources (Natixis Immo Exploitation) to be sold to BPCE during the first quarter of 2022 are presented as assets and liabilities on a dedicated line (assets held for sale) in Natixis' statutory financial statements. Under the prudential approach, the underlying assets and liabilities must continue to be presented transparently according to their original management intention (to be then broken down by Basel exposure categories or by market risk exposure).

3.3.1.4 Changes in regulatory capital, regulatory capital requirements and ratios in 2021

Regulatory capital and capital adequacy ratio

The 2021 CET1, Tier 1 Capital and total ratios are presented below by major component. The same ratios at end-2020 are shown by way of comparison.

In accordance with the Basel 3/CRR regulatory framework, under Pillar I, these ratios must exceed the minimum limits of 4.5%, 6% and 8%, respectively, in addition to the cumulative safety buffers of 7.03%, 8.53% and 10.53%, respectively for 2020, and of 7.04%, 8.54% and 10.54%, respectively for 2021.

Total capital ratio

(in millions of euros)	**Dec. 31, 2021**	Dec. 31, 2020
Shareholders' equity (Group share)	**20,868**	**19,229**
Deeply subordinated notes (DSN)	2,248	1,978
Perpetual subordinated notes (PSN)	0	0
Consolidated shareholders' equity (Group share) net of DSNs and PSNs	**18,620**	**17,251**
Non-controlling interests (Amount before phase-in arrangements)	202	167
Intangible assets	(378)	(432)
Goodwill	(3,323)	(3,213)
Dividends proposed to the General Shareholders' Meeting and expenses	(789)	(189)
Deductions, prudential restatements and phase-in arrangements	(1,832)	(1,440)
Total Common Equity Tier 1 capital	**12,499**	**12,143**
Deeply subordinated notes (DSNs) and preferred shares	2,157	2,073
Additional Tier 1 capital	0	0
Tier 1 deductions and phase-in arrangements	(22)	(22)
Total Tier 1 capital	**14,635**	**14,194**
Tier 2 instruments	3,962	3,201
Other Tier 2 capital	27	51
Tier 2 deductions and phase-in arrangements	(1,110)	(1,110)
Overall capital	**17,514**	**16,337**
Total risk-weighted assets	**108,257**	**104,985**
Credit risk-weighted assets	81,024	78,869
Market risk-weighted assets	13,352	13,128
Operational risk-weighted assets	13,882	12,988
Other risk-weighted assets	0	0
Capital adequacy ratios		
Common Equity Tier 1 ratio	11.5%	11.6%
Tier 1 ratio	13.5%	13.5%
Total capital ratio	16.2%	15.6%

Geographical distribution of credit exposures used in the countercyclical buffer (CCYB1)

(in millions of euros)	General credit exposures		Relevant credit exposure – market risk				Capital requirements						
	Exposure at default under the standardized approach	Exposure at default under the IRB approach	Sum of long and short exposure positions in the trading book for the standardized approach	Value of trading book exposures for internal models	Securitization exposures Non-trading book exposure at default	Total exposure value	Relevant credit risk exposures – credit risk	Relevant credit exposure – market risk	Relevant credit exposure – securitization positions in the non-trading book	Total	Risk-weighted exposure amount	Capital requirement weightings *(%)*	Countercyclical buffer rate *(%)*
010 Breakdown by country:													
Bulgaria		2				2	0			0	1	0.00%	0.50%
Czechia			0			0		0		0	0	0.00%	0.50%
Hong Kong	2	2,825	25			2,852	84	0		84	1,051	1.44%	1.00%
Luxembourg	78	6,125	41,074	176		47,454	242	3		245	3,067	4.20%	0.50%
Norway	0	360	2			362	10	0		10	125	0.17%	1.00%
Slovakia	0			29		30	0	0		0	1	0.00%	1.00%
Sub-total	**81**	**9,313**	**41,101**	**205**		**50,699**	**336**	**4**		**340**	**4,245**	**5.82%**	
Other countries with a 0% risk weighting	10,804	105,373	7,764	14,626	13,997	152,564	5,099	198	202	5,499	68,740	94.18%	
020 TOTAL	**10,884**	**114,685**	**48,864**	**14,832**	**13,997**	**203,263**	**5,434**	**202**	**202**	**5,839**	**72,984**	**100.00%**	

Amount of institution-specific countercyclical capital buffer (CCYB2)

	(in millions of euros)	
1	**TOTAL RISK EXPOSURE AMOUNT**	**108,257**
2	**INSTITUTION-SPECIFIC COUNTERCYCLICAL CAPITAL BUFFER RATE**	**0.037%**
3	**INSTITUTION-SPECIFIC COUNTERCYCLICAL CAPITAL BUFFER REQUIREMENT**	**40**

Prudential valuation adjustments (PV1)

(in millions of euros)		Risk category					Category AVA – Valuation uncertainty				
Category AVA		Equity	Interest rates	Foreign exchange	Credit	Raw material	AVA relating to prepaid credit spreads	AVA relating to investment and financing costs	Full category AVA after diversification	Of which: Total main approach in the trading book	o/w Total main approach in the banking book
1	Market price uncertainty	64	13	7	35	1	24	16	80	63	18
3	Closeout cost	62	3	9	48	4	24		75	51	24
4	Concentrated positions	132			1				133	133	
5	Early termination										
6	Model risk	60	2	2	2		3		35	35	
7	Operational risk	6	1	1	4	0			12	9	4
10	Future administrative costs	21	173	5	8	0			207	207	0
12	**TOTAL ADDITIONAL VALUE ADJUSTMENTS (AVA)**	**346**	**192**	**24**	**98**	**5**	**51**	**16**	**543**	**498**	**45**

€3 million in Additional Valuation Adjustments (AVA) relating to uncertainties concerning the adjustments made to the valuation of an instrument in order to reflect the counterparty risk (Unearned Credit Spread - UCS), on the one hand and, on the other hand, the financing/investment cost used for the valuation of the exit price of an instrument (Investing and funding costs - IFC) must be added to obtain the total amount of AVA deducted from equity capital.

Non-deducted participations in insurance undertakings (EU INS1)

(in millions of euros)		Exposure at default	Risk exposure amount
1	Equity instruments held in insurance or reinsurance undertakings or insurance holding companies not deducted from equity	2,843	9,941

The change in prudential capital under Basel 3/CRR over the period is shown below:

Changes in prudential capital after applying phase-in arrangements for the period

(in millions of euros)	2021
Common Equity Tier 1 (CET1)	
Amount at start of period	12,143
New instruments issued (including issue premiums)	3
Instruments redeemed	0
Retained earnings from previous periods	(378)
Net income/(loss) for the period	1,403
Gross dividend proposed	(789)
Dividend payout in new shares	
Changes in other comprehensive income	
Translation adjustments	347
Available-for-sale assets	(133)
Cash flow hedge reserves (CFH)	34
Other	249
Other	(173)
Non-controlling interests	
Filters and deductions not subject to the phase-in arrangements	
Goodwill and intangible assets	(56)
Own credit risk	57
Other comprehensive income CFH	(34)
Prudent valuation adjustment	(157)
Other	(8)
Other, including the prudential adjustments and phase-in arrangements	
Deferred tax assets that rely on future earnings (excluding temporary differences)	(3)
Deductions in respect of breaches of capital thresholds	0
Other	(6)
Impact of phase-in arrangements	0
o/w impact of changes in phase-in rate	0
o/w impact of change in base subject to phase-in arrangements	0
Amount of Common Equity Tier 1 (CET1) at end of period	**12,499**
Additional Tier 1 (AT1) capital	
Amount at start of period	2,051
New eligible instruments issued	881
Redemptions during the period	(682)
Other, including prudential adjustments and phase-in arrangements	(115)
o/w impact of changes in phase-in rate	(183)
o/w other impact of changes in base	67
Amount of Additional Tier 1 (AT1) capital at end of period	**2,135**
Tier 1 capital	**14,635**
Tier 2 capital	
Amount at start of period	2,142
New eligible instruments issued	1,800
Redemptions during the period	(900)
Other, including prudential adjustments and phase-in arrangements	(163)
o/w impact of changes in phase-in rate	0
o/w other impact of changes in base	(163)
Amount of Tier 2 capital at end of period	**2,879**
TOTAL REGULATORY CAPITAL	**17,514**

Common Equity Tier 1 (CET1 Capital) totaled €12.5 billion as at December 31, 2021, up +€0.4 billion over the period. This increase is mainly due to the following changes:

- profit for the fiscal year of €1.4 billion;
- changes in other items of comprehensive net income (recyclable gains and losses directly recognized in shareholders' equity and an exchange rate effect relating to changes in the euro/dollar exchange rate for €0.3 billion) for €0.5 billion;
- revaluation of commitments to buy out the interests of certain non-controlling interests for-€0.1 billion;
- coupons paid on deeply subordinated notes recognized as a deduction from shareholders' equity for -€0.1 billion;
- prudential deductions for goodwill and intangible assets for-€0.1 billion and the increase in the prudential valuation adjustment for-€0.2 billion;
- proposed payment of a dividend of twenty-five cents per share, i.e. -€0.8 billion.
- other deductions for-€0.2 billion.

Additional Tier 1 capital increased by +€0.1 billion to €2.1 billion, mainly due to the effect of foreign exchange and the renewal of resources as part of the search for optimization of costs of financing.

Tier 2 capital came to €2.9 billion, the discount on issuance totaling -€0.1 billion for the period. A new asset of +€0.9 billion was made in the fourth quarter to replace a security of +€0.5 billion which matured (therefore fully amortized) on December 15, 2021. Other operations to optimize and rejuvenate resources were carried out during the fiscal year but without impact on the final inventory.

At €108.3 billion, risk-weighted assets increased by +€3.3 billion during fiscal year 2021.

Risk-weighted assets (NX07)

(in billions of euros)	Credit risk	CVA	Market risk	Operational risk	Total RWA
31/12/2020	**76.6**	**2.3**	**13.1**	**13.0**	**105.0**
Foreign exchange movements	1.3	0.0	0.0	0.0	1.3
Change in business activity	6.9	0.0	1.8	0.9	9.6
Change in risk parameters	(0.8)	0.0	(1.6)	0.0	(2.4)
Acquisitions and disposals of investments	(1.3)	0.0	0.0	0.0	(1.3)
Impact of guarantees	(4.0)	0.0	0.0	0.0	(4.0)
31/12/2021	**78.7**	**2.3**	**13.4**	**13.9**	**108.3**

The +€2.1 billion increase in credit risk over the period was primarily due to the following factors:

- an increase in outstandings (+€6.9 billion) concentrated in Corporate & Investment Banking;
- the effect of risk factors (-€0.8 billion);
- the impact of the appreciation of the dollar against the euro (+€1.3 billion);
- the sale of the 29.5% stake in Coface to Arch Capital for a decrease of -€1.3 billion;
- a guarantee effect of -€4 billion, notably linked to the implementation of guarantees.

The +€0.02 billion increase in CVA can primarily be attributed to changes in by lower exposures.

The increase in market risks of +€0.2 billion, mainly due to the normalization of market conditions after the health crisis, partly offset by a change in activity.

Operational risk was up by €0.9 billion following the increase in revenues from the business lines.

Basel 3 RWA by main Natixis business line (NX02)

		Basel 3 RWA as at 31/12/2021		
Division *(in millions of euros)*	**Total**	Credit [(a)]	Market [(b)]	Operational
Corporate & Investment Banking [(c)]	71,862	52,529	12,644	6,689
Asset & Wealth Management	14,593	9,974	181	4,438
Insurance	9,496	9,496		
Payment	1,236	350		886
Corporate Center	10,597	5,905	2,824	1,868
Coface	472	472		
TOTAL AS AT 31/12/2021	**108,257**	**78,727**	**15,648**	**13,882**
Total as at 31/12/2020	**104,985**	**76,585**	**15,412**	**12,988**

(a) Including counterparty risk.
(b) Including €9 million in settlement/delivery risk and €2,296 million in respect of the CVA RWA.
(c) Including Treasury and Collateral Management.

3.3.1.5 Capital planning

Capital planning consists of determining Natixis' target capital adequacy level, continually ensuring compliance with regulatory capital requirements in all compartments and capital adequacy in line with the risk appetite defined by the institution, and adapting capital allocation and measurement of business line profitability accordingly.

In 2021, Natixis' ratio was thus maintained above a level of 11%.

The capital planning system adapts all processes with the aim of ultimately meeting the requirements of the supervisory authorities, shareholders and investors:

- continuously maintaining the targets set in terms of capital adequacy;
- the development of the Natixis internal capital adequacy assessment process (ICAAP), carried out using two approaches:
  - a so-called "normative" approach aimed at measuring the impact on Natixis of internal stress tests over a three-year period based on the Pillar I regulatory baseline,
  - a so-called "economic" approach which consists of identifying, quantifying and hedging risks with internal capital over a short-term horizon (1 year) and using internal methodologies. At Natixis level, the methodologies developed allow a better assessment of the risks already covered under Pillar I, and also an additional assessment of risks not covered by Pillar I;
- projecting capital requirements specific to business lines, within the framework of Natixis' overall capital adequacy policy;
- anticipating regulatory changes and their impact on Natixis' various business lines;
- implementing a system for analyzing the capital consumption of the business lines and their profitability on the basis of Basel 3/CRR-CRR3 risk-weighted assets;
- allocating capital to the business lines, within the framework of strategic plan and annual budget procedures, taking into account business requirements, profitability and balance between the core business divisions.

Outlook

Capital management now anticipates future changes in the short/medium term: implementation of the revised Basel 3 system, implementation of the provisions around the Resolution, BRRD2/SRMR2, in line with the implementation of the SRB policies transfer of Payments & Insurance activities to BPCE S.A., etc.

Natixis contributes to the collection of detailed information on liabilities, as required by the SRB at Groupe BPCE level.

3.3.2 Other regulatory ratios

3.3.2.1 Leverage ratio

Since January 1, 2014, the leverage ratio must be calculated and reported to the European supervisor by the credit institutions. The leverage risk framework, introduced by the Basel Committee, was incorporated into the CRR Regulation: the leverage ratio is defined as the ratio between the institution's Tier 1 capital and the bank's balance sheet exposures (after taking into account certain restatements, in particular for derivatives and repurchase agreements) and off-balance sheet exposures (after applying balance sheet conversion factors). Its publication as part of the financial communication is mandatory since January 1, 2015.

From June 2021, with the CRR2 Regulation, the leverage ratio has become a requirement to be complied with at all times by institutions. This requirement, which amounts to 3% of Tier 1 capital, may trigger the activation of the Maximum Distributable Amount (MDA). To address the risk of excessive leverage, the supervisor may impose additional capital requirements.

The CRR2 Regulation modifies the rules for calculating the leverage ratio by excluding certain exposures (notably "incentive" loans and assets linked to central banks, subject to conditions). New rules for offsetting and calculating exposure to derivatives have also been introduced.

Natixis calculates and publishes its leverage ratio according to the CRR2 rules, and implements the actions needed to converge towards the target ratio under consideration.

Comparison of accounting exposures and leverage exposures (LR1)

(in millions of euros)		Applicable amount
1	**Total assets according to reported financial statements**	**568,593**
2	Adjustment for entities consolidated from an accounting point of view but which do not fall within the scope of prudential consolidation	(122,609)
3	(Adjustment for securitized exposures that meet the operational requirements for transfer of risk)	
4	(Adjustment for temporary exemption of exposures to central banks (where applicable))	(34,660)
5	(Adjustment for fiduciary assets recognized on the balance sheet in accordance with the applicable accounting framework but excluded from the total exposure measurement under Article 429 a (1) (i) of the CRR).	
6	Adjustment for normalized purchases and sales of financial assets recognized at the transaction date	
7	Adjustment for qualifying centralized cash management system transactions	
8	Adjustments for derivative financial instruments	(10,281)
9	Adjustment for securities financing transactions (SFTs)	7,939
10	Adjustment for off-balance sheet items (resulting from the translation of off-balance sheet exposures into credit equivalent amounts)	47,267
11	(Adjustment for valuation adjustments for prudent valuation purposes and specific and general provisions that reduced Tier 1 capital)	
EU-11a	(Adjustment for exposures excluded from the total exposure measurement under Article 429 a (1) (c) of the CRR)	(110,155)
EU-11b	(Adjustment for exposures excluded from the total exposure measurement under Article 429 a (1) (j) of the CRR)	
12	Other adjustments	(15,497)
13	**MEASUREMENT OF TOTAL EXPOSURE**	**330,598**

3.3.2.2 Oversight of the leverage ratio

Under the French Ministerial Order of November 3, 2014 on internal control by companies in the banking, payment services and investment services sector subject to the supervision of the ACPR, the companies in question are required to set overall limits and establish policies and processes to detect, manage and monitor excessive leverage risk.

For several years now, Natixis has put in place a governance structure and an organization to manage its leverage ratio, calculated according to the CRR2 standard since June 30, 2021 by including the exclusion – under certain conditions – of cash placed in the deposit facility of the Banque de France global exposure. Senior management has defined a steering threshold, set at 4% in 2021 (for a minimum regulatory threshold of 3%), the monitoring and management of which are supervised by the Natixis ALM Committee. The BOAT department coordinates compliance with this constraint with the business lines under the control of the risk function.

The leverage ratio was included in the bank's risk appetite framework with a threshold and limit approved by the Board of Directors' Risk Committee.

Leverage ratio (LR2)

	Leverage ratio exposures under the CRR *(in millions of euros)*	31/12/2021	30/06/2021
Balance sheet exposures (excluding derivatives and SFTs)			
1	Items recorded on the balance sheet (excluding derivatives and SFTs, but including collateral)	279,662	277,620
2	Addition of the amount of collateral provided for derivatives, when they are deducted from balance sheet assets in accordance with the applicable accounting framework		
3	(Deduction of receivables recognized as assets for cash variation margin provided in derivative transactions)	(10,196)	(10,726)
4	(Adjustment for securities received in connection with securities financing transactions that are recognized as assets)		
5	(Adjustments for general credit risk of balance sheet items)		
6	(Amounts of assets deducted when determining Tier 1 capital)	(5,301)	(4,997)
7	**TOTAL ON-BALANCE SHEET EXPOSURES (EXCLUDING DERIVATIVES AND SFTS)**	**264,165**	**261,898**
Derivative exposures			
8	Replacement cost of all SA-CCR derivative transactions (i.e. net of eligible cash variation margins)	12,552	13,913
EU-8a	Derogation for derivatives: contribution of replacement costs under the simplified standardized approach		
9	Mark-up amounts for potential future exposure associated with SA-CCR derivative transactions	26,098	28,779
EU-9a	Derogation for derivatives: Contribution of potential future exposure under the simplified standardized approach		
EU-9b	Exposure determined by applying the original exposure method		
10	(CCP leg exempted from exposures to customer cleared transactions) (SA-CCR)		
EU-10a	(CCP leg exempted from exposures to customer cleared transactions) (simplified standardized approach)		
EU-10b	(CCP leg exempted from exposures to customer cleared transactions) (original exposure method)		
11	Adjusted effective notional value of written credit derivatives	16,683	16,418
12	(Adjusted actual notional differences and add-on deductions for written credit derivatives)	(10,655)	(11,184)
13	**TOTAL DERIVATIVE EXPOSURES**	**44,678**	**47,926**
Exposure on securities financing transactions (SFTs)			
14	Gross SFT assets (excluding netting) after adjustment for transactions recognized as written	108,809	78,761
15	(Net value of cash payables and receivables of gross SFT assets)	(31,186)	(21,052)
16	Counterparty credit risk exposure for SFT assets	7,939	7,005
EU-16a	Derogation for SFTs: Exposure to counterparty credit risk in accordance with Article 429 e (5) and Article 222 of the CRR		
17	Exposures when the institution acts as agent		
EU-17a	(CCP leg exempted from customer cleared SFT exposures)		

Leverage ratio exposures under the CRR *(in millions of euros)*		31/12/2021	30/06/2021
18	**TOTAL EXPOSURE TO SECURITIES FINANCING TRANSACTIONS**	**85,562**	**64,714**
Other off-balance sheet exposures			
19	Off-balance sheet exposures at gross notional value	98,125	91,264
20	(Adjustments for conversion into equivalent credit amounts)	(51,777)	(46,801)
21	(General provisions deducted when determining Tier 1 capital and specific provisions associated with off-balance sheet exposures)		
22	**OFF-BALANCE SHEET EXPOSURES**	**46,347**	**44,463**
Excluded exposures			
EU-22a	(Exposures excluded from total exposure measurement under Article 429 a (1) (c) of the CRR)	(110,155)	(89,865)
EU-22b	(Exposures exempted under Article 429 a (1) (j) of the CRR (on-balance sheet and off-balance sheet))		
EU-22c	(Exclusions of exposure of public development banks (or units of banks) – Public investments)		
EU-22d	(Exclusions of exposure of public development banks (or units of banks) – Incentive loans)		
EU-22nd	(Exclusions of exposures arising from the transfer of incentive loans by banks (or units of banks) that are not public development banks)		
EU-22f	(Exclusions of secured portions of exposures resulting from export credits)		
EU-22g	(Exclusions of excess collateral deposited with tripartite agents)		
EU-22h	(Exclusion of CSD services provided by institutions/CSDs, pursuant to Article 429 a (1) (o) of the CRR)		
EU-22i	(Exclusion of CSD services provided by designated institutions, pursuant to Article 429 a (1) (p) of the CRR).		
EU-22d	(Reduction of the exposure value of pre-financing or intermediary loans)		
EU-22K	**(TOTAL EXEMPT EXPOSURES)**	**(110,155)**	**(89,865)**
Capital and total exposure measurement			
23	**TIER 1 CAPITAL**	**14,635**	**14,016**
24	**MEASUREMENT OF TOTAL EXPOSURE**	**330,598**	**329,136**
Leverage ratio			
25	Leverage ratio *(%)*	4.4%	4.3%
EU-25	Leverage ratio (excluding the impact of the exemption of public investments and incentive loans) *(%)*	4.4%	
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) *(%)*	4.0%	4.0%
26	Minimum leverage ratio regulatory requirement *(%)*	3.1%	3.1%
EU-26a	Additional capital requirements to address excessive leverage risk *(%)*		
EU-26b	o/w: to be created with CET1 Capital		
27	Leverage ratio buffer requirement *(%)*		
EU-27a	Choice of phase-in arrangements and relevant exposures	3.1%	3.1%
Overall leverage ratio requirement *(%)*			
EU-27b	Choice of phase-in arrangements for the definition of capital measurement		
Publication of average values			
28	Average daily values of gross SFT assets, after adjustment for transactions recognized as written and net of corresponding cash payables and receivables	93,016	87,205
29	End-of-quarter value of gross SFT assets, after adjustment for transactions recognized as written and net of corresponding cash payables and receivables	77,624	57,709
30	Total exposure measurement (including the impact of any applicable temporary exemption from central bank reserves) including the average values of gross SFT assets in line 28 (after adjustment for transactions recognized as written and net of corresponding cash payables and receivables)	345,990	358,633

Leverage ratio exposures under the CRR *(in millions of euros)*		**31/12/2021**	**30/06/2021**
30a	Total exposure measurement (excluding the impact of any applicable temporary exemption from central bank reserves) including the average values of gross SFT assets in line 28 (after adjustment for transactions recognized as written and net of corresponding cash payables and receivables)	380,650	380,804
31	Leverage ratio (including the impact of any applicable temporary exemption from central bank reserves) including the average values of gross SFT assets in line 28 (after adjustment for transactions recognized as written and net of corresponding cash payables and receivables)	4.2%	3.9%
31a	Leverage ratio (excluding the impact of any applicable temporary exemption from central bank reserves) including the average values of gross SFT assets in line 28 (after adjustment for transactions recognized as written and net of corresponding cash payables and receivables).	3.8%	3.7%

Breakdown of on-balance sheet exposures (excluding derivatives, SFT and exempt exposure) (LR3)

(in millions of euros)		**Leverage ratio exposures under the CRR**
EU-1	**TOTAL ON-BALANCE SHEET EXPOSURES (EXCLUDING DERIVATIVES, SFTS AND EXEMPT EXPOSURES), OF WHICH:**	**188,132**
EU-2	Trading book exposures	70,914
EU-3	Banking book exposures, o/w:	117,218
EU-4	Covered bonds	491
EU-5	Exposures considered as sovereign	29,245
EU-6	Exposures to regional governments, multilateral development banks, international organizations and public sector entities not considered as sovereign borrowers	538
EU-7	Institutions	13,014
EU-8	Exposures secured by mortgages on immovable property	835
EU-9	Retail exposures	680
EU-10	Corporates	53,762
EU-11	Defaulted exposures	3,276
EU-12	Other exposures (including equities, securitizations and other assets not corresponding to credit obligations)	15,377

3.3.2.3 Large exposures ratio

Large exposures ratio

The regulation on the control of major risks was reviewed in 2014 when it was incorporated into the CRR. The objective of this regulation is to limit the exposure of a credit institution to the risks associated with a set of counterparties, grouped under a "Group Head". Compliance with these regulations is measured daily, ensuring that risk-weighted assets (RWA) relating to each "Head of Group" are systematically lower than the Large Exposure Limit, currently set at 10% of Natixis' total capital. Natixis complied with this regulation throughout fiscal year 2021.

3.3.3 Breakdown and changes in risk-weighted assets

3.3.3.1 Exposure to credit and counterparty risks

RWA overview (EU OV1)

		Total Risk Exposure Amount (TREA)		Total capital requirements
		31/12/2021	30/06/2021 *	31/12/2021
(in millions of euros)		**67,078**	**68,128**	**5,366**
2	o/w standardized approach	9,968	9,850	797
3	o/w NI simple approach (F-IRB)	1,161	1,091	93
4	o/w referencing approach			
EU 4a	o/w equity under the simple risk-weighted approach	15,875	15,603	1,270
5	Including NI Advanced Approach (A-IRB)	37,589	39,348	3,007
6	**Counterparty credit risk – CCR**	**11,416**	**12,770**	**913**
7	o/w standardized approach	2,019	3,054	162
8	o/w internal model method (IMM)	4,334	4,723	347
EU 8a	o/w exposures on a CCP	407	398	33
EU 8b	o/w credit valuation adjustment – CVA	2,296	2,618	184
9	o/w other CCRs	2,361	1,978	189
15	**Settlement risk**	**9**	**29**	**1**
16	**Securitization exposures in non-trading book (after cap)**	**2,529**	**3,309**	**202**
17	o/w SEC A-IRB approach	387	995	31
18	o/w SEC-ERBA (including IAA)	213	417	17
19	o/w SEC-SA approach	1,593	1,545	127
EU 19a	o/w 1,250%/deduction	336	352	27
20	**Position, currency and commodity risks (Market risk)**	**13,343**	**10,702**	**1,067**
21	o/w standardized approach	7,772	6,446	622
22	o/w internal models approach	5,571	4,256	446
EU 22a	**Major risks**			
23	**Operational risk**	**13,882**	**12,988**	**1,111**
EU 23a	Of which elementary approach			
EU 23b	o/w standardized approach	13,882	12,988	1,111
EU 23c	Of which advanced measurement approach			
24	**Amount below the deduction thresholds (subject to a weighting of 250%)**	**3,609**	**3,407**	**289**
29	**TOTAL**	**108,257**	**107,926**	**8,661**

* *The data provided in line 24 are for information purposes only since the amounts indicated here are also included in line 1.*
However, €2,485 million of equities excluding the simple weighting method subject to a weighting of 250% could not be placed among the sub-totals defined for credit risk excluding CCR although included in the total in line 1.

EAD by rating source – Standardized approach (NX11 bis)

Exposure class *(in millions of euros)*	Fitch	Moody's	STP	BDF	Total
Corporates	**5**		**218**	**55**	**278**
Institutions	**1**	**117**	**114**		**232**
Governments and central banks	**479**	**4,467**	**1,359**	**65**	**6,371**
Governments and central banks	40	4,219	795		5,054
International organizations					
Multilateral development banks					
Regional governments or local authorities	61	15	99		175
Public sector entities	378	233	465	65	1,141
Retail				**4**	**4**
SMEs included in Retail category				4	4
Other exposures included in Retail category					
Exposures secured by mortgages on immovable property					
SMEs treated in the category of exposures guaranteed by a mortgage on real estate					
Other exposures secured by mortgages on immovable property					
Defaulted exposures				**9**	**9**
Exposures to institutions and corporates with a short-term credit assessment	**11**	**40**	**151**	**3**	**205**
TOTAL AS AT 31/12/2021	**497**	**4,624**	**1,842**	**136**	**7,099**
TOTAL AS AT 31/12/2020	**548**	**375**	**1,796**	**115**	**2,834**

Guaranteed exposures by type and internal rating of guarantor (NX17)

	Type of guarantor			
S&P equivalent internal rating *(in %)*	Institutions	Corporates	Central governments and central banks	Retail
AAA			1.9%	
AA+, AA, AA-	11.5%	17.8%	88.6%	
A+, A, A-	80.1%	70.8%	0.7%	
BBB+, BBB, BBB-	8.3%	8.1%	8.5%	
BB+, BB, BB-		1.9%	0.1%	
B+, B, B-		0.2%		
C				
Not rated*		1.3%	0.1%	
TOTAL AS AT 31/12/2021	**100.0%**	**100.0%**	**100.0%**	

* *Unrated: excluding exposures guaranteed by Groupe BPCE affiliates.*

Model for key indicators (EU KM1)

(in millions of euros)		31/12/2021	30/09/2021	30/06/2021	31/03/2021	31/12/2020
	Available own funds (amounts)					
1	Common Equity Tier 1 (CET1)	12,499	11,998	12,113	12,155	12,143
2	Tier 1 capital	14,635	13,921	14,016	14,066	14,194
3	Total own funds	17,514	16,116	16,233	16,334	16,337
	Risk-weighted exposure amount					
4	Total risk exposure amount	108,257	108,977	107,926	105,675	104,985
	Capital ratios *(as a percentage of risk-weighted exposure amount)*					
5	Common Equity Tier 1 ratio *(%)*	11.5%	11.0%	11.2%	11.5%	11.6%
6	Tier 1 capital ratio *(%)*	13.5%	12.8%	13.0%	13.3%	13.5%
7	Total capital ratio *(%)*	16.2%	14.8%	15.0%	15.5%	15.6%
	Additional capital requirements to address risks other than excessive leverage risk (as a percentage of the risk-weighted exposure amount)					
EU 7a	Additional capital requirements to address risks other than excessive leverage risk *(%)*	2.3%	2.3%	2.3%	2.3%	2.3%
EU 7b	o/w to be satisfied with common equity tier 1 capital *(percentage points)*	1.3%	1.3%	1.3%	1.3%	1.3%
EU 7c	o/w to be satisfied with Tier 1 capital *(percentage points)*	1.7%	1.7%	1.7%	1.7%	1.7%
EU 7d	Total SREP capital requirements *(%)*	10.3%	10.3%	10.3%	10.3%	10.3%
	Total buffer requirement and total capital requirement (as a percentage of the risk-weighted exposure amount)					
8	Capital conservation buffer *(%)*	2.5%	2.5%	2.5%	2.5%	2.5%
EU 8a	Conservation buffer arising from the macroprudential or systemic risk observed at the level of a Member State *(%)*					
9	Institution-specific countercyclical capital buffer *(%)*	0.0%	0.0%	0.0%	0.0%	0.0%
EU 9a	Systemic risk buffer *(%)*					
10	Global systemically important institution buffer *(%)*					
EU 10a	Other systemically important institution buffer *(%)*					
11	Overall buffer requirement *(%)*	2.5%	2.5%	2.5%	2.5%	2.5%
EU 11a	Total capital requirements *(%)*	12.8%	12.8%	12.8%	12.8%	12.8%
12	CET1 capital available after compliance with total SREP capital requirements *(%)*	5.8%	4.5%	4.8%	5.2%	5.3%
	Leverage ratio					
13	Measurement of total exposure	330,598	328,103	329,136	386,468	370,669
14	Leverage ratio *(%)*	4.4%	4.2%	4.3%	3.6%	3.8%
	Additional capital requirements to address the risk of excessive leverage (as a percentage of the total exposure measurement)					
EU 14a	Additional capital requirements to address excessive leverage risk *(%)*	0.0%	0.0%	0.0%		
EU 14b	o/w to be satisfied with common equity tier 1 capital (percentage points)	0.0%	0.0%	0.0%		
EU 14c	Total SREP leverage ratio requirement *(%)*	3.1%	3.1%	3.1%		
	Leverage ratio buffer requirement and overall leverage ratio requirement (as a percentage of total exposure measurement)					
EU 14d	Leverage ratio buffer requirement *(%)*	Not applicable	Not applicable	Not applicable		
EU 14th	Overall leverage ratio requirement *(%)*	3.1%	3.1%	3.1%		
	Liquidity coverage ratio					
15	Total High Quality Liquid Assets (HQLA) (weighted average)	63,583	62,338	53,279	59,260	51,535
EU 16a	Cash outflows – Total weighted value	112,478	115,336	105,509	110,402	105,151
EU 16b	Cash inflows – Total weighted value	52,736	56,777	56,621	52,486	56,078
16	Total net cash outflows (adjusted value)	59,741	58,560	48,888	57,915	49,073
17	Liquidity requirement coverage ratio *(%)*	106.4%	106.5%	109.0%	102.3%	105.0%
	Net stable funding requirement					
18	Total available stable funding	154,236	150,271	147,709		
19	Total required stable funding	147,513	148,582	146,997		
20	NSFR ratio *(%)*	104.6%	101.1%	100.5%		

3.3.3.2 Credit risks

Credit risk management methodologies are described in Note 3.2.4 "Credit and counterparty risk management".

The principles adopted for defaulted outstandings and restructured loans are presented in Notes 5.1 and 5.3 of Chapter 5 "Consolidated financial statements at December 31, 2021".

A – Credit risk mitigation techniques

Credit risk mitigation techniques (CR3)

(in millions of euros)	Carrying amount not guaranteed	Guaranteed carrying amount	Of which secured by collateral	Of which guaranteed by financial guarantees	Of which guaranteed by credit derivatives
Loans and advances	169,750	37,374	16,671	20,703	0
Debt securities	14,013	192	192	0	
TOTAL	**183,763**	**37,566**	**16,864**	**20,703**	**0**
Of which non-performing exposures	*2,207*	*1,025*	*250*	*775*	*0*
o/w defaulted	*2,207*	*1,025*	*250*	*775*	*0*

IRB – internal rating – effect on RWA of credit derivatives used as CRM techniques (CR7)

(in millions of euros)		Risk weighted exposure amount before credit derivatives	Actual risk-weighted exposure amount
1	**Exposures subject to the standard IRB approach**	**1,161**	**1,161**
2	Governments and central banks	470	470
3	Institutions	30	30
4	Corporates	662	662
4,1	*o/w Corporates – SMEs*	*253*	*253*
4,2	*o/w Corporates – Specialized lending*		
5	**Exposures subject to the advanced IRB approach**	**47,094**	**37,589**
6	Governments and central banks	237	237
7	Institutions	1,555	1,555
8	Corporates	45,302	35,796
8,1	*o/w Corporates – SMEs*	*821*	*821*
8.2	*o/w Corporates – Specialized lending*	*4,886*	*4,886*
9	Retail		
9,1	*o/w Retail customers – SMEs – Guaranteed by real estate collateral*		
9,2	*o/w Retail customers – non-SMEs – Guaranteed by real estate collateral*		
9.3	*o/w Retail – qualifying revolving exposures*		
9.4	*o/w Retail customers – Other SMEs*		
9.5	*o/w Retail – other non-SMEs*		
10	**TOTAL (INCLUDING SIMPLE AND ADVANCED EQUITY EXPOSURE)**	**48,255**	**38,750**

Sovereign exposures [1] (GOV)

	Banking book				Trading portfolio		
Country *(in millions of euros)*	**Assets at amortized cost**	**Financial assets at fair value through equity**	**Financial assets under the fair value option**	**Financial assets to be at fair value through profit or loss**	**Transaction financial assets (excluding derivatives)**	**Derivative financial instruments**	**Total**
Germany		1,115.5		5.4	2,007.9	194.1	3,322.8
Austria		431.3			45.7	66.2	543.2
Belgium		871.3		0.3	570.1	145.1	1,586.8
Spain		235.1			831.3	(4.9)	1,061.4
France	1,680.0	2,961.7		33.9	10,532.5	(389.9)	14,818.2
Greece						(0.4)	(0.4)
Ireland		350.9			0.4	12.4	363.7
Italy		102.3		10.7	3,039.4	(16.6)	3,135.8
Netherlands		349.6			761.7	13.3	1,124.6
Portugal					0.4	(0.6)	(0.2)
Other euro zone countries	35.6	1,887.9			177.6	(558.8)	1,542.3
Total euro zone	**1,715,6**	**8,305.3**		**50.3**	**17,966.9**	**(540.2)**	**27,498.0**
Other European Economic Area countries		249.6		0.2		141.8	391.6
Total EEA	**1,715,6**	**8,554.9**		**50.5**	**17,966.9**	**(398.4)**	**27,889.6**
United Kingdom		168.6				76.5	245.2
United States		2,055.1		3.5	2,299.2	102.1	4,459.8
United Arab Emirates	397.5				6,345.5	29.2	6,772.1
Japan[2]	4,201.6	680.8			215.3		5,097.7
Russia[3]					629.5		629.5
China		18.4			5,216.9		5,235.3
Ukraine				0.2			0.2
Taiwan	1.9	634.8					636.7
Other	1,010.7	1,852.7		2.2	289.5	(49.2)	3,105.9
TOTAL	**7,327.3**	**13,796.7**		**56.4**	**32,962.8**	**(316.3)**	**53,826.8**

(1) Unless otherwise stated, exposures to central banks are not considered to be sovereign exposures.
(2) Including exposure to the Bank of Japan
(3) Repurchase agreements due on January 3, 2022.

B – Exposure to credit risks

Maturity of exposures (CR1-A)

(in thousands of euros)	**Sight**	**<= 1 year**	**> 1 year < = 5 years**	**> 5 years**	**No due date declared**	**Total**
Loans and advances	2,114	91,070	34,280	20,430	94,805	242,699
Debt securities	75	1,959	1,354	9,126	20,266	32,780
TOTAL	**2,189**	**93,029**	**35,634**	**29,556**	**115,071**	**275,479**

Credit quality of forborne exposures (CQ1)

(in millions of euros)	Gross carrying value/nominal amount for exposures to which forbearance measures have been extended				Accumulated impairments, accumulated negative fair value variations due to credit risk and provisions			o/w collateral and financial guarantees received on non-performing exposures to which forbearance measures have been extended
	Performing forborne	**Non-performing forborne**	o/w defaulted	o/w depreciated	**On performing forborne exposures**	**On non-performing forborne exposures**	**Collateral and financial guarantees received on forborne exposures**	
Cash balances at central banks and other demand deposits								
Loans and advances	**542**	**1,912**	**1,912**	**1,907**	**(9)**	**(420)**	**1,135**	**775**
Central banks		*4*	*4*	*4*		*(4)*		
Government institutions		*2*	*2*	*2*		*(2)*		
Banks								
Other financial companies		*90*	*90*	*90*		*(52)*	*31*	*31*
Non-financial companies	*542*	*1,810*	*1,810*	*1,805*	*(9)*	*(358)*	*1,103*	*743*
Households		*6*	*6*	*6*		*(4)*	*1*	*1*
Debt securities		**18**	**18**	**18**		**(0)**		
Loan commitments given	**140**	**211**	**211**	**211**	**2**	**0**	**114**	**11**
TOTAL	**682**	**2,141**	**2,141**	**2,136**	**(8)**	**(420)**	**1,250**	**785**

The principles and methodology for calculating impairment losses are described in Note 5.3 of Chapter 5 "Consolidated financial statements at December 31, 2021".

Credit quality of performing and non-performing exposures by days past due (CQ3)

(in millions of euros)	Gross carrying value/nominal amount											
	Performing exposures	Not past due or past due ≤ 30 days	Past due > 30 days ≤ 90 days	**Non-performing exposures**	Payment unlikely, but not past due or past due ≤ 90 days	Past due > 90 days ≤ 180 days	Past due > 180 days ≤ 1 year	Past due > 1 year ≤ 2 years	Past due > 2 years ≤ 5 years	Past due > 5 years ≤ 7 years	Past due > 7 years	o/w defaulted
Cash balances at central banks and other demand deposits	**55,812**	**55,812**										
Loans and advances	**148,214**	**147,918**	**296**	**3,098**	**2,134**	**222**	**227**	**221**	**161**	**37**	**96**	**3,098**
Central banks	*11*	*11*		*19*	*1*				*4*	*0*	*13*	*19*
Government institutions	*2,041*	*2,041*		*48*	*3*				*18*	*0*	*27*	*48*
Banks	*80,025*	*80,025*		*5*	*5*						*0*	*5*
Other financial companies	*14,788*	*14,787*	*1*	*110*	*52*			*27*	*1*		*30*	*110*
Non-financial companies	*50,394*	*50,107*	*287*	*2,895*	*2,062*	*222*	*222*	*192*	*137*	*36*	*24*	*2,895*
o/w SME	*3,465*	*3,364*	*101*	*74*	*22*	*7*	*6*	*21*	*6*		*13*	*74*
Households	*954*	*946*	*8*	*21*	*11*	*0*	*5*	*2*	*1*	*0*	*1*	*21*
Debt securities	**14,071**	**14,071**		**134**	**75**				**59**		**0**	**134**
Central banks	*580*	*580*										
Government institutions	*6,264*	*6,264*										
Banks	*3,965*	*3,965*										
Other financial companies	*2,461*	*2,461*		*84*	*25*				*59*			*84*
Non-financial companies	*801*	*801*		*50*	*50*						*0*	*50*
Loan commitments given	**99,725**			**752**								**752**
Central banks	*78*											
Government institutions	*2,043*											
Banks	*9,020*			*0*								*0*
Other financial companies	*22,298*			*0*								*0*
Non-financial companies	*66,178*			*750*								*750*
Households	108			1								1

The principles concerning overdue exposures are presented in Note 7.7.4 of Chapter 5 "Consolidated financial statements at December 31, 2021".

Performing and non-performing exposures and corresponding provisions (EU CR1)

	Gross carrying amount/nominal amount						Accumulated impairments, accumulated negative fair value variations due to credit risk and provisions						Received collaterals and financial guarantees		
(in millions of euros)	Performing exposures	o/w step 1 (1)	o/w step 2 (1)	Non-performing exposures	o/w step 2	o/w step 3 (2)	Performing exposures – accumulated impairments and provisions	o/w step 1	o/w step 2 (2)	Non-performing exposures – accumulated impairments, accumulated negative fair value variations due to credit risk and provisions	o/w step 2	o/w step 3 (2)	Partial disposal from consolidated balance sheet	On performing exposures	On non-performing exposures
Cash balances at central banks and other demand deposits	**55,812**	**55,804**	**8**	**-**	**-**	**-**	**(1)**	**(1)**	**(0)**	**-**	**-**	**-**	**-**	**20**	**-**
Loans and advances	**148,214**	**134,091**	**12,685**	**3,098**	**-**	**2,546**	**(201)**	**(77)**	**(123)**	**(1,113)**	**-**	**(980)**	**(214)**	**36,349**	**1,025**
Central banks	*11*	*-*	*11*	*19*	*-*	*19*	*(0)*	*-*	*(0)*	*(19)*	*-*	*(19)*	*-*	*-*	*-*
Government institutions	*2,041*	*1,557*	*458*	*48*	*-*	*48*	*(6)*	*(0)*	*(5)*	*(32)*	*-*	*(32)*	*-*	*393*	*15*
Banks	*80,025*	*79,513*	*136*	*5*	*-*	*1*	*(3)*	*(1)*	*(1)*	*(5)*	*-*	*(1)*	*-*	*54*	*-*
Other financial companies	*14,788*	*13,782*	*854*	*110*	*-*	*92*	*(10)*	*(8)*	*(2)*	*(70)*	*-*	*(52)*	*-*	*5,016*	*31*
Non-financial companies	*50,394*	*38,307*	*11,204*	*2,895*	*-*	*2,366*	*(178)*	*(66)*	*(110)*	*(974)*	*-*	*(864)*	*(214)*	*29,959*	*972*
o/w SME	*3,465*	*2,509*	*957*	*74*	*-*	*74*	*(19)*	*(4)*	*(15)*	*(50)*	*-*	*(50)*	*-*	*2,379*	*16*
Households	*954*	*932*	*23*	*21*	*-*	*21*	*(5)*	*(2)*	*(3)*	*(13)*	*-*	*(13)*	*-*	*927*	*8*
Debt securities	**14,071**	**12,213**	**93**	**134**	**-**	**81**	**(6)**	**(4)**	**(2)**	**(89)**	**-**	**(81)**	**-**	**192**	**-**
Central banks	*580*	*580*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*
Government institutions	*6,264*	*6,221*	*43*	*-*	*-*	*-*	*(3)*	*(3)*	*-*	*-*	*-*	*-*	*-*	*-*	*-*
Banks	*3,965*	*3,935*	*-*	*-*	*-*	*-*	*(0)*	*(0)*	*-*	*-*	*-*	*-*	*-*	*-*	*-*
Other financial companies	*2,461*	*790*	*50*	*84*	*-*	*77*	*(3)*	*(0)*	*(2)*	*(84)*	*-*	*(77)*	*-*	*192*	*-*
Non-financial companies	*801*	*687*	*-*	*50*	*-*	*4*	*(0)*	*(0)*	*-*	*(5)*	*-*	*(4)*	*-*	*-*	*-*
Off-balance sheet exposures	**99,726**	**89,916**	**9,788**	**752**	**-**	**470**	**163**	**42**	**121**	**41**	**-**	**35**	**-**	**35,689**	**283**
Central banks	*78*	*78*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*
Government institutions	*2,043*	*1,825*	*218*	*-*	*-*	*-*	*0*	*0*	*0*	*-*	*-*	*-*	*-*	*705*	*-*
Banks	*9,021*	*8,905*	*116*	*0*	*-*	*0*	*1*	*1*	*0*	*-*	*-*	*-*	*-*	*133*	*-*
Other financial companies	*22,298*	*20,643*	*1,656*	*0*	*-*	*0*	*69*	*2*	*67*	*-*	*-*	*-*	*-*	*11,516*	*-*
Non-financial companies	*66,178*	*58,359*	*7,798*	*750*	*-*	*469*	*92*	*38*	*54*	*41*	*-*	*35*	*-*	*23,264*	*282*
Households	*108*	*106*	*2*	*1*	*-*	*1*	*0*	*0*	*-*	*0*	*-*	*0*	*-*	*72*	*1*
TOTAL	**262,011**	**236,219**	**22,566**	**3,984**	**-**	**3,098**	**(44)**	**(39)**	**(4)**	**(1,160)**	**-**	**(1,026)**	**(214)**	**72,231**	**1,308**

(1) Exposures recognised at amortized cost
(2) Excluding impaired assets upon origination or acquisition

Change in the stock of non-performing loans and advances (EU CR2)

(in millions of euros)	Gross carrying amount
Initial stock of non-performing loans and advances	**3,631**
Inflows of non-performing loans and advances	764
Outflows of non-performing loans and advances	(1,379)
Outflows due to write-offs	(326)
Outflows due to other situations	(1,053)
Final stock of non-performing loans and advances	**3,098**

Quality of non-performing exposures by geographical area (EU CQ4)

(in millions of euros)	Gross carrying amount/ nominal amount	o/w default	Accumulated impairment	Provisions for off-balance sheet commitments and financial guarantees given	Cumulative negative changes in fair value due to credit risk on non-performing exposures
On-balance sheet exposures	**165,517**	**3,232**	**(1,408)**		**(1)**
France	102,513	933	(433)		0
United States	13,469	303	(97)		0
Other countries	49,536	1,996	(878)		(1)
Off-balance sheet exposures	**100,477**	**752**		**204**	
France	41,866	383		134	
United States	24,979	258		25	
Other countries	33,632	111		45	
TOTAL	**265,995**	**3,984**	**(1,408)**	**204**	**(1)**

EU CQ5 – Credit quality of loans and advances granted to non-financial companies by industry

(in millions of euros)	Gross carrying amount	o/w: non-performing	Accumulated impairment	Cumulative negative changes in fair value due to credit risk on non-performing exposures
A Agriculture, forestry and fishing	121	0	0	0
B Extractive industries	4,784	265	(163)	0
C Manufacturing industry	4,824	281	(174)	0
D Production and distribution of electricity, gas, steam and air conditioning	3,682	43	(15)	0
E Water supply	251	0	(1)	0
F Building and public works services	1,052	59	(34)	0
G Retail	7,028	357	(259)	0
H Transportation and storage	1,638	281	(39)	0
I Accommodation and catering	413	60	(6)	0
J Information and communication	1,686	18	(18)	0
K Financial and insurance activity	12,537	313	(211)	0
L Real estate activities	7,140	257	(47)	0
M Professional, scientific and technical activity	3,958	787	(127)	0
N Administrative and support service activity	2,548	138	(29)	0
O Public administration and defense, compulsory social security	0	0	0	0
P Education	52	1	(1)	0
Q Human health and social action	226	10	(8)	0
R Arts, entertainment and recreational activities	805	20	(15)	0
S Other services	546	5	(4)	0
LOANS AND ADVANCES	**53,290**	**2,895**	**(1,151)**	**0**

EU CQ7- Collateral obtained by taking possession and execution processes

As at December 31, 2021, Natixis did not have any assets obtained by taking possession of guarantees on its balance sheet.

C – Credit risk: standardized approach

Credit risk exposures: standardized approach

Standardized approach – Credit risk exposure and CRM effects (EU CR4)

		Exposures before CCF and before ARC		Exposures after CCF and after ARC		RWA and RWA density	
		On-balance sheet exposures	Off-balance sheet exposures	On-balance sheet exposures	Off-balance sheet exposures	RWA	RWA density *(%)*
Exposure classes *(in millions of euros)*		5,866		6,017	31	1,223	20%
2	Regional governments or local authorities	231		237		79	33%
3	Public sector entities	592	225	555	58	174	28%
4	Multilateral development banks						
5	International organizations	285		285			
6	Institutions	80,920	4,609	82,692	4,964	685	1%
7	Corporates	2,953	1,182	2,855	407	2,240	69%
8	Retail	1,084	196	415	35	316	70%
9	Exposures secured by mortgages on immovable property	293	2	293	1	124	42%
10	Defaulted exposures	81	13	39	6	67	148%
11	Particularly high risk exposures						
12	Covered bonds						
13	Institutions and corporates with a short-term credit assessment	74	1	55	0	102	183%
14	Collective investments undertakings						
15	Equity						
16	Other items	6,235		6,235		5,562	89%
17	**TOTAL**	**98,614**	**6,229**	**99,679**	**5,503**	**10,571**	**10%**

SA – Exposures (EAD) by asset classes and risk weighting (CR5)

Exposure classes *(in millions of euros)*	Risk weighting																
		0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	250%	370%	1,250%	Other	Total	o/w unrated
1	Governments or central banks	5,498	1								100		449				6,048	545
2	Regional governments or local authorities	72				394											466	291
3	Public sector entities	815				595		9			51						1,470	328
4	Multilateral development banks																	
5	International organizations	295															295	295
6	Institutions	90,644	14,107			307		26			328						105,412	105,180
7	Corporates	651	281			17	411	145	279		1,835	35					3,653	3,373
8	Retail exposures									450							450	446
9	Exposures secured by mortgages on immovable property						155	139									294	294
10	Defaulted exposures										7	40					47	37
11	Particularly high risk exposures																	
12	Covered bonds																	
13	Exposures to institutions and corporates with a short-term credit assessment					99		64			26	16					205	
14	Units or shares of undertakings for collective investment																	
15	Equity exposures																	
16	Other items	52	10								4,696					1,477	6,235	6,227
17	**TOTAL**	**98,027**	**14,400**			**1,412**	**566**	**382**	**279**	**450**	**7,042**	**91**	**449**			**1,477**	**124,576**	**117,017**

D – Credit risk: internal ratings-based approach

PD and LGD by geographic area (NX16)

Geographic area *(in %)*	**EAD (€M)**	PD MP	LGD MP
Africa	3,812	8.1%	36.9%
Other	10,521	2.4%	31.2%
Asia	15,059	2.2%	37.6%
Europe (outside EU)	19,973	0.6%	33.6%
European Union*	33,429	2.6%	27.4%
Americas	45,311	3.3%	23.2%
France	80,092	1.2%	16.2%
TOTAL AS AT 31/12/2021	**208,197**	**2.1%**	**23.9%**
Total as at 31/12/2020	**183,541**	**2.7%**	**22.3%**

* *As of 31/12/2021 the United Kingdom is no longer considered in the EU.*

RWA flow statements of credit risk exposure under the IRB approach (CR8)

(in millions of euros)		Risk-weighted exposure amount
1	**RISK-WEIGHTED EXPOSURE AMOUNT AT THE END OF THE PREVIOUS REPORTING PERIOD (30/06/2021)**	**40,438**
2	Asset size (+/-)	40
3	Asset quality (+/-)	(215)
4	Model updates (+/-)	
5	Methodology and policy (+/-)	
6	Acquisitions and disposals (+/-)	
7	Foreign exchange movements (+/-)	122
8	Other (+/-)	(1,635)
9	**RISK-WEIGHTED EXPOSURE AMOUNT AT THE END OF THE REPORTING PERIOD (31/12/2021)**	**38,750**

€(1,139) million notes for guarantees included in Other.

IRB – internal rating – credit risk exposures by portfolio and PD range (CR6)

(in millions of euros)	PD scale	On-balance sheet exposures	Off-balance sheet exposures before CCF	Average weighted CCF	Exposures after CCF and after ARC	Average weighted PD *(%)*	Number of obligors	Average weighted LGD *(%)*	Weighted average maturity *(%)*	Weighted exposure amount after supplementary factors	Density of weighted exposure amount	Amount of expected losses	Value adjustment and provisions
A-IRB													
Governments or central banks	0.00 to < 0.15	53,221	1,144	0.95%	54,449		56	8.82%		74	0.14%	0	(0)
	0.00 to < 0.10	53,221	1,144	0.95%	54,449		56	8.82%		74	0.14%	0	(0)
	0.10 to < 0.15												
	0.15 to < 0.25	81			141	0.07%	4	18.04%	2	10	7.06%	0	(0)
	0.25 to < 0.50	31	197	1.00%	339	0.01%	2	11.97%	4	11	3.23%	0	(0)
	0.50 to < 0.75				384			8.65%	4	6	1.48%	0	(0)
	0.75 to < 2.50				1,868	0.01%		8.77%	2	21	1.11%	0	(0)
	0.75 to < 1.75				797			7.22%	2				(0)
	1.75 to < 2.50				1,071	0.02%		9.92%	2	21	1.93%	0	(0)
	2.50 to < 10.00	279	168	1.00%	1,144	0.13%	10	10.92%	3	84	7.38%	1	(1)
	2.50 to < 5.00	279	168	1.00%	698	0.21%	10	10.28%	3	72	10.27%	1	(1)
	5.00 to < 10.00				446			11.93%	4	13	2.84%	0	(0)
	10.00 to < 100.00	45	4	1.00%	72	2.81%	10	16.63%	4	27	37.87%	1	(2)
	10.00 to < 20.00				19			7.10%	3				(0)
	20.00 to < 30.00	45	4	1.00%	49	4.13%	10	21.13%	4	27	55.75%	1	(2)
	30.00 to < 100.00				4			7.10%	3				
	100.00 (default)	66			401	12.60%	7	21.29%	3	5	1.22%	51	(51)
	Sub-total	**53,723**	**1,513**	**0.96%**	**58,797**	**0.09%**	**89**	**8.99%**	**0**	**237**	**0.40%**	**53**	**(55)**

(in millions of euros)	PD scale	On-balance sheet exposures	Off-balance sheet exposures before CCF	Average weighted CCF	Exposures after CCF and after ARC	Average weighted PD *(%)*	Number of obligors	Average weighted LGD *(%)*	Weighted average maturity *(%)*	Weighted exposure amount after supple-mentary factors	Density of weighted exposure amount	Amount of expected losses	Value adjust-ment and provisions
Institutions	0.00 to < 0.15	4,987	1,086	0.59%	5,524	0.04%	230	40.20%	1	625	11.31%	1	(0)
	0.00 to < 0.10	4,987	1,086	0.59%	5,524	0.04%	230	40.20%	1	625	11.31%	1	(0)
	0.10 to < 0.15												
	0.15 to < 0.25	140	28	0.20%	183	0.16%	38	35.80%	1	53	29.12%	0	(0)
	0.25 to < 0.50	149	165	0.42%	260	0.30%	42	51.08%	1	147	56.72%	0	(0)
	0.50 to < 0.75	82	285	0.20%	386	0.24%	27	39.55%	2	179	46.40%	1	(0)
	0.75 to < 2.50	19	666	0.20%	676	0.44%	52	30.60%	1	244	36.06%	1	(1)
	0.75 to < 1.75	5	61	0.20%	385	0.11%	29	34.61%	1	82	21.26%	0	(0)
	1.75 to < 2.50	14	605	0.20%	292	0.88%	23	25.30%	1	162	55.60%	1	(1)
	2.50 to < 10.00	30	262	0.20%	327	0.92%	68	39.88%	2	300	91.82%	3	(3)
	2.50 to < 5,00	25	224	0.20%	291	0.78%	57	39.83%	2	246	84.55%	2	(2)
	5.00 to < 10.00	5	38	0.20%	36	2.04%	11	40.25%	3	54	150.23%	1	(1)
	10.00 to < 100.00	0			8	0.28%	1	44.35%	1	2	30.13%	0	(0)
	10.00 to < 20.00	0			8	0.28%	1	44.35%	1	2	30.13%	0	(0)
	20.00 to < 30.00												
	30.00 to < 100.00												
	100.00 (default)	18	0	0.20%	50	36.18%	5	39.70%	2	4	7.15%	18	(18)
	Sub-total	**5,426**	**2,492**	**0.38%**	**7,414**	**0.38%**	**463**	**39.55%**	**1**	**1,555**	**20.97%**	**24**	**(22)**
Corporates – SMEs	0.00 to < 0.15	5	32	0.32%	15	0.06%	16	7.27%	4	1	3.84%	0	(0)
	0.00 to < 0.10	5	32	0.32%	15	0.06%	15	7.27%	4	1	3.84%	0	(0)
	0.10 to < 0.15	0			0	0.15%	1	43.76%		0	14.24%	0	
	0.15 to < 0.25	0	7	0.20%	0	0.19%	15	43.76%	1	0	24.96%	0	(0)
	0.25 to < 0.50	38	34	0.99%	72	0.39%	26	44.09%	1	29	40.47%	0	(0)
	0.50 to < 0.75	147	181	0.93%	300	0.59%	56	32.31%	3	129	42.91%	1	(0)
	0.75 to < 2.50	449	157	0.89%	527	1.30%	122	37.88%	2	363	68.93%	2	(2)
	0.75 to < 1.75	413	153	0.89%	493	1.24%	117	39.85%	2	356	72.20%	2	(2)
	1.75 to < 2.50	36	5	1.00%	34	2.19%	5	9.53%	4	7	21.83%	0	(0)
	2.50 to < 10.00	268	140	0.89%	286	3.42%	218	41.94%	2	280	97.82%	4	(4)
	2.50 to < 5.00	247	135	0.90%	274	3.31%	192	41.92%	2	267	97.52%	4	(4)
	5.00 to < 10.00	21	4	0.81%	12	5.95%	26	42.40%	2	12	104.83%	0	(0)
	10.00 to < 100.00	1	8	0.22%	2	11.73%	49	43.76%	1	3	154.44%	0	(0)
	10.00 to < 20.00	1	7	0.22%	2	11.73%	47	43.76%	1	3	154.44%	0	(0)
	20.00 to < 30.00												
	30.00 to < 100.00	0	1	0.20%	0	30.95%	2	43.76%		0	199.69%	0	
	100.00 (default)	21	7	0.31%	17	100.00%	46	41.54%	3	16	98.55%	9	(9)
	Sub-total	**929**	**566**	**0.85%**	**1,218**	**2.92%**	**548**	**37.52%**	**2**	**821**	**67.37%**	**16**	**(15)**

(in millions of euros)	PD scale	On-balance sheet exposures	Off-balance sheet exposures before CCF	Average weighted CCF	Exposures after CCF and after ARC	Average weighted PD *(%)*	Number of obligors	Average weighted LGD *(%)*	Weighted average maturity *(%)*	Weighted exposure amount after supplementary factors	Density of weighted exposure amount	Amount of expected losses	Value adjustment and provisions
Corporates – Specialized lending	0.00 to < 0.15	1,118	653	1.00%	1,664	0.06%	54	10.98%	4	132	7.93%	0	(0)
	0.00 to < 0.10	1,118	653	1.00%	1,664	0.06%	54	10.98%	4	132	7.93%	0	(0)
	0.10 to < 0.15												
	0.15 to < 0.25	844	857	0.99%	1,385	0.16%	50	7.71%	3	119	8.59%	0	(0)
	0.25 to < 0.50	1,747	1,754	0.89%	2,506	0.30%	121	11.14%	3	419	16.71%	1	(1)
	0.50 to < 0.75	3,080	2,784	0.81%	3,663	0.52%	220	11.83%	4	760	20.76%	2	(2)
	0.75 to < 2.50	6,233	4,425	0.82%	6,927	1.28%	314	14.17%	3	2,486	35.89%	13	(32)
	0.75 to < 1.75	4,102	3,803	0.81%	5,109	1.02%	236	13.33%	3	1,556	30.46%	7	(14)
	1.75 to < 2.50	2,130	622	0.87%	1,818	2.00%	78	16.53%	4	930	51.16%	6	(18)
	2.50 to < 10.00	1,608	506	0.99%	1,323	4.07%	121	15.00%	3	645	48.72%	8	(36)
	2.50 to < 5.00	1,017	352	0.99%	785	2.94%	73	16.54%	3	383	48.81%	4	(14)
	5.00 to < 10.00	591	154	1.00%	538	5.71%	48	12.76%	3	261	48.59%	4	(22)
	10.00 to < 100.00												
	10.00 to < 20.00												
	20.00 to < 30.00												
	30.00 to < 100.00												
	100.00 (default)	841	10	0.78%	692	100.00%	38	52.68%	2	325	46.94%	102	(102)
	Sub-total	**15,471**	**10,990**	**0.86%**	**18,160**	**4.76%**	**918**	**14.02%**	**3**	**4,886**	**26.90%**	**126**	**(172)**
Corporates – Other	0.00 to < 0.15	11,459	20,574	0.70%	23,035	0.05%	505	36.69%	2	3,636	15.78%	5	(5)
	0.00 to < 0.10	11,415	20,493	0.71%	22,945	0.05%	496	36.70%	2	3,614	15.75%	4	(5)
	0.10 to < 0.15	45	82	0.65%	90	0.13%	9	33.15%	2	21	23.42%	0	(0)
	0.15 to < 0.25	4,284	8,778	0.69%	7,711	0.16%	214	28.92%	3	1,929	25.02%	3	(2)
	0.25 to < 0.50	5,852	8,712	0.60%	9,636	0.25%	219	33.76%	2	3,276	34.00%	8	(5)
	0.50 to < 0.75	5,192	9,843	0.55%	9,493	0.49%	228	31.28%	2	4,378	46.12%	15	(6)
	0.75 to < 2.50	8,732	9,532	0.61%	12,281	1.13%	436	32.07%	2	7,717	62.84%	46	(46)
	0.75 to < 1.75	6,202	7,641	0.59%	9,338	0.94%	331	31.59%	2	5,561	59.55%	29	(25)
	1.75 to < 2.50	2,530	1,891	0.70%	2,944	1.72%	105	33.60%	2	2,157	73.27%	18	(21)
	2.50 to < 10.00	4,160	4,903	0.66%	6,486	3.66%	672	30.90%	2	5,858	90.32%	75	(85)
	2.50 to < 5.00	2,678	3,790	0.63%	4,651	2.92%	534	31.22%	2	3,913	84.14%	43	(51)
	5.00 to < 10.00	1,482	1,113	0.77%	1,835	5.54%	138	30.08%	3	1,945	106.00%	32	(34)
	10.00 to < 100.00	284	272	0.68%	409	10.77%	307	29.86%	2	500	122.35%	13	(6)
	10.00 to < 20.00	261	265	0.68%	387	9.94%	297	29.77%	2	462	119.26%	12	(5)
	20.00 to < 30.00	16	3	1.00%	18	24.77%	1	30.99%	2	32	176.19%	1	(0)
	30.00 to < 100.00	8	4	0.20%	3	30.95%	9	34.37%	1	6	190.22%	0	(1)
	100.00 (default)	2,561	698	0.53%	2,678	94.20%	159	42.06%	3	2,796	104.42%	1,313	(1,313)
	Sub-total	**42,524**	**63,312**	**0.64%**	**71,729**	**4.23%**	**2,740**	**33.59%**	**2**	**30,090**	**41.95%**	**1,479**	**(1,469)**

(in millions of euros)	PD scale	On-balance sheet exposures	Off-balance sheet exposures before CCF	Average weighted CCF	Exposures after CCF and after ARC	Average weighted PD *(%)*	Number of obligors	Average weighted LGD *(%)*	Weighted average maturity *(%)*	Weighted exposure amount after supple-mentary factors	Density of weighted exposure amount	Amount of expected losses	Value adjust-ment and provisions
Retail customers – guaranteed by SME real estate collateral	0.00 to < 0.15												
	0.00 to < 0.10												
	0.10 to < 0.15												
	0.15 to < 0.25												
	0.25 to < 0.50												
	0.50 to < 0.75												
	0.75 to < 2.50												
	0.75 to < 1.75												
	1.75 to < 2.50												
	2.50 to < 10.00												
	2.50 to < 5.00												
	5.00 to < 10.00												
	10.00 to < 100.00												
	10.00 to < 20.00												
	20.00 to < 30.00												
	30.00 to < 100.00												
	100.00 (default)												
	Sub-total												
Retail customers – guaranteed by nonSMEs real estate collateral	0.00 to < 0.15												
	0.00 to < 0.10												
	0.10 to < 0.15												
	0.15 to < 0.25												
	0.25 to < 0.50												
	0.50 to < 0.75												
	0.75 to < 2.50												
	0.75 to < 1.75												
	1.75 to < 2.50												
	2.50 to < 10.00												
	2.50 to < 5.00												
	5.00 to < 10.00												
	10.00 to < 100.00												
	10.00 to < 20.00												
	20.00 to < 30.00												
	30.00 to < 100.00												
	100.00 (default)												
	Sub-total												

(in millions of euros)	PD scale	On-balance sheet exposures	Off-balance sheet exposures before CCF	Average weighted CCF	Exposures after CCF and after ARC	Average weighted PD *(%)*	Number of obligors	Average weighted LGD *(%)*	Weighted average maturity *(%)*	Weighted exposure amount after supplementary factors	Density of weighted exposure amount	Amount of expected losses	Value adjustment and provisions
Retail – qualifying revolving	0.00 to < 0.15												
	0.00 to < 0.10												
	0.10 to < 0.15												
	0.15 to < 0.25												
	0.25 to < 0.50												
	0.50 to < 0.75												
	0.75 to < 2.50												
	0.75 to < 1.75												
	1.75 to < 2.50												
	2.50 to < 10.00												
	2.50 to < 5.00												
	5.00 to < 10.00												
	10.00 to < 100.00												
	10.00 to < 20.00												
	20.00 to < 30.00												
	30.00 to < 100.00												
	100.00 (default)												
	Sub-total												
Retail – other SMEs	0.00 to < 0.15												
	0.00 to < 0.10												
	0.10 to < 0.15												
	0.15 to < 0.25												
	0.25 to < 0.50												
	0.50 to < 0.75												
	0.75 to < 2.50												
	0.75 to < 1.75												
	1.75 to < 2.50												
	2.50 to < 10.00												
	2.50 to < 5.00												
	5.00 to < 10.00												
	10.00 to < 100.00												
	10.00 to < 20.00												
	20.00 to < 30.00												
	30.00 to < 100.00												
	100.00 (default)						1						
	Sub-total						**1**						

(in millions of euros)	PD scale	On-balance sheet exposures	Off-balance sheet exposures before CCF	Average weighted CCF	Exposures after CCF and after ARC	Average weighted PD *(%)*	Number of obligors	Average weighted LGD *(%)*	Weighted average maturity *(%)*	Weighted exposure amount after supplementary factors	Density of weighted exposure amount	Amount of expected losses	Value adjustment and provisions
Retail – other non-SMEs	0.00 to < 0.15												
	0.00 to < 0.10												
	0.10 to < 0.15												
	0.15 to < 0.25												
	0.25 to < 0.50												
	0.50 to < 0.75												
	0.75 to < 2.50												
	0.75 to < 1.75												
	1.75 to < 2.50												
	2.50 to < 10.00												
	2.50 to < 5.00												
	5.00 to < 10.00												
	10.00 to < 100.00												
	10.00 to < 20.00												
	20.00 to < 30.00												
	30.00 to < 100.00												
	100.00 (default)												
	Sub-total												
A-IRB	0.00 to < 0.15	70,790	23,489	0.71%	84,686	0.02%	861	18.49%	1	4,467	5.27%	6	(6)
	0.00 to < 0.10	70,745	23,408	0.72%	84,596	0.02%	851	18.47%	1	4,446	5.26%	6	(6)
	0.10 to < 0.15	45	82	0.65%	90	0.13%	10	33.15%	2	21	23.42%	0	(0)
	0.15 to < 0.25	5,350	9,670	0.71%	9,421	0.16%	321	25.77%	3	2,111	22.41%	4	(3)
	0.25 to < 0.50	7,818	10,861	0.65%	12,813	0.26%	410	29.17%	2	3,882	30.30%	10	(6)
	0.50 to < 0.75	8,501	13,093	0.60%	14,226	0.48%	531	25.91%	3	5,452	38.32%	19	(9)
	0.75 to < 2.50	15,433	14,781	0.66%	22,280	1.07%	924	24.64%	2	10,832	48.62%	63	(80)
	0.75 to < 1.75	10,723	11,658	0.66%	16,121	0.91%	713	24.92%	2	7,555	46.86%	38	(41)
	1.75 to < 2.50	4,710	3,123	0.64%	6,158	1.47%	211	23.92%	3	3,277	53.21%	25	(40)
	2.50 to < 10.00	6,345	5,978	0.68%	9,566	3.19%	1,089	26.95%	2	7,167	74.93%	90	(129)
	2.50 to < 5.00	4,247	4,669	0.66%	6,699	2.56%	866	28.13%	2	4,881	72.86%	53	(72)
	5.00 to < 10.00	2,098	1,310	0.78%	2,866	4.67%	223	24.19%	3	2,286	79.74%	36	(57)
	10.00 to < 100.00	330	284	0.67%	490	9.44%	367	28.20%	2	532	108.65%	15	(8)
	10.00 to < 20.00	262	272	0.67%	415	9.32%	345	29.09%	2	467	112.42%	12	(5)
	20.00 to < 30.00	61	7	1.00%	67	9.75%	11	23.81%	3	59	88.55%	3	(2)
	30.00 to < 100.00	8	5	0.20%	8	12.97%	11	18.53%	2	6	79.73%	0	(1)
	100.00 (default)	3,507	716	0.53%	3,838	85.99%	256	41.77%	3	3,146	81.97%	1,493	(1,493)
TOTAL AS AT 31/12/2021		**118,074**	**78,873**	**0.67%**	**157,318**	**2.56%**	**4,759**	**22.45%**	**2**	**37,589**	**23.89%**	**1,698**	**(1,733)**

(in millions of euros)	PD scale	Onbalance sheet exposures	Offbalance sheet exposures before CCF	Average weighted CCF	Exposures after CCF and after ARC	Average PD, weighted *(%)*	Number of obligors	Average LGD, weighted *(%)*	Weighted average maturity *(%)*	Weighted exposure amount after supplementary factors	Density of weighted exposure amount	Amount of expected losses	Value adjustment and provisions
IRB-F													
Governments or central banks	0.00 to < 0.15	2			2		1	45.00%	2				
	0.00 to < 0.10	2			2		1	45.00%	2				
	0.10 to < 0.15												
	0.15 to < 0.25												
	0.25 to < 0.50	724			724	0.38%	3	45.00%	2	470	64.85%	1	(4)
	0.50 to < 0.75												
	0.75 to < 2.50												
	0.75 to < 1.75												
	1.75 to < 2.50												
	2.50 to < 10.00												
	2.50 to < 5.00												
	5.00 to < 10.00												
	10.00 to < 100.00												
	10.00 to < 20.00												
	20.00 to < 30.00												
	30.00 to < 100.00												
	100.00 (default)												
	Sub-total	**726**			**726**	**0.38%**	**4**	**45.00%**	**2**	**470**	**64.63%**	**1**	**(4)**
Institutions	0.00 to < 0.15		9	0.50%	5	0.07%	11	45.00%	2	2	32.87%	0	(0)
	0.00 to < 0.10		9	0.50%	5	0.07%	11	45.00%	2	2	32.87%	0	(0)
	0.10 to < 0.15												
	0.15 to < 0.25		1	0.50%	1	0.20%	2	45.00%	2	0	49.65%	0	(0)
	0.25 to < 0.50		108	0.75%	81	0.36%	5	11.58%	2	13	16.34%	0	(0)
	0.50 to < 0.75		86	0.75%	64	0.60%	1	11.25%	2	13	20.03%	0	(0)
	0.75 to < 2.50	0	0	0.50%	0	1.68%	5	45.00%	2	0	144.21%	0	(0)
	0.75 to < 1.75		0	0.50%	0	1.48%	1	45.00%	2	0	140.20%	0	(0)
	1.75 to < 2.50	0	0	0.50%	0	2.16%	4	45.00%	2	0	154.08%	0	(0)
	2.50 to < 10.00	1	0	0.50%	1	2.96%	2	45.00%	2	2	165.85%	0	(0)
	2.50 to < 5.00	1	0	0.50%	1	2.96%	2	45.00%	2	2	165.85%	0	(0)
	5.00 to < 10.00												
	10.00 to < 100.00												
	10.00 to < 20.00												
	20.00 to < 30.00												
	30.00 to < 100.00												
	100.00 (default)												
	Sub-total	**1**	**205**	**0.74%**	**151**	**0.47%**	**26**	**12.87%**	**2**	**30**	**19.79%**	**0**	**(0)**

(in millions of euros)	PD scale	Onbalance sheet exposures	Offbalance sheet exposures before CCF	Average weighted CCF	Exposures after CCF and after ARC	Average PD, weighted *(%)*	Number of obligors	Average LGD, weighted *(%)*	Weighted average maturity *(%)*	Weighted exposure amount after supplementary factors	Density of weighted exposure amount	Amount of expected losses	Value adjustment and provisions
Corporates – SMEs	0.00 to < 0.15												
	0.00 to < 0.10												
	0.10 to < 0.15												
	0.15 to < 0.25												
	0.25 to < 0.50	0			0	0.39%	1	45.00%	2	0	56.10%	0	
	0.50 to < 0.75												
	0.75 to < 2.50												
	0.75 to < 1.75												
	1.75 to < 2.50												
	2.50 to < 10.00	151	80	0.23%	169	4.25%	201	43.80%	2	177	105.02%	3	(1)
	2.50 to < 5.00	116	62	0.23%	130	3.56%	141	43.69%	2	132	101.63%	2	(1)
	5.00 to < 10.00	35	18	0.20%	38	6.57%	60	44.16%	2	45	116.52%	1	(0)
	10.00 to < 100.00	40	16	0.33%	46	14.92%	107	44.67%	2	76	165.90%	3	(1)
	10.00 to < 20.00	36	16	0.33%	41	12.58%	93	44.67%	2	67	164.65%	2	(0)
	20.00 to < 30.00	1	0	0.20%	1	24.77%	2	44.92%	2	2	198.98%	0	(0)
	30.00 to < 100.00	4	1	0.33%	4	36.76%	12	44.56%	2	7	170.45%	1	(0)
	100.00 (default)	58	4	0.21%	59	100.00%	69	44.74%	2			26	(25)
	Sub-total	**249**	**100**	**0.25%**	**274**	**26.67%**	**378**	**44.15%**	**2**	**253**	**92.58%**	**33**	**(27)**
Corporates – Specialized Lending	0.00 to < 0.15												
	0.00 to < 0.10												
	0.10 to < 0.15												
	0.15 to < 0.25												
	0.25 to < 0.50												
	0.50 to < 0.75												
	0.75 to < 2.50												
	0.75 to < 1.75												
	1.75 to < 2.50												
	2.50 to < 10.00												
	2.50 to < 5.00												
	5.00 to < 10.00												
	10.00 to < 100.00												
	10.00 to < 20.00												
	20.00 to < 30.00												
	30.00 to < 100.00												
	100.00 (default)												
	Sub-total												

(in millions of euros)	PD scale	Onbalance sheet exposures	Offbalance sheet exposures before CCF	Average weighted CCF	Exposures after CCF and after ARC	Average PD, weighted *(%)*	Number of obligors	Average LGD, weighted *(%)*	Weighted average maturity *(%)*	Weighted exposure amount after supplementary factors	Density of weighted exposure amount	Amount of expected losses	Value adjustment and provisions
Corporates – Other	0.00 to < 0.15												
	0.00 to < 0.10												
	0.10 to < 0.15												
	0.15 to < 0.25												
	0.25 to < 0.50												
	0.50 to < 0.75												
	0.75 to < 2.50	87	8	0.20%	89	2.19%	13	44.71%	2	110	123.99%	1	(1)
	0.75 to < 1.75												
	1.75 to < 2.50	87	8	0.20%	89	2.19%	13	44.71%	2	110	123.99%	1	(1)
	2.50 to < 10.00	147	43	0.29%	160	4.63%	91	44.44%	2	232	145.14%	3	(1)
	2.50 to < 5.00	105	27	0.34%	114	3.54%	58	44.28%	2	154	135.10%	2	(1)
	5.00 to < 10.00	42	16	0.21%	45	7.38%	33	44.83%	2	77	170.48%	1	(0)
	10.00 to < 100.00	29	12	0.25%	31	12.58%	35	43.65%	2	67	212.36%	2	(0)
	10.00 to < 20.00	27	12	0.25%	30	11.73%	32	43.58%	2	63	209.73%	2	(0)
	20.00 to < 30.00	1	0	0.20%	1	24.77%	1	44.93%	2	2	260.75%	0	(0)
	30.00 to < 100.00	1	0	0.20%	1	31.07%	2	45.00%	2	3	263.46%	0	(0)
	100.00 (default)	76	9	0.20%	78	100.00%	14	44.85%	2			35	(63)
	Sub-total	**339**	**72**	**0.26%**	**357**	**25.48%**	**153**	**44.53%**	**2**	**408**	**114.24%**	**41**	**(65)**
IRB-F	0.00 to < 0.15	2	9	0.50%	7	0.05%	12	45.00%	2	2	21.37%	0	(0)
	0.00 to < 0.10	2	9	0.50%	7	0.05%	12	45.00%	2	2	21.37%	0	(0)
	0.10 to < 0.15												
	0.15 to < 0.25		1	0.50%	1	0.20%	2	45.00%	2	0	49.65%	0	(0)
	0.25 to < 0.50	724	108	0.75%	805	0.38%	9	41.65%	2	483	59.99%	1	(4)
	0.50 to < 0.75		86	0.75%	64	0.60%	1	11.25%	2	13	20.03%	0	(0)
	0.75 to < 2.50	87	9	0.21%	89	2.19%	18	44.71%	2	110	124.04%	1	(1)
	0.75 to < 1.75		0	0.50%	0	1.48%	1	45.00%	2	0	140.20%	0	(0)
	1.75 to < 2.50	87	8	0.20%	89	2.19%	17	44.71%	2	110	124.01%	1	(1)
	2.50 to < 10.00	299	123	0.25%	329	4.43%	294	44.11%	2	411	124.65%	6	(2)
	2.50 to < 5.00	222	89	0.26%	246	3.55%	201	43.97%	2	289	117.48%	4	(2)
	5.00 to < 10.00	77	34	0.20%	84	7.01%	93	44.52%	2	122	145.71%	3	(1)
	10.00 to < 100.00	69	29	0.30%	77	13.97%	142	44.25%	2	143	184.81%	5	(1)
	10.00 to < 20.00	63	27	0.30%	71	12.22%	125	44.21%	2	130	183.68%	4	(1)
	20.00 to < 30.00	2	0	0.20%	2	24.77%	3	44.92%	2	4	222.38%	0	(0)
	30.00 to < 100.00	5	1	0.29%	5	35.64%	14	44.65%	2	9	188.80%	1	(0)
	100.00 (default)	134	12	0.20%	137	100.00%	83	44.80%	2			61	(88)
TOTAL AS AT 31/12/2021		**1,315**	**377**	**0.52%**	**1,509**	**11.10%**	**561**	**41.51%**	**2**	**1,161**	**76.95%**	**75**	**(96)**

Scope of NA and SA approaches (EU CR6-A)

	(in millions of euros)	Exposure at default within the meaning of Article 166 of the CRR for IRB exposures	Total exposure at default of exposures under standardized and IRB approaches	Percentage of total exposure at default subject to permanent partial use of SA (%)	Percentage of total exposure at default subject to IRB approach (%)	Percentage of total exposure at default subject to deployment plan (%)
1	**Governments or central banks**	**74,102**	**82,962**	**9.99%**		**90.01%**
1,1	*o/w regional or local authorities*		*530*	*100.00%*		
1,2	*Of which Public sector entities*		*1,586*	*100.00%*		
2	**Institutions**	**124,920**	**168,609**	**68.48%**	**9.45%**	**22.07%**
3	**Corporates**	**156,680**	**124,718**	**3.00%**	**0.22%**	**96.78%**
3,1	*Of which Corporate – Specialized Financing, excluding referral approach*		*24,091*			*100.00%*
3,2	*Including corporates – specialized lending as part of the referencing approach*					
4	**Retail**	**1,585**	**1,453**	**100.00%**		
4,1	*o/w Retail customers – secured by SMEs real estate*		*183*	*100.00%*		
4,2	*o/w Retail – secured by non-SMEs real estate*		*111*	*100.00%*		
4,3	*o/w Retail- Qualifying revolving exposures*					
4,4	*o/w Retail- Other SMEs*		*273*	*100.00%*		
4,5	*o/w Retail – other non-SMEs*		*886*	*100.00%*		
5	**Equity**	**5,890**	**5,890**			**100.00%**
6	**Other assets not corresponding to credit obligations**	**6,235**	**6,235**	**99.45%**	**0.55%**	
7	**TOTAL AS AT 31/12/2021**	**369,414**	**389,868**	**34.66%**	**4.17%**	**61.17%**

Internal rating – Post-control of PD by exposure category (fixed PD scale) (EU CR9)

Equity advanced

Exposure classes	PD scale	Number of obligors at the end of the previous year		Average default rate observed (%)	Average weighted PD (%)	Average PD (%)	Average annual historic default rate observed (%)
			o/w number of obligors who defaulted during the year				
Governments or central banks	0.00 to < 0.15	47					
	0.00 to < 0.10	47					
	0.10 to < 0.15						
	0.15 to < 0.25	3			0.1%	0.2%	
	0.25 to < 0.50	2			0.0%	0.4%	
	0.50 to < 0.75						
	0.75 to < 2.50				0.0%		
	0.75 to < 1.75						
	1.75 to < 2.5				0.0%		
	2.50 to < 10.00	10			0.1%	3.2%	
	2.5 to < 5	10			0.2%	3.2%	
	5 to < 10						
	10.00 to < 100.00	6			2.8%	23.8%	4.6%
	10 to < 20						
	20 to < 30	6			4.1%	23.8%	4.6%
	30.00 to < 100.00						
	100.00 (default)	7			12.6%	100.0%	

Exposure classes	PD scale	Number of obligors at the end of the previous year	o/w number of obligors who defaulted during the year	Average default rate observed (%)	Average weighted PD (%)	Average PD (%)	Average annual historic default rate observed (%)
Institutions	0.00 to < 0.15	171			0.0%	0.1%	
	0.00 to < 0.10	171			0.0%	0.1%	
	0.10 to < 0.15						
	0.15 to < 0.25	24			0.2%	0.2%	
	0.25 to < 0.50	19			0.3%	0.3%	
	0.50 to < 0.75	21			0.2%	0.5%	
	0.75 to < 2.50	37			0.4%	1.3%	
	0.75 to < 1.75	24			0.1%	1.0%	
	1.75 to < 2.5	13			0.9%	1.9%	
	2.50 to < 10.00	70			0.9%	3.4%	
	2.5 to < 5	58			0.8%	3.0%	
	5 to < 10	12			2.0%	5.2%	
	10.00 to < 100.00				0.3%		
	10 to < 20				0.3%		
	20 to < 30						
	30.00 to < 100.00						
	100.00 (default)	4			36.2%	100.0%	
Corporates – SMEs	0.00 to < 0.15	10			0.1%	0.1%	0.2%
	0.00 to < 0.10	10			0.1%	0.1%	0.4%
	0.10 to < 0.15				0.2%		
	0.15 to < 0.25	11			0.2%	0.2%	
	0.25 to < 0.50	18			0.4%	0.4%	0.2%
	0.50 to < 0.75	33			0.6%	0.6%	0.3%
	0.75 to < 2.50	81	1	1.2%	1.3%	1.5%	0.4%
	0.75 to < 1.75	76	1	1.3%	1.2%	1.4%	0.4%
	1.75 to < 2.5	5			2.2%	2.1%	
	2.50 to < 10.00	152	1	0.7%	3.4%	4.3%	1.5%
	2.5 to < 5	126			3.3%	3.7%	1.3%
	5 to < 10	26	1	3.9%	6.0%	7.2%	2.4%
	10.00 to < 100.00	51	2	3.9%	11.7%	13.1%	3.5%
	10 to < 20	47	1	2.1%	11.7%	11.7%	3.0%
	20 to < 30	1				21.5%	9.4%
	30.00 to < 100.00	3	1	33.3%	31.0%	31.0%	10.2%
	100.00 (default)	42			100.0%	100.0%	
Corporates – Specialized Lending	0.00 to < 0.15	55			0.1%	0.1%	
	0.00 to < 0.10	55			0.1%	0.1%	
	0.10 to < 0.15						
	0.15 to < 0.25	46			0.2%	0.2%	
	0.25 to < 0.50	86			0.3%	0.3%	
	0.50 to < 0.75	198			0.5%	0.5%	0.1%
	0.75 to < 2.50	243	2	0.8%	1.3%	1.3%	1.7%
	0.75 to < 1.75	173	1	0.6%	1.0%	1.0%	1.1%
	1.75 to < 2.5	70	1	1.4%	2.0%	1.9%	2.9%
	2.50 to < 10.00	66	2	3.0%	4.1%	3.3%	5.2%
	2.5 to < 5	56	2	3.6%	2.9%	2.9%	4.3%
	5 to < 10	10			5.7%	5.4%	8.2%
	10.00 to < 100.00						
	10 to < 20						
	20 to < 30						
	30.00 to < 100.00						
	100.00 (default)	34			100.0%	100.0%	

Exposure classes	PD scale	Number of obligors at the end of the previous year		Average default rate observed (%)	Average weighted PD (%)	Average PD (%)	Average annual historic default rate observed (%)
			o/w number of obligors who defaulted during the year				
Corporates – Other	0.00 to < 0.15	431			0.1%	0.1%	0.0%
	0.00 to < 0.10	427			0.1%	0.1%	
	0.10 to < 0.15	4			0.1%	0.1%	0.3%
	0.15 to < 0.25	161			0.2%	0.2%	0.2%
	0.25 to < 0.50	148			0.3%	0.3%	
	0.50 to < 0.75	168			0.5%	0.6%	0.4%
	0.75 to < 2.50	388	1	0.3%	1.1%	1.5%	0.6%
	0.75 to < 1.75	291	1	0.3%	0.9%	1.2%	0.6%
	1.75 to < 2.5	97			1.7%	2.2%	0.9%
	2.50 to < 10.00	454	7	1.5%	3.7%	4.4%	1.6%
	2.5 to < 5	355	3	0.9%	2.9%	3.6%	1.4%
	5 to < 10	99	4	4.0%	5.5%	7.1%	3.9%
	10.00 to < 100.00	135	2	1.5%	10.8%	12.6%	2.4%
	10 to < 20	131	2	1.5%	9.9%	12.1%	2.4%
	20 to < 30	1			24.8%	24.8%	6.9%
	30.00 to < 100.00	3			31.0%	31.0%	5.0%
	100.00 (default)	157			94.2%	100.0%	
Retail customers – guaranteed by SME real estate collateral	0.00 to < 0.15						
	0.00 to < 0.10						
	0.10 to < 0.15						
	0.15 to < 0.25						
	0.25 to < 0.50						
	0.50 to < 0.75						2.0%
	0.75 to < 2.50						2.1%
	0.75 to < 1.75						1.7%
	1.75 to < 2.5						3.0%
	2.50 to < 10.00						5.4%
	2.5 to < 5						5.1%
	5 to < 10						5.9%
	10.00 to < 100.00						2.9%
	10 to < 20						3.5%
	20 to < 30						2.8%
	30.00 to < 100.00						
	100.00 (default)						
Retail customers – guaranteed by non-SMEs real estate collateral	0.00 to < 0.15						
	0.00 to < 0.10						
	0.10 to < 0.15						
	0.15 to < 0.25						
	0.25 to < 0.50						
	0.50 to < 0.75						
	0.75 to < 2.50						
	0.75 to < 1.75						
	1.75 to < 2.5						
	2.50 to < 10.00						
	2.5 to < 5						
	5 to < 10						
	10.00 to < 100.00						
	10 to < 20						
	20 to < 30						
	30.00 to < 100.00						
	100.00 (default)						

Exposure classes	PD scale	Number of obligors at the end of the previous year		Average default rate observed (%)	Average weighted PD (%)	Average PD (%)	Average annual historic default rate observed (%)
			o/w number of obligors who defaulted during the year				
Retail – qualifying revolving	0.00 to < 0.15						
	0.00 to < 0.10						
	0.10 to < 0.15						
	0.15 to < 0.25						
	0.25 to < 0.50						
	0.50 to < 0.75						
	0.75 to < 2.50						
	0.75 to < 1.75						
	1.75 to < 2.5						
	2.50 to < 10.00						3.7%
	2.5 to < 5						7.7%
	5 to < 10						
	10.00 to < 100.00						
	10 to < 20						
	20 to < 30						
	30.00 to < 100.00						
	100.00 (default)						
Retail – other SMEs	0.00 to < 0.15						
	0.00 to < 0.10						
	0.10 to < 0.15						
	0.15 to < 0.25						
	0.25 to < 0.50						0.1%
	0.50 to < 0.75						0.3%
	0.75 to < 2.50						0.4%
	0.75 to < 1.75						0.3%
	1.75 to < 2.5						0.6%
	2.50 to < 10.00						1.1%
	2.5 to < 5						0.8%
	5 to < 10						1.4%
	10.00 to < 100.00						4.6%
	10 to < 20						3.6%
	20 to < 30						3.7%
	30.00 to < 100.00						11.7%
	100.00 (default)						
Retail – other non-SMEs	0.00 to < 0.15						
	0.00 to < 0.10						
	0.0 to < 0.15						
	0.15 to < 0.25						
	0.25 to < 0.50						
	0.50 to < 0.75						
	0.75 to < 2.50						
	0.75 to < 1.75						
	1.75 to < 2.5						
	2.50 to < 10.00						
	2.5 to < 5						
	5 to < 10						
	10.00 to < 100.00						14.3%
	10 to < 20						
	20 to < 30						
	30.00 to < 100.00						14.3%
	100.00 (default)						

Exposure classes	PD scale	Number of obligors at the end of the previous year	o/w number of obligors who defaulted during the year	Average default rate observed (%)	Average weighted PD (%)	Average PD (%)	Average annual historic default rate observed (%)
Equity advanced	0.00 to < 0.15	714			0.0%	0.1%	0.0%
	0.00 to < 0.10	710			0.0%	0.1%	0.0%
	0.0 to < 0.15	4			0.1%	0.1%	0.1%
	0.15 to < 0.25	245			0.2%	0.2%	0.1%
	0.25 to < 0.50	273			0.3%	0.3%	0.1%
	0.50 to < 0.75	420			0.5%	0.6%	0.3%
	0.75 to < 2.50	749	4	0.5%	1.1%	1.4%	0.5%
	0.75 to < 1.75	564	3	0.5%	0.9%	1.2%	0.4%
	1.75 to < 2.5	185	1	0.5%	1.5%	2.0%	0.8%
	2.50 to < 10.00	752	10	1.3%	3.2%	4.1%	1.5%
	2.5 to < 5	605	5	0.8%	2.6%	3.5%	1.3%
	5 to < 10	147	5	3.4%	4.7%	6.9%	1.9%
	10.00 to < 100.00	192	4	2.1%	9.4%	13.1%	3.7%
	10 to < 20	178	3	1.7%	9.3%	12.0%	2.8%
	20 to < 30	8			9.8%	23.7%	3.8%
	30.00 to < 100.00	6	1	16.7%	13.0%	31.0%	11.1%
	100.00 (default)	244			86.0%	100.0%	

Simple equity

Exposure classes	PD scale	Number of obligors at the end of the previous year	o/w number of debtors who defaulted during the year	Average default rate observed (%)	Average weighted PD (%)	Average PD (%)	Average annual historic default rate observed (%)
Governments or central banks	0.00 to < 0.15	1					
	0.00 to < 0.10	1					
	0.10 to < 0.15						
	0.15 to < 0.25						
	0.25 to < 0.50	3			0.4%	0.4%	
	0.50 to < 0.75						
	0.75 to < 2.50						
	0.75 to < 1.75						
	1.75 to < 2.5						
	2.50 to < 10.00						
	2.5 to < 5						
	5 to < 10						
	10.00 to < 100.00						
	10 to < 20						
	20 to < 30						
	30.00 to < 100.00						
	100.00 (default)						
Institutions	0.00 to < 0.15	10			0.1%	0.1%	
	0.00 to < 0.10	10			0.1%	0.1%	
	0.10 to < 0.15						
	0.15 to < 0.25	3			0.2%	0.2%	
	0.25 to < 0.50	3			0.4%	0.3%	
	0.50 to < 0.75	4			0.6%	0.5%	
	0.75 to < 2.50	4			1.7%	1.3%	
	0.75 to < 1.75	4			1.5%	1.3%	
	1.75 to < 2.5				2.2%		
	2.50 to < 10.00	2			3.0%	3.3%	4.4%
	2.5 to < 5	2			3.0%	3.3%	4.4%
	5 to < 10						
	10.00 to < 100.00						
	10 to < 20						
	20 to < 30						
	30.00 to < 100.00						
	100.00 (default)						

Exposure classes	PD scale	Number of obligors at the end of the previous year	o/w number of debtors who defaulted during the year	Average default rate observed (%)	Average weighted PD (%)	Average PD (%)	Average annual historic default rate observed (%)
Corporates – SMEs	0.00 to < 0.15						
	0.00 to < 0.10						
	0.10 to < 0.15						
	0.15 to < 0.25	1				0.2%	
	0.25 to < 0.50				0.4%		
	0.50 to < 0.75						
	0.75 to < 2.50	41	3	7.3%		2.2%	2.4%
	0.75 to < 1.75	2				1.7%	2.0%
	1.75 to < 2.5	39	3	7.7%		2.2%	5.8%
	2.50 to < 10.00	185	15	8.1%	4.3%	4.8%	5.5%
	2.5 to < 5	121	7	5.8%	3.6%	3.6%	4.7%
	5 to < 10	64	8	12.5%	6.6%	7.2%	8.1%
	10.00 to < 100.00	64	4	6.3%	14.9%	15.5%	3.9%
	10 to < 20	55	1	1.8%	12.6%	11.9%	3.0%
	20 to < 30	1			24.8%	24.8%	
	30.00 to < 100.00	8	3	37.5%	36.8%	39.1%	17.7%
	100.00 (default)	37			100.0%	100.0%	
Corporates – Specialized lending	0.00 to < 0.15						
	0.00 to < 0.10						
	0.10 to < 0.15						
	0.15 to < 0.25						
	0.25 to < 0.50						
	0.50 to < 0.75						
	0.75 to < 2.50						
	0.75 to < 1.75						
	1.75 to < 2.5						
	2.50 to < 10.00						
	2.5 to < 5						
	5 to < 10						
	10.00 to < 100.00						
	10 to < 20						
	20 to < 30						
	30.00 to < 100.00						
	100.00 (default)						
Corporates – Other	0.00 to < 0.15						1.7%
	0.00 to < 0.10						1.7%
	0.10 to < 0.15						2.7%
	0.15 to < 0.25						1.5%
	0.25 to < 0.50						0.7%
	0.50 to < 0.75						1.4%
	0.75 to < 2.50	18			2.2%	2.2%	1.3%
	0.75 to < 1.75						0.8%
	1.75 to < 2.5	18			2.2%	2.2%	8.7%
	2.50 to < 10.00	60	4	6.7%	4.6%	4.8%	1.9%
	2.5 to < 5	35	1	2.9%	3.5%	3.6%	0.5%
	5 to < 10	25	3	12.0%	7.4%	6.5%	9.4%
	10.00 to < 100.00	20	1	5.0%	12.6%	13.4%	2.4%
	10 to < 20	18	1	5.6%	11.7%	12.1%	2.5%
	20 to < 30	2			24.8%	24.8%	
	30.00 to < 100.00				31.1%		
	100.00 (default)	8			100.0%	100.0%	

Exposure classes	PD scale	Number of obligors at the end of the previous year	o/w number of debtors who defaulted during the year	Average default rate observed (%)	Average weighted PD (%)	Average PD (%)	Average annual historic default rate observed (%)
Simple equity	0.00 to < 0.15	11			0.1%	0.1%	1.4%
	0.00 to < 0.10	11			0.1%	0.1%	1.3%
	0.10 to < 0.15						2.4%
	0.15 to < 0.25	4			0.2%	0.2%	1.2%
	0.25 to < 0.50	6			0.4%	0.3%	0.5%
	0.50 to < 0.75	4			0.6%	0.5%	0.9%
	0.75 to < 2.50	63	3	4.8%	2.2%	2.1%	1.8%
	0.75 to < 1.75	6			1.5%	1.4%	1.3%
	1.75 to < 2.5	57	3	5.3%	2.2%	2.2%	6.8%
	2.50 to < 10.00	247	19	7.7%	4.4%	4.8%	4.1%
	2.5 to < 5	158	8	5.1%	3.6%	3.6%	3.0%
	5 to < 10	89	11	12.4%	7.0%	7.0%	8.5%
	10.00 to < 100.00	84	5	6.0%	14.0%	15.0%	3.5%
	10 to < 20	73	2	2.7%	12.2%	11.9%	2.9%
	20 to < 30	3			24.8%	24.8%	
	30.00 to < 100.00	8	3	37.5%	35.6%	39.1%	16.9%
	100.00 (default)	45			100.0%	100.0%	

Internal rating – Specialized lending and equities under the simple risk weighting method (excluding impact of thresholds) (CR10.1 to CR10.5)

CR10.1

Regulatory categories *(in millions of euros)*	Specialized lending: Project financing (referencing approach)						
	Residual maturity	On-balance sheet exposures	Off-balance sheet exposures	**Risk weighting**	Exposure at default	Risk-weighted exposure amount	Amount of expected losses
Class 1	Less than 2.5 years			50%			
	Equal to or more than 2.5 years			70%			
Class 2	Less than 2.5 years			70%			
	Equal to or more than 2.5 years			90%			
Class 3	Less than 2.5 years			115%			
	Equal to or more than 2.5 years			115%			
Class 4	Less than 2.5 years			250%			
	Equal to or more than 2.5 years			250%			
Class 5	Less than 2.5 years			-			
	Equal to or more than 2.5 years			-			
TOTAL AS AT 31/12/2021	**Less than 2.5 years**						
	Equal to or more than 2.5 years						
Total as at 31/12/2020	**Less than 2.5 years**						
	Equal to or more than 2.5 years						

Simple risk-weighted approach on specialized lending only applied by the SFS entities sold to BPCE in early 2019.

CR10.2

		Specialized lending: Revenue-generating properties and high-volatility commercial properties (referencing approach)					
Regulatory categories *(in millions of euros)*	Residual maturity	On-balance sheet exposures	Off-balance sheet exposures	**Risk weighting**	Exposure at default	Risk-weighted exposure amount	Amount of expected losses
Class 1	Less than 2.5 years			50%			
	Equal to or more than 2.5 years			70%			
Class 2	Less than 2.5 years			70%			
	Equal to or more than 2.5 years			90%			
Class 3	Less than 2.5 years			115%			
	Equal to or more than 2.5 years			115%			
Class 4	Less than 2.5 years			250%			
	Equal to or more than 2.5 years			250%			
Class 5	Less than 2.5 years			-			
	Equal to or more than 2.5 years			-			
TOTAL AS AT 31/12/2021	**Less than 2.5 years**						
	Equal to or more than 2.5 years						
Total as at 31/12/2020	**Less than 2.5 years**						
	Equal to or more than 2.5 years						

Simple risk-weighted approach on specialized lending only applied by the SFS entities sold to BPCE in early 2019.

CR10.3

		Specialized lending: Object financing (referencing approach)					
Regulatory categories *(in millions of euros)*	Residual maturity	On-balance sheet exposures	Off-balance sheet exposures	**Risk weighting**	Exposure at default	Risk-weighted exposure amount	Amount of expected losses
Class 1	Less than 2.5 years			50%			
	Equal to or more than 2.5 years			70%			
Class 2	Less than 2.5 years			70%			
	Equal to or more than 2.5 years			90%			
Class 3	Less than 2.5 years			115%			
	Equal to or more than 2.5 years			115%			
Class 4	Less than 2.5 years			250%			
	Equal to or more than 2.5 years			250%			
Class 5	Less than 2.5 years			-			
	Equal to or more than 2.5 years			-			
TOTAL AS AT 31/12/2021	**Less than 2.5 years**						
	Equal to or more than 2.5 years						
Total as at 31/12/2020	**Less than 2.5 years**						
	Equal to or more than 2.5 years						

Simple risk-weighted approach on specialized lending only applied by the SFS entities sold to BPCE in early 2019.

CR10.4

Regulatory categories *(in millions of euros)*	Residual maturity	On-balance sheet exposures	Off-balance sheet exposures	Risk weighting	Exposure at default	Risk-weighted exposure amount	Amount of expected losses
	Specialized lending: commodities financing (referencing approach)						
Class 1	Less than 2.5 years			50%			
	Equal to or more than 2.5 years			70%			
Class 2	Less than 2.5 years			70%			
	Equal to or more than 2.5 years			90%			
Class 3	Less than 2.5 years			115%			
	Equal to or more than 2.5 years			115%			
Class 4	Less than 2.5 years			250%			
	Equal to or more than 2.5 years			250%			
Class 5	Less than 2.5 years			-			
	Equal to or more than 2.5 years			-			
TOTAL AS AT 31/12/2021	**Less than 2.5 years**						
	Equal to or more than 2.5 years						
Total as at 31/12/2020	**Less than 2.5 years**						
	Equal to or more than 2.5 years						

Simple risk-weighted approach on specialized lending only applied by the SFS entities sold to BPCE in early 2019.

CR10.5

Classes *(in millions of euros)*	On-balance sheet exposures	Off-balance sheet exposures	Risk weighting	Exposure at default	Risk-weighted exposure amount	Amount of expected losses
	Equity financing exposures subject to the simple weighting method					
Private Equity exposures	715	167	190%	882	1,676	7
Listed share exposures	816		290%	816	2,365	7
Other equity exposures	3,198		370%	3,198	11,834	77
TOTAL AS AT 31/12/2021	**4,729**	**167**		**4,896**	**15,875**	**90**

Breakdown of equity exposures by main Natixis business line (NX23)

Division *(in millions of euros)*	31/12/2021 Fair value	31/12/2021 EAD	31/12/2020 Fair value	31/12/2020 EAD
Corporate & Investment Banking	247	232	235	235
Asset & Wealth Management	2,434	2,601	2,171	2,352
Insurance	2,559	2,559	2,374	2,374
Payments	1	1	13	13
Corporate Center	216	308	177	177
Coface activities	189	189	605	605
TOTAL	**5,646**	**5,890**	**5,575**	**5,757**

EAD by type and nature of exposure (excluding impact of thresholds) (NX24)

Type and nature of exposure *(in millions of euros)*	Share	Mutual funds	Investments	Total as at 31/12/2021	Total as at 31/12/2020
Private Equity held in sufficiently diversified portfolios	882			882	741
Other equity exposures	293	99	2,807	3,198	2,968
Listed equities	196	522	97	816	1,439
Equity – standardized approach					
TOTAL	**1,370**	**621**	**2,905**	**4,896**	**5,148**

RWA by weighting (excluding impact of thresholds) (NX25)

Type and nature of exposure *(in millions of euros)*	IRB approach	Standardized approach	Total as at 31/12/2021	Total as at 31/12/2020
Private Equity held in sufficiently diversified portfolios	1,676		1,676	1,407
Other equity exposures	11,834		11,834	10,981
Listed equities	2,365		2,365	4,174
Equity – standardized approach				
TOTAL	**15,875**		**15,875**	**16,563**

Information on loans and advances subject to legislative and non-legislative moratoria

Natixis has not granted moratoria as defined by the EBA (EBA/GL/2020/07 Guidelines).

Information on new loans and advances provided under government guaranteed schemes in response to the COVID-19 crisis

	Gross carrying amount		Maximum amount of guarantee that may be considered	Gross carrying amount
(in millions of euros)		o/w: subject to measures restructuring	Public guarantees received	Capital inflows on non-performing exposures
New loans and advances provided under public guarantee schemes	**2,152**	**360**	**1,904**	**0**
o/w: Households	0	0	0	0
o/w: Secured by a residential property	0	0	0	0
o/w: Non-financial companies	2,152	360	1,904	0
o/w: Small and medium-sized companies	42	0	0	0
o/w: Secured by commercial property	0	0	0	0

3.3.3.3 Counterparty risks

Counterparty risk management methodologies are described in Note 3.2.4 “Credit and counterparty risk management”.

A – Counterparty risk exposure

Analysis of exposure using counterparty credit risk approach (CCR1)

	(in million of euros)	Replacement cost (RC)	Potential future exposure (PFE)	EEPE	Alpha used for computing regulatory exposure value	Exposure at default pre-CRM	Exposure at default post-CRM	Exposure at default	Risk-weighted exposure amount (RWEA)
EU-1	EU – Original exposure method (for derivatives)				1.4				
EU-2	EU – simplified SA-CCR (for derivatives)				1.4				
1	SA-CCR (for derivatives)	1,103	3,078		1.4	23,835	5,853	5,853	2,019
2	IMM (for derivatives and SFTs)			11,981		411	16,773	16,773	4,334
2a	*o/w securities financing transaction netting sets*								
2b	*o/w derivative & long settlement transaction netting sets*			*11,981*		*411*	*16,773*	*16,773*	*4,334*
2c	*o/w from contractual cross-product netting sets*								
3	Financial collateral simple method (for SFTs)					26,360	24,923	24,923	2,145
4	Financial collateral comprehensive method (for SFTs)								
5	VaR for SFTs								
6	**TOTAL**					**50,607**	**47,549**	**47,549**	**8,498**

SA – CCR EAD by regulatory portfolio and risk weight (CCR3)

		Risk weighting											
	(in millions of euros)	0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Other	Total exposure value
1	Governments or central banks												
2	Regional governments or local authorities	10				219							229
3	Public sector entities	425				379	3			49			856
4	Multilateral development banks												
5	International organizations	10											10
6	Institutions	5,822	11,806			102	26						17,756
7	Corporates	2	281			9	0			98			391
8	Retail								0				0
9	Institutions and corporates with a short-term credit assessment					82	57			10			149
10	Other items										2		2
11	**TOTAL EXPOSURE VALUE AT 31/12/2021**	**6,270**	**12,087**			**791**	**86**		**0**	**157**	**2**		**19,394**

NI – CCR exposures by portfolio and PD scale (CCR4)

IRB-F (in millions of euros)		Exposure at default	Average weighted PD (%)	Number of obligors	Average weighted LGD (%)	Weighted average maturity (%)	Risk-weighted exposure amount (RWEA)	Density of weighted exposure amounts
Governments or central banks	0.00 to < 0.15	1		2	45%	2		
	0.15 to < 0.25							
	0.25 to < 0.50							
	0.50 to < 0.75							
	0.75 to < .50							
	2.50 to < 10.00							
	10.00 to < 100.00							
	100.00 (default)							
	Sub-total	**1**		**2**	**45%**	**2**		
Institutions	0.00 to < 0.15	246	0.05%	23	45%	1	30	12%
	0.15 to < 0.25	9	0.16%	5	45%	1	2	27%
	0.25 to < 0.50							
	0.50 to < 0.75							
	0.75 to < 2.50							
	2.50 to < 10.00							
	10.00 to < 100.00							
	100.00 (default)							
	Sub-total	**254**	**0.05%**	**28**	**45%**	**1**	**33**	**13%**
Corporates	0.00 to < 0.15	746	0.07%	57	44%	2	160	21%
	0.15 to < 0.25	0	0.16%	3	45%	1	0	37%
	0.25 to < 0.50	13	0.30%	3	45%	2	7	53%
	0.50 to < 0.75	2	0.53%	2	45%	1	1	54%
	0.75 to < 2.50	1	2.00%	1	45%		1	95%
	2.50 to < 10.00	10	2.74%	3	45%	2	14	133%
	10.00 to < 100.00							
	100.00 (default)							
	Sub-total	**772**	**0.11%**	**69**	**44%**	**2**	**183**	**24%**
IRB-F	0.00 to < 0.15	993	0.06%	82	44%	2	191	19%
	0.15 to < 0.25	9	0.16%	8	45%	1	2	28%
	0.25 to < 0.50	13	0.30%	3	45%	2	7	53%
	0.50 to < 0.75	2	0.53%	2	45%	1	1	54%
	0.75 to < 2.50	1	2.00%	1	45%		1	95%
	2.50 to < 10.00	10	2.74%	3	45%	2	14	133%
	10.00 to < 100.00							
	100.00 (default)							
TOTAL AS AT 31/12/2021		**1,028**	**0.10%**	**99**	**45%**	**2**	**216**	**21%**

A-IRB *(in millions of euros)*	PD scale	Exposure at default	Average PD, weighted *(%)*	Number of obligors	Average LGD, weighted (%)	Weighted average maturity (%)	Risk-weighted exposure amount (RWEA)	Density of weighted exposure amounts
Governments or central banks	0.00 to < 0.15	8,357		87	16%	1	22	0%
	0.15 to < 0.25	840	0.21%	7	33%		145	17%
	0.25 to < 0.50	98	0.10%	4	18%	5	24	25%
	0.50 to < 0.75							
	0.75 to < 2.50							
	2.50 to < 10.00	38	3.19%	1	47%	3	56	149%
	10.00 to < 100.00							
	100.00 (default)							
	Sub-total	**9,333**	**0.03%**	**99**	**18%**	**1**	**247**	**3%**
Institutions	0.00 to < 0.15	12,899	0.06%	302	41%	1	2,271	18%
	0.15 to < 0.25	1,296	0.19%	87	47%	2	624	48%
	0.25 to < 0.50	437	0.35%	68	49%	2	320	73%
	0.50 to < 0.75	89	0.58%	32	48%	2	85	96%
	0.75 to < 2.50	131	1.35%	36	62%	1	179	137%
	2.50 to < 10.00	9	3.14%	18	80%		21	229%
	10.00 to < 100.00							
	100.00 (default)							
	Sub-total	**14,861**	**0.10%**	**543**	**42%**	**1**	**3,500**	**24%**
Corporates	0.00 to < 0.15	9,120	0.05%	688	37%	1	762	8%
	0.15 to < 0.25	1,227	0.16%	172	31%	2	351	29%
	0.25 to < 0.50	1,063	0.31%	207	30%	3	378	36%
	0.50 to < 0.75	1,011	0.54%	408	23%	3	381	38%
	0.75 to < 2.50	2,523	1.33%	816	31%	2	1,643	65%
	2.50 to < 10.00	691	4.43%	692	36%	2	763	110%
	10.00 to < 100.00	44	13.15%	237	35%	3	77	177%
	100.00 (default)	47	100.00%	41	40%	2	54	113%
	Sub-total	**15,725**	**0.84%**	**3,261**	**34%**	**1**	**4,410**	**28%**
Retail	0.00 to < 0.15							
	0.15 to < 0.25							
	0.25 to < 0.50							
	0.50 to < 0.75							
	0.75 to < 2.50							
	2.50 to < 10.00							
	10.00 to < 100.00							
	100.00 (default)							
	Sub-total							
A-IRB	0.00 to < 0.15	30,376	0.04%	1,077	33%	1	3,055	10%
	0.15 to < 0.25	3,363	0.18%	266	38%	2	1,120	33%
	0.25 to < 0.50	1,598	0.31%	279	34%	3	722	45%
	0.50 to < 0.75	1,100	0.54%	440	25%	3	467	42%
	0.75 to < 2.50	2,653	1.33%	852	33%	2	1,822	69%
	2.50 to < 10.00	738	4.35%	711	37%	2	841	114%
	10.00 to < 100.00	44	13.15%	237	35%	3	77	177%
	100.00 (default)	47	100.00%	41	40%	2	54	113%
TOTAL AS AT 31/12/2021		**39,919**	**0.38%**	**3,903**	**33%**	**1**	**8,157**	**20%**

Equity approach *(in millions of euros)*	PD scale	Exposure at default	Average PD, weighted *(%)*	Number of obligors	Average LGD, weighted *(%)*	Weighted average maturity *(%)*	Risk-weighted exposure amount (RWEA)	Density of weighted exposure amounts
Equity approach	0.00 to < 0.15	31,369	0.04%	1,159	33%	1	3,246	10%
	0.15 to < 0.25	3,372	0.18%	274	38%	2	1,122	33%
	0.25 to < 0.50	1,611	0.31%	282	34%	3	729	45%
	0.50 to < 0.75	1,102	0.54%	442	25%	3	468	42%
	0.75 to < 2.50	2,655	1.33%	853	33%	2	1,823	69%
	2.50 to < 10.00	748	4.33%	714	37%	2	855	114%
	10.00 to < 100.00	44	13.15%	237	35%	3	77	177%
	100.00 (default)	47	100.00%	41	40%	2	54	113%
TOTAL AS AT 31/12/2021		**40,948**	**0.37%**	**4,002**	**34%**	**1**	**8,373**	**20%**

Composition of collateral for exposures (CCR5)

		Collateral used in derivative transactions				Collateral used in OFTs			
		Fair value of collateral received		Fair value of collateral provided		Fair value of collateral received		Fair value of collateral provided	
	Security type *(in millions of euros)*	Segregated initial margin	Non-segregated initial margin	Segregated initial margin	Non-segregated initial margin	Segregated initial margin	Non-segregated initial margin	Segregated initial margin	Non-segregated initial margin
1	Cash-national currency		11,611		11,250		1,462		1,083
2	Cash – other currencies		1,541		2,873		5,485		1,642
3	National sovereign debt						1		27
4	Other sovereign debt	1,865	194		78		101,904		103,925
5	General government debt	723	487		575		19,727		32,042
6	Corporate bonds	952	244		229		13,802		12,241
7	Equity	670					9,034		55,946
8	Other collateral								
9	**TOTAL AS AT 31/12/2021**	**4,210**	**14,078**		**15,005**		**151,415**		**206,907**

Credit derivatives exposures (CCR6)

(in millions of euros)		Protection bought	Protection sold
Notional			
1	Single-name credit default swaps	6,568	10,426
2	Index credit default swaps	9,356	5,345
3	Total swaps	947	
4	Credit options		
5	Other credit derivatives		
6	**TOTAL NOTIONAL AMOUNTS**	**16,871**	**15,771**
Fair values			
7	Positive fair value (asset)	92	398
8	Negative fair value (liability)	(449)	(63)

RWA flow statements of CCR exposures under Internal Model Method (IMM) (EU CCR7)

(in millions of euros)		Risk-weighted exposure amount (RWEA)
1	**RWEA at end of previous reporting period (30/06/2021)**	**4,736**
2	Asset size	278
3	Counterparty credit quality	(169)
4	Model updates (MMI only)	(32)
5	Methodology and policy (IMM only)	23
6	Acquisitions and disposals	
7	Foreign exchange movements	
8	Other	(480)
9	**RWEA at the end of the current reporting period (31/12/2021)**	**4,357**

NI approach – Information on the degree of use of ARC technique (EU CR7-A)

	A-IRB	Total exposures	Mitigating credit risk technique											
			Financed credit protection								Unfunded credit protection			
			Portion of exposures covered by financial collateral (%)	Portion of exposures covered by other eligible collateral (%)	Portion of exposures covered by real estate securities	Portion of exposures covered by Portion of exposures secured by receivables to be collected (%)	Portion of exposures covered by other security interests (%)	Portion of exposures covered by other forms of financed credit protection (%)	Portion of exposures covered by cash deposits (%)	Portion of exposures covered by Portion of exposures secured by life insurance policies (%)	Portion of exposures covered by instruments held by a third party (%)	Portion of exposures covered by guarantees (%)	Portion of exposures hedged by credit derivatives (%)	RWEA with substitution effect (reduction and substitution effects)
1	Governments and central banks	58,797		0.15%		0.04%	0.11%	0.10%	0.10%					237
2	Institutions	7,414		3.93%		0.17%	3.76%	9.06%	9.06%					1,555
3	Corporates	91,107	3.06%	28.99%	9.84%	11.73%	7.42%	1.98%	1.98%					35,796
3,1	o/w Corporates – SMEs	1,218		11.50%	3.96%	0.00%	7.54%	0.01%	0.01%					821
3,2	o/w Corporates – Specialized lending	18,160	0.00%	112.85%	42.71%	54.19%	15.94%	0.74%	0.74%					4,886
3,3	o/w Corporates – Other	71,729	3.89%	8.05%	1.62%	1.17%	5.25%	2.33%	2.33%					30,090
4	Retail													
4,1	Including customers of retail – SMEs Real Estate													
4,2	o/w Retail – Non-SMEs Real Estate													
4,3	o/w Retail – Qualifying revolving exposures													
4,4	o/w Retail – Other SMEs													
4,5	o/w Retail customers – Other non-SMEs													
5	**TOTAL**	**157,318**	**1.77%**	**17.03%**	**5.70%**	**6.81%**	**4.51%**	**1.61%**	**1.61%**					**37,589**

	IRB-F *(in millions of euros)*	Total exposures	Mitigating credit risk technique											
			Financed credit protection								Unfunded credit protection			
			Portion of exposures covered by financial collateral	Portion of exposures covered by other eligible collateral (%)	Portion of exposures covered by real estate securities	Portion of exposures covered by Portion of exposures secured by receivables to be collected (%)	Portion of exposures covered by other security interests (%)	Portion of exposures covered by financial collateral	Portion of exposures covered by cash deposits (%)	Portion of exposures covered by life insurance policies (%)	Portion of exposures covered by instruments held by a third party (%)	Portion of exposures covered by guarantees (%)	Exposures hedged by credit derivatives, o/w: secred amount	RWEA with substitution effect (reduction and substitution effects)
1	Governments and central banks	726												470
2	Institutions	151												30
3	Corporates	631	4.55%	2.27%			2.27%							662
3,1	o/w Corporates – SMEs	274	6.48%	2.65%			2.65%							253
3,2	o/w Corporates – Specialized lending													
3,3	o/w Corporates – Other	357	3.08%	1.98%			1.98%							408
4	**TOTAL**	**1,509**	**1.90%**	**0.95%**			**0.95%**							**1,161**

Exposures to CCPs (CCR8)

	(in millions of euros)	Exposure at default	Risk-weighted exposure amount (RWEA)
1	**Exposure to qualifying central counterparties (total)**		**407**
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); o/w	7,614	151
3	(i) OTC derivatives	1,258	25
4	(ii) Exchange-traded derivatives	2,678	52
5	(iii) Securities Financing Transactions	3,678	74
6	(iv) Netting sets for which cross-product netting has been approved		
7	Segregated initial margin	2	
8	Non-segregated initial margin	4,640	111
9	Pre-funded default fund contributions	364	145
10	Unfunded default fund contributions		
11	Exposures to non-qualifying central counterparties (total)		
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); o/w		
13	(i) OTC derivatives		
14	(ii) Exchange-traded derivatives		
15	(iii) Securities Financing Transactions		
16	(iv) Netting sets for which cross-product netting has been approved		
17	Segregated initial margin		
18	Non-segregated initial margin		
19	Pre-funded default fund contributions		
20	Unfunded default fund contributions		

B – Capital requirements and risk-weighted assets

Capital requirements for credit valuation adjustments (EU CCR2)

		31/12/2021	
	(in millions of euros)	**Exposure at default**	**Risk-weighted exposure amount (RWEA)**
1	**Total transactions subject to the advanced method**	**5,425**	**1,187**
2	i) VaR component (including the 3× multiplier)		65
3	ii) Stressed VaR component (including the 3× multiplier)		1,122
4	**Transactions subject to the standardized method**	**4,305**	**1,110**
EU-4	**Transactions subject to the fall-back approach (based on the original exposure method)**		
5	**TOTAL TRANSACTIONS SUBJECT TO CAPITAL REQUIREMENT FOR CVA RISK**	**9,730**	**2,296**

3.3.3.4 Securitization

The risk management methodologies for securitization transactions are described in Note 3.2.5 "Securitization".

Natixis uses the three approaches described in Article 254 (1) of the CRR, according to the following situations:

- for synthetic securitizations (non STS): Natixis is the originator of the underlying loans, and meets the conditions to use the SEC A-IRBA approach on the selected exposures;
- for traditional securitizations (non STS) where Natixis is the originator of the underlying loans and where Natixis retains the risk: Natixis uses SEC A-IRB when it is the sole originator and SEC-SA or SEC-ERBA when it is an originator among others;
- to process exposures arising from ABCP programs sponsored by the institution: Natixis uses SEC-SA or SEC-ERBA in an STS or non-STS framework, depending on the transactions concerned;
- for securitization transactions that the institution structures and partially finances as an investor: Natixis uses the SEC-SA or SEC-ERBA approach depending on the situation.

For all other exposures, particularly those classified in the trading book, Natixis uses SEC-SA or SEC-ERBA, depending on the situation. Natixis only uses the weighting of 1.250%.

At December 31, 2021, the entities (i.e. American Trusts (CMBS)) that had acquired real estate receivables originating from Natixis in the United States were: CSMC 2016-NXSR, CGCMT 2017-P7, NCMS 2017-75B, CSAIL 2017-C8, CSAIL 2017-C8 85BD, CSAIL 2017-CX9, CSAIL 2017-CX10, CSAIL 2017-CX10 STAN, CSAIL 2017-CX10 UES, CSMC 2017 TIME, NCMS 2018-285M, NCMS 2018-TECH, NCMS 2018-ALXA, NCMS 2018-OSS, NCMS 2018-RIVA, NCMS 2018-20TS, NCMS 2018-FL1, NCMS 2018-FL1 MCR, NCMS 2018-FL1 WAN, NCMS 2018-FL1 NHP, NCMS 2018-FL1 ORP, US 2018-USDC, NCMS 2018-SOX, CSAIL 2018-CX11, CSAIL 2018 CX12, UBS 2018-C11, UBSCM 2018-C12, UBS 2018-C13, CSAIL 2018 C14, UBS 2018 C14, UBS 2018 C15, NCMS 2019-NEMA, NCMS 2019-LVL, NCMS 2019-10K, BBCMS 2019-C3, BBCMS 2019-C4, NCMS 2019-FAME, NCMS 2019-AMZ7, NCMS 2019-1776, BBCMS 2019-C5, UBS 2019-C18, NCMS 2019-MILE, NCMS 2020-2PAC, NCMS 2020-2PAC AMZ, NCMS 2020-2PAC MSK, BBCMS 2020-C7, BX 2021-MC, BBCMS 2021-C11, NCMS 2021 APPL, BX 2021-21M.

These transactions are notified to the European Supervisor (ECB) as part of the SRT process.

Natixis may be required to perform depositary functions in these CMBSs, and to retain risks to meet local obligations to align interests.

Natixis is the sponsor of the Versailles and Magenta conduits, which the institution supports entirely in liquidity ("fully supported ABCP programs" within the meaning of European Regulations).

In order to meet the obligations of the American regulator, Natixis, through its Natixis New York Branch, holds 5% of the commercial papers issued by the Versailles conduit.

In 2021, no entity owned by Natixis carried commercial papers issued by the Magenta conduit.

In addition, Natixis is also the custodian of securitization undertakings.

In addition, from time to time, certain Natixis trading desks may carry the securities of operations that the institution has originated.

Lastly, Natixis has not provided implicit support for securitization transactions that are subject to a significant risk transfer (SRT).

Accounting methods

The securitization positions classified as Amortized cost are measured at amortized cost using the effective interest rate method as described in Note 5.1 to the accounting principles which can be found in Chapter 5 "Consolidated financial statements and notes". They are tested for impairment at each reporting date and an impairment charge is recorded in the income statement under "Provision for credit losses".

Securitization positions classified under "Fair value through equity" are measured at their market value and any changes, excluding revenues recognized using the effective interest method, are recorded in a specific line in equity. Securitization positions (classified as debt instruments) are tested for impairment at each reporting date and an impairment charge is recorded under "Provision for credit losses".

In the event of a disposal of securitization positions (classified as debt instruments), Natixis transfers any changes in fair value for recognition in the income statement.

Positions classified under "Fair value through profit or loss" are measured at market value.

The market value is determined according to the principles set out in note 5.6 of the accounting principles appearing in Chapter 5 "Consolidated financial statements and notes". Gains or losses on the disposal of securitization positions are recognized in line with the rules applicable to the category in which the positions sold were initially classified.

Securitized assets are derecognized when Natixis transfers the contractual rights to receive the financial asset's cash flows and nearly all the risks and benefits of ownership.

B – External rating system

(Data certified by the Statutory Auditors in accordance with IFRS 7)

Natixis uses four external credit rating agencies for securitization transactions: Moody's, Fitch, Standard & Poor's and DBRS.

Banking book EAD by agency (NX33 bis)

	EAD (in millions of euros)		
Rating agencies	IRB approach	Standardized approach	Total
Moody's	140	5,571	5,711
DBRS	13	603	616
Fitch IBCA	84	212	296
Standard & Poor's	65	288	353
Unrated	2,229	4,791	7,020
Transparency			
Regulatory method			
TOTAL AS AT 31/12/2021	**2,531**	**11,466**	**13,997**

3

C – Natixis' securitization exposures

Securitization exposures in the banking book (SEC1)

	Bank acting as originator							Bank acting as sponsor				Bank acting as investor			
	Traditional				Synthetic			Traditional				Traditional			
	STS		Non-STS												
(in millions of euros)		o/w TRS		o/w TRS		o/w TRS	**Sub-total**	STS	Non-STS	Synthetic	**Sub-total**	STS	Non-STS	Synthetic	**Sub-total**
TOTAL EXPOSURES			**333**	**333**	**2,137**	**2,137**	**2,470**	**942**	**8,783**		**9,725**	**1**	**1,713**	**88**	**1,802**
Retail (total)									**2,063**		**2,063**	**1**	**877**	**88**	**966**
Residential mortgages									1,867		1,867	1	605		606
Credit cards															
Other retail exposures									196		196	0	272	88	360
Re-securitization															
Wholesale (total)			**333**	**333**	**2,137**	**2,137**	**2,470**	**942**	**6,720**		**7,662**		**836**		**836**
Loans to corporates			17	17	2,127	2,127	2,145		5,499		5,499		5,460		546
Commercial mortgages			315	315	9	9	325						1		1
Leases and receivables								942	809		1,751		19		19
Other wholesale exposures									412		412		270		270
Re-securitization													0		0

Securitization exposures in the trading book (SEC2)

	Bank acting as originator				Bank acting as sponsor				Bank acting as investor			
	Traditional		Synthetic		Traditional				Traditional			
	STS	Non-STS										
(in millions of euros)	o/w TRS	o/w TRS	o/w TRS	**Sub-total**	STS	Non-STS	Synthetic	**Sub-total**	STS	Non-STS	Synthetic	**Sub-total**
TOTAL EXPOSURES									**93**	**365**		**458**
Retail (total)									**81**	**137**		**218**
Residential mortgages									57	131		188
Credit cards									0			0
Other retail exposures									24	6		30
Re-securitization												
Wholesale (total)									**12**	**228**		**240**
Loans to corporates									11	197		208
Commercial mortgages										30		30
Leases and receivables									0			0
Other wholesale exposures										1		1
Re-securitization												

Exposures securitized by the institution – Default exposures and adjustments for specific credit risks (EU SEC5)

	Securitized exposures by the institution – The institution acts as originator or sponsor		
	Total nominal amount outstanding		Total amount of specific credit risk adjustments made during the period
(in millions of euros)		o/w exposures in default	
TOTAL EXPOSURES	**15,594**	**110**	**2**
Retail (total)	**1,135**	**11**	
Residential mortgages	943	1	
Credit cards			
Other retail exposures	192	10	
Re-securitization			
Wholesale (total)	**14,459**	**99**	**2**
Loans to corporates	6,321	91	2
Commercial mortgages	6,474		
Leases and receivables	1,402	7	
Other wholesale exposures	263		
Re-securitization			

Re-securitization exposures before and after substitution (NX34)

Guarantor rating *(in millions of euros)*	Exposure	Protection	EAD
Sub-total			
Unsecured			
TOTAL AS AT 31/12/2021			
Total as at 31/12/2020			

D – Capital requirements

Securitization exposures in the banking book and associated regulatory capital requirements – bank acting as originator or sponsor (EU SEC3)

	Exposure values (by RW bands)					Exposure values (by regulatory approach)				RWA (by regulatory approach)				PFE			
(in millions of euros)	<= 20%	> 20% to 50%	> 50% to 100%	> 100% to 1,250%	= 1,250%	SEC-IRBA appro-ach	SEC-ERBA appro-ach	SEC-SA appro-ach	Deault appro-ach	SEC-IRBA appro-ach	SEC-ERBA appro-ach	SEC-SA appro-ach	Default appro-ach	SEC-IRBA appro-ach	SEC-ERBA appro-ach	SEC-SA appro-ach	Default appro-ach
TOTAL EXPOSURES	**11,502**	**643**	**1**	**23**	**26**	**2,321**	**275**	**9,575**	**24**	**387**	**108**	**1,323**	**303**	**31**	**9**	**106**	**24**
Traditional transactions	**9,840**	**167**	**1**	**23**	**26**	**184**	**275**	**9,575**	**24**	**38**	**108**	**1,323**	**303**	**3**	**9**	**106**	**24**
Securitization	9,840	167	1	23	26	184	275	9,575	24	38	108	1,323	303	3	9	106	24
Retail underlying	1,953	110						2,063				338				27	
o/w STS																	
Wholesale	7,887	57	1	23	26	184	275	7,512	24	38	108	984	303	3	9	79	24
o/w STS	942							942				92				7	
Re-securitization																	
Synthetic transactions	**1,662**	**475**			**0**	**2,137**			**0**	**349**			**0**	**28**			**0**
Securitization	1,662	475			0	2,137			0	349			0	28			0
Retail underlying																	
Wholesale	1,662	475			0	2,137			0	349			0	28			0
Re-securitization																	

Securitization exposures in the banking book and associated regulatory capital requirements – bank acting as investor (ESA4)

	Exposure values (by RW bands)					Exposure values (by regulatory approach)				RWA (by regulatory approach)				PFE			
(in millions of euros)	<= 20%	> 20% to 50%	> 50% to 100%	> 100% to 1,20%	= 1,250%	SEC-IRBA appro-ach	SEC-ERBA appro-ach	SEC-SA appro-ach	Default appro-ach	SEC-IRBA appro-ach	SEC-ERBA appro-ach	SEC-SA appro-ach	Default appro-ach	SEC-IRBA appro-ach	SEC-ERBA appro-ach	SEC-SA appro-ach	Default appro-ach
TOTAL EXPOSURES	**1,699**	**0**	**70**	**30**	**3**		**159**	**1,641**	**3**		**105**	**270**	**33**		**8**	**22**	**3**
Traditional transactions	**1,611**	**0**	**70**	**30**	**3**		**159**	**1,552**	**3**		**105**	**257**	**33**		**8**	**21**	**3**
Securitization	1,611	0	70	30	3		159	1,552	3		105	257	32		8	21	3
Retail underlying	796		70	11	1		122	755	1		65	137	16		5	11	1
o/w STS	1							1				0				0	
Wholesale	815	0	0	19	1		37	797	1		40	120	15		3	10	1
o/w STS																	
Re-securitization					0				0				1				0
Synthetic transactions	**88**							**88**				**13**				**1**	
Securitization	88							88				13				1	
Retail underlying	88							88				13				1	
Wholesale																	
Re-securitization																	

3.3.3.5 Market risk

A – Market risk measurement methodology

The methodologies for measuring market risks are described in section 3.2.6 "Market risk".

B – Detailed quantitative disclosures

Market risk under the standardized approach (EU MR1)

(in millions of euros)		RWEA
	Firm income	
1	Interest rate risk (general and specific)	1,938
2	Equity risk (general and specific)	433
3	Foreign exchange risk	2,900
4	Commodities risk	1,666
	Options	
5	Simplified method	
6	Delta-plus method	114
7	Scenario method	257
8	**Securitization (specific risk)**	**464**
9	**TOTAL**	**7,772**

VaR, stressed VaR, IRC on the regulatory scope (EU MR3)

(in millions of euros)	**2021**
VaR (10 day 99%)	
Maximum value	34.7
Average value	17.5
Minimum value	8.7
Value at end of period	20.5
Stressed VaR (10 day 99%)	
Maximum value	77.0
Average value	53.6
Minimum value	37.3
Value at end of period	57.2
Incremental Risk Charge (99.9%)	
Maximum value	36.6
Average value	18.4
Minimum value	12.3
Value at end of period	13.4

Back testing on the regulatory scope (MR4)

Information on back testing is presented in section 3.2.5 "Risk management – Market risks".

Market risk under the IMA (EU MR2-A)

	(in millions of euros)	RWEA	Capital requirements
1	**VaR (highest value between a and b)**	**1,223**	**98**
a	Previous day's VaR (t-1 VaR)		23
b	Multiplication factor (mc) x average of the last 60 working days (VaRavg)		98
2	**SVaR (highest value between a and b)**	**4,082**	**327**
a	Latest SVaR measurement available (SVaR t-1)		62
b	Multiplication factor (ms) x average of the last 60 working days (SVaRavg)		327
3	**IRC (highest value between a and b)**	**267**	**21**
a	Most recent IRC measurement		19
b	Average IRC over 12 weeks		21
4	**Overall risk measurement (highest value of a, b and c)**		
a	Most recent measure of overall risk		
b	Average overall risk measurement over 12 weeks		
c)	Global risk measurement – Floor		
5	**Other**		
6	**TOTAL AS AT 31/12/2021**	**5,571**	**446**

Statement of RWA flows relating to market risk exposures under the internal models approach (EU MR2-B)

	(in millions of euros)	VaR	SVaR	IRC	Overall risk measurement	Other	Total RWEA	Total capital requirements
1	**RWEA AT THE END OF THE PREVIOUS PERIOD (30/06/2021)**	**927**	**2,927**	**402**			**4,256**	**340**
1a	*Regulatory adjustment*	*739*	*2,153*				*2,891*	*231*
1b	*RWEA at end of previous quarter (end of day)*	*188*	*774*	*402*			*1,364*	*109*
2	Changes in risk levels	98	(2)	(167)			(71)	(6)
3	Model updates/changes							
4	Methodology and policy							
5	Acquisitions and disposals							
6	Foreign exchange movements							
7	Other							
8a	*RWEA at end of reporting period (end of day)*	*286*	*772*	*235*			*1,293*	*103*
8b	*Regulatory adjustment*	*937*	*3,310*	*32*			*4,278*	*342*
8	**RWEA AT THE END OF THE REPORTING PERIOD (31/12/2021)**	**1,223**	**4,082**	**267**			**5,571**	**446**

Effects are defined as follows:

- *regulatory adjustment: delta between RWAs used to calculate regulatory RWAs and RWAs calculated on the last day of the period;*
- *changes in risk levels: changes linked to market characteristics;*
- *updates/changes to the model: changes related to significant changes to the model following an update of the calculation scope, methodology, assumptions or calibration;*
- *methodology and policies: changes related to regulatory changes;*
- *acquisitions and disposals: changes following the purchase or disposal of business lines;*
- *foreign exchange movements: changes in the exchange rate risk linked to the counter-valuation of the VaR if it were exceptionally expressed in a currency other than the euro, the currency used to calculate the VaR.*

3.3.3.6 Global interest rate risk

The measurement and monitoring of interest rate risk is presented in section [3.2.8 “Balance sheet management”].

3.3.3.7 Operational risk

The operational risk control system is presented in section [3.2.7 “Risk management – Operational risks”].

Operational risk capital requirements and risk weighted exposure amounts (EU OR1)

	Banking activity *(in millions of euros)*	**Relevant indicator** Fiscal year n-3	Fiscal year n-2	Previous fiscal year	**Capital requirements**	**Risk exposure amount**
1	Basic banking activity (BIA)					
2	Standardized approach (TSA)/ Standardized replacement (ASA) banking activities	7,815	6,211	8,710	1,111	13,882
3	*Standardized approach (TSA):*	*7,815*	*6,211*	*8,710*		
4	*Standardized replacement approach (ASA):*					
5	Banking activity under advanced measurement approach (AMA)					

The information at the end of the fiscal year used to calculate the capital requirements is based on estimates because, at the date of the calculation, the 2021 financial statements are still under audit.

3.3.4 Encumbered and unencumbered assets

As at December 31, 2021, the total assets on the balance sheet and encumbered collateral received amounted to €218,217 million. These can be broken down by type and source of liabilities:

- securities transactions, including in particular securities lending and repurchase agreements, for a total of €202,341 million;
- encumbered receivables securing covered bond vehicles (Natixis Pfandbriefbank), for a total of €1,458 million;
- encumbered receivables in vehicles other than covered bond asset pools, such as central bank refinancing or other market vehicles, for a total of €228 million;
- assets encumbered by the payment of margin calls on derivative positions, for a total of €11,347 million.

Natixis considers that the following assets may not be encumbered in the normal course of its business:

- call loans, 16% of non-encumbered assets (€58 billion);
- derivatives, 15% of non-encumbered assets (€55 billion).

Encumbered and non-encumbered assets (EU AE1)

		Carrying amount of encumbered assets	o/w theoretically eligible EHQLA and HQLA	Fair value of encumbered assets	o/w theoretically eligible EHQLA and HQLA	Carrying amount of unencumbered assets	o/w EHQLA and HQLA	Fair value of unencumbered assets	o/w EHQLA and HQLA
010	**Assets of the institution publishing the information**	**73,807**	**43,514**			**346,360**	**8,294**		
030	Equity instruments	34,647	24,769			7,707	3,554		
040	Debt securities	24,247	19,085	24,247	19,085	9,114	4,521	9,114	4,521
050	o/w: covered bonds	175	102	175	102	406	312	406	312
060	o/w securitization	160	0	160	0	225		225	0
070	o/w: issued by general governments	13,064	12,834	13,064	12,834	2,469	2,469	2,469	2,469
080	o/w: issued by financial corporations	9,836	5,998	9,836	5,998	6,096	694	6,096	694
090	o/w: issued by non-financial corporations	1,486	200	1,486	200	673	219	673	219
120	Other assets	13,104	0			328,982	0		

Collateral and own debt securities issued (EU AE2)

		Fair value of encumbered collateral and own encumbered debt securities issued		Unencumbered: Fair value of collateral received or own debt securities issued available for encumbrance	
			o/w theore-tically eligible EHQLA and HQLA		o/w EHQLA and HQLA
130	**Collateral received by the institution publishing the information**	**142,510**	**122,460**	**62,246**	**24,589**
140	Call loans	0	0	0	0
150	Equity instruments	32,701	18,524	32,001	1,997
160	Debt securities	109,809	103,936	25,841	20,696
170	o/w: covered bonds	1,069	948	655	654
180	o/w securitization	1,764	436	1,373	0
190	o/w: issued by general governments	97,608	97,295	9,395	9,151
200	o/w: issued by financial corporations	7,778	4,115	11,362	10,909
210	o/w: issued by non-financial corporations	2,758	1,591	3,103	171
220	Loans and receivables other than call loans	0	0	3,403	0
230	Other collateral received	0	0	2,066	0
240	**Own debt securities issued other than own covered bonds or securitizations**	**0**	**0**	**1,062**	**0**
241	**Own covered bonds and securitizations issued and not yet pledged**			**0**	**0**
250	**TOTAL SECURITIES RECEIVED AND OWN DEBT SECURITIES ISSUED**	**218,217**	**170,397**		

Sources of space costs (EU AE3)

		Associated liabilities, contingent liabilities or securities lent	Assets, collateral received and own debt securities issued, other than covered bonds and securitizations, encumbered
010	**Carrying amount of selected financial liabilities**	**134,395**	**131,411**

3.3.5 Liquidity coverage ratio

A – Regulatory liquidity ratios

Since 2010, the Basel Committee introduced new liquidity risk measures:

- the Liquidity Coverage Ratio (LCR, January 2013) is a short-term liquidity ratio whose aim is to ensure that, in stress scenarios, banks hold enough liquid assets to cover their net cash outflows for a 30-day period;
- the Net Stable Funding Ratio (NSFR, October 2014) is a long-term structural liquidity ratio developed to strengthen the resilience of the banking sector by requiring banks to maintain a stable funding profile and by limiting maturity transformation to less than one year.

These rules are transposed in the European Union. For the LCR, Delegated Regulation (EU) No. 2015/61, published on October 10, 2014, entered into force on October 1, 2015. This regulation was amended by Delegated Regulation (EU) 2018/1620, published on July 13, 2018 and applicable from April 30, 2020.

The NSFR, which the Basel Committee wants to have applied as a minimum requirement from January 1, 2018, was implemented in Europe via Regulation (EU) No. 2019/876 (CRR2), which entered into force on June 28, 2021 for the NSFR portion.

To date, European Regulations require:

- compliance with the LCR since October 1, 2015; required minimum ratio of 80% at January 1, 2017 and 100% from January 1, 2018;
- Compliance with the NSFR with a minimum requirement of a ratio of 100% since June 28, 2021.

Natixis determines its LCR and its NSFR on a consolidated basis and operationally manages its liquidity position and liquidity coverage requirements relative to these new metrics, having set a minimum ratio of 100%.

LCR – Liquid asset buffers

Commission Delegated Regulation (EU) 2015/61 defines liquid assets and the criteria they must meet to be eligible for the liquidity buffer used to cover funding needs in the event of a short-term liquidity crisis.

Liquid assets must meet a number of intrinsic requirements (issuer, rating, market liquidity, etc.) and operational requirements (availability of assets, diversification, etc.) in a 30-calendar day liquidity stress scenario.

The liquid asset buffer – in the regulatory sense – is the numerator of the LCR (HQLA) and predominantly consists of:

- level 1 liquid assets, i.e. cash deposited with central banks;
- other level 1 liquid assets, consisting mainly of marketable securities representing claims on, or guarantees by, sovereigns, central banks and public sector entities, and high-rated covered bonds;
- level 2 liquid securities consisting mainly of covered bonds and debt securities issued by sovereigns or public sector entities not eligible for level 1, corporate debt securities and equities listed on active markets that satisfy certain conditions.

Presentation of LCR as at December 31, 2021

The data in the following table were calculated in accordance with European Banking Authority rules (EBA/GL/2017/11 guidelines), which the European Central Bank decided to enforce on October 5, 2017 by way of notification.

For the purposes of these rules, the data published for each quarter show the average monthly figures for the twelve preceding statements.

LCR (EU LIQ1)

In accordance with the provisions of implementing Regulation (EU) 2021/637, the amounts mentioned below are understood to be the average of the previous 12 months for each date observed.

The liquidity requirement coverage ratio was 110.0% at December 31, 2021.

The liquidity buffer stood at €65.7 billion, up by +€7.8 billion between March 31, 2021 and December 31, 2021. Liquid assets amounted to €66.9 billion at December 31, 2021, up by +€8.7 billion compared to March 31, 2021.

The change in net cash outflows of +€9.2 billion between March 31, 2021 and December 31, 2021 was mainly due to the following factors:

- the increase in net cash outflows of +€11.3 billion, in particular on non-operational deposits (+€6.7 billion), guaranteed wholesale financing (+€3.1 billion), credit facilities and liquidity (+€1.9 billion) and other contractual financing obligations (+€2.1 billion);
- cash inflows increased by +€2.7 billion between March 31, 2021 and December 31, 2021 mainly driven by other cash inflows.

Currency and unit: *(in millions of euros)*		Total non-weighted value (average)				Total weighted value (average)			
EU 1a	**Quarter ended (Month DD YYY)**	**03/31/2021**	**06/30/2021**	**09/30/2021**	**12/31/2021**	**03/31/2021**	**06/30/2021**	**09/30/2021**	**12/31/2021**
EU 1b	**Number of data points used to calculate averages**	**12**	**12**	**12**	**12**	**12**	**12**	**12**	**12**
High quality liquid assets (HQLA)									
1	Total High Quality Liquid Assets (HQLA)					58,285	60,431	64,128	66,962
Cash outflows									
2	Retail customer deposits and deposits from small business customers, of which:	2,475	2,395	2,358	2,367	247	239	236	237
3	*Stable deposits*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*
4	*Less stable deposits*	*2,475*	*2,395*	*2,358*	*2,367*	*247*	*239*	*236*	*237*
5	Unsecured wholesale financing	57,261	57,023	58,624	60,311	41,660	42,345	44,321	45,940
6	*Operational deposits (all counterparties) and deposits in cooperative banking networks*	*5,788*	*4,788*	*4,691*	*4,906*	*1,447*	*1,197*	*1,173*	*1,227*
7	*Non-operational deposits (all counterparties)*	*43,199*	*45,337*	*47,732*	*49,353*	*31,940*	*34,250*	*36,947*	*38,662*
8	*Unsecured receivables*	*8,274*	*6,899*	*6,201*	*6,052*	*8,274*	*6,899*	*6,201*	*6,052*
9	Guaranteed wholesale financing					23,214	24,912	25,995	26,350
10	Additional requirements	55,503	56,256	56,435	57,586	19,559	20,247	20,416	20,845
11	*Outflows related to derivative exposures and other collateral requirements*	*12,175*	*11,845*	*11,394*	*11,466*	*8,088*	*7,942*	*7,585*	*7,444*
12	*Outflows related to financing losses on debt products*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*
13	*Credit and liquidity facilities*	*43,328*	*44,412*	*45,041*	*46,120*	*11,472*	*12,305*	*12,830*	*13,401*
14	Other contractual financing obligations	21,925	20,738	22,280	23,589	20,389	19,282	20,994	22,514
15	Other contingent funding obligations	32,288	30,984	34,400	37,603	2,040	2,115	2,366	2,573
16	**TOTAL CASH OUTFLOWS**					**107,111**	**109,141**	**114,328**	**118,459**
Cash inflows									
17	Guaranteed loan transactions (e.g. reverse repurchase agreements)	73,349	74,382	74,831	76,329	7,070	6,951	6,812	6,262
18	Entries from fully performing exhibitions	16,552	15,764	16,247	17,314	15,447	14,569	14,937	15,913
19	Other cash inflows	31,555	32,745	34,455	35,230	28,267	29,329	30,674	31,306
EU-19a	(Difference between total weighted cash inflows and total weighted cash outflows resulting from transactions conducted in other countries applying restrictions on transfers or which are denominated in non-convertible currencies)					0	0	0	0
EU-19b	(Excess of cash inflows from a related lending institution)					0	0	0	0
20	**TOTAL CASH INFLOWS**	**121,456**	**122,891**	**125,533**	**128,873**	**50,784**	**50,848**	**52,424**	**53,480**
EU-20 a	***Fully exempt cash inflows***	***0***	***0***	***0***	***0***	***0***	***0***	***0***	***0***
EU-20b	***Cash inflows (subject to 90% cap)***	***0***	***0***	***0***	***0***	***0***	***0***	***0***	***0***
EU-20c	***Cash inflows (subject to 75% cap)***	***116,842***	***118,028***	***120,823***	***125,010***	***56,563***	***56,639***	***58,031***	***58,724***
Total adjusted value									
EU-21	**Liquidity buffer**					**57,914**	**59,711**	**62,901**	**65,731**
22	**Total net cash outflows**					**50,548**	**52,502**	**56,297**	**59,735**
23	**Liquidity coverage ratios**					**114.6%**	**113.7%**	**111.7%**	**110.0%**

Net stable financing ratio (EU LIQ2)

		Unweighted value by residual maturity				
(in currency)		No deadline	< 6 months	6 months to < 1 year	≥ 1 year	Weighted value
Available stable funding items						
1	Capital items and instruments	19,159	0	0	3,989	23,148
2	*Capital*	*19,159*	*0*	*0*	*3,989*	*23,148*
3	*Other capital instruments*	*0*	*0*	*0*	*0*	*0*
4	Retail customer deposits	0	2,466	27	0	2,243
5	*Stable deposits*	*0*	*0*	*0*	*0*	*0*
6	*Less stable deposits*	*0*	*2,466*	*27*	*0*	*2,243*
7	Wholesale funding:	0	221,443	27,974	95,317	126,137
8	*Operational deposits*	*0*	*5,823*	*0*	*0*	*357*
9	*Other wholesale funding*	*0*	*215,620*	*27,974*	*95,317*	*125,780*
10	Interdependent liabilities	0	0	0	0	0
11	Other commitments	0	2,184	199	2,609	2,708
12	*Derivative commitments affecting the NSFR*	*0*	*0*	*0*	*0*	*0*
13	*All other capital commitments and capital instruments not included in the above categories.*	*0*	*2,184*	*199*	*2,609*	*2,708*
14	**Total available stable funding**	**0**	**0**	**0**	**0**	**154,236**
Required stable funding items						
15	Total High Quality Liquid Assets (HQLA)	0	0	0	0	14,638
EU-15a	Encumbered assets with a residual maturity of one year or more in a cover pool	0	0	0	0	0
16	Deposits held with other financial institutions for operational purposes	0	325	0	0	163
17	Performing loans and securities:	0	149,507	13,006	99,631	112,794
18	*Performing securities financing transactions with financial clients secured by high quality Level 1 liquid assets subject to a 0% discount.*	*0*	*30,404*	*697*	*1,823*	*2,495*
19	*Performing securities financing transactions with financial clients secured by other assets and loans and advances to financial institutions*	*0*	*98,069*	*7,009*	*27,233*	*39,117*
20	*Performing loans to non-financial companies, performing loans to retail customers and small businesses, and performing loans to sovereigns and public sector entities, including:*	*0*	*13,864*	*4,705*	*37,662*	*41,558*
21	*With a risk weighting less than or equal to 35% according to the standard Basel 2 approach for credit risk*	*0*	*107*	*38*	*1,738*	*1,810*
22	*Performing residential loans, of which:*	*0*	*0*	*0*	*0*	*0*
23	*With a risk weighting less than or equal to 35% according to the standard Basel 2 approach for credit risk*	*0*	*0*	*0*	*0*	*0*
24	*Other loans and securities that are not in default and are not considered high quality liquid assets, including equities traded on the stock market and commercial loan income recorded on the balance sheet*	*0*	*7,170*	*596*	*32,914*	*29,623*
25	Interdependent assets	0	0	0	0	0
26	Other assets:	0	28,104	1,159	8,211	16,699
27	*Commodities physically traded*	*0*	*0*	*0*	*0*	*0*
28	*Assets provided as initial margin in derivative contracts and as contributions to CCP default funds*	*0*	*4,943*	*0*	*0*	*4,202*
29	*Derivative assets affecting the NSFR*	*0*	*2,767*	*0*	*0*	*2,767*
30	*Derivative commitments affecting the NSFR before deduction of the variation margin provided*	*0*	*17,796*	*0*	*0*	*890*
31	*All other assets not falling within the above classes*	*0*	*2,598*	*1,159*	*8,211*	*8,840*
32	Off-balance sheet items	0	94,515	0	0	3,214
33	**Total required stable funding**	**0**	**0**	**0**	**0**	**147,513**
34	**Net stable funding ratio** (%)	**0**	**0**	**0**	**0**	**104.6%**

B – Reserves and operational management of ratios

Operational liquidity reserves

From an operational standpoint, Natixis has liquidity reserves that contribute to Groupe BPCE's reserves:

- reserves of liquid assets eligible for central bank collateralized refinancing operations to secure intra-day settlements; denominated in EUR, US Dollar and JPY, these are located at Natixis Paris, Natixis New York and Natixis Japan Securities respectively, which are the access points to the drawing and deposit facilities of the Banque de France, the US Fed and Bank of Japan;
- a liquidity reserve established in advance to meet a liquidity crisis similar to the one simulated by the LCR; it is mainly composed of cash deposited at the Central Bank deposit facilities. A portion of this reserve is allocated to a portfolio of HQLA level 1 and level 2 securities, the management of which is supervised by the "Buffer" Committee chaired by two members of the Senior Management Committee, respectively in charge of Finance division and Risks division and included in the Group's "Liquidity Management Plan" (LMP). This reserve includes a reserve carried by the American platform composed of cash, HQLA securities and receivables and held within the framework of the regulation "Dodd-Frank Enhanced Prudential Standards" and the program "Borrower-in-Custody".

HQLA assets reported in the LCR numerator also include unencumbered HQLA securities temporarily carried by the Capital Markets activities. These securities are not considered as part of the ringfenced liquidity reserve and are not meant to be held over the long term. The outstanding amount and composition of these portfolios may vary considerably from one reporting date to the next, as prices fluctuate. However, they can be monetized on the repo and securities borrowing/lending market, and this monetization may be forced in the event the Group liquidity-stressed BCP is activated and executed.

In addition to these buffers, the aim of the internal policy governing the investment of residual surplus liquidity is either to reserve this liquidity for the deposit facility to ensure its continuous availability, with the result that this surplus liquidity is also included in the amount of assets reported in the LCR numerator, or to give it to the central body BPCE.

Oversight of the short-term liquidity ratio

Since June 2013, Natixis has implemented governance for the management of the LCR ratio, notably by setting an upper LCR limit. The management of the LCR ratio is part of a Groupe BPCE initiative under the auspices of the BPCE DFG. Natixis' LCR hedging is organized in close cooperation with BPCE and is managed by the Joint Refinancing Pool, acting with the authorization of the Financial Management Department on the basis of its forecasts. In this context, at Natixis perimeter, the LCR is managed on a daily basis, with a safety margin, via adjustments with BPCE, as the structural over-coverage of the Group's LCR remains managed and supported by the central body BPCE.

Monitoring of rating trigger clauses

In the event the Bank's external credit rating is downgraded, it may be required to provide additional collateral to investors under agreements that include rating triggers. In particular, in calculating the liquidity coverage ratio (LCR), the amounts of these additional cash outflows and additional collateral requirements are measured. These amounts comprise the payment the bank would have to make within 30 calendar days in the event its credit rating were downgraded by as much as three notches.

3.3.6 Compensation policy

The compensation policy items required in respect of Regulation (EU) 575-2013 (CRR) are provided in Chapter [2] of this universal registration document.

3.3.7 Cross-reference table

Cross-reference table between Articles of the CRR, Basel Committee/EBA tables and statements, and the Pillar III report

CRR Article	Basel Committee/EBA tables and statements	Universal registration document page
Article 438 (d)	EU OV1 – Overview of total risk-weighted asset exposures	184
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3.3.9 Certification concerning the publication of the information required under Pillar III disclosures

I hereby certify that, to the best of my knowledge, the information provided in this document under Pillar III complies with Part 8 of CRR Regulation (EU) no. 575/2013 (and subsequent amendments) and that it was established in compliance with the internal control system agreed at the level of the management body.

Paris, March 11, 2022

Nicolas Namias
Chief Executive Officer

Nathalie Bricker
Chief Financial Officer

4

COMMENTS OF THE FISCAL YEAR

4.1 Highlights of 2021

4.1.1 Macro-economic context

4.1.1.1 Growth and monetary policies

The evolution of the economy in the main geographical areas was punctuated throughout the year by successive waves of COVID-19 contamination. The arrival of vaccines at the beginning of the year, widely distributed in developed countries, reduced the impact of the epidemic on economic activity in 2021.

American growth was very strong from the start of the year, supported by less restrictive health measures than in other regions of the world. The Trump then Biden budget plans largely supported growth via domestic demand and particularly private consumption. The United States returned to its pre-crisis level of GDP in the first quarter of 2021 with quarter-on-quarter growth of around 1.5% (Q/Q) in the first half-year. With the dissipation of the effects of the stimulus plans and the end of the catch-up in private consumption, the pace of GDP growth slowed to 0.6% Q/Q during the third quarter. The retail, catering and transport branches, subject to the strongest social interactions, remain nearly four points below their pre-pandemic level. Industry or construction, also retain a slower catch-up rate due to shortages of intermediate goods or construction materials. Finally, despite sustained growth, the labor market has not yet returned to its pre-crisis levels.

In the euro zone, the less favorable health situation led to stricter restrictions in early 2021. In the first quarter, GDP fell by -0.2% Q/Q, before a rebound of +2.2% in the second quarter and in the third quarter of 2021. The main countries are affected according to the structure of their added value. Germany, which is industrial, suffered more from shortages of components and semiconductors encountered in the automotive industry (virtual stagnation of industrial production). Countries more focused on services, particularly tourism such as France, Spain and Italy, suffered from restrictions affecting travel within Europe but also internationally, particularly from the United States and Asia. From the spring, the rebound in domestic demand allowed growth to pick up. Private consumption grew by an average of 4% Q/Q during the second and third quarters of 2021. Aid and support plans aimed at preserving employment in sectors affected by health constraints have helped to preserve household incomes. Investment benefited from a relatively healthy financial situation and flexible monetary and financial conditions (very accommodating monetary policy by the ECB). Investment, which is expected to have increased by an average of 3.7% over the full year of 2021, also benefited from the first disbursements of European funds under the Next Generation EU program (relaunch of infrastructure development, digitization and energy transition projects).

The contribution of foreign trade was relatively neutral. Exports grew slightly faster than imports, in a complex international environment. The upturn in demand for goods and the need to catch up with the figures for 2020 were offset by various shortages of intermediate goods, bottlenecks, the rise in energy prices and transport costs. After a positive first half of 2021, international exchanges slowed down in the second half of the year.

In the emerging world, China, which peaked at +18.3% year-on-year in the first quarter of 2021 slowed down thereafter (+5.1% in the third quarter of 2021). It faced structural problems prior to the pandemic: corporate debt, real estate risk, demographic aging and business model transition. In addition, the so-called “zero COVID” strategy led to strict and recurring lockdowns of large cities or regions, which ultimately disrupted activity. India, for its part, was hit hard by the Delta variant, which led to a very sharp slowdown in growth until early 2021 (1.6% in the first quarter of 2021). Russia also experienced a very difficult first quarter with a decline in GDP of -0.4% year-on-year. After a strong rebound in the second quarter of 2021 due to a catch-up effect, the growth rate gradually slowed down during the second half of 2021. Finally, Brazil, despite structural and political difficulties and very high exposure to COVID-19, was expected to survive 2021 relatively well in terms of growth (+6.3% year-on-year over the first nine months of the year).

At the same time as the recovery, inflation reached spectacular levels in 2021, with consumer prices reaching growth rates not seen since the mid-eighties in Europe and the United States. Firstly, the price of a barrel of Brent rose by more than 60% year-on-year. The price of natural gas also recorded an unprecedented increase of 342% in 2021, also affecting electricity prices. In Asia, repeated lockdowns led to the closure of factories and certain Chinese ports and then a shortage or poor geographical allocation of containers, thus weighing on the prices of intermediate goods and transport costs. In addition, the shortage of semiconductors in a context of increased demand (for electronic goods, electric vehicles, etc.), combined with climate hazards (drought in Asia leading to electricity shortages) increased the price of inputs. Labor shortages in some sectors and countries also exacerbated inflationary pressures. Finally, services, which faced a tightening of health rules or administrative closures, have sometimes recovered their margin. Numerous factors simultaneously fueled the sharp acceleration in inflation: +2.6% in 2021 in the euro zone (+0.3% in 2020), +6.8% in the United States (+1.2% in 2020).

Monetary and fiscal policies

In the first part of 2021, the consensus was for a temporary impact of the main factors fueling inflation. During the year, some central banks gradually revised their reading of inflation. And at the end of the year, the Fed indicated its intention to exit its "quantitative easing" program, then reduce its balance sheet, before increasing rates in 2022. The ECB, with a more cautious reading of inflationary factors, announced its intention to gradually reduce its net asset purchases as part of the PEPP linked to the pandemic, but also to strengthen its purchasing possibilities under the normal Asset Purchase Program (APP). Other central banks (Canada, Australia, etc.) had already initiated the end of asset purchase programs with the reduction of balance sheets but also rate increases. Monetary policies, however, have remained extremely accommodating overall, offering significant support to economic activity.

Budget policies remained expansive in 2021 despite the reduction in spending to combat COVID-19. Budget deficits in the United States and the euro zone remain at historically high levels, but show smaller imbalances than in 2020. Governments continued to support programs for affected sectors (short-time working program to preserve jobs) and supported infrastructure and investment spending.

4.1.1.2 Rates

The first quarter was marked by a general rise in long-term rates in developed countries, particularly in the United States, while the theme of reflation was deployed following the introduction of vaccination coverage, the outcome of elections in the United States and the strong recovery of global supply chains. Europe was relatively spared. The curves, excluding the Euro, reached their peak in terms of long rates and slope at the end of March.

The rest of the year was marked by a sharp flattening of yield curves. The second quarter was the opposite of the previous one, with a monotonous and uninterrupted decline in the majority of long-term rates in developed economies, while investment plans were revised downwards and growth expectations were for a sharp slowdown for 2022.

The summer was marked by a rally in sovereign debt in line with the second quarter. The month of September was marked by a significant sell-off due to uncertainties related to inflation, particularly in Europe: central banks were almost unanimously in favor of further monetary tightening, as was the case for the reduction schedule of net asset purchases (tapering) drafted at the end of September by the Fed. At that time, the ECB maintained the end of the PEPP program linked to the pandemic for March 2022, but nevertheless decided to reduce its pace of asset purchases: far from an assumed reduction like the Bank of England (BoE), it was only a "tapering" technique or "recalibration", as indicated by Christine Lagarde on September 9, 2021.

Yield curves flattened sharply in the fourth quarter. The G10 central banks adopted a more restrictive stance: hike in rates (BoE), hike announcements (Fed) and reduced asset purchases (ECB). Sales, marked in volume, took place on the short end of the curves with aggressive expectations of rate increases (nearly four increases in the United States, one in the euro zone). At the same time, the long part of the yield curves was fueled by health and regulatory needs and the relative difficulty of finding collateral, coupled with rates under downward pressure.

The USD 10-year rate remained within a range of [1.20 - 1.75]% for most of the year. Conversely, the EUR 10-year rate appreciated by more than 60bp, from -0.29% to 0.33% and has not seen negative territory since September.

On the slope side, we can note the drop in the USD 5s/30s (5-year/30-year swap) below 35bp, and the high volatility of the EUR 10s/30s (10-year/30-year swap), which fluctuated between 10 and 66bp this year, ending the year at 40bp.

4.1.1.3 Foreign exchange

2021 ended with an appreciation of the dollar. However, the continued depreciation that began in 2020 was expected, in anticipation of a long monetary status quo after the COVID-19 crisis. In the first half, the dollar remained relatively stable in the face of the Fed's very accommodating rhetoric and fears related to the epidemic. Subsequently, the dollar recovered after the Fed hardened its tone in June 2021, in response to the strong economic recovery and rising inflation to historically high levels. In September, the Fed confirmed its intention to start reducing its asset purchases (i.e. tapering) and raise its key interest rates in 2022. In November, the Fed began its tapering, which it increased in December, while announcing strong forecasts for key rate increases for 2022. The dollar appreciated strongly against most currencies in this environment. For its part, volatility decreased significantly during the first part of 2021 before recovering at the end of the year with the desire of central banks to normalize their monetary policy more quickly than expected.

In this context, the EUR/USD remained stable at around 1.20 in the first half-year 2021 before dropping significantly starting in June. It continued to correct to 1.13 throughout the second half of 2021. The stabilization of the EUR/USD at around 1.13 at the end of the year was also the result of the ECB's desire to normalize its monetary policy. It announced the end of its PEPP asset purchase program (Pandemic Emergency Purchase Program) linked to the pandemic in March 2022 and some members of the ECB are calling for a rate hike from the end of 2022.

The GBP appreciated strongly in the first quarter by a catch-up effect, after the signing of the trade agreement with the European Union at the end of 2020 and in anticipation of a rate hike by the BoE. Thereafter, the EUR/GBP stabilized until September at around 0.86. From September onwards, the BoE hardened its tone due to the sharp rise in inflation, bringing the EUR/GBP towards 0.84: it notably surprised the market by raising its base rate to 0.25% when inflation reached 5.1% year-on-year in November. The EUR/GBP finally tested a low of 0.835 at the end of December, despite the slowdown in economic activity and the widening of the current account deficit to 3.3% of GDP in the third quarter.

The JPY depreciated sharply against the USD to a level of 115, in response to the divergence in monetary policy between a restrictive Fed and a still very accommodating BOJ. Thus, the sharp rise in US long rates contributed to the weakness of the JPY. Against the EUR, the JPY also depreciated to a high of 134 at the end of May before returning to around 130 at year-end.

Finally, we noted the outperformance of the CNY throughout the year up to 6.35 against the USD. The CNY appreciated under the effect of the significant inflow of capital, attracted by the attractive yields of Chinese financial assets, and despite the monetary easing of the PBoC to support Chinese growth.

4.1.1.4 Oil

The average price of Brent stood at US$70.9/bbl in 2021, a strong rebound compared to 2020 (US$43.2/bbl). The increase during the year was almost linear, with an average price of US$61/bbl in the first quarter, to US$79/bbl in the fourth quarter. The year was marked by the continued upturn in demand. Seasonal demand in the northern hemisphere was very strong from May. OPEC+ could therefore sign a new agreement in July, gradually ending its production cuts by September 2022. The upward volatility of the natural gas markets in the third and fourth quarters led to a further increase in oil prices.

4.1.1.5 Equities

2021 was marked by record performances for the main indices of developed economies (S&P 500 +27%, Eurostoxx 50 +20.4%), while the emerging indices remained largely down (-4.6% for the MSCI EM $ and -13.8% for the HSI). In Europe and the United States, performance was mainly driven by results, which continued to outperform expectations. Conversely, valuations measured by P/E 12m forward ratios declined throughout the year.

The first quarter was favorable to equities (MSCI World $ at +4.7% excluding dividends), driven by the macro rebound, reflation and, lastly, the rise in US rates, which penalized the most expensive equity segments and favored the cyclical/value sectors (banking, cars). The first quarter of 2021 was marked by two episodes of temporary equity risk with the GameStop short squeeze in January (emergency buyback of the video game retailer's stock sold short) and, in Asia, the forced deleveraging of the Archegos hedge fund in March. Europe outperformed over the quarter and the indices returned to their pre-crisis levels (early 2020), while the S&P 500 and the Dow Jones reached new all-time highs.

The second quarter of 2021 confirmed the upward trend of the main equity indices (MSCI World +7.3% and +12.3% YTD). The "reflation trade" from the first quarter (bet on a preferential recovery of cyclical stocks after the crisis) ceased in the second quarter, leading the Nasdaq to significantly outperform (+11.2%). Despite a very positive flow of information in the euro zone, the European indices underperformed the American indices. With the exception of a massive catch-up in Latin America, equities remained bullish in the second quarter but with characteristics that changed compared to the first quarter (preference for defensive sectors, underperformance of the Value style), with the market anticipating a return to slower growth and inflation and central banks still accommodating. Volatilities also reduced.

After five consecutive quarters of strong increases, the equity indices stalled in the third quarter (MSCI World -0.35%, S&P 500 and SXXP very close to 0%). Emerging indices underperformed significantly (MSCI EM $ -8.8% driven down by China) while the Nikkei stood out (+2.2%). At the end of the quarter, the MSCI World $ recorded its largest decline of the year, as did the S&P 500 and the Euro Stoxx (nearly -5% in the third quarter). September was the worst month for the MSCI World and S&P 500 since March 2020. However, the cumulative decline in the Nasdaq in the third quarter was lower than in the first quarter (-6.3% vs. -10% last March).

Then, the equity indices rebounded in the fourth quarter (MSCI World $ +7.5%). The US markets strongly outperformed: the S&P 500 at +10.6%, driven by Tech large caps, versus only +6.2% for the Euro Stoxx 50. The emerging MSCI $ declined (-1.7%), penalized by the prolonged correction of the Chinese indices (-5% over the quarter). Despite macro risks that remained very high: sustained inflation leading to the tightening of central bank policies, the pandemic (fifth wave in Europe) and China, the markets took advantage of a positive macro and micro information flow to make progress.

4.1.2 Key events for Natixis' business lines

Following the closing of the simplified public tender offer filed by BPCE for the shares of Natixis, open from June 4, 2021 to July 9, 2021 inclusive, on July 13, 2021, BPCE announced that it held 91.80% of the share capital and voting rights of Natixis[(1)]. In accordance with the opinion of the French Financial Markets Authority, published the same day (D&I No. 221C1758 of July 13, 2021), on July 21, 2021, BPCE squeezed out all Natixis shares that had not been tendered to the public offer[(2)], under the same financial conditions as the simplified public tender offer, i.e. €4 per Natixis share. As a result, due to the successful implementation of the squeeze-out, Natixis was delisted on July 21, 2021. This change is part of an ambitious industrial project for the development of Natixis' business lines and the simplification of its functional channels that Groupe BPCE has launched and that include direct reporting by the Insurance and Payments business lines to BPCE].

In addition, in July 2021, Groupe BPCE published its new BPCE 2024 strategic plan. This strategic plan sets out the development axes of the Group's various business lines and the financial targets for 2024.

The new ambitions for 2024 of Natixis' Global Financial Services (Asset & Wealth Management, Corporate & Investment Banking) and Retail (Insurance, Payments) business lines are based on three principles:

- Diversification, for the benefit of customers and development. This principle aims to:
  - selectively enrich our value proposition based on our expertise, to better support our customers and aim for the highest satisfaction rates,
  - combine our strengths with the Banque Populaire and Caisse d'Epargne networks to conquer high-potential segments (e.g. mid-cap companies and Healthcare), and
  - win new customers in Europe, America and Asia-Pacific. This diversification should translate into some €500 million in additional revenues for the eight core industries at Natixis Corporate & Investment Banking (CIB) in 2024, with a contribution of private assets to the profitability of Natixis Investment Managers (IM) in excess of 25%, and a Net Promoter Score above 40 for Non-life Insurance and Payments;

(1) BPCE is also deemed to hold, by assimilation, (i) 2,461,581 Natixis treasury shares, and (ii) 4,664,262 Natixis shares in respect of put and call options provided for in the liquidity agreements entered into between BPCE and Group employees and executive officers who are beneficiaries of free Natixis shares, together representing approximately 0.23% of the share capital and voting rights. These assimilated shares are not included in the above percentage.

(2) With the exception of (i) 2,461,581 Natixis treasury shares, and (ii) 4,664,262 Natixis shares in respect of put and call options provided for in the liquidity agreements entered into between BPCE and Group employees and executive officers who are beneficiaries of free Natixis shares.

- Commitment, to the energy transition and SRI finance. This principle aims to confirm our status as a benchmark financial partner for our clients for their energy transition strategies, resulting in a target of multiplying Natixis CIB's green revenues by a factor of 1.7 by 2024. It also aims to position ESG at the heart of our Asset Management and Insurance activities, with a target of sustainable assets under management or positive impact assets at Natixis IM of more than €600 billion and 50% in 2024. Lastly, Natixis is committed to aligning its balance sheet and its investments on a "net zero" trajectory in line with the Paris Agreement (alignment of the general life insurance fund on a +1.5°C trajectory by 2030, and alignment of the Natixis CIB balance sheet on a +1.5°C trajectory by 2050);
- Transformation, and investment to create sustainable value. This principle aims to ensure the sustainable growth of Natixis' business lines within the framework of the current risk appetite, through continuous investments in the solidity of infrastructures and the supervision system (e.g. approximately €400 million in cumulative investments in Natixis CIB's technology over the 2021-2024 period). It also aims to invest in innovation, in particular data and APIs, to develop the skills of employees and to change and simplify working methods to cultivate our agility and collective commitment.

Thanks to these three principles, each of Natixis' business lines has a clear goal for 2024:

- **Asset & Wealth Management**: confirm Natixis Investment Managers as a global leader in asset management; provide a high added-value offer to our direct High Net Worth Individuals (HNWI) customers and customers of the Banque Populaire and Caisse d'Epargne networks;
- **Corporate & Investment Banking**: make Natixis Corporate & Investment Banking the benchmark bank for our clients in terms of our selective and diversified expertise;
- **Insurance**: accelerate the rollout of responsible insurance solutions for clients of the Banque Populaire and Caisse d'Epargne networks by capitalizing on the investments made;
- **Payments**: innovate and be a source of growth for Groupe BPCE and of differentiation for the Banque Populaire and Caisse d'Epargne networks.

Natixis began to implement this plan in 2021. It consolidated its positions and continued the commercial development of its main business lines, focused on both BPCE's networks and its own customers.

Within the **Asset & Wealth Management division**, **Natixis Investment Managers**, ranked among the leaders in asset management worldwide (€1,245.5 billion in assets under management at end-December 2021), supports investors in building portfolios by offering them a range of diversified and responsible solutions.

With its multi-affiliate model, which draws on the expertise of more than 20 asset management companies around the world, **Natixis Investment Managers** offers a wide range of solutions to enable its clients to achieve their investment objectives, whatever the market conditions. The company is developing its offer around four key areas of expertise: fundamental active management, management under liability constraints, real assets and quantitative management.

In 2021, Natixis Investment Managers continued to strengthen its multi-affiliate model by announcing the purchase of La Banque Postale's shares in AEW Europe (40%) and in Ostrum AM (45%).

Natixis Investment Managers also continued its withdrawal from H2O AM, with the management company gradually resuming the distribution of funds, in the interest of unitholders and in agreement with the regulatory authorities.

2021 was marked by favorable market conditions, solid management performances across all asset classes, and very dynamic inflows of €21.5 billion, of which €13 billion collected by Natixis Investment Managers' distribution platforms, across all geographical areas. This positive context has enabled Natixis Investment Managers to strengthen its positions: the growth of its assets under management (+8% at constant exchange rates), its margins and its revenues testify to the solidity and relevance of its active multi-affiliate management model.

In the United States, Natixis Investment Managers continues to benefit from solid sales momentum (€17 billion in inflows) and is developing its distribution network, particularly with retail customers, through strengthened strategic distribution partnerships. In July 2021, the direct indexing activities, portfolio construction, multi-asset class portfolios and the portfolio management analysis and advisory activities were merged into Natixis Investment Managers Solutions to serve clients with a more legible offering.

In Europe, Latin America and Asia-Pacific, inflows were positive (€4.5 billion in inflows), particularly in responsible equity management strategies and infrastructure. Major institutional clients have renewed their trust in Natixis Investment Managers' management companies, and distribution through the Banques Populaires and Caisses d'Epargne networks has generated solid gross inflows from European affiliates.

Natixis Investment Managers and its affiliates are continuing their commitment to finance the transition to a more sustainable economy, with the objective of reaching 50% of assets under management that are sustainable or impactful by 2024, with responsible investment already representing nearly 35% of outstandings.

At the end of 2021, 99% of Natixis Investment Managers' outstandings were managed by asset management companies that have signed the PRI (Principles for Responsible Investment).

Lastly, Natixis Investment Managers is continuing its investments to support its sustainable development objectives; In particular, it has invested, alongside other investors, in Iceberg Data Lab, a fintech specialized in data, which develops models to measure the impact of investments on the environment and biodiversity.

Natixis Investment Managers also intends to consolidate its position as a leading player in the Asset Management sector by becoming one of the most client-centric asset managers in the world by 2024. As such, the company has recruited a Customer Experience Manager, whose aim will be to support the company in achieving this objective, in particular through the optimization of customer journeys and the implementation of a Net Promoter Score.

In 2021, Natixis Wealth Management strengthened the repositioning of its direct customer franchise on the "High Net Worth Individuals" segment. Three main drivers marked the year: the specialization of private banker developers by sector of activity, a new privileged partnership with Natixis Partners to position as early as possible on the liquidity events of the executive shareholders and the initiation in September of the overhaul of its operating and economic model in Luxembourg. **Natixis Wealth Management also continued to develop its activities in synergy with Groupe BPCE through the creation of the Teora subsidiary by Natixis Wealth Management,** operational since July. This activity, which is dedicated to open architecture life insurance brokerage, offers tailor-made solutions, with smooth customer journeys, to Banque Populaire banks, Caisses d'Epargne and direct clients of its parent company. **The business's societal commitment continues** with the addition of the VEGA Investment Managers offering, which launched the VEGA Global Care (health and well-being) and VEGA Europe Active ISR (flexible equity management) funds. The subsidiary now has a range of seven SRI-labeled funds and was awarded the prize for the best management company on a human scale for its entire range over three years as part of the Refinitiv Lipper Fund Award 2021.

The high level of inflows, driven by Vega-IM's historical momentum with the Networks, coupled with a favorable market effect, has contributed to an **increase of 16% in assets under management since December 2020.** They thus amounted to €35.7 billion. In parallel, outstanding loans increased by 11% to reach €2.4 billion.

At December 31, 2021, outstandings for the **Employee Savings Schemes** business line amounted to €31.7 billion, up 12.5% year-on-year, thanks to the strong performance of the financial markets and positive net inflows. Retirement savings (PER/PERCO) posted an increase of 16% in outstandings, and an ever-increasing number of savers (+5.2% over the year), confirming its driving role in the continued growth of the company savings market. The commercial activity of key account customers was buoyant, with a significant number of calls for tenders and a significant amount of capital withdrawals from competitors. Sales of BPCE's networks are growing at historically high levels and the contribution of new distributors (Aviva and Swiss Life) is promising. The implementation of the partnership with Arial CNP Assurances continued with initial commercial successes in the major accounts and middle market segments.

Corporate & Investment Banking saw strong performances across all its business lines in 2021.

The Green & Sustainable Hub had a particularly dynamic year in 2021. This strong acceleration is based on the consolidation of franchises in the most mature segments: green and social issues, green financing, in particular, renewables and investment solutions in bonds and equities based on our Water, ESG and Climate indices but also on the innovation momentum of the Green Hub. Thus, Natixis acted as Global Coordinators and Associate Bookkeepers with SAUR for the inaugural issue of Sustainability-Linked bonds and a sustainability-linked revolving credit facility (RCF). Natixis also continued to develop the green securitization offer: issue of the first Green RMBS in France by Groupe BPCE, and the "Impact Hypoteken" green mortgage financing platform in the Netherlands.

The hub's positioning has also been strengthened internationally: **the Americas platform** supported its clients with the development of repeat bonds and the High Yield/LatAm markets, as illustrated in the fourth quarter by the Transmasivo transaction, the first Colombian USPP and sustainable USPP certified by CBI. **The Asia-Pacific platform** continued to develop investment solutions ("Green Formosa") and sustainable infrastructure financing, particularly in Australia for the DCI datacenter. Corporate & Investment Banking was twice honored by the Hong Kong Quality Assurance Agency (HKQAA) at its Hong Kong Green and Sustainable Finance Awards 2021. **The EMEA platform** concluded several major transactions with, for example, the issue of double-tranche green bonds for Acea, the Roman public service. In Spain, several emblematic transactions were also carried out: Caixabank (green and COVID bonds) and Iberdrola (hybrid green bond). Finally, in Africa, the bank was able to issue a green bond with the West African Development Bank.

On the Capital Markets, in a climate still marked by the pandemic, with the rise in volatility and the return of inflationary surges, Natixis has adapted its offering to the appetite of companies and institutional investors for flow products. The IBOR transition and environmental, societal and governance (ESG) issues mainly facilitated discussions with customers.

For the equity derivatives business, Natixis continued to roll out and expand its ESG range with the launch of other campaign offers for BPCE in conjunction with Mirova and new structured investment solutions in Asia and, on the other hand, the creation of new indices in partnership with recognized administrators.

The Fixed-Income business line responded to the increased demand for hedging products and private placements, resulting from the maturing of maturities and the resumption of economic activity. The bank also increased its market share in the flow market, thanks in particular to the strong increase in electronic transactions. In addition, it broke new ground in Europe by concluding its first green forex hedge, which now opens the way for new developments.

In Global Securities Financing, Natixis acted as arranger and placing agent for one-year Zephyr bonds valued at €1 billion, issued by Purple Protected Asset on behalf of a major UK asset management company.

In Investment Banking, activity maintained very strong momentum across all business lines throughout 2021.

In the bond segment, Natixis recorded a very high volume of business, notably the BPCE RAC Tier 2 issue (first issue on the market in this format since 2014) and La Banque Postale (Additional Tier 1). Natixis was ranked second in Global EUR FIG (financial bonds) (source: Dealogic). Natixis also participated in 19 ESG issues, including AXA Real Estate, Société du Grand Paris and Veolia.

Natixis also continued its commercial development in the banks market by managing mandates for new clients: inaugural Covered Bond for Argenta Spaarbank and Covered Bond for The Mortgage Society of Finland. In Insurance, Natixis confirmed its position as an expert and arranger by managing six transactions in regulatory capital securities for the following issuers: CNP, AXA, Hannover Re and Aéma Groupe. In the sovereign, supranational and agency segment, Natixis joined the top three in the league table for the euro agencies segment. Natixis also distinguished itself by executing a double-tranche deal (8 and 25 years) for the European Union at a record size of €14 billion.

In the equity segment, Natixis is the first French bank to create a Business line function under a single department (Strategic Equity Capital Markets), 100% dedicated to all private-side equity consulting, transactions, executions and hedging. This business line is not limited to the addition of ECM and SET expertise but also includes brokerage, syndication, convertible bond trading and volatility trading and distribution to achieve complete alignment in terms of origination, pricing and distribution to enable Primary or Structured Transactions.

In this business line, activity was also sustained with the implementation of two major IPOs: Vivendi/UMG and Acwa Power (US$1.2 billion, highest IPO of the year in Saudi Arabia).

In addition, SECM took part in the largest issue of convertible bonds in 2021 on Safran (€730 million) in France and as the only French bank in the syndicate.

Lastly, in Strategic & Acquisition Financing (ASF), a particularly high level of transactions was concluded, including several mandates (financing, rating, M&A advisory). Numerous ESG transactions should also be noted: the acquisition of Solina by Astorg, the external growth led by Vivalto Santé and the bond issue of NRG Energy.

All these achievements were the result of close collaboration between the various business lines (IB and Real Asset, Capital Structure & Rating Advisory, M&A stores, Green Hub, etc.) and Groupe BPCE, thus enabling us to better serve our customers with all of their issues and more specifically ESG.

Real Assets business lines (which include the Infrastructure & Energy, Real Estate & Tourism, and Aviation sectors) experienced contrasting dynamics depending on the sector.

In the Infrastructure & Energy sector, activity was very dynamic in 2021 in all regions, driven by growing demand supported by the digital and energy transitions. Natixis has once again arranged numerous transactions in the renewable energy sectors, confirming its leadership position (#2 Global Infrastructure Finance MLA and #4 Global Renewables MLA, IJGlobal ranking in 2021). For example, activity in Spain was marked by the emblematic Niners transaction (acquisition by Onivia of the Spanish fiber-to-the-home (FTTH) telecom operator Masmovil). Natixis also signed a long-term financing agreement of more than €130 million for Solaria for a solar power plant project of 250 MW awarded during the Spanish renewable energy auction of 2017. Lastly, Natixis is also positioned in emerging sectors such as hydrogen and notably participated in the IPO of Hydrogène de France.

In the Real Estate & Tourism sector, Natixis consolidated its leading position in the European market (#2 Mandate Lead Arranger & #2 Bookrunner, Dealogic ranking in 2021). In real estate too, Natixis contributes to the environmental transition and has arranged and distributed numerous sustainable financing transactions, such as the transaction for Unibail-Rodamco-Westfield. Also, in Germany, the financing of a data center near Frankfurt syndicated to a German pension fund was particularly visible in the market.

The Aviation sector remained affected by the COVID-19 crisis despite a recovery compared to 2020. The uncertainty related to COVID led to delays in project signatures at the end of the year. Despite this, the aviation sector has shown resilience in both loan and bond products (Avolon, Castelake), securitization products (Carlyle ABS) and leases (Sun Express, VMO). Natixis has remained very selective in its operations.

In distribution and portfolio management, the year 2021 saw strong syndication activity with record levels of distribution (€13.2 billion in 2021, including €546 million with Groupe BPCE), as well as active portfolio management with low cost of risk. Indeed, the Distribution & Portfolio Management (DPM) teams have actively managed the bank's financing portfolio, both in terms of credit quality and profitability. Lastly, in 2021, Natixis is continuing to strengthen and develop its Originate to Distribute (O2D) model through technological and financial innovations, such as the digitization of its private debt platform and the integration of the temperature dimension into the program managing its portfolio.

In terms of mergers and acquisitions, numerous large-scale operations were carried out in 2021. In France, Natixis Partners advised Advent International and the directors/founders of the Circet Group in connection with the sale of a stake to ICG and Eurazeo in connection with the acquisition of Aromazone. In the United Kingdom, Fenchurch advised JC Flowers on the sale of Interactive Investor to Abrdn and IG Group in the acquisition of Tastytrade Inc. In the United States, Solomon Partners advised EDF on the sale of a 49.99% stake in CENG, a nuclear portfolio of four GMs located in PJM and NYISO, to Exelon. It also advised Conair on its acquisition by American Securities.

Global Trade activity continued its development in 2021 with a very dynamic year, in both Trade Finance and Cash Management activities. Among the highlights, Natixis completed the export credit financing of Norske Skog Golbey (France) in the amount of €193.2 million. Natixis also issued the first Revolving Credit Facilities (RCF) including performance indicators related to the energy transition for Trafigura and Gunvor, with the role of lead arranger and Green Coordinator for these two transactions.

Finally, Global Trade continued to innovate in the digital field, with the launch of Trade Tracker, the implementation of Komgo integrating Blockchain technology into Trade Finance activities and the establishment of a partnership with Trustpair in the field of the fight against fraud and fraudulent transfers.

For the **Insurance** division, 2021 was marked by dynamic activity for the two main business lines. For Personal Insurance, this dynamism was reflected in Savings: inflows returned to a higher level than before the health crisis and recorded strong growth (+39%) compared to 2020, which was penalized by lockdowns.

Two new offers were launched in 2021 in the Caisse d'Epargne and Banque Populaire networks: in June, life insurance was enhanced with a range of services based on entry-level delegated management and a reinforcement of its financial offering; pricing has also been adapted to reflect low interest rates. In Creditor Insurance, a new group contract was rolled out between June and October. It benefits from a simplified sales process and improved coverage.

The ambition to create a single non-life insurance operating model for the Group's individual and professional customers was realized with the successful deployment of the #INNOVE2020 program in the Banques Populaires and Caisses d'Epargne.

With the full implementation of Groupe BPCE's potential, the expected sales acceleration was confirmed in 2021. Core products recorded double-digit sales growth. The new customer experience model makes it possible to maintain a high level of service quality and gain competitiveness thanks to the new claims management system, redesigned and improved customer pathways, as well as a strengthened digital and agile customer relationship.

However, the loss ratio was impacted in 2021 by the tension observed in the Automotive and MRH repair costs market, the deterioration of the water damage coverage in connection with weather events and the worsening of drought claims during the current fiscal years and earlier.

Despite a year still marked by health restrictions in 2021, the **Payments** division benefited, in all its business lines, from the upturn in economic activity and consumption and continued to grow. Thus, all business units (BU) recorded growth in their activity:

- the Processing & Payment Solutions (PPS) business unit saw an increase in its electronic payment transactions of +17% and +11%, respectively, compared to 2020 and 2019;

- the Bimpli (ex-Benefits) business unit issued service vouchers for an amount of €1.62 billion, an increase of +16% compared to 2020;
- the e-commerce volumes acquired by the Digital business unit reached €7.5 billion and increased by +43% compared to 2020.

The continuation of the crisis, even in a less severe form, further anchors the digitization of retail and the uses of “cashless-isation”:

- the digitization of local commerce through e-commerce (growth of three points in the weight of e-commerce card transactions in total card transactions vs. 2019 to reach 13% of the total) and of restaurant and gift vouchers issued (dematerialization rate of securities issued, which reached 45% in the fourth quarter of 2021 compared to 22% in the fourth quarter of 2019);
- cashless payments are facilitated by contactless payments (almost one in two contactless transactions in the fourth quarter of 2021 compared with less than one in three just before the crisis in H2 2019) and mobile payments.

The Payments division also continued its transformation by continuing to invest, in particular as part of the BPCE 2024 strategic plan:

- Natixis Payments is pursuing its ambition to become the No. 1 platform in France for employee benefits, by launching its Bimpli brand in November 2021 and by completing the acquisition in March 2021 of Jackpot, a start-up specializing in the digitization of vouchers and the issuance of e-gift cards. All the Benefits entities were legally merged at the end of the year into a single Bimpli entity and their offers were grouped into a single platform;
- the Payments division took over Payments activities on behalf of Oney: Sepa flows and the gradual migration of prepaid and retail cards by Natixis Payments (7.8 million cards). The division also expanded its offer with the launch of Oney Banque Digitale in June 2021 (operated by Xpollens) and the enhancement of the Payplug offer with payment in installments;
- Natixis Payments has also rolled out new offers for the BPCE networks and its external customers: the Parma flow offer for the Caisses d’Epargne network, the Visa Native JO Paris 2024 cards, the new range of Android VSEs;
- at the same time, Natixis Payments and its fintech Dalenys, through their combined expertise and the finalization of the DSP2 and 3DS V2 regulatory projects aimed at reducing fraud during online purchases via the 3 DS protocol and a strong customer authentication system, are proposing an offer which has been enhanced in terms of payment security. The new Fast pass offer enabled Groupe BPCE, in partnership with Dalenys, to market an effective product: Fast pass to guarantee a certain level of frictionless for holders of BPCE cards and merchants who are members of the program;
- the Payments division has placed customer experience and technological innovation at the heart of its development and performance. To this end, it has extended the use of the Net Promotor Score (NPS) to all its activities and has recorded significant results in several activities. Similarly, Natixis Payments launched the development of its new electronic payment platform to offer reference services and launched numerous Data projects;
- finally, the Payments division continued its investment policy to support its development. Headcount increased by +8% (+90 FTEs), mainly in the Technology/Data, Sales/Marketing functions. Similarly, IT investments in 2021 increased by +16% compared to 2020. In return, the Payments division benefits from the savings generated by its efficiency plan, which covers purchasing, IT and productivity.

4.2 Management report as of December 31, 2021

For the purposes of comparability, following the sale of 29.5% of Coface's capital, its contribution has been presented separately at the bottom of the income statement.

Similarly, following the announcement of the gradual and orderly withdrawal from its partnership with H2O, the contribution of H2O AM is now isolated at the end of the income statement.

However, although presented in "Income from discontinued operations", the contribution of the Insurance and Payments divisions continues to be included in the various aggregates of the income presented below, as in previous years.

4.2.1 Consolidated results

(in millions of euros)	2021	2020 pro forma	Change 2021 vs. 2020 Current	Change 2021 vs. 2020 Constant
Net banking income	**8,996**	**7,175**	**25.4%**	**27.1%**
o/w business lines	8,904	7,201	23.7%	25.3%
Banking operating expenses	**(6,701)**	**(5,771)**	**16.1%**	**17.4%**
Gross operating income	**2,295**	**1,404**	**63.4%**	**67.3%**
Cost of risk	(190)	(851)	(77.7)%	
Net operating income	**2,105**	**553**		
Associates	18	(6)		
Gains or losses on other assets	29	6		
Pre-tax profit	**2,152**	**553**		
Income taxes	(617)	(188)		
Non-controlling interests	(81)	(52)	57.7%	
Contribution of Coface	7	(192)		
Contribution of H2O	(58)	(19)		
Net income (Group share)	**1,403**	**101**		
Cost/income ratio	74.5%	80.4%	(7.4)%	
ROE	8.5%	2.4%		
ROTE	11.1%	3.1%		

Analysis of changes in the main items comprising the consolidated income statement

Net banking income

Natixis' **net banking income** stood at €8,996 million in 2021, up by 27% from 2020 at constant exchange rates.

Net banking income generated by the main business lines was up by 25% at constant exchange rates compared to 2020 and stood at €8,904 million. The AWM and CIB divisions posted a very strong increase in revenues of +25% and +34%, respectively, at constant exchange rates, compared to 2020, which was strongly impacted by the COVID-19 crisis. Net banking income of the Insurance division were up by 7% and that of the Payments division by 14%.

Corporate Center net banking income, which now includes Natixis Algérie and Natixis Private Equity run-off activities, stood at €92 million versus -€25 million in 2020. It includes €69 million for the return of foreign-currency DSNs to the historic exchange rate, versus -€86 million in 2020.

Operating expenses and headcount

Recurring expenses, at €6,701 million, were up 17% compared to 2020 at constant exchange rates, mainly explained by the increase in performance-related variable compensation. Excluding variable payroll costs, expenses increased by 6% at constant exchange rates. Asset & Wealth Management division expenses were up 21% at constant exchange rates. Corporate & Investment Banking expenses were up 17% at constant exchange rates. The expenses of the Insurance and Payments divisions were up 5% and 10%, respectively. Corporate Center expenses were up at €541 million compared to €454 million in 2020, explained by a base effect in 2020 with particularly low operating expenses during the crisis and an increase in variable compensation for support functions in 2021 in the context of recovery and improved earnings. They include the contribution to the Single Resolution Fund of €137 million compared to €161 million in 2020.

Headcount at the end of the period stood at 17,401 FTEs, up 5% pro forma year-on-year, up slightly by 4% for the business lines, and up 7% for the Corporate Center after expanding the control functions and IT teams in Porto. It should be noted that, compared to December 31, 2020, 380 FTEs were transferred from Natixis to BPCE IT as part of a project to reorganize the IT functions. A proforma was carried out on the 2020 workforce for the purpose of comparability, on the basis of which the above changes are expressed.

Gross operating income

The **gross operating income** reached €2,295 million in 2021, a very strong rebound compared to 2020 (€1,404 million) which was penalized by the crisis.

Pre-tax profit

The **cost of risk** amounted to €190 million in 2021, down sharply compared to 2020 (€851 million). The cost of risk of the main business lines as a percentage of assets amounted to 28 basis points in 2021 versus 128 basis points in 2020.

Revenues from **associates** totaled €18 million in 2021 versus -€6 million in 2020.

The **Gains and losses on other assets** amounted to €29 million in 2021 including the impact of the acquisition of AEW UK IM LLP by AEW Global Ltd at 100% (purchase of the remaining 50%), which led to the transition from equity method to full consolidation allowing the generation of a profit on the disposal of the EMT compared to €6 million in 2020.

The **change in the value of goodwill** was nil in 2021 as in 2020.

Pre-tax profit therefore totaled €2,152 million in 2021 versus €553 million in 2020.

Net income (Group share)

Tax expenses came to €617 million in 2021, with an effective tax rate of 29.9%.

Non-controlling interests reached -€81 million in 2021 compared to -€52 million in 2020.

The **Coface contribution**, isolated in the presentation of the income statement, amounted to €7 million in 2021 (excluding dividends recorded in net banking income of €11 million) and corresponds to the recognition in gains or losses on other assets of the impact of the stock market price recorded when significant influence over Coface was lost and the residual interest was reclassified as a financial investment. In 2020, it represented -€192 million, including the exceptional impacts related to the disposal (-€146 million in gains or losses on other assets and -€47 million under the equity method in 2020).

The contribution of H20, now isolated in the presentation of the income statement, represents -€58 million in 2021 including a provision for capital losses on future disposals and the change in differences related to the Euro GBP translation. In 2020, the contribution of H20 amounted to -€19 million in net income.

This resulted in positive **net accounting income** of €1,403 million in 2021 compared with €101 million in 2020.

Consolidated management ROE after tax (excluding non-recurring items) came to 8.5% in 2021, giving an accounting ROE (including non-recurring items) of 6.6%.

Consolidated management ROTE after tax (excluding non-recurring items) came to 11.1% in 2021, giving an accounting ROTE (including non-recurring items) of 10.2%.

4.2.2 Analysis of Natixis businesses

4.2.2.1 Asset & Wealth Management

(in millions of euros)	2021	2020 pro forma	Change 2021 vs. 2020 Current	Constant
Net banking income	**3,800**	**3,096**	**22.7%**	**25.0%**
Asset Management	*3,504*	*2,820*	*24.3%*	*26.8%*
Wealth Management	*185*	*177*	*4.3%*	*4.3%*
Employee Savings Schemes	*110*	*99*	*11.1%*	*11.1%*
Banking operating expenses	**(2,787)**	**(2,338)**	**19.2%**	**21.3%**
Gross operating income	**1,013**	**759**	**33.5%**	**36.5%**
Cost of risk	(4)	(27)	(86.6)%	
Net operating income	**1,009**	**732**	**38.0%**	
Associates	1	1	17.9%	
Gains or losses on other assets	14	3		
Change in the value of goodwill	(8)	(11)	(24.8)%	
Pre-tax profit	**1,017**	**725**	**40.2%**	
Contribution of H2O	(58)	(19)		
Net income (Group share)	**637**	**455**	**40.1%**	
Cost/income ratio	73.3%	75.5%		
Equity (average)	4,625	4,603		
ROE	13.8%	9.9%		

The interim management balances (from Net banking income to Pre-tax profit) do not include the H2O contribution.

The revenues of the Asset & Wealth Management division grew 25% compared to 2020 at constant exchange rates (23% at current exchange rates) to €3.8 billion.

Expenses increased 21% at constant exchange rates (19% at current exchange rates) to €2.8 billion.

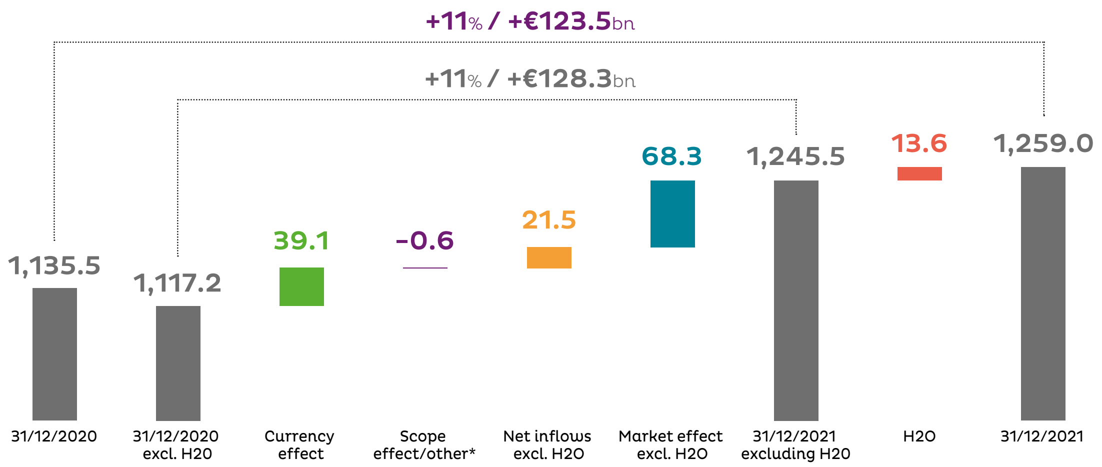
Gross operating income increased by 37% at constant exchange rates (34% at current exchange rates) to €1.0 billion.

The division's ROE amounted to 13.8%, an improvement of 3.9 pts compared to December 31, 2020.

A – Asset Management

Assets under management at the end of December 2021 amounted to €1,245.5 billion (excluding H20), up by €128.3 billion, or 11% at current exchange rates (€89.2 billion, +8% at constant exchange rates) compared to December 31, 2020, driven by a favorable market effect (€68.3 billion), a positive currency effect (€39.1 billion) and dynamic net inflows (€21.5 billion).

Change in assets under management over the year *(in billions of euros)*



(*) Scope effect for 2021: transfer of Natixis Wealth Management to VEGA Investment Management in the first quarter of 2021, and change in reporting method for Private debt in the second quarter of 2021.

The business recorded net inflows of €21.5 billion over the year, of which €20 billion for long-term products.

- In the United States, net inflows amounted to €17.0 billion, mainly at WCM Investment Management (equity products), at Loomis Sales & Co. (mainly in fixed-income products), at Integrated Portfolio Implementation (diversified products) and at Harris Associates and Direct Indexing (equity products).
- Private Equity companies reported net inflows of €3.1 billion, mainly with Vauban Infrastructure Partners and Naxicap Partners.
- In Retail, inflows totaled €2.9 billion thanks to Dynamic Solutions (in life, monetary and equity insurance).
- Net inflows in Europe amounted to €0.3 billion. This is the combination of net inflows at Mirova (mainly equity and bond products), AEW Europe (real estate products) and Vega Investment Managers (diversified products), and an outflow mainly at Ostrum Asset Management (life insurance).
- The Asia region saw a net outflow of -€1.8 billion, mainly from Investors Mutual Limited (equity products).

Distribution platforms recorded long-term net inflows excluding reinvested dividends of €13.0 billion over the year (+€6.5 billion for NIM US Distribution and +€6.4 billion for NIM International Distribution).

Average outstandings of €1,087.2 billion at December 31, 2021 were up (29%) compared to last year in constant euros. The rate of return on outstandings was 24.2 basis points, down by 2.1 basis points compared to December 31, 2020. It amounted to 38.2 basis points excluding money market products and insurance-related activities (+0.5 basis points) whose average rate is much lower given the activity.

As of December 31, 2021, net banking income of €3,504.5 million were up by €684.7 million (+24%) compared to December 31, 2020 (+27% at constant exchange rates), with a scope effect linked to the LBPAM and AEW UK IM LLP contributions for a total of €31.9 million in 2021. The change in net banking income over one year was driven by the increase in management fees in the United States and Europe in line with the increase in average outstandings. It is also supported by the significant increase in outperformance fees, mainly in Europe at AEW, and to a lesser extent by the improvement of financial products with the positive impact of the valuation of the seed money portfolio and the payment, by WCM Investment management, of higher dividends compared to 2020.

Expenses amounted to €2,532.4 million, up by €425.3 million (+20%) compared to December 31, 2020, (+22% at constant exchange rates) with an LBPAM and AEW UK IM LLP scope effect of €29.2 million. The increase in expenses is mainly due to the significant increase in variable compensation, in Europe and in the United States, in line with the increase in performance fees and income. Internal fixed personnel costs are also up, driven by headcount growth.

To a lesser extent, IT investments made necessary by the development of the business are implemented (development and deployment of new tools) while the costs of external non-IT staff and consulting also increase in line with project support and the strengthening of the control system.

Expenses for documentation and market data are higher than in 2020 due to higher pricing and volumes.

Communication and advertising and travel expenses were up compared to 2020, driven by the recovery in activity, but were nevertheless lower than the level recorded before the health crisis.

One **gain on other assets** of €13.1 million was recorded in the last quarter of the year in the context of the acquisition of AEW UK IM LLP, fully owned by AEW Global Ltd.

The annual contribution of subsidiary H_2O represents a loss of -€57.6 million over the year. It is mainly due to the recording of an additional provision for the capital loss on disposal following the review of the sale price of the entity.

B – Wealth Management

In 2021, **the net banking income of the business line, at €184.9 million**, were up by 4% (+€7.6 million) compared to 2020, which had recorded a record level of outperformance fees. The increase is mainly due to the increase in commissions on outstandings, as well as the good performance of the financial margin.

Expenses amounted to €171.4 million, up by 12% compared to 2020, due in particular to the inclusion in 2021 of exceptional costs related to the restructuring of the Luxembourg subsidiary and of the Real Estate Master Plan. Adjusted for these exceptional items, business line expenses increased by 4% (€6.4 million) compared to 2021, with a technical impact of accelerated depreciation of €1.2 million in 2021.

C – Employee savings schemes

Assets under management at the end of December 2021 amounted to €31.7 billion, up by €3.5 billion, or 13% compared to December 31, 2020, driven by a positive market effect (+€2.9 billion) and a favorable investment effect (+€0.6 billion).

PERCO assets under management at €3.9 billion, increased by 16% compared to the end of December 2020, with a higher number of savers (+5%), confirming the role of retirement savings as a driver for the continued growth of the employee savings schemes market.

Average assets under management amounted to €30.1 billion over the year, up (+17%) year-on-year, mainly driven by market performance.

At December 31, 2021, the net banking income of €110.3 million were up by €11.0 million or 11% compared to December 31, 2020, thanks to the improvement in management fees linked to the increase in average outstandings and the rate of compensation as well as the increase in invoicing. subscription commissions on better-priced funds.

Expenses amounted to €82.8 million and were up by €5.8 million or +7% compared to December 31, 2020, in the absence of capitalization of IT projects in 2021, and to a lesser extent, under the effect of variable personnel costs, up due to profit-sharing expenses and higher severance payments.

4.2.2.2 Corporate & Investment Banking division

(in millions of euros)	2021	2020 pro forma	Change 2021 vs. 2020 Current	Change 2021 vs. 2020 Constant
Net banking income	**3,651**	**2,770**	**31.8%**	**33.7%**
Global Markets	1,560	1,071	45.7%	47.4%
Fixed Income	*1,131*	*1,105*	*2.4%*	*3.3%*
Equity	*427*	*(48)*		
XVA desk	*2*	*14*	*(86.8)%*	*(86.8)%*
Global Finance	596	551	8.2%	10.6%
Investment Banking	613	421	45.6%	46.1%
Other items	882	728	21.2%	23.5%
Banking operating expenses	**(2,434)**	**(2,104)**	**15.7%**	**16.8%**
Gross operating income	**1,216**	**667**	**82.5%**	
Cost of risk	(167)	(819)	(79.7)%	
Net operating income	**1,050**	**(152)**	**ns**	
Associates	10	10	4.5%	
Gains or losses on other assets	1	0		
Pre-tax profit	**1,061**	**(143)**	**ns**	
Net income (Group share)	**769**	**(109)**	**ns**	
Cost/income ratio	66.7%	75.9%		
Equity (average)	7,853	6,998		
ROE	9.8%	(1.6)%		

In 2021, Corporate & Investment Banking **net banking income** amounted to €3,651 million, up 33.7% compared to 2021 at constant exchange rates.

Capital market revenues totaled €1,560 million in 2021, up 47.4% compared with 2020 at constant exchange rates.

At €1,131 million in 2021, revenue from **Fixed Income, FX, Credit, Commodities and Treasury activities** are slightly up by 3.3% compared to 2020 at constant exchange rates. The following changes were observed in each segment:

- revenues from **Fixed Income and FX** activities were down by 8.9% to €292 million including an exceptional charge of -€18.5 million related to provisioning for litigation with a local authority. Excluding this one-off item, revenue was down by 3.1% to €310 million. Revenue from **Fixed Income** was up by 17.9% to €211 million due to more dynamic commercial activity in the first half of 2021, while the **FX** business was down sharply by 29.8% to €99 million, suffering from an unfavorable base effect in a context of high currency volatility in the first half of 2020, which generated a strong demand for hedging from customers;
- revenue from **GSCS Credit** were up by 31.3% compared to 2020 to €359 million benefiting from an active securitization market in 2021, unlike in 2020, which had seen a virtual closure of this market in the first half-year in the context of the health crisis followed by a gradual reopening in the second half;
- revenues from **Repos**, now split 50/50 between Fixed Income and Equity, amounted to €314 million, a slight increase of 2.2% compared to 2020, the abundant liquidity available on the markets following the implementation of a new TRTLO operation by the Central Bank in June 2020 and strong pressure on margins limited business growth in 2021;
- with revenues of €421 million, **Equity** activities recovered strongly compared to 2020, which recorded negative revenues of €58 million at constant exchange rates due to very high volatility in the equity markets and changes in dividend distribution policies (cancelations).

Revenues from joint ventures (i.e. with income shared equally between Global Markets and Investment Banking to ensure team alignment) were sound in 2021.

Revenues from **Strategic and acquisition finance** rose by 30.6% to €202 million, driven by a high volume of new production on acquisition financing and with a high basis of comparison, the first half of 2020 having seen strong demand for loans from Corporate customers, in particular through State-Guaranteed Loans (SGL).

Bond market syndication recorded revenues of €122 million, down 8.4% compared to 2020 in a primary bond issuance market that remained dynamic, particularly in the first quarter of 2021, but which was still lower than in 2020, which had seen a historic issue peak for all customer segments in the context of the health crisis.

At €1,499 million, revenues from **Financing** including **Global Trade** and **film industry financing** (Coficiné) were up by 19.0% compared to 2020 at constant exchange rates.

Revenues from **origination and syndication of Real Assets** amounted to €233 million, an increase of 17.6% compared to 2020, benefiting from dynamic activity in the various sectors, in particular Infrastructure and Energy, compared to a sharp slowdown in the first half of 2020 due to the COVID-19 crisis. At €903 million in 2021, revenues from the **financing portfolio** were up by 25.3% at constant exchange rates, driven by an increase in the interest margin recorded on the Corporate portfolio and, to a lesser extent, on the Real Assets structured finance portfolio, as well as to positive impacts recorded on restructured projects. Revenues from **Global Trade** increased by 5.5% at constant exchange rates to €339 million, notably benefiting from a higher average oil price than last year.

Revenues from **Investment Banking**, including **M&A** activities, were up 46.1% compared to 2021 at constant exchange rates for cumulative revenues of €613 million. M&A activity remained dynamic in 2021, particularly in the second half of the year, with annual revenues of €371 million, up 80.0% at constant exchange rates.

In 2021, Corporate & Investment Banking's **expenses** totaled €2,434 million, up 16.8% at constant exchange rates compared with 2020. Excluding TEO expenses classified as exceptional items in financial communication for €9 million in 2021 and €11 million in 2020, expenses were up by 17.0% at constant exchange rates including a strong increase in variable compensation in connection with improved results compared to 2020. Excluding variable compensation, expenses increased by 5.0% at constant exchange rates.

Gross operating income totaled €1,216 million, up 87.8% compared with 2020 at constant exchange rates. The **cost/income ratio** stood at 66.7% in 2021, up 9.3 points compared to 2020 (75.9%).

At €167 million, the **cost of risk** was down sharply compared to 2020, which had seen a deterioration in risk on several items in the commodities sector, as well as the impact of fraud and IFRS 9 provisions in the context of the health crisis.

The **income before tax** was €1,061 million compared to a negative result of €143 million in 2020 at current exchange rates.

ROE after tax was negative at -9.8% in 2021 compared to negative ROE of -1.6% in 2020.

4.2.2.3 Insurance

(in millions of euros)	2021	2020 pro forma	Change 2021 vs. 2020
Net banking income	**964**	**904**	**6.7%**
Banking operating expenses	**(515)**	**(490)**	**5.1%**
Gross operating income	**450**	**415**	**8.4%**
Cost of risk			
Net operating income	**450**	**415**	**8.4%**
Associates	7	(17)	
Gains or losses on other assets			
Change in the value of goodwill			
Pre-tax profit	**456**	**398**	**14.8%**
Net income (Group share)	**331**	**274**	**21.1%**
Cost/income ratio	53.4%	54.1%	
Equity (average)	1,051	924	
ROE	31.5%	29.6%	

2021 was marked by **very dynamic commercial activity** in both business lines.

With €11.3 billion in premiums in direct business, the collection of **Life insurance** recorded a sharp rebound (+39%) compared to 2020. Inflows are thus back at a higher level than before the health crisis: +12% compared to 2019. Premiums on unit-linked assets grew by 51% and totaled €4.4 billion. They accounted for 38.5% of total gross inflows, up 3.2 points compared to 2020, and 0.4 points higher than the market average at end-November. Gross inflows invested in the euro fund increased by 32% to reach €6.9 billion.

At €1.2 billion, contributions to **Personal protection and Payment protection insurance** increased at a sustained pace (+15%). Premiums on Personal protection insurance rose 11%, mostly driven by the Caisse d'Epargne network (+19%) which now represents 42% of the business. Payment protection insurance premiums were up by 17% thanks to the commercial dynamism of the networks and the change in the co-insurance share of new business since January 1, 2020 (from 34% to 50%).

In **Non-life insurance**, the portfolio reached 6.8 million contracts, an increase of 6%, driven by the sales momentum in both networks in both the retail and professional markets.

Gross sales, up by 15%, confirmed a "shift in gear" due to the successful deployment of the new Auto and MRH offers.

Earned premiums increased by 8% to €1.8 billion with strong growth in activity for both the Banque Populaire network (+11%) and Caisse d'Epargne (+6%). Growth was driven by the core offering, with auto insurance up +11%, multi-risk homeowners' insurance up +10%, Pers. acc./Multi-risk acc. insurance up 7%, in line with growth in the portfolio and updated rates.

Net banking income for Insurance businesses totaled €964 million, up 7% compared with 2020, resulting from:

- growth of 10% in net banking income from Personal insurance, which benefited from the 12% increase in Life insurance investments and the rise in the financial markets. Net revenue growth also benefited from the strong performance of the Personal protection and Payment protection insurance activities, with notably an improvement in lost-time claims;
- the decline of 5% of net banking income in Non-life insurance, which is linked to the deterioration of the loss ratio;
- the non-renewal of the exceptional contribution of €14 million to the COVID Solidarity Insurance Fund implemented by the government and recorded in the first half of 2020.

Operating expenses stood at €515 million, up 5%. This change helped to support business growth.

Gross operating income rose 8% to €450 million.

At 31.5%, the division's **ROE** improved by 1.9 points compared to 2020.

4.2.2.4 Payments

(in millions of euros)	2021	2020 pro forma	Change 2021 vs. 2020
Net banking income	**489**	**430**	**13.9%**
Banking operating expenses	**(425)**	**(386)**	**9.9%**
Gross operating income	**65**	**43**	**49.2%**
Cost of risk	(8)	2	
Net operating income	**56**	**46**	**22.8%**
Associates			
Gains or losses on other assets	0		
Change in the value of goodwill	0		
Pre-tax profit	**57**	**46**	**23.3%**
Net income (Group share) (Restated)	**34**	**32**	**4.6%**
Cost/income ratio	86.8%	89.9%	
Equity (average)	413	403	
ROE	8.2%	8.0%	

While 2021 is still marked by health restrictions, **the activity of the Payments division** nevertheless benefited from the upturn in economic activity and consumption across all its business lines, and continued its development in 2021.

Revenue from Payments at €489.3 million were up by 14% (+€59.6 million) compared to 2020. The division's strong revenue growth was driven by the historical activities of processing payment flows and service vouchers in connection with the easing of health restrictions in the second half of 2021, combined with the continued development of the division's e-commerce activities due to the acceleration of the digitization of the economy.

Payments division expenses, at €424.5 million, increased by 10% (+€38.2 million), in line with the human and IT investments required to develop the division, as well as the increase in operating costs due to the resumption of activity and actions implemented to develop the Bimpli brand dedicated to corporate employee benefit offerings and products.

In total, **gross operating income at €64.8 million** increased by €21.4 million (+49%).

At 8.2%, the division's ROE improved by 0.2 point compared to 2020.

4.2.2.5 Corporate center

(in millions of euros)	2021	2020 pro forma	Change 2021 vs. 2020 Current	Change 2021 vs. 2020 Constant
Net banking income	**92**	**(25)**		
Algeria	55	57	(2.4)%	7.5%
NPE	1	3	(58.7)%	(58.7)%
Cross functions	35	(85)		
Banking operating expenses	**(541)**	**(454)**	**19.2%**	**20.6%**
Gross operating income	**(449)**	**(479)**	**(6.3)%**	**(5.6)%**
Cost of risk	(11)	(8)	40.0%	
Net operating income	**(460)**	**(487)**	**(5.5)%**	
Associates	0	0		
Gains or losses on other assets	14	3		
Change in the value of goodwill	8	11	(24.8)%	
Pre-tax profit	**(438)**	**(473)**	**(7.5)%**	

Corporate Center **net banking income** totaled €92 million at end-December 2021 versus -€25 million at end-December 2020.

A – Natixis Algérie

At constant exchange rates, average short-term outstanding loans increased by 16% due to the increase in the financial and cash management needs of the Bank's large and medium-sized corporate clients, while average medium- and long-term outstanding loans declined by 11% compared to 2020. Customer deposits were up by 10%, thanks to the increase in deposits on current accounts (non-interest-bearing accounts), particularly for corporate customers.

Off-balance sheet commitments decreased by 6%, mainly on the reissues of guarantees and to a lesser extent on documentary credits.

Natixis Algérie presents **net banking income** down by 2% compared to 2020, to €55.4 million. Excluding the unfavorable exchange rate effect of €5.3 million, net banking income increased by 8% with, (i) the increase in income from equity (+26%), mainly income from investments in treasury bills whose investment budget was revised upwards in January 2021, (ii) the increase in the net margin (+15%) due to the increase in interest received (+8%) in line with the increase in loans, combined with the decrease in interest paid (-6%).

These increases were partially offset by the reduction in commissions on foreign exchange transactions (-45%) following the decision of the Algerian government to reduce, from March 2020, the margin rate on these transactions to 0.10% (compared to 1% previously).

Cost of risk amounted to -€5.1 million, stable compared to 2020.

B – Natixis Private Equity (NPE)

Natixis Private Equity's commitments are down by 39% compared to 2020.

Cash-at-risk commitments were down by 18% to €33.0 million, mainly due to the impairment of the Venture KurmaBioFunds fund (-€3.6 million) and a distribution on the Ventech IV fund in November 2021 (-€3.7 million).

Off-balance sheet commitments were at zero as of December 31, 2021 due to the cancelation of uncalled commitments of the Cape Due fund (-€13.4 million), which were liquidated in December 2021.

Net banking income at €1.1 million was down by €1.5 million compared to 2020, mainly due to the exceptional distribution of carried interest (EMZ6 funds of funds) of €11 million in the first quarter of 2020, partially offset by the sale of Solocal equity investments in the first quarter of 2021, an additional distribution of the EMZ6 fund and positive revaluations on venture capital funds.

C – Cross-business functions

Cross-business functions **net banking income** totaled +€35 million at end-December 2021 versus -€85 million at end-December 2020.

- Exchange rate fluctuations on deeply subordinated notes issued in dollars amounted to +€69 million at the end of December 2021 compared to -€86 million the previous year.
- The FVA DVA hedge was valued at -€7 million at the end of December 2021 compared to +€10 million at the end of December 2020.

Excluding these items, net banking income was -€27 million at the end of December 2021, compared to -€9 million at the end of December 2020. It mainly consists of:

- revenue from cash and balance sheet management operations;
- rebilled expenses from the support functions to entities for the most part linked to Groupe BPCE.

Corporate Center **expenses** totaled €541 million at the end of December 2021 versus €454 million at the end of December 2020.

- The contribution to the Single Resolution Fund totaled €137 million for 2021 versus €165 million in 2020.
- Excluding this item, expenses amounted to €404 million at the end of December 2021 compared to €289 million at the end of December 2020. They mainly comprised:
  - the expenses of the support functions net of reallocations to Natixis' business lines amounting to €182 million at the end of December 2021, up by €31 million compared to the end of December 2020 with a readjustment, in 2021, in the level of the expenses in 2020 impacted by the health crisis. This balance of expenses is rebilled in net banking income in the amount of €73 million at the end of December 2021, mainly to BPCE entities, as part of the services provided following the sale of the retail banking activities to BPCE S.A.,
  - cross-functional expenses of €190 million, up by €82 million compared to the end of December 2020, mainly for strategic projects such as, for example, the Real Estate Master Plan.

Gross operating income stood at -€449 million at the end of December 2021 versus -€479 million at the end of December 2020.

The **cost of risk** of the Corporate Center amounted to -€11 million at the end of December 2021 compared to -€8 million at the end of December 2020.

Pre-tax profit was -€438 million at the end of December 2021 compared to -€473 million at the end of December 2020.

4.2.2.6 Cost of risk

The **cost of risk**, including that relating to the Payments business line, reclassified to profit or loss from discontinued operations in the consolidated financial statements at December 31, 2021, amounted to -€190 million at December 31, 2021, of which -€177 million for risks on outstandings, non-performing loans and -€13 million for provisions on performing loans.

Total cost of risk by division

(in millions of euros)	**31/12/2021**	31/12/2020
Corporate & Investment Banking	(167)	(819)
Insurance	0	0
Asset & Wealth Management	(4)	(27)
Payment	(8)	3
Other	(11)	(8)
TOTAL COST OF RISK	**(190)**	**(851)**

Total cost of risk by geographic area

(in millions of euros)	**31/12/2021**	31/12/2020
EMEA	(152)	(386)
Central and Latin America	12	(83)
North America	7	(153)
Asia and Oceania	(57)	(229)
TOTAL COST OF RISK	**(190)**	**(851)**

Appendix to 4.2.2 – Consolidated Results

1 – Management results reclassified as consolidated results in 2021

(in millions of euros)	**2021 Management vision excluding exceptional items**	Non-recurring items AWM	CIB	Insurance	Payments	Corporate Center	Coface	**2021 Restated**	Coface reclassification	H2O reclassification	Discontinued Insurance and Payments activity	**2021 Reported**
Net banking income	**8,945**		**(18)**			**69**		**8,996**		**121**	**(1,458)**	**7,658**
Banking operating expenses	**(6,560)**	**(41)**	**(9)**	**(5)**	**(9)**	**(76)**		**(6,701)**		**(55)**	**898**	**(5,859)**
Gross operating income	**2,385**	**(41)**	**(28)**	**(5)**	**(9)**	**(8)**		**2,295**		**66**	**(561)**	**1,800**
Cost of risk	(190)					0		(190)			8	(181)
Net operating income	2,195	(41)	(28)	(5)	(9)	(8)		2,105		66	(552)	1,618
Associates	18					0		18	7		(7)	19
Gains or losses on other assets	29	0				0		29	0	(84)		(55)
Change in the value of goodwill	0					0		0				
Pre-tax profit	**2,243**	**(41)**	**(28)**	**(5)**	**(9)**	**(8)**		**2,152**	**7**	**(19)**	**(559)**	**1,582**
Income taxes	(634)	11	7	1	(5)	2		(617)		(14)	180	(452)
Net income on discontinued operations											379	379
Non-controlling interests	(84)	3				0		(81)		(25)		(106)
Contribution of Coface						0	7	7	(7)			0
Contribution of H2O		(58)				0		(58)		58		0
Net income (Group share)	**1,524**	**(85)**	**(21)**	**(4)**	**(14)**	**(6)**	**7**	**1,403**		**0**		**1,403**
Cost/income ratio	73.30%							74.50%				76.50%

2 – Management results reclassified as consolidated results in 2020

(in millions of euros)	**2020 Management vision excluding exceptional items**	Non-recurring items AWM	CIB	Insurance	Payments	Corporate Center	Coface	**2020 Restated**	Coface reclassification	H2O reclassification	**2020 Reported**
Net banking income	**7,275**		**0**	**(14)**		**(86)**		**7,175**		**130**	**7,306**
Banking operating expenses	**(5,674)**	**(43)**	**(11)**		**(7)**	**(37)**		**(5,771)**		**(56)**	**(5,828)**
Gross operating income	**1,601**	**(43)**	**(11)**	**(14)**	**(7)**	**(123)**		**1,404**		**74**	**1,478**
Cost of risk	(851)					0		(851)		0	(851)
Net operating income	750	(43)	(11)	(14)	(7)	(123)		553		74	626
Associates	17			(23)		0		(6)	(47)		(53)
Gains or losses on other assets	6	0				0		6	(146)	(48)	(187)
Change in the value of goodwill	0					0		0			0
Pre-tax profit	**773**	**(43)**	**(11)**	**(37)**	**(7)**	**(123)**		**553**	**(192)**	**26**	**386**
Income taxes	(246)	12	3	4	2	37		(188)		(16)	(204)
Non-controlling interests	(52)	0				0		(52)		(30)	(81)
Contribution of Coface	11					0	(203)	(192)	192		0
Contribution of H2O	32	(51)				0		(19)		19	0
Net income (Group share) (Reported)	**517**	**(81)**	**(8)**	**(33)**	**(5)**	**(86)**	**(203)**	**101**		**0**	**101**
Cost/income ratio	78.0%							80.4%			79.8%

4.3 Main investments and divestments performed over the period

Business Line	Investment description
Full year 2021	
Asset Management	Acquisition of non-controlling interests (remaining 50%) of AEW UK Investment Management LLP.
Payments	Acquisition in June 2021 of Jackpot, a start-up specializing in the digitization of vouchers and the issuance of e-gift cards, which will become the sole supplier for the entities of the Benefits business unit while continuing to offer its solution to companies outside Natixis.
Full year 2020	
Asset Management	The merger of the fixed-income and insurance management activities of Ostrum Asset Management and La Banque Postale Asset Management was completed on October 31, 2020. This merger marks the creation of a leader in asset management in Europe, with over €430 billion in assets under management and over €590 billion managed through its services platform at the end of September 2020.
Full year 2019	
Asset Management	Acquisition of a minority stake in US Asset Management company WCM Investment Management (WCM) and conclusion of an international distribution agreement.
Asset Management	Conclusion of a strategic partnership agreement with Fiera Capital, the leading publicly-traded independent distribution platform in Canada, and acquisition of a minority stake of 11% in its capital.
Private Banking	Acquisition of asset manager and investment advisory firm Massena Partners, a partner of Natixis Wealth Management for 20 years. The deal allows Natixis Wealth Management to bolster its Private Equity and real estate club deal offering by leveraging on the long-standing partnerships formed with Massena Partners and other leading players in these segments.
Corporate & Investment Banking	Acquisition of a majority stake in Azure Capital, one of Australia's top M&A advisory boutiques.

In addition, a number of targeted disposals were carried out.

Business Line	Divestment description
Full year 2020	
Natixis	Sale of a 29.5% stake in Coface to leading US insurance firm Arch Capital Group.
Asset Management	Announced divestment of Natixis Investment Managers from its 50.01% stake in the capital of H2O Asset Management. Such transaction would be subject to consideration and approval by relevant regulatory authorities.
Full year 2019	
Natixis	Sale of entities performing retail banking activities to BPCE.
Asset Management	Sale of the Canadian distribution business to Fiera Capital.
Asset Management	Disposal of Darius Capital.

4.4 Post-closing events

For details of these post-closing events, please refer to chapter [5 section 5.1 note 1.3].

4.5 Information about Natixis S.A.

4.5.1 Natixis S.A.'s income statement

	2021						2020		
	Mainland France	2021 vs. 2020 (%)	Branches	2021 vs. 2020 (%)	Natixis S.A.	2021 vs. 2020 (%)	Mainland France	Branches	Natixis S.A.
Net banking income	**1,909**	**(10)**	**1,517**	**49**	**3,426**	**9**	**2,125**	**1,020**	**3,145**
General operating expenses	*(1,970)*	*11*	*(735)*	*16*	*(2,706)*	*12*	*(1,775)*	*(634)*	*(2,409)*
Gross operating income	**(61)**	**(117)**	**781**	**102**	**720**	**(2)**	**350**	**386**	**736**
Cost of risk	*67*	*(123)*	*(35)*	*(91)*	*33*	*(105)*	*(292)*	*(402)*	*(694)*
Net operating income	**6**	**(90)**	**747**	**(4,767)**	**753**	**1,692**	**58**	**(16)**	**42**
Gains/(losses) on fixed assets	*(119)*	*20*	*5*	*(153)*	*(114)*	*4*	*(100)*	*(10)*	*(110)*
Income before tax	**(113)**	**173**	**752**	**(2,992)**	**639**	**(1,044)**	**(42)**	**(26)**	**(68)**
Income tax	*(23)*	*(110)*	*(61)*	*282*	*(84)*	*(140)*	*227*	*(16)*	*211*
Funding/reversals of funding for general banking risks and regulated provisions	*0*	*N/A*	*0*	*N/A*	*0*	*N/A*	*0*	*0*	*0*
Net income/(loss)	**(136)**	**(173)**	**691**	**(1,745)**	**555**	**287**	**185**	**(42)**	**143**

As at December 31, 2021, Natixis S.A.'s gross operating income stood at €720 million, a -€16 million decrease compared with December 31, 2020, despite a €281 million increase in net banking income. This decrease was mainly due to an increase in operating expenses of €297 million.

Within the net banking income, the interest margin increased by €58 million, mainly from the activity of the branches. This increase reflects, in particular, the good momentum of new production for the fiscal year from the financing business lines. Net commissions decreased by -€7 million to stand at €427 million. This change in fee and commission income can be broken down into -€26 million in net fee and commission income on off-balance sheet transactions, €68 million on transactions with customers, €26 million in securities transactions, and -€73 million in financial service or payment instrument transactions.

Dividends paid by Natixis subsidiaries decreased by -€436 million, of which, in particular -€233 million for Natixis Assurances, -€216 million in dividends paid by Natixis Investment Managers and a €17 million increase in dividends paid by Natixis Payment Solutions.

Gains on trading book transactions increased by €327 million, broken down into €419 million of positive change for the activity in Mainland France and a decrease of -€92 million for the transactions of the branches abroad. As a reminder, 2020 was marked by the consequences of the COVID-19 crisis, notably marked by the absence of dividends paid to trading portfolios.

Gains on the investment portfolio increased by €366 million, broken down into €270 million of positive change for the activity of Mainland France and €96 million of positive change for the activity of the branches.

General operating expenses were up by €297 million, of which a €208 million increase in payroll costs (including an increase in variable compensation of €238 million due to the increase in the revenues of all activities), a €120 million increase in external service charges net of rebilling and a -€31 million decrease in depreciation, amortization and taxes.

The net cost of risk was down by -€727 million (of which -€367 million concerning foreign branches) to stand at €33 million. Excluding collective provisions (a reversal of €103 million in 2021 compared to a provision of -€27 million in 2020), the cost of risk was -€70 million in 2021 compared with -€667 million in 2020, a strong improvement in line with changes in the macro-economic and financial environment. The fiscal year 2020 was particularly marked by the consequences of the COVID-19 health crisis (in particular the aviation sector) and by the provisions made for the sector of independent American oil and gas producers, whose exit has been announced by Natixis.

Together, these items brought operating income to €753 million, up by €711 million.

As at December 31, 2021, the gains or losses on fixed assets amounted to -€114 million, an increase of €4 million. They include an amount of -€178 million in provisions for securities to be transferred to BPCE as part of the contribution of the Insurance and Payments divisions which is expected to occur during the first quarter of 2022. The balance for fiscal year 2020 included a provision for Coface shares of -€41.4 million and a provision for Natixis Payment Holding shares of -€84.8 million.

Net income after tax was €555 million versus €143 million in 2020.

As of December 31, 2021, the balance sheet totaled €403,268 million versus €345,669 million as of December 31, 2020.

This increase includes the setting up in Paris of term loans and borrowings with BPCE in the amount of €54.2 billion (“Open” transactions) concluded in order to meet long-term liquidity ratio constraints (NSFR: Net Stable Funding Ratio). Indeed, as of June 30, 2021, although Groupe BPCE complies with this ratio at the consolidated level, each Group entity must now also comply with the ratio. As Natixis is naturally very loss making due to its very short balance sheet (more than 70% of Natixis’ balance sheet is due in less than one year), these open transactions were concluded with separate option exercise notice periods between lending transactions and borrowing transactions in order to allow Natixis to meet a minimum ratio of 100%. In this case, Natixis lends at ST (< 1 year) and borrows at LT (> 1 year) from BPCE S.A. It should be noted that the Group has requested an NSFR exemption for BPCE subsidiaries, pending a response from the regulator.

4.5.2 Proposed allocation of earnings

Natixis’ parent company financial statements, as at December 31, 2021, showed positive net income of €555,173,956.79 and, taking into account retained earnings of €3,203,564,635.12, showed distributable earnings of €3,758,738,591.91.

The third resolution that will be put before the General Shareholders’ Meeting on May 24, 2022, proposes to:

- pay an ordinary dividend of €789,489,582.77;
- allocate the remaining distributable earnings to retained earnings, i.e. €2,969,249,009.14.

4.5.3 Sumptuary and non-deductible expenses

In accordance with the provisions of Articles 223 quater and 223 quinquies of the French General Tax Code, please note that the financial statements for the past fiscal year do not include sumptuary expenses that are not deductible from taxable income.

4.5.4 Payment terms

In accordance with Article D.Article D.441-6 of the French Commercial Code, supplier invoices that have been received but remain unpaid at the reporting date (for a total amount including tax of €23.3 million) are as follows:

Invoices received and not paid at the end of fiscal year 2021

	Late payment tranches					
	0 days (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and over	Total (1 day and over)
Total amount of invoices concerned incl. tax *(in millions of euros)*	20.3	2.2	0.1	0.1	0.6	3.0
Percentage of total amount of purchases including tax for the fiscal year	1.41%	0.15%	0.01%	0.01%	0.04%	0.20%
Number of invoices concerned	800					144

This information does not include banking transactions and related operations.

For debt and receivables associated with Natixis S.A. clients, please refer to Note 38 of Section 5.3 on assets and liabilities by maturity, which provides information on their residual maturity.

4.6 Outlook for Natixis

After the rebound observed in 2021, growth is expected to slow significantly in the main regions of the world, due to the end of the catch-up effects, the dissipation of budget support plans and the gradual reduction of central bank support.

In the United States, the effects of the household support plans are practically complete. The government is now planning the adoption and implementation of an infrastructure plan, the effects of which will be smoothed and visible over several years. The labor market is showing signs of slowing down, despite an unemployment rate now very close to its pre-pandemic level. In a context of high inflation, which could also force the Fed to raise its key rates and begin to reduce the size of its balance sheet starting in 2022, GDP growth should reach around 3% in 2022 compared to around 6% in 2021.

In the euro zone, where the recovery was slightly later than in the United States due to a different health situation and more restrictive measures, the effects of catching up should continue to act in 2022. Household savings rates at the end of 2021 had not returned to their pre-crisis levels, which suggests that there is still some support for private consumption. Labor markets should also continue to improve. As a result, both supply and demand support factors would argue for a soft normalization of growth rates towards relatively robust rates. Excluding the base effects due to “stop and go” episodes linked to lockdowns, growth of 4.3% in 2022 after 5.5% in 2021 can be expected.

With regard to Natixis’ business, 2022 will continue to roll out the new strategic plan for 2024, announced on July 8, 2021. This strategic plan sets out the sources of growth for the different divisions of Natixis, and the 2024 financial targets.

For Natixis, “BPCE 2024” represents a growth and investment plan, illustrated by an average annual growth rate of around 5% in net banking income for the 2020-2024 period, accompanied by an improvement in the cost/income ratio.

For the Asset & Wealth Management division, the average annual growth in net banking income is expected to be more than 3% over the 2020-2024 period with a very limited market effect and no external growth.

For the Corporate & Investment Banking division, average annual growth in net banking income is expected to be around 7% over the period from 2020 to 2024, with green revenues multiplied by 1.7 between 2020 and 2024.

For the Insurance division, average annual growth in net banking income is expected to be around 6% over the 2020 to 2024 period, accompanied by a target Property and Casualty Insurance/Personal Protection Insurance policyholder rate for individual customers of the Banques Populaires and Caisses d’Epargne of approximately 35% in 2024.

For the Payments division, average annual growth in net banking income is expected to be around 9% over the period from 2020 to 2024.

Lastly, as BPCE and Natixis announced as part of the strategic plan approved on July 8, 2021, Groupe BPCE is changing its organization by attaching the Insurance and Payments business lines of Natixis S.A. to BPCE, via the transfer by Natixis to BPCE of all the shares held by Natixis in Natixis Immo Exploitation (NIE) and by modifying the organization of the support departments by grouping together within BPCE S.A. the activities intended to be pooled.

This change aims to accelerate the development momentum of all Groupe BPCE business lines by providing them with the means to increase their strategic maneuverability, their development in the service of customers and their performance, through a simplification of its organization.

The completion of this operation, approved by the Board of Directors on February 10, 2022, and the authorities could take place during the first quarter of 2022.

The outlook could also be impacted by the geopolitical context. At the end of February 2022, the Russian Federation launched a major military action in Ukraine. While Ukraine is not a member of NATO, the Western reaction to this invasion was strong. In a concerted manner, the European Union, the United States and many other states have adopted a series of unprecedented sanctions, including the freezing of the Russian Central Bank's foreign assets, the exclusion of certain Russian banks from SWIFT, and the announcement by many Western groups of their disengagement from the Russian Federation.

Even if the essential subject of energy and natural gas remains for the moment outside the scope of the measures taken on both sides, the United States and Great Britain have announced their intention to ban the import of Russian oil and gas. In addition, new economic measures and sanctions could be adopted, including by the European Union and the United States, and retaliatory economic measures and sanctions could be adopted by the Russian Federation. This conflict could have major consequences on the Russian economy but also on the Western economies and more generally on the world economy. The risk of default on Russian debt, rising inflation and the loss of purchasing power for the population in Russia are significant. A questioning of growth prospects and increased inflationary pressure cannot be ruled out in both the United States and Europe.

As of February 28, 2022, exposures net of guarantees (direct on-balance sheet and off-balance sheet exposures net of guarantees to Russian and Ukrainian clients) amounted to €788[(1)] million in Russia (of which €615 million - *in management data* - to corporate and structured financing counterparties) and €63[(2)] million in Ukraine.

In addition, in the Asset Management business on behalf of the Group's clients, the exposure to Russia of the various funds managed by Natixis Investment Managers, corresponding mainly to investments in bonds issued by the Russian government, amounted to €302 million (*in management data*) as of February 28, 2022, and €97 million (*in management data*) to Ukraine.

(1) In management data - Gross exposures: €1,310m in Russia.
(2) In management data - Gross exposures: €122m in Ukraine.

In addition, the risk of expropriation measures that the Russian authorities could take against foreign companies in retaliation for the sanctions imposed was mentioned.

In this respect, Natixis has a subsidiary in Russia, Natixis Moscow, with equity of eq. €73 million as of December 31, 2021, including eq. €48 million in subordinated debt with Natixis. Natixis is also an issuer of structured private placements denominated in rubles up to €83 million as of February 28, 2022. Of the resources raised in ruble, approximately eq. €58 million are used to refinance the subsidiary. At the beginning of March 2022, most of the subsidiary's assets consisted of ruble and foreign currency loans to bank counterparties, as well as its excess liquidity with the Central Bank of Russia (approximately €66 million at the beginning of March 2022).

In addition to the above, the direct market risk on Russian or ruble assets is not material.

Finally, H2O AM funds and mandates are exposed to a basket of emerging currencies including the Russian ruble. The long exposure to the Russian ruble was built via forwards with physical settlement at maturity. As of March 3, 2022, this exposure represented less than 7.5% of their overall gross currency exposure.

4.7 Definitions and Alternative Performance Indicators

The presentation of the Natixis income statement has been amended from 2020 to reflect the deconsolidation of Coface following the disposal of 29.5% of its capital. The remaining contribution of Coface has been presented separately at the bottom of the income statement. The other components under Financial Investments (Natixis Algérie, capital investments put into run-off) are now incorporated under the Corporate Center.

In addition, in view of the work in progress for the orderly and gradual unwinding of the partnership with H2O, the contribution of H2O AM is now isolated at the end of the income statement. A pro forma adjustment was carried out on the 2020 data for comparability.

As a reminder, to comply with the requirements of the French law on the separation of banking activities, the Short-Term Treasury and Collateral Management activities, which used to be part of Global Markets, were transferred to the Finance division on April 1, 2017. However, to ensure comparability, in this management report CIB refers to CIB and the Short-Term Treasury and Collateral Management activities.

In addition, the contribution of the Insurance and Payments business lines is presented above in the various income statement aggregates, while it is presented in the income statement of discontinued operations in the consolidated financial statements at December 31, 2021 in Chapter [5] of this Universal Registration Document.

In addition, the standards used to **assess the performance of the divisions** are those defined for the new 2021-2024 strategic plan:

- regulatory capital allocated to the business lines on the basis of 10.5% of Basel 3 average RWA;
- 1.5% rate of return on capital.

As a reminder, the earnings of the Natixis business lines are presented in accordance with the Basel 3 regulatory framework. Capital allocation specific to the Insurance business lines is based on the Basel 3 accounting treatment for investments in insurance companies, as transposed into the CRD4 and CRR ("Danish compromise").

The **conventions applied to determine the earnings generated by the various business lines** are as follows:

- the Business divisions record the return on regulatory capital allocated to them. By convention, the rate of return on normative capital is 1.5%;
- the return on the issued share capital of the entities comprising the divisions is eliminated;
- the cost of Tier Two debt subordination is charged to the divisions in proportion to their regulatory capital;
- the divisions are invoiced for an amount representing the bulk of Natixis' overhead. The uninvoiced portion accounts for less than 3% (excluding Single Resolution Fund) of Natixis' total overhead. The Single Resolution Fund (SRF) contribution is covered by the Corporate Center and is not charged back to the divisions.

Deeply subordinated notes (DSNs) are classified as equity instruments; interest expense on those instruments is not recognized in the income statement.

ROE and ROTE for Natixis and the business lines are calculated as follows:

- the profit measure used to determine **Natixis' ROE** is net income (Group share) minus the post-tax interest expense on DSNs. Equity capital is average shareholders' equity Group share as defined by IFRS, after payout of dividends, excluding average hybrid debt, and excluding unrealized or deferred gains and losses recognized in equity (OCI);
- the calculation of **business line ROE** is based on:
  - as the numerator, the business line's pre-tax profit, as per the aforementioned rules, to which a normative tax is applied. The normative tax rate is determined for each of the divisions by factoring in the tax liability conditions of Natixis' companies in the jurisdictions where they operate. It is determined once a year and does not factor in potential changes over the year linked to deferred taxes,
  - as the denominator, normative capital, calculated on the basis of 10.5% of RWA assigned to the division, plus goodwill and intangible assets related to the business line;
- **Natixis ROTE** is calculated by taking as the numerator net income Group share excluding DSN interest expenses on preferred shares after tax. Equity capital is the average equity attributable to equity (Group share) as defined by IFRS, after payout of dividends, excluding average hybrid debt, average intangible assets and average goodwill, and excluding unrealized or deferred gains and losses recognized in equity.

5

CONSOLIDATED FINANCIAL STATEMENTS AT DECEMBER 31, 2021

5.1 Consolidated financial statements and notes

Consolidated income statement

(in millions of euros)	Notes	31/12/2021	31/12/2020
Interest and similar income	6.1	2,645	2,940
Interest and similar expenses	6.1	(1,225)	(1,847)
Fee and commission income	6.2	5,518	5,084
Fee and commission expenses	6.2	(953)	(2,028)
Net gains or losses on financial instruments at fair value through profit or loss	6.3	1,531	1,002
Net gains or losses on financial instruments at fair value through equity	6.4	128	72
Net gains or losses arising from the derecognition of financial assets at amortized cost	6.5	(8)	(12)
Net income from Insurance activities	6.11	0	2,034
Income from other activities	6.6	100	256
Expenses from other activities	6.6	(79)	(194)
Net revenues		**7,658**	**7,306**
Operating expenses	6.7	(5,509)	(5,415)
Depreciation, amortization and provisions for impairment of property, plant and equipment and intangible assets		(349)	(412)
Gross operating income		**1,800**	**1,478**
Provision for credit losses	6.8	(181)	(851)
Net operating income		**1,618**	**626**
Share in income of associates		19	(53)
Gains or losses on other assets	6.9	(56)	(187)
Change in value of goodwill		0	0
Pre-tax profit		**1,582**	**386**
Income tax	6.10	(452)	(204)
Net income on discontinued operations*	6.11	379	0
Net income/(loss) for the period		**1,509**	**182**
o/w Group share		1,403	101
o/w attributable to non-controlling interests		106	81
Earnings/(loss) per share *(in euros)*			
Net income/(loss) attributable to shareholders (see Note 5.23) – Group share – per share, calculated on the basis of the average number of shares over the period, excluding treasury shares		*0.41*	*(0.01)*
Diluted earnings/(loss) per share *(in euros)*			
Net income/(loss) attributable to shareholders (see Note 5.23) – Group share – per share, calculated on the basis of the average number of shares over the period, excluding treasury shares and including shares that could be issued on the exercise of stock options and bonus shares.		*0.41*	*(0.01)*

* *Corresponds to the Insurance and Payments business lines classified as "Discontinued operations" at December 31, 2021 (see Notes 1.2 and 6.11).*

Statement of net income and other comprehensive income

(in millions of euros)	**31/12/2021**	31/12/2020
Net income	**1,509**	**182**
Items recyclable to income	**301**	**(300)**
Translation adjustments	**351**	**(401)**
Revaluation adjustments during the period	*349*	*(405)*
Reclassification to profit or loss	*3*	*3*
Other reclassifications	*(1)*	*(0)*
Revaluation of financial assets (debt instruments) at fair value through other comprehensive income	**61**	**9**
Revaluation adjustments during the period	*95*	*31*
Reclassification to profit or loss	*(34)*	*(22)*
Other reclassifications	*0*	*-*
Revaluation of available-for-sale financial assets	**(0)**	**125**
Revaluation adjustments during the period	*-*	*210*
Reclassification to profit or loss	*-*	*(85)*
Other reclassifications	*(0)*	*0*
Revaluation of hedging derivatives	**45**	**15**
Revaluation adjustments during the period	*7*	*(7)*
Reclassification to profit or loss	*38*	*22*
Other reclassifications	*0*	*0*
Share of gains and losses recorded directly in the equity of associates recyclable to income	**3**	**(1)**
Non-current assets held for sale*	**(131)**	**0**
Tax impact on items recyclable to income	**(28)**	**(47)**
Items not recyclable to income	**206**	**100**
Revaluation adjustments on defined-benefit plans	36	32
Revaluation of own credit risk on financial liabilities designated at fair value through profit or loss	7	(21)
Revaluation of equity instruments recognized at fair value through other comprehensive income	216	138
Revaluation of hedging derivatives of financial assets recognized at fair value through other comprehensive income	0	0
Share of gains and losses recorded directly in the equity of associates not recyclable to income	(0)	0
Non-current assets held for sale*	(8)	0
Tax impact on items not recyclable to income	(45)	(49)
Gains and losses recorded directly in other comprehensive income (after income tax)	**507**	**(201)**
TOTAL INCOME	**2,016**	**(19)**
Group share	*1,906*	*(93)*
Non-controlling interests	*110*	*74*

* *Corresponds to the Insurance and Payments business lines classified as "Discontinued operations" and to Natixis Immo Exploitation under IFRS 5 at December 31, 2021 (see Notes 1.2 and 6.11).*

Breakdown of tax on unrealized or deferred gains or losses

(in millions of euros)	31/12/2021 Gross	31/12/2021 Income tax	31/12/2021 Net	31/12/2020 Gross	31/12/2020 Income tax	31/12/2020 Net
Translation adjustments	351	0	351	(401)	0	(401)
Revaluation of financial assets (debt instruments) at fair value through other comprehensive income recyclable to income	61	(14)	46	9	(2)	8
Revaluation of available-for-sale financial assets	0	0	0	125	(41)	84
Revaluation of hedging derivatives	45	(12)	34	15	(4)	11
Revaluation of own credit risk on financial liabilities designated at fair value through profit or loss	7	(2)	5	(21)	5	(16)
Revaluation of equity instruments recognized at fair value through other comprehensive income	216	(37)	179	138	(45)	93
Revaluation of hedging derivatives of financial assets recognized at fair value through other comprehensive income	0	0	0	0	0	0
Revaluation adjustments on defined-benefit plans	36	(6)	30	32	(9)	23
Shares in unrealized or deferred gains/(losses) of associates	0	0	1	(1)	(0)	(1)
Non-current assets held for sale*	(185)	45	(139)	0	0	0
TOTAL CHANGES IN UNREALIZED OR DEFERRED GAINS OR LOSSES	**532**	**(25)**	**507**	**(104)**	**(97)**	**(201)**

* *Corresponds to the Insurance and Payments business lines classified as "Discontinued operations" and to Natixis Immo Exploitation under IFRS 5 at December 31, 2021 (see Notes 1.2 and 6.11).*

5

Consolidated balance sheet – Assets

(in millions of euros)	Notes	31/12/2021	31/12/2020 *
Cash, central banks		48,882	30,637
Financial assets at fair value through profit or loss	7.1	212,025	216,304
Hedging derivatives	7.2	190	230
Financial assets at fair value through other comprehensive income	7.4	12,122	13,194
Securities at amortized cost	7.6.3	1,277	1,930
Loans and receivables due from banks and similar at amortized cost	7.6.1	86,732	44,691
Loans and receivables due from customers at amortized cost	7.6.2	70,146	67,939
o/w institutional operations		*904*	*886*
Revaluation adjustments on portfolios hedged against interest rate risk		0	0
Insurance business investments	8.3	0	112,698
Current tax assets		202	270
Deferred tax assets	7.8	1,226	1,196
Accruals and miscellaneous assets*	7.9	4,637	4,909
o/w institutional operations		*7*	*0*
Non-current assets held for sale**	7.10	125,880	728
Deferred profit-sharing		0	0
Investments in associates		522	879
Investment property		0	0
Property, plant and equipment	7.11	964	1,272
Intangible assets	7.11	348	665
Goodwill	7.13	3,440	3,533
TOTAL ASSETS		**568,594**	**501,075**

* *Amounts restated in relation to the financial statements as at December 31, 2020 (see Note 5.4).*

** *Corresponds to the Insurance and Payments business lines, as well as to Natixis Immo Exploitation and H2O classified as held for sale (see Notes 1.2, 2.6 and 7.10).*

Consolidated balance sheet – Liabilities

(in millions of euros)	Notes	31/12/2021	31/12/2020 *
Central banks		0	0
Financial liabilities at fair value through profit or loss*	7.1	200,628	214,221
Hedging derivatives	7.2	288	525
Due to banks and similar items	7.14	135,863	84,408
o/w institutional operations		46	46
Amounts due to customers	7.14	34,355	29,798
o/w institutional operations		1,007	987
Debt securities	7.15	38,723	35,652
Revaluation adjustments on portfolios hedged against interest rate risk		133	183
Current tax liabilities		626	391
Deferred tax liabilities	7.8	454	438
Accruals and miscellaneous liabilities*	7.9	6,435	6,265
o/w institutional operations		0	8
Liabilities associated with non-current assets held for sale**	7.10	124,366	55
Liabilities related to Insurance activities	7.10	0	104,182
Subordinated debt	7.16	4,073	3,934
Provisions	7.17	1,580	1,623
Shareholders' equity (Group share)		20,868	19,229
▪ Share capital & related reserves		11,036	11,036
▪ Consolidated reserves		7,233	7,393
▪ Recyclable gains and losses recognized directly in equity		1,093	799
▪ Non-recyclable gains and losses recorded directly in equity		103	(100)
▪ Net income/(loss)		1,403	101
Non-controlling interests		202	167
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**568,594**	**501,075**

* *Amounts restated in relation to the financial statements as at December 31, 2020 (see Note 5.4).*

** *Corresponds to the Insurance and Payments business lines, as well as to Natixis Immo Exploitation and H2O classified as held for sale (see Notes 1.2, 2.6 and 7.10).*

Statement of changes in shareholders' equity

	Share capital & reserves		Consolidated reserves		
(in millions of euros)	**Share capital**	Capital reserves [a]	Other equity instruments issued [b]	Elimination of treasury stock	Other consolidated reserves
Shareholders' equity as at December 31, 2019 after appropriation of income	**5,045**	**5,991**	**1,978**	**(40)**	**5,542**
Capital increase	5	(5)			
Elimination of treasury stock				38	(12)
Equity component of share-based payment plans					6
2019 dividend paid in 2020					0
Total activity related to relations with shareholders	**5**	**(5)**	**0**	**38**	**(6)**
Issues and redemption of perpetual deeply subordinated notes			0		
Interest paid on perpetual deeply subordinates notes					(119)
Change in gains and losses recorded directly in equity					
Appropriation to own credit risk reserve during the period					0
Appropriation to a reserve of income from the sale of equity instruments at FV through other comprehensive income that cannot be reclassified completed during the period					(13)
Change in actuarial gains and losses under IAS 19R					
Income/loss as at December 31, 2020					
Impact of acquisitions and disposals [d]					1
Other					11
Shareholders' equity as at December 31, 2020	**5,050**	**5,986**	**1,978**	**(2)**	**5,417**
Appropriation of 2020 income					101
Shareholders' equity as at December 31, 2020 after appropriation of income	**5,050**	**5,986**	**1,978**	**(2)**	**5,517**
Implementation of the IFRS IC decision on IAS 19 [e]					**1**
Capital increase	3	(3)			
Elimination of treasury stock				(6)	(1)
Equity component of share-based payment plans					2
2020 dividend paid in 2021					(189)
Total activity related to relations with shareholders	**3**	**(3)**	**0**	**(6)**	**(189)**
Issues and redemption of perpetual deeply subordinated notes			270		
Interest paid on perpetual deeply subordinates notes					(105)
Change in gains and losses recorded directly in equity					
Appropriation to own credit risk reserve during the period					(3)
Appropriation to a reserve of income from the sale of equity instruments at FV through other comprehensive income that cannot be reclassified completed during the period					6
Change in actuarial gains and losses under IAS 19 R					
Income/loss at December 31, 2021					
Impact of acquisitions and disposals [d]					(133)
Other [f]					(101)
SHAREHOLDERS' EQUITY AT DECEMBER 31, 2021	**5,053**	**5,983**	**2,248**	**(8)**	**4,993**

(a) Share premiums, legal reserve, statutory reserves, long-term capital gains reserve and other Natixis reserves.
(b) Other equity instruments issued: these are undated deeply subordinated notes (see Note 12.3).
(c) Changes in the fair value attributable to the own credit risk of financial liabilities designated at fair value through profit or loss recognized in equity (unrealized and realized) are disclosed in Note 8.1.2.2.
(d) The impacts on shareholders' equity (Group share) as at December 31, 2020 and December 31, 2021 are presented in Note 3.2 (including the Insurance and Payments business lines classified as "Discontinued operations" at December 31, 2021 (see Notes 1.2, 2.6 and 7.10)).
(e) The impacts of the implementation of the IFRS IC decision relating to IAS 19 "Employee benefits" are presented in Note 1.1.1.
(f) Other movements mainly include the effects of a repayment line of perpetual subordinated notes at December 31, 2021 (see Note 11.3.1).

Gains/(losses) recorded directly in equity										
Recyclable				Non-recyclable						
Translation adjustments	Available-for-sale assets	Revaluation of debt instruments at FV through OCI recyclable to income	Hedging derivatives	Revaluation of equity instruments at fair value through other comprehensive income	Revaluation of own credit risk on financial liabilities designated at fair value through profit or loss (c)	Revaluation adjustments on defined-benefit plans	Net income (Group share)	Shareholders' equity (Group share)	Non-controlling interests	Total consolidated equity
580	**516**	**(6)**	**3**	**9**	**(84)**	**(136)**	**0**	**19,396**	**1,430**	**20,826**
								0		0
								26		26
								6		6
								0	(167)	(167)
0	**0**		**0**		**0**		**0**	**32**	**(167)**	**(135)**
								0		0
								(119)		(119)
(399)	161	8	11	93	(16)			(142)	(7)	(148)
					(0)			0		0
				13				0		0
						12		12	(0)	12
							101	101	81	182
3	(78)					11		(62)	(1,171)	(1,233)
								11	0	11
185	**599**	**1**	**13**	**114**	**(100)**	**(114)**	**101**	**19,229**	**167**	**19,396**
							(101)	0		
185	**599**	**1**	**13**	**114**	**(100)**	**(114)**	**0**	**19,229**	**167**	**19,396**
						(0)		**1**		**1**
								0		0
								(7)		(7)
								2	0	2
								(189)	(50)	(239)
0	**0**		**0**		**0**		**0**	**(195)**	**(50)**	**(245)**
								270		270
								(105)		(105)
344	(131)	46	34	170	5			468	4	472
					3			0		0
				(6)				0		0
						31		31	0	31
							1,403	1,403	106	1,509
3	(2)					(0)		(133)	(28)	(160)
								(101)	2	(100)
532	**466**	**48**	**47**	**278**	**(92)**	**(83)**	**1,403**	**20,868**	**202**	**21,070**

Net cash flow statement

The balance of cash and cash equivalents consists of the net balances of cash and amounts due from central banks, as well as on-demand deposits with and loans from credit institutions.

Changes in cash generated by operating activities consist of cash flows generated by Group activities, with the exception of those related to held-to-maturity financial assets and investment property.

Changes in cash related to investment operations result from cash flows related to acquisitions and disposals of investments in consolidated and non-consolidated associates, property, plant and equipment and intangible assets, and acquisitions and disposals of investment property, property provided under operating leases and financial assets held to maturity.

(in millions of euros)	31/12/2021	31/12/2020
Pre-tax profit	**1,582**	**386**
+/- Net charge to depreciation and amortization of property, plant and equipment and intangible assets	220	397
+/- Writedown of goodwill and other non-current assets	(0)	0
+/- Net charge to other provisions (including insurance companies' technical reserves)	(293)	4,737
+/- Share in income of associates	(11)	(6)
+/- Net loss/(gain) on investing activities	(35)	(9)
+/- (Income)/expenses from financing activities	55	69
+/- Other activity	1,344	(782)
= Total non-cash items included in pre-tax profit and other adjustments	***1,279***	***4,406***
+/- Decrease/(increase) in interbank and money market items	18,553	11,490
+/- Decrease/(increase) in customer items	4,343	(177)
+/- Decrease/(increase) in financial assets or liabilities	(4,738)	(9,154)
+/- Decrease/(increase) in non-financial assets or liabilities [e]	1,703	(419)
- Income taxes paid	(294)	(491)
= Net decrease/(increase) in operating assets and liabilities	***19,568***	***1,249***
Net cash provided/(used) by operating activities	**22,429**	**6,041**
+/- Decrease/(increase) in financial assets and equity interests [a]	56	88
+/- Decrease/(increase) in investment property	(0)	61
+/- Decrease/(increase) in property, plant and equipment and intangible assets	(492)	(384)
Net cash provided/(used) by investing operations	**(437)**	**(235)**
+/- Cash received from/(paid to) shareholders [b]	(239)	(167)
+/- Other net cash provided/(used) by financing operations [c]	(145)	(147)
Net cash provided/(used) by financing operations	**(384)**	**(313)**
Cash flow on assets and liabilities held for sale [d]	**(477)**	**(235)**
Impact of exchange rate fluctuations on cash and cash equivalents	**568**	**(1,176)**
Net increase/(decrease) in cash and cash equivalents	**21,699**	**4,082**
Net cash provided/(used) by operating activities	22,429	6,041
Net cash provided/(used) by investing activities	(437)	(235)
Net cash provided/(used) by financing activities	(384)	(313)
Cash flow on assets and liabilities held for sale	(477)	(235)
Impact of exchange rate fluctuations on cash and cash equivalents	568	(1,176)
Cash and cash equivalents at beginning of period	**20,170**	**16,087**
Cash and balances with central banks (assets & liabilities)	30,637	21,014
Interbank balances	(10,467)	(4,927)
Cash and cash equivalents at end of period	**41,868**	**20,170**
Cash and balances with central banks (assets & liabilities)	48,883	30,637
Interbank balances	(7,014)	(10,467)
CHANGE IN CASH AND CASH EQUIVALENTS	**21,699**	**4,082**

(a) Cash flows related to financial assets and investments in associates, including:
- *cash flows related to consolidated equity investments for a negative €46.4 million;*
- *cash flows related to non-consolidated equity investments for a positive €102.7 million.*

(b) Cash flows from or to shareholders include dividends paid to BPCE in the negative amount of €133.6 million and those paid to non-Group entities for a negative €105.6 million.

(c) Cash flows from financing activities can be broken down as follows:
- *interest paid on subordinated notes for a negative €52.3 million;*
- *interest paid on deeply subordinated notes recorded in equity for a negative €92.7 million.*

(d) Corresponds to the cash of the Insurance and Payments business lines, as well as Natixis Immo Exploitation and H2O classified as held for sale (see Notes 1.2 and 7.10).

(e) Including cash flows in relation to lease liabilities, amounting to a negative €83.6 million at December 31, 2021.

Summary of the notes to the consolidated financial statements

Note 1 General framework

1.1 Accounting standards applied

1.1.1 IFRS standards and IFRIC interpretations applied by the Group

As required by Regulation (EC) No. 1606/2002 of July 19, 2002, Natixis has prepared its consolidated financial statements for the year ended December 31, 2021 in accordance with IAS/IFRS standards and IFRIC interpretations as adopted by the European Union and applicable on that date[1].

Natixis' consolidated financial statements include a balance sheet, income statement, statement of net income/(loss) and other comprehensive income, statement of changes in shareholders' equity, cash flow statement and notes to the financial statements.

The financial statements presented for comparative purposes were published by Natixis in the 2020 universal registration document filed with the French Financial Markets Authority (AMF) on March 9, 2021. In accordance with Regulation (EU) 2017/1129 relating to the publication of prospectuses and Commission Delegated Regulation (EU) 2019/980 relating to the information contained in prospectuses, the financial statements for the year ended December 31, 2019, which were published in the 2019 Registration Document filed with the AMF on March 6, 2020, are included for reference in this universal registration document.

As a reminder:

- as a reminder, Natixis elected to take the option offered by IFRS 9 not to apply the standard's provisions pertaining to hedge accounting and to continue applying IAS 39 for the purpose of recognizing hedging transactions, as adopted by the European Union, i.e. excluding certain macro-hedging provisions;
- in accordance with the regulation of November 3, 2017 of the European Commission, Natixis, as a financial conglomerate, has opted to postpone the application of IFRS 9 for its Insurance activities, for which reporting remains under IAS 39. The entities concerned by this measure are mainly Natixis Assurances, BPCE Vie and its consolidated funds, Natixis Life, BPCE Prévoyance, BPCE Assurances and BPCE IARD. This deferral applies until the date of application of the new standard IFRS 17, "Insurance contracts", subject to the following conditions:
  - do not transfer financial instruments between the Insurance division and other divisions of the conglomerate (with the exception of financial instruments at fair value through profit or loss for the two divisions affected by the transfer),
  - indicate the insurance entities that apply IAS 39,
  - provide specific additional information in the notes.

Natixis has thus taken the necessary steps to prohibit any transfer of financial instruments between its insurance sector and the rest of the Group, which would have a derecognition effect for the selling entity, although this restriction is not required for transfers of financial instruments measured at fair value through profit or loss by the two sectors involved.

The accounting principles and methods used to prepare the consolidated financial statements of Natixis at December 31, 2021 are identical to those used to prepare the consolidated financial statements for the fiscal year ended December 31, 2020, prepared in accordance with IFRS as adopted in the European Union and detailed in Note 1.1 "Basis of presentation" to the consolidated financial statements for the 2020 fiscal year (presented in Section 5.1 Consolidated financial statements and notes" of the 2020 universal registration document), with the exception of the standards, amendments and interpretations which took effect as of January 1, 2021:

The standards and interpretations used and described in the annual financial statements at December 31, 2020, have been completed by new standards, amendments and interpretations, the application of which is mandatory for fiscal years beginning on or after January 1, 2021:

- **amendments to IFRS 16 "Rent reductions linked to COVID-19 beyond June 30, 2021",** adopted by the European Union on August 31, 2021 and applicable from April 1, 2021. These amendments extend the period during which the entities may apply the provisions concerning adjustments to rents due for an additional year. The rents concerned are those due no later than June 30, 2022 (instead of June 30, 2021). These amendments had no impact on Natixis' financial statements;
- **the IFRS IC decision of April 20, 2021 relating to IAS 19 "Employee benefits".** With regard to IAS 19, "Employee benefits", the IFRS Interpretations Committee (IC) provided clarifications on the allocation of employee benefits to periods of service in the month of April 2021 in the context of a defined benefit plan with the following characteristics: at the date on which they reach retirement age, employees, if they are still employed by the entity at that date, are entitled to a lump sum equal to one month of the last salary for each year of service. This benefit is capped at a fixed number of consecutive years of service within the entity. In this case, the IFRS IC Committee has specified that the service charge is to be allocated to the periods covering only the years of service prior to retirement, within the limit of the number of years required to reach the ceiling provided for under the terms and conditions of the plan. This IFRS IC decision was validated by the IASB at its May meeting. The impact of the implementation of this decision amounted to +€1 million and was recognized in consolidated reserves;
- **IFRS IC decision of April 27, 2021 relating to IAS 38 "Intangible Assets".** The IFRS IC has clarified the accounting for the costs of configuring and customizing software obtained from a supplier under a Software as a Service (SaaS) contract. This decision was validated by the IASB at its meeting in April 2021. According to this decision, configuration or customization costs are generally not recognized as an intangible asset because the entity that bears these costs does not control the software and the configuration and customization activities do not create a resource that it controls, distinct from the software. To the extent that these costs do not meet the definition of an intangible asset, they are recognized as expenses when these configuration and customization services are performed. If the software configuration and customization service can be dissociated from the right of access to the SaaS software, then the cost is to be spread over the configuration and customization of the software. If, on the other hand, the configuration and customization service is inseparable from the right of access to the SaaS software, then the cost must be spread over the duration of the SaaS contract. In addition, in its decision, the Committee specifies that if an advance payment is made for these services, then this payment is to be recognized as an asset. No impact was identified in Natixis' financial statements at December 31, 2021.

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(1) The complete set of standards adopted within the European Union can be consulted on the European Commission website at the following address: http://ec.europa.eu/finance/company-reporting/ifrs-financial-statements/index_fr.htm.

In addition, Natixis did not early apply the following texts, adopted by the European Union but not yet effective at December 31, 2021:

- **the amendments to IAS 37 entitled "Onerous contracts – contract execution costs"** adopted by the European Union on July 2, 2021 and applicable from January 1, 2022. These amendments amend IAS 37 to specify that the costs of performing a contract include both incremental costs, such as direct labor and material costs, and the charging of other costs directly related to the contract, such as the allocation of the depreciation expense relating to a tangible fixed asset used, among other things, for the performance of the contract. Application of these amendments should not have an impact on Natixis' financial statements;
- **the amendments to IFRS 3 entitled "Reference to the Conceptual Framework",** adopted by the European Union on July 2, 2021 and applicable to business combinations occurring as of January 1, 2022. These amendments remove from IFRS 3 the reference to the definition of financial assets and liabilities provided for in the previous version of the Conceptual Framework, to refer to the definitions of financial assets and liabilities in the new version of the Conceptual Framework published in March 2018. As the update of this reference may have consequences that could generate gains or losses after accounting for the business combination, IFRS 3 has been amended to specify that, for transactions and other events falling within the scope of application of IAS 37 and IFRIC 21, an acquirer must apply these standards to identify the provisions to be recognized.

  These amendments also specify that an acquirer must not recognize any assets acquired through a business combination;
- **the amendments to IAS 16 entitled "Property, plant and equipment: proceeds prior to intended use"** adopted by the European Union on July 2, 2021 and applicable from January 1, 2022. These amendments clarify that it is prohibited to deduct from the cost of a fixed asset the proceeds of the sale of items that are produced while the asset is brought to the place and in the condition necessary to allow its operation as planned by management. As such, the proceeds from the sale and the production costs of these items are to be recognized in the income statement and their amounts are to be disclosed in the notes to the financial statements with reference to the income statement lines to which they contribute. The application of these amendments should not have an impact on Natixis' financial statements;
- **the "Annual Improvements to IFRS Cycle 2018-2021"** adopted by the European Union on July 2, 2021 and applicable from January 1, 2022. These amendments are part of the annual improvement process which aims to simplify and clarify international accounting standards. The following standards are amended: IFRS 1 "First-time adoption of International Financial Reporting Standards", IFRS 9 "Financial Instruments", IAS 41 "Agriculture", and IFRS 16 "Leases". The application of these amendments should not have an impact on Natixis' financial statements;
- **IFRS 17 "Insurance Contracts"** published by the IASB on May 18, 2017 and its amendments published on June 25, 2020 were adopted by the European Union on November 19, 2021 (EU Regulation No. 2021/2036). Initially applicable as of January 1, 2021 with a comparison to January 1, 2020, this standard will come into force on January 1, 2023 with a comparison for the year 2022 (amendments of June 2020).

  IFRS 17 will have no impact on Natixis' financial statements given the announced transfer of the Insurance business line to BPCE (see Note 1.2).

1.1.2 Presentation of the consolidated financial statements

The consolidated financial statements have been prepared in accordance with the assessment and presentation principles set out in Notes 2 and 5 below.

1.1.3 Year-end

The consolidated financial statements are based on the individual financial statements at December 31, 2021 of the entities included in Natixis' consolidation scope.

1.1.4 Notes to the financial statements

Unless otherwise indicated, the figures given in the notes are expressed in millions of euros.

1.2 Significant events

1.2.1 Natixis and Arch Capital Group Ltd. announced the completion of the agreement to sell 29.5% of Coface's share capital

Following the approval of the relevant competition and regulatory authorities, Natixis and Arch Capital Group Ltd. announced on February 10, 2021 the sale by Natixis of a 29.5% stake in the share capital of Coface to Arch Financial Holdings Europe IV Limited, an affiliate of Arch Capital Group Ltd., at a price of €9.95 per share (dividend attached). Natixis is no longer represented on the Board of Directors of Coface.

The result recorded on the loss of significant influence amounted to €7.3 million.

Following this transaction, the residual investment in Coface, now classified as financial assets at fair value through equity, was 12.7% (for a fair value of €197.3 million at June 30, 2021). During the second half of 2021, Natixis sold 4,226,361 Coface shares to the market, bringing its residual stake to 10.04% at December 31, 2021, representing an amount of €188.9 million calculated on the basis of the share price on that date.

On January 6, 2022, Natixis announced the successful sale of its entire residual stake in the Coface entity, at a price of €11.55 per share, carried out as part of an accelerated placement with institutional investors. This disposal will affect Natixis' financial statements for the first quarter of 2022, with the recognition of a negative €14.8 million in other comprehensive income.

1.2.2 Filing of a simplified public tender offer for Natixis shares

On February 9, 2021, BPCE S.A. announced its intention to acquire the shares in the capital of Natixis S.A. that it did not hold, i.e. around 29.3% as at December 31, 2020, and to file a simplified public tender offer with the French Financial Markets Authority.

After obtaining the approval of the AMF on the compliance of the transaction and the various regulatory authorizations required, the simplified public tender offer for Natixis shares took place from June 4 to July 9 inclusive.

In accordance with the opinion of the French Financial Markets Authority (D&I No. 221C1758 of July 13, 2021), on July 21, 2021, BPCE squeezed out all Natixis shares that had not been tendered to the public offer, under the same financial conditions as the simplified public tender offer, i.e. €4 per share of Natixis. As a result, due to the successful implementation of the squeeze-out, Natixis was delisted on July 21, 2021.

As of December 31, 2021, BPCE held all of the share capital and voting rights of Natixis (with the exception of the free shares granted to employees and corporate officers of Natixis and its subsidiaries issued by Natixis, still in a period of unavailability or of holding at that date, having been covered by a liquidity agreement and Natixis treasury shares).

This transaction is part of an ambitious industrial project to support the development of Natixis' business lines and the simplification of its organizational set up.

This project includes an organizational component that could include:

- transfer to BPCE of the Insurance and Payments business lines;
- grouping within a new division business lines serving Corporate Clients and Asset & Wealth Management.

This project is progressing at its own pace and is expected to be operational in the first quarter of 2022. It includes the following steps:

i. the contribution by Natixis to a company wholly owned by BPCE of all the shares held by Natixis in Natixis Assurances;

ii. the contribution by Natixis to a company wholly owned by BPCE of all the shares held by Natixis in Natixis Payment Solutions, Partecis and Natixis Payment Holding (NPH), Natixis subsidiaries that currently carry out the activities of Groupe BPCE's Payments business line;

iii. the distribution by Natixis to its shareholders of the shares of Natixis Assurances Holding and Natixis Payments Holding received as compensation, respectively, for the Insurance and Payments contributions; and

iv. the acquisition by BPCE of all the shares of the Assurances Holding and Payments Holding received by the beneficiaries of free shares as a result of the exercise of the sales agreements provided for in the liquidity contracts.

At the end of the proposed transaction, BPCE will directly hold all of the share capital and voting rights of the Assurances Holding and Payments Holding.

At the same time as the aforementioned distribution, Natixis will carry out a capital increase which will be fully subscribed by BPCE for an amount of approximately €1.7 billion, in order to restore Natixis' equity.

On September 22, 2021, the Board of Directors of Natixis approved the terms of the negotiation protocol, signed on the same day, by the parties to set out their discussions and define the guiding principles that will guide the possible conclusion of the final documentation relating to the projected transaction.

As a result, Natixis has classified the assets and liabilities of the Assurances and Payments subsidiaries in the financial statements for the year ended December 31, 2021 as "Non-current assets held for sale" and as "Liabilities related to non-current assets held for sale" and the income items of these two business lines on the income statement line "Net income from discontinued operations" *(see Note 2.6)*.

In addition, the parties also considered the transfer by Natixis to BPCE of all the shares held by Natixis in Natixis Immo Exploitation (NIE). This transfer is part of a project to create a shared service center (Workplace SSC) within BPCE S.A. bringing together all of the real estate-related expertise. It was achieved through a sale of 100% of the shares comprising the share capital of during the first quarter of 2022, at the same time as the transfer of the Workplace workforce.

As a result, at December 31, 2021, Natixis classified the assets and liabilities of the NIE entity respectively as "Non-current assets held for sale" and "Liabilities related to non-current assets held for sale", in accordance with the procedures described in Note 2.6.

The information-consultation process of the relevant employee representative bodies within Groupe BPCE was initiated on September 23, 2021. The latter issued their opinion on January 11, 2022.

The Board of Directors of Natixis meeting on February 10, 2022 also subsequently and authorized the signing of contribution agreements relating to the contributions of the Assurances and Payments activities to the two aforementioned holding companies, and approved the draft resolutions submitted to it relating to the distribution to the shareholders of the shares received in exchange for the contributions and the capital increase subject to obtaining the approval of the European Central Bank (granted February 28, 2022).

1.2.3 Launch of a transformation and operational efficiency program

Natixis announced, on November 5, 2020, the launch of a transformation and operational efficiency program that will generate approximately €350 million in sustainable cost savings at the end of 2024 (approx. €270 million in associated exceptional costs over the period), including the transformation of the Corporate & Investment Banking division.

To meet the challenges it faces, Natixis will also continue to develop its operating model with a view to competitiveness by drawing on its solid and diversified expertise.

This approach of anticipation, adaptation and development has led Natixis, since 2016, to organize its support functions around two areas of activity in Europe: Paris and Porto. In line with this organizational plan, a development project for the Porto center was presented to the social partners at the end of January 2021.

This consists of:

- continuing to develop the support functions already established in Porto;
- positioning some of the other support functions in Porto.

This project also confirms Porto's place as a center of excellence and expertise.

The strategic review of the equity derivatives activity also confirmed its importance for Natixis and repositioned it on strategic clients while reducing the level of risk.

To implement the various components of these projects under the best possible conditions, an internal and external resource mobility plan has been proposed within the areas concerned. This plan was opened on June 21, 2021 and is based on three key principles:

- priority given to internal mobility;
- the absence of forced departures;
- support for external departure projects on a strictly voluntary basis.

In connection with this program, Natixis has set aside a provision for restructuring which includes expenses directly related to the restructuring and essentially representing an estimate of social and support costs, for €14.8 million.

1.2.4 Simplification of its capital partnerships with La Banque Postale

As part of the project to simplify its capital partnerships with La Banque Postale (LBP) and CNP, Natixis Investment Managers entered into exclusive negotiations to acquire the minority stakes held by LBP in Ostrum Asset Management (i.e. 45%) and AEW Europe (i.e. 40%).

The planned acquisition of minority stakes in Ostrum Asset Management and AEW Europe should strengthen the capital position of Natixis Investment Managers in these two strategic affiliates, by owning them 100%.

This project is accompanied by an extension of the distribution and management agreements currently in force with CNP Assurances and LBP until 2030.

The debt of the puts on minority interests in Ostrum Asset Management was revalued by €35.2 million, bringing the stock at December 31 to €120 million.

The debt of the puts on non-controlling interests of AEW Europe was subject to a revaluation of €54.4 million, bringing the stock to €120 million at December 31, 2021.

1.3 Post-closing events

The Board of Directors approved Natixis' 2021 financial statements on February 10, 2022. Since that date, there has been no change in Natixis’ financial or commercial situation, with the exception of the continued realization of the significant events described in Note 1.2 (disposal of the residual stake in Coface and contribution to BPCE of the Insurance and Payments activities).

Note 2 Consolidation methods and principles

2.1 Consolidation scope

Natixis' consolidated financial statements include the financial statements of Natixis and its main subsidiaries.

Only subsidiaries making a material contribution to the Group's financial statements are consolidated.

Materiality is determined based on specific thresholds for each of the Group's business lines and on a qualitative assessment of the relevance of each entity's contribution to the consolidated financial statements of Natixis. The main thresholds applicable are as follows:

Business lines *(in millions of euros)*	Total balance sheet	Net banking income	Net income
Corporate & Investment Banking	250	15	+/-2
Asset & Wealth Management	60	5	+/-2
Insurance	60	5	+/-2
Payments	60	5	+/-2
Corporate Center	60	5	+/-2

By way of exception to the thresholds described above, and in order to comply with Article 19 of Regulation (EU) No. 575/2013, the consolidation threshold was €10 million (total balance sheet and off-balance sheet commitments excluding derivatives) for entities that meet the definition of financial institutions or ancillary services undertakings.

In terms of mutual funds and real estate holdings within the scope of Natixis Assurances, the materiality threshold used for inclusion in the consolidation scope is as follows:

- total assets or carrying amount of the mutual fund greater than 0.5% of Natixis Assurances' investments;
- the total amount of the entities excluded from the scope does not represent more than 5% of total investments.

The consolidation scope includes all of the material entities over which Natixis exercises exclusive control, joint control or significant influence. The IFRS standards stipulate three types of control: exclusive control, joint control and significant influence. Determining the type of control that exists is not limited to identifying the voting rights held, but also involves an analysis of the economic and legal relations existing between the various entities being analyzed.

In determining whether it exercises control or has a significant influence, Natixis considers current voting rights and potential voting rights if they are exercisable or convertible at any time, and if they grant power over the entity's relevant activities. Potential voting rights arise from stock options on ordinary shares or from the conversion of bonds into new ordinary shares. However, potential voting rights are not taken into account when determining the percentage of ownership except if it is concluded that these voting rights provide access to economic benefits attached to the underlying shares.

The scope of Natixis' consolidated entities is provided in Note 17 to the financial statements.

The percentage of ownership and the voting rights held are indicated for each entity within the consolidation scope. The percentage of ownership represents the equity share directly and indirectly held by Natixis in the entities within the consolidation scope. The percentage of ownership is used to determine Natixis' share in the net assets of the company owned.

2.2 The notion of control and consolidation methods

2.2.1 Control of an entity

The entities controlled by Natixis are consolidated using the full consolidation method, in accordance with IFRS 10. This standard defines a single audit model applicable to all entities, whether they are traditionally governed entities or structured entities *(see Note 4)*. The control of an entity will be analyzed using three cumulative criteria:

- power over the entity's relevant activities;
- exposure or entitlement to variable returns by virtue of its relations with the entity;
- the ability to exercise its power over the entity to influence the variable returns obtained.

When voting rights or similar rights are fundamental to an entity's governance, control is generally understood to mean holding over 50% of voting rights.

If this is not the case, control is determined through the exercise of judgment and by taking into account all facts and circumstances, such as:

- the objectives, terms and circumstances surrounding the creation of the entity;
- the nature of the entity's relevant activities and the decision-making processes concerning these activities;
- the scope of Natixis' decision-making rights (from voting rights or contractual agreements) over the management of the entity's relevant activities (i.e. activities having a significant impact on the entity's returns);
- exposure to variability in the entity's returns *(the significance of the returns received by Natixis compared with the returns received by the other investors, etc.)*;
- rights held by other parties *(withdrawal rights, early redemption rights, rights regarding the dissolution of the entity, etc.)*.

If, after reviewing these criteria, Natixis concludes that its decision-making rights over the management of the entity's relevant activities enable it to influence the variable returns obtained, Natixis does have control pursuant to IFRS 10 and the entity in question will be subject to full consolidation.

Full consolidation involves replacing the carrying amount of investments with the full value of all of the subsidiary's assets and liabilities.

The share of non-controlling interests in shareholders' equity and in income appears separately on the balance sheet, the income statement and the statement of net income/(loss) and other comprehensive income.

2.2.2 Joint control: joint ventures and joint operations

Natixis exercises joint control if, by virtue of a contractual arrangement, decisions pertaining to the entity's relevant activities require the unanimous consent of the parties sharing control over the partnership, and if each partner has the ability to prevent the other partners from controlling the arrangement.

IFRS 11 distinguishes between two types of partnerships: joint ventures and joint operations. Joint ventures are partnerships in which the parties exercising joint control over the Company have rights over that company's net assets. They are consolidated using the equity method. Consolidation using the equity method involves replacing the carrying amount of investments in the owner's financial statements with Natixis' interest in the shareholders' equity and income of the entity owned. Investments are recognized at this reassessed value on the asset side of the consolidated balance sheet in "Investments in associates". The difference between the investments' historical value and their reassessed value is recognized on the liability side of the balance sheet under "Shareholders' equity Group share", and in income under "Share in income of associates" in the consolidated income statement, and under "Share of gains/(losses) of associates recognized directly in equity" in the statement of net income/(loss) and other comprehensive income. Goodwill related to joint ventures is included in the carrying amount.

- These investments are subject to an impairment test whenever there is objective evidence of impairment. If the recoverable value of the investment is lower than its carrying amount, an impairment is recorded under "Share in income of associates" in the consolidated income statement.

  If Natixis' share in the losses of a company consolidated using the equity method is greater than or equal to its interest in the Company, Natixis ceases to take its share in future losses into account. In such cases, the investment is presented as having zero value. Associates' additional losses are only provisioned if Natixis has a legal or implied obligation to hedge them or if it has made payments on behalf of the Company.
- Joint operations are partnerships in which the parties exercising joint control of the operation have rights over its assets, and obligations with regard to its liabilities. An investment in a joint operation is recorded by including all of the interests held in the joint operation, i.e. the share in each of the assets, liabilities and other comprehensive income to which it is entitled. These interests are broken down by type across the various items in the consolidated balance sheet, consolidated income statement and statement of net income/(loss) and other comprehensive income.

2.2.3 Significant influence over associates

Significant influence is the power to participate in the financial and operating policy decisions of the corporate entity owned without having control over such policies. A significant influence is presumed to exist if Natixis directly or indirectly owns at least 20% of the voting rights of the company in question. IAS 28 defines companies over which a significant influence is exercised as associates. These are consolidated using the equity method in accordance with the same terms as those applicable to joint ventures *(see above)*, with the exception of Private Equity investments, which Natixis classifies under financial assets at fair value through profit or loss, in accordance with the option available under IAS 28.

2.3 Change in consolidation scope

In the event of an increase in Natixis' percentage of ownership in an already-controlled entity, the difference between the acquisition cost of the additional percentage interest and the share in the entity's net assets acquired at this date is recorded in "Consolidated reserves". In the event that Natixis' percentage of ownership in an entity decreases without resulting in a loss of control, the difference between the selling price and the carrying amount of the percentage interest sold is also recorded in "Consolidated reserves".

The assumption of control through successive purchases of securities from an entity previously recognized in financial assets at fair value (through profit or loss or other comprehensive income) is shown as two transactions taking place upon the assumption of control:

- the disposal of securities previously recognized in assets at fair value through profit or loss; and
- the acquisition of all of the securities held after the assumption of control.

In such cases, goodwill is determined only once based on the fair value of the assets acquired and the liabilities assumed on the date that control over the entity is assumed.

In the event of the loss of control of a consolidated subsidiary, any equity share retained is measured at fair value and the gains or losses on disposal are recognized in "Gains or losses on other assets" in the consolidated income statement.

Gains or losses on disposals of associates are presented in "Gains or losses on other assets" in the consolidated income statement.

2.4 Treatment of put options granted to minority shareholders

The granting of put options to minority shareholders by Natixis has no impact on the determination of Natixis' controlling interest in the subsidiary in question as long as the option is not exercised, unless Natixis also holds an immediately exercisable call option.

The granting of put options to minority shareholders has no impact on Natixis' percentage interest in the subsidiary in question unless the put option is associated with the holding of a call option by Natixis, and the call and put options give immediate entitlement to the economic benefits attached to the underlying shares.

The granting of a put option to minority shareholders which does not transfer the risks and benefits associated with the underlying shares to Natixis prior to the option's exercising, results in the recognition of a liability equal to the estimated present value of the option's exercise price. The corresponding receivable is booked to shareholders' equity, the carrying amount is deducted from minority interests and the remainder is deducted from consolidated reserves (Group share). Subsequent changes in the liability related to adjustments to the exercise price of the put option are recorded in consolidated reserves (Group share).

Income generated from minority interests subject to put options is presented in "Net income/loss for the period – share attributable to minority interests" in the consolidated income statement.

2.5 Business combinations and goodwill

The following accounting treatment is applied to business combinations giving rise to control:

- IFRS 3 before revision if they occurred prior to January 1, 2010, except for those that occurred before January 1, 2004. On the initial application date of IFRS, Natixis chose the option offered by IFRS 1 "First-time adoption of IFRS" to not retrospectively restate business combinations made prior to January 1, 2004, pursuant to IFRS 3;
- revised IFRS 3 (IFRS 3R) if they occur after January 1, 2010. IFRS 3R can be applied in a forwardlooking manner to business combinations if their acquisition date is the same or later than the adoption date of IFRS 3R.

In accordance with IFRS 3 (pre- or post-revision), business combinations are recorded using the acquisition method. Under the acquisition method, the identifiable assets and liabilities of the acquired entity are measured at their fair value at the valuation date.

The method used to measure non-controlling interests and goodwill may differ depending on whether IFRS 3 or IFRS 3R is applied.

- Application of IFRS 3 to business combinations carried out before January 1, 2010:
  - minority interests are determined based on their share in the identifiable net assets of the acquired entity, measured at their fair value at the purchase date (partial goodwill method);
  - goodwill is the difference between the cost of the business combination and the share of the purchasing entity's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities.
- Application of IFRS 3R to business combinations carried out after January 1, 2010:
  - for each business combination, Natixis chose to determine non-controlling interests:
    - either based on their share in the identifiable net assets of the acquired entity, measured at their fair value at the purchase date, and therefore without recognizing goodwill on the non-controlling interests (partial goodwill method), or
    - based on their fair value at the purchase date, resulting in the recognition of goodwill, both for the Group share and the non-controlling interests (full goodwill method);
  - hence, goodwill is a residual item determined as the difference between (i) the sum of the purchase price, the fair value at the purchase date of the percentage interest held in the acquired entity prior to the purchase date, and the amount of the minority interests (determined using the partial goodwill method, in the majority of cases, or the full goodwill method) and (ii) the net amount of the assets and liabilities assumed, measured at their fair value at the purchase date.

Positive goodwill is recorded on a separate line on the asset side of the balance sheet if it relates to a controlled entity. It is allocated at the purchase date to one or more cash-generating units (CGUs) expected to benefit from the acquisition and is not amortized. It is tested for impairment at least once a year, and more often where there is objective evidence of impairment. The impairment test consists of comparing the net carrying amount of the CGU or group of CGUs including goodwill with its recoverable value.

A controlled entity's negative goodwill is immediately recognized in income under "Change in value of goodwill".

Goodwill related to an associate or joint venture is included in the carrying amount of "Investments in associates" under assets if it is positive; however, it cannot subsequently be amortized. It is tested for impairment at least once a year. If it is negative, it is immediately recognized in income under "Share in income of associates".

Specific case of business combinations carried out under joint control

Combinations of entities or operations under joint control are understood to be combinations in which several operations are combined and all of the interested parties (entities or operations) are ultimately controlled by the same party or parties for a relatively long period before and after the combination. Such combinations do not fall within the scope of IFRS 3R.

Barring clarification of IFRS 3R on the accounting treatment of business combinations under joint control, Natixis applies a method based on historical carrying amounts to such transactions. According to this method, the difference between the price paid and Natixis' share in the historical carrying amounts of the assets and liabilities of the acquired entity is recorded as a deduction from shareholders' equity. In effect, in using this method, any goodwill and valuation differences resulting from the application of the acquisition method are deducted from shareholders' equity.

The carrying amounts used are those listed in the consolidated financial statements of the ultimate parent company at the date of completion of the transaction.

Transactions involving two entities controlled by Natixis and those involving an entity controlled by Natixis and an entity controlled by BPCE are considered to have been carried out by entities under joint control.

Principles adopted for the measurement and recognition of the transactions resulting in the creation of Natixis in 2006

The assets contributed by the former CNCE to Natixis fall into two categories:

- shares in the Corporate & Investment Banking and service subsidiaries;
- a portion of the cooperative investment certificates (CICs) conferring entitlement to the share capital of the Caisses d'Epargne.

The contribution values used for consolidation purposes in respect of both categories of assets are the carrying amounts of these assets in the former CNCE's consolidated financial statements, restated in accordance with IFRS as adopted in the European Union.

Other transactions affecting the structure of the Group that led to the creation of Natixis were accounted for by the acquisition method for consolidation purposes, in accordance with IFRS 3.

Goodwill arising in connection with the above-mentioned business combination on December 31, 2006 was accounted for as follows:

Goodwill on contributed entities

As the contributions were recognized at their net carrying amount under IFRS, no valuation adjustments have been recorded for the various assets and liabilities contributed. The difference between the acquisition cost and the Group's interest in the net assets of the contributed entities does not constitute goodwill within the meaning of IFRS 3, since the acquisition cost takes into account the real value of the shares, while the contributions were recognized at their net carrying amount. Each of the differences observed was recognized in "Consolidated reserves".

An amount of €3,170 million was charged against the share premium in this respect as at December 31, 2006.

Goodwill on other transactions

The goodwill arising from the transaction resulting in the creation of Natixis amounted to €484 million, which breaks down as follows: €229 million for the former IAMG, €21 million for the former IXIS CIB and €8 million for the former Novacrédit, plus the goodwill recorded in "Investments in associates" relating to the Caisse d'Epargne CICs for €190 million, and the Banque Populaire CICs for €36 million.

Since then, goodwill relating to the former IXIS CIB has been fully written-down.

In light of the sale of the cooperative investment certificates during fiscal year 2013, the associated goodwill is no longer included in the consolidated balance sheet.

Other goodwill

During the 2021 fiscal year, excluding translation differences (€113 million), goodwill decreased by €205 million *(see Note 7.13)*.

Impairment tests

All items of goodwill are impaired, based on the value in use of the cash-generating units (CGUs) to which they have been allocated.

The determination of values in use primarily relied on the updating of the estimate of future flows of CGUs, using the Discounted Cash Flows (DCF) method, as determined by the latest forecasts for the results of the business lines reassessed in the context of the health crisis.

As at December 31, 2021, the following assumptions were used:

- estimated future cash flows: forecast data from the latest multi-year profit trajectory forecasts for the business lines;
- perpetual growth rate: the perpetual rate set at 2.5% for the Asset & Wealth Management CGUs and for the M&A activity of CIB, due to the prospects for sustained growth in their activity and their resilience in the context of the crisis;
- discount rate: use of a differentiated rate per CGU: 7.7% for Asset & Wealth Management (7.6% at December 31, 2020), 9.2% for CIB (9.5% as of December 31, 2020).

Market data is now calculated based on a five-year history.

In addition, and in more detail, the discount rates were determined by taking into account, for the Asset & Wealth Management and CIB CGUs, the average of the French and US ten-year treasury bills (French OAT), averaged over a depth of five years.

A risk premium calculated on the basis of a sample of companies representative of the CGU is then added to these rates, with an average over a depth of five years.

For CIB, the fact that goodwill comes exclusively from the M&A activity led to carrying out the valuation exercise on the sole scope of M&A while enriching the valuation methods used (multi-criteria approach including a DCF approach, as well as valuation methods by market multiples and comparable transactions) in line with the previous fiscal year.

For the Insurance and Payments business lines, classified as activities held for sale *(see Note 2.6)*, an impairment test was performed at December 31, which consisted in comparing the fair value of the contribution and the carrying amount (restated for recyclable shareholders' equity).

These tests did not result in the recognition of impairment losses at December 31, 2021.

A 50 bp increase in discount rates (assumption based on the historical annual variability observed over one year using 2012-2020 historical data) combined with a 50 bp reduction in perpetual growth rates would reduce the value in use of CGUs by:

- -14% for the Asset & Wealth Management CGU;
- -13% for the Corporate & Investment Banking CGU (on M&A activity);

and would not lead to the recognition of any impairment losses for these CGUs.

The sensitivity to key assumptions does not significantly affect the recoverable amount of the CGUs:

- for Asset & Wealth Management, a 10% decline in the equity markets (uniform decline across all years) would have a 10% negative impact on the CGU's recoverable value and would not lead to the recognition of an impairment loss;
- for the Wholesale Banking CGU (for the M&A activity), the sensitivity to the dollar would have an immaterial impact on the recoverable amount and would not lead to the recognition of an impairment;

2.6 Subsidiaries held for sale

The assets and liabilities of controlled entities which Natixis intends to sell within a maximum period of 12 months, and for which it is actively seeking a buyer, are identified separately on two specific lines of the consolidated balance sheet as non-current assets and liabilities.

A group of assets and liabilities held for sale may be a group of CGUs, a CGU or part of a CGU. The group may include the entity's assets and liabilities, including current assets, current liabilities and assets that are outside the scope of the measurement provisions under IFRS 5. If a non-current asset within the scope of the measurement provisions under IFRS 5 is part of a group held for sale, the measurement provisions under IFRS 5 apply to the group as a whole, which means that the group is measured at the lower of its carrying amount or its fair value net of selling costs.

When the fair value of the group of assets and liabilities is lower than their overall net carrying amount, Natixis limits the amount of impairment to non-current assets (goodwill, intangible assets and property, plant and equipment) measured in accordance with IFRS 5.

Proposed sale of the H2O entity

In the fourth quarter of 2020, Natixis launched negotiations for the sale of its entire stake in the H2O entity, i.e. 50.01% of the share capital. This sale consists for H2O Holding in the purchase of its own shares. Discussions continued during the fiscal year, including with the relevant regulators, leading to a new version of the Memorandum of Understanding being signed on January 6, 2022, which is now expected to be implemented by the end of the first quarter 2022.

As at December 31, 2021, Natixis maintained the full consolidation of the entity and presented, in accordance with the provisions of IFRS 5 "Non-current assets held for sale and discontinued operations", the assets and liabilities of this entity grouped under two separate balance sheet items: "Non-current assets held for sale" for €401.0 million and "Non-current liabilities held for sale" for €76.0 million. The provision relating to the estimated capital loss is now expected to be €140.0 million, of which €84.2 million for the 2021 fiscal year, recorded in "Gains and losses on fixed assets" (excluding the effects of taxes).

Project to transfer the Insurance and Payments activities to BPCE

The BPCE Supervisory Board and the Natixis Board of Directors approved on September 22, 2021 the proposed transfer of Natixis' Insurance and Payments activities to BPCE, which is part of an ambitious industrial project to develop Natixis' business lines and simplify its functional departments *(see Note 1.1)*. As of December 31, 2021, Natixis maintained the full consolidation of the subsidiaries concerned and presented, in accordance with the provisions of IFRS 5 "Non-current assets held for sale and discontinued operations", the assets and liabilities of these entities grouped together under two separate balance sheet items: "Non-current assets held for sale" and "Liabilities related to non-current assets held for sale" for an amount of €124,877 million (including €123,793 million) for the Insurance business line and €1,084 million for the Payments business line) and "Liabilities related to non-current assets held for sale" for an amount of €123,741 million (of which €122,928 million for the Insurance business line and €813 million for the Payments business line).

The Insurance and Payments divisions being main and distinct business lines, the announcement of their transfer leads to consider them as "Discontinued operations". In accordance with the provisions of IFRS 5, the result of these activities is presented on a separate line of the consolidated income statement "Net income after tax on discontinued operations" for an amount of €379 million.

Proposed sale of Natixis Immo Exploitation to BPCE

As part of the project to create a shared service center (Workplace SSC) within BPCE S.A., it is planned that Natixis S.A. will sell 100% of the shares comprising the share capital of Natixis Immo Exploitation (NIE) to BPCE. At December 31, 2021, Natixis maintained the full consolidation of NIE and presented the assets and liabilities of this entity in accordance with the provisions of IFRS 5 "Non-current assets held for sale and discontinued operations" grouped under two separate balance sheet items: "Non-current assets held for sale" for €601 million and "Liabilities related to non-current assets held for sale" for €549 million, but according to specific terms and conditions concerning rights-of-use and lease liabilities relating to rental contracts carried by NIE *(see below)*.

NIE aims to carry the commitments related to the operating real estate located in France of the Natixis, BPCE entities and their subsidiaries. In this context, NIE leases buildings and sublets them to the aforementioned entities. Following the sale of NIE, the Natixis integrated entities, which are sub-tenants of NIE, will continue to occupy the same leased areas in the same buildings. In view of the provisions of IFRS 10, IFRS 15 and IFRS 16, it is therefore considered that, for these areas, Natixis will retain control of the related rights-of-use and lease liabilities. Accordingly, only the portion of the right-of-use assets and lease liabilities the control of which has been deemed to be transferred and representative of the areas occupied by entities outside Natixis' scope of consolidation will be recognized in the lines of "Non-current assets held for sale" and "Liabilities related to non-current assets held for sale".

2.7 Standardization of individual data and treatment of intra-group transactions

Prior to consolidation, the parent company financial statements of companies included in the scope of consolidation are restated, if necessary, to bring them into line with Natixis' accounting policies described below.

The impact on the balance sheet and income statement of internal transactions carried out between fully-consolidated entities is eliminated. The internal profits or losses of entities consolidated using the equity method are eliminated to the extent of Natixis' percentage interest in the joint venture or associate.

2.8 Natixis' institutional operations

In the context of Article 41 of the Amending Finance law for 1997 (No. 97-1239 of December 29, 1997), amended by Article 121 of the Amending Finance law for 2008 (No. 2008-1443 of December 30, 2008), Article 5 of the Amended Finance law for 2014 (No. 2014-1655 of December 29, 2014) and the agreement signed with the French State on December 24, 2019, Natixis manages certain public procedures on behalf of the French State, mainly consisting of loans and grants to foreign States conferred within the framework of Public Development Aid, non-concessional loans to foreign States, grants to the "Fund for Private Sector Aid and Studies" and the stabilization of interest rates for export credit guaranteed by the State. The related transactions, some of which may be guaranteed by the State, are recognized separately in the financial statements. The State and other related creditors have a specific right over the Natixis assets and liabilities allocated to these public procedures. The bank's assets and liabilities relative to these operations are identified on the balance sheet under each of the headings concerned with these operations.

2.9 Currency conversion of the statements of foreign subsidiaries and branches

Natixis' consolidated financial statements are prepared in euros.

The balance sheets of foreign subsidiaries and branches whose functional currency is not the euro are translated into euros at the closing exchange rate, except for share capital, reserves and capital allocations, which are translated at the historical exchange rate. Income and expenses are translated at the average exchange rate for the period. Any resulting translation gains or losses arising, regarding both balance sheet and income statement items, are recognized in shareholders' equity under "Translation adjustments" for the portion attributable to the Group and "Non-controlling interests" for the portion attributable to third parties.

In the event of the total or partial disposal of an entity or the capital repayment of an entity, translation gains or losses are reclassified as income in proportion to the cumulative amount of the exchange differences recognized in recyclable shareholders' equity under "Translation adjustments".

Natixis elected to use the option available under IFRS 1 on first-time adoption, namely to transfer the cumulative balance of the translation adjustments existing as at January 1, 2004 to consolidated reserves. If a foreign entity is subsequently sold, the gain or loss on the disposal will include only those translation gains or losses arising after January 1, 2004.

Note 3 Scope of consolidation

3.1 Changes in the scope of consolidation since January 1, 2021

The primary changes in scope that have taken place since January 1, 2021 are as follows:

3.1.1 Corporate & Investment Banking

Newly consolidated entities

- Creation and consolidation in the third quarter of 2021 of Natixis Global Services (India) Private Limited.

Changes in percentage of ownership

- The shareholding of Peter J. Solomon Company LP and Peter J. Solomon Securities Company LLC increased from 51% to 53.28% following the buyback of shares from the founders in the first and second quarters of 2021. The shareholding rate of Natixis Partners Iberia, S.A. increased from 80% to 85% following the buyback of shares from non-controlling interests in the third quarter of 2021.

Other transactions

- Natixis Funding was wholly absorbed by Natixis S.A. in the fourth quarter of 2021.

3.1.2 Asset & Wealth Management

Newly consolidated entities

- As part of its international distribution activity, Natixis IM set up in the first quarter of 2021 a new entity, Natixis Investment Managers UK (Funds) Limited (UK), LLC, dedicated to the operational support of investment funds in the United Kingdom.
- Creation in the first quarter of 2021 by Loomis Sayles of a new company in the Netherlands, Loomis Sayles (Netherlands) BV, in order to secure its presence and accelerate its development in Europe.
- In order to accelerate its development in Asia, the American company AEW Capital Management created in the first quarter of 2021 a new subsidiary in South Korea, AEW Korea LLC.
- Creation in the first quarter of 2021 by AEW Capital Management of two new subsidiaries in Luxembourg (AEW VIA IV GP Partners S.àr.l and AEW APREF GP S.àr.l) which are involved in the management of two investment funds (AEW Value Investors Asia IV and AEW Asia Pacific Real Estate Fund).
- Mirova Natural Capital, a subsidiary of Mirova specializing in the management of natural assets, opened a consulting firm in Brazil several reporting periods ago, Mirova Natural Capital Brazil Consultoria e Assessoria LTDA (Brazil). This is a regularization in terms of display of the scope in the third quarter of 2021, because the financial data of this entity had already been reported in the NIM series.
- In the third quarter of 2021, AEW Capital Management created two new entities in the United States, AEW Cold Ops MM, LLC and AEW EHF GP, LLC, which are involved in the management of two non-consolidated investment funds of the company, respectively AEW Cold Storage Properties and AEW Essential Housing.
- As part of the development of its support and digital activities, Loomis Sayles created in the third quarter of 2021 a new company, NIM-os LLC, based in the United States.
- As part of its development in Europe, AEW (formerly AEW Ciloger), an affiliate of NIM specializing in the management of real estate assets, created in the third quarter of 2021 a branch in the Netherlands (Amsterdam).
- In order to strengthen its management activities in Europe, Mirova, an affiliate of NIM specializing in the management of ESG investments, opened in the third quarter of 2021 a branch in Sweden (Stockholm).
- AEW Capital Management recently created two new companies, AEW Core Property (US) GP LLC and AEW Core Property (US) Lux GP SARL, located respectively in the United States and Luxembourg, which are involved in the management of non-consolidated real estate funds. These two entities were consolidated in the fourth quarter of 2021.
- Consolidation of AEW EVP GP LLP in the fourth quarter of 2021

Deconsolidated entities

- AEW Senior Housing Investors Inc., which was involved in the management of AEW Capital Management's non-consolidated fund AEW Senior Housing Investors, was dissolved and deconsolidated in the first quarter of 2021.
- Deconsolidation in the second quarter of 2021 of Natixis Formation Épargne Financière following the liquidation of the entity which had been in run-off for a number of reporting periods;
- AEW Real Estate Advisors, Inc. was dissolved in the third quarter of 2021.

Changes in percentage of ownership

- In accordance with the provisions of the shareholders' agreement establishing the executive management company, which was created in December 2016, the percentage of interest held by this structure in DNCA Finance decreased from 15% to 13% as of January 1, 2021. Following this transaction, the stake of DNCA Finance and its subsidiaries was 87%.
- Following changes in the share capital of Ossiam concerning the entity's managers, the shareholding rate of NIM decreased from 74.7 to 70.8% as of the first quarter of 2021.
- Investors Mutual Limited's shareholding increased in the second quarter of 2021 from 52% to 71.7% following the buyback of part of the shares held by the managers of the entity as part of the exercise of the put. In the fourth quarter of 2021, Natixis IM sold 4% of the capital of Investors Mutual Limited to the new Chief Executive Officer of the company. As a result of this transaction, Natixis IM's stake in IML decreased from 71.7% to 67.8%.
- During the second quarter of 2021, new subscriptions were made in the Thematics Subscription Economy Fund by external investors, reducing NIM's stake from 57% to 44%. Nevertheless, the fund remains consolidated due to the crossing of thresholds.
- Natixis IM acquired part of the share capital of Flexstone Partners SAS, parent of Flexstone, following the departure of a manager. As a result, the NIM shareholding rate in these entities increased from 84% to 86.6%.
- Natixis IM, which previously held 50% of the share capital of AEW UK Investment Management LLP, acquired 50% of the residual capital from the managers of the structure. Following this transaction, the company, now wholly-owned by Natixis IM, changed its consolidation method from equity to full consolidation.

Other transactions

- Natixis Distribution Corporation was absorbed by Natixis Investment Managers, LLC in the third quarter of 2021.

3.1.3 Insurance

Newly consolidated entities

- Consolidation in the third quarter of 2021 of the Vega Euro Rendement FCP RC and DNCA INVEST NORDEN funds following the crossing of thresholds.
- Consolidation in the fourth quarter of 2021 of the THEMATICS AI AND ROBOTICS fund following the crossing of thresholds.

3.1.4 Payments

Newly consolidated entities

- Acquisition of the entity Jackpot in the second quarter of 2021;
- Creation and consolidation of BIMPLI in the fourth quarter of 2021.

Changes in percentage of ownership

- In the first quarter of 2021, the stake in Alter CE (Comitéo) increased from 70% to 100% following the buyback of shares from the founders;
- In the second quarter of 2021, the stake in Payplug increased from 99.44% to 99.72% following the buyback of shares from the founders.

Other transactions

- The entities Natixis Intertitres, Alter CE (Comiteo), Vouchers Gifts, Jackpot and Lakooz were merged into BIMPLI in the fourth quarter of 2021.

3.1.5 Coface

Deconsolidated entities

- The sale by Natixis of a 29.5% stake in Coface was completed on February 10, 2021.

3.1.6 Corporate Center

Deconsolidated entities

- The Naléa securitization vehicle was liquidated in July 2021.

3.2 Impact of acquisitions and disposals

The effects of acquisitions and disposals are as follows at December 31, 2021:

- concerning puts on non-controlling interests at the beginning of the fiscal year for a negative €127.9 million. These effects are related to the change in the fair value of these puts over the period for a negative €156.1 million, generated by the upward revaluation of the financial debt for a negative €147.2 million mainly on the AWM business line for a negative €91.7 million, €55.5 million on the CIB division, and a negative €8.9 million generated by the unwinding of the discount on this same financial debt (on the AWM division). The transfer of the negative change in the share of net non-controlling interests of these entities representing these puts was a positive €28.2 million over the period;
- the recognition of new puts on non-controlling interests for a negative €9.6 million for the entity Vauban Infrastructure Partners. This debt was revalued upwards by €5.5 million. The transfer of the positive change in the share of the net non-controlling interests of this entity representing the put was a positive €4.5 million over the period;
- changes in the percentage stake without loss of control of consolidated entities in the amount of €4.9 million, mainly corresponding to the result of dilution following the disposal of 4% of Investors Mutual Limited in the fourth quarter of 2021;
- reclassification of actuarial gains and losses resulting from the application of IAS 19R as reserves in connection with the loss of control of Coface for €0.2 million.

The effects of acquisitions and disposals are as follows as at December 31, 2020:

- concerning puts on non-controlling interests at the beginning of the fiscal year for +€19.1 million. These effects are related to the change in the fair value of these puts over the period for €13.7 million, generated by the downward revaluation of the financial debt for €16.1 million, of which €19.4 million for the AWM Division and a negative €2.4 million generated by the effects of the unwinding of the discount on this financial debt. The transfer of the positive change in the share of net non-controlling interests of these entities representing these puts was worth €5.4 million over the period;
- new puts on non-controlling interests during the period amounted to -€18.1 million. As part of the merger of the interest rate management and Insurance activities of Natixis IM and La Banque Postale AM (LBP AM), a large part of the activities of LBP AM were transferred to Ostrum in the fourth quarter of 2020. Following this contribution of assets, Natixis IM retained 55% of the capital of Ostrum, while La Banque Postale acquired a 45% stake, Natixis having granted a put to the latter. The effect in equity of -€18.1 million corresponds to the difference between the valuation of the put (€79.5 million) and the non-controlling interests of the new entity (€61.4 million);
- changes in the percentage stake without loss of control of consolidated entities in the amount of +€11.4 million, mainly corresponding to the result of dilution following the disposal of 45% of Ostrum to La Banque Postale AM for +€11.8 million carried out in the fourth quarter of 2020;
- reclassification of actuarial gains and losses resulting from the application of IAS 19R as reserves in connection with the loss of control of Coface for -€10.9 million.

3.3 Interests in subsidiaries

3.3.1 Material non-controlling interests

As at December 31, 2021

(in millions of euros)				31/12/2021						
				Non-controlling interests			Concise financial information on entities			
Name of entity	Place of establish-ment	Percentage interest in non-controlling interests	Percentage control of non-controlling interests (if different)	Income attributable to the owners of non-controlling interests over the period	Amount of non-controlling interests in the subsidiary	Dividends paid to the owners of non-controlling interests	Total assets	Total debt (Liabilities – Equity)	Net income	Total income
H2O	United Kingdom	49.99%	49.99%	25	155	-	384	91	49	65
Other entities				81	47	50				
TOTAL				**106**	**202**	**50**				

As at December 31, 2020

(in millions of euros)				31/12/2020						
				Non-controlling interests			Concise financial information on entities			
Name of entity	Place of establish-ment	Percentage interest in non-controlling interests	Percentage control of non-controlling interests (if different)	Income attributable to the owners of non-controlling interests over the period	Amount of non-controlling interests in the subsidiary	Dividends paid to the owners of non-controlling interests	Total assets	Total debt (Liabilities – Equity)	Net income	Total income
H2O	United Kingdom	49.99%	49.99%	30	122	124	282	55	60	38
Other entities				52	45	42				
TOTAL				**81**	**167**	**167**				

3.3.2 Material restrictions

Natixis is subject to liquidity risk supervision, which requires the creation of a liquidity reserve limiting the use of the assets of which it is composed *(see Chapter 3 "Risk factors, risk management and Pillar III", and Note 3.2.8 "Balance sheet management" of the universal registration document)*.

Some entities are also subject to local regulations concerning liquidity and solvency.

The share of encumbered assets that cannot be freely used is presented in Section 3.3.4 of Chapter 3 "Risk factors, risk management and Pillar III" of the universal registration document.

Despite the application of exchange controls in some countries, Natixis did not encounter difficulties transferring the dividends of subsidiaries located in these countries during the period.

Assets representative of unit-linked policies from Insurance activities measured under the fair value option are held for the benefit of policyholders.

3.4 Interests in partnerships and associates

3.4.1 Types of partnerships and associates with which Natixis has dealings

Partnerships (joint operations and joint ventures)

Natixis does not have interests in partnerships (joint operations and joint ventures) that have an impact on Natixis' consolidated financial statements.

Associates

The main equity investment held by Natixis at December 31, 2021 was EDF Investment Group (EIG).

Table summarizing investments in associates:

(in millions of euros)	31/12/2021			31/12/2020		
	Value of the investments in associates	**Net income**	**Gains and losses recorded directly in equity**	Value of the investments in associates	Net income	Gains and losses recorded directly in equity
Joint ventures						
Associates	**522**	**19**	**(5)**	**879**	**(53)**	**(2)**
EDF Investment Group (EIG)	522	10	0	521	10	(0)
Coface [(a)]	0	7	0	158	(47)	(1)
Other entities [(b)]	1	1	(5)	200	(16)	(1)
TOTAL	**522**	**19**	**(5)**	**879**	**(53)**	**(2)**

(a) *Coface's net income for 2021 corresponds to the net income recorded on the loss of significant influence (see Note 1.2.1). In 2020, net income included -€57.4 million for the impairment of the stake held by Natixis. The market value of the stake in Coface using the equity method is €158.5 million as of December 31, 2020.*

(b) *The net income of other entities of a negative €16 million as at December 31, 2020 included a depreciation of -€11.5 million on the Adir entity, bringing the value of the equity method to zero. As of December 31, 2021, the contribution of the Insurance business line to this item has been classified as assets held for sale for an amount of €196 million (see Note 7.10).*

3.4.2 Summarized financial information pertaining to material joint ventures and associates

The summarized financial data pertaining to material associates and/or joint ventures under significant influence are presented below.

(in millions of euros)	31/12/2021	21/12/2021	
	EDF Investment Group (EIG)	Coface	EDF Investment Group (EIG)
Valuation method	**Associate**	Associate	Associate
Dividends received	8		11
Main aggregates			
TOTAL ASSETS	**6,984**	**7,553**	**6,969**
TOTAL DEBT	**49**	**5,554**	**41**
Income statement			
Pre-tax profit	*193*	*128*	*202*
Income tax	*(49)*	*(45)*	*(50)*
Net income	*144*	*83*	*152*
Gains or losses recorded directly in equity	(10)	145	(11)

The data for EIG established on December 31, 2021 comply with IFRS as adopted by the European Union on that date and with the accounting principles and valuation methods applied to Natixis' consolidated financial statements as presented in Note 5.

See below the financial information reconciliation table with the carrying amount calculated using the equity method.

(in millions of euros)	31/12/2021	21/12/2021	
	EDF Investment Group (EIG)	Coface	EDF Investment Group (EIG)
Equity of the associate	6,935	1,701	6,927
Percentage of ownership	7.54%	12.70%	7.54%
Natixis' share in the equity of the associate	522	216	521
Goodwill			
Impairment		(57)	
Value of the investment in the associate	522	158	521

3.4.3 Nature and scope of restrictions

Natixis did not encounter significant restrictions on interests held in associates and joint ventures.

3.4.4 Risks associated with interests in joint ventures and associates held by entities

There are no unrecognized shares in the losses of joint ventures or associates over the period following the application of the equity method.

Note 4 Structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are managed by means of contractual agreements.

Structured entities generally have one or more of the following characteristics:

- restricted and narrowly-defined activities and objectives;
- limited or non-existent shareholders' equity that is insufficient to allow it to finance its activities without subordinated financial support;
- financing in the form of multiple contractually linked instruments that create concentrations of credit or other risks (tranches);
- few or no employees.

4.1 Scope of the structured entities with which Natixis has dealings

4.1.1 General principles

In accordance with IFRS 12, Natixis discloses information for all of the structured entities in which it holds interests and for which it acts in one or more of the following roles:

- originator/structurer/arranger;
- placement agent;
- manager of relevant activities; or
- any other role in which it has a decisive impact on the structuring or management of the transaction.

Interest in an entity is understood to mean a contractual or non-contractual relationship that exposes the entity to the risk of variable returns associated with the performance of the other entity. Interests in other entities may be evidenced by, among other things, ownership of equity instruments or debt securities, as well as by other links, such as financing, cash loans, credit enhancement and the issuing of guarantees or structured derivatives.

Consequently, the following are not included in the consolidation scope (IFRS 10) or in the scope applicable to the disclosure of additional information (IFRS 12):

- structured entities linked to Natixis solely through an ongoing transaction. This corresponds to an unstructured financial instrument which does not generally have a material impact on the variability of the structured entity's returns and which may be concluded by Natixis with structured entities or with traditionally-governed entities alike. Ongoing transactions are most commonly:
  - vanilla fixed-income/currency derivatives, derivatives with other underlying assets, and the lending/borrowing of securities and repos,
  - guarantees and plain vanilla financing granted to family SCIs or certain holding companies;
- external structured entities in which Natixis acts as a simple investor. These are:
  - investments in external mutual funds not managed by Natixis, with the exception of those in which Natixis owns virtually all of the units,
  - interests held in external securitization vehicles for which Natixis acts simply as a non-controlling investor,
  - a restricted scope of interests held in real estate funds and external Private Equity funds for which Natixis acts simply as a non-controlling investor.

The structured entities with which Natixis has dealings can be categorized into four groups: entities created within the context of Structured Financing, Asset Management funds, securitization vehicles and entities established for other types of transactions.

In accordance with IFRS 10, consolidation analyses of structured entities are performed taking into account all of the criteria referred to in Note 2.2.1.

4.1.2 Structured finance transactions

In order to meet financing requirements for movable assets (involving air, sea or land transportation), real estate, corporate acquisitions (LBO financing) or commodities, Natixis may be required to create structured entities for a specific financial transaction on behalf of a customer.

These structures are, for the most part, self-managed. In the case of lease contracts, the transaction must be structured such that its income always amounts to zero. This means that only default events are able to modify the structured entity's income, by leading to the disposal of the rights over the assets once the guarantees have been exercised. Natixis has the power to have the assets sold in the case of a default event, acting either alone or via the bank syndicate's agent. This right equates to a protective right because Natixis would never benefit from the income from the sale beyond the amount of the balance due under the loan agreement. Natixis does not therefore have power over such entities' relevant activities.

If auto-pilot mechanisms are not in place for these structures, it is generally the sponsor who oversees activities which are relevant and which generate returns. As previously, Natixis' rights as lender are protective rights limited to the amount of its receivable. Natixis does not therefore have power over such entities' relevant activities.

In addition, Natixis is rarely a shareholder in such entities and, when it is, it generally holds a non-controlling interest. The entities for which Natixis is the majority shareholder are limited in number and do not have a material impact on the consolidated financial statements.

4.1.3 Asset Management transactions

Mutual funds

In general, seed money investments held for less than one year were not consolidated.

1. Non-guaranteed mutual funds

In the context of mutual funds, relevant activities are investment and divestment activities involving securities in fund assets. These activities are managed in a discretionary manner on behalf of investors by Natixis Investment Managers' and Natixis Wealth Management's management companies.

The compensation of Natixis Investment Managers and Natixis Wealth Management as managers is marginal compared with the returns generated for investors. Indeed, the management and incentive fees are obtained on the market and are consistent with the services rendered, since the Asset Management activity takes place on a competitive and international market.

In the absence of rights held by third parties (e.g. withdrawal or fund redemption/liquidation rights), the control of mutual funds managed by Natixis Investment Managers and Natixis Wealth Management is assessed according to the combined interests held by the entities and business lines within Natixis' consolidated scope:

- as managers, Natixis Investment Managers and Natixis Wealth Management do not invest in the funds and generally own only a few units;
- Natixis Assurances may take out interests in mutual funds managed by Natixis Investment Managers via its insurance subsidiaries. These interests are subscribed in the form of euro-denominated or unit-linked insurance policies:
  - euro-denominated policies are policies under which the insured party receives a minimum guaranteed return plus the major share of the surpluses generated by the insurance company's main fund. Any shortfall between the fund's return and the minimum guaranteed return is borne by the insurer, which thus incurs the risks,
  - unit-linked policies are policies under which the insured party selects the funds in which the insurer invests on its behalf. The value of the insurer's interest in such funds is reflected in the insurance policies. Invested funds representing unit-linked policies are consolidated under IFRS 10 if all of the control criteria are met cumulatively and if the funds have a material impact;
- other Natixis entities and business lines may hold minority interests, intended mainly to meet cash investment needs.

A fund is subject to consolidation:

- if Natixis acts as principal, i.e. if Natixis is a manager and is not revocable by a limited number of people and if Natixis holds a large enough material interest to conclude that it controls the fund; or
- if Natixis is not a manager but owns virtually all of the units.

Non-guaranteed mutual funds subject to consolidation but not consolidated due to their materiality are listed in Note 16.1.

2. Guaranteed mutual funds

Natixis guarantees the capital and/or performance of certain mutual funds. These packaged funds are passively-managed funds. Once the structuring is established initially, it is fixed for the fund's entire lifetime. Natixis has relatively limited exposure to negative variable returns thanks to the fund's strict management by Natixis TradEx Solutions (formerly Natixis Asset Management Finance) and a robust risk control system put in place upon structuring and monitored throughout the fund's lifetime. These controls significantly limit the risk of guarantee activation.

As with non-guaranteed mutual funds, guaranteed mutual funds are subject to consolidation under IFRS 10 whenever Natixis acts as principal (e.g., Natixis acts as a non-revocable manager and holds a material interest). Guaranteed mutual funds subject to consolidation but not consolidated due to their materiality are listed in Note 16.1.

Real estate funds

The relevant activities of these funds are those involving the investment and divestment of real estate assets. These funds are managed on behalf of investors by Natixis Investment Managers' management companies (AEW Europe, AEW Central Europe, etc.).

With regard to compensation, the returns received by Natixis include income received by Natixis as a management company (management fees, incentive fees, etc.) and as an investor (dividends).

A fund is subject to consolidation if Natixis acts as principal (e.g., Natixis is a manager and is not revocable by a limited number of people and holds material variable returns). Real estate funds subject to consolidation but not consolidated due to their materiality are listed in Note 16.1.

Private Equity funds

As part of its Private Equity operations, Natixis makes equity investments in unlisted companies via Private Equity investment vehicles (Fonds Communs de Placement à Risque – FCPRs – Private Equity investment funds and SICARs – Sociétés d'Investissement à Capital Risque – venture capital companies) and limited partnerships which it typically manages.

The analysis criteria for IFRS 10 consolidation applied to Private Equity funds are the same as those applied to real estate funds. A fund is subject to consolidation if Natixis acts as principal (e.g., Natixis is a manager and is not revocable by a limited number of people and holds material variable returns). Private Equity funds subject to consolidation but not consolidated due to their materiality are listed in Note 16.1.

4.1.4 Securitization transactions

Securitization vehicles

Securitization transactions are generally constituted in the form of structured entities used to segregate assets or derivatives representative of credit risks.

The purpose of such entities is to diversify and tranche the underlying credit risks, most often with a view to their acquisition by investors seeking a certain level of compensation based on the level of risk assumed.

The assets of these vehicles, and the liabilities they issue, are rated by rating agencies, which continually monitor the suitability between the level of risk associated with each tranche sold and the rating attributed.

The following types of securitization are encountered at Natixis and involve structured entities:

- transactions through which Natixis (or a subsidiary) transfers credit risk relating to one of its asset portfolios to a dedicated vehicle in cash or synthetic form;
- securitization transactions on behalf of third parties. These transactions consist in placing the assets of a third-party company in a dedicated structure (generally a special purpose entity [SPE] or a conduit). The SPE issues units that may in some cases be subscribed to directly by investors, or subscribed to by a multi-seller conduit which refinances the purchases of its units by issuing short-maturity "notes" (treasury notes or commercial paper).

Natixis is mainly involved in these entities in its capacity as:

- structurer/arranger of securitization transactions;
- originator of securities or loans held as assets pending securitization;
- credit risk intermediary between the market and the securitization entity.

Natixis completed various securitization transactions in 2021, as in 2020, relating to commercial real estate financing originated by Natixis Real Estate Capital LLC.

Securitization vehicles subject to consolidation but not consolidated due to their materiality are listed in Note 16.1.

Natixis is also the sponsor of two ABCP (asset-backed commercial paper) conduits: Magenta and Versailles.

The Versailles conduit is consolidated, with Natixis holding power over activities relevant to the conduit enabling it to influence its returns, given its prominent role in choosing and managing acquired receivables as well as managing the issuance program.

In contrast, given that Natixis is not part of the governing body holding the power to decide on the Magenta conduit's relevant activities, it is not consolidated in Natixis' financial statements.

Management of CDO Asset Management structures

Natixis Investment Managers is involved in such funds as manager of the underlying portfolio for third-party investors. Its role is strictly defined by the portfolio management agreement, which never provides it with effective control of the structure but rather with the role of agent. Furthermore, neither Natixis Investment Managers nor any other Natixis entity holds a material interest in these funds. Natixis is therefore not significantly exposed to the variability of returns.

4.1.5 Other transactions

- Natixis controls a certain number of vehicles whose purpose is to manage operating property and non-operating property. The relevant activity is mainly the management of property as sources of returns for shareholders. Natixis generally has power over these activities. Such SPEs are consolidated once Natixis has a material interest and if they are material to the consolidated financial statements of Natixis;
- Natixis Coficiné has relationships with:
  - structured entities created by producers to host a film production. Coficiné is involved only as a lender. It has no stake in the entity, which is wholly owned by the producer. Coficiné does not participate in managing the entity, as activity falls within the remit of the producer. Coficiné, and therefore Natixis, has no power over the relevant activities of these structured entities and has no control under IFRS 10,
  - Film Industry Financing companies (SOFICA). Natixis holds a non-material stake in these SOFICAs and receives management fees at market rates consistent with the services rendered. Natixis does not hold any other interests in these structured entities. They are therefore not subject to consolidation under IFRS 10.

4.2 Interests held in non-consolidated structured entities

The table below shows the (i) carrying amount of interests held by Natixis in structured entities, broken down by major activities, as well as (ii) the maximum exposure to the risk of loss attributable to these interests.

As well as the breakdown of Natixis' interests in these entities, the table below also provides information on the size of the entities. This information is reported on an aggregate basis, in which all entities that Natixis has an interest in, regardless of the level of the interest, are grouped together by business.

The size of structured entities equates:

- for *Securitization*, to the total issues on the liability side of the balance sheet;
- for *Asset Management*, to the fund's net assets;
- for *Structured Financing*, to the amount of the remaining loan outstandings due to banks in the pool (drawn outstandings);
- for other activities, to the total assets.

The maximum risk exposure corresponds to the cumulative amount of interests recorded under balance sheet assets and commitments given, minus contingency reserves recorded under liabilities and guarantees received:

- the "Notional amount of derivatives" item corresponds to the notional amount of option and CDS sales agreed to by Natixis with structured entities;
- guarantees received are guarantees granted by third parties to Natixis to cover its exposure related to structured entities. They are only included on the "Guarantees received" line and are not deducted from the asset items.

	31/12/2021					31/12/2020				
Excluding insurance business investments *(in millions of euros)*	Securi-tization	Asset Mana-gement	Structured Financing	Other activities	Total	Securi-tization	Asset Mana-gement	Structured Financing	Other activities	Total
Financial assets at fair value through profit or loss	**206**	**1,867**	**1,867**	**628**	**4,568**	**127**	**1,690**	**1,308**	**592**	**3,717**
Trading derivatives	18	80	211	451	759	25	42	455	517	1,040
Trading instruments (excluding derivatives)	99	26	1,648	169	1,941	48	29	640	63	780
Financial instruments measured using the fair value option	-	-	0	-	0	-	-	-	-	-
Financial instruments to be valued at fair value through profit or loss	90	1,761	8	9	1,868	54	1,619	213	12	1,897
Financial assets at fair value through other comprehensive income	**-**	**-**	**4**	**-**	**4**	**-**	**-**	**3**	**0**	**3**
Financial assets at amortized cost	**6,565**	**1,186**	**10,268**	**1,090**	**19,108**	**6,241**	**975**	**11,315**	**824**	**19,355**
Other assets	**13**	**34**	**8**	**2**	**58**	**13**	**37**	**19**	**6**	**75**
TOTAL ASSETS	**6,784**	**3,087**	**12,146**	**1,720**	**23,737**	**6,381**	**2,701**	**12,646**	**1,422**	**23,149**
Financial liabilities at fair value through profit or loss (derivatives)	15	35	115	124	289	5	82	140	249	476
Provisions	4	0	11	2	17	5	-	15	2	22
TOTAL LIABILITIES	**18**	**35**	**126**	**126**	**305**	**10**	**82**	**155**	**252**	**498**
Financing commitments given	8,072	254	3,462	429	12,218	7,088	274	2,064	418	9,846
Guarantee commitments given	96	123	2,831	203	3,253	161	158	3,098	84	3,501
Guarantees received	1,660	-	7,678	189	9,527	233	-	4,127	27	4,387
Notional amount of sales of options and CDS	1,253	-	8,551	333	10,137	814	-	6,556	281	7,652
MAXIMUM EXPOSURE TO RISK OF LOSS	**14,541**	**3,464**	**19,301**	**2,495**	**39,801**	**14,206**	**3,134**	**20,223**	**2,176**	**39,739**

Insurance business investments [a] *(in millions of euros)*	31/12/2021 Securi-tization	31/12/2021 Asset Mana-gement	31/12/2021 Structured Financing	31/12/2021 Other activities	31/12/2021 Total	31/12/2020 Securi-tization	31/12/2020 Asset Mana-gement	31/12/2020 Structured Financing	31/12/2020 Other activities	31/12/2020 Total
Financial assets at fair value through profit or loss	**-**	**13,035**	**-**	**-**	**13,035**	**-**	**12,641**	**-**	**-**	**12,641**
Trading derivatives	-	-	-	-	-	-	-	-	-	-
Trading instruments (excluding derivatives)	-	3,526	-	-	3,526	-	5,334	-	-	5,334
Financial instruments measured using the fair value option	-	9,509	-	-	9,509	-	7,307	-	-	7,307
Available-for-sale financial assets	**561**	**5,475**	**-**	**-**	**6,035**	**498**	**4,975**	**-**	**-**	**5,472**
Loans and receivables	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Held-to-maturity financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Other assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL ASSETS	**561**	**18,510**	**-**	**-**	**19,071**	**498**	**17,616**	**-**	**-**	**18,113**
Financial liabilities at fair value through profit or loss (derivatives)	-	-	-	-	-	-	-	-	-	-
Provisions	-	-	-	-	-	-	-	-	-	-
TOTAL LIABILITIES	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Financing commitments given	603	461	-	-	1,064	55	510	-	-	565
Guarantee commitments given	-	-	-	-	-	-	-	-	-	-
Guarantees received	-	-	-	-	-	-	-	-	-	-
Notional amount of sales of options and CDS	-	-	-	-	-	-	-	-	-	-
MAXIMUM EXPOSURE TO RISK OF LOSS	**1,164**	**18,970**	**-**	**-**	**20,134**	**553**	**18,125**	**-**	**-**	**18,678**

(a) Insurance business assets are classified as non-current assets held for sale at December 31, 2021.

(in millions of euros)	31/12/2021 Securi-tization	31/12/2021 Asset Mana-gement	31/12/2021 Structured Financing	31/12/2021 Other activities	31/12/2021 Total	31/12/2020 Securi-tization	31/12/2020 Asset Mana-gement	31/12/2020 Structured Financing	31/12/2020 Other activities	31/12/2020 Total
Size of structured entities	87,768	232,846	78,621	1,693	400,928	85,163	200,884	80,876	952	367,875

4.3 Non-consolidated structured entities in which Natixis is involved only as a sponsor

With respect to information that must be disclosed under IFRS 12, Natixis sponsors a structured entity when both of the following indicators are met:

- Natixis is involved in the creation and structuring of the structured entity; and
- Natixis contributes to the entity's success by transferring assets to it or by managing the structured entity's relevant activities.

Where Natixis' participation is simply as an advisor, arranger, custodian or placement agent, the structured entity is presumed not to be sponsored by Natixis.

Natixis plays the role of sponsor for:

- mutual funds initiated by a Natixis management company and in which Natixis holds no stake or any other interest. Reported income includes management and incentive fees received by Natixis, as well as profits and losses resulting from ongoing transactions with these funds;
- a US activity consisting of originating and selling real estate loans to securitization vehicles, created by Natixis with third parties and in which Natixis holds no interest. Reported income includes structuring fees as well as capital gains and losses on the assignment of receivables.

(in millions of euros)	31/12/2021 Securitization	31/12/2021 Asset Management	31/12/2021 Total	31/12/2020 Securitization	31/12/2020 Asset Management	31/12/2020 Total
Revenues drawn from the entities	**2**	**245**	**247**	**8**	**126**	**134**
Revenues net of interest	2	0	2	3	0	3
Revenues net of fees and commissions	0	233	233	0	139	139
Net gains or losses on instruments at fair value through profit or loss	(0)	12	12	5	(13)	(8)
Carrying value of the assets transferred from the entity during the year*	**368**	**0**	**368**	**252**	**0**	**252**

** The carrying amount of assets transferred to these vehicles corresponds to the assets sold by Natixis during 2021 and 2020, if the information on the amounts sold by all of the investors is not available.*

4.4 Financial support to structured entities

Natixis did not grant any financial support to consolidated or non-consolidated structured entities.

Note 5 Accounting principles and valuation methods

5.1 Financial assets (excluding derivatives)

In accordance with IFRS 9 "Financial instruments", on initial recognition, financial assets are recorded at amortized cost, at fair value through other comprehensive income, or at fair value through profit or loss. For debt instruments, the classification depends on the business model applicable to the instruments in question and the characteristics of their contractual cash flows (whether they represent Solely Payments of Principal and Interest [SPPI] or not).

5.1.1 Business model

The business model represents the way in which Natixis manages its financial assets to produce cash flow and revenues. The entity must exercise judgment to determine the business model used.

The choice of business model must be made at a level which reflects the way in which groups of financial assets are managed collectively with a view to achieve a given economic objective. The business model is therefore not determined on an instrument by instrument basis, but rather at a higher level of aggregation, by portfolio.

The choice of business model must take into account all information regarding the manner in which cash flows were generated in the past, along with all other relevant information, for example:

- the way in which the performance of financial assets is assessed and presented to the main executive officers;
- the risks that have an impact on the business model's performance, in particular the way in which these risks are managed;
- the way in which executive officers are paid (for example, if pay is based on the fair value of assets under management or on the contractual cash flows received);
- the frequency, volume and purpose of sales.

IFRS 9 provides for three business models:

- **hold to collect model:** in this model, financial assets are held in order to receive contractual cash flows over the life of the assets. This model, under which the concept of "holding" is relatively similar to holding to maturity, remains valid if sales are made under the following conditions:
  - the disposals are due to an increase in credit risk,
  - the disposals occur just before maturity and at a price that reflects the contractual cash flows that are still owed,
  - other disposals may also be compatible with the "hold to collect" model's objectives if they are infrequent (even if their value is significant) or if their value is insignificant when considered both individually and overall (even if they are frequent).

  Natixis has established procedures requiring the reporting, prior analysis and regular monitoring of all major plans to sell financial assets held under the Hold to Collect model to ensure that the conditions required to classify assets under this business model are met at all times.

  For Natixis, the hold to collect model applies mainly to financing activities (excluding the loan syndication activity) carried out by the Corporate & Investment Banking business;
- **hold to collect and sell model:** a mixed business model under which assets are managed with the objective of both receiving contractual cash flows and selling financial assets. In this model, financial assets are sold to achieve the purpose of the activity.

  Natixis applies the "hold to collect and sell" model primarily to portfolio management activities for securities in the liquidity reserve;
- **other model:** a model intended for other financial assets, especially those held for trading, for which the collection of contractual cash flows is incidental.

  This business model applies to the loan syndication activity and the Capital Markets activities carried out by Corporate & Investment Banking.

5.1.2 The SPPI test

A financial asset is considered as basic if its contractual terms give rise, on specific dates, to cash flows that are solely payments of principal and interest on the outstanding amount due.

The "principal" amount is defined as the financial asset's fair value at its acquisition date. "Interest" is the consideration for the time value of money and the credit risk incurred on the principal amount, as well as other risks such as liquidity risk, administrative costs and the profit margin.

The instrument's contractual terms must be taken into account to assess whether contractual cash flows are solely payments of principal and interest. All elements that may cast doubts as to whether only the time value of money is represented must therefore be analyzed. For example:

- events that would change the amount and date of the cash flows;
- the applicable interest rate features;
- prepayment and extension options.

For the borrower or lender, a contractual option permitting prepayment of financial instruments does not violate the SPPI test for contractual cash flows if the prepayment amount mainly represents the unpaid amounts of principal and interest and, if applicable, a reasonable additional compensation for the early termination of the contract.

If a clear determination cannot be made through qualitative analysis, quantitative analysis (a "benchmark test") is carried out. This test involves comparing the contractual cash flows for the asset in question with the contractual cash flows of a benchmark asset.

Basic financial assets are debt instruments that include, in particular: fixed-rate or variable-rate debt securities, fixed-rate loans, variable-rate loans with no interest rate differential (mismatch) or indexation on a given rate value or a stock market index, as well as loans granted to support companies in their approach to sustainability through an incentive mechanism to revise the margin based on ESG criteria specific to the borrower or the achievement by the latter of sustainable development objectives.

Any contractual option that creates risk exposure or cash-flow volatility that is not consistent with a basic lending arrangement, such as exposure to fluctuations in the price of stocks or of a market index, or the introduction of leverage, would make it impossible to categorize contractual cash flows as "SPPI".

Non-SPPI financial assets include mutual fund units and convertible bonds or mandatory convertible bonds with a fixed conversion ratio.

Natixis has introduced the operational procedures necessary to analyze the SPPI status of financial assets when they are initially recognized. A specific cash flow analysis is also carried out for securitization fund units or any other financial assets issued by structures that establish an order of payment priority between bearers and create concentrations of credit risk (tranches). Determining the SPPI status of these instruments requires an analysis of the contractual cash flows and credit risk of the assets concerned and of the portfolios of underlying financial assets (according to the look-through approach).

5.1.3 Financial assets at amortized cost

Financial assets recognized at amortized cost correspond to debt instruments, in particular loans and receivables due from credit institutions and customers as well as securities carried at amortized cost such as treasury bills and bonds.

They are measured at amortized cost if they meet the following two conditions:

- the asset is held in a business model whose objective is to collect contractual cash flows; and
- the contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the outstanding amount due, on specific dates. In this case, the asset is considered basic and its cash flows are categorized as SPPI.

They are initially recorded at fair value plus or minus transaction costs. In the case of loans, transaction costs include fees and any expenses directly attributable to setting up the loan.

On subsequent balance sheet dates, they are measured at amortized cost using the effective interest method.

The "effective interest rate" is the rate that discounts estimated future cash flows to the value of the debt instrument at inception. This rate includes any discounts and any external transaction income or costs directly related to the issue of the loans, which are treated as an adjustment to the effective yield.

When loans are granted at below-market interest rates, a discount corresponding to the difference between the face value of the loan and the sum of future cash flows discounted at the market interest rate is deducted from the face value of the loan. The market rate of interest is the rate applied by the vast majority of financial institutions at any given time for instruments and counterparties with similar characteristics.

Interest accrued or received on debt instruments is recorded in income under "Interest and similar income" using the effective interest rate method. If the instruments are sold, the gain or loss is recorded in the income statement under "Net gains or losses resulting from the derecognition of instruments at amortized cost".

In the context of the Covid-19 crisis, Natixis granted SGLs (State-Guaranteed Loans) under the provisions of the amending finance law for 2020 and the conditions set by the decree of March 23, 2020. This involved financing guaranteed by the State for a proportion of the amount borrowed of between 70% and 90% depending on the size of the borrowing company (with a waiting period of two months after the date of disbursement at the end of which the guarantee became effective). With a maximum amount corresponding, in general, to three months of revenue excluding taxes, these loans are accompanied by a one-year repayment deductible. At the end of this year, the customer can either repay the loan or amortize it over one to five additional years, with the possibility of extending the capital deductible by one year (in accordance with the announcements of the Minister of the Economy, Finance and Recovery of January 14, 2021) without extending the total duration of the loan. The guarantee compensation conditions are set by the State and are applicable by all French banking institutions: the bank retains only a portion of the guarantee premium paid by the borrower (the amount of which depends on the size of the company and the maturity of the loan) remunerating the risk it bears and which corresponds to the portion of the loan not guaranteed by the State (between 10% and 30% of the loan depending on the size of the borrowing company). The contractual characteristics of the SGLs are those of basic loans (SPPI criterion). The loans are held by Natixis under a management model aimed at collecting their contractual flows until maturity. As a result, the loans were recorded in the consolidated balance sheet under "Loans or receivables to customers at amortized cost".

The State guarantee is considered to be an integral part of the terms of the contract and is taken into account in the calculation of impairments for expected credit losses. The guarantee fee paid when the loan is granted by Natixis is recognized in profit or loss over the initial term of the SGL using the Effective Interest Rate (EIR) method. The impact is presented in the net interest margin.

Subsequent changes in the expected flows of these premiums resulting from the actual terms of repayment (depending on the choice of the borrowers at the end of the first year of the deductible and the possibility of extending the deductible for an additional year) give rise to immediate recognition in income (see impact disclosed in Note 6.1).

As of December 31, 2021, Natixis had granted 82 SGL applications (compared with 86 as of December 31, 2020) for an amount outstanding of €2,152 million (compared to €2,503 million as of December 31, 2020). The SGLs currently classified as non-performing represent an amount of €0.3 billion (of which approximately 95% are classified as forbearance) and are provisioned in the amount of €9.4 million (i.e. approximately 30% of the unhedged portion). SGLs classified as forbearance on healthy exposures are marginal (less than 5% of outstandings).

Specific case of loans restructured due to the debtor's financial situation

"Restructured" loans correspond to loans with modified terms under which Natixis grants a concession to borrowers facing or likely to face financial difficulties. They are a combination of a concession granted by Natixis and financial difficulties experienced by the borrower.

The modified terms of restructured loans must put the borrower in a more favorable situation (e.g. suspension of interest or principal payment, extension of term, etc.) and are confirmed by the use of amendments that modify the terms of an existing contract or by the full or partial refinancing of an existing loan.

Financial difficulties are determined by observing a number of criteria such as amounts past due for more than 30 days or an at-risk rating. The implementation of "restructuring" does not necessarily mean the counterparty concerned by the restructuring is to be classified in the Basel defaults category. The default classification of the counterparty depends on the result of the viability test carried out during the restructuring of the counterparty.

In the context of the Covid-19 crisis, Natixis has had to grant concessions in various forms (temporary suspension of maturities, rescheduling, etc.) to some of its customers, to help them overcome the temporary cash flow difficulties caused by the crisis. A case-by-case analysis was carried out in order to determine whether the financial difficulties encountered by the client were purely fleeting and of the moment, and whether the resulting restructuring would enable the counterparty to get through the crisis without jeopardizing its ability to honor its contractual agreements at maturity.

The classification of these outstandings as "loans restructured due to the financial position of the debtor" is carried out in accordance with the aforementioned general principles.

Furthermore, it is noted that Natixis did not grant any "en masse" (or "general") moratoria, meaning moratoria offered on a wide scale to a set of clients with no specific conditions.

At December 31, 2021, the gross outstandings that were subject to an (individual) moratorium amounted to €3,336.5 million, compared to €3,339.2 million at December 31, 2020.

For loans restructured by amending the terms of the existing contract, with no derecognition of the initial asset, a discount must be recorded, corresponding to the difference between:

- the present value of the contractual cash flows initially expected; and
- the present value of the revised contractual cash flows discounted at the original effective interest rate.

The discount is recorded in the income statement under "Provision for credit losses", taking into account the characteristics of the loan prior to the restructuring operation (non-performing loan). It is written back to net interest income in the income statement over the remaining life of the loan.

If the discount is not material, the effective interest rate of the restructured loan is changed and no discount is recognized.

The restructured loan is reclassified as performing based on expert opinion when no uncertainty remains as to the borrower's capacity to honor the commitment.

A loan is no longer considered as restructured once the following conditions are met:

- a period of two years has passed since the date of the restructuring;
- the loan is recognized as a performing loan at the reporting date;
- no loan is past due by more than 30 days;
- regular and material repayments (principal and interest) have been made over a period of at least one year.

For restructured loans either fully or partially converted into a substantially different asset (such as an equity instrument or an instrument changing from fixed rate to variable rate and vice versa) or that have given rise to a change of counterparty:

- the new instruments are booked at fair value;
- the difference between the carrying amount of the derecognized loan and the fair value of the assets received in exchange is recorded in income under the provision for credit losses;
- any provision previously recorded on the loan is adjusted and fully reversed if the loan is fully converted into a new asset.

5.1.4 Financial assets at fair value through recyclable and non-recyclable other comprehensive income

Financial assets recognized at fair value through other comprehensive income mainly correspond to debt instruments: government securities and bonds.

A debt instrument is valued at fair value through shareholders' equity only if it meets the following two conditions:

- the asset is held in a hold to collect and sell model with the objective of both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the outstanding amount due, on specific dates. In this case, the asset is considered basic and its cash flows are categorized as SPPI.

Debt instruments at fair value through equity are initially recognized at their market value, including any transaction costs.

At the reporting date, they are measured at fair value by applying the market price to listed securities, and changes in fair value are recorded under "Gains and losses recognized directly in recyclable other comprehensive income".

Interest accrued or received on debt instruments is recorded in income under "Interest and similar income" using the effective interest rate method. In case of sale, changes in the fair value of debt instruments are transferred to income under "Gains or losses on financial assets at fair value through other comprehensive income".

Specific case of equity instruments

Equity instruments may be measured at fair value through other comprehensive income under an irrevocable option. This irrevocable option applies on a case-by-case basis and only to equity instruments not held for trading purposes.

At the reporting date, they are measured at fair value and changes in fair value are recorded under "Gains and losses recognized directly in non-recyclable other comprehensive income".

Realized and unrealized gains or losses continue to be recognized in equity and are never recognized in income, except for dividends which impact income. Income from the disposal of equity instruments is transferred to "Consolidated reserves". No impairment is recorded on equity instruments measured at fair value through other comprehensive income.

5.1.5 Financial assets at fair value through profit or loss

Financial assets recorded in the fair value through profit or loss category correspond to:

- financial assets held for trading: these are debt and equity instruments acquired or originated by Natixis principally to be sold in the near term and those forming part of a portfolio of financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. Guarantee deposits and the corresponding margin calls relating to securities sold under repurchase agreements and derivatives transactions recorded under liabilities in the balance sheet are also included in this item;
- financial assets under the fair value option: these are SPPI instruments not held for trading. They are designated at fair value through profit or loss on initial recognition under IFRS 9 only if this option reduces a measurement inconsistency with a related financial asset/liability in income;

- financial assets at fair value through profit or loss because of their characteristics: these are debt instruments that do not meet the SPPI criteria *(see Note 5.1.2)*, for example mutual fund units, which are considered debt instruments without SPPI characteristics under IFRS 9. NB: Non-SPPI debt instruments held for trading are presented with assets held for trading.

Non-consolidated investments in associates for which the irrevocable option of measurement at fair value through non-recyclable other comprehensive income has not been adopted are also classified in this category *(see Note 7.1.1)*.

Financial assets at fair value through profit and loss are measured on initial recognition at market value, with transaction costs recognized in the income statement.

The market value is reviewed at each subsequent reporting date in line with the principles outlined in Note 5.6 "Fair value of financial instruments". Changes in value, including coupons, are recorded under "Gains or losses on financial instruments at fair value through profit and loss" in the consolidated income statement, with the exception of interest accrued and due on non-SPPI financial assets, which is recorded under "Interest income".

5.1.6 Recognition date for securities transactions

Securities bought or sold are respectively recognized or derecognized on the settlement date, regardless of their accounting category.

Reverse transactions are also recognized on the settlement date. For repurchase and reverse repurchase transactions, a financing commitment respectively received or given is recognized between the transaction date and the settlement date when these transactions are recognized in "Liabilities" and "Loans and receivables" respectively.

When repurchase and reverse repurchase transactions are recognized in "Assets and liabilities at fair value through profit or loss", the repurchase commitment is recognized as a forward interest rate derivative.

5.2 Leases

Transactions where Natixis is the lessee

The lease contracts taken out by Natixis are recognized on the balance sheet under "right-of-use" on the asset side and under "financial liabilities" on the liabilities side in respect of rents and other payments made over the duration of the lease, unless the lease term is 12 months or less or the underlying asset has a low value, as provided for under IFRS 16. Natixis used the indicative threshold of US$ 5,000 provided by the IASB (in the Basis of Conclusions) to define low-value assets and elected to exclude certain contracts where such exceptions have a non-material impact on its financial statements.

Lease term

The use of rights is amortized on a straight-line basis and financial liabilities are amortized on an actuarial basis over the term of the lease. In accordance with IFRS 16, the lease term corresponds to the non-cancellable lease period plus any periods covered by termination options that the lessee is reasonably certain not to exercise. In general, the term is 9 years for "3/6/9" real estate leases under French law. For contracts subject to tacit extension, the lease term is determined, firstly, on the basis of the establishment's judgment in view of its real estate strategy, and secondly, in the absence of ad hoc information, by limiting the duration on the basis of the timeframe set by Natixis' Medium-Term Plan (MTP), namely three years.

Outside France, and particularly in English-speaking countries (e.g. Natixis' US subsidiaries), the term of real estate leases may range from 10 to 15 years. It is stipulated that a lease is no longer enforceable when the lessee and the lessor each has the right to terminate the lease without permission from the other party with no more than an insignificant penalty.

Natixis assesses whether it is reasonably certain to exercise an option by considering all relevant facts and circumstances that create an economic incentive for it to exercise, or not to exercise, the option, such as:

- contractual terms and conditions for the optional periods compared with market rates (amount of payments for the lease including payments resulting from termination penalties and residual value guarantees);
- significant leasehold improvements undertaken;
- costs relating to the termination of the lease (negotiation costs, relocation costs, costs of identifying another underlying asset suitable for the lessee's needs, costs associated with returning the underlying asset in a contractually specified condition, etc.);
- the importance of the underlying asset for Natixis' operations considering whether it is a specialized asset, or its location;
- its past practice of renewing leases of similar assets, but also its strategy regarding the future use of the assets.

Measurement of lease liabilities

At the lease commencement date, payments taken into account to determine lease liabilities include payments for the right to use the underlying asset during the lease term that are not paid at the commencement date, i.e.:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable. In-substance fixed lease payments are payments that may, in form, contain variability but that, in substance, are unavoidable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date; and
- where applicable, any amounts expected to be payable by Natixis to the lessor under residual value guarantees, purchase options or payments of penalties for terminating the lease.

Payments taken into account to determine lease liabilities exclude value added tax and housing tax, which fall under the scope of interpretation of IFRIC 21 "Levies", as well as property tax and insurance premiums charged (where applicable) by the lessor, which constitute variable lease payments (where the amounts reimbursed are not contractually predetermined).

In accordance with IFRS 16, lease payments are discounted at the interest rate implicit in the lease, i.e. the lessee's incremental borrowing rate, which is the rate of interest that a lessee would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. Natixis applies the marginal rate to its lease payments. This marginal rate depends on the contract term and currency. It also takes into account Natixis' credit spread and the entities being refinanced by Natixis.

Lease liabilities are booked under "Accrual accounts and other liabilities" in the consolidated balance sheet. The interest expense relating to the financial liability is recognized under "Interest and similar expenses".

Recognition of a right-of-use asset

At the inception of the lease, the right-of-use asset is recognized at a value equal to the lease liability amount at that date, adjusting for payments made to the lessor prior to or on that date and not therefore included in the measurement of the lease liability, less any lease incentives received. Where applicable, this amount is adjusted to take into account the initial direct costs incurred by the lessee and an estimate of the costs of dismantling and refitting, to the extent that the terms and conditions of the lease so require, in which case an outflow is likely and can be estimated to a sufficient degree of reliability.

Right-of-use assets are recognized under “Property, plant and equipment” in the consolidated balance sheet, within the same line item as assets of the same nature and which are wholly owned.

The right-of-use amortization expense is recorded in the income statement under “Depreciation, amortization and impairment of property, plant and equipment and intangible assets”.

The value of rights of use may be subsequently adjusted in the event the lease is amended or the lease term re-estimated, and to factor in any contractual rent changes stemming from the application of an index or rate.

5.3 Impairment of assets at amortized cost and at fair value through equity and provisions for financing and guarantee commitments

General principles

Debt instruments classified as financial assets at amortized cost or at fair value through other comprehensive income, loan commitments and financial guarantee contracts that are not recognized at fair value through profit or loss, as well as lease receivables, are impaired or covered by a provision for expected credit losses (ECL) as of the date of initial recognition.

These financial assets will be divided into three categories depending on the increase in credit risk observed since their initial recognition. An impairment charge shall be recorded on outstanding amounts in each category, as follows:

Stage 1 (or S1)

These are performing loans for which credit risk has not increased materially since initial recognition. Impairment or provision for credit risk on these loans is recorded in the amount of 12-month expected credit losses. Interest income on these loans is recognized in profit or loss using the effective interest rate method applied to the gross carrying amount of the instrument before impairment.

Stage 2 (or S2)

Performing loans for which credit risk has increased materially since initial recognition are transferred to Stage 2. The impairment or the provision for credit risk is determined on the basis of the instrument’s expected credit losses at maturity (lifetime ECL). Interest income on these outstandings is recognized in income using the effective interest rate method applied to the gross carrying amount of the instrument before impairment.

Stage 3 (or S3)

Loans that are “impaired” as defined by IFRS 9 are transferred to this category. These are loans for which there is objective evidence of impairment loss due to an event that represents a counterparty risk occurring after the initial recognition of the instrument in question. The new definition of default, defined by the guidelines of the European Banking Authority (EBA) on the application of the definition of default under Article 178 of Regulation (EU) No. 575/2013 applicable from January 1, 2021, and the provisions of Regulation (EU) 2018/1845 of the European Central Bank relating to the threshold for assessing the importance of arrears on credit obligations, applicable no later than December 31, 2020, strengthened the consistency of practices of European credit institutions in identifying defaults.

The definition of defaulted outstandings is thus clarified by the introduction of a relative threshold and an absolute threshold, to be applied to payment arrears to identify situations of default, the clarification of the criteria for returning to healthy outstandings with the imposition of a probationary period and the introduction of explicit criteria for classifying restructured loans in default *(see Note 5.1.3)*. Natixis applies these new provisions for the identification of defaulted outstandings from October 22, 2020.

The internal parameters used to calculate expected credit losses will be monitored as part of dedicated backtesting exercises and as a sufficient history of defaults is built up according to this new definition. However, Natixis’ exposures are to portfolios deemed to have a low number of defaults (Sovereign, Financial Institutions, Large Corporate and Specialized Financing), and estimates of the impact on the risk parameters induced by the application of the new provisions relating to outstandings in default have not resulted in a significant change in Natixis’ consolidated financial statements.

The carrying amount of a financial asset is reduced when Natixis no longer has a reasonable expectation of recovery of all or part of the contractual cash flows remaining on this asset. This is a derecognition (total or partial) of the financial asset, which may take place prior to the completion of legal proceedings against the borrower.

The analysis was conducted individually, each situation being specific. Beyond the factors that clearly prove that all or part of the receivable will not be recovered (e.g. cessation of recovery actions, receipt of the certificate of non-recoverability), groups of indicators may also be taken into account, these assessments include entry into liquidation, the disappearance or insufficiency of residual assets and/or the absence of collateral, etc.

When, in view of the status of the case, it is reasonably certain that all or part of the receivable will not be recovered, the amount to be written off is determined on the basis of the most objective possible external and internal factors.

The impairment or provision for credit risk is calculated according to the losses expected over the instrument’s residual lifetime (expected losses at maturity) based on the recoverable value of the receivable, i.e. the present value of the estimated recoverable future cash flows after taking the impact of any collateral into account. Interest income is recognized in income based on the effective interest method rate applied to the net carrying amount of the asset after impairment.

In addition, the standard makes a distinction between purchased or originated credit-impaired (POCI) assets, which correspond to financial assets purchased or created and already impaired for credit risk at their initial recognition and for which the entity does not expect to recover all of the contractual cash flows at the date of initial recognition. POCI are impaired based on lifetime expected losses at the reporting date immediately following initial recognition.

For debt instruments recognized on the asset side of the balance sheet at amortized cost, impairments are recorded against the line on which the asset was initially shown at its net value (irrespective of whether the asset is S1, S2, S3 or POCI). Impairment charges and reversals are recorded in the income statement under "Provision for credit losses".

For debt instruments recognized on the asset side of the balance sheet against recyclable other comprehensive income, impairments are carried on the liability side of the balance sheet in recyclable other comprehensive income, with a corresponding entry on the income statement under "Provision for credit losses" (irrespective of whether the asset is S1, S2, S3 or POCI).

For loan and financial guarantee commitments, provisions are recorded on the liability side of the balance sheet under "Provisions" (irrespective of whether the commitment is S1, S2, S3 or POCI). Changes in provisions are recognized in the income statement under "Provision for credit losses".

Principles of recognition of impairment losses and provisions

Credit risk deterioration criteria

The principles for measuring the increase in credit risk and expected credit losses applicable to most of the Natixis' exposures are described below.

The significant increase in credit risk is valued on an individual basis by taking into account all reasonable and justifiable information and by comparing the default risk on the financial instrument at the end of the fiscal year with the default risk on the financial instrument at the date of its initial recognition. Measuring an increase in the risk should, in most cases, lead to a downgrade to Stage 2 before the transaction is individually impaired (Stage 3).

More specifically, the change in credit risk is measured on the basis of the following criteria:

- for Large Corporates, Banks and Sovereigns loan books: an increase in credit risk is measured based on a combination of quantitative and qualitative criteria. The quantitative criterion is based on the change in rating since initial recognition. The additional qualitative criteria make it possible to classify as Stage 2 all contracts, whether 30 days past due (i.e. the assumption that payments are more than 30 days past due is not refuted), or recorded as assets on a non-S3 Watch List, i.e. undergoing financial hardship (forbearance). Additional criteria based on the sector rating and level of country risk ;
- Individual Customer, Professional Customer, SME, Public Sector and Social Housing loan books: an increase in credit risk is measured based on a combination of quantitative and qualitative criteria. The quantitative criterion is based on the measurement of the change in 12-month probability of default (measured as a cycle average) since initial recognition. The additional qualitative criteria make it possible to classify as Stage 2 all contracts, whether more than 30 days past due (i.e. the assumption that payments are 30 days past-due is not refuted), or recorded as assets on a non-S3 Watch List, i.e. in a situation of redevelopment whilst undergoing financial hardship (forbearance).

For the portfolios of Large Corporates, Banks and Sovereigns, which represent the largest portion of exposures, the quantitative criterion is based on the level of change in the rating since initial recognition. The deterioration thresholds for the Large Corporates and Banks portfolios are as follows:

Rating at origin	Significant deterioration
1 to 7 (AAA to A-)	3 notches
8 to 10 (BBB+ to BBB-)	2 notches
11 to 21 (BB+ to C)	1 notch

For Sovereigns, the deterioration thresholds on the eight-point rating scale are as follows:

Rating at origin	Significant deterioration
1	6 notches
2	5 notches
3	4 notches
4	3 notches
5	2 notches
6	1 notch
7	S2 directly (unless new contract originated)
8	S2 directly (unless new contract originated)

For the portfolios of individuals, professionals and small and medium-sized companies, the quantitative criterion is based on the measurement of the change in the probability of default at one year (cycle average) since the initial recognition. The significant deterioration in credit risk is calculated on the basis of the following condition:
PD_(t_calcul)^(12 months)>Δ+μ×PD_(t_octroi)^(12 months)

The multiplicative (μ) and additive (Δ) criteria for the various portfolios are detailed below (transition to S2 if PD _ (to date)> μ × PD _ (at grant)+Δ):

Portfolio	MU	Delta
SME	2	0.005
Professionals	1	0.06
Individuals	1	0.03

For Specialized Financing: the criteria applied vary according to the characteristics of the exposures and the related rating system. Exposures rated under the calculation engine dedicated to large exposures are treated in the same way as Large Corporates; other exposures are treated like Small and Medium Enterprises.

For all of these loan books, the ratings on which the measurement of the increase in risk is based are any available ratings produced by internal systems, as well as external ratings, particularly when an internal rating is not available.

In accordance with IFRS 9, the recognition of guarantees and sureties does not affect the assessment of the significant increase in credit risk: this is based on changes in the credit risk of the debtor, without taking into account guarantees.

Since the fiscal year 2020, a sectoral adjustment of the probabilities of default has been made and replaces the use of the change in the rating of the sector as a criterion for monitoring the deterioration of the risk. This more accurate approach makes it possible to better account for sector-specific aspects when assessing credit risk while strengthening the discrimination related to counterparty rating. It makes it possible to mitigate the pro-cyclical impact of the previous methodology, which consisted of always downgrading to Stage 2 all counterparty contracts in a sector whose rating had fallen below a certain threshold.

It should be noted that the granting or extension of a GBL or granting an individual moratorium in the context of the health crisis are not, in themselves, criteria for the deterioration of the risk resulting in a transition to Stage 2 or 3.

For all of these loan books, the ratings on which the measurement of the increase in risk is based are any available ratings produced by internal systems, as well as external ratings, particularly when an internal rating is not available.

If there is no rating on the date the loan is granted or on the reporting date, it is automatically categorized as Stage 2.

The standard provides that the credit risk of a financial instrument has not increased materially since its initial recognition if this risk is considered to be low at the end of the fiscal year. This provision is applied to certain investment grade debt securities managed under Natixis' liquidity reserve, as defined by Basel 3 regulations. "Investment grade" status refers to securities with a rating of BBB- or higher and equivalent at Standard and Poor's, Moody's or Fitch.

If the downgrading since the start is no longer recorded, the impairment is recognized in losses expected within 12 months.

Financial assets where there is objective evidence of impairment loss due to an event which represents a known counterparty risk and which occurs after their initial recognition are considered as being classified as Stage 3. Asset identification criteria are similar to those under IAS 39 and are aligned with the concept of default in prudential terms.

Accordingly, loans and receivables are categorized as Stage 3 if both of the following conditions are met:

- there are objective indications of impairment: these are "trigger events" or "loss events" that characterize a counterparty risk and occur after the initial recognition of the loans concerned. On an individual basis, probable credit risk arises from default events defined in Article 178 of Regulation (EU) No. 575/2013 dated June 26, 2013 relating to prudential requirements applicable to credit institutions. Objective evidence of impairment includes any payments exceeding the relative and absolute thresholds by €500 or 1% of gross exposure, that are past due by at least 90 consecutive days, or regardless of whether any payment has been missed, the observation of financial hardship experienced by the counterparty leading to the expectation that some or all of the amounts owed may not be recovered or to the initiation of legal proceedings. Restructured loans are classified as defaulted when the loss is greater than 1% of the difference between the net present value before restructuring and the net present value after restructuring;
- these events are liable to lead to the recognition of incurred losses, that is, expected losses for which the probability of occurrence has become certain.

Debt instruments such as bonds or securitized transactions (ABS, CMBS, RMBS, cash CDOs) are considered impaired and are classified as Stage 3 when there is a known counterparty risk. The Group uses the same impairment indicators for debt securities classified at Stage 3 as those used for individually assessing the impairment risk on loans and receivables.

For perpetual deeply subordinated notes that meet the definition of financial liabilities within the meaning of IAS 32, particular attention is also paid if, under certain conditions, the issuer may be unable to pay the coupon or extend the issue beyond the scheduled redemption date.

Provision recording method

Calculating expected losses on Stage 1 or Stage 2 assets:

Expected credit losses on Stage 1 or Stage 2 assets are calculated using the following formula:

$$\sum_t EAD(t) \ x \ PD(t) \ x \ LGD$$

which is the sum, discounted for each projection year, of the product of the EAD, PD and LGD parameters:

- EAD(t) (Exposure At Default): the amount of loss that the institution may be exposed to on the loan in question during year t, including accelerated amortization and credit conversion factors where necessary;
- PD(t) (Probability of Default): the probability that the counterparty will default during year t;
- LGD (Loss Given Default): the amount of unrecovered contractual cash flows after the recovery phase in the event that the counterparty defaults on the loan in question.

Natixis draws on existing concepts and mechanisms to define these inputs, and in particular on internal models developed to calculate regulatory capital requirements (capital adequacy ratios) and on projection models similar to those used in the stress test system. Certain adjustments are made to comply with the specifics of IFRS 9:

- IFRS 9 parameters therefore aim to provide an accurate estimate of losses for accounting provision purposes, whereas prudential parameters are more cautious for regulatory framework purposes. Several safety buffers included in the prudential parameters are therefore restated, such as the PD and LGD downturn add-on, regulatory floors and internal costs;
- the IFRS 9 parameters used to calculate provisions on loans classified as Stage 2 must enable lifetime expected credit losses to be calculated, whereas prudential parameters are defined for the purposes of defining 12-month default rates. 12-month parameters are thus projected over longer timescales;
- IFRS 9 parameters must be forward-looking and take into account the expected economic environment over the projection period, whereas prudential parameters correspond to the cycle's average estimates (for PD) or bottom-of-the-cycle estimates (for LGD and the flows expected over the lifetime of the instrument). The PD and LGD prudential parameters are therefore also adjusted based on the expected economic environment.

As indicated above, since the fiscal year 2020, a sector adjustment on the PD is calculated based on the assessment of the rating of the economic sectors over 6-12 month forecasts. The average sector-weighted forward-looking PD, produced from the transition matrices, is compared and adjusted to converge toward the equivalent PD in anticipation of the sector's rating.

Parameters are adjusted to economic conditions by defining three economic scenarios developed over a three-year period. For the purpose of consistency with financial management processes, the central scenario corresponds to the budget scenario of the strategic plan. Two variants – an optimistic view and a pessimistic view – are also developed around this scenario based on observations of macroeconomic parameters.

The best case and worst case economic scenarios aim to represent the uncertainty surrounding the estimated economic variables in the central scenario.

The variables defined in each of these scenarios mean that PD and LGD parameters can be altered and an expected credit loss can be calculated for each economic scenario.

Parameters for periods longer than three years are projected on the principle of a gradual return to their long-term average. For consistency, the models used to alter the PD and LGD parameters are based on those developed in the stress test system. These economic scenarios are associated with probabilities of occurrence, ultimately making it possible to calculate an average probable loss used as the IFRS 9 impairment amount.

The method for determining probabilities of occurrence is based on an analysis of the market economic consensus and a measurement of the distance between the Group's economic scenarios and this market consensus. This means that the closer an economic scenario is to the consensus, the higher its probability of occurrence.

All three scenarios are defined using the same organization structure and governance as for the budget process, with an annual review based on proposals from the Economic Research Department. For 2020, given the context of the health crisis, the review was repeated on two occasions. In 2021, the scenario adopted was determined as part of the work on the strategic plan. The scenarios' probability of occurrence is reviewed on a quarterly basis by drawing on the observed changes in the macroeconomic parameters used in the economic scenario.

As at December 31, 2021, the weightings of each scenario were as follows:

- central scenario: 60%;
- optimistic scenario: 5%;
- pessimistic scenario: 35%.

The parameters thus defined allow credit losses for all rated exposures to be valued, regardless of whether they belong to a scope approved using an internal method or they are processed using the standard method for the calculation of risk weighted assets.

However, certain entities whose own fund requirements are calculated using the standardized method and whose exposures are not integrated into a ratings system have implemented a methodology for calculating provisions on performing loans based on historical loss rates calibrated specifically by the entity.

The application of a greater weighting to the optimistic or pessimistic scenarios makes it possible to estimate the sensitivity of the amount of expected losses according to the spread of the achievement of the central scenario over future years.

Thus, a weighting of the probability of occurrence of the pessimistic scenario at 100% would have resulted in the recognition, as at December 31, 2021, of an additional provision of €40.5 million (compared with €42.6 million as at December 31, 2020). Conversely, a weighting of the probability of occurrence of the 100% optimistic scenario would have resulted in a reversal of provisions of €110.0 million (compared with €94.3 million as at December 31, 2020).

The mechanism for validating IFRS 9 parameters is fully integrated in the validation mechanism for existing models within Natixis and Groupe BPCE. As such, model validation undergoes a review process by an independent internal model validation unit.

Calculating expected credit losses on Stage 3 assets

Impairments for expected credit losses on Stage 3 financial assets are determined as the difference between the amortized cost and the recoverable value of the receivable, i.e. the present value of estimated recoverable future cash flows, whether these cash flows come from the counterparty's activity or from the potential execution of guarantees. For short-term assets (maturity of less than one year), there is no discounting of future cash flows. Impairment is determined globally, without distinguishing between interest and principal. Expected credit losses arising from Stage 3 financing or guarantee commitments are taken into account through provisions recognized on the liability side of the balance sheet. Specific impairment is calculated for each receivable on the basis of the maturity schedules determined based on historical recoveries for each category of receivable.

For the purposes of measuring expected credit losses, pledged assets and other credit enhancements that form an integral part of the contractual conditions of the instrument and that the entity does not recognize separately are taken into account in the estimate of expected cash flow shortfalls.

5.4 Derivative financial instruments and hedge accounting

Derivative financial instruments are recognized at fair value on the balance sheet, regardless of whether they are held for trading or hedging purposes.

Derivative financial instruments held for trading purposes

Derivatives held for trading purposes are recorded in the balance sheet under "Financial assets at fair value through profit or loss" when their market value is positive, and under "Financial liabilities at fair value through profit or loss" when it is negative.

After initial recognition, changes in fair value are recorded in the income statement under "Net gains or losses on financial instruments at fair value through profit or loss". The interest accrued on such instruments is also included on this line.

Special case of embedded derivatives for financial liabilities

An embedded derivative is a component of a host contract which causes some or all of the cash flows of that contract to change in response to changes in an underlying (interest rate, share price, exchange rate or other index).

When the hybrid instrument (host contract and derivative) is not measured at fair value through profit or loss, the embedded derivative is separated from the host contract if it meets the criteria for definition as a derivative and its economic characteristics and associated risks are not closely related to those of the host contract.

Derivatives separated from host contracts in this way are included in assets and liabilities at fair value through profit or loss.

Change in the method of accounting and presentation of currency swaps

At December 31, 2021, Natixis changed the presentation and accounting of currency swaps.

Before December 31, 2021, the valuation of the currency swaps of the forward leg was recognized in the balance sheet (i) for the interest rate component in the item "Derivatives excluding hedging" and (ii) for the foreign exchange component in the item "Accrual accounts".

At December 31, 2021, the accounting principle for the valuation portion of currency swaps was revised, thus the two interest rate and foreign exchange components of the term leg are included in the valuation of derivatives at the level of financial assets/liabilities at fair value through profit or loss ("Derivatives excluding hedges"). This change had no impact on the income statement.

The following table summarizes the effects of this change in presentation on the various items:

	31/12/20			31/12/21		
(in billions of euros)	Before change	Change	After change	Before change	Change	After change
Assets						
Financial assets at fair value through profit or loss	210.4	5.9	216.3	206.1	5.9	212.0
Accrual accounts and other assets	5.1	(0.2)	4.9	4.7	0.0	4.6
TOTAL ASSETS	**495.3**	**5.8**	**501.1**	**562.7**	**5.9**	**568.6**
Liabilities						
Financial liabilities at fair value through profit or loss	208.5	5.8	214.2	194.8	5.9	200.6
Accrual accounts and other liabilities	6.3		6.3	6.4		6.4
TOTAL LIABILITIES	**495.3**	**5.8**	**501.1**	**562.7**	**5.9**	**568.6**

Hedging instruments

In line with the option offered by IFRS 9, Natixis has chosen to continue applying IAS 39 to account for its hedging transactions.

IAS 39 recognizes three types of hedging relationship: cash flow hedges, fair value hedges and hedges of net investments in foreign operations.

Derivatives may only be designated as hedges if they meet the criteria set out in IAS 39 at inception and throughout the term of the hedge. These criteria include formal documentation that the hedging relationship between the derivatives and the hedged items is both prospectively and retrospectively effective. Hedging relationships are presumed to be effective when, retrospectively, changes in the value of the hedging instrument offset changes in the value of the hedged item within a range of 80-125%.

Cash flow hedging

Cash flow hedging is used to hedge future cash flows from an existing or highly probable future transaction.

Hedging of variable-rate borrowings and issues

Natixis uses interest rate swaps borrowing at fixed rates to fix future costs of interbank borrowings and public/private issues.

Hedging of variable-rate loans

Natixis uses plain vanilla interest rate swaps lending at fixed rates to fix future variable-rate borrowing costs.

Overall hedging of interest rate risk

Cash flow hedges are mainly used to hedge Natixis' overall interest rate risk.

The documentation for these structural hedges is based on future variable cash management schedules for all variable-rate transactions.

Prospective hedge effectiveness tests involve establishing (by index and currency): cumulative variable-rate borrowings and fixed-rate borrower swaps by maturity bracket, cumulative variable-rate loans and fixed-rate lender swaps, by maturity bracket.

Hedging is demonstrated if, for each maturity, the nominal amount of the items to be hedged is greater than the notional amount of the hedging derivatives.

Retrospective hedge effectiveness tests are used to verify whether the hedge was effective at different reporting dates. At each such date, changes in the fair value of hedging instruments (excluding accrued interest) are compared with changes in the fair value of the hypothetical derivative instruments hedged (synthetic instruments representative of hedged assets or liabilities and management intentions). Changes in the fair value of hedging instruments must offset changes in the fair value of hedged items within a range of 80-125%. Outside these limits, the hedge would no longer qualify.

Accounting for cash flow hedges

The effective portion of the gain or loss on the hedge is recognized directly in equity, while the ineffective portion is taken to income statement at each reporting date under "Net gains or losses on financial instruments at fair value through profit or loss". No specific entries are made for hedged items (other than those that would be made if they were not hedged).

When a hedging relationship is interrupted, in particular when the efficiency ratio goes out of range [80-125%], the accounting treatment then consists of reclassifying the derivative under "Financial instruments at fair value through profit or loss" and reversing through profit or loss, as and when the hedged transaction has its effects in profit or loss, the amount of the efficiency accumulated in respect of previous hedging periods in equity that can be recycled under "Gains and losses recognized directly in equity".

Fair value hedging

Fair value hedging is intended to hedge the exposure to changes in fair value of a recognized asset or liability or an unrecognized firm commitment.

Overall hedging of interest rate risk

The subsidiary Natixis Financial Products LLC documents overall hedging of its interest rate risk in accordance with fair value hedging rules. To account for these transactions, the subsidiary applies the carve-out provisions of IAS 39 as adopted by the European Union. The accounting treatment of derivative financial instruments designated for accounting purposes as structural fair value hedges is similar to that applied to fair value hedging derivatives. Changes in the fair value of portfolios of hedged instruments are reported on a specific line of the balance sheet ("Revaluation adjustments on portfolios hedged against interest rate risk"), with a corresponding entry in income statement.

Hedging of fixed-rate loans and borrowings

Natixis uses plain vanilla interest rate swaps lending at fixed rates to protect itself against the impact of unfavorable changes in interest rates on its fixed-rate borrowings and issues. Plain vanilla swaps borrowing at fixed rates are used to protect it from the impact of unfavorable changes in interest rates on its fixed-rate loans and securities.

Documentation of fair value hedges

Prospective hedge effectiveness tests involve verifying that the financial characteristics of the hedged item and the hedging instrument are virtually identical: value date, maturity date, notional amount, fixed rate, and payment frequency.

Retrospective hedge effectiveness tests are used to verify whether the hedge was effective at different reporting dates.

At each such date, changes in the fair value of hedging instruments (excluding accrued interest) are compared with changes in the fair value of the hypothetical assets and liabilities hedged (synthetic instruments representative of hedged assets or liabilities). Changes in the fair value of hedging instruments must offset changes in the fair value of hedged items within a range of 80-125%.

Outside these limits, the hedge no longer qualifies for hedge accounting under IFRS.

Accounting for fair value hedges

Changes in the fair value of the derivatives are recognized as income for both the effective and ineffective portions.

Symmetrically, changes in the fair value of the hedged items are recognized as income.

Accordingly, only the ineffective portion of the hedge affects income statement.

Changes in the fair value of hedging derivatives excluding accrued interest are recorded in income under "Net gains or losses on financial instruments at fair value through profit or loss". Accrued interest relating to these instruments is recorded under "Interest and similar income" or "Interest and similar expenses".

When a hedging relationship is discontinued, the hedging instrument is reclassified in "Financial instruments at fair value through profit or loss", while the unrealized gain or loss on the hedged item is fixed at its amount on the date the hedge is discontinued and recorded in income through to maturity.

Hedging of a net investment in a foreign operation

Net investment hedges are used to hedge the exchange risk arising on net foreign currency investments (consolidated subsidiary or investment). They are accounted for in the same way as cash flow hedges. The effective portion of changes in the fair value of hedging instruments (monetary derivative or liability denominated in foreign currency) is recognized in equity. These changes in fair value are offset against the translation adjustments recognized when the entity was consolidated *(see Note 2.9)*. The ineffective portion of changes in fair value is recognized in income. Unrealized gains or losses recognized directly in equity are transferred to income when all or part of the net investment is sold.

Internal contracts

Many internal contracts involving derivatives used in hedge accounting exist between Natixis and its subsidiaries. To ensure that the transactions meet the hedge accounting criteria for consolidation purposes, Natixis regularly verifies that they have been correctly hedged on the market.

Credit derivatives

Credit derivatives used by Natixis are not considered as financial guarantees but as derivatives falling within the scope of IAS 39. They are classified as assets or liabilities at fair value through profit or loss.

5.5 Transactions in foreign currencies

The method used to account for assets and liabilities relating to foreign currency transactions entered into by Natixis depends upon whether the asset or liability in question is classified as a monetary or a non-monetary item.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the spot rate prevailing at the reporting date. Exchange differences resulting from this conversion are recognized in profit or loss. There are two exceptions to this rule:

- only the portion of the foreign exchange gains and losses calculated based on the amortized cost of financial assets at fair value through other comprehensive income is recognized in income, the remainder being recognized in "Gains and losses recognized directly in equity";
- foreign exchange gains and losses from monetary items designated as cash flow hedges or part of a net investment in a foreign entity are recognized in "Gains and losses recognized directly in equity".

Non-monetary items denominated in foreign currencies and measured at historical cost are translated at the exchange rate on the transaction date (or the date of reclassification in equity for undated deeply subordinated notes issued: *see Note 11.3.1*).

Non-monetary items denominated in foreign currencies and measured at fair value are translated at the prevailing exchange rate at the end of the reporting period. Gains or losses on a non-monetary item (e.g. equity instruments) denominated in a foreign currency are recognized as income if the asset is classified as "Financial assets at fair value through profit or loss" and in equity if the asset is classified as "Financial assets at fair value through equity", unless the financial asset is designated as a hedged item in a fair value hedge, in which case foreign exchange gains and losses are recorded in income.

5.6 Fair value of financial instruments

General principles

The fair value of an instrument (asset or liability) is the price that would be received to sell an asset or paid to transfer a liability in a standard arm's length transaction between market participants at the measurement date.

Fair value is therefore based on the exit price.

The fair value of an instrument on initial recognition is normally the transaction price, i.e. the price paid to acquire the asset or received to assume the liability.

In subsequent measurements, the estimated fair value of assets and liabilities must be based primarily on observable market data, while ensuring that all inputs used in the fair value calculation are consistent with the price that market participants would use in a transaction.

In this case, fair value consists of a mid-market price and additional valuation adjustments determined according to the instruments in question and the associated risks.

The mid-market price is obtained based on:

- the quoted price if the instrument is quoted on an active market. A financial instrument is regarded as quoted on an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring transactions on an arm's length basis on the main market or, failing that, the most advantageous market;
- if the market for a financial instrument is not active, fair value is established using valuation techniques. The techniques used must maximize the use of relevant observable entry data and minimize the use of non-observable entry data. They may refer to observable data from recent transactions, the fair value of similar instruments, discounted cash flow analysis and option pricing models, proprietary models in the case of hybrid instruments or non-observable data when no pricing or market data are available.

Additional valuation adjustments incorporate factors related to valuation uncertainties, such as market and credit risk premiums in order to account for the costs resulting from an exit transaction on the main market.

The main additional Funding Value Adjustments are as follows:

Bid/ask adjustment – Liquidity risk

This adjustment is the difference between the bid price and the ask price corresponding with the selling costs. It reflects the remuneration requested by a market player in respect of the risk of acquiring a position or of selling at a price proposed by another market player.

Model uncertainty adjustment

This adjustment takes into account the imperfections of the valuation techniques used – in particular, the risk factors that are not considered, even when observable market inputs are available. This is the case where risks inherent to various instruments differ from those considered by the observable inputs used in valuation.

Input uncertainty adjustment

Observing certain prices or inputs used in valuation techniques may be difficult or the price or input may be too regularly unavailable to determine the selling price. Under these circumstances, an adjustment may be necessary to reflect the probability of different values being used for the same inputs when evaluating the fair value of the financial instrument adopted by the market participants.

Credit Valuation Adjustment (CVA)

This adjustment applies to valuations that do not account for the counterparty's credit quality. It corresponds to the expected loss related to the risk of default by a counterparty and aims to account for the fact that Natixis cannot recover all of the transactions' market value.

The method for determining the CVA is primarily based on the use of market inputs in connection with professional market practices for all counterparty segments included in this calculation. In the absence of liquid market inputs, proxies by type of counterparty, rating and geographic area are used.

Funding Valuation Adjustment (FVA)

The purpose of an FVA is to take into account the liquidity cost associated with non-collateralized or imperfectly collateralized OTC derivatives. It is generated by the need to refinance or finance margin calls to be paid or received in the future, associated with hedging derivatives which are collateralized. Measuring a future financing/refinancing requirement (i.e. until the maturity of the exposures), it is based on expected future exposures concerning non-collateralized derivatives and a liquidity spread curve.

Debit Valuation Adjustment (DVA)

The DVA is symmetrical to the CVA and represents the expected loss, from the counterparty's perspective, on liability valuations of derivative financial instruments. It reflects the impact of Natixis' credit quality on the valuation of these instruments. The adjustment is made by observing "zero-coupon" spreads on a sample of comparable entities, taking into account the liquidity of BPCE's "zero coupon" spread over the period. The funding valuation adjustment (FVA) is taken into account in the DVA calculation.

Identifying an active market

The following criteria are used to determine whether a market is active:

- the level of activity and trend of the market (including the level of activity on the primary market);
- the length of historical data of prices observed in similar market transactions;
- scarcity of prices recovered by a service provider;
- large bid-ask price spread;
- steep price volatility over time or between different market participants.

The valuation control procedures are presented in Section 3.2.6 "Market risks" of Chapter 3 "Risk factors, risk management and Pillar III".

Financial assets and liabilities measured and presented at fair value are categorized based on the following scale:

- level 1: market value is determined directly using prices quoted on active markets for identical assets and liabilities;
- level 2: market value is determined using valuation techniques based on significant data that may be directly or indirectly observed on the markets;
- level 3: market value is determined using unrecognized models and/or models based on non-observable market data, where they are liable to materially impact the valuation.

Financial assets and liabilities categorized according to the fair value hierarchy and a description of the key models are presented in Note 7.5.

5.7 Property, plant and equipment, intangible assets (excluding goodwill) and investment property

Fixed assets recognized on the balance sheet include property, plant and equipment, intangible assets, and investment property. The rights of use in respect of leased assets (of which the main items are described in Note 5.2) are presented under fixed asset lines corresponding to similar assets owned of which Natixis has full ownership.

Measurement on initial recognition

Investment property, shown separately from other fixed assets on the balance sheet, consists of property held with the aim of generating leasing revenues rather than for operating purposes.

On the first-time adoption of IFRS, property, plant and equipment and investment property were maintained at historical cost as permitted by the options available under IFRS 1, except for property held by insurance companies which is carried at fair value through profit or loss.

Property, plant and equipment and investment property are recorded at their purchase price on the acquisition date, including directly attributable costs (transfer duties, fees, commissions and registration expenses) as well as borrowing costs when these meet the criteria for capitalization set out in IAS 23 “Borrowing costs”.

Computer software developed in-house is recognized under “Intangible assets” at its direct cost of development, which includes the related hardware costs, service costs, payroll costs directly attributable to the production and preparation of the software for use, and borrowing costs when these meet the criteria for capitalization set out in IAS 23 “Borrowing Costs”.

Expenses incurred during the development phase are capitalized if they meet the criteria for recognition as intangible assets set out in IAS 38: these include technical feasibility, the intention to complete the asset and use or sell it, the probability that the asset will generate future economic benefits, the availability of resources, and the ability to reliably measure the expenditure attributable to the asset’s development. Costs incurred during the research phase are not capitalized but are recognized in expenses.

Subsequent measurement

After initial recognition, assets are measured at cost less accumulated depreciation, amortization and impairment losses. Investment property held by insurance companies is measured at fair value through profit or loss in accordance with IAS 40 and IFRS 4.

For both, the fair value is obtained using a multi-criteria approach based on the capitalization of rents at the market rate combined with a comparison with market transactions.

In accordance with Article R. 332-210-1 of the French Insurance Code, a five-year appraisal is conducted by an independent expert approved by the French Prudential Supervisory Authority. Between two appraisals, the market value of property is certified by experts on a half-yearly basis.

Depreciation and amortization

As soon as they are in a condition to be used by Natixis in the manner in which they were intended, property, plant and equipment and intangible assets are depreciated or amortized over their estimated useful lives on a straight-line, declining or increasing balance basis, whichever best reflects the pattern in which the economic benefits are consumed. The residual value of the asset is deducted from its depreciable or amortizable amount when it can be measured reliably. Natixis does not believe it can reliably measure the residual value of items other than land and non-destructible buildings classified as historical monuments. They are therefore assigned a residual value of zero.

In line with IAS 16, a specific depreciation schedule is defined for each significant component of an item of property, plant and equipment which has a different useful life or is expected to consume future economic benefits differently from the item as a whole. For buildings used in the business and investment property, the following components and depreciation periods have been identified:

Component	Depreciation period
Land	NA
Non-destructible buildings classified as historical monuments	NA
Walls, roofs and waterproofing	20-40 years
Foundations and framework	30-60 years
External rendering	10-20 years
Equipment and installations	10-20 years
Internal fixtures and fittings	8-15 years

Other items of property, plant and equipment are depreciated over their estimated useful lives, generally five to ten years.

When the fixed assets relate to a leased building, their depreciation period is made consistent with that of the leases.

Purchased software is amortized on a straight-line basis over its estimated useful life, which in most cases is less than five years. Internally generated software is amortized over its estimated useful life, which cannot exceed fifteen years.

Other intangible assets mainly consist of components of the customer portfolio, which are amortized over the term of the contracts (average term of 5 to 8 years for the United States and 10 years in Australia).

Depreciation periods must be reviewed annually and, where applicable, the impact of any change in estimate is recognized prospectively, in income, from the date of the change.

Depreciation of fixed assets is presented under “Depreciation, amortization and impairment of property, plant and equipment and intangible assets” in the consolidated income statement.

Impairment

Assets are tested for impairment whenever there is objective evidence that they may be impaired and at least annually in the case of intangible assets with an indefinite useful life. Natixis considers whether there is any evidence of impairment at each reporting date. If any such evidence exists, the recoverable value of the individual asset is estimated wherever possible; otherwise the recoverable value of the CGU to which the asset belongs is estimated. The recoverable value is the higher of fair value less selling costs and value in use, which is the present value of future cash flows. If the recoverable value of the asset or CGU is lower than its carrying amount, an impairment loss is recognized in income under “Depreciation, amortization and impairment of property, plant and equipment and intangible assets”.

Write-downs may be reversed if there has been a change in the conditions that initially resulted in the write-down (for example there is no longer any objective evidence of impairment).

Gains or losses on disposals

Gains or losses on disposals of assets used in the business are recognized in the income statement under "Gains or losses on other assets", while gains and losses on disposals of investment property are recorded within "Income from other activities" or "Expenses from other activities".

Scrapping or discontinuation of fixed assets under construction

The expense incurred from the scrapping of a fixed asset is booked to "Depreciation, amortization and impairment of property, plant and equipment and intangible assets" in the consolidated income statement.

The discontinuation of IT projects under development results in their derecognition. A corresponding expense is posted to "Gains or losses on property, plant and equipment and intangible assets" on the consolidated income statement.

5.8 Assets held for sale and discontinued operations

A non-current asset (or group of assets) is meant to be disposed of when its carrying amount is recovered by means of a sale. This asset (or group of assets) must be immediately available for the sale, and it must be highly likely that the sale will happen within twelve months.

A sale is highly likely if:

- a plan to sell the asset (or group of assets) involving active marketing is made by management;
- a non-binding offer has been submitted by at least one potential buyer;
- it is unlikely that significant changes will be made to the plan or that it will be withdrawn.

The relevant assets are classified in the "Non-current assets held for sale" line item and cease to be amortized as soon as they are reclassified. An impairment loss is recognized if their carrying amount is higher than their fair value less selling costs. Associated liabilities are also identified on a separate line of the balance sheet.

A group held for sale may be a group of CGUs, a CGU or part of a CGU. The group may include the entity's assets and liabilities, including current assets, current liabilities and assets that are outside the scope of the measurement provisions under IFRS 5. If a non-current asset within the scope of the measurement provisions under IFRS 5 is part of a group held for sale, the measurement provisions under IFRS 5 apply to the group as a whole, which means that the group is measured at the lower of its carrying amount or its fair value net of selling costs.

When the fair value of the group of assets and liabilities is lower than their overall net carrying amount, Natixis limits the amount of impairment to non-current assets (goodwill, intangible assets and property, plant and equipment) measured in accordance with IFRS 5.

If the sale has not taken place within twelve months of classification in "Non-current assets held for sale", the asset or group of assets ceases to be classified in this category, barring special circumstances independent of Natixis' control.

The subsidiaries for which Natixis has committed to a plan to sell assets are listed in Note 2.6 "Subsidiaries held for sale".

A discontinued operation is a clearly identifiable component of an entity that either has been disposed of, or is classified as held for sale, and:

- represents a separate major line of business or geographic area of operations;
- without constituting a separate major line of business or geographic area of operations, the component is part of a single coordinated plan to dispose of a separate major line of business or geographic area of operations; or
- is a subsidiary acquired exclusively with a view to resale.

Assets and liabilities relating to discontinued operations are accounted for in the balance sheet in the same way as groups of assets held for sale. Gains or losses from these operations are presented on a separate line of the income statement and include the post-tax gain or loss resulting from operations discontinued before disposal and from the sale or valuation of assets or groups of assets held for sale at fair value less selling costs.

5.9 Financial liabilities at fair value through profit or loss

These are financial liabilities held for trading (including derivatives) or classified in this category on a voluntary basis at initial recognition using the fair value option available under IFRS 9.

Cash guarantee deposits and margin calls with collateral status set up in connection with repurchase agreements and derivative transactions recognized in instruments at fair value through profit or loss are also included in financial liabilities held for trading, as they are closely linked to the activities or instruments that they cover and are an integral part of the business model of the activity to which they relate.

Securities valued under this irrevocable option fall into one of the following three categories:

- instruments that are part of a group of financial assets measured and managed at fair value: the option applies to liabilities managed and measured at fair value, provided the management follows a fair value risk management policy;
- instruments showing an accounting mismatch with a related financial asset/liability: applying the option enables the elimination of accounting mismatches stemming from the application of different valuation rules to instruments managed under a single strategy;
- hybrid instruments with one or more significant, separable embedded derivatives: an embedded derivative is the component of a financial or non-financial hybrid instrument that qualifies as a derivative. The option allows the entire instrument to be measured at fair value, and therefore avoids the need to extract, recognize or separately measure the embedded derivative.

Financial liabilities in this category are carried at fair value at the reporting date and shown in the balance sheet as "Financial liabilities at fair value through profit or loss". Changes in fair value are recognized in income for the period under "Net gains or losses on financial instruments at fair value through profit or loss", except for changes in fair value attributable to own credit risk on financial liabilities at fair value through profit or loss, as such recognition does not create or increase an accounting mismatch. Changes in value attributable to own credit risk are recorded in "Revaluation of own credit risk on financial liabilities at fair value through profit or loss" under "Gains and losses recognized directly in other comprehensive income".

In the event of early redemption of financial liabilities designated at fair value through profit or loss, realized fair value gains or losses attributable to own credit risk are directly transferred from "Revaluation of own credit risk on financial liabilities designated at fair value through profit or loss" to "Consolidated reserves" under equity.

5.10 Liabilities

Debt originated by Natixis that is not classified within financial liabilities at fair value through profit or loss is measured using the amortized cost method and recognized in the balance sheet under "Deposits from banks", "Customer deposits", "Debt securities in issue" or "Subordinated debt".

On initial recognition, debt securities are measured at their issue price including transaction costs. They are subsequently measured at amortized cost, with issue expenses recognized over the term of the instruments used.

5.11 Derecognition

Natixis derecognizes all or part of a financial asset if the contractual rights over the cash flows from the financial asset expire. Natixis also derecognizes all or part of a financial asset if these contractual rights or substantially all of the risks and rewards of ownership are transferred.

If Natixis has neither transferred the contractual rights nor substantially retained all of the risks and rewards, Natixis then determines whether it has transferred control of the asset. If control is considered to have been relinquished, the financial asset is derecognized. If the Group retains control of the asset, it remains on the balance sheet to the extent of Natixis' "continuing involvement".

Continuing involvement is evidenced by the existence of contractual conditions such as:

- an option or obligation to repurchase the assets transferred;
- collection of financial compensation linked to the performance of the asset transferred.

A financial liability is derecognized when it is settled, canceled or expires.

Repurchase agreements

a) Assignor

Securities sold are not derecognized. Natixis recognizes a liability representing the commitment to return funds received ("Securities sold under repurchase agreements").

b) Assignee

Securities bought are not recognized but a receivable due from the assignee is recorded representing the funds lent. The amount disbursed in respect of the asset is recognized under "Securities acquired under repurchase agreements".

At subsequent reporting dates, the securities continue to be valued by the assignor in accordance with the rules applicable to the category in which they were initially classified. In the assignee's accounts, the amount receivable from the assignor continues to appear in the balance sheet.

Securities lending and borrowing

Securities lending/borrowing transactions do not involve the transfer of a financial asset within the meaning of IFRS. Consequently, these transactions do not lead to the derecognition of the securities loaned. Securities loaned are not identified in IFRS: they remain recorded in their original IFRS category and are measured accordingly. Borrowed securities are not recognized by the borrower.

5.12 Offsetting of financial assets and liabilities

In accordance with IAS 32, Natixis offsets financial assets and liabilities, and a net balance is presented on the balance sheet, on the twofold condition that it has the legally enforceable right to offset the recorded amounts, and the intention either to settle the net amount or to simultaneously realize the asset and settle the liability.

Transactions on derivatives and repurchase agreements carried out with clearing houses, whose operating principles meet the two criteria mentioned above, are offset in the balance sheet *(see Note 7.3)*.

5.13 Provisions

A provision is a liability of uncertain timing or amount. A liability is a present obligation arising from past events, the settlement of which is expected to result in an outflow of resources embodying economic benefits that can be reliably measured.

The amount recognized as a provision should be the best estimate of the expenditure required to settle the present obligation at the reporting date. This amount is discounted when the effect of discounting is material. Provisions are reviewed at each reporting date and adjusted if necessary. Provisions recognized on the balance sheet, other than provisions to cover employee benefits, mainly concern provisions for restructuring and provisions for risks and litigation.

a) Restructuring provision

A provision for restructuring costs is recognized when the following standard criteria for recognizing provisions and the two following conditions are met:

- there is a detailed formal plan for the restructuring on the closing date, identifying at least:
  - the activities concerned,
  - the principal locations affected,
  - the location, function, and approximate number of employees who will be compensated upon termination of their services,
  - the expenses that will be incurred,
  - the date the plan will be implemented;
- Natixis has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features on the closing date.

Provisions for restructuring costs include only expenditures directly related to the restructuring.

b) Provisions for risks and litigation

A description of the main risks and litigation to which Natixis is exposed is given in Section 3.2.10 of Chapter 3 "Risk factors, risk management and Pillar III".

Changes in provisions are recognized in the income statement on the line items corresponding to the type of future expenditure.

Provisions recognized as liabilities in Natixis' financial statements at December 31, 2021 and December 31, 2020 are presented in Note 7.17 "Summary of provisions" and any allowances are specified in Note 6.6 "Other income and expenses", in Note 6.7 "Operating expenses" and in Note 6.8 "Cost of risk".

5.14 Employee benefits

In accordance with IAS 19, employee benefits are classified in one of four categories:

- "**short-term benefits**", including salaries, social security contributions, annual leave, employee profit-sharing, incentive plans, top-up contributions and bonuses payable for the period;
- "**severance payments**", comprising employee benefits granted in return for termination of a staff member's employment before the normal retirement age, resulting from a decision by the entity, or a decision by the employee to accept a severance package in exchange for terminating their employment;
- "**post-employment benefits**", such as pensions, other supplementary retirement benefits applicable to the banking industry, end-of-career awards and other contractual benefits payable to retirees;
- "**other long-term benefits**", including long-service awards, amounts due under the Time Savings Account and deferred compensation paid in cash and cash indexed to a valuation formula that does not represent fair value *(see Note 5.16)*.

Short-term employee benefits are recognized as an expense in the period in which the employee provides the service in exchange for said benefits.

A provision is accrued for termination benefits when the employer is demonstrably committed to providing such benefits, or when the employer recognizes the costs of restructuring providing for the payment of such benefits.

In accordance with the principles of recognition set out in IAS 19, Natixis has identified the following types of post-employment benefit:

- defined contribution plans, under which an entity has no obligation to pay a specified benefit amount;
- defined benefit plans, under which Natixis has a legal or constructive obligation to pay a specified benefit amount.

Contributions paid under defined contribution plans are expensed in the period in which the employee rendered the service in exchange for said contributions.

A provision is set aside for defined benefit plans based on an actuarial assessment of the benefit obligation using the projected unit credit method. This method draws on demographic and financial assumptions reviewed annually (specifically the discount rate based on the AA Corporate bond rate curve). The value of plan assets is deducted from the actuarial debt. This valuation is carried out on a regular basis by independent actuaries.

Insurance contracts taken up with a related party to Natixis and intended to finance all or part of Natixis' defined-benefit plan commitments are recorded in the asset side of the balance sheet as "Accruals and other assets".

Revaluation adjustments for actuarial debt related to changes in actuarial assumptions and experience adjustments (impact of differences between actuarial assumptions and actual experience) are booked under items not recycled to comprehensive income among "Gains and losses recognized directly in equity".

The annual payroll costs recognized in respect of defined-benefit plans consist of:

- the costs of services rendered, representing rights vested by beneficiaries over the period;
- past service costs, arising from possible plan changes or curtailments as well as the effects of possible plan settlements;
- the net interest cost reflecting the impact of unwinding the discount on the net obligation.

Other long-term benefits are valued using the same actuarial method as that applied to post-employment benefits under defined benefit plans, except that liability revaluation items are recognized directly as an expense.

The estimated amount of the expense related to cash-settled variable compensation, subject to the employee's continued service in accordance with the deferred variable compensation plans, is recognized over the vesting period.

5.15 Distinction between debt and equity

In accordance with IAS 32, issued financial instruments are classified as debt or equity depending on whether or not they incorporate a contractual obligation to deliver cash to the holder:

- deeply subordinated notes and preference shares are classified in equity in light of the 2009 renegotiation of a clause making the payment of interest non-optional in the event of positive consolidated income and which has since become discretionary.

  The change in outstandings during the year is presented in Note 7.16 "Changes in subordinated debt during the fiscal year" and in Note 11.2 "Capital management";
- however, if an instrument is classified as equity:
  - payments on that instrument are treated in the same way as dividends. However, the tax consequences of these distributions are recognized, depending on the origin of the amounts distributed, in the consolidated reserves, as gains or losses recorded directly in equity or in income, in accordance with the amendment to IAS 12 of December 2017 entering into force on January 1, 2019. Accordingly, when the distribution corresponds to the IFRS 9 definition of dividends, the tax consequences are recorded in income. This provision is to be applied to any interest income from deeply subordinated notes treated as dividends for accounting purposes,
  - it is fixed at its historical value resulting from converting it to euros on the date it was initially classified under equity;
- the share of third party investors in the net assets of dedicated mutual funds included in Natixis' consolidation scope comprises a financial liability recorded on the balance sheet under "Financial liabilities at fair value through profit or loss". The share of third party investors in the profits of the mutual funds is recorded in "Net gains or losses on financial instruments at fair value through profit or loss" in the consolidated income statement;
- the units held by third party investors in dated funds, which are fully consolidated by Natixis, entitling the unit-holders to the repayment of a share of the fund's net assets upon its liquidation, are classified in liabilities on the consolidated balance sheet under "Accrual accounts and other liabilities". The share of third party investors in the fund's profits is recorded under "Interest and similar expenses" on the consolidated income statement.

5.16 Share-based payments

Deferred variable compensation plans

The variable compensation policy complies with the regulatory framework, including the European CRD V regulations applicable to 2021 (thus including the Natixis deferred variable compensation plan which will be awarded in February 2022 in respect of services rendered in 2021) and the European CRD IV regulations applicable to previous plans. It also meets transparency requirements with regard to the ACPR, the ECB and the AMF.

The plans awarded in this context and whose payment is based on shares, are settled in two ways: in shares or in cash indexed to the share price or on the basis of a valuation formula.

Share-based deferred variable compensation plans

Under IFRS 2 “Share-based payment”, employee bonus share awards give rise to an expense representing the fair value of the goods or services received at the grant date. This payroll expense is recognized against equity. The fair value of the services received is calculated by reference to the fair value of the shares at the grant date, less the present value of dividends forfeited by employees during the vesting period, taking the continued service requirements into account.

The expense is recognized on a straight-line basis over the vesting period. The expense is adjusted over the vesting period to reflect any losses of rights.

Cash-settled employee deferred variable compensation plans indexed to the value of the Natixis share

The accounting treatment applicable to cash-settled share-based payments is governed by IFRS 2 “Share-based payment”.

Under IFRS 2, the services acquired and the liability incurred are measured at fair value. Until the liability is settled, debt is remeasured at each reporting date and at the date of settlement, with any changes in fair value recognized in income for the period. The remeasurement of the liability at the reporting date takes into account any changes in the value of the underlying shares, as well as whether or not the continued service requirement and performance criteria have been met.

Where the payment of compensation is subject to a continuing service requirement, the corresponding expense is recorded over the vesting period on a straight-line basis. When no service requirement exists, the expense is recognized immediately as a debt. The latter is then remeasured at each reporting date taking into account performance criteria and any changes in the value of underlying shares.

Changes to the terms and conditions of a cash-settled employee deferred variable compensation plan indexed to the value of the Natixis share, or that of its subsidiaries’ shares, with the result that the plan is reclassified as an employee deferred variable compensation plan settled in shares, would trigger the derecognition of the debt recorded for the initial plan indexed to the value of the Natixis share, or that of its subsidiaries’ shares, and the recognition of a debt equivalent to the services provided for the new employee deferred variable compensation plan settled in shares as at the date of modification. The difference between the recognition in equity and the derecognition of the debt is recorded directly in income.

Deferred variable compensation plan settled in cash indexed to a valuation formula not representative of the fair value of the Natixis share

Following the delisting of the Natixis share on July 21, 2021, the deferred variable compensation plan settled in indexed cash (for their components not yet vested) were modified: their payment is now based on a formula based on the price of the simplified tender offer for Natixis shares (i.e. €4) and the change in Groupe BPCE’s income (Group share). These plans fall within the scope of IAS 19 and are equivalent to “Other long-term benefits”. The principles applicable in IAS 19 to this type of plan are similar to those provided for in IFRS 2 described above for cash-settled plans indexed to share value.

Detailed information about these plans and their quantified impacts over the period are provided in Note 10.2.2.

5.17 Treasury shares and treasury share derivatives

All treasury shares held by Natixis are deducted from equity regardless of the purpose for which they are acquired or held. Any gains or losses recognized in the parent company financial statements in respect of the sale, measurement or impairment of treasury shares held for trading or available-for-sale are eliminated in the consolidated financial statements through equity.

Treasury share derivatives are recognized differently depending on how they are unwound:

- as equity instruments, if they are unwound by trading a fixed number of treasury shares for a fixed amount of cash or another financial asset, and if this trade is the only possible unwinding method. In such case, the instruments are not subsequently revalued;
- as derivatives, if they are unwound via a net cash settlement or a net treasury shares settlement. In such case, the fair value changes in the instruments are recorded in the income statement.

A contract obligating Natixis to buy its own shares creates a liability in the amount of the discounted acquisition price, regardless of how the derivative is classified, with a corresponding entry in equity.

5.18 Fees and commissions received

Under IFRS 15 “Revenue from contracts with customers”, the entity must recognize income arising from ordinary activities in an amount that reflects the consideration that the entity expects to receive in exchange for the transfer of goods and services promised to customers. Revenue is recognized in five stages:

- identification of contracts with customers;
- identification of specific performance obligations (or items) to be recognized separately from one another;
- determination of overall transaction price;
- allocation of transaction price to the various specific performance obligations;
- recognition of income when performance obligations are met.

This approach applies to all contracts with customers except for leases (covered by IFRS 16), insurance contracts (covered by IFRS 4) and financial instruments (covered by IFRS 9). If specific stipulations relating to revenue or contract costs are specified under a different standard, these will be applied first.

The main Natixis activities to which this approach applies are:

- fee and commission income, from banking services if this income is not included in the effective interest rate, or from Asset Management or financial engineering services;
- income from other activities, in particular for services included in leases.

Commission income is recognized in income, according to the type of services rendered and the method of accounting for the financial instruments to which the service rendered is attached.

If uncertainty remains regarding the measurement of a fee amount (performance fee for Asset Management, variable financial engineering fee, etc.), only the amount for which the Group's entitlement is already assured given the information available on the reporting date is recognized.

Fees for services are analyzed to separately identify their various components (or performance obligations) and assign to each component the share of income due to it. Each component is then recognized in income, according to the type of services rendered and the method of accounting for the financial instruments to which the service rendered is attached:

- fees and commissions for ongoing services, such as guarantee fees or management fees, are deferred over the period during which the service is provided;
- fees and commissions for one-off services, such as business provider fees, are recognized in income as soon as the service is provided.

Fees for structuring and arrangement relating to the arranging of certain customer loans, notably as part of syndication transactions, are recognized in income at the legal date on which the transaction is completed or at the end of the syndication period (in the case of syndicated loans).

Fees and commissions that form an integral part of the effective yield on an instrument, such as fees for loan set-up, are recognized and amortized as an adjustment to the effective interest rate over the estimated term of the applicable loan. These fees and commissions are recognized as interest income rather than "Net fee and commission income".

Any mismatch between the date of payment and the date of implementation of the service will generate an asset or liability depending on the type of contract and the nature of the mismatch and will be recorded under "Other assets" and "Other liabilities".

5.19 Tax expenses

The tax expense for the fiscal year comprises:

- the tax payable by the various French companies at the rate of 28.40% for the tax consolidation group, or at the rate in force locally for foreign companies and branches;
- deferred taxes arising from temporary differences between the carrying amount of assets and liabilities and their tax basis, which are calculated using the balance sheet liability method.

Deferred tax assets and liabilities are calculated at the level of each tax entity in accordance with local tax rules and based on tax rates that have been enacted or substantively enacted at the date the temporary difference will reverse. Deferred taxes are not discounted.

Deferred tax assets are only recognized at the reporting date if the tax entity concerned is likely to recover tax savings over a fixed time period (10 years maximum). These savings will be realized by the deduction of temporary differences or tax loss carryforwards from estimated future taxable income within that time period.

Deferred tax assets and liabilities are offset at the level of each tax entity. The tax entity may either be a single entity or, if applicable, a group of entities of which it is a part, that have elected for group tax relief.

The deferred tax rate applied in France takes account of the tax cuts introduced by parliament through the various Finance laws. The corporate tax rate will decrease (excluding the effect of the social contribution of 3.3%) to 25% from 2022.

All temporary differences have been recognized regardless of their recovery or payment date. The net deferred income tax balance is shown in the balance sheet under "Deferred tax assets".

The value-added contribution, or "Cotisation sur la Valeur Ajoutée des Entreprises" (CVAE), is recorded in the accounts as "Operating expenses," since Natixis considers that its calculation is not based on net income.

5.20 Financing and guarantee commitments

a) Financial guarantees

Commitments given

Financial guarantee commitments not classified as derivatives are contracts requiring the issuer to make specific payments to repay the business guaranteed for a loss that it has incurred owing to the failure of a debtor to make the contractual installments due. The exercise of these rights is subject to the occurrence of an uncertain future event.

Financial guarantees given are stated initially at fair value, then subsequently at the higher of:

- the amount initially recognized upon inception less, where appropriate, the amount of amortization recorded in line with the principles outlined in IFRS 15 "Revenue from Contracts with Customers". This amortization represents the deferred recognition of the fees received over the period covered by the guarantee; and
- the amount of the provision determined according to the provisions of the expected credit loss model *(see Note 5.3)*.

The provisions are presented in Note 7.17 "Summary of provisions".

All of the financial guarantees issued by insurance subsidiaries that also meet the definition of an insurance contract were accounted for in line with the requirements of IFRS 4 "Insurance Contracts" *(see Note 7.10)*.

Specific case of guarantees issued to mutual funds

Natixis guarantees the capital and/or returns on units in certain mutual funds. These guarantees are executed solely in the event that the net asset value of each of the units in the fund at maturity is lower than the guaranteed net asset value.

These guarantees are recorded as derivatives and are measured at fair value in accordance with the provisions of IFRS 13.

Guarantee commitments received

There are no IFRS standards covering financial guarantees received (other than derivatives or insurance contracts). In the absence of specific guidance, the accounting treatment applied must be determined by analogy with the accounting treatment prescribed by other standards in similar situations. Accordingly, guarantees received meeting the definition of a financial guarantee for an issuer are accounted for in accordance with:

- IFRS 9, for guarantees received in respect of financial assets (debt instruments). The measurement of the expected credit losses associated with financial assets must in fact take into account the flows generated by guarantees considered an integral part of the debt instrument;
- IAS 37, for guarantees received in respect of non-financial liabilities falling within the scope of IAS 37.

b) Financing commitments

Financing commitments are irrevocable commitments by Natixis to grant a loan under pre-defined conditions.

The vast majority of the financing commitments granted by Natixis give rise to loans granted at market rates at the grant date and recognized at amortized cost. As such, and in accordance with IFRS 9, the commitment to lend and the loan itself are considered successive stages of one and the same instrument. The commitment to lend does not, therefore, fall within the scope of IFRS 9: it is treated as an off-balance sheet transaction and is not revalued. Financing commitments are eligible for the provisioning mechanism under IFRS 9, however *(see Note 5.3)*. IFRS 9 provides that the issuer of a financing commitment must apply provisioning criteria to loan commitments that do not fall within the scope of this standard. The provisions recognized in respect of these commitments are presented in Note 7.17 “Summary of provisions”.

5.21 Contributions to banking resolution mechanisms

The procedure for setting up the deposit and resolution guarantee fund was changed by a French Ministerial Order dated October 27, 2015. Contributions made to the deposit and resolution guarantee fund may be paid in the form of partner or association certificates and cash security deposits (guarantee of irrevocable commitment) recognized as assets on the balance sheet and contributions (which are non-refundable in the event of a voluntary withdrawal of approval to operate) recorded in income as “Taxes and regulatory contributions” among other operating expenses *(see Note 6.7)*.

Directive 2014/59/EU (BRRD – Bank Recovery and Resolution Directive) which establishes the framework for the recovery and resolution of banks and investment firms and Regulation (EU) 806/2014 (SRM regulation) established the introduction of a resolution fund as of 2015. In 2016, this fund became a Single Resolution Fund (SRF) between the member States participating in the Single Supervisory Mechanism (SSM). The SRF is a resolution financing mechanism available to the resolution authority (Single Resolution Board). The latter may use this fund when implementing resolution procedures.

In accordance with Delegated Regulation No. 2015/63 and Implementing Regulation No. 2015/81 supplementing the BRRD Directive on ex-ante contributions to financing mechanisms for the resolution, the Single Resolution Board set the level of contributions to the Single Resolution Fund for 2021. Contributions paid to the fund may be made in cash security deposits recognized as assets on the balance sheet (15% in cash security deposits) and in contributions recorded in income as “Taxes and regulatory contributions” *(see Note 6.7)*.

5.22 Use of estimates and judgment

In preparing its financial statements, Natixis is required to make certain estimates and assumptions based on available information which are likely to require expert judgment. This exercise has been made particularly difficult given the current health crisis, which has had unprecedented repercussions on the global economy.

These estimates and assumptions constitute sources of uncertainty which may affect the calculation of income and expenses in the income statement, the value of assets and liabilities in the balance sheet and/or certain disclosures in the notes to the financial statements. Thus, the future results of certain transactions could prove to be significantly different from the estimates used to close the financial statements on December 31, 2021, particularly in the current circumstances of extreme uncertainty.

Accounting estimates requiring assumptions to be made are mainly used to measure the items set out below:

Financial instruments recorded at fair value

The fair value of hybrid market instruments not traded on an active market is calculated using valuation techniques. Valuations produced using valuation models are adjusted, depending on the instruments in question and the associated risks, to take account of the bid and ask price for the net position, modeling risks, assumptions regarding the funding cost of future cash flows from uncollateralized or imperfectly collateralized derivatives, as well as counterparty and input risks. The fair values obtained from these methods may differ from the actual prices at which such transactions might be executed in the event of a sale on the market.

The valuation models used to price illiquid financial instruments are described in Note 7.5.

Some of the unlisted equity instruments categorized under IFRS 9 as “Financial assets at fair value through profit or loss” or “Financial assets at fair value through non-recyclable other comprehensive income” consist of investments in non-consolidated companies. The fair value of investments in unlisted non-consolidated companies is obtained principally by using valuation methods based on multiples or DCF (discounted cash flow). Use of these methods requires certain choices and assumptions to be made in advance, including projected future cash flow forecasts and discount rates.

Impairments for expected credit losses

The impairment model for expected credit losses is based on parameters and assumptions that affect provisions and value adjustments for losses. These parameters and assumptions are based on current and/or historical data, which also include reasonable and justifiable forecasts such as the estimating and weighting of future economic scenarios. Natixis also considers the opinions of its experts when estimating and applying these parameters and assumptions.

The highly uncertain environment caused by the health crisis on the global economy has required close attention in 2020 in order to make reasonable, justifiable forecasts. Natixis has thus constructed a new central scenario based on macroeconomic projections and validated by its governance bodies. Natixis therefore used the various press releases published by ESMA, the EBA, the ECB and the IASB to determine expected credit losses in the context of the COVID-19 crisis.

In view of this, Natixis has revised its macroeconomic forecasts (forward looking) and adapted them to take into account the specific context of COVID-19 and the measures taken to support the economy. In 2021, Natixis used three main scenarios to calculate the IFRS 9 provisioning parameters with projections for the year 2023:

- the central scenario was updated based on the scenarios determined by its economists and validated by Natixis' governance bodies in June 2021. This scenario was defined as part of the preparation of the 2021-2024 Strategic Plan;
- a pessimistic scenario, corresponding to a deterioration of the macroeconomic variables defined under the central scenario;
- an optimistic scenario, corresponding to a more favorable outcome for the macroeconomic variables defined under the central scenario.

Following the historic economic shock related to the COVID-19 crisis, the baseline scenario provides for economic activity to return to its pre-crisis level in 2023 and takes into account the improvement in the various economic indicators (growth in GDP, decline in the unemployment rate) which reflect the economic recovery in France since May. The situation in the United States is also better with a level of GDP growth similar to that of the end of 2019. Although the effects of the health crisis seem to have faded in the last quarter, the US economic recovery is slower than expected and there are still uncertainties about the evolution of the economic environment.

The three-year projections of the main macroeconomic variables used on the basis of the Natixis economists' scenario for the central markers are presented below:

	2022	2023	2024
S&P 500	4,608	4,656	4,656
SLS	(9)	(5)	(6)
VIX	14	13	12
Fed ref rate	0.25	0.75	1.5
Spread Libor 6-12M	(0.2)	(0.2)	(0.1)

The quarterly update of the scenarios was carried out in November 2021 leading to the retention of the IFRS 9 scenario validated in June 2021. The figures of the Consensus Forecast of November 2021 are in fact aligned with the central markers on all indicators except for the consumer price index. The Consensus forecasts an increase in inflation which should continue in 2022 following the post-COVID economic recovery and increasing pressure on prices. However, it should be noted that the data on the consumer price index are not part of the parameters used by the IFRS 9 impairment models.

In addition, although the economic outlook is improving, several European countries have again had to introduce lockdowns due to the emergence of a new variant. In order to take into account the economic consequences of these new lockdowns, it was decided to give more weight to the pessimistic scenario in the calculation of provisions.

Taking into account both the improved outlook for the global economy and the current state of the economic recovery along with the accompanying uncertainty, Natixis has therefore decided to place significant weighting on the pessimistic scenario, while also increasing the weighting of the optimistic scenario. It therefore used the following scenario weightings for the calculation of provisions at December 31, 2021: pessimistic: 35% – central: 60% – optimistic: 5%.

Probabilities of default (PD) are adjusted by sector based on an assessment of each sector's rating over a 6- to 12-month period. The sector's forward looking weighted average PD, determined by the transition matrix, is compared and adjusted to align with the PD equivalent to the sector's expected rating.

Lastly, it should be noted that the various models for estimating expected credit losses may be supplemented by expert adjustments increasing the amount of expected losses in an economic context of great uncertainty related to the unprecedented nature of the health crisis. In this respect, Natixis recognized an additional provision of €32 million at December 31, 2021 (compared to €22 million as at December 31, 2020).

Valuation of cash-generating units (CGUs)

All goodwill is assigned to a CGU so that it may be tested for impairment. The tests conducted by Natixis consist of comparing the carrying amount of each CGU (including goodwill) with its recoverable value. Where the recoverable value equals the value in use, it is determined by discounting annual free cash flows to perpetuity. Use of the discounted cash flow method involves:

- estimating future cash flows. Natixis has based these estimates on forecasts included in its business units' medium-term plans;
- projecting cash flows for the last year of the plan to perpetuity, at a rate reflecting the expected annual growth rate;
- discounting cash flows at a specific rate for each CGU.

Fair value of loans and receivables at amortized cost

The fair value of loans not quoted on an active market is determined using the discounted cash flow method. The discount rate is based on an assessment of the rates used by the institution during the period for groups of loans with similar risk characteristics. Loans have been classified into groups with similar risk characteristics based on statistical research, enabling factors having an impact on credit spreads to be identified. Natixis also relies on expert judgment to refine this segmentation.

Employee benefits

Natixis calls on independent actuaries to calculate its principal employee benefits. These commitments are determined using assumptions such as the salary growth rate, discount rates and rates of return on plan assets. These discount rates and rates of return are based on observed market rates at the end of each calculation period (e.g. the yield curve on AA Corporate bonds for discount rates). When applied to long-term benefit obligations, these rates introduce uncertainty into the valuations.

Liabilities related to insurance policies

Insurance technical reserves are calculated using assumptions and estimates that may lead to adjustments in amounts reported over the subsequent period:

- for personal protection insurance, claims reserves are calculated by modeling claims experience;
- for life insurance, underwriting reserves are computed based on economic and financial assumptions, mortality and morbidity tables, and behavioral statistics, for example concerning redemptions;
- for non-life Insurance, technical reserves comprise provisions for unearned premium income (calculated on an accrual basis and representing the portion of premiums issued during the period that relate to a period after the reporting date) and reserves for claims to be paid, corresponding to known and unknown claims that have occurred but not yet been paid at the reporting date.

Liability adequacy test

In accordance with IFRS 4, insurance technical reserves are calculated using methods stipulated by local regulations. A liability adequacy test is carried out in order to ensure that the insurance liabilities as presented in the consolidated financial statements are sufficient to cover future cash flows estimated at that date. The test is based on a stochastic modeling of discounted future flows. If the liability is inadequate, potential losses are fully booked in net income.

Deferred profit-sharing

The participation rate used to calculate deferred profit-sharing is determined based on payout ratios projected over the term of the medium-term plan and in line with the actual pay-out ratio for the previous fiscal year.

In the event of a deferred profit-sharing asset, a recoverability test is carried out to verify that liquidity requirements arising from an unfavorable economic environment do not force the sale of assets and generate unrealized losses. This recoverability test relies on projected future cash flows based on various economic assumptions about historical redemptions and inflows *(see Note 8.2.5)*.

Deferred taxes

As a precaution, Natixis records a net deferred tax asset linked to its ability to generate taxable income over a given period (10 years maximum), while tax loss carry forwards are deductible with no time limitation in France and the UK or over very long periods (20 years in the US for tax losses prior to January 1, 2018).

To that end, Natixis prepares tax business plans based on the medium-term plans for the business lines.

Uncertainty over income tax treatments (IFRIC 23)

Natixis discloses uncertainty over income tax treatments in its financial statements where it concludes that it is not probable that the tax authority will accept them. To determine if a tax position is uncertain and assess its impact on the amount of the Group's income tax, Natixis assumes that the tax authority will verify all reported amounts with comprehensive knowledge of all available information. It bases its judgment in particular on administrative doctrine, legal precedence and the history of rectifications carried out by the tax authority on similar uncertainties. Natixis reviews the estimate of the amount it expects to pay to or receive from the tax authority in respect of tax uncertainties, in the event of changes in associated events and circumstances, which may arise, for example, from changes in tax laws, the end of a limitation period, or the outcome of controls and initiatives conducted by the tax authorities.

Other provisions

Provisions recognized as liabilities in the consolidated balance sheet, other than those relating to financial instruments, employee benefits and insurance policies, mainly concern provisions for litigation, restructuring, fines and penalties.

A provision is raised when it is likely that an outflow of resources embodying economic benefits will be required to settle an obligation arising from a past event, and when the amount of the obligation can be reliably estimated. In order to calculate this amount, Natixis is required to assess the probability of the risk occurring. Future cash flows are discounted where the impact of discounting is material.

Climate risks

The environmental and climate emergency is one of the greatest challenges facing the world's economies and all economic players today. The financial sector can and must spearhead the ecological transition by channeling funds into a sustainable economy. Convinced of the importance of the risks and opportunities arising from climate change, Natixis has made the energy and climate transition one of the priorities of its strategy for several years (see Note 7.3.3 in Chapter 7 "ESR Report 2021").

Natixis is exposed, directly or indirectly, to several climate-related risk factors. To qualify them, Natixis has adopted the risk terminology proposed by the TCFD (Task Force on Climate-Related Financial Disclosures): "Transition risk" and "physical risk".

As part of the risk appetite and the risk identification process, the assessment of the materiality of these risks will be reviewed annually and, if required, may be refined using new measurement methodologies.

The transition risk is currently taken into account in the internal assessment of Natixis' capital requirements (ICAAP process). Indeed, the internal rating models of counterparties already take into account possible changes in the economic environment within a reasonable timeframe (one to three years) and therefore cover the possible impacts of the climate transition even if these cannot currently be separated. Discussions are underway to better take into account the potential long-term impact of the transition risk by deploying stress tests.

Within Corporate & Investment Banking, Natixis has also gradually deployed several tools to assess and manage its exposure. Natixis assesses the effects of its transactions on the climate by assigning a climate rating ("Green Weighting Factor color rating") either to the asset or to the project financed, or to the borrower in the case of general purpose financing.

The process of identifying, quantifying and managing climate-related risks will be strengthened in the coming years, in particular by completing the risk quantification and physical risk monitoring system.

With regard to the preparation of its consolidated financial statements, Natixis is continuing its work to gradually integrate climate risks.

Natixis took part in the ACPR climate pilot exercise on transition risk, which made it possible, concerning credit risk, to reflect on the methodological framework and to identify work ahead of these exercises to overcome several difficulties related in particular to the differences between the sector classification used by the ACPR and the internal classification, and the inadequacy of certain aspects of internal portfolio projection methodologies over such long horizons (projections requested until 2050). In addition, this exercise made it possible to identify the limits of the proposed scenarios that would deserve to be rethought in their severity and to question the scope of the economic sectors covered with regard to the urgency of action to limit climate change because of the major impact it could have on our societies and economies. Thus, by the end of these exercises, the impact in terms of credit risk is negligible at the time scales considered, hence the need to improve them in the future to adapt them to this type of exercise. In particular, it is necessary to fundamentally review the assumptions of the economic impacts of the ecological transition, to propose other measurement indicators that better reflect those generally used by banks, and additional work on the models and projection mechanisms must be carried out to better control of its long-term impacts.

Uncertainties related to the application of certain provisions of the BMR.

European Regulation (EU) 2016/1011 of June 8, 2016 on indexes used as benchmarks (the "Benchmarks Regulation" or BMR) introduces a common framework aimed at guaranteeing the accuracy and integrity of indexes used as benchmarks in financial instruments and financial contracts and to measure the performance of investment funds within the European Union.

The purpose of the BMR is to regulate the provision of benchmarks, the provision of data underlying benchmarks, and the use of benchmarks within the European Union. It provides for a transition period for administrators, who have until January 1, 2022 to be approved or registered. After this date, the use by entities supervised by the EU of benchmarks whose administrators are not authorized or registered (or, if they are not located in the EU, are not subject to equivalent or otherwise recognized or approved regulations) will be prohibited. Under the BMR, interest rate benchmarks Euribor, Libor and Eonia have been designated as critical.

The reform of benchmarks, was accelerated by the announcements, as of March 2021, from the Financial Conduct Authority (FCA), the UK regulator overseeing the ICE Benchmark Administration (LIBOR administrator):

- confirming the cessation, after December 31, 2021, of the publication of EUR, CHF, JPY and GBP LIBORs, with the publication of the USD LIBOR being prolonged to June 30, 2023 (except for tenors 1W and 2M that will end after December 31, 2021);
- authorizing, for contracts entered into before December 31, 2021 (with the exception of cleared derivatives) indexed to the YEN and GBP LIBORs (tenors of 1M, 3M and 6M), from January 1, 2022, the use of synthetic LIBOR indices based on risk-free rates published by the ICE Benchmark Administration;
- intended to limit the use, for new contracts (with a few rare exceptions), from the end of 2021, of the USD LIBOR, a similar announcement having been made in November 2021 by the American authorities.

For its part, the European Union published on October 22, 2021 two regulations (Implementing Regulations (EU) 2021/1847 and 2021/1848) providing for the legal replacement rate, on the one hand, for the CHF LIBOR, the compound SARON rate, plus the spread adjustment with the CHF LIBOR determined by the ISDA on March 5, 2021 (adjustment determined following the FCA announcement concerning the discontinuation of the index), and on the other hand, for EONIA, the €STER rate (successor rate of the EONIA recommended by the working group on the euro risk-free rate) plus the margin of 8.5 basis points calculated by the European Central Bank (since October 2, 2019 the EONIA has therefore become an €ster tracker). These replacement rates will be applied following the end of the publication of the CHF LIBOR (January 1, 2022) and the EONIA (January 3, 2022), to all contracts and financial instruments for which a transition to alternative reference rates or the inclusion of a robust fallback clause (contractual provision providing for the replacement terms and conditions of the contract initially agreed between the parties), will not have been made.

As regards the EURIBOR, a new calculation methodology (recognized by the Belgian regulator as complying with BMR requirements), aimed at switching to a “hybrid” EURIBOR, was finalized in November 2019. At this stage, there is moderate uncertainty as to the sustainability of EURIBOR, resulting from the limited number of banks contributing to the determination of the index and the ability to maintain, or not, the hybrid method on all tenors.

In the context of this reform, in the first half of 2018, Natixis set up a project team tasked with anticipating the impacts associated with the reform of the benchmark indices, from a legal, commercial, financial, risk, systemic and accounting standpoint. Governance involving all four Natixis business lines has been set up to analyze the operational aspects of this issue.

During 2019, work focused on the reform of the Euribor, the transition from the Eonia to the €STR and the strengthening of contractual clauses regarding the termination of indices.

A new, more operational phase began in 2020 on the transition and the reduction of exposure to benchmarks that may disappear. It includes the use of new indices, the identification and implementation of inventory remediation plans as well as active communication with the bank’s customers. As such:

- The process of remediation of derivative contracts was accelerated with the entry into force, on January 25, 2021, of Supplement 70 to the 2006 ISDA Definitions (known as the “ISDA IBOR Fallbacks Supplement”), and new definitions of FBF rates aimed at explicitly providing – for future transactions – fallback rates following the announced disappearance of LIBORs. The entry into force on the same date of the ISDA 2020 IBOR Fallbacks Protocol, which Natixis joined on December 21, 2020, also makes it possible to apply the same fallback clauses to the stock of transactions in progress with the other members of this protocol. In addition, the clearing houses switched over from cleared products to RFRs (excluding USD LIBOR) in December 2021, with the transition to €STER and SOFR The transition to the €STR and SOFR rates with regard to the compensation of collateral and the discounting of flows of collateralized derivatives was carried out by these same clearing houses in 2020. Natixis proactively approached its customers to remedy transactions under the same conditions as the clearing houses. For structured derivatives, new model clauses published by the ISDA allowing the use of risk-free rates (“RFRs”) as reference rates in transactions, were notably used. After December 31, 2021, for a very limited number of contracts, pending a transition to RFRs, synthetic YEN or GBP LIBOR will be applied;

- with regard to loans indexed to GBP, CHF, YEN and USD LIBOR (for the tenors 1W week and 2M), Natixis launched remedial actions in June 2021, with a differentiated approach depending on its role in the financing (agent or participant) and the nature of said financing (syndicated or bilateral loans). At December 31, 2021, all Natixis customers committed to loans indexed to these indices were contacted to update the fallback clauses. Loans not yet remediated at this date, which also represent a very limited number of contracts, are being renegotiated, with most of the contracts in question being signed for the first quarter of 2022. Until the finalization of their remediation, these contracts will be subject to the synthetic LIBOR or the statutory fallback designated by the authorities Concerning the USD LIBOR, Natixis no longer grants loans indexed to this index since December 31, 2021;
- concerning issues of securities, in 2021, issues carried by Natixis and indexed to the YEN LIBOR are remedied through the process of soliciting consent via the custodians. In the event that the holders of securities do not consent to their vote before the start of the first interest period set in 2022, the contingency plan, the terms of which depend on contractual fallback clauses (ISDA fallback clauses or synthetic LIBOR), will apply. Natixis plans to remediate issues indexed to USD LIBOR from 2022. With regard to securitization transactions, all transactions affected by the indices that ceased to be published on December 31, 2021 have been remediated.

The remedial actions were carried out in accordance with the recommendations issued by the regulatory authorities and local working groups, recommending the maintenance of economic equivalence before and after the replacement of the benchmark in a contract. This principle results in the replacement of the historical reference by an alternative reference rate to which is added a fixed margin compensating the difference between these two rates. This adjustment of the index margin is mainly due to the use of credit risk margins set by the market authorities or by market practice.

The materiality of LIBOR exposures at December 31, 2021, as detailed in Note 7.19, is linked to the existence, at that date, of transactions whose interest period uses a last fixing referenced to LIBOR, combined, for derivatives, with the application of ISDA fallbacks, as of January 3, 2022.

The transition to benchmark rates exposes the Natixis Group to various risks, in particular:

- the risk associated with the management of change which, in the event of asymmetry in the information and treatment of Natixis' customers, could lead to disputes with them. To guard against this risk, Natixis has undertaken training initiatives for employees in the challenges of the transition of indices, customer communication campaigns and the application of a control plan;
- regulatory risk related to non-compliant use of reformed indices – in particular USD LIBOR after January 1, 2022 – excluding exceptions authorized by the authorities. Employees and customers have been informed of the restrictions on these indices. In addition, Compliance has issued an exception management procedure and controls have been implemented;
- the risk of legal documentation on the stock of transactions for which customers do not adopt the corrective actions to implement fallback clauses proposed by the market and/or Natixis, which could also lead to customer disputes. Natixis teams actively monitor legislative initiatives in the various jurisdictions aimed at recommending successor rates;
- operational risks related to the ability to execute new transactions referencing the new rates and to the remediation of the stock of transactions. The project teams ensure compliance with the implementation schedules for the affected systems, and early renegotiation actions are carried out to spread the remediation workload over time;
- the potential financial risk which would be reflected in a financial loss resulting from the remediation of the stock of products indexed to LIBOR. Simulations of revenue losses related to remediation without taking into account a spread adjustment applied to the alternative reference rates, are monitored directly by General Management to raise awareness of the business lines during renegotiations with customers. The application of this adjustment (or "credit adjustment spread") aims to ensure the economic equivalence of the cash flows of the contracts before and after the replacement of the reference index by an RFR rate;
- valuation risks related to price volatility and basis risk resulting from the transition to alternative reference rates. The necessary updates concerning both risk management methodologies and valuation models are used.

Regarding accounting aspects, the IASB has published:

- in September 2019, amendments to IFRS 9, IAS 39 and IFRS 7. They provide for exceptions, applicable temporarily to the requirements of IFRS 9 and IAS 39 on matters related to hedging, allowing the continuation of hedging relationships during the transition period of the hedged instruments and hedging to the new rates. The amendments to IFRS 7 require, for the hedging relationships to which these exceptions are applied, information on the exposure of entities to the IBOR reform, on their management of the transition to alternative benchmark rates as well as on the assumptions or important judgments they have adopted to apply these amendments. Through these amendments, the IASB aims to prevent entities from having to discontinue hedging relationships due to uncertainties associated with the IBOR reform during the period preceding the transition to alternative benchmark rates. Natixis believes all of these hedging at December 31, 2021, are affected by the reform as they have a BOR component (mainly EURIBOR or LIBOR USD). They may therefore benefit from said amendments for as long as uncertainty remains with regard to the contractual changes to be implemented as a result of the regulations, the replacement index to be applied or the period of application of provisional interest rates. Regarding the USD LIBOR rate, the counterparty of the hedging derivatives indexed to this latter index is, for the most part, the clearing house LCH Clearnet ltd, which has not, at this stage, decided on the transition methods that it intends to apply for this index;
- in August 2020, amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16, to address issues arising from the replacement of benchmark rates by their alternative reference rate. These fair value transfers are also presented to the valuation equity committee, which validated the following transfers during the fiscal year: The application of these amendments thus enabled Natixis to not recognize any impact in the income statement at the transition date. With regard to hedge accounting, these amendments introduced new exceptions to the criteria for applying hedge accounting under IFRS 9 and IAS 39, aimed at avoiding the termination of hedging relationships. Since Natixis has not entered into hedging derivatives indexed to benchmark indices whose publication ceased after December 31, 2021 and whose maturity is after that date, these amendments have not yet been applied.

5.23 Earnings/(loss) per share

Diluted earnings/(loss) per share corresponds to net earnings/(loss) for the period Group share, divided by the weighted average number of shares, adjusted for the maximum impact resulting from the conversion of dilutive instruments into ordinary shares. Stock options issued are taken into account in calculating diluted earnings/(loss) per share. The conversion of these instruments does not impact net income/(loss) used to calculate diluted earnings/(loss) per share.

	31/12/2021	31/12/2020
Earnings/(loss) per share		
Net income (Group share) *(in millions of euros)*	1,403	101
Net income attributable to shareholders *(in millions of euros)* [(a)]	1,298	(19)
Average number of ordinary shares outstanding over the fiscal year	3,157,614,806	3,155,436,359
Average number of treasury shares outstanding over the fiscal year	2,544,077	4,116,402
Average number of shares used to calculate earnings/(loss) per share	3,155,070,729	3,151,319,957
EARNINGS/(LOSS) PER SHARE *(in euros)*	**0.41**	**(0.01)**
Diluted earnings/(loss) per share		
Net income (Group share) *(in millions of euros)*	1,403	101
Net income attributable to shareholders *(in millions of euros)* [(a)]	1,298	(19)
Average number of ordinary shares outstanding over the fiscal year	3,157,614,806	3,155,436,359
Average number of treasury shares outstanding over the fiscal year	2,544,077	4,116,402
Number of potential dilutive shares arising from the exercising of stock option plans and the allocation of free bonus shares [(b)]	5,250,564	8,765,186
Average number of shares used to calculate diluted earnings/(loss) per share	3,160,321,293	3,160,085,143
DILUTED EARNINGS/(LOSS) PER SHARE *(in euros)*	**0.41**	**(0.01)**

(a) The difference between net income (Group share) and net income/(loss) attributable to shareholders corresponds to the interest generated on deeply subordinated notes and on preference shares, a negative €105 million at December 31, 2021 and a negative €119.4 million as at December 31, 2020.

(b) This number of shares refers to the shares granted under the 2019 and 2020 Bonus Share Plans (PAGA), and the 2018 Payments business line plan (PMP).

Note 6 Notes to the income statement

6.1 Interest margin

"Interest and similar income" and "Interest and similar expenses" comprise interest on fixed-income securities recognized as "Financial assets at fair value through other comprehensive income" and "Amortized cost", and interest on loans and receivables to and from banks and customers.

Financial assets and liabilities valued at amortized cost give rise to the recognition of interest calculated using the effective interest rate method.

This line item also includes interest on hedging derivatives.

Interest income also consists of interest on non-SPPI debt instruments not held under a trading model (classified by default as instruments at fair value).

Negative interest on financial assets is presented under "Interest and similar expenses"; negative interest on financial liabilities is presented under "Interest and similar income".

	31/12/2021			31/12/2020		
(in millions of euros)	**Income**	**Expense**	**Net**	Income	Expense	Net
Financial assets and liabilities at amortized cost	**2,286**	**(825)**	**1,461**	**2,485**	**(1,418)**	**1,067**
Central banks	29	(111)	(82)	72	(60)	12
Interest on securities	86	(78)	8	108	(94)	14
Receivables, loans and borrowings	2,172	(513)	1,658	2,305	(783)	1,522
Banks	496	(386)	110	468	(596)	(128)
Customers [(a)]	1,671	(127)	1,544	1,833	(187)	1,646
Finance leases	5		5	4		4
Debt securities and subordinated debt		(113)	(113)		(469)	(469)
Lease liabilities		(11)	(11)		(13)	(13)
Financial assets at fair value through other comprehensive income	**25**	**0**	**25**	**70**	**0**	**70**
Interest on securities	25	0	25	70	0	70
Loans and receivables	0		0	0		0
Financial assets to be valued at fair value through profit or loss	**53**		**53**	**66**		**66**
Loans and receivables	31		31	42		42
Interest on securities	23		23	24		24
Hedging derivatives	**281**	**(400)**	**(119)**	**318**	**(429)**	**(110)**
TOTAL [(B)]	**2,645**	**(1,225)**	**1,421**	**2,940**	**(1,847)**	**1,093**

(a) Including an income of €35.3 million concerning the impact of the continuation of the GBLs ("catch up": re-estimation of future cash flows);
(b) At December 31, 2021, the negative interest on financial assets and liabilities amounted to a negative €205 million (-€146.9 million as at December 31, 2020) and €372.9 million (€231 million as at December 31, 2020) respectively.

6.2 Net fee and commission income

The method of accounting for fees and commissions received in respect of services or financial instruments depends on the ultimate purpose of the services rendered and the method of accounting for the financial instruments to which the service relates. The main accounting principles applying are presented in Note 5.18.

Fiduciary or similar fees and commissions are those that result in assets being held or invested on behalf of individual customers, pension schemes or other institutions. In particular, trust transactions cover asset management and custody activities performed on behalf of third parties.

For certain funds managed by affiliates of Natixis Investment Managers, the contractual provisions of the prospectus stipulate the payment of a "performance fee" for any fund over-performance.

(in millions of euros)	31/12/2021 Income	31/12/2021 Expense	31/12/2021 Total	31/12/2020 Income	31/12/2020 Expense	31/12/2020 Total [b] [c]
Interbank transactions	10	(3)	7	8	(27)	(18)
Customer transactions	675	(60)	615	568	20	588
Securities transactions	65	(146)	(81)	76	(174)	(98)
Payment services [c]	29	(29)	0	477	(65)	412
Financial Services	248	(546)	(298)	121	(504)	(383)
Trust deals [a]	4,056	0	4,056	3,414	0	3,414
Financing, guarantee, securities and derivative commitments	288	(156)	131	313	(141)	172
Other [b]	147	(13)	134	107	(1,137)	(1,030)
TOTAL	**5,518**	**(953)**	**4,566**	**5,084**	**(2,028)**	**3,056**

(a) Of which performance fees in the amount of €587 million (of which €532 million for Europe) at December 31, 2021, versus €314 million (of which €286 million for Europe) as at December 31, 2020.

(b) The Insurance activities no longer contributed as of December 31, 2021 due to their classification on the line "Net income from discontinued operations". The share of net fees relating to these activities, the corresponding income of which is presented in "Net income from Insurance activities", represented a negative €1,125 million as at December 31, 2020.

(c) The activities of the Payments division no longer contributed at December 31, 2021 due to their reclassification to the line "Net income from discontinued operations". The share of net commissions of these activities represented €411 million as at December 31, 2020.

6.3 Gains and losses on financial assets and liabilities at fair value through profit or loss

This item includes gains and losses on financial assets and liabilities at fair value through profit and loss, whether held for trading or designated under the fair value option or at fair value. This line item also includes interest on these instruments, except for those presented as interest income.

"Hedging derivatives" include changes in the fair value of derivatives classified as fair value hedges, excluding interest, plus the symmetrical revaluation of the items hedged. They also include the "ineffective" portion of cash flow hedges.

(in millions of euros)	31/12/2021	31/12/2020
Net gains/(losses) on financial assets and liabilities excluding hedging derivatives	**1,537**	**1,021**
Net gains/(losses) on financial assets and liabilities held for trading [b]	2,650	1,601
o/w derivatives not eligible for hedge accounting	*(7,630)*	*3,722*
Net gains/(losses) on financial assets to be valued at fair value through profit or loss	7	66
Net gains/(losses) on financial assets and liabilities under the fair value option	(1,229)	(660)
Other	109	15
Hedging derivatives and revaluation of hedged items	**(7)**	**(19)**
Ineffective portion of cash flow hedges (CFH)	(18)	(11)
Ineffective portion of fair value hedges (FVH)	12	(9)
Changes in fair value hedges	*179*	*(133)*
Changes in hedged items	*(167)*	*124*
TOTAL [a]	**1,531**	**1,002**

(a) Insofar as the expenses and income presented in the income statement are classified by type and not by function, the net income of activities on financial instruments at fair value through profit and loss should be considered as a whole. The results presented above do not include the refinancing cost of these financial instruments, which is recorded in interest income or expenses.

(b) "Net gains/(losses) on financial assets and liabilities held for trading" include:

- *reductions applied to the fair value of the CDS concluded with the monoline companies: an increase in the reduced inventory was recorded during fiscal year 2021 of €13 million compared to an increase in the reduced inventory of €4.7 million (expense) as at December 31, 2020 (excluding the impact of foreign exchange and the effect of the BPCE guarantee), bringing the total reduced stock to €16.8 million at December 31, 2021 compared with €29.8 million as at December 31, 2020;*
- *as at December 31, 2021, a valuation adjustment recorded on the passive valuation of derivatives for own credit risk (DVA) of a negative €4.1 million (expense) compared to an income of €11.8 million at December 31, 2020;*
- *in addition, the value adjustment concerning the valuation of the counterparty risk (CVA) of financial assets was €25.7 million (income) at December 31, 2021 compared to a charge of €39.8 million at December 31, 2020;*
- *the Funding Valuation Adjustment (FVA) used on uncollateralized derivatives or imperfectly collateralized derivatives is also recognized on this line in the amount of €16.1 million (expense) at December 31, 2021 versus a negative €3.3 million as at December 31, 2020.*

6.4 Gains and losses on financial assets at fair value through other comprehensive income

The table below shows net gains and losses in financial assets at fair value through other comprehensive income recognized in net income over the period. They primarily consist of:

- income on the sale of debt instruments net of the impact of hedging instruments;
- dividends on equity instruments.

(in millions of euros)	**31/12/2021**	31/12/2020
Net gains on debt instruments	34	23
Net gains on loans and receivables		
Net gains on equity instruments (dividends)	94	50
TOTAL	**128**	**72**

Unrealized gains and losses recognized over the period are presented in the "Statement of net income (loss) and gains and losses recorded directly in other comprehensive income".

6.5 Net gains or losses resulting from the derecognition of financial instruments at amortized cost

This line item includes gains and losses resulting from the derecognition of debt securities and loans and receivables recognized at amortized cost, including the impact of hedging instruments.

As at December 31, 2021, net gains or losses resulting from the derecognition of instruments at amortized cost include €8 million in losses recorded following the sale of financial assets at amortized cost (versus losses of €13 million as at December 31, 2020) and the gains related to the sale of debt securities at amortized cost were neutral compared with a gain of €1 million as at December 31, 2020.

6.6 Other income and expenses

Income and expenses from other activities include incidental income and expenses.

	31/12/2021			31/12/2020		
(in millions of euros)	**Income**	**Expense**	**Net**	Income	Expense	Net
Operating leases	31	0	31	29	0	29
Other related income and expenses	69	(79)	(10)	227	(194)	33
TOTAL[(a)]	**100**	**(79)**	**21**	**256**	**(194)**	**62**

(a) The activities of the Insurance and Payments division no longer contributed as of December 31, 2021 due to their reclassification to the line "Net income from discontinued operations". The share of other income and expenses from these activities represented a loss of €57 million as at December 31, 2020.

6.7 Operating expenses and depreciation, amortization, and impairments

Operating expenses mainly comprise payroll costs, including wages and salaries net of rebilled expenses, social security expenses and employee benefits such as pensions (defined benefit plans), and expenses relating to share-based payments recognized in accordance with IFRS 2. A breakdown of these expenses is provided in Note 11.

This item also includes all administrative expenses and external services.

(in millions of euros)	Notes	31/12/2021	31/12/2020
Personnel costs	**10.2**	**(2,864)**	**(2,485)**
Wages and salaries			
o/w share-based payments [(a)]		*(17)*	*(19)*
Pension benefits and other long-term employee benefits		(217)	(230)
Social security expenses		(613)	(565)
Incentive and profit-sharing plans		(138)	(115)
Payroll-based taxes		(88)	(106)
Other		(29)	(4)
Total Personnel costs [(c) (d)]		**(3,949)**	**(3,505)**
Other operating expenses		**(214)**	**(300)**
Taxes and duties [(b)]			
External services		(1,321)	(1,579)
Other		(25)	(31)
Total Other operating expenses [(c) (d)]		**(1,560)**	**(1,910)**
TOTAL		**(5,509)**	**(5,415)**

(a) *The amount recognized for 2021 in respect of the retention and performance plans includes an expense of €16 million (versus an expense of €13 million as at December 31, 2020) for the portion of compensation paid in cash and indexed to the Natixis share price or the valuation formula, and an additional expense of €1 million (versus an expense of €6 million as at December 31, 2020) for the portion of compensation settled in Natixis shares.*

(b) *Of which a negative contribution of €136.7 million to the Single Resolution Fund (SRF) at December 31, 2021, versus a negative contribution of €165.3 million as at December 31, 2020.*

Of which the Social Security and Solidarity Contribution (C3S) for -€13.9 million at December 31, 2021, versus -€41.1 million as at December 31, 2020.

(c) *The Insurance activities no longer contributed as of December 31, 2021 due to their classification on the line "Net income from discontinued operations". The portion of personnel costs represented -€185.7 million and the portion of other operating expenses represented -€234.1 million at December 31, 2020.*

(d) *The activities of the Payments division no longer contributed to this aggregate as of December 31, 2021 due to their reclassification to the line "Net income from discontinued operations". The portion of personnel costs represented -€113.9 million and the portion of other operating expenses represented -€238.9 million at December 31, 2020.*

Additionally, depreciation, amortization and impairment on property, plant and equipment and intangible assets include -€7.5 million in accelerated depreciation for building arrangements that are to be released.

5

6.8 Provision for credit losses

This line item primarily includes income related to the recognition of credit risk as defined by IFRS 9:

- cash flows on provisions and impairments for 12-month and lifetime expected credit losses related to:
  - debt instruments recognized at amortized cost or at fair value through other comprehensive income,
  - lease receivables,
- loan or guarantee commitments given that do not fit the definition of derivative financial instruments;
- losses on irrecoverable loans, and recoveries of loans previously recognized as losses.

(in millions of euros)	31/12/2021 Charges	31/12/2021 Net reversals	31/12/2021 Write-offs not covered by provisions	31/12/2021 Recoveries of bad debts written off	31/12/2021 Net	31/12/2020 Charges	31/12/2020 Net reversals	31/12/2020 Write-offs not covered by provisions	31/12/2020 Recoveries of bad debts written off	31/12/2020 Net
Provisions for impairment of financial assets	**(992)**	**849**	**(7)**	**6**	**(144)**	**(1,372)**	**567**	**(3)**	**7**	**(801)**
Unimpaired financial assets – 12-month expected credit losses	(168)	149	0	0	(18)	(118)	90	0	0	(27)
Unimpaired financial assets – Lifetime expected credit losses	(490)	523	0	0	33	(395)	321	0	0	(73)
Impaired financial assets – Lifetime expected credit losses	(334)	176	(7)	6	(159)	(860)	156	(3)	7	(700)
Other	0	0	0	0	0					
Contingency reserves	**(519)**	**482**	**(0)**	**0**	**(37)**	**(403)**	**353**	**(0)**	**0**	**(51)**
Financing commitments – 12-month expected credit losses	(104)	98	0	0	(6)	(75)	50	0	0	(25)
Financing commitments – Lifetime expected credit losses	(351)	329	0	0	(22)	(295)	253	0	0	(41)
Impaired financing commitments – Lifetime expected credit losses	(50)	47	0	0	(4)	(25)	42	0	0	16
Other	(13)	8	(0)	0	(6)	(8)	8	(0)	0	(1)
TOTAL	**(1,511)**	**1,331**	**(7)**	**6**	**(181)**	**(1,775)**	**920**	**(3)**	**7**	**(851)**
of which:										
Reversals of surplus impairment provisions		*1,331*					*920*			
Reversals of utilized impairment provisions		*576*					*677*			
Sub-total reversals		**1,907**					**1,597**			
Write-offs covered by provisions		*(576)*					*(677)*			
TOTAL NET REVERSALS		**1,331**					**920**			

This item also includes any impairments recorded in respect of proven default risks associated with counterparties of OTC instruments, booked as financial assets at fair value through profit or loss equal to -€7.6 million as of December 31, 2021

6.9 Gains or losses on other assets

This item comprises capital gains and losses on the disposal of property, plant and equipment and intangible assets used in operations, as well as capital gains and losses on the disposal of investments in consolidated companies.

(in millions of euros)	31/12/2021 Investments in consolidated companies	31/12/2021 Property, plant and equipment and intangible assets	31/12/2021 Total [(a)]	31/12/2020 Investments in consolidated companies	31/12/2020 Property, plant and equipment and intangible assets	31/12/2020 Total [(b)]
Net capital gains/(losses) on disposals	(61)	5	(56)	(187)	0	(187)
TOTAL	**(61)**	**5**	**(56)**	**(187)**	**0**	**(187)**

(a) Including -€84.2 million for H2O recorded in the 2021 fiscal year (see Note 2.6).

(b) Including a loss of €145.6 million concerning the disposal of Coface and a loss of €47.6 million on H2O recorded in fiscal year 2020 (see Note 1.2 "Significant events" at 31 december 2020).

6.10 Reconciliation of the tax expense in the financial statements and the theoretical tax expense

(in millions of euros)	31/12/2021	31/12/2020
+ Net income (Group share)	1,403	101
+ Net income (Non-controlling interests)	106	81
+ Income tax expense	452	204
+ Income from discontinued operations	(379)	
+ Impairment of goodwill		
- Share in net income of associates	(19)	53
= Consolidated net income/(loss) before tax, goodwill amortization and share in income of associates	1,563	439
+/- Permanent differences [(a)]	(21)	282
= Consolidated taxable income/(loss)	1,542	721
x Theoretical tax rate [(b)]	28.40%	32.02%
= Theoretical tax charge	(438)	(231)
+ Income taxed at reduced rates	(1)	(2)
+ Losses for the period not recognized for deferred tax purposes	29	16
+ Impact of tax consolidation	5	18
+ Difference in tax rates for foreign subsidiaries	19	(3)
+ Tax on prior periods and other tax items [(c)]	(66)	(2)
= Tax charge for the period	**(452)**	**(204)**
of which: taxes payable	*(468)*	*(247)*
deferred tax	*16*	*43*

(a) *Permanent differences include the impact of the recognition of projected losses related to the sale of H2O by Natixis Investment Managers (a positive €84.2 million at December 31, 2021 compared with €49.0 million at December 31, 2020), the effect of the end of the tax consolidation in France (a gain of €49.0 million), as well as the positive impact of non-tax deductible regulatory contributions amounting to €89.1 million at December 31, 2021 versus €114.7 million as at December 31, 2020. In 2020, the permanent differences included the impact of the loss of control of the Coface division (a gain of €145.6 million).*

(b) *In 2021, the standard corporate tax rate fell to 28.40%.*

(c) *including the effects of changes in deferred tax assets recognized on Natixis' losses in France. These effects are mainly due to the planned entry of the companies of the Natixis tax consolidation group, which ended on December 31, 2021, into the BPCE tax consolidation group as of January 1, 2022. This entry would be accompanied by an option formulated by BPCE for the legal mechanism known as the extended base, allowing the losses of the former Natixis group to be offset against the profits of the companies of the Natixis tax consolidation group that have joined the BPCE tax consolidation group. This option would improve future capacity to allocate the deficit and the tax savings related to this allocation would have to be fully reallocated to Natixis.*

6.11 Net income from discontinued operations

The table below presents a breakdown of the item "Income from discontinued operations" by major category.

As of December 31, 2021, the item "Income from discontinued operations" concerns the income from the Insurance and Payments business lines to be transferred to BPCE *(see Notes 1.2 and 2.8)*.

(in millions of euros)	Notes	31/12/2021
Pre-tax profit from Insurance activities	6.11.1	490
Pre-tax profit from Payments	6.11.2	69
Pre-tax profit		**559**
Income tax		(180)
NET INCOME FROM DISCONTINUED OPERATIONS		**379**

6.11.1 Net income from Insurance activities

(in millions of euros)	**31/12/2021**	31/12/2020
Earned premiums	**14,061**	**10,557**
Premiums written	14,130	10,599
Change in unearned premium income	(69)	(41)
Other income from Insurance activities	**13**	**11**
Revenue from Insurance activities	**0**	**0**
Investment income (net of expenses)	**3,848**	**1,512**
Investment income	2,305	1,546
Investment expenses	(187)	(296)
Capital gains and losses on disposal of investments (net of reversals, write-downs and amortization)	204	131
Change in fair value of investments carried at fair value through profit or loss	1,616	306
Change in write-downs on investments	(91)	(176)
Amortization of acquisition costs	**17**	**2**
Policy benefit expenses	**(15,533)**	**(10,256)**
Income and expenses net of reinsurance transfers	**(64)**	**208**
Reinsurance transfer income	3,403	3,004
Reinsurance transfer expenses	(3,467)	(2,796)
Net income from Insurance activities	**2,342**	**2,034**
Interest and similar income		
Interest and similar expenses	(31)	(29)
Fee and commission income		
Fee and commission expenses	(1,202)	(1,069)
Net gains or losses on financial instruments at fair value through profit or loss	(70)	43
Income from other activities	38	26
Expenses from other activities	(102)	(88)
Operating expenses	(461)	(420)
Depreciation, amortization and provisions for impairment of property, plant and equipment and intangible assets	(32)	(44)
Share in income of associates	7	(17)
Gains or losses on other assets		(0)
Income tax	(140)	(172)
NET INCOME	**350**	**264**

6.11.2 Net income from the Payments business line

(in millions of euros)	**31/12/2021**	31/12/2020
Interest and similar income	2	3
Interest and similar expenses	(1)	
Fee and commission income	518	466
Fee and commission expenses	(46)	(52)
Net gains or losses on financial instruments at fair value through profit or loss	(0)	(0)
Income from other activities	71	42
Expenses from other activities	(63)	(37)
Operating expenses	(382)	(353)
Depreciation, amortization and provisions for impairment of property, plant and equipment and intangible assets	(23)	(17)
Provision for credit losses	(8)	2
Gains or losses on other assets	0	(0)
Income tax	(40)	(26)
NET INCOME	**29**	**29**

Note 7 Notes to the balance sheet

7.1 Financial assets and liabilities at fair value through profit and loss

These assets and liabilities are measured at fair value at the reporting date, with changes in fair value, including interest, recognized in the income statement under "Net gains or losses on financial instruments at fair value through profit and loss", except for:

- interest on hedging derivatives and non-SPPI instruments recorded as interest income and expenses in the income statement; and
- changes in fair value attributable to own credit risk on financial liabilities designated at fair value through profit or loss, recorded in other comprehensive income as "Revaluation of own credit risk on financial liabilities at fair value through profit or loss".

7.1.1 Financial assets at fair value through profit or loss

The table below shows the breakdown of financial assets at fair value through profit and loss by instrument type.

Financial instruments that must be measured at fair value through profit or loss include debt instruments and non-SPPI loans (for which the classification criteria are provided in Note 5.1.2), and equity instruments that we have opted not to recognize in equity.

	31/12/2021				31/12/2020			
(in millions of euros)	Financial assets held for trading	Financial assets to be valued at fair value through profit or loss [(a)]	Financial assets designated under the fair value option [(b)]	Total	Financial assets held for trading	Financial assets to be valued at fair value through profit or loss [(a)]	Financial assets designated under the fair value option [(b)]	Total
Securities	**60,537**	**2,703**	**44**	**63,286**	**51,565**	**2,437**	**21**	**54,023**
Debt instruments	18,962	1,721	44	20,727	18,833	1,703	21	20,556
Equity instruments	41,575	983		42,559	32,733	734	0	33,467
Financing against reverse repos [(c)]	**72,742**			**72,742**	**80,113**			**80,113**
Loans and receivables	**4,607**	**1,329**	**0**	**5,936**	**2,933**	**1,931**	**2**	**4,867**
Banks	0	377	0	377	0	963	2	966
Customers	4,607	952	0	5,559	2,932	969	0	3,901
Non-hedging derivatives [(c)]*	**54,725**			**54,725**	**59,591**	**0**	**0**	**59,591**
Security deposits paid	**15,338**			**15,338**	**17,711**	**0**	**0**	**17,711**
TOTAL	**207,949**	**4,032**	**44**	**212,025**	**211,913**	**4,368**	**23**	**216,304**

(a) The criteria for classifying financial assets at fair value through profit or loss if they do not meet the SPPI criterion used by Natixis are provided in Note 5.1.2.
(b) only in the case of an accounting mismatch as defined by IFRS 9 (see Note 5.1.5).
(c) the information presented takes into account the impact of offsetting carried out in accordance with IAS 32 (see Note 7.3).
** Amounts restated in relation to the financial statements at December 31, 2020 (see Note 5.4).*

7.1.2 Financial liabilities at fair value through profit or loss

The table below shows the breakdown of financial liabilities at fair value through profit and loss by instrument type.

(in millions of euros)	31/12/2021 Financial liabilities issued for trading	31/12/2021 Financial liabilities designated under the fair value option	31/12/2021 Total	31/12/2020 Financial liabilities issued for trading	31/12/2020 Financial liabilities designated under the fair value option	31/12/2020 Total [(b)]
Note		*7.1.2.1*			*7.1.2.1*	
Securities	**24,639**	**22,367**	**47,006**	**20,877**	**22,776**	**43,654**
Debt securities	7	22,267	22,274	295	22,677	22,972
Subordinated debt	0	100	100	0	99	99
Short sales	24,632	0	24,632	20,582	0	20,582
Repurchased securities [(a)]	**87,665**	**0**	**87,665**	**95,263**	**0**	**95,263**
Liabilities	**5**	**300**	**305**	**13**	**3,795**	**3,808**
Due to banks	0	151	151	0	151	150
Customer deposits	5	36	41	13	120	133
Other liabilities	0	113	113	0	3,525	3,525
Non-hedging derivatives [(a)]*	**51,875**	**0**	**51,875**	**55,652**	**0**	**55,652**
Security deposits received	**13,776**	**0**	**13,776**	**15,844**	**0**	**15,844**
TOTAL	**177,961**	**22,667**	**200,628**	**187,650**	**26,571**	**214,221**

(a) The information presented takes into account the impact of offsetting carried out in accordance with IAS 32 (see Note 7.3).
(b) Including €3,461 million for the Insurance business line, classified as "Non-current liabilities held for sale" at December 31, 2021 (see Notes 1.2 and 7.10).
** Amounts restated in relation to the financial statements as at December 31, 2020 (see Note 5.4).*

Conditions for classification of financial liabilities under the fair value option

Financial liabilities are designated at fair value through profit or loss when this choice provides more pertinent information or when the instruments incorporate one or more significant and separable embedded derivatives *(see Note 5.1.5)*.

The use of the fair value option is considered to provide more pertinent information in two situations:

- where there is an accounting mismatch between economically linked assets and liabilities. In particular, the fair value option is used when hedge accounting conditions are not met: in such cases, changes in the fair value of the hedged item automatically offset changes in the fair value of the hedging derivative;
- where a portfolio of financial assets and liabilities is managed and recognized at fair value as part of a documented policy of asset and liability management.

Liabilities measured at fair value through profit and loss mainly comprise issues originated and structured on behalf of customers for which risks and hedging are collectively managed. These issues include significant embedded derivatives for which changes in value are neutralized, except for those allocated to own credit risk, by those of the derivative instruments hedging them.

(in millions of euros)	31/12/2021 Carrying amount	31/12/2021 Accounting mismatch	31/12/2021 Managed on a fair value basis	31/12/2021 Embedded derivatives	31/12/2020 Carrying amount	31/12/2020 Accounting mismatch	31/12/2020 Managed on a fair value basis	31/12/2020 Embedded derivatives
Due to banks	151	3		148	151	4		147
Customer deposits	36	0		36	120	0		120
Debt securities	22,267	18,661		3,606	22,677	19,030		3,647
Subordinated debt	100	0		100	99	0		99
Other liabilities [(a)]	113	113		0	3,525	3,525		0
TOTAL	**22,667**	**18,777**		**3,890**	**26,571**	**22,558**		**4,013**

(a) Including €3,459 million relating to the Insurance business line classified as "Non-current liabilities held for sale" at December 31, 2021 (see Notes 1.2 and 7.10).
Some liabilities issued and recognized under the fair value option through profit or loss are covered by a guarantee. The effect of this guarantee is incorporated into the fair value of the liabilities.

7.1.2.1 Financial liabilities under the fair value option and credit risk

The carrying amount of financial liabilities designated at fair value through profit or loss corresponds to their fair value shown on the balance sheet.

The amount contractually due on loans at maturity represents the principal amount outstanding at the reporting date, plus any accrued interest not yet due. The amount contractually due on securities represents their redemption value.

Financial liabilities under the fair value option for which credit risk is recognized in "shareholders' equity"

(in millions of euros)	31/12/2021				31/12/2020			
	Carrying amount	**Amount contrac tually due at maturity**	**Difference between carrying amount and amount contrac-tually due at maturity**	**Cumulative changes in the fair value of financial liabilities, designated at fair value through profit or loss, attributable to credit risk**	Carrying amount	Amount contrac-tually due at maturity	Difference between carrying amount and amount contrac-tually due at maturity	Cumulative changes in the fair value of financial liabilities, designated at fair value through profit or loss, attributable to credit risk
Debt securities [(a)]	22,267	22,169	98	124	22,677	22,339	338	136
Subordinated debt [(a)]	100	100	0	(0)	99	100	(1)	(1)
TOTAL [(b)]	**22,367**	**22,269**	**98**	**124**	**22,776**	**22,439**	**337**	**135**

(a) *Balancing payments relating to the early redemption of Natixis issues recognized in shareholders' equity over the 2021 fiscal year totaled a negative €3 million versus €0.2 million over the 2020 fiscal year.*

(b) *The fair value, determined using the calculation method described in Note 7.5, recorded in respect of internal credit risk on Natixis issues, totaled a negative €123.9 million at December 31, 2021 versus a negative €134.9 million as at December 31, 2020.*
Besides changes in the outstanding amount, this difference reflects changes in the Natixis spread since the close of the previous year's accounts.

Financial liabilities under the fair value option for which credit risk is recognized in net income

(in millions of euros)	31/12/2021			31/12/2020		
	Carrying amount	**Amount contractually due at maturity**	**Difference between carrying amount and amount contractually due at maturity**	Carrying amount	Amount contractually due at maturity	Difference between carrying amount and amount contractually due at maturity
Due to banks	151	156	(5)	151	146	5
Customer deposits	36	36	0	120	119	0
Other liabilities [(a)]	113	113	0	3,525	3,525	0
TOTAL	**300**	**305**	**(5)**	**3,795**	**3,790**	**5**

(a) *Including €3,459 million for the Insurance business line, classified as "Non-current liabilities held for sale" at December 31, 2021 (see Notes 1.2 and 7.10).*

7.1.3 Derivatives not eligible for hedge accounting

Derivative financial instruments not eligible for hedge accounting are classified as held for trading, irrespective of the period over which they are expected to be held.

	31/12/2021			31/12/2020		
(in millions of euros)	Notional	Assets	Liabilities	Notional	Assets	Liabilities
Organized market	**377,929**	**1,621**	**1,579**	**343,177**	**993**	**622**
Interest rate derivatives	305,422	0		269,680	502	250
Foreign exchange derivatives	200			583		
Equity derivatives	71,583	1,621	1,579	72,139	491	372
Credit derivatives		0	0			0
Other contracts	724			775		
Over-the-counter	**8,622,310**	**53,104**	**50,296**	**6,044,952**	**58,599**	**55,031**
Interest rate derivatives	7,291,330	30,010	26,221	4,902,693	37,895	32,749
Foreign exchange derivatives *	1,096,399	18,586	18,673	911,861	15,642	16,340
Equity derivatives	111,349	2,666	3,352	103,966	3,042	3,892
Credit derivatives	36,340	706	730	45,077	830	1,062
Other contracts	86,892	1,136	1,321	81,354	1,190	988
TOTAL	**9,000,240**	**54,725**	**51,875**	**6,388,129**	**59,591**	**55,652**
o/w banks	***1,743,158***	***37,606***	***33,748***	***1,657,537***	***36,963***	***36,432***
o/w other financial companies	***6,607,114***	***9,569***	***11,745***	***4,146,948***	***8,481***	***9,618***

* *Amounts restated in relation to the financial statements at December 31, 2020 (see Note 5.4).*

The notional amounts of derivative financial instruments are merely an indication of the volume of the Group's business on the financial instruments market, and do not reflect the market risks associated with such instruments.

7.2 Hedging derivatives

Derivatives may only be designated as hedges if they meet the criteria set out in IAS 39 at inception and throughout the term of the hedge. These criteria include formal documentation that the hedging relationship between the derivatives and the hedged items is both prospectively and retrospectively effective. Hedging relationships are presumed to be effective when, retrospectively, changes in the value of the hedging instrument offset changes in the value of the hedged item within a range of 80-125%.

Cash flow hedges are mainly used by Natixis to hedge the overall interest rate risk.

Fair value hedging is used to hedge changes in the fair value of fixed-income securities on an individual basis, as well as comprehensive hedging of the interest-rate risk of Natixis Financial Products LLC according to the carve-out provisions of IAS 39.

	31/12/2021		31/12/2020	
(in millions of euros)	Fair value assets	Fair value liabilities	Fair value assets	Fair value liabilities
Cash flow hedges	**62**	**29**	**59**	**70**
Over-the-counter	**62**	**29**	**59**	**70**
Interest rate derivatives	62	29	59	70
Currency derivatives				
Fair value hedges	**127**	**259**	**171**	**455**
Over-the-counter	**127**	**259**	**171**	**455**
Interest rate derivatives	127	259	171	455
Currency derivatives				
TOTAL	**190**	**288**	**230**	**525**

The notional amounts of derivative financial instruments are merely an indication of the volume of the Group's business on the financial instruments market, and do not reflect the market risks associated with such instruments.

7.2.1 Fair value hedging of assets and liabilities

(in millions of euros)	Hedging of interest rate risk 31/12/2021 Carrying amount	of which revaluation of the hedged portion	Hedged portion still to be deferred	Hedging of interest rate risk 31/12/2020 Carrying amount	of which revaluation of the hedged portion	Hedged portion still to be deferred
Assets	**17,194**	**71**	**0**	**19,014**	**396**	**2**
Financial assets at fair value through other comprehensive income	**10,171**	**(37)**		**10,570**	**185**	
Fixed-income securities	10,171	(37)		10,570	185	
Equities and other variable-income securities						
Financial assets at amortized cost	**7,023**	**108**	**0**	**8,444**	**211**	**2**
Loans and receivables due from banks	5,364	99	0	6,547	169	2
Loans and receivables due from customers	1,660	9		1,897	42	
Fixed-income securities						
Liabilities	**3,498**	**40**		**3,623**	**106**	
Financial liabilities at amortized cost	**3,498**	**40**		**3,623**	**106**	
Amounts due to credit institutions	2,033	(3)		2,244	32	
Amounts due to customers	5	(0)		25	(1)	
Debt securities	1,331	1		1,224	21	
Subordinated debt	130	42		130	54	

7.2.2 Cash flow hedging of assets and liabilities

(in millions of euros)	31/12/2021 Fair value of hedging derivative [(a)]	o/w effective portion	o/w ineffective portion	31/12/2020 Fair value of hedging derivative [(a)]	o/w effective portion	o/w ineffective portion
Hedging of interest rate risk	33	30	3	(11)	(19)	8
Currency hedging	(25)	(20)	(4)	25	25	0
TOTAL	**9**	**10**	**(1)**	**14**	**5**	**8**

(a) The asset and liability fair value of the hedging derivatives is presented in net terms.

7.2.2.1 Cash flow hedging – Analysis of other items of comprehensive income

(in millions of euros)	01/01/2020	Change in effective portion	Reclassification of effective portion in income	Hedged item partially or fully settled	31/12/2020	Change in effective portion	Reclassification of effective portion in income	Hedged item partially or fully settled	31/12/2021
Amount of OCI for CFH transactions	(3)	36	(32)	7	5	(41)	66	16	46
TOTAL	**(3)**	**36**	**(32)**	**7**	**5**	**(41)**	**66**	**16**	**46**

The hedged portion still to be deferred came to €37 million at December 31, 2021 and €41 million as at December 31, 2020.

7.3 Offsetting off financial assets and liabilities

The table below presents the amounts offset on the Natixis balance sheet meeting the criteria set out in IAS 32, as well as the impacts linked to the existence of an enforceable right of set-off under a master netting arrangement or similar agreements that do not meet the criteria set out in IAS 32 dealing with offsetting.

The net amount of financial assets and financial liabilities recognized (including amounts not offset on the balance sheet which may or may not be subject to master netting arrangements or similar agreements), after deducting the gross offset amounts, correspond to the gross balances presented on the balance sheet.

The gross offset amounts reflect repurchase agreements and derivative transactions, most of which carried out with clearing houses, for which the criteria set out in IAS 32 are met:

- for listed derivatives, the positions recorded under the respective asset and liability items for:
  - index options and futures options are offset by maturity and by currency,
  - equity options are offset by ISIN code and maturity date;
- for OTC derivatives, the information is presented in consideration of the effects of the currency offset between asset valuations, liability valuations and variations in margin;
- for listed derivatives, the positions recorded under the respective asset and liability items for:
  - index options and futures options are offset by maturity and by currency,
  - equity options are offset by ISIN code and maturity date;
- as regards repurchase agreements, Natixis records on its balance sheet the net value of repurchase and reverse repurchase agreements that:
  - entered into with the same counterparty, and which:
    - have the same maturity date,
    - involve the same custodian (unless the custodian has signed up to the T2S platform),
    - are made in the same currency.

As of December 31, 2020, OTC derivatives handled with the clearing houses LCH Clearnet Ltd, Eurex Clearing AG and CME Clearing were not subjected to accounting offsets in the sense of IAS 32, but rather a daily liquidation (application of the "Settlement to Market" principle, as provided by those three clearing houses so that margin calls are now considered a routine liquidation of derivatives, rather than security deposits as before).

These tables also show the impacts of master arrangements or similar agreements corresponding to derivative amounts or outstanding repos covered by master netting arrangements or similar agreements under which the net settlement criterion or the simultaneous settlement of assets and liabilities cannot be demonstrated or for which the right to set-off cannot be exercised except in the event of the default, insolvency or bankruptcy of one or more counterparties. These amounts are not offset on the balance sheet.

7.3.1 Financial assets

	31/12/2021			31/12/2020*		
	Gross amount of financial assets offset in the balance sheet	**Gross amount of financial liabilities offset in the balance sheet**	**Net amount of financial assets recognized in the balance sheet**	Gross amount of financial assets offset in the balance sheet	Gross amount of financial liabilities offset in the balance sheet	Net amount of financial assets recognized in the balance sheet
(in millions of euros)	**(a)**	**(b)**	**(c) = (a) - (b)**	(a)	(b)	(c) = (a) - (b)
Financial assets at fair value through profit or loss	**162,053**	**34,586**	**127,467**	**151,481**	**17,703**	**133,777**
Derivatives	*57,817*	*3,091*	*54,725*	*56,219*	*2,554*	*53,664*
Repurchase agreements	*104,237*	*31,495*	*72,742*	*95,262*	*15,149*	*80,113*
Hedging derivatives	**226**	**37**	**190**	**254**	**25**	**230**
Loans and receivables due from credit institutions	**3,683**	**1,850**	**1,833**	**7,812**	**5,057**	**2,755**
Repurchase agreements	*3,683*	*1,850*	*1,833*	*7,812*	*5,057*	*2,755*
Customer loans and receivables	**3,035**	**0**	**3,035**	**4,141**	**0**	**4,141**
Repurchase agreements	*3,035*	*0*	*3,035*	*4,141*	*0*	*4,141*
TOTAL	**168,998**	**36,473**	**132,525**	**163,688**	**22,785**	**140,903**

* *Amounts not restated in relation to the financial statements at December 31, 2020 (see Note 5.4).*

	31/12/2021				31/12/2020*			
	Net amount of financial assets recognized in the balance sheet	**Impact of master netting and similar agreements [a]**	**Guarantees received in cash**	**Net exposure**	Net amount of financial assets recognized in the balance sheet	Impact of master netting and similar agreements*	Guarantees received in cash	Net exposure
(in millions of euros)	**(c)**	**(d)**	**(f)**	**(g) = (c) - (d)**	(c)	(d)	(f)	(g) = (c) - (d)
Derivatives	54,915	34,773	9,253	10,889	53,894	34,577	11,246	8,071
Repurchase agreements	77,610	75,990	8	1,612	87,009	83,766	5	3,238
TOTAL	**132,525**	**110,763**	**9,260**	**12,501**	**140,903**	**118,343**	**11,251**	**11,309**

(a) Including guarantees received in the form of securities
* *Amounts not restated in relation to the financial statements as at December 31, 2020 (see Note 5.4).*

7.3.2 Financial liabilities

	31/12/2021			31/12/2020*		
	Gross amount of financial liabilities offset in the balance sheet	Gross amount of financial assets offset in the balance sheet	Net amount of financial liabilities recognized in the balance sheet	Gross amount of financial liabilities offset in the balance sheet	Gross amount of financial assets offset in the balance sheet	Net amount of financial liabilities recognized in the balance sheet
(in millions of euros)	(a)	(b)	(c) = (a) - (b)	(a)	(b)	(c) = (a) - (b)
Financial liabilities at fair value through profit or loss	**174,128**	**34,589**	**139,540**	**162,866**	**17,705**	**145,161**
Derivatives	*54,969*	*3,094*	*51,875*	*52,454*	*2,556*	*49,897*
Repurchase agreements	*119,160*	*31,495*	*87,665*	*110,412*	*15,149*	*95,263*
Hedging derivatives	**322**	**34**	**288**	**548**	**23**	**525**
Amounts due to credit institutions	**7,835**	**1,850**	**5,985**	**14,186**	**5,057**	**9,129**
Repurchase agreements	*7,835*	*1,850*	*5,985*	*14,186*	*5,057*	*9,129*
Amounts due to customers	**797**	**0**	**797**	**17**	**0**	**17**
Repurchase agreements	*797*	*0*	*797*	*17*	*0*	*17*
TOTAL	**183,083**	**36,473**	**146,610**	**177,618**	**22,785**	**154,833**

* *Amounts not restated in relation to the financial statements at December 31, 2020 (see Note 5.4).*

	31/12/2021				31/12/2020*			
	Net amount of financial liabilities recognized in the balance sheet	Impact of master netting and similar agreements (a)	Guarantees given in the form of Cash	Net exposure	Net amount of financial liabilities recognized in the balance sheet	Impact of master netting and similar agreements*	Guarantees given in the form of Cash	Net exposure
(in millions of euros)	(c)	(d)	(f)	(g) = (c) - (d)	(c)	(d)	(f)	(g) = (c) - (d)
Derivatives	52,163	35,681	8,899	7,582	50,423	35,430	10,805	4,188
Repurchase agreements	94,447	93,110	1	1,337	104,410	104,277	0	132
TOTAL	**146,610**	**128,791**	**8,899**	**8,919**	**154,833**	**139,707**	**10,806**	**4,320**

(a) *Including guarantees given in the form of securities.*
* *Amounts not restated in relation to the financial statements at December 31, 2020 (see Note 5.4).*

7.4 Financial assets at fair value through other comprehensive income

This line item covers debt instruments managed under a "hold to collect and sell" business model, with cash flows that meet SPPI criteria *(see Note 5.1.4)*, such as debt instruments held in the liquidity reserve and equity instruments that Natixis has irrevocably opted to measure at fair value through other comprehensive income.

	31/12/2021				31/12/2020			
	Debt instruments				Debt instruments			
(in millions of euros)	Unimpaired financial assets (a)	Impaired financial assets (b)	Equity instruments (c)	Total	Unimpaired financial assets (a)	Impaired financial assets (b)	Equity instruments	Total
Note	*7.4.1*	*7.4.1*	*7.4.2*		*7.4.1*	*7.4.1*	*7.4.2*	
Securities	11,101		1,022	12,122	12,550		644	13,194
Loans and receivables								
TOTAL	**11,101**		**1,022**	**12,122**	**12,550**		**644**	**13,194**

(a) *Comprises unimpaired financial assets for which value adjustments are calculated based on 12-month expected credit losses (Stage 1) or lifetime expected credit losses (Stage 2).*
(b) *Impaired financial assets (Stage 3) are assets for which a default event has been identified as defined in Article 178 of the EU Regulation of June 26, 2013 on regulatory requirements for credit institutions.*
(c) *Including Coface for €188.9 million (see Note 1.2).*

7.4.1 Reconciliation table for financial assets at fair value through recyclable other comprehensive income

The tables below show, for each class of instrument, changes over the 2021 fiscal year in accounting items and impairments and provisions related to financial assets at fair value through recyclable equity.

	Financial assets at fair value through recyclable other comprehensive income									
	Unimpaired assets for which expected credit losses are measured over 12 months (S1 bucket)		Unimpaired assets for which expected credit losses are measured on a lifetime basis (S2 bucket)		Assets impaired after their origination/acquisition (S3 bucket)		Assets impaired on origination/acquisition		TOTAL	
(in millions of euros)	Gross carrying amount	Value adjustment for credit losses	Gross carrying amount	Value adjustment for credit losses	Gross carrying amount	Value adjustment for credit losses	Gross carrying amount	Value adjustment for credit losses	Gross carrying amount	Value adjustment for credit losses
BALANCE AS AT 01/01/2020	**11,529**	**(0)**	**33**	**(0)**	**0**	**0**	**0**	**0**	**11,563**	**(0)**
New originated or acquired contracts	1,275	0							1,275	0
Changes in contractual cash flows not giving rise to derecognition	0	0								
Variations linked to changes in credit risk parameters *(excluding transfers)*	677	(1)							677	(1)
Financial asset transfers	*33*	*0*	*(33)*	*0*						
Transfers to S1	33	0	(33)	0						
Transfers to S2										
Transfers to S3										
Contracts fully repaid or sold during the period	(653)	0							(653)	0
Impairment in value *(write-off)*										
Variations linked to changes in exchange rates	(312)	0							(312)	0
Changes in the model used										
Other changes	1	0							1	0
BALANCE AS AT 31/12/2020	**12,551**	**(1)**	**0**	**0**	**0**	**0**	**0**	**0**	**12,551**	**(1)**
New originated or acquired contracts	1,648	(0)							1,648	(0)
Changes in contractual cash flows not giving rise to derecognition										
Variations linked to changes in credit risk parameters *(excluding transfers)*	(1,818)	0							(1,818)	0
Financial asset transfers										
Transfers to S1										
Transfers to S2										
Transfers to S3										
Contracts fully repaid or sold during the period	(1,485)	0							(1,485)	0
Impairment in value *(write-off)*										
Variations linked to changes in exchange rates	205	(0)							205	(0)
Changes in the model used										
Other changes	0	0								0
BALANCE AS AT 31/12/2021	**11,101**	**(0)**							**11,101**	**(0)**

7.4.2 Equity instruments at fair value through other comprehensive income

(in millions of euros)	31/12/2021					31/12/2020				
		Dividends recognized over the period		Derecognition over the period			Dividends recognized over the period		Derecognition over the period	
	Fair value	Equity instruments held as at 31/12/2021	Equity instruments derecognized during the period	Fair value on date of sale	Cumulative profit or loss on date of sale	Fair value [(a)]	Equity instruments held as at 31/12/2020	Equity instruments derecognized during the period	Fair value on date of sale	Cumulative profit or loss on date of sale
Investments in unconsolidated companies	1,022	94	0	37	7	644	50	0	13	0
Other equity instruments										
TOTAL	**1,022**	**94**	**0**	**37**	**7**	**644**	**50**	**0**	**13**	**0**

(a) *Including €10 million for the Payments business line, classified as "Non-current assets held for sale" at December 31, 2021 (see Notes 1.2 and 7.10).*

7.5 Fair value of financial assets and liabilities carried at fair value in the balance sheet

For financial reporting purposes, the fair value of financial and non-financial instruments has been broken down in accordance with a fair value hierarchy that reflects the observability of the models and parameters used to make these assessments *(see Note 5.6)*. The three levels of the fair value hierarchy are presented below.

For derivative instruments, fair values are broken down based on the dominant risk factor, i.e. primarily interest rate risk, foreign exchange risk, credit risk and equity risk:

Assets (in millions of euros)	31/12/2021 Carrying amount	31/12/2021 Level 1	31/12/2021 Level 2	31/12/2021 Level 3	31/12/2020 Carrying amount	31/12/2020 Level 1	31/12/2020 Level 2	31/12/2020 Level 3
Financial assets held for trading	**153,223**	**56,414**	**92,956**	**3,853**	**152,322**	**48,143**	**102,117**	**2,062**
o/w debt instruments in the form of securities	*18,962*	*16,592*	*2,135*	*235*	*18,833*	*15,848*	*2,887*	*98*
o/w equity instruments	*41,575*	*39,822*	*1,747*	*6*	*32,733*	*32,295*	*438*	
o/w loans and receivables	*77,349*		*73,737*	*3,612*	*83,046*		*81,082*	*1,964*
o/w security deposits paid	*15,338*		*15,338*		*17,711*		*17,711*	
Derivative instruments not eligible for hedge accounting (positive fair value)	**54,725**	**312**	**51,596**	**2,817**	**53,664**	**1,048**	**50,859**	**1,757**
o/w interest rate derivatives	*30,010*	*0*	*29,166*	*844*	*38,397*	*28*	*37,824*	*545*
*o/w currency derivatives**	*18,586*		*17,900*	*686*	*9,715*		*9,230*	*484*
o/w credit derivatives	*706*		*515*	*191*	*830*		*647*	*184*
o/w equity derivatives	*4,287*	*0*	*3,193*	*1,094*	*3,533*	*445*	*2,544*	*544*
o/w other	*1,137*	*312*	*822*	*3*	*1,190*	*575*	*615*	*0*
Financial assets to be valued at fair value through profit or loss	**4,032**	**1,158**	**940**	**1,935**	**4,368**	**1,167**	**1,996**	**1,205**
o/w equity instruments	*983*	*208*	*0*	*775*	*734*	*156*	*0*	*578*
o/w debt instruments in the form of securities	*1,721*	*949*	*107*	*665*	*1,703*	*1,011*	*124*	*568*
o/w loans and receivables	*1,329*		*833*	*496*	*1,931*		*1,873*	*59*
Financial assets designated under the fair value option	**44**			**44**	**23**		**2**	**21**
o/w debt instruments in the form of securities	*44*			*44*	*21*			*21*
o/w loans and receivables					*2*		*2*	
Hedging derivatives (assets)	**190**		**190**		**230**		**230**	
o/w interest rate derivatives	*190*		*190*		*230*		*230*	
Financial assets at fair value through other comprehensive income	**12,121**	**11,017**	**456**	**648**	**13,194**	**11,963**	**739**	**490**
o/w equity instruments	*1,020*	*372*	*0*	*648*	*643*	*152*	*0*	*490*
o/w debt instruments in the form of securities	*11,101*	*10,645*	*456*		*12,550*	*11,811*	*739*	
o/w loans and receivables								
TOTAL	**224,336**	**68,901**	**146,138**	**9,298**	**223,800**	**62,321**	**155,944**	**5,534**

* *Amounts not restated in relation to the financial statements at December 31, 2020 (see Note 5.4).*

Liabilities *(in millions of euros)*	31/12/2021 Carrying amount	Level 1	Level 2	Level 3	31/12/2020 Carrying amount	Level 1	Level 2	Level 3
Financial liabilities held for trading	**38,416**	**24,488**	**13,907**	**21**	**36,722**	**20,567**	**16,154**	**0**
o/w securities issued for trading purposes	*24,640*	*24,488*	*130*	*21*	*20,877*	*20,567*	*310*	*0*
o/w security deposits received	*13,776*		*13,776*		*15,844*		*15,844*	
Derivative instruments not eligible for hedge accounting (negative fair value)	**51,875**	**143**	**48,876**	**2,857**	**49,897**	**713**	**47,707**	**1,477**
o/w interest rate derivatives	*26,221*		*25,531*	*690*	*32,998*	*4*	*32,672*	*322*
*o/w currency derivatives**	*18,673*		*18,117*	*556*	*10,585*	*0*	*10,303*	*282*
o/w credit derivatives	*730*		*514*	*216*	*1,062*		*799*	*263*
o/w equity derivatives	*4,931*	*0*	*3,583*	*1,347*	*4,264*	*258*	*3,404*	*601*
o/w other	*1,321*	*142*	*1,131*	*48*	*988*	*451*	*529*	*8*
Other financial liabilities held for trading	**87,670**		**87,257**	**412**	**95,276**		**94,702**	**574**
Financial liabilities designated under the fair value option	**22,667**	**112**	**12,887**	**9,668**	**26,571**	**3,045**	**14,768**	**8,758**
o/w securities under the fair value option	*22,367*		*12,803*	*9,564*	*22,776*		*14,022*	*8,754*
o/w other financial liabilities under the fair value option	*300*	*112*	*83*	*105*	*3,795*	*3,045*	*746*	*4*
Hedging derivatives (liabilities)	**288**		**288**		**525**		**525**	
o/w interest rate derivatives	*288*		*288*		*525*		*525*	
TOTAL	**200,915**	**24,743**	**163,214**	**12,959**	**208,992**	**24,326**	**173,857**	**10,809**

* *Amounts not restated in relation to the financial statements at December 31, 2020 (see Note 5.4).*

The data regarding the fair value measurements for the Insurance activities are presented in Note 7.10.

a) Level 1: Fair value measurement using prices quoted on liquid markets

Level 1 comprises instruments whose fair value is determined based on directly usable prices quoted on active markets.

This mainly includes securities listed on a stock exchange or traded continuously on other active markets, derivatives traded on organized markets (futures, options, etc.) whose liquidity can be demonstrated, and mutual fund units whose NAV is determined and reported on a daily basis.

b) Level 2: Fair value measurement using observable market models and parameters

Level 2 fair value comprises instruments other than those mentioned in Level 1 fair value and instruments measured using a valuation technique incorporating inputs that are either directly observable (prices) or indirectly observable (price derivatives) through to maturity. This mainly includes:

Simple instruments

Most OTC derivatives, swaps, credit derivatives, forward rate agreements, caps, floors and plain vanilla options are traded in active markets, i.e. liquid markets in which trades occur regularly. These instruments are valued using generally accepted models (discounted cash flow method, Black & Scholes model, interpolation techniques), and on the basis of directly observable inputs. For these instruments, the extent to which models are used and the observability of inputs has been documented.

Instruments measured using Level 2 inputs also include:

- securities that are less liquid than those classified as Level 1, whose fair value is determined based on external prices put forward by a reasonable number of active market makers and which are regularly observable without necessarily being directly executable (prices mainly taken from contribution and consensus databases); where these criteria are not met, the securities are classified as Level 3 fair value;
- securities not listed on an active market whose fair value is determined on the basis of observable market data, for example use of market data from comparable companies, or multiples method based on techniques commonly used by market players;
- Greek sovereign debt whose fair value is classified as Level 2;
- mutual fund units whose NAV is not determined and published on a daily basis, but are subject to regular reporting or offer observable data from recent transactions;
- debt issues measured under the fair value option where the underlying derivatives are classified in Level 2.

  Issuer credit risk is also considered as observable. The valuation of the "issuer credit risk" component is based on the discounted cash-flow method, using inputs such as yield curves, revaluation spreads, etc. For each issue, this valuation represents the product of its remaining notional amount and its sensitivity, taking into account the existence of calls, and based on the difference between the revaluation spread (based on BPCE's cash reoffer curve at December 31, 2021, as on previous reporting dates) and the average issue spread. Changes in the issuer spread are generally not material for issues with an initial maturity of less than one year.

Complex instruments

Some more hybrid and/or long-maturity financial instruments are measured using a recognized model on the basis of market inputs derived from observable data such as yield curves, implied volatility layers of options, market consensus data or active OTC markets.

The main models for determining the fair value of these instruments are described below by type of product:

- equity products: complex products are valued using:
  - market data,
  - a payoff, i.e. a calculation of positive or negative cash flows attached to the product at maturity,
  - a model of changes in the underlying asset.

  The products traded may be mono-underlying, multi-underlying or hybrid (e.g. fixed income/equity) products.

  The main models used for equity products are local volatility, local volatility combined with the one-factor Hull & White (H&W1F) model, as well as the Local Stochastic Volatility ("LSV") models.

  The local volatility model treats volatility as a function of time and the price of the underlying. Its main property is that it considers the implied volatility of the option (derived from market data) relative to its exercise price.

  The hybrid local volatility combined with H&W1F consists of combining the local volatility model described above with a one-factor Hull & White model, described below *(see fixed-income products)*.

  The LSV Model is based on joint diffusion of the underlying asset and its volatility (two factors in total), with a local volatility function (called a "decorator") in order to be consistent with all of the vanilla options;
- fixed-income products: fixed-income products generally have specific characteristics which justify the choice of model. The valuation of the payoff will take into account all underlying risk factors.

  The main models used to value and manage fixed-income products are the one-factor (HW1F) and two-factor (HW2F) Hull & White models, or the one-factor Hull & White stochastic volatility model (HW1FVS).

  The HW1F model makes it possible to model the yield curve with a single Gaussian factor and one calibration of the vanilla rate options.

  The HW2F model makes it possible to model the yield curve with two factors and one calibration of the vanilla rate options and spread-option instruments.

  The HW1VS model makes it possible to jointly model the Gaussian factor representing the yield curve and its volatility (like the LSV model for equity);
- currency products: currency products generally have specific characteristics which justify the choice of model.

  The main models used to value and manage currency products are local volatility and stochastic models (like the LSV model for the equity scope), as well as the hybrid models combining an underlying currency model with two one-factor Hull & White models to understand domestic and foreign economies' fixed-income curves;
- credit derivatives: products generally have specific characteristics that justify the choice of model.

  The main models used for the valuation and management of credit products are the Hull & White credit factor model (HW1F Credit) and the hybrid Bi-Hull & White Rate-Credit model (Bi-HW Rate/Credit).

  The HW1F Credit model is used to disseminate the credit curve (CDS curve) with a Gaussian factor.

  The Bi-HW Rate/Credit model enables the yield curve and the credit curve to be disseminated jointly each with a Gaussian factor correlated with each other;
- commodities products: commodities products generally have their own characteristics that justify the choice of model.

  The main models used for the valuation and management of commodities products are the Black & Scholes models, with local volatility and local volatility combined with the Hull & White 1-factor (H&W1F), an extended version for all of these models to a multi-framework underlying asset to manage all futures of the commodity family.

  The Black & Scholes model is based on a log-normal dynamic of the underlying asset and a deterministic volatility assumption.

  The local volatility model treats volatility as a function of time and the price of the underlying. Its main property is that it considers the implied volatility of the option (derived from market data) relative to its exercise price.

  The H&WIF model consists of combining the local volatility model described above with a one-factor Hull & White model, also described above *(see fixed-income products)*.

Inputs relating to all such Level 2 instruments were demonstrated to be observable and documented. From a methodology perspective, observability is based on four inseparable criteria:

- inputs are derived from external sources (primarily a recognized contributor, for example);
- they are updated periodically;
- they are representative of recent transactions;
- their characteristics are identical to the characteristics of the transaction. If necessary, a proxy may be used, provided that the relevance of such an arrangement is demonstrated and documented.

The fair value of instruments obtained using valuation models is adjusted to take account of liquidity risk (bid-ask), counterparty risk, the risk relating to the cost of funding uncollateralized or imperfectly collateralized derivatives, own credit risk (measurement of liability derivative positions), modeling risk and input risk.

The margin generated when these instruments begin trading is immediately recognized in income.

c) Level 3: Fair value measurement using non-observable market data

Level 3 comprises instruments measured using unrecognized models and/or models based on non-observable market data, where they are liable to materially impact the valuation. This mainly includes:

- unlisted shares whose fair value could not be determined using observable inputs;
- Private Equity securities not listed on an active market, measured at fair value with models commonly used by market participants, in accordance with International Private Equity Valuation (IPEV) standards, but which are sensitive to market fluctuations and whose fair value determination necessarily involves a judgment call.
- structured or representative of private placements, held by the Insurance business line;
- hybrid interest rate and currency derivatives and credit derivatives that are not classified in Level 2;
- loans in the syndication process for which there is no secondary market price;
- loans in the securitization process for which fair value is determined based on an expert appraisal;
- the loan trading activity for which the market is illiquid;
- investment property whose fair value is obtained using a multi-criteria approach based on the capitalization of rents at the market rate combined with a comparison with market transactions;
- instruments with a deferred day-one margin;
- mutual fund units for which the fund has not published a recent NAV at the valuation date, or for which there is a lock-up period or any other constraint calling for a significant adjustment to available market prices (NAV, etc.) given the low liquidity observed for such securities;
- debt issues measured under the fair value option which are classified in Level 3 where the underlying derivatives are classified in Level 3. The associated "issuer credit risk" is deemed observable and thus classified in Level 2;
- CDS contracted with monoline insurers, for which the valuation model used to measure write-downs has moved more in line, in terms of method, with the adjustment made for counterparty risk (Credit Valuation Adjustment – CVA). It also takes account of the expected depreciation of exposures and the counterparty spread implied from market data;
- plain vanilla derivatives are also classified as Level 3 in the fair value hierarchy when exposure is beyond the liquidity horizon determined by underlying currencies or by volatility surface (e.g. certain foreign currency options and volatility caps/floors).

In accordance with Regulation No. 2019/876 of May 20, 2019 (CRR II) amending European Regulation No. 575/2013 of June 26, 2013 (CRR) regarding the requirements of Pillar III, for each of the models used, a description of the crisis simulations applied and an ex-post control system (validation of the accuracy and consistency of internal models and modeling procedures) is given in Section 3.2.6 of Chapter 3 "Risk factors, risk management and Pillar III".

Under IFRS 9, day-one profit should be recognized only if it is generated by a change in the factors that market participants would consider in setting a price, i.e. only if the model and parameters input into the valuation are observable.

If the selected valuation model is not recognized by current market practices, or if one of the inputs significantly affecting the instrument's valuation is not observable, the trading profit on the trade date cannot be recognized immediately in the income statement. It is taken to income on a straight-line basis over the life of the transaction or until the date the inputs become observable. Any losses incurred at the trade date are immediately recognized in income.

At December 31, 2021, instruments for which the recognition of day-one profit/loss has been deferred included:

- multiple equity and index underlying structured products;
- mono-underlying structured products indexed to sponsored indices;
- synthetic loans;
- options on funds (multi-asset and mutual funds);
- structured fixed-income products;
- securitization swaps.

For these instruments, the following table provides the main unobservable inputs as well as value ranges.

Instrument class	Main types of products	Valuation techniques used	Main unobservable data	Unobservable data intervals min – max (DEC21)
Interest rate derivatives	Sticky CMS/Volatility Bond	Valuation models for interest rate options	Mean-reversion parameters	[0.5% – 2.5%]
Interest rate derivatives	Callable Spread Options and Corridor Callable Spread Options	Model representing several yield curve factors	Mean-reversion spread	[0% – 30%]
Interest rate derivatives	Bermuda Accreting		Accreting Factor	[61% – 94%]
Interest rate derivatives	Volatility cap/floor	Valuation models for interest rate options	Interest rate vol.	[3% – 95.21%]
Equity	Plain vanilla derivatives and complex derivatives, equity basket or funds	Different equity option valuation models, equity baskets or funds	Equity volatility	[0.26% – 290.41%]
			Fund volatility	[3.89% – 36.75%]
			Stock/stock correlations	[11.87% – 99.02%]
			Repo for general collateral baskets	[-0.76% – 1.20%]
Forex	Forex derivatives	Forex options valuation model	Forex volatility	[6.7612% – 13.074%]
Forex	Long-term PRDC/PRDKO/TARN	Hybrid fixed income/forex options valuation model	Correlation between forex rates and interest rates as well as long-term volatility levels	[-40% – 60%]
				[6.7612% – 13.074%]
Credit	CDO	The default rates are based on the market prices of the underlying PFI bonds and the recovery rates are based on historical ratings agency data	Correlation between the assets, base spread between the cash asset and derivative asset, recovery rate	80.00%
Credit	Securitization swaps	Discounted cash flow expected based on the underlying portfolio's early redemption assumptions	Prepayment rate	[27.6% – 53.9%]
Hybrid	Hybrid equity/fixed income/forex (FX) derivatives	Hybrid model coupling an equity diffusion, a FX diffusion and a fixed income diffusion	Equity-Forex correlations	[-49.25% – 55%]
			Equity-Rate correlations	[23.1% – 42%]
			Fixed Income/Forex correlations	[-35% – 32.8%]
Forex	Helvetix: Strip of long-term options, Strip of quanto options, Strip of digital options	Black & Scholes model	EURCHF/EURUSD correlation	[11.25% – 20.67%]
	Helvetix: Spread options and digital spread options	Gaussian copula	USDCHF & EURCHF long-term volatility	USDCHF volatility: [8.0039% – 10.9906%] EURCHF volatility: [6.9699%- 8.1764%]

d) Natixis' policy on transfers between fair value levels

Fair value transfers are examined and approved by the Fair Value Levels Committee, which brings together the Finance and Risk functions and the Business lines. To do this, the Fair Value Levels Committee relies on observability studies of valuation models and/or parameters that are carried out periodically.

These fair value transfers are also presented to the valuation equity committee, which validated the following transfers during the fiscal year:

- to fair value level 3 OTC derivatives and issues due to a methodological refinement in the observability of market parameters;
- from fair value level 1 to fair value level 2 a number of listed derivatives due to a methodological refinementa number of listed derivatives;
- to fair value level 3 the loan trading activity due to the illiquidity of the market;
- reductions that have been transferred to fair value level 2 in order to harmonize the fair value of the reductions.

As a reminder, the main reclassifications carried out at December 31, 2020 *(see Note 7.5.1.)* concerned:

- Bermudan accreters (in Australian dollars) with a residual maturity of between 10 and 20 years, which were transferred to fair value level 2 due to the non-materiality of the accreting factor parameter *(see table above)*;
- mono-underlying structured products indexed on equity which were transferred to level 3 following the review of the observability horizon of the valuation inputs (volatility, repo, dividends) of the underlying assets.

7.5.1 Financial assets and liabilities at fair value measured using Level 3 of the fair value hierarchy

December 31, 2021

Financial assets *(in millions of euros)*	Level 3 opening balance at 01/01/2021*	Gains and losses recognized in the period – Income statement – On outstanding transactions at the reporting date	Gains and losses recognized in the period – Income statement – On transactions expired or redeemed in the period	Gains and losses recognized in the period – Gains and losses recorded directly in equity	Transactions carried out in the period – Procurement/Issues	Transactions carried out in the period – Sales/Redemptions	Reclassifications in the period [(a)] – Outside Level 3	Reclassifications in the period [(a)] – To Level 3	Reclassifications in the period [(a)] – Other reclassifications	Change in consolidation scope	Translation adjustments	Level 3 closing balance 31/12/2021
Financial assets held for trading	**2,062**	**1,121**	**22**		**18,538**	**(18,118)**	**(258)**	**416**	**(9)**		**79**	**3,853**
o/w debt instruments in the form of securities	*98*	*(34)*	*7*		*162*	*(143)*	*(21)*	*156*			*11*	*235*
o/w equity instruments		*(70)*	*0*		*448*	*(536)*		*173*	*(9)*			*6*
o/w loans and receivables	*1,964*	*1,226*	*15*		*17,928*	*(17,438)*	*(237)*	*87*	*0*		*68*	*3,612*
Derivative instruments not eligible for hedge accounting (positive fair value)	**1,757**	**1,083**	**55**		**809**	**(1,330)**	**(188)**	**563**	**26**		**43**	**2,817**
o/w interest rate derivatives	*545*	*138*	*(31)*		*16*	*(147)*	*(161)*	*479*			*5*	*844*
*o/w currency derivatives**	*484*	*(63)*	*(31)*		*243*	*(74)*	*85*	*29*	*(2)*		*16*	*686*
o/w credit derivatives	*184*	*(10)*	*(29)*		*5*	*(13)*	*(2)*	*19*	*28*		*10*	*191*
o/w equity derivatives	*544*	*1,016*	*147*		*545*	*(1,095)*	*(110)*	*36*			*11*	*1,094*
o/w other		*2*			*0*		*1*					*2*
Other financial assets held for trading												
Financial assets to be valued at fair value through profit or loss	**1,205**	**(39)**	**26**		**220**	**170**	**(0)**	**340**	**(21)**		**33**	**1,934**
o/w equity instruments	*578*	*101*	*18*		*95*	*(5)*		*3*	*(21)*		*5*	*774*
o/w debt instruments in the form of securities	*568*	*85*	*7*		*170*	*(181)*	*(0)*	*0*			*16*	*665*
o/w loans and receivables	*59*	*(225)*	*1*		*394*	*(83)*		*337*			*12*	*496*
Financial assets designated under the fair value option	**21**	**22**									**2**	**44**
o/w debt instruments in the form of securities	*21*	*22*									*2*	*44*
o/w equity instruments												
o/w loans and receivables												
Financial assets at fair value through other comprehensive income	**490**	**77**		**130**	**4**	**(77)**		**0**	**(13)**		**38**	**648**
o/w equity instruments	*490*	*77*		*130*	*4*	*(77)*			*(13)*		*38*	*648*
o/w debt instruments in the form of securities												
o/w loans and receivables												
TOTAL FINANCIAL ASSETS RECORDED AT FAIR VALUE	**5,534**	**2,265**	**103**	**130**	**20,011**	**(19,794)**	**(446)**	**1,319**	**(18)**		**194**	**9,298**

* *Amounts not restated in relation to the financial statements at December 31, 2020 (see Note 5.4).*
(a) *The flows presented under the "Reclassifications in the period" columns of the above table are determined on the basis of outstanding transactions at December 31, 2021.*

Financial liabilities *(in millions of euros)*	**Level 3 opening balance at 01/01/2021***	Gains and losses recognized in the period – Income statement – On outstanding transactions at the reporting date	Gains and losses recognized in the period – Income statement – On transactions expired or redeemed in the period	Gains and losses recognized in the period – Gains and losses recorded directly in equity	Transactions carried out in the period – Procurement/ Issues	Transactions carried out in the period – Sales/ Redemptions	Reclassifications in the period [(a)] – Outside Level 3	Reclassifications in the period [(a)] – To Level 3	Reclassifications in the period [(a)] – Other reclassifications	Change in consolidation scope	Translation adjustments	**Level 3 closing balance 31/12/2021**
Securities held for trading	**0**	**97**	**(0)**		**4,996**	**(5,099)**	**(0)**	**28**				**21**
Derivative instruments not eligible for hedge accounting (negative fair value)	**1,477**	**1,213**	**(5)**		**781**	**(1,423)**	**(8)**	**747**	**133**		**(59)**	**2,857**
o/w interest rate derivatives	*322*	*64*	*(41)*		*45*	*(133)*	*(10)*	*437*			*6*	*690*
*o/w currency derivatives**	*282*	*101*	*(8)*		*60*	*(29)*	*65*	*85*			*(0)*	*556*
o/w credit derivatives	*263*	*(27)*	*(192)*		*4*	*(21)*	*(8)*	*51*	*133*		*12*	*216*
o/w equity derivatives	*601*	*1,036*	*237*		*661*	*(1,228)*	*(55)*	*173*			*(77)*	*1,347*
o/w other	*8*	*39*	*(1)*		*11*	*(11)*		*1*			*1*	*48*
Other financial liabilities held for trading	**574**	**6**	**(15)**		**280**	**(499)**		**63**			**3**	**412**
Financial liabilities under the fair value option through profit or loss	**8,758**	**208**	**375**		**6,715**	**(7,491)**	**(1,056)**	**1,932**	**79**		**149**	**9,668**
O/w securities under the fair value option	*8,754*	*210*	*375*		*6,650*	*(7,491)*	*(1,056)*	*1,894*	*79*		*149*	*9,564*
O/w other financial liabilities under the fair value option	*4*	*(2)*			*65*			*38*				*105*
TOTAL FINANCIAL LIABILITIES RECOGNIZED AT FAIR VALUE	**10,809**	**1,524**	**355**		**12,772**	**(14,513)**	**(1,064)**	**2,770**	**212**		**93**	**12,959**

* *Amounts not restated in relation to the financial statements at December 31, 2020 (see Note 5.4).*

(a) *The flows presented under the "Reclassifications in the period" columns of the above table are determined on the basis of outstanding transactions at December 31, 2021.*

December 31, 2020

Financial assets *(in millions of euros)*	Level 3 opening balance as at 01/01/2020*	Gains and losses recognized in the period – Income statement – On outstanding transactions at the reporting date	Gains and losses recognized in the period – Income statement – On transactions expired or redeemed in the period	Gains and losses recognized in the period – Gains and losses recorded directly in equity	Transactions carried out in the period – Procurement/ Issues	Transactions carried out in the period – Sales/ Redemptions	Reclassifications in the period [(a)] – Outside Level 3	Reclassifications in the period [(a)] – To Level 3	Reclassifications in the period [(a)] – Other reclassifications [(b)]	Change in consolidation scope	Translation adjustments	Level 3 closing balance 31/12/2020
Financial assets held for trading	**3,224**	**(55)**	**432**		**9,342**	**(11,211)**	**(12)**	**485**	**(51)**		**(93)**	**2,062**
o/w debt instruments in the form of securities	*341*	*(110)*	*410*		*4,066*	*(4,626)*	*(12)*	*52*	*9*		*(34)*	*98*
o/w equity instruments	*60*								*(60)*			
o/w loans and receivables	*2,823*	*55*	*21*		*5,276*	*(6,585)*		*433*			*(59)*	*1,964*
Derivative instruments not eligible for hedge accounting (positive fair value)	**2,207**	**(9)**	**28**		**515**	**(363)**	**(312)**	**(3)**	**(226)**		**(80)**	**1,757**
o/w interest rate derivatives	*741*	*211*	*(271)*		*25*	*(47)*	*(108)*	*(0)*			*(6)*	*545*
*o/w currency derivatives**	*976*	*(14)*	*(15)*		*(1)*	*(46)*	*(176)*	*(30)*	*(227)*		*17*	*484*
o/w credit derivatives	*229*	*(27)*	*(2)*		*2*	*(16)*	*(1)*	*10*			*(11)*	*184*
o/w equity derivatives	*262*	*(179)*	*316*		*489*	*(254)*	*(26)*	*16*	*1*		*(81)*	*544*
o/w other												
Other financial assets held for trading												
Financial assets to be valued at fair value through profit or loss	**1,308**	**(24)**	**(4)**		**179**	**(275)**	**0**	**0**	**39**	**(7)**	**(14)**	**1,205**
o/w equity instruments	*613*	*(3)*	*(5)*		*12*	*(67)*			*39*	*(7)*	*(5)*	*578*
o/w debt instruments in the form of securities	*647*	*(22)*	*0*		*(24)*	*(25)*	*0*	*0*			*(9)*	*568*
o/w loans and receivables	*49*	*2*	*0*		*192*	*(183)*						*59*
Financial assets designated under the fair value option		**(19)**						**40**				**21**
o/w debt instruments in the form of securities		*(19)*						*40*				*21*
o/w equity instruments												
o/w loans and receivables												
Financial assets at fair value through other comprehensive income	**321**	**43**	**0**	**158**	**14**	**(44)**			**28**		**(30)**	**490**
o/w equity instruments	*321*	*43*		*158*	*14*	*(44)*			*28*		*(30)*	*490*
o/w debt instruments in the form of securities												
o/w loans and receivables												
TOTAL FINANCIAL ASSETS RECORDED AT FAIR VALUE	**7,060**	**(64)**	**455**	**158**	**10,051**	**(11,893)**	**(323)**	**522**	**(210)**	**(7)**	**(217)**	**5,534**

* Amounts restated in relation to the financial statements published in 2019 (see Note 5.4).

(a) The flows presented under the "Reclassifications in the period" columns of the above table are determined on the basis of outstanding transactions at December 31, 2020.

(b) Corresponds mainly to the effect of changes in presentation of option premiums payable or receivable (see Note 5.4).

Financial liabilities *(in millions of euros)*	Level 3 opening balance as at 01/01/2020*	Gains and losses recognized in the period – Income statement – On outstanding transactions at the reporting date	Gains and losses recognized in the period – Income statement – On transactions expired or redeemed in the period	Gains and losses recognized in the period – Gains and losses recorded directly in equity	Transactions carried out in the period – Procurement/Issues	Transactions carried out in the period – Sales/Redemptions	Reclassifications in the period [(a)] – Outside Level 3	Reclassifications in the period [(a)] – To Level 3	Reclassifications in the period [(a)] – Other reclassifications [(b)]	Change in consolidation scope	Translation adjustments	Level 3 closing balance 31/12/2020
Securities held for trading		**1**	**(0)**		**24**	**(25)**		**0**	**0**		**0**	**0**
Derivative instruments not eligible for hedge accounting (negative fair value)	**1,898**	**163**	**(242)**		**297**	**(202)**	**(238)**	**162**	**(266)**		**(94)**	**1,477**
o/w interest rate derivatives	*542*	*41*	*(179)*		*5*	*(25)*	*(55)*				*(5)*	*322*
*o/w currency derivatives **	*724*	*(27)*	*(14)*		*(1)*	*(8)*	*(165)*	*94*	*(266)*		*(55)*	*282*
o/w credit derivatives	*316*	*(20)*	*(20)*		*4*	*(4)*	*(0)*	*1*			*(13)*	*263*
o/w equity derivatives	*315*	*167*	*(30)*		*289*	*(164)*	*(12)*	*57*	*0*		*(20)*	*601*
o/w other	*1*	*3*				*(1)*	*(5)*	*10*			*(0)*	*8*
Other financial liabilities held for trading	**809**	**15**	**(26)**		**499**	**(723)**			**(0)**			**574**
Financial liabilities under the fair value option through profit or loss	**9,368**	**(21)**	**422**		**4,627**	**(5,376)**	**(556)**	**505**	**61**		**(272)**	**8,758**
O/w securities under the fair value option	*9,366*	*(20)*	*422*		*4,627*	*(5,376)*	*(556)*	*503*	*61*		*(272)*	*8,754*
O/w other financial liabilities under the fair value option	*2*	*(0)*										*4*
TOTAL FINANCIAL LIABILITIES RECOGNIZED AT FAIR VALUE	**12,075**	**158**	**153**		**5,447**	**(6,326)**	**(794)**	**667**	**(205)**		**(367)**	**10,809**

* *Amounts restated in relation to the financial statements published in 2019 (see Note 5.4).*
(a) *The flows presented under the "Reclassifications in the period" columns of the above table are determined on the basis of outstanding transactions at December 31, 2020.*
(b) *Corresponds mainly to the effect of changes in presentation of option premiums payable or receivable (see Note 5.4).*

Sensitivity analysis of the fair value of financial instruments measured according to Level 3 – Assets and Liabilities

Sensitivity of the fair value of financial instruments measured using unobservable inputs was estimated at December 31, 2021. The amounts reported below are intended to illustrate the uncertainty inherent in the use of the judgment required to estimate the main unobservable parameters at the valuation date. They do not represent a measure of market risk on level 3 instruments.

The estimate is based on the valuation adjustment policy. For equities and debt securities, the estimate is based on a shock of +/- 1%.

	Potential impact on income statement	
(in millions of euros)	Negative	Positive
Equity	**(6)**	**6**
Debt securities	**(6)**	**8**
Equity derivatives	**(13)**	**42**
Volatility	*(5)*	*18*
Repo rate	*(4)*	*14*
Dividends	*(1)*	*5*
Correlations	*(3)*	*5*
Fixed income derivatives	**(11)**	**28**
Interest rate volatility	*(2)*	*6*
Exchange rate volatility	*(2)*	*6*
Exchange rate correlations	*(2)*	*6*
Interest rate correlations	*(3)*	*5*
CDS spreads	*(2)*	*4*
Securitization rate (CPR)	*< 1*	*1*
SENSITIVITY OF LEVEL 3 FINANCIAL INSTRUMENTS	**(36)**	**84**

7.5.2 Restatement of the deferred margin on financial instruments

The deferred margin concerns financial instruments measured on the basis of one or more unobservable market parameters (see Note 5.6). This margin is deferred over time to be recognized, depending on the case, at the maturity of the instrument, at the time of sale or transfer, as time passes or when market parameters become observable.

The table below shows the amount remaining to be recognized in the income statement, as well as the deferred margin of new transactions for the year.

(in millions of euros)	01/01/2020	Margin on new transac-tions	Margin recognized during the period	Other changes	31/12/2020	Margin on new transac-tions	Margin recognized during the period	Other changes	31/12/2021
Interest rate derivative instruments	9	14	(12)	3	14	6	(10)	0	10
Currency derivative instruments	0	2	(2)	3	3	4	(2)	0	5
Credit derivative instruments	10	2	(2)	(6)	4	2	(2)	1	5
Equity derivative instruments	99	112	(67)	(11)	133	174	(96)	(0)	210
Repurchase agreements	4	6	(12)	11	9	11	(6)	(1)	13
TOTAL	**122**	**136**	**(95)**	**0**	**163**	**197**	**(117)**	**0**	**244**

7.5.3 Financial assets and liabilities at fair value: transfers between fair value levels

Financial assets

	31/12/2021					31/12/2020				
From	Level 1	Level 2	Level 2	Level 3	Level 3	Level 1	Level 2	Level 2	Level 3	Level 3
(in millions of euros) To	Level 2	Level 1	Level 3	Level 1	Level 2	Level 2	Level 1	Level 3	Level 1	Level 2
Financial assets at fair value through profit or loss	**1,022**	**1,181**	**1,319**		**447**	**1,019**	**101**	**522**		**323**
Financial assets held for trading	**609**	**1,131**	**416**		**258**	**906**	**74**	**485**		**12**
o/w debt instruments in the form of securities	*318*	*1,130*	*156*		*21*	*903*	*74*	*52*		*12*
o/w equity instruments	*291*	*1*	*173*			*3*				
o/w loans and receivables			*87*		*237*			*433*		
o/w security deposits paid						*0*				
Derivative instruments not eligible for hedge accounting (positive fair value)	**413**	**0**	**563**		**189**	**113**	**27**	**(3)**		**312**
o/w interest rate derivatives			*479*		*161*			*0*		*108*
o/w currency derivatives			*29*		*(85)*			*(30)*		*176*
o/w credit derivatives			*19*		*2*			*10*		*1*
o/w equity derivatives	*245*	*0*	*36*		*110*	*111*	*12*	*16*		*26*
o/w other	*168*				*1*	*2*	*15*			
Financial assets to be valued at fair value through profit or loss		**49**	**340**		**0**	**0**		**0**		**0**
o/w debt instruments in the form of securities		*49*	*0*		*0*	*0*		*0*		*0*
o/w other variable-income securities			*3*							
o/w loans and receivables			*337*							
Financial assets designated under the fair value option								**40**		
Financial assets at fair value through other comprehensive income	**242**	**524**				**252**	**414**			
o/w equity instruments										
o/w debt instruments in the form of securities	*242*	*524*				*252*	*414*			
o/w loans and receivables										

Financial liabilities

	31/12/2021					31/12/2020				
From	Level 1	Level 2	Level 2	Level 3	Level 3	Level 1	Level 2	Level 2	Level 3	Level 3
(in millions of euros) To	Level 2	Level 1	Level 3	Level 1	Level 2	Level 2	Level 1	Level 3	Level 1	Level 2
Financial liabilities held for trading	**286**	**1**	**838**		**8**	**44**	**0**	**162**		**238**
Securities held for trading	**24**	**1**	**28**		**0**	**4**	**0**	**0**		
Derivative instruments not eligible for hedge accounting (negative fair value)	**262**		**747**		**8**	**40**	**0**	**162**		**238**
o/w interest rate derivatives			*437*		*10*					*55*
o/w currency derivatives			*85*		*(65)*			*94*		*165*
o/w credit derivatives			*51*		*8*			*1*		*0*
o/w equity derivatives	*136*		*173*		*55*	*37*	*0*	*57*		*12*
o/w other	*126*		*1*			*3*		*10*		*5*
Other financial liabilities held for trading			**63**							
Financial liabilities designated under the fair value option			**1,932**		**1,111**			**505**		**556**
o/w securities under the fair value option			*1,894*		*1,111*			*503*		*556*
o/w other financial liabilities under the fair value option			38					2		

7.5.4 Fair value of financial assets and liabilities at amortized cost

Financial assets

(in millions of euros)	As at December 31, 2021					As at December 31, 2020				
	Carrying amount	Fair value	Level 1	Level 2	Level 3	Carrying amount	Fair value	Level 1	Level 2	Level 3
Loans and receivables due from banks at amortized cost	**86,732**	**86,946**		**86,814**	**131**	**44,691**	**45,002**		**44,313**	**688**
Current accounts overdrawn	*6,971*	*6,949*		*6,949*	*0*	*5,181*	*5,133*		*5,090*	*43*
Loans and receivables	*77,919*	*78,154*		*78,023*	*131*	*36,728*	*37,085*		*36,440*	*645*
Reverse repurchase agreements	*1,833*	*1,833*		*1,833*		*2,755*	*2,757*		*2,757*	
Other items	*10*	*10*		*10*		*27*	*27*		*27*	
Loans and receivables due from customers at amortized cost	**70,146**	**70,576**		**48,409**	**22,167**	**67,939**	**68,312**		**46,199**	**22,113**
Current accounts overdrawn	*2,110*	*2,110*		*2,110*		*2,621*	*2,621*		*2,621*	
Other loans and receivables	*64,900*	*65,331*		*43,170*	*22,160*	*61,080*	*61,453*		*39,344*	*22,109*
Reverse repurchase agreements	*3,035*	*3,035*		*3,032*	*3*	*4,141*	*4,141*		*4,141*	
Finance leases	*33*	*33*		*29*	*4*	*34*	*34*		*30*	*4*
Security deposits paid	*66*	*66*		*66*	*0*	*62*	*62*		*62*	*0*
Other items	*1*	*1*		*1*		*1*	*1*		*1*	
Debt instruments in the form of securities at amortized cost	**1,277**	**1,276**		**600**	**676**	**1,930**	**1,983**		**890**	**1,092**
TOTAL FINANCIAL ASSETS	**158,155**	**158,798**		**135,824**	**22,975**	**114,560**	**115,297**		**91,403**	**23,893**

Financial liabilities

(in millions of euros)	As at December 31, 2021					As at December 31, 2020				
	Carrying amount	Fair value	Level 1	Level 2	Level 3	Carrying amount	Fair value	Level 1	Level 2	Level 3
Amounts due to credit institutions	**135,863**	**136,091**		**135,507**	**584**	**84,408**	**84,502**		**84,440**	**62**
o/w accounts and deposits	*129,829*	*130,058*		*129,474*	*584*	*75,162*	*75,259*		*75,197*	*62*
o/w repurchase agreements	*5,985*	*5,985*		*5,985*		*9,129*	*9,128*		*9,128*	
o/w security deposits received	*48*	*48*		*48*		*82*	*82*		*82*	
o/w other	*1*	*0*		*0*		*35*	*34*		*34*	
Amounts due to customers	**34,355**	**34,356**		**32,524**	**1,831**	**29,798**	**29,745**		**28,446**	**1,299**
o/w accounts and deposits	*32,280*	*32,281*		*30,449*	*1,831*	*28,469*	*28,445*		*27,198*	*1,247*
o/w repurchase agreements	*797*	*797*		*797*		*17*	*17*		*17*	
o/w other	*1,278*	*1,278*		*1,278*	*0*	*1,312*	*1,283*		*1,230*	*52*
Debt securities	**38,723**	**38,725**		**36,607**	**2,118**	**35,652**	**35,602**		**33,395**	**2,207**
Subordinated debt	**4,073**	**4,374**		**6**	**4,368**	**3,934**	**4,271**		**303**	**3,969**
TOTAL FINANCIAL LIABILITIES	**213,014**	**213,546**		**204,644**	**8,901**	**153,792**	**154,121**		**146,584**	**7,537**

IFRS 13 requires disclosure in the notes to the financial statements of the fair value, as well as the associated fair value hierarchy, of all financial instruments carried at amortized cost, including loans. The valuation methods used to determine the fair value disclosed in the notes to the financial statements are described below.

Loans recognized at amortized cost

The majority of Natixis' loans are variable-rate loans, and their fair value is determined on the basis of discounted future cash flows. The discount rate applied for a given loan is the rate at which Natixis would grant a loan with similar characteristics to a similar counterparty at the reporting date. As these are primarily variable-rate loans, the contractual rate is adjusted according to the trend in market lending rates and in counterparty risk.

The fair value of repurchase agreements is calculated by discounting expected cash flows at the market rate on the closing date and adding a liquidity spread.

If there is a quoted price that meets the criteria of IFRS 13, the quoted price is used.

The fair value of loans with an initial term of less than one year is considered to be the same as their carrying amount. This is also generally the case for financial assets with a term of one year or less and current accounts. The corresponding receivables are classified in Level 2 of the fair value hierarchy.

Borrowings and savings

The measurement of the fair value of Natixis' borrowings and debt securities is based on the discounted cash flow method using inputs at the reporting date such as the underlying's interest-rate curve and the spread applied to lending/borrowing between Natixis and Group entities. The fair value of debts maturing in less than one year is considered to be the same as their carrying amount; these debts are classified in Level 2 of the fair value hierarchy.

7.6 Financial assets at amortized cost

These are SPPI financial assets held under a "hold to collect" model. The vast majority of loans granted by the Group are classified in this category.

7.6.1 Loans and receivables due from banks at amortized cost

(in millions of euros)	31/12/2021			31/12/2020		
	Unimpaired financial assets [(a)]	**Impaired financial assets** [(b)]	**Total**	Unimpaired financial assets [(a)]	Impaired financial assets [(b)]	Total [(c)]
Current accounts overdrawn	6,972	0	6,972	5,182	5	5,187
Loans and receivables	79,764	24	79,789	39,515	24	39,538
Security deposits paid						
Value adjustments for credit losses	(5)	(24)	(29)	(5)	(29)	(34)
TOTAL	**86,732**	**0**	**86,732**	**44,691**	**0**	**44,691**

(a) Comprises unimpaired financial assets for which value adjustments are calculated based on 12-month expected credit losses (Stage 1) or lifetime expected credit losses (Stage 2).
(b) Impaired financial assets (Stage 3) are assets for which a default event has been identified as defined in Article 178 of the EU Regulation of June 26, 2013 on regulatory requirements for credit institutions.
(c) Including €426.2 million in the Payments business line, €257.1 million in the Insurance business line and €15.1 million in Natixis Immo Exploitation classified as "Non-current assets held for sale" at December 31, 2021 (see Notes 1.2 and 7.10).

The increase in interbank transactions includes the setting up of term loans and borrowings with BPCE in the amount of €54.2 billion concluded in order to meet the constraints of the long-term liquidity ratio (NSFR: Net Stable Funding Ratio) mandatory as of June 30, 2021. These Money Market transactions were entered into with separate exercise notice periods between lending transactions and borrowing transactions in order to enable Natixis to comply with a minimum ratio of 100%.

Reconciliation of loans and receivables due from banks at amortized cost

	Loans and receivables due from banks at amortized cost									
	Unimpaired assets for which expected credit losses are measured over 12 months (S1 bucket)		Unimpaired assets for which expected credit losses are measured on a lifetime basis (S2 bucket)		Assets impaired after their origination/acquisition (S3 bucket)		Assets impaired on origination/acquisition		Total	
(in millions of euros)	Gross carrying amount	Value adjustment for credit losses	Gross carrying amount	Value adjustment for credit losses	Gross carrying amount	Value adjustment for credit losses	Gross carrying amount	Value adjustment for credit losses	Gross carrying amount	Value adjustment for credit losses
BALANCE AS AT 01/01/2020	**46,846**	**0**	**715**	**(3)**	**48**	**(48)**	**0**	**0**	**47,609**	**(51)**
New originated or acquired contracts	24,286	(0)	3	(0)					24,289	(0)
Changes in contractual cash flows not giving rise to derecognition	0	0	0	0	0	0			0	0
Variations linked to changes in credit risk parameters *(excluding transfers)*	(6,976)	(0)	(154)	(2)	1	(0)			(7,129)	(2)
Financial asset transfers	*0*	*0*	*(0)*	*(0)*	*0*	*0*			*0*	*0*
Transfers to S1	65	0	(65)	0	0	0			0	0
Transfers to S2	(65)	0	65	(0)	0	0			0	0
Transfers to S3	0	0	0	0	0	0			0	0
Transfer to non-current assets held for sale [(b)]	(99)	0	0	0	0	0			(99)	0
Contracts fully repaid or sold during the period	(19,522)	0	(24)	0	(1)	1			(19,546)	1
Impairment in value *(write-off)*					(17)	17			(17)	17
Variations linked to changes in exchange rates	(570)	0	(58)	0	(1)	1			(629)	1
Changes in the model used										0
Other changes	31	(0)	(40)	0	(0)	0			(8)	0
BALANCE AS AT 31/12/2020 [(a)]	**43,997**	**0**	**442**	**(4)**	**29**	**(29)**	**0**	**0**	**44,468**	**(34)**
New originated or acquired contracts	69,921	0	7	0	0	0	0	0	69,929	0
Changes in contractual cash flows not giving rise to derecognition	0	0	0	0	0	0	0	0	0	0
Variations linked to changes in credit risk parameters *(excluding transfers)*	688	(1)	5	2	(10)	10	10	(10)	693	1
Financial asset transfers	*154*	*0*	*(154)*	*0*	*0*	*0*	*0*	*0*	*0*	*0*
Transfers to S1	155	0	(155)	0	0	0	0	0	0	0
Transfers to S2	0	0	0	0	0	0	0	0	0	0
Transfers to S3	0	0	0	0	0	0	0	0	0	0
Transfer to non-current assets held for sale [(b)]	(488)	0	(47)	0	0	0	0	0	(535)	0
Contracts fully repaid or sold during the period	(27,822)	0	(87)	0	0	0	0	0	(27,909)	0
Impairment in value *(write-off)*					0	0	(5)	5	(5)	5
Variations linked to changes in exchange rates	108	0	17	0	0	0	0	0	125	0
Changes in the model used										0
Other changes	3	0	(7)	0	0	0	0	0	(5)	0
BALANCE AS AT 31/12/2021	**86,562**	**(2)**	**175**	**(2)**	**19**	**(19)**	**5**	**(5)**	**86,761**	**(29)**

(a) Gross carrying amount presented excluding contributions from insurance companies.

(b) Corresponds to the assets of H2O classified as "Non-current assets held for sale" since December 31, 2020 and the assets of the Payments business, classified as "Non-current assets held for sale" at December 31, 2021.

7.6.2 Loans and receivables due from customers

	31/12/2021			31/12/2020		
(in millions of euros)	Unimpaired financial assets [(a)]	Impaired financial assets [(b)]	Total	Unimpaired financial assets [(a)]	Impaired financial assets [(b)]	Total
Reverse repurchase agreements	3,035		3,035	4,141		4,141
Current accounts overdrawn	2,104	34	2,138	2,606	42	2,648
Finance leases	33	4	37	32	6	38
Other items	63,126	3,031	66,157	58,882	3,548	62,430
Security deposits paid	66		66	62		62
Value adjustments for credit losses	(199)	(1,088)	(1,287)	(209)	(1,171)	(1,380)
TOTAL [(c)(d)]	**68,165**	**1,981**	**70,146**	**65,514**	**2,425**	**67,939**

(a) Comprises unimpaired financial assets for which value adjustments are calculated based on 12-month expected credit losses (Stage 1) or lifetime expected credit losses (Stage 2).

(b) Impaired financial assets (Stage 3) are assets for which a default event has been identified as defined in Article 178 of the EU Regulation of June 26, 2013 on regulatory requirements for credit institutions.

(c) At December 31, 2021, gross outstanding loans guaranteed by the State (GBLs) amounted to €2,152 million and the associated guarantees received from the State amounted to €1,904 million. Of these outstandings, €143 million were classified as Purchased or Originated Credit Impaired (POCI) and €360 million were classified as restructured loans.

(d) At December 31, 2021, the gross outstandings that were subject to a moratorium amounted to €3,336.5 million.

Reconciliation table for loans and receivables due from customers at amortized cost

	Loans and receivables due from customers at amortized cost									
	Unimpaired assets for which expected credit losses are measured over 12 months (S1 bucket)		Unimpaired assets for which expected credit losses are measured on a lifetime basis (S2 bucket)		Assets impaired after their origination/ acquisition (S3 bucket)		Assets impaired on origination/acquisition		Total	
(in millions of euros)	Gross carrying amount	Value adjustment for credit losses	Gross carrying amount	Value adjustment for credit losses	Gross carrying amount	Value adjustment for credit losses	Gross carrying amount	Value adjustment for credit losses	Gross carrying amount	Value adjustment for credit losses
BALANCE AS AT 01/01/2020	**53,083**	**(40)**	**16,224**	**(79)**	**2,809**	**(1,180)**	**349**	**(77)**	**72,464**	**(1,375)**
New originated or acquired contracts	17,899	(22)	3,533	(9)	0	0	116	(33)	21,548	(63)
Changes in contractual cash flows not giving rise to derecognition	0	0	0	0	0	0	0	0	0	0
Variations linked to changes in credit risk parameters *(excluding transfers)*	(5,322)	(11)	(594)	(78)	(186)	(727)	(24)	(1)	(6,126)	(818)
Financial asset transfers	*(662)*	*0*	*(1,110)*	*6*	*1,772*	*(6)*			*0*	*0*
Transfers to S1 [(a)]	3,172	(6)	(3,172)	6	0	0			0	0
Transfers to S2	(2,843)	5	2,898	(6)	(55)	0			0	0
Transfers to S3	(992)	1	(835)	5	1,827	(6)			0	(0)
Transfer to non-current assets held for sale										
Contracts fully repaid or sold during the period	(9,888)	8	(2,069)	9	(184)	34	(62)	1	(12,202)	53
Impairment in value *(write-off)* [(b)]					(667)	664	(33)	33	(700)	697
Variations linked to changes in exchange rates	(2,336)	2	(823)	5	(173)	72	(19)	3	(3,352)	82
Changes in the model used		0		0		0		0		0
Other changes [(c)]	(2,303)	0	39	(1)	(49)	44	(0)	0	(2,312)	44
Balance as at 31/12/2020	**50,470**	**(62)**	**15,200**	**(146)**	**3,323**	**(1,100)**	**327**	**(73)**	**69,319**	**(1,380)**
New originated or acquired contracts	19,103	(32)	2,567	(20)	0	0	257	0	21,927	(53)
Changes in contractual cash flows not giving rise to derecognition	0	0	0	0	0	0	0	0	0	0
Variations linked to changes in credit risk parameters *(excluding transfers)*	(3,563)	8	(3,879)	41	(483)	(100)	89	(65)	(7,836)	(116)
Financial asset transfers	*(1,108)*	*3*	*743*	*(4)*	*365*	*(53)*			*0*	*(55)*
Transfers to S1	537	(7)	(536)	8	(1)	0			0	2
Transfers to S2	(1,594)	9	1,639	(21)	(45)	1			0	(10)
Transfers to S3	(51)	0	(360)	8	411	(54)			(0)	(46)
Transfer to non-current assets held for sale [(d)]	2								2	0
Contracts fully repaid or sold during the period	(11,456)	10	(2,270)	13	(461)	64	(19)	2	(14,205)	89
Impairment in value *(write-off)*					(273)	266	(10)	10	(282)	276
Variations linked to changes in exchange rates	2,008	(2)	504	(4)	112	(39)	12	(3)	2,636	(48)
Changes in the model used		0		0		0		0		0
Other changes	(51)	(0)	(21)	(0)	(56)	1	0	0	(128)	0
Balance as at 31/12/2021	**55,405**	**(76)**	**12,844**	**(121)**	**2,527**	**(961)**	**657**	**(129)**	**71,433**	**(1,287)**

(a) *Including a reclassification of outstandings from bucket 2 to bucket 1, linked to the abandonment of the downgrading criterion for a sector as a reason for moving to bucket 2 in the second quarter. The impact is estimated at €2.8 billion at the date of completion of this modification.*
(b) *Including -€337.4 million in outstandings partially or fully derecognized, in exchange for a recognition as "Unrecoverable losses on receivables", and still subject to enforcement measures.*
(c) *Of which -€2,346 million corresponds to Coface's contribution as of December 31, 2019, now treated using the equity method.*
(d) *Corresponds to the assets of the Payment business, classified as "Non-current assets held for sale" at December 31, 2021.*

7.6.2.1 Assets and commitments restructured due to financial difficulties

The following table lists the financial assets (excluding assets held for trading) and financing commitments subject to amendments to original contract terms or refinancing constituting a concession granted due to the debtor's financial situation *(see Note 5.1.3)*.

	31/12/2021					31/12/2020				
	Gross exposures					Gross exposures				
(in millions of euros)	Restructuring: modifications of terms and conditions	Restructuring: refinancing	Total	Value adjustments for credit losses	Guarantees received	Restructuring: modifications of terms and conditions	Restructuring: refinancing	Total	Value adjustments for credit losses	Guarantees received
Balance sheet	1,949	523	2,472	429	1,135	1,585	247	1,832	504	799
Off-balance sheet	345	6	351	2	123	33	14	47	2	18
TOTAL	**2,294**	**529**	**2,823**	**432**	**1,259**	**1,618**	**261**	**1,879**	**506**	**817**

	31/12/2021					31/12/2020				
	Total		Net exposures			Total		Net exposures		
(in millions of euros)	Gross exposures	Value adjustments for credit losses	Unimpaired loans	Impaired loans	Total	Gross exposures	Value adjustments for credit losses	Unimpaired loans	Impaired loans	Total
TOTAL	**2,823**	**432**	**671**	**1,721**	**2,391**	**1,879**	**506**	**301**	**1,072**	**1,373**
France	*1094*	*172*	*273*	*649*	*922*	*698*	*169*	*88*	*441*	*529*
Other EU	*763*	*99*	*188*	*477*	*665*	*379*	*163*	*80*	*136*	*216*
North America	*305*	*41*	*37*	*226*	*264*	*342*	*85*	*41*	*215*	*256*
Other	*661*	*120*	*173*	*368*	*541*	*460*	*88*	*92*	*280*	*372*

7.6.2.2 Other loans and receivables due from customers

	31/12/2021			31/12/2020		
(in millions of euros)	Unimpaired financial assets [(a)]	Impaired financial assets [(b)]	Total	Unimpaired financial assets [(a)]	Impaired financial assets [(b)]	Total [(c)]
Commercial loans	565	52	617	416	62	478
Export credit	2,549	150	2,699	2,209	114	2,323
Cash and consumer credit	35,270	1,833	37,103	29,883	1,602	31,485
Equipment loans	8,383	410	8,793	7,008	307	7,315
Home loans	739	12	751	559	6	565
Other customer loans	15,620	574	16,194	18,807	1,457	20,264
Value adjustments for credit losses	(191)	(1,065)	(1,256)	(204)	(1,146)	(1,350)
TOTAL	**62,935**	**1,966**	**64,901**	**58,678**	**2,402**	**61,080**

(a) *Comprises unimpaired financial assets for which value adjustments are calculated based on 12-month expected credit losses (Stage 1) or lifetime expected credit losses (Stage 2).*

(b) *Impaired financial assets (Stage 3) are assets for which a default event has been identified as defined in Article 178 of the EU Regulation of June 26, 2013 on regulatory requirements for credit institutions.*

(c) *Including €9.2 million for the Payments business line, classified as "Non-current assets held for sale" at December 31, 2021 (see Notes 1.2 and 7.10).*

7.6.3 Debt securities at amortized cost

(in millions of euros)	31/12/2021 Unimpaired financial assets [(a)]	31/12/2021 Impaired financial assets [(b)]	31/12/2021 Total	31/12/2020 Unimpaired financial assets [(a)]	31/12/2020 Impaired financial assets [(b)]	31/12/2020 Total
Debt instruments	1,237	133	1,370	1,884	193	2,076
Value adjustments for credit losses	(6)	(88)	(94)	(5)	(142)	(146)
TOTAL	**1,232**	**45**	**1,277**	**1,879**	**51**	**1,930**

(a) *Comprises unimpaired financial assets for which value adjustments are calculated based on 12-month expected credit losses (Stage 1) or lifetime expected credit losses (Stage 2).*

(b) *Impaired financial assets (Stage 3) are assets for which a default event has been identified as defined in Article 178 of the EU Regulation of June 26, 2013 on regulatory requirements for credit institutions.*

Reconciliation table for debt securities at amortized cost

	Debt securities at amortized cost									
	Unimpaired assets for which expected credit losses are measured over 12 months (S1 bucket)		Unimpaired assets for which expected credit losses are measured on a lifetime basis (S2 bucket)		Assets impaired after their origination/ acquisition (S3 bucket)		Assets impaired on origination/ acquisition		Total	
(in millions of euros)	Gross carrying amount	Value adjustment for credit losses	Gross carrying amount	Value adjustment for credit losses	Gross carrying amount	Value adjustment for credit losses	Gross carrying amount	Value adjustment for credit losses	Gross carrying amount	Value adjustment for credit losses
BALANCE AS AT 01/01/2020	**1,474**	**(0)**	**77**	**(1)**	**93**	**(93)**	**63**	**(54)**	**1,706**	**(148)**
New originated or acquired contracts	709		516				38		1,264	
Changes in contractual cash flows not giving rise to derecognition										
Variations linked to changes in credit risk parameters *(excluding transfers)*	(223)	(5)	(53)		2	(4)	5	(1)	(269)	(10)
Financial asset transfers	*(39)*		*39*							
Transfers to S1										
Transfers to S2	(39)		39							
Transfers to S3										
Contracts fully repaid or sold during the period	(385)		(60)						(444)	
Impairment in value *(write-off)*					(4)	4			(4)	4
Variations linked to changes in exchange rates	(148)		(23)		(8)	6			(179)	6
Changes in the model used										
IFRS 5 – Entities held for sale										
Other changes			(2)	1	5	1			3	1
BALANCE AS AT 31/12/2020	**1,389**	**(5)**	**494**		**87**	**(87)**	**106**	**(55)**	**2,076**	**(146)**
New originated or acquired contracts	108		27				-	-	135	
Changes in contractual cash flows not giving rise to derecognition							-	-		
Variations linked to changes in credit risk parameters *(excluding transfers)*	(36)	1	(118)		(6)	6	(46)	39	(206)	46
Financial asset transfers	*194*		*(194)*	*(2)*						*(1)*
Transfers to S1	207		(207)							
Transfers to S2	(13)		13	(2)						(1)
Transfers to S3										
Contracts fully repaid or sold during the period	(574)		(130)				-	-	(705)	
Impairment in value *(write-off)*							(43)	43	(43)	43
Variations linked to changes in exchange rates	63		14		1	(1)	5	(4)	83	(5)
Changes in the model used								-		
IFRS 5 – Entities held for sale							-	-		
Other changes							30	(30)	30	(30)
BALANCE AS AT 31/12/2021	**1,144**	**(4)**	**93**	**(2)**	**81**	**(81)**	**52**	**(7)**	**1,370**	**(94)**

7.7 Other information relating to financial assets

7.7.1 Financial assets provided as security against liabilities

The table below shows, inter alia, the carrying amount of:

- the underlying assets of the covered bond issues;
- financial instruments (securities and receivables) deposited with central banks and assignable as collateral to guarantee refinancing operations at any time.

These instruments continue to be disclosed in the consolidated balance sheet in accordance with their original classification.

(in millions of euros)	**31/12/2021**	31/12/2020
Debt instruments	4,425	4,399
Loans and advances	1,313	1,313
Other items		
TOTAL	**5,738**	**5,712**

7.7.2 Financial assets transferred

The tables below show financial asset transfers according to the amendment to IFRS 7, which distinguishes two categories of transferred assets: transferred financial assets that are not, partially or wholly, derecognized, and transferred financial assets that are fully derecognized, for which Natixis maintains continuing involvement.

A financial asset is partially or wholly transferred if Natixis transfers the contractual rights to collect cash flow from the financial asset, or retains the contractual rights to collect cash flow from the financial asset but assumes a contractual obligation to pay those cash flows to one or more beneficiaries.

Natixis has continuing involvement in a fully derecognized transferred financial asset if, according to the terms of the transfer, it retains contractual rights or obligations inherent in that asset or obtains or assumes new contractual rights or obligations to that asset.

7.7.2.1 Financial assets transferred but not fully derecognized

Transferred financial assets that are not derecognized are essentially composed of the following instruments:

- repurchased securities;
- securities lending backed by cash remittals;
- dry securities lending;
- securitization for which the counterparties to the associated debts have recourse only to the transferred assets.

These instruments are considered transferred assets because they are the underlying assets of transactions that organize a transfer between Natixis and the assignee of ownership of the assets and the attached cash flows.

They are kept on the asset side of the consolidated balance sheet because virtually all of the benefits and risks are maintained, since the securities must be returned to Natixis (unless Natixis defaults).

Repurchase agreements

	31/12/2021		31/12/2020	
(in millions of euros)	**Carrying amount of assets**	**Carrying amount of associated liabilities**	Carrying amount of assets	Carrying amount of associated liabilities
Financial assets at fair value through profit or loss	7,977	7,831	8,898	8,677
Financial assets at fair value through other comprehensive income				
Loans and receivables at amortized cost				
TOTAL	**7,977**	**7,831**	**8,898**	**8,677**

Securities lending

	31/12/2021	31/12/2020
(in millions of euros)	**Carrying amount of assets**	Carrying amount of assets
Financial assets at fair value through profit or loss	1,540	3,089
Financial assets at fair value through other comprehensive income		
TOTAL	**1,540**	**3,089**

Securitization assets for which the counterparties to the associated debts have recourse only to the transferred assets

	31/12/2021					31/12/2020				
(in millions of euros)	Carrying amount of assets	Carrying amount of associated liabilities	Fair value of transferred assets	Fair value of associated liabilities	Net position	Carrying amount of assets	Carrying amount of associated liabilities	Fair value of transferred assets	Fair value of associated liabilities	Net position
Securitization assets	4,015	3,792	4,015	3,792	(223)	4,172	4,412	4,172	4,412	(240)
TOTAL	**4,015**	**3,792**	**4,015**	**3,792**	**(223)**	**4,172**	**4,412**	**4,172**	**4,412**	**(240)**

7.7.2.2 Fully derecognized transferred financial assets for which continuing involvement is maintained

The fully derecognized transferred financial assets for which Natixis maintains continuing involvement include transfers of assets to a deconsolidated securitization vehicle in which Natixis has an interest or an obligation, where these latter do not compromise the transfer of virtually all of the advantages and risks attached to the transferred assets.

At December 31, 2021 (as at December 31, 2020), there was no material impact from continuing involvement in a securitization vehicle maintained by Natixis.

7.7.3 Financial assets received as security and able to be sold or reused as security

This heading covers financial assets received as security under financial guarantee agreements with the right to reuse the assets in the absence of any default on the part of the owner of the guarantee.

The fair value of the financial assets received as security that Natixis may sell or reuse as security was €230 billion at December 31, 2021, versus €219 billion as at December 31, 2020.

The fair value of the financial assets received as security that were resold or reused as security was €163 billion at December 31, 2021, versus €167 billion as at December 31, 2020.

7.7.4 Financial assets that are past due but not impaired

The table below provides, by type of financial instrument, a breakdown of the age of financial assets which were past due but not individually impaired at the reporting date. It does not take into account impairments based on any portfolios that may have been created.

Past due assets are assets in arrears (i.e. missed principal or interest payments), but which have not yet been impaired.

For overdrafts, arrears are counted as of the date when the customer is notified; the amount shown represents the total overdraft.

"Technical" delinquencies, meaning those related to incidents occurring in the collection process and unrelated to the counterparty's financial situation, are not included.

The age of each amount in arrears is determined according to the age of the first missed payment on the balance in question. The breakdown for the period is prepared on the basis of the first missed payment.

	Payment arrears as at 31/12/2021					Payment arrears as at 31/12/2020				
Type of assets *(in millions of euros)*	≤ 90 days	> 90 days ≤ 180 days	> 180 days but ≤ 1 year	More than 1 year	Total	≤ 90 days	> 90 days ≤ 180 days	> 180 days but ≤ 1 year	More than 1 year	Total
Loans and receivables due from banks										
Customer loans and receivables	349				349	333				333
Other financial assets										
TOTAL	**349**				**349**	**333**				**333**

7.8 Deferred tax assets and liabilities

(in millions of euros)	31/12/2021 Standard	31/12/2021 Deferred tax assets	31/12/2021 Deferred tax liabilities	31/12/2020 Standard	31/12/2020 Deferred tax assets	31/12/2020 Deferred tax liabilities
Sources of deferred taxes [(a)]						
Tax amortization of goodwill [(b)]	(1,286)			(1,193)		
Provision for employee benefits	232			195		
Other non-deducted provisions	724			1,247		
Non-deducted accrued expenses (including deferred compensation)	688			463		
Elimination of equalization reserve	0			(61)		
Other sources of deferred tax through profit or loss	38			(169)		
Ordinary tax losses	6,263			7,139		
Unrecognized sources of deferred tax	(3,624)			(4,286)		
TOTAL SOURCES OF DEFERRED TAX THROUGH PROFIT OR LOSS	**3,035**	**1,201**	**362**	**3,335**	**1,323**	**379**
Sources of deferred tax on recyclable OCI	141	(33)	0	(734)	(194)	10
Sources of deferred tax on non-recyclable OCI	176	58	92	269	67	49
TOTAL SOURCES OF DEFERRED TAX	**3,352**	**1,226**	**454**	**2,870**	**1,196**	**438**

(a) Positive amounts represent sources of deferred tax giving rise to deferred tax assets, while negative amounts represent sources giving rise to deferred tax liabilities.

(b) Deferred tax related to the tax amortization of goodwill in the United States.

Breakdown of deferred tax assets on losses by geographic area

(in millions of euros)	31/12/2021	31/12/2020	Legal carry forward period	Max. period of capitalization
Deferred tax assets on losses by geographic area				
France [(a)]	533	580	Unlimited	10 years
United States	85	57	Unlimited [(b)]	10 years [(c)]
United Kingdom	18		Unlimited	10 years
Other	68	121		
TOTAL	**704**	**758**		

(a) The amount of deferred taxes on tax losses recognized at December 31, 2021 was €704 million, of which €533 million capitalized on the tax consolidation group in France. The base of the tax loss recognized for the tax consolidation group in France amounts to €2,140 million, out of a total stock of tax loss carryforwards of €3,606 million. At December 31, 2021, Natixis conducted tests to measure the potential impact on deferred tax assets of the assumptions applied when implementing its tax business plans. These tests, which measure the impact of a variation of +/- 10% in NBI growth assumptions, confirm the probability that Natixis will be able to offset its tax losses against future taxable profits, used as part of the capitalization of deferred tax.

(b) Except for tax losses that arose prior to January 1, 2018 (limited to 20 years).

(c) Concerning the federal deficit, the "State" and "City" portions may be capitalized over longer periods (limited to the legal time limit).

7.9 Accrual accounts, other assets and liabilities

This heading corresponds to technical accounts, details of which are given below:

7.9.1 Other assets and miscellaneous uses

(in millions of euros)	31/12/2021	31/12/2020 [(c)*]
Accruals [(a)*]	1,589	1,163
Securities settlement accounts	22	15
Other items and miscellaneous assets	201	815
Security deposits paid	196	174
Other miscellaneous debtors [(b)]	2,413	2,482
Other assets	217	260
TOTAL	**4,637**	**4,909**

(a) *of which €182.2 million in contract assets (accrued income) at December 31, 2021 versus €190 million as at December 31, 2020.*
(b) *of which €1,095.1 million in customer receivables at December 31, 2021 versus €843 million as at December 31, 2020.*
(c) *of which €237.8 million for the Payments business line, €198.7 million for the Insurance business line and €72.3 million for Natixis Immo Exploitation classified as "Non-current assets held for sale" at December 31, 2021 (see Notes 1.2 and 7.10).*
* *Amounts restated in relation to the financial statements as at December 31, 2020 (see Note 5.4).*

7.9.2 Other liabilities

(in millions of euros)	31/12/2021	31/12/2020 [(b)]
Accruals [(a)]	2,496	2,403
Miscellaneous creditors	662	949
Securities settlement accounts	12	4
Security deposits received	0	7
Lease liabilities	737	1,011
Other items	0	5
Miscellaneous liabilities	2,528	1,888
TOTAL	**6,435**	**6,265**

(a) *of which €43.2 million in contract liabilities (prepaid expenses) at December 31, 2021 versus €119 million as at December 31, 2020.*
(b) *of which €623.4 million for the Payments business line, €282 million for the Insurance business line and €540.8 million for Natixis Immo Exploitation classified as "Non-current assets held for sale" at December 31, 2021 (see Notes 1.2 and 7.10).*

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7.10 Non-current assets and liabilities held for sale

The table below presents a breakdown of the items "Non-current assets held for sale" and "Liabilities related to non-current assets held for sale", by major category.

At December 31, 2021, the items "Non-current assets held for sale" and "Liabilities related to non-current assets held for sale" concern the assets and liabilities of the Insurance and Payments business lines and those of Natixis Immo Exploitation (NIE) to be transferred to BPCE, as well as those of H2O *(see Notes 1.2 and 2.6)*.

(in millions of euros)	Notes	31/12/2021	Insurance	Payment	Natixis Immo Exploitation	H2O
Cash, central banks		0		0		
Financial assets at fair value through profit or loss		188		1		187
Financial assets at fair value through other comprehensive income		12			12	
Loans and receivables due from banks and similar items at amortized cost	7.10.1	957	294	525	10	129
Customer loans and receivables at amortized cost		8		8		
Insurance business investments	7.10.2	122,691	122,691			
Current tax assets		4	1	3		1
Deferred tax assets		54	26	12	(5)	21
Accrual accounts and other assets		664	300	192	109	63
Investments in associates		196	196			
Property, plant and equipment	7.10.3	559	45	39	476	(1)
Intangible assets	7.10.3	316	148	167		
Goodwill		231	93	137		
Non-current assets held for sale		**125,880**	**123,793**	**1,084**	**601**	**401**
Central banks		0				
Financial liabilities at fair value through profit or loss	7.10.5	5,523	5,523			
Deposits and loans due to banks and similar items	7.10.6	3,016	3,014	1		
Deposits and loans due to customers	7.10.6	120		120	0	
Current tax liabilities		28	1	10		17
Deferred tax liabilities		39	36	2	2	
Accrual accounts and other liabilities		1,554	314	657	524	59
Liabilities related to insurance policies	7.10.4	113,747	113,747			
Provisions		89	42	23	23	0
Subordinated debt		251	251			
Liabilities associated with non-current assets held for sale		**124,366**	**122,928**	**813**	**549**	**76**
Financing commitments given		**12**		**12**		
Financing commitments received		**0**				
Guarantee commitments given		**21**	**14**	**7**		
Guarantee commitments received from banks		**3,903**	**3,903**			

7.10.1 Loans and receivables due from banks and similar items at amortized cost

(in millions of euros)	31/12/2021		
	Unimpaired financial assets [(a)]	Impaired financial assets [(b)]	Total
Current accounts overdrawn	521		521
Loans and receivables	437		437
Security deposits paid			
Value adjustments for credit losses			
TOTAL	**957**		**957**

(a) Comprises unimpaired financial assets for which value adjustments are calculated based on 12-month expected credit losses (Stage 1) or lifetime expected credit losses (Stage 2).

(b) Impaired financial assets (Stage 3) are assets for which a default event has been identified as defined in Article 178 of the EU Regulation of June 26, 2013 on regulatory requirements for credit institutions.

7.10.2 Insurance business investments

At initial recognition, financial assets and liabilities are measured at fair value, corresponding to their acquisition price at that date. Their subsequent accounting treatment depends on their balance sheet classification. In accordance with IAS 39, financial assets are classified in one of the four categories of financial assets set out below:

Financial assets measured at fair value through profit and loss

These are instruments held for trading purposes or designated at fair value through profit or loss on initial recognition in accordance with the fair value option amendment to IAS 39 (published by the IASB in June 2005 and adopted by the European Union on November 15, 2005).

Securities held for trading purposes are those acquired by Natixis principally to be sold in the near term and those forming part of a portfolio of financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit taking.

Securities valued under this option fall into one of the following three categories:

- hybrid instruments that contain one or more significant and separable embedded derivative features;
- instruments belonging to a group of financial assets valued and managed on a fair value basis;
- instruments that present an inconsistency in accounting treatment with a related financial liability/asset.

Held-to-maturity financial assets

These are non-derivative financial assets with fixed or determinable payments and fixed maturities that Natixis has the clear intention and ability to hold through to maturity, other than those that are designated on initial recognition as at fair value through profit or loss (fair value option) or available-for-sale, and those that meet the definition of loans and receivables.

On initial recognition, available-for-sale financial assets are measured at fair value including transaction costs. After initial recognition, loans and receivables are measured at amortized cost using the effective interest rate method and tested for impairment at each reporting date. Where necessary, an impairment charge is recorded in income under “Cost of risk”. Transactions intended to hedge interest rate risk on these securities are not permitted under IFRS.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted on an active market, other than those designated as at fair value through profit or loss or available-for-sale. This excludes assets for which the holder cannot recover the majority of the initial investment other than because of a credit deterioration, which should be classified as available-for-sale.

When they are hedged, loans and receivables also include the fair value of the hedged component of assets classified in this category (fair value hedges).

On initial recognition, loans and receivables are measured at fair value (i.e. face value) plus transaction costs and less any discount and transaction revenues. In the case of loans, transaction costs include fees and any expenses directly attributable to setting up the loan.

After initial recognition, loans and receivables are measured at amortized cost using the effective interest rate method and tested for impairment at each reporting date. Where necessary, an impairment charge is recorded in income statement under “Cost of risk”.

When loans are granted at below-market interest rates, a discount corresponding to the difference between the face value of the loan and the sum of future cash flows discounted at the market interest rate is deducted from the face value of the loan. The market rate of interest is the rate applied by the vast majority of financial institutions at any given time for instruments and counterparties with similar characteristics.

Available-for-sale financial assets

“Available-for-sale financial assets” include non-derivative financial assets that are not classified as loans and receivables, held-to-maturity investments or financial assets at fair value through profit or loss. Securities classified in this category are initially recognized at their market value. At the reporting date, they are remeasured at their market value determined based on the market price for listed instruments.

Gains or losses arising from changes in the fair value (excluding revenues) of available-for-sale financial assets that are not hedged are recognized directly in equity under “Gains and losses recorded directly in equity”. Accrued or earned income is recognized in the income statement under “Net income from Insurance activities” using the effective interest rate method. Available-for-sale financial assets are tested for impairment at each reporting date. Where there is objective evidence that an asset is impaired and a decline in the fair value has already been recognized directly in equity, the cumulative impairment loss is removed from equity and recognized in income under “Cost of risk” (debt instruments) or “Net income from Insurance activities” (equity instruments).

Provisions for impairment of financial assets

At the reporting date, the relevant entities assess whether there is any objective evidence of individual or collective impairment for loans and receivables. To identify evidence of impairment, they analyze trends in a number of objective criteria, but also rely on the judgment of its own expert teams. Similarly, they may use expert judgment to establish the likely timing of recoveries.

Assets measured at amortized cost and available-for-sale debt instruments

A provision for impairment is set aside as soon as there is reason to believe the issuer may not be able to meet its commitments regarding the payment of principal and interest, such as a default on interest or principal payments. Securities in this category are determined on a case-by-case basis at each reporting date after the portfolios are reviewed.

Available-for-sale equity instruments

The impairment criteria for non-amortizing securities categorized as available-for-sale assets are as follows:

- automatic impairment if there are unrealized losses of more than 50% at the reporting date;
- automatic impairment if there are unrealized losses for a period of more than 24 consecutive months;
- case-by-case analysis of securities presenting unrealized losses of more than 30% at the reporting date;
- case-by-case analysis of securities presenting unrealized losses for more than six consecutive months.

Identified securities give rise to an impairment charge based on their total carrying amount so that their post-impairment value reflects the recoverable value. The impairment charge is never reversed.

In accordance with IFRIC 10, an additional impairment charge will be recognized on investment securities for which a provision has already been made if its value has declined further at the reporting date, regardless of threshold or duration requirements.

Fair value of financial instruments

The general principles of fair value of financial instruments are the same as those presented in Note 5.6.

Reinsurance transactions

Transfers

Insurance transactions are recognized before reinsurance transfers. Reinsurance transfers are recognized in accordance with the terms of the different reinsurance treaties.

Acceptances

Reinsurance acceptance policies are recognized as insurance policies.

Guarantees given or received as part of these transactions are recognized on the balance sheet (cash deposits) or off-balance sheet (securities pledged or received as collateral).

No Natixis reinsurance policies fall under the scope of IAS 39.

(in millions of euros)	Notes	31/12/2021
Investment property	7.10.2.1	1,457
Financial assets at fair value through profit or loss	7.10.2.2	32,038
Hedging derivatives		
Available-for-sale financial assets	7.10.2.3	54,568
Loans and receivables	7.10.2.5	13,944
Held-to-maturity financial assets	7.10.2.6	767
Share held by cedents and retrocessionaires in liabilities relating to insurance policies and financial contracts		18,547
Receivables arising from Insurance and assumed reInsurance activities		1,051
Receivables arising from reinsurance transfers		56
Deferred acquisition costs		263
Other items		
TOTAL		**122,691**

7.10.2.1 Investment property

	31/12/2021		
(in millions of euros)	Gross value	Impairment and amortization	Net value
Investment property – At fair value	1,043		1,043
Investment property – At historical cost	40	(15)	25
Investment property – UL policies	389		389
TOTAL	**1,472**	**(15)**	**1,457**

7.10.2.2 Financial assets at fair value through profit or loss

(in millions of euros)	Notes	31/12/2021
Securities held for trading		**4,348**
Debt instruments in the form of securities		
Equity instruments [(a)]		4,348
Loans and receivables		
Derivative instruments not eligible for hedge accounting		**2**
Hedging derivatives		**0**
Securities under the fair value option through profit or loss		**27,688**
Debt instruments in the form of securities		1,592
Equity instruments [(a)]		5,657
Investments backed by unit-linked policies		20,440
Loans and receivables at fair value through profit and loss		**0**
Banks		
Customers		
TOTAL		**32,038**

(a) Including mutual fund units.

Conditions for classification of financial assets under the fair value option

Financial assets are designated at fair value through profit or loss when this choice provides more pertinent information or when these instruments incorporate one or more significant and separable embedded derivatives.

The use of the fair value option is considered to provide more pertinent information in two situations:

- where there is an accounting mismatch between economically linked assets and liabilities. This arises for example in the case of an asset and a hedging derivative when the criteria for hedge accounting are not met;
- where a portfolio of financial assets and liabilities is managed and recognized at fair value as part of a documented policy of asset and liability management.

Financial assets designated at fair value through profit or loss mainly consist of financial assets representative of unit-linked policies from Insurance activities.

	31/12/2021			
(in millions of euros)	Carrying amount	Accounting mismatch	Managed on a fair value basis	Embedded derivatives
Loans and receivables due from banks				
Loans and receivables due from customers				
Debt instruments in the form of securities	2,170	534		1,636
Equity instruments	25,518	25,518		
TOTAL	**27,688**	**26,052**		**1,636**

7.10.2.3 Available-for-sale financial assets

The table below shows available-for-sale financial assets by type of instrument (fixed-income securities, variable-income securities). It discloses the gross value before impairment, the amount of impairment and the net value after impairment.

(in millions of euros)	31/12/2021
Securities	**54,844**
▪ Debt instruments	43,581
▪ Equity instruments [(a)]	10,896
▪ Accrued interest	366
Impairment of available-for-sale assets	**(276)**
▪ Debt instruments	(51)
▪ Equity instruments [(b)]	(225)
TOTAL	**54,568**

(a) Including mutual fund units.

(b) At December 31, 2021, permanent impairment of variable-income securities stood at €84 million, compared with €168 million as at December 31, 2020. This expense is offset by an amount of 89% respectively, taking into account the profit-sharing mechanism (87% as at December 31, 2020). The 2021 expense can be broken down into an additional impairment loss on previously impaired securities for €8 million (€144 million as at December 31, 2020) and an allowance for newly impaired securities for €76 million (€25 million as at December 31, 2020).

7.10.2.4 Fair value of financial assets carried at fair value in the balance sheet

Assets *(in millions of euros)*	31/12/2021 Carrying amount	Level 1	Level 2	Level 3
Financial assets at fair value through profit or loss	**32,038**	**26,018**	**4,735**	**1,286**
Income securities held for trading	**4,348**	**4,348**	**0**	**0**
o/w debt instruments in the form of securities	*0*	*0*	*0*	*0*
o/w equity instruments	*4,348*	*4,348*	*0*	*0*
Derivative instruments not eligible for hedge accounting (positive fair value)	**2**	**2**	**0**	**0**
o/w interest rate derivatives	*0*	*0*	*0*	*0*
o/w currency derivatives	*2*	*2*	*0*	*0*
o/w credit derivatives				
o/w equity derivatives	*0*	*0*	*0*	*0*
o/w other	*0*	*0*	*0*	*0*
Other financial assets held for trading	**0**	**0**	**0**	**0**
Financial assets designated under the fair value option through profit or loss	**27,688**	**21,667**	**4,735**	**1,286**
o/w debt instruments in the form of securities	*1,592*	*0*	*328*	*1,264*
o/w equity instruments	*5,657*	*4,654*	*993*	*9*
o/w loans and receivables	*0*	*0*	*0*	*0*
o/w investments backed by unit-linked policies	*20,440*	*17,013*	*3,413*	*14*
Hedging derivatives	**0**	**0**	**0**	**0**
Available-for-sale financial assets	**54,568**	**45,451**	**5,960**	**3,156**
Available-for-sale securities – Equity investments	**203**	**0**	**0**	**203**
Other available-for-sale securities	**54,365**	**45,451**	**5,960**	**2,953**
o/w debt instruments in the form of securities	*43,897*	*37,770*	*3,226*	*2,901*
o/w equity instruments	*10,468*	*7,682*	*2,734*	*52*
o/w other available-for-sale financial assets	*0*	*0*	*0*	*0*
TOTAL	**86,606**	**71,469**	**10,695**	**4,443**

(in millions of euros)	Level 3 opening balance 01/01/2021	Gains and losses recognized in the period – Income statement – On outstanding transactions at the reporting date	Gains and losses recognized in the period – Income statement – On transactions expired or redeemed in the period	Gains and losses recognized in the period – Gains and losses recorded directly in equity	Transactions carried out in the period – Procurement/ Issues	Transactions carried out in the period – Sales/ Redemptions	Reclassifications in the period – Outside Level 3	Reclassifications in the period – To Level 3	Reclassifications in the period – Other reclassifications	Change in consolidation scope	Translation adjustments	Level 3 closing balance 31/12/2021
Financial assets at fair value through profit or loss	**1,519**	**0**	**(1)**	**(0)**	**59**	**(338)**	**(1)**	**49**	**0**	**0**	**0**	**1,286**
Derivative instruments not eligible for hedge accounting (positive fair value)												
o/w currency derivatives												
o/w equity derivatives												
o/w other												
Financial assets designated under the fair value option through profit or loss	**1,519**	**0**	**(1)**	**(0)**	**59**	**(338)**	**(1)**	**49**	**0**	**0**	**0**	**1,286**
o/w debt instruments in the form of securities	*1,517*	*0*	*(1)*	*(0)*	*58*	*(338)*	*0*	*27*	*0*	*0*	*0*	*1,264*
o/w equity instruments		*0*	*0*	*0*	*1*	*0*	*0*	*8*	*0*	*0*	*0*	*9*
o/w investments backed by unit-linked policies	*1*	*(0)*	*0*	*0*	*0*	*0*	*(1)*	*13*	*0*	*0*	*0*	*14*
Available-for-sale financial assets	**2,925**	**0**	**(4)**	**5**	**503**	**(399)**	**(289)**	**325**	**89**	**0**	**0**	**3,156**
Available-for-sale securities – Equity investments	**96**	**0**	**0**	**9**	**9**	**0**	**0**	**0**	**89**	**0**	**0**	**203**
Other available-for-sale securities	**2,830**	**0**	**(4)**	**(4)**	**494**	**(399)**	**(289)**	**325**	**0**	**0**	**0**	**2,953**
o/w debt instruments in the form of securities	*2,830*	*0*	*(4)*	*(4)*	*442*	*(399)*	*(289)*	*324*	*0*	*0*	*0*	*2,901*
o/w equity instruments	*0*	*0*	*0*	*0*	*52*	*0*	*0*	*0*	*0*	*0*	*0*	*52*
o/w other available-for-sale financial assets												
TOTAL FINANCIAL ASSETS RECORDED AT FAIR VALUE	**4,444**	**0**	**(5)**	**5**	**562**	**(737)**	**(290)**	**374**	**89**	**0**	**0**	**4,443**

Financial assets at fair value: transfer between fair value levels

		31/12/2021				
	From	Level 1	Level 2	Level 2	Level 3	Level 3
(in millions of euros)	To	Level 2	Level 1	Level 3	Level 1	Level 2
Financial assets at fair value through profit or loss		**61**	**18**	**49**	**0**	**1**
Financial assets designated under the fair value option through profit or loss		**61**	**18**	**49**	**0**	**1**
o/w debt instruments in the form of securities		*61*	*18*	*27*	*0*	*0*
o/w equity instruments		*0*	*0*	*8*	*0*	*0*
o/w investments backed by unit-linked policies		*0*	*0*	*13*	*0*	*1*
Available-for-sale financial assets		**80**	**320**	**325**	**0**	**289**
Available-for-sale securities – Equity investments		**0**	**0**	**0**	**0**	**0**
Other available-for-sale securities		**80**	**320**	**325**	**0**	**289**
o/w debt instruments in the form of securities		*80*	*320*	*324*	*0*	*289*
o/w equity instruments		*0*	*0*	*0*	*0*	*0*

7.10.2.5 Loans and receivables

(in millions of euros)	31/12/2021
Loans and receivables due from credit institutions	**635**
Loans and receivables	633
Accrued interest	1
Provisions	
Customer loans and receivables [(a)]	**13,309**
Loans and receivables	13,296
Debt instruments in the form of securities	
Financing against reverse repos	
Other	
Accrued interest	14
Provisions	
TOTAL	**13,944**

(a) Of which €11,338 million for guarantee deposits made for the acceptance of reinsurance treaties.

7.10.2.6 Held-to-maturity financial assets

(in millions of euros)	31/12/2021
Government securities	**512**
Gross value	512
Provisions	
Bonds	**255**
Gross value	256
Provisions	(1)
TOTAL	**767**

7.10.2.7 Fair value of financial assets valued at amortized cost on the balance sheet

	31/12/2021				
(in millions of euros)	Carrying amount	Fair value	Level 1	Level 2	Level 3
Loans and receivables due from credit institutions	**635**	**635**	**0**	**635**	
o/w loans and receivables	*633*	*634*	*0*	*634*	
Other	*1*	*1*		*1*	
Customer loans and receivables	**13,309**	**13,309**	**0**	**13,309**	**0**
o/w loans and receivables	*13,309*	*13,309*	*0*	*13,309*	*0*
Held-to-maturity assets	**767**	**915**	**780**	**132**	**3**
TOTAL FINANCIAL ASSETS	**14,711**	**14,860**	**780**	**14,077**	**3**

7.10.2.8 Information to be disclosed about the temporary exemption from the application of IFRS 9 for Insurance activities

	31/12/2021	
(in millions of euros)	Fair value	Change in fair value over the period
SPPI financial assets	42,884	(1,526)
Non-SPPI financial assets	4,540	(27)
TOTAL [(A)]	**47,424**	**(1,554)**

This table does not include financial assets recognized at fair value through profit or loss, or reInsurance activities.

(a) Excluding €7,255 million in mutual funds classified as available-for-sale assets as at December 31, 2021.

7.10.3 Property, plant and equipment and intangible assets

	31/12/2021		
(in millions of euros)	Gross value	Impairment and amortization	Net value
Property, plant and equipment	**742**	**(182)**	**559**
Land and buildings	134	(46)	88
Rights of use in respect of lease agreements (lessees)	559	(104)	455
o/w immovable assets	*559*	*(104)*	*455*
o/w movable assets	*0*	*0*	*0*
Other	49	(33)	17
Intangible assets	**806**	**(491)**	**316**
Goodwill	11	(6)	4
Software	736	(472)	263
Other items	60	(12)	48
TOTAL	**1,548**	**(673)**	**875**

7.10.4 Liabilities related to insurance policies

Policies managed by the insurance subsidiaries of the Coface and Natixis Assurances sub-groups meet the definitions of insurance policies and investment contracts with a discretionary participation feature set out in IFRS 4. Accordingly, they result in the recognition of technical reserves in liabilities. These reserves are measured in accordance with French GAAP pending the entry into force of IFRS 17 dealing with the technical liabilities of insurance companies.

Technical reserves for insurance policies meet the commitments of insurance companies with regard to policyholders and contract beneficiaries.

In accordance with IFRS 4, insurance technical reserves are calculated using methods stipulated by local regulations. A liability adequacy test is carried out in order to ensure that the insurance liabilities as presented in the consolidated financial statements are sufficient to cover future cash flows estimated at that date. The test is based on a stochastic or deterministic valuation model of discounted future cash flows.

Technical reserves for life-insurance policies are primarily composed of mathematical reserves corresponding to the surrender value of the contract.

Insurance offered primarily covers death, disability, work disability, dependency, damage to persons or property, health, legal protection and financial loss. Related technical reserves are calculated using specialized tables (life, experience and Bureau Commun des Assurances Collectives/BCAC tables).

Technical reserves for non-life insurance policies include reserves for unearned premium income and for claims to be paid (not discounted).

Reserves for unearned premium income are prorated separately for each insurance policy. They correspond to the portion of premium income remaining between the fiscal year-end and the premium due date.

Claims reserves include an estimate of claims reported but not settled at the reporting date. In addition to the amount of claims payable, a provision is set aside for unknown claims, calculated on a statistical basis by reference to the final amount of claims to be paid following settlement of risks and after any debt recovery measures.

Reserves also include economic hazards related to end-of-year premiums as well as a reserve for management fees.

In addition to this statistical estimation, specific reserves are recognized for major disasters based on the probability of default and of severity, estimated on a case-by-case basis.

Policy acquisition costs are expensed to the period. In particular, for non-life insurance policies, expenses are recognized according to the rate of acquisition of the premiums: the share of deferred acquisition costs is calculated on a pro rata basis of the unearned premiums at the closing date of the period.

Pursuant to paragraph 30 of IFRS 4, insurance policies and investment contracts with discretionary participation (life insurance) are measured using shadow accounting, which consists in recognizing the portion of unrealized gains or losses potentially attributable to policyholders as a deferred profit-sharing reserve. The deferred profit-sharing reserve thus reflects the potential entitlement of policyholders to unrealized gains for financial investments or their portion of unrealized losses. Considering the pay-out ratio in the 2021 budget and in accordance with the pay-out ratio recorded for 2021, the deferred profit-sharing rate adopted at December 31, 2021 was 89% compared with 87% as at December 31, 2020.

In the event of net unearned losses, a deferred profit-sharing asset is recognized up to the amount for which future deferred profit-sharing of policyholders is estimated to be highly probable.

Deferred profit-sharing assets and liabilities arise mainly on:

- the revaluation of “available-for-sale financial assets” and “financial assets at fair value through profit or loss”;
- the revaluation of real estate assets held to cover insurance policies;
- the restatement in the consolidated financial statements of the capital reserve and the liquidity risk reserve.

The change in the deferred profit-sharing asset and liability is recognized:

- in equity when it relates to changes in the value of “available-for-sale assets”;
- in income when it relates to changes in the value of assets at fair value through profit or loss or investment property held to cover insurance policies, as well as changes in provisions for prolonged declines in value in available-for-sale assets.

Application of the shadow accounting mechanism resulted in the recognition of a deferred profit-sharing liability on December 31, 2021, as on December 31, 2020.

(in millions of euros)	**2021**	2020
Total net deferred profit-sharing asset	-	-
Total net deferred profit-sharing liability	4,222	4,692

In the case of deferred profit-sharing assets, a recoverability test is carried out. Deferred profit-sharing may be recovered depending on the intention and ability of companies to steer future compensation of contracts according to resources. These are sensitive to:

- changes in the equity and bond markets;
- changes in net inflows, which result from the commercial appeal of policies and the propensity of policy holders to renew their contracts;
- available reserves and own resources within companies to hold assets for a period compatible with changes in liabilities and consistent with market cycles.

Prospective analysis of the deferred profit-sharing asset’s recoverability is therefore carried out to demonstrate the ability and intention of companies to meet liquidity requirements over the remaining recoverability period without selling investments in unrealized losses. This process corresponds to a forward-looking view of future cash flows, built following regulatory and contractual conditions applied to contracts and with the help of economic scenarios based on historical probability.

(in millions of euros)	31/12/2021
Technical reserves	**102,089**
Technical reserves relating to insurance policies	54,580
Technical reserves relating to unit-linked insurance policies	17,696
Technical reserves relating to financial policies with a discretionary profit sharing feature	19,667
Technical reserves relating to financial policies without a discretionary profit sharing feature	
Technical reserves relating to unit-linked insurance policies	5,923
Deferred profit-sharing liabilities	4,222
Debts arising from insurance and reInsurance activities	**11,656**
Debts arising from insurance and assumed reInsurance activities	487
Debts arising from ceded reInsurance activities	11,169
Derivatives	**2**
Derivative instruments not eligible for hedge accounting	2
Hedging derivatives	
Other liabilities relating to insurance policies	
TOTAL	**113,747**

7.10.5 Financial liabilities at fair value through profit or loss

	31/12/2021		
(in millions of euros)	Financial liabilities issued for trading	Financial liabilities designated under the fair value option	Total
Securities			
Debt securities			
Subordinated debt			
Short sales			
Repurchased securities			
Liabilities		**5,523**	**5,523**
Due to banks			
Customer deposits			
Other liabilities		5,523	5,523
Derivative instruments not eligible for hedge accounting			
Security deposits received			
TOTAL		**5,523**	**5,523**

7.10.6 Deposits and borrowings from credit institutions and customers

(in millions of euros)	31/12/2021
Deposits and loans due to banks	**3,016**
Current accounts	44
Deposits and loans	1
Repurchase agreements	2,970
Security deposits received	
Other liabilities	
Deposits and loans due to customers	**120**
Current accounts	30
Deposits and loans	0
Repurchase agreements	
Special savings accounts	
Factoring accounts	
Security deposits received	
Other liabilities	89
Accrued interest	
TOTAL	**3,136**

7.10.7 Breakdown of Insurance business investments by contractual maturity

Uses *(in billions of euros)*	31/12/2021						
	Less than 1 month	**1 to 3 months**	**3 months to 1 year**	**1 to 5 years**	**Over 5 years**	**Undated**	**Total**
Assets at fair value through profit and loss – excluding trading derivatives	0	0	0	0	1	30	32
Available-for-sale financial assets	0	1	2	11	29	11	55
Loans and receivables	0					14	14
Held-to-maturity financial assets		0	0	1	0		1
TOTAL	**0**	**1**	**2**	**12**	**31**	**55**	**101**

7.11 Property, plant and equipment and intangible assets

(in millions of euros)	31/12/2021			31/12/2020		
	Gross value	**Impairment and amortization**	**Net value**	Gross value	Impairment and amortization	Net value [(a)]
Property, plant and equipment	**2,231**	**(1,267)**	**964**	**2,517**	**(1,245)**	**1,272**
Land and buildings	320	(243)	77	371	(270)	101
Rights of use in respect of lease agreements (lessees)	1,060	(380)	680	1,241	(342)	898
o/w immovable assets	*1,056*	*(378)*	*678*	*1,238*	*(341)*	*897*
o/w movable assets	*4*	*(2)*	*2*	*3*	*(2)*	*1*
Other items	851	(644)	207	905	(633)	273
Intangible assets	**1,178**	**(830)**	**348**	**1,899**	**(1,234)**	**665**
Goodwill	20	(1)	19	30	(7)	23
Software	828	(723)	104	1,471	(1,130)	340
Other items	331	(106)	225	398	(96)	301
TOTAL	**3,409**	**(2,097)**	**1,312**	**4,416**	**(2,479)**	**1,937**

(a) *Including €875.5 million for the Insurance, Payments and Natixis Immo Exploitation business lines classified as "Non-current assets held for sale" at December 31, 2021 (see Notes 1.2 and 7.10).*

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December 31, 2021

(in millions of euros)	Gross value 01/01/2021	Increase	Decrease	Change in consolidation scope and other items [(a)]	**Gross value 31/12/2021**
Property, plant and equipment	**2,517**	**588**	**(118)**	**(756)**	**2,231**
Land and buildings	371	81	(1)	(131)	320
Property, plant and equipment provided under operating leases					
Rights of use in respect of lease agreements (lessees)	1,241	427	(85)	(523)	1,060
o/w immovable assets	*1,238*	*426*	*(85)*	*(523)*	*1,056*
o/w movable assets	*3*	*1*	*(0)*	*(0)*	*4*
Other items	905	80	(32)	(102)	852
Intangible assets	**1,899**	**189**	**(124)**	**(785)**	**1,178**
Goodwill	30	1	0	(12)	20
Software	1,471	113	(124)	(632)	828
Other items	398	74	(0)	(141)	331
TOTAL	**4,416**	**777**	**(243)**	**(1,541)**	**3,409**

(a) Including -€1,539.6 million for the Insurance, Payments and Natixis Immo Exploitation business lines classified as "Non-current assets held for sale" at December 31, 2021 (see Notes 1.2 and 7.10).

December 31, 2020

(in millions of euros)	Gross value 01/01/2020	Increase	Decrease	Change in consolidation scope and other items [(a)]	Gross value 31/12/2020
Property, plant and equipment	**2,611**	**283**	**(54)**	**(321)**	**2,517**
Land and buildings	454	12	(7)	(89)	371
Property, plant and equipment provided under operating leases					
Rights of use in respect of lease agreements (lessees)	1,232	175	(13)	(151)	1,241
o/w immovable assets	*1,213*	*175*	*(13)*	*(135)*	*1,238*
o/w movable assets	*19*	*0*	*0*	*(16)*	*3*
Other items	925	96	(34)	(81)	905
Intangible assets	**2,008**	**143**	**(18)**	**(233)**	**1,899**
Goodwill	33	0	0	(3)	30
Software	1,506	48	(18)	(66)	1,471
Other items	468	95	0	(165)	398
TOTAL	**4,618**	**426**	**(72)**	**(554)**	**4,416**

(a) Including Coface, which is now treated under IFRS 5 and under the equity method: -€242 million on property, plant and equipment and -€220.5 million on intangible assets.

7.12 Assets obtained by taking possession of guarantees

As at December 31, 2021 and December 31, 2020, Natixis did not have any assets obtained by taking possession of guarantees on its balance sheet.

7.13 Goodwill

At December 31, 2021

	01/01/2021	31/12/2021							
(in millions of euros)	Opening balance	Acquisitions during the period [b]	Transfers	Impairment	Translation adjustments	Transfers to "Assets held for sale" [c]	Reclassifications	Other changes	Closing balance
Asset & Wealth Management [a]	3,168	30			104			(5)	3,297
Corporate & Investment Banking	135				9				143
Insurance	93					(93)			0
Payments	137	1				(137)			0
TOTAL	**3,533**	**31**	**0**	**0**	**113**	**(231)**	**0**	**(5)**	**3,440**

(a) *Certain goodwill recorded for the United States gives rise to a tax amortization over 15 years due to the difference between the carrying amount of the goodwill and its tax value. This difference in treatment generated a deferred tax liability of €349.3 million at December 31, 2021.*

(b) *€30 million corresponding to the goodwill recognized on the acquisition of 100% of the entity AEW UK Investment Management LLP previously held at 50% and €0.8 million from the acquisition of the Jackpot entity within the Payments division.*

(c) *-€231 million corresponding to the reclassification of the goodwill of the Insurance and Payments division as assets held for sale.*

As at December 31, 2020

	01/01/2020	31/12/2020							
(in millions of euros)	Opening balance	Acquisitions during the period [c]	Transfers	Impairment	Translation adjustments	Transfers to equity method	Reclassifications	Other changes	Closing balance
Asset & Wealth Management [a]	3,235	52			(120)				3,168
Corporate & Investment Banking	144				(9)				135
Insurance	93								93
Payments	137								137
Corporate Center [b]	282		(282)						0
TOTAL	**3,891**	**52**	**(282)**	**0**	**(129)**	**0**	**0**	**0**	**3,533**

(a) *Certain goodwill recorded for the United States gives rise to a tax amortization over 15 years due to the difference between the carrying amount of the goodwill and its tax value. This difference in treatment generated a deferred tax liability of €320.9 million as at December 31, 2020.*

(b) *-€282 million corresponding to the disposal of goodwill recognized following the loss of control of Coface (see Note 1.2 "Significant events").*

(c) *€52 million corresponding to the goodwill recognized on the acquisition of a 55% stake in La Banque Postale AM following the merger of Natixis IM's fixed income and insurance-related Asset Management activities with the former.*

Furthermore, goodwill on entities consolidated using the equity method amounted to €1.2 million at December 31, 2020.

7.14 Due to banks and customer deposits

Amounts due to banks and customer deposits are presented by type of deposit (demand or term deposits). They are measured in accordance with IFRS 9 within other financial liabilities using the amortized cost method.

7.14.1 Amounts due to credit institutions

(in millions of euros)	**31/12/2021**	31/12/2020 (a)
Current accounts	4,028	5,445
Deposits and loans	125,801	69,750
Repurchase agreements	5,985	9,129
Security deposits received	48	82
Other liabilities	1	1
TOTAL	**135,863**	**84,408**

(a) Including €4,161 million in the Insurance and Payments business lines classified as "Liabilities related to non-current assets held for sale" at December 31, 2021 (see Notes 1.2 and 7.10).

The fair value of debts due to banks is provided in Note 7.5.4.

The increase in interbank transactions includes the setting up of term loans and borrowings with BPCE in the amount of €54.2 billion concluded in order to meet the constraints of the long-term liquidity ratio (NSFR: Net Stable Funding Ratio) mandatory as of June 30, 2021. These Money Market transactions were entered into with separate exercise notice periods between lending transactions and borrowing transactions in order to enable Natixis to comply with a minimum ratio of 100%.

7.14.2 Amounts due to customers

(in millions of euros)	**31/12/2021**	31/12/2020 (a)
Current accounts	24,741	21,579
Deposits and loans	7,526	6,876
Repurchase agreements	797	17
Special savings accounts	174	243
Factoring accounts		
Security deposits received		
Other liabilities	1,104	1,069
Accrued interest	12	14
TOTAL	**34,355**	**29,798**

(a) Including €106.5 million for the Payments business line, classified as "Liabilities related to non-current assets held for sale" at December 31, 2021 (see Notes 1.2 and 7.10).

The fair value of customer deposits is presented in Note 7.5.4.

7.15 Debt securities

Debt securities (interest-bearing notes, interbank market securities, etc.) are broken down by type of security, excluding subordinated securities which are included within "Subordinated debt".

(in millions of euros)	**31/12/2021**	31/12/2020
Marketable debt instruments	36,337	33,362
Bonds	1,747	1,650
Other debt securities	640	640
TOTAL	**38,723**	**35,652**

The fair value of debt securities is presented in Note 7.5.4.

7.16 Subordinated debt

Subordinated debt differs from advances and bonds issued in that it is repaid after all senior and unsecured creditors, but before the repayment of participating loans and securities and deeply subordinated securities. Subordinated debt is valued at amortized cost.

(in millions of euros)	**31/12/2021**	31/12/2020 [(a)]
Dated subordinated debt [(b)]	4,018	3,629
Undated subordinated debt	45	296
Accrued interest	10	9
TOTAL [(A)]	**4,073**	**3,934**

The main characteristics of the issues of subordinated notes are given on the Natixis website (www.natixis.com).

(a) Including €251 million for the Insurance business line, classified as "Liabilities related to non-current assets held for sale" at December 31, 2021 (see Notes 1.2 and 7.10).

(b) Subordinated debt issue agreements do not incorporate a clause providing for early redemption in the event that the covenants are not observed.

The fair value of subordinated debt is given in Note 7.5.4.

Changes in subordinated debt over the 2021 fiscal year

(in millions of euros)	31/12/2020	Issues	Redemptions	Translation adjustments	Reclassification as liabilities held for sale [(b)]	Other items [(a)]	**31/12/2021**
Other dated subordinated debt	**3,629**	**1,800**	**(1,400)**			**(10)**	**4,018**
Subordinated notes	679		(500)			(10)	168
Subordinated loans	2,950	1,800	(900)				3,850
Other undated subordinated debt	**296**				**(251)**		**45**
Deeply subordinated notes	0						
Subordinated notes	45						45
Subordinated loans	251				(251)		
TOTAL	**3,925**	**1,800**	**(1,400)**		**(251)**	**(10)**	**4,063**

This table does not include accrued interest.

(a) Other changes mainly concern the revaluation of hedged debts.

(b) Concerns the Insurance business line classified as "Liabilities related to non-current assets held for sale" at December 31, 2021.

Changes in subordinated debt over the 2020 fiscal year

(in millions of euros)	31/12/2019	Issues	Redemptions	Translation adjustments	Changes in scope [(b)]	Other items [(a)]	31/12/2020
Other dated subordinated debt	**3,654**	**350**	**0**	**0**	**(378)**	**3**	**3,629**
Subordinated notes	674				2	3	679
Subordinated loans	2,980	350			(380)		2,950
Other undated subordinated debt	**297**	**0**	**0**	**0**	**0**	**(0)**	**296**
Deeply subordinated notes	0						0
Subordinated notes	46						46
Subordinated loans	251					(0)	250
TOTAL	**3,951**	**350**	**0**	**0**	**(378)**	**3**	**3,925**

This table does not include accrued interest.

(a) Other changes mainly pertained to the revaluation of debts subject to hedging and variations in intra-group securities held by Natixis Funding for the purposes of market making with respect to Natixis' debt on the secondary market.

(b) Concerns Coface, which is now treated using the equity method.

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7.17 Provisions and impairment

The table below does not include value adjustments for credit losses of financial assets measured at amortized cost *(see Note 5.1.3)* and at fair value through equity *(see Note 5.1.4)*, as well as financing and guarantee commitments given *(see Note 5.20)*.

At December 31, 2021

(in millions of euros)	01/01/2021	Increase	Reversal (utilized provisions)	Reversal (surplus provisions)	Translation adjustments	Other [b]	31/12/2021
Counterparty risks	**890**	**519**	**(259)**	**(481)**	**48**	**0**	**718**
Financing and guarantee commitments	168	506		(474)	6	1	205
Litigation [a]	714	9	(255)	(1)	42	0	509
Other provisions	8	5	(3)	(6)	0	(0)	3
Impairment risks	**61**	**110**	**0**	**(0)**	**0**	**(23)**	**148**
Long-term investments	61	87	0	(0)	0	0	148
Real estate developments	0	0	0	(0)	0	0	0
Other provisions	0	23	0	0	0	(23)	0
Employee benefit obligations	**502**	**153**	**(89)**	**(14)**	**10**	**(30)**	**532**
Operational risks	**170**	**109**	**(21)**	**(35)**	**3**	**(44)**	**182**
TOTAL CONTINGENCY RESERVES	**1,623**	**891**	**(368)**	**(530)**	**61**	**(97)**	**1,580**

(a) Of which €319.3 million in provisions at December 31, 2021 for the Madoff fraud exposure (see Section 3.2.10 of Chapter 3 "Risk factors, risk management and Pillar III").The decrease in this provision during the fiscal year was mainly due to the write-off, fully covered by provisions, of certain assets deposited in Natixis' name following the confirmation of their liquidation;

(b) Mainly corresponds to the impact of the actuarial valuation of the defined benefit plans for -€31.6 million and the reclassification in "Liabilities related to non-current assets held for sale" of the Insurance, Payments and Natixis Immo Exploitation business lines at December 31, 2021 for -€42.1 millions.

As at December 31, 2020

(in millions of euros)	01/01/2020	Increase	Reversal (utilized provisions)	Reversal (surplus provisions)	Translation adjustments	Other [b]	31/12/2020
Counterparty risks	**916**	**402**	**(2)**	**(353)**	**(71)**	**(2)**	**890**
Financing and guarantee commitments	127	394	0	(345)	(6)	(2)	168
Litigation [a]	779	2	(0)	(2)	(64)	(0)	714
Other provisions	10	6	(2)	(6)	(0)	(0)	8
Impairment risks	**24**	**47**	**(2)**	**0**	**(0)**	**(8)**	**61**
Long-term investments	24	47	(2)	0	(0)	(8)	61
Real estate developments	0	0	0	0	0	0	0
Other provisions	0	0	0	0	0	0	0
Employee benefit obligations	**524**	**80**	**(86)**	**(18)**	**3**	**(2)**	**502**
Operational risks	**179**	**49**	**(13)**	**(14)**	**(2)**	**(28)**	**170**
TOTAL CONTINGENCY RESERVES	**1,642**	**578**	**(103)**	**(385)**	**(70)**	**(40)**	**1,623**

(a) Of which €503.4 million in provisions as at December 31, 2020 for the Madoff fraud exposure (see Section 3.2.10 of Chapter 3 "Risk factors, risk management and Pillar III").

(b) Mainly corresponds to the impact of the actuarial valuation of defined benefit plans, the change in the accounting classification of the time savings account, now considered as a long-term benefit (+€86.1 million) and the removal of the contribution from Coface as at December 31, 2019 for -€102.3 million.

NIT dispute

As a reminder, on December 18, 2019, the French antitrust body (Autorité de la Concurrence) announced that France's four historical meal voucher companies were to be fined a total of nearly €415 million for price fixing. On a financial level, the fine incurred by Natixis came to €83.3 million (of which €4.4 million for Natixis Intertitres alone, with Natixis being severally liable for the balance). Natixis has appealed this decision and believes it has numerous arguments in its defense with which to challenge it. Under these conditions, no provisions were booked in the financial statements at December 31, 2020 or December 31, 2021.

7.18 Breakdown of financial assets and liabilities by contractual maturity

The table below presents the balances of financial assets and liabilities by contractual maturity in the balance sheet. Variable-income assets, derivative financial instruments for trading and hedging purposes as well as revaluations of components hedged or unhedged by financial assets and liabilities are considered as having a "perpetual" maturity. Likewise, delinquencies and non-performing loans are deemed to have a "perpetual" maturity.

	31/12/2021							31/12/2020*						
Uses *(in billions of euros)*	Less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	Over 5 years	Undated	Total	Less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	Over 5 years	Undated *	Total
Cash and amounts due from central banks	49						49	31					0	31
Assets at fair value through profit and loss – excluding trading derivatives	0	0	0	0	0	156	157	1	0	0	1	1	154	157
Non-hedging derivatives *						55	55						60	60
Hedging derivatives						0	0						0	0
Financial assets at fair value through other comprehensive income	0	1	0	1	8	1	12	1	1	0	1	9	1	13
Loans and receivables due from credit institutions	11	2	4	61	9	0	87	10	3	14	8	10	1	45
Customer loans and receivables	13	7	9	28	12	2	70	14	5	10	26	11	3	68
Debt instruments at amortized cost	0	0	0		1	0	1	0	0	1	0	1	0	2
Revaluation adjustments on portfolios hedged against interest rate risk														
TOTAL	**73**	**10**	**14**	**90**	**30**	**214**	**431**	**56**	**8**	**25**	**36**	**32**	**218**	**375**

* *Amounts restated in relation to the financial statements published in 2020 (see Note 5.4).*

	31/12/2021							31/12/2020*						
Resources *(in billions of euros)*	Less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	Over 5 years	Undated	Total	Less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	Over 5 years	Undated*	Total
Due to central banks														
Financial liabilities at fair value through profit or loss	7	0	0	1	14	126	149	9	0	0	2	12	135	158
o/w repurchase agreements						*88*	*88*						*95*	*95*
Secured debt	*7*	*0*	*0*	*1*	*14*	*38*	*61*	*9*	*0*	*0*	*2*	*12*	*37*	*60*
o/w senior debt														
Unsecured debt	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*		*0*	*0*	*0*	*3*	*4*
o/w senior debt														
Covered bonds						*0*	*0*						*0*	*0*
Trading derivatives*						52	52						56	56
Hedging derivatives						0	0						1	1
Amounts due to credit institutions	31	6	22	75	2	1	136	28	10	17	24	1	4	84
o/w repurchase agreements	*5*	*1*					*6*	*4*	*0*	*1*	*0*		*3*	*9*
Amounts due to customers	28	3	2	0	1	0	34	25	2	1	0	1	0	30
Debt securities	16	8	13	1	1	0	39	16	8	10	1	1	0	36
o/w secured debt														
Covered bonds														
Subordinated debt	0		0	0	4	0	4	1		0	0	3	0	4
FINANCIAL LIABILITIES BY MATURITY	**82**	**17**	**37**	**77**	**22**	**179**	**414**	**79**	**19**	**28**	**27**	**18**	**196**	**368**
FINANCING COMMITMENTS GIVEN	**2**	**4**	**11**	**40**	**7**		**63**	**2**	**8**	**13**	**31**	**6**	**0**	**59**
GUARANTEE COMMITMENTS GIVEN	**1**	**3**	**7**	**16**	**1**		**28**	**1**	**3**	**9**	**5**	**6**		**24**

* *Amounts restated in relation to the financial statements published in 2020 (see Note 5.4).*

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7.19 Financial instruments subject to the index reform

The table below shows the financial instruments by index to be transitioned as part of the index reform *(see Note 5.22)*. The data presented are taken from the ALM management databases and concern financial instruments with a maturity exceeding December 31, 2021, taking into account the following conventions:

- financial assets and liabilities excluding derivatives are presented on the basis of their nominal value (outstanding capital), excluding provisions, with the exception of fixed-rate securities (excluding issues) which have been deferred, including valuation;
- derivatives are presented on the basis of their notional value at December 31, 2021;
- repurchase agreements are broken down by EONIA, EURIBOR and LIBOR indices before accounting offsetting;
- for derivatives comprising a borrowing leg and a lending leg, each exposed to a benchmark rate, the two legs have been reported in the notes to the financial statements to effectively reflect Natixis' exposure to the benchmark rates on these two legs;

		31/12/2021		
(in millions of euros)		Financial assets	Financial liabilities	Derivatives (notional)
EURIBOR – Euro Interbank Offered Rate	Euro Short-Term Rate (€STER)	44,239	19,505	2,572,929
EONIA – Euro OverNight Index Average	Euro Short-Term Rate (€STER)	175	278	4,944
LIBOR – London Interbank Offered Rate – GBP	Reformed Sterling Overnight Index Average (SONIA)	862	0	130,630
LIBOR – London Interbank Offered Rate – CHF	Swiss Average Rate Overnight (SARON)	184	3	30,522
LIBOR – London Interbank Offered Rate – JPY	Tokyo Overnight Average (TONA)	478	1,154	126,100
LIBOR – London Interbank Offered Rate – EUR	Euro Short-Term Rate (€STER)	220	0	261
LIBOR – London Interbank Offered Rate – USD 1W – 2M	Secured Overnight Financing Rate (SOFR)	1,611	0	0
LIBOR – London Interbank Offered Rate – USD excluding tenors 1W – 2M 1	Secured Overnight Financing Rate (SOFR)	12,905	4,303	1,959,706
TOTAL		**60,674**	**25,244**	**4,825,093**

Note 8 Segment reporting

In July 2021, Groupe BPCE presented its new strategic plan, "BPCE 2024". This development plan is based on **three strategic priorities** (Winning Spirit, Customer, Climate) and **three key principles** (Simple, Innovative Secure), and contains ambitious targets for the Retail Banking and Insurance and Global Financial Services business lines. Natixis' business lines are fully in line with this strategic plan.

Natixis is organized around the following four divisions at December 31, 2021:

- **Asset & Wealth Management**, which includes the Asset Management activities of Natixis Investment Managers, the Wealth Management business line and employee savings schemes;
- **Corporate & Investment Banking**, which advises businesses, institutional investors, insurance companies, banks and public sector entities and offers them a diversified line of financing solutions as well as access to Capital Markets. Its duties are threefold: to strengthen the bank's customer focus, to serve as a meeting place between issuers and investors and to roll out the "Originate to Distribute" model to optimize the rotation of the bank's balance sheet via active management of the loan book;
- **Insurance,** which is Groupe BPCE's single platform for the distribution of personal insurance and non-life insurance products;
- **Payments,** which provides Banque Populaire and Caisse d'Epargne network customers and direct customers with payment tools, infrastructures and services. (*) The Insurance and Payments divisions will be transferred to BPCE during the first quarter of 2022 (see Note 1.2 Significant events).

The activities of Private Equity (a proprietary activity managed in run-off mode, and portion of sponsored funds) and Natixis Algérie, which are still considered non-strategic, are part of the Corporate Center.

Based on this new organizational structure, General Management monitors divisional performance over the course of the year, draws up business plans and manages the business from an operational perspective. In accordance with IFRS 8 "Operating segments", this is the segmentation used by Natixis to define its operating segments.

8.1 Asset & Wealth Management

- **Asset Management:** Asset Management activities are brought together within Natixis Investment Managers. They cover all asset classes and are carried out mainly in the US and France. These activities are performed by autonomous entities (specialized management companies and specialized distribution units) coordinated by a holding company that ensures the organization's consistency by overseeing its strategic direction. These companies are thus able to focus on their core business and on achieving robust performance, while retaining the option of developing their own institutional clientele and drawing on the business line's other support functions, based on appropriate economic models. Many of these asset management companies are well-known, such as Loomis Sayles, Harris Associates, AEW, DNCA and Ostrum Asset Management (which joined La Banque Postale Asset Management's fixed income and insurance-related Asset Management activities at the end of 2020). As announced in the third quarter of 2020, Natixis IM is continuing its gradual withdrawal from H20 *(see Note 2.6)*.

  Together, these specialized asset management companies enable the Group to provide a comprehensive range of expertise meeting demand from all customer segments. Coverage of the various customer segments is optimized by the organization of distribution around a shared platform and the business franchises developed over the long term by the asset management companies. Since the start of 2014, Private Equity companies for third party clients have been transferred to Natixis Investment Managers and a sponsoring vehicle was set up to monitor Natixis' commitments in the funds. The teams have extensive expertise in equity financing for generally unlisted, small and medium-sized enterprises in France and Europe via sponsored equity holdings. This business line covers the Private Equity segments for third party investors, such as Private Equity deals (top-line funding for mature companies), venture capital (young and innovative companies) and funds of funds.
- **Wealth Management:** this business line covers Wealth Management activities in France and Luxembourg and Asset Management. Natixis Wealth Management holds a key place on the French market. The bank mainly develops its customer base from the clientele of the Caisses d'Epargne and Banques Populaires, as well as that of Natixis. It offers advisory services, financial planning and expertise, and mutual fund unit management solutions.
- **Employee Savings Schemes:** this business line offers companies an employee savings management solution (administration of employee accounts, fund administration and accounting, etc.).

8.2 Corporate & Investment Banking

Corporate & Investment Banking (Natixis CIB) advises businesses, institutional investors, insurance companies, banks and public sector entities and offers them a diversified line of customized financing solutions to meet their needs, as well as access to Capital Markets.

Numerous impact financing initiatives marked 2021 for Natixis CIB, which strengthened its pioneering position by being at the forefront of innovation with numerous French and international clients.

Its organization has evolved to adapt to major trends and contribute to the major challenges of 2021.

It is based on an system of international value-added expertise covering the following activities and business lines:

- strategic consulting for the **Investment Banking** and **Mergers & Acquisitions** business line;
- equities, Fixed Income, Credit, FX, Commodities and Global Structured Credit and Solutions activities within the **Global Markets** business line;
- infrastructure, Aviation and Real Estate & Hospitality form the **Real Assets** business line;
- syndication and management of the financing portfolio for the **Distribution & Portfolio Management** business line; and
- financing of the cinema operated by the subsidiary **Coficiné**.

Two cross-functional teams provide vital support to the business lines, with the aim of informing the investment and hedging decisions of Natixis CIB clients by providing key information and in-depth analyses on all asset classes:

- the Green & Sustainable Hub for ecological and social topics;
- research for major macro-economic trends, market movements and geopolitical developments.

8.3 Insurance (*)

Natixis Assurances is a holding company for various operating insurance subsidiaries. In March 2014, in accordance with the plan to develop the bancassurance model, Natixis Assurances acquired the property & casualty and personal protection insurance subsidiary BPCE Assurances, which it now wholly owns. It offers a full range of individual and group life insurance, personal protection insurance, and property & casualty insurance products for the Banque Populaire and Caisse d'Epargne networks. These diversified, customized solutions are designed for retail and small business customers, farmers, companies and non-profits.

(*) The Insurance and Payments divisions will be transferred to BPCE during the first quarter of 2022. The announcement of their transfer results in considering them discontinued operations. In accordance with IFRS 5, the result of these activities is presented on a separate line of the consolidated income statement (see Notes 1.2 Significant events, 2.6 Subsidiaries held for sale and 6.11 Net income from discontinued operations).

8.4 Payments (*)

This business line provides tools, infrastructures and services for payments: electronic payment, issuance and collection of mass electronic transfers, check processing, service vouchers, e-commerce, etc.

(*) The Insurance and Payments divisions will be transferred to BPCE during the first quarter of 2022. The announcement of their transfer results in considering them discontinued operations. In accordance with IFRS 5, the result of these activities is presented on a separate line of the consolidated income statement (see Notes 1.2 Significant events, 2.6 Subsidiaries held for sale and 6.11 Net income from discontinued operations).

8.5 Corporate center

In addition to these operational divisions, there are Corporate Center activities, which primarily include central financial mechanisms and revenues related to management of Natixis' assets and liabilities.

It also includes the results of the bank's portfolio of investments that are not part of the activity of a division (including the residual stake of 10.04% in Coface), as well as proprietary Private Equity activities (managed in run-off mode) and those of Natixis Algérie.

In terms of costs, the Corporate Center recognizes the bank's structural costs and the contribution to the Single Resolution Fund.

8.6 Segment reporting

8.6.1 Segment reporting in the income statement

At December 31, 2021

	31/12/2021					
(in millions of euros)	**Asset & Wealth Management**	**Corporate & Investment Banking**	**Insurance**	**Payment**	**Corporate Center**	**Total**
Net revenues	**3,921**	**3,553**			**185**	**7,658**
Change 2020/2021 [(a)]	*22%*	*35%*			*61%*	*5%*
Expenses	**(2,842)**	**(2,373)**			**(644)**	**(5,858)**
Change 2020/2021 [(a)]	*19%*	*16%*			*25%*	*1%*
Gross operating income	**1,079**	**1,180**			**(459)**	**1,800**
Change 2020/2021 [(a)]	*30%*	*101%*			*14%*	*22%*
Provision for credit losses	**(4)**	**(167)**			**(11)**	**(181)**
Change 2020/2021 [(a)]	*(87)%*	*(80)%*			*38%*	*(79)%*
Net operating income	**1,075**	**1,013**			**(471)**	**1,618**
Change 2020/2021 [(a)]	*34%*				*15%*	*158%*
Associates	**1**	**10**			**7**	**19**
Change 2020/2021 [(a)]	*18%*	*4%*				
Other items	**(79)**	**1**			**22**	**(55)**
Change 2020/2021 [(a)]	*42%*					*(70)%*
Income before tax	**998**	**1,024**			**(440)**	**1,582**
Change 2020/2021 [(a)]	*33%*				*(25)%*	
Profit from discontinued operations			**350**	**29**		**379**
Change 2020/2021 [(a)]						
Net income (Group share)	**637**	**742**	**350**	**29**	**(356)**	**1,403**
Change 2020/2021 [(a)]	40%		28%	(11)%	(28)%	

This information is determined based on the accounting principles applied in accordance with IFRS as adopted by the European Union at December 31, 2021.

(a) Restated change between December 31, 2021 and December 31, 2020.

Breakdown of net revenues

(in millions of euros)	Net revenues	Change 2020/2021
Asset & Wealth Management	**3,921**	**22%**
Asset Management	*3,625*	*23%*
Wealth Management	*185*	*4%*
Employee savings schemes	*110*	*11%*
Corporate & Investment Banking	**3,553**	**35%**
Capital Markets	*1,462*	*57%*
Global Finance & Investment Banking	*2,112*	*24%*
Other items	*(21)*	
Insurance	**0**	
Payment	**0**	
Corporate Center	**185**	**61%**
TOTAL	**7,658**	**5%**

At December 31, 2020 – Restated

	31/12/2020*					
(in millions of euros)	Asset & Wealth Management [(a)]	Corporate & Investment Banking	Insurance	Payment	Corporate Center [(b)]	Total
Net revenues	3,226	2,630	904	430	115	7,306
Expenses	(2,394)	(2,042)	(490)	(386)	(516)	(5,828)
Gross operating income	832	588	415	43	(401)	1,478
Provision for credit losses	(27)	(819)		2	(8)	(851)
Net operating income	805	(231)	415	46	(409)	626
Associates	1	10	(17)		(47)	(53)
Other items	(55)	(0)	0	0	(132)	(187)
Income before tax	751	(221)	398	46	(588)	386
NET INCOME (GROUP SHARE)	**455**	**(167)**	**274**	**32**	**(494)**	**101**

This information is determined based on the accounting principles applied in accordance with IFRS as adopted by the European Union at December 31, 2020.

* *This information is presented according to the new organization of the business lines adopted by Natixis at December 31, 2021.*

(a) *Of which for Asset Management:*
- *Net banking income: €2,948 million;*
- *expenses: -€2,157 million*
- *gross operating income: €792 million;*
- *provision for credit losses: -€27 million;*
- *pre-tax profit: €711 million*

(b) *Of which short-term cash:*
- *Net banking income: €140 million;*
- *expenses: -€62 million*
- *gross operating income: €78 million;*
- *cost of risk: -€0 million;*
- *pre-tax profit: €78 million.*

Of which Coface:
- *share of net income of companies accounted for under the equity method: -€47 million (-€57.5 million of impairment on the value of equity-accounted investments and +€10.5 million in respect of operating income for 2020);*
- *other: -€145.6 million corresponding to the gain on disposal of 29.5% (see Note 1.2.1).*

At December 31, 2020 – Published

	31/12/2020					
(in millions of euros)	Asset & Wealth Management [(b)]	Corporate & Investment Banking	Insurance	Payment	Corporate Center [(c)]	Total
Net revenues	**3,225**	**2,663**	**901**	**431**	**86**	**7,306**
Change 2019/2020 [(a)]	*(14)%*	*(17)%*	*6%*	*2%*	*(91)%*	*(21)%*
Expenses	**(2,387)**	**(2,037)**	**(491)**	**(391)**	**(522)**	**(5,828)**
Change 2019/2020 [(a)]	*(4)%*	*(6)%*	*3%*	*6%*	*(54)%*	*(12)%*
Gross operating income	**838**	**626**	**410**	**39**	**(436)**	**1,478**
Change 2019/2020 [(a)]	*(34)%*	*(41)%*	*12%*	*(25)%*	*146%*	*(42)%*
Provision for credit losses	**(27)**	**(819)**	**0**	**2**	**(8)**	**(851)**
Change 2019/2020 [(a)]	234%	163%		(210)%	(18)%	157%
Net operating income	**811**	**(193)**	**410**	**42**	**(444)**	**626**
Change 2019/2020 [(a)]	*(36)%*	*(126)%*	*12%*	*(17)%*	*137%*	*(72)%*
Associates	**1**	**10**	**(17)**	**0**	**(47)**	**(53)**
Change 2019/2020 [(a)]	*50%*	*(5)%*	*(271)%*			*(351)%*
Other items	**(55)**	**(0)**	**0**	**0**	**(132)**	**(187)**
Change 2019/2020 [(1)]					*(119)%*	*(127)%*
Income before tax	**757**	**(183)**	**393**	**42**	**(622)**	**386**
Change 2019/2020 [(1)]	*(40)%*	*(125)%*	*4%*	*(17)%*		*(87)%*
Net income (Group share)	**459**	**(139)**	**271**	**29**	**(519)**	**101**
Change 2019/2020 [(a)]	(31)%	(126)%	5%	(14)%	(225)%	(95)%

This information is determined based on the accounting principles applied in accordance with IFRS as adopted by the European Union at December 31, 2020.

(a) Restated change between December 31, 2020 and December 31, 2019.

(b) Of which for Asset Management:
- *net banking income: €2,948 million;*
- *expenses: -€2,157 million;*
- *gross operating income: €792 million;*
- *cost of risk: -€27 million;*
- *pre-tax profit: €711 million.*

(c) Of which short-term Treasury:
- *net banking income: €140 million;*
- *expenses: -€62 million;*
- *gross operating income: €78 million;*
- *cost of risk: €0 million;*
- *pre-tax profit: €78 million.*

Of which Coface:
- *group share of net income of companies accounted for under the equity method: -€47 million (-€57.5 million of impairment on the value of equity-accounted investments and +€10.5 million in respect of operating income for 2020);*
- *other: -€145.6 million corresponding to the gain on disposal of 29.5% (see Note 1.2.1).*

Breakdown of net revenues

(in millions of euros)	Net revenues	Change 2019/2020
Asset & Wealth Management	**3,225**	**(14)%**
Asset Management	*2,948*	*(16)%*
Wealth Management	*178*	*20%*
Employee savings schemes	*99*	*(1)%*
Corporate & Investment Banking	**2,663**	**(17)%**
Capital Markets [(a)]	*944*	*(32)%*
Global Finance & Investment Banking	*1,671*	*(7)%*
Other	*48*	*97%*
Insurance	**901**	**6%**
Payment	**431**	**2%**
Corporate Center	**86**	**(91)%**
TOTAL	**7,306**	**(21)%**

(a) Of which €1,069 million excluding the Net Banking Income of the XVA desks, which can be broken down into €1,114 million in Net Banking Income for FICT and -€45 million for Equities.

8.6.2 Balance sheet segment analysis

At December 31, 2021

(in millions of euros)	Asset & Wealth Management	Corporate & Investment Banking	Insurance	Payment	Corporate Center	Total
Financial assets at fair value through profit or loss	2,032	211,087			(1,094)	212,025
Financial assets at fair value through other comprehensive income	693	3,786			7,643	12,122
Debt instruments at amortized cost		759			518	1,277
Loans and receivables due from banks and similar at amortized cost	772	9,928	(11)		76,043	86,732
Loans and receivables due from customers at amortized cost	4,889	59,356	(287)		6,188	70,146
Insurance business investments						
Non-current assets held for sale	401		123,793	1,121	565	125,880
Goodwill	3,297	143				3,440
Other assets	(4,766)	27,275	(1,068)	(525)	36,056	56,972
TOTAL ASSETS	**7,318**	**312,334**	**122,427**	**595**	**125,919**	**568,594**
Financial liabilities at fair value through profit or loss	113	179,899	40		20,575	200,628
Deposits and loans due to banks and similar items	1,001	34,272	299	(149)	100,439	135,863
Deposits and loans due to customers	2,426	7,290	(36)		24,675	34,355
Debt securities	654	27,034	(3,089)		14,124	38,723
Liabilities on assets held for sale	76		122,928	1,063	298	124,366
Liabilities related to insurance policies			0			0
Subordinated debt	10	2,929	1,134			4,073
Other liabilities	3,037	60,909	1,150	(319)	(34,191)	30,586
TOTAL LIABILITIES	**7,318**	**312,334**	**122,427**	**595**	**125,919**	**568,594**

At December 31, 2020 – Published

(in millions of euros)	Asset & Wealth Management	Corporate & Investment Banking*	Insurance	Payment	Corporate Center	Total
Financial assets at fair value through profit or loss*	1,878	209,110		1	(610)	210,378
Financial assets at fair value through other comprehensive income	515	4,169		10	8,499	13,194
Debt instruments at amortized cost		1,500			430	1,930
Loans and receivables due from banks and similar at amortized cost	705	5,538	221	426	37,801	44,691
Loans and receivables due from customers at amortized cost	4,232	56,616	(286)	9	7,368	67,939
Insurance business investments			112,698			112,698
Non-current assets held for sale	282				446	728
Goodwill	3,168	135	93	137		3,533
Other assets*	(5,408)	18,986	(411)	(80)	27,143	40,230
TOTAL ASSETS	**5,371**	**296,463**	**112,316**	**539**	**80,631**	**495,320**
Financial liabilities at fair value through profit or loss*	65	184,086	3,461		20,854	208,467
Deposits and loans due to banks and similar items	1,167	28,868	4,861	(176)	49,688	84,408
Deposits and loans due to customers	1,855	6,961	(39)	107	20,914	29,798
Debt securities	657	37,487	(2,866)		375	35,652
Liabilities on assets held for sale	55					55
Liabilities related to insurance policies			104,182			104,182
Subordinated debt	10	2,539	1,385			3,934
Other liabilities	1,562	36,773	1,331	358	(11,200)	28,824
TOTAL LIABILITIES	**5,371**	**296,463**	**112,316**	**539**	**80,631**	**495,320**

* *Amounts not restated in relation to the financial statements at December 31, 2020 (see Note 5.4).*

8.7 Other disclosures

December 31, 2021

(in millions of euros)	France	Other EU	North America	Other OECD [(a)]	Countries not broken down	Total
Net revenues	**2,906**	**316**	**3,147**	**713**	**576**	**7,658**
Net income for the period – Group share	**441**	**94**	**537**	**187**	**143**	**1,403**
Financial assets at fair value through profit or loss	176,728	1,265	12,771	20,576	685	212,025
Financial assets at fair value through other comprehensive income	8,252	325	20	42	3,483	12,122
Loans and receivables due from banks and similar items at amortized cost	79,187	646	5,910	74	915	86,732
Customer loans and receivables at amortized cost	31,655	7,737	15,741	3,048	11,965	70,146
Insurance business investments	0	0	0	0	0	0
Non-current assets held for sale	117,428	8,118	0	334	0	125,880
Fixed assets	930	118	109	74	80	1,312
Other assets	50,371	(1,501)	7,087	4,637	(217)	60,377
TOTAL ASSETS	**464,551**	**16,708**	**41,639**	**28,787**	**16,910**	**568,594**

(a) Including the United Kingdom.

December 31, 2020

(in millions of euros)	France*	Other EU * [(a)]	North America	Other OECD	Countries not broken down	Total
Net revenues	**3,792**	**530**	**2,248**	**341**	**394**	**7,306**
Net income for the period – Group share	**(276)**	**106**	**269**	**110**	**(108)**	**101**
Financial assets at fair value through profit or loss *	166,032	8,797	19,461	15,814	274	210,378
Financial assets at fair value through other comprehensive income	8,984	234	(11)	20	3,967	13,194
Loans and receivables due from banks and similar items at amortized cost	42,285	530	942	35	900	44,691
Customer loans and receivables at amortized cost	32,872	9,382	15,166	80	10,439	67,939
Insurance business investments	106,099	6,605	0	0	(5)	112,698
Non-current assets held for sale	699	17	0	11	1	728
Fixed assets	1,597	145	86	42	68	1,938
Other assets	30,154	(548)	8,799	5,405	(56)	43,754
TOTAL ASSETS	**388,721**	**25,163**	**44,443**	**21,407**	**15,586**	**495,320**

(a) Including United Kingdom.
** Amounts not restated in relation to the financial statements at December 31, 2020 (see Note 5.4).*

Note 9 Risk Management

9.1 Capital adequacy

The information on capital adequacy required under IAS 1 is presented in Section 3.3 of Chapter 3 “Risk factors, risk management and Pillar III”.

9.2 Credit risk and counterparty risk

The information on risk management required under IFRS 7, with the exception of the disclosures given below, is presented in Section 3.2.4 of Chapter 3 “Risk factors, risk management and Pillar III”.

9.2.1 Risk profile

This table aims to present (excluding contributions from insurance companies) the breakdown by credit risk category of the various accounting outstandings eligible for IFRS 9 provisioning (broken down into S1, S2 and S3), and the corresponding impairments and provisions. The credit risk categories are represented by the IFRS 9 probability of default ranges associated with the central scenario *(see Note 5.3)*.

As at December 31, 2021

	Gross carrying amount						Impairment or provisions for expected credit losses						
	PD scale						PD scale						
(in millions of euros)	0.00 to < 0.05	0.05 to < 0.10	0.10 to < 0.15	0.15 to < 0.25	0.25 to < 100.0	100.0	0.00 to < 0.05	0.05 to < 0.10	0.10 to < 0.15	0.15 to < 0.25	0.25 to < 100.0	100.0	Net
Debt instruments at fair value through other comprehensive income	**11,101**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**11,101**
S1	11,101	0	0	0	0	0	0	0	0	0	0	0	11,101
S2													0
S3													0
Securities at amortized cost	**1,237**	**0**	**0**	**0**	**0**	**133**	**6**	**0**	**0**	**0**	**0**	**88**	**1,277**
S1	1,144	0	0	0	0	0	4	0	0	0	0	0	1,141
S2	93	0	0	0	0	0	2	0	0	0	0	0	91
S3	0	0	0	0	0	133	0	0	0	0	0	88	45
Loans and receivables due from credit institutions and similar items at amortized cost	**86,657**	**79**	**0**	**1**	**0**	**24**	**3**	**2**	**0**	**0**	**0**	**24**	**86,732**
S1	86,507	54	0	0	0	0	2	1	0	0	0	0	86,559
S2	150	25	0	0	0	0	1	1	0	0	0	0	173
S3	0	0	0	0	0	24	0	0	0	0	0	24	0
Loans and receivables due from customers at amortized cost	**64,479**	**2,456**	**703**	**578**	**147**	**3,069**	**95**	**46**	**15**	**29**	**13**	**1,088**	**70,146**
S1	53,743	1,207	303	112	39	0	44	17	6	5	5	0	55,329
S2	10,736	1,249	400	466	108	0	52	29	9	25	8	0	12,836
S3	0	0	0	0	0	3,069	0	0	0	0	0	1,088	1,981
Financing commitments given	**60,220**	**1,133**	**524**	**271**	**373**	**271**	**84**	**32**	**18**	**13**	**1**	**2**	
S1	55,325	676	304	89	360	0	25	3	8	1	0	0	
S2	4,894	457	219	181	13	0	59	29	10	12	1	0	
S3	0	0	0	0	0	271	0	0	0	0	0	2	
Guarantee commitments given	**26,879**	**481**	**170**	**57**	**90**	**481**	**9**	**2**	**2**	**1**	**2**	**39**	
S1	23,114	225	37	0	1	0	5	0	0	0	0	0	
S2	3,765	255	133	57	89	0	4	1	2	1	2	0	
S3	0	0	0	0	0	481	0	0	0	0	0	39	
TOTAL AT DECEMBER 31, 2021	**250,572**	**4,148**	**1,397**	**906**	**611**	**3,978**	**198**	**82**	**34**	**43**	**16**	**1,242**	

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As at December 31, 2020

(in millions of euros)	Gross carrying amount						Impairment or provisions for expected credit losses						
	PD scale						PD scale						
	0.00 to < 0.05	0.05 to < 0.10	0.10 to < 0.15	0.15 to < 0.25	0.25 to < 100.0	100.0	0.00 to < 0.05	0.05 to < 0.10	0.10 to < 0.15	0.15 to < 0.25	0.25 to < 100.0	100.0	Net
Debt instruments at fair value through other comprehensive income	**12,534**	**16**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**12,550**
S1	12,534	16	0	0	0	0	0	0	0	0	0	0	12,550
S2													0
S3													0
Securities at amortized cost	**1,883**	**0**	**0**	**0**	**0**	**193**	**4**	**0**	**0**	**0**	**0**	**142**	**1,930**
S1	1,389	0	0	0	0	0	5	0	0	0	0	0	1,385
S2	494	0	0	0	0	0	0	0	0	0	0	0	494
S3	0	0	0	0	0	193	0	0	0	0	0	142	51
Loans and receivables due from credit institutions and similar items at amortized cost	**44,146**	**122**	**166**	**3**	**2**	**29**	**2**	**2**	**1**	**0**	**0**	**29**	**44,434**
S1	43,834	2	156	3	2	0	1	0	0	0	0	0	43,996
S2	311	120	10	1	0	0	1	2	1	0	0	0	438
S3	0	0	0	0	0	29	0	0	0	0	0	29	0
Loans and receivables due from customers at amortized cost	**60,268**	**2,663**	**1,051**	**1,109**	**633**	**3,596**	**113**	**39**	**17**	**20**	**19**	**1,172**	**67,939**
S1	48,120	1,429	441	326	154	0	40	11	6	3	2	0	50,408
S2	12,148	1,235	609	783	479	0	73	29	11	17	17	0	15,107
S3	0	0	0	0	0	3,596	0	0	0	0	0	1,172	2,424
Financing commitments given	**57,291**	**989**	**583**	**99**	**8**	**59**	**69**	**14**	**23**	**4**	**1**	**3**	
S1	51,938	592	235	31	5	0	26	5	1	0	0	0	
S2	5,353	397	348	68	3	0	43	9	22	4	1	0	
S3	0	0	0	0	0	59	0	0	0	0	0	3	
Guarantee commitments given	**22,065**	**906**	**352**	**146**	**45**	**433**	**10**	**4**	**5**	**1**	**0**	**34**	
S1	20,244	451	212	35	16	0	5	1	0	0	0	0	
S2	1,821	455	139	110	28	0	5	2	5	1	0	0	
S3	0	0	0	0	0	433	0	0	0	0	0	34	
TOTAL AT DECEMBER 31, 2020	**198,187**	**4,696**	**2,151**	**1,357**	**688**	**4,310**	**198**	**59**	**47**	**25**	**20**	**1,379**	

9.2.2 Guarantees received for instruments impaired under IFRS 9

The following table presents the exposure of all of Natixis's financial assets to credit and counterparty risk. This exposure to credit risk (determined without taking into account the effect of unrecognized netting and collateral) and counterparty risk is equal to the net carrying amount of the financial assets.

Impaired financial instrument class [(a)] *(in millions of euros)*	31/12/2021 Maximum risk exposure [(b)]	31/12/2021 Impairment	31/12/2021 Maximum exposure net of impairment [(c)]	31/12/2021 Guarantees: Personal guarantees	31/12/2021 Guarantees: Real collateral	31/12/2020 Maximum risk exposure [(b)]	31/12/2020 Impairment	31/12/2020 Maximum exposure net of impairment [(c)]	31/12/2020 Guarantees: Personal guarantees	31/12/2020 Guarantees: Real collateral
Debt securities – FVOCI R										
Loans and receivables due from banks – FVOCI R										
Loans and receivables due from customers – FVOCI R										
Debt securities at amortized cost	133	(88)	45			193	(142)	51		
Loans and receivables due from banks at amortized cost	24	(24)	-			29	(29)	-		
Customer loans and receivables at amortized cost	3,069	(1,089)	1,981	245	775	3,596	(1,172)	2,424	600	552
Financing commitments given	271	(2)	269	41	6	59	(3)	56	19	13
Guarantee commitments given	481	(39)	442	207	29	433	(34)	399	311	18
TOTAL	**3,978**	**(1,242)**	**2,736**	**493**	**810**	**4,310**	**(1,379)**	**2,931**	**930**	**582**

(a) *Assets impaired after their origination/acquisition (Stage 3) or on their origination/acquisition (POCI).*
(b) *Gross carrying amount.*
(c) *Carrying amount in the balance sheet.*

9.3 Market risk, overall interest rate risk, liquidity risk and structural foreign exchange risk

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The information on the management of market risks, overall interest rate risks, liquidity risks and structural foreign exchange risks required by IFRS 7 is presented in Section 3.2.8 of Chapter 3 "Risk factors, risk management and Pillar III".

Note 10 Headcount, compensation and employee benefits

10.1 Headcount

Number	31/12/2021	31/12/2020
Headcount [(a)]	17,491	16,943

(a) Full-time equivalent in activity at Natixis at the reporting date (including 3,258 employees of entities restated under IFRS 5 as of December 31, 2021 for the Insurance, Payments, Natixis Immo Exploitation and H2O business lines).

The breakdown of the headcount is presented in Note 6.7.1.1 of Chapter 6 "Non-Financial Performance Report".

10.2 Compensation and employee benefits

Compensation and employee benefits include wages and salaries net of rebilled expenses paid within twelve months of the end of the reporting period in which the services were rendered, deferred cash-settled or equity-settled variable compensation, employee incentives and profit-sharing for the period, the cost of pensions, other employee benefit obligations such as long-service awards and benefits related to capital increases reserved for employees.

Personnel costs totaled €3,949 million at December 31, 2021, versus €3,505 million as at December 31, 2020.

10.2.1 Short-term employee benefits

This item includes wages and salaries paid within twelve months of the end of the reporting period in which the related services were rendered, employee incentives and profit-sharing, meeting the definition of short-term benefits under IAS 19R "Employee benefits". In accordance with this standard, short-term benefits are expensed in the period in which the employees render the services giving rise to such benefits.

10.2.2 Deferred compensation

Deferred variable compensation plans

Each year, since 2010 and until 2020, Natixis has allocated plans to certain categories of its employees for which payment was based on Natixis shares.

Following the delisting of Natixis shares on July 21, 2021, the cash-settled plans indexed to the Natixis share price (for their components not yet vested) were modified: their payment is now indexed to a formula based on the price of the simplified tender offer for Natixis shares (i.e. €4) and the change in Groupe BPCE's net income (Group share). The accounting treatment of these plans is described in Note 5.16. It should be noted that the plans allocated in 2021 did not have to be modified because their conditions had already been adapted at the time of their creation, in the event of a delisting of the Natixis share.

With regard to share-settled plans, in June 2021 BPCE entered into a liquidity contract with each beneficiary of free shares, consisting of a sale agreement that the beneficiary can exercise within 60 calendar days from the date of availability of the shares, followed by a promise to purchase granted by BPCE to each beneficiary in favor of BPCE, exercisable by BPCE for 60 calendar days from the end of the exercise period of the promise to sell. The liquidity contract has no impact on the consolidated financial statements of Natixis at December 31, 2021, taking into account certain characteristics of these plans and taking into account the fact that they were not modified. Accordingly, the accounting treatment of these plans in Natixis' consolidated financial statements is unchanged: the expense as calculated at the grant date of each plan continues to be spread over the vesting period and to be adjusted at the closing date according to changes in the presence and performance assumptions *(see Note 5.16)*.

Concerning the 2022 plan on February 10, 2022, as the allocations were not formally carried out at the closing date of the financial statements, the estimates of expenses are based on the best possible estimate at December 31, 2021. In addition, this plan, to which the new CRD V Regulations will apply, will be fully liquidated in cash indexed to a valuation formula. It will provide for different payment dates depending on the categories of beneficiary.

Natixis subsidiaries may also implement share-based payment plans based on their own shares. The expense relating to these plans at December 31, 2021 was -€16 million compared to -€13 million in 2020.

The characteristics of Natixis deferred variable compensation plan are detailed in the following paragraphs.

Long-term payment plans settled in cash and indexed to a valuation formula

Year of allocation of the plan	Grant date	Number of units originally allocated	Acquisition date	Number of units acquired by beneficiaries	Fair value of the indexed cash unit at the valuation date *(in euros)*
2018 plan	13/04/2018	2,858,061	March 2020 March 2021	1,154,437 1,512,264	
2019 plan	12/04/2019	3,111,057	March 2021 March 2022	894,846	4.40
2020 plan	10/04/2020	5,867,435	March 2022 March 2023		[4.40 ; 4.47]
2021 plan	15/04/2021	2,075,079	March 2023 March 2024 March 2025		[4.47 ; 5.49]
2021 plan	18/02/2021	2,638,236	March 2022 March 2023 March 2024		[4.40 ; 5.31]
2022 plan [a]	17/03/2022		March 2023 March 2024 March 2025 March 2026 March 2027		

The payment of these plans is subject to presence and performance conditions for the categories of regulated employees within the meaning of the CRD.

(a) Concerning the 2022 plan, the allocations were not formally fulfilled as of December 31, 2021.

Payment plans settled in shares

Year of allocation of the plan	Grant date	Number of shares originally allocated	Acquisition date	Number of units acquired by beneficiaries	Bonus share price at grant date *(in euros)*	Fair value of the bonus share at the valuation date *(in euros)*
2017 plan	23/05/2017	79,369	May 2021	55,299	6.44	
2018 plan	13/04/2018	2,943,516	March 2020 March 2021	917,310 1,411,450	6.72	
2018 plan	13/04/2018	446,162	April 2021 April 2023	0	6.72	4.38
2018 plan	23/05/2018	83,290	May 2022		7.04	4.07
2019 plan	12/04/2019	2,600,406	March 2021 March 2022	540,080 1,610,941	4.99	3.37
2019 plan	28/05/2019	105,128	May 2023		5.05	2.51
2020 plan	10/04/2020	3,598,382	March 2022 March 2023	1,132,405	2.24	1.35
2020 plan	20/05/2020	267,618	May 2024		2.06	0.94

The payment of these plans is subject to presence and performance conditions for the categories of staff regulated within the meaning of the CRD.

Expense for the fiscal year represented by Natixis' deferred variable compensation plans

	Expense for 2021			
Expenses *(in millions of euros)*	**Plans settled in shares**	**Cash-settled plans indexed to a valuation formula**	**Total**	Expense for 2020 *(in millions of euros)*
Previous plans	(1.0)	(34.9)	(35.9)	(6.0)
Plans awarded over the period		(33.8)	(33.8)	(23.3)
TOTAL	**(1.0)**	**(68.7)**	**(69.7)**	**(29.3)**

Valuation inputs used to calculate the expense of these plans

	31/12/2021	31/12/2020
Share price		2.79
Fair value of the indexed cash unit [(a)]	[€4.40- €5.49]	
Risk-free interest rate	(0.69)%	(0.56)%
Dividend payment rate [(b)]		7.17%
Rights loss rate	4.97%	4.55%

(a) *Corresponds to the range of fair values of indexed cash units, which from 2021 are differentiated by plan and year.*
(b) *From 2021, the dividend forecasts are included in the fair value of the indexed cash unit.*

Cash-settled deferred variable compensation plans

Deferred retention and performance bonuses paid in cash are awarded to some staff. These bonuses are subject to a continued service requirement and performance criteria. In terms of accounting treatment, they are recorded under "Other long-term employee benefits". The estimated expense is based on an actuarial estimate of the probability of these conditions being met. The expense is recognized over the vesting period. The amount recognized in respect of the 2020 fiscal year was as follows:

Year of allocation of the plan	Grant date	Acquisition date	Expense for 2021 *(in millions of euros)*	Expense for 2020 *(in millions of euros)*
2018 plan	23/02/2018	March-2019 March-2020		(1.1)
2019 plan	26/02/2019	March-2020 March-2021	(0.5)	(5.0)
2020 plan	22/01/2020	March-2021 March-2022	(3.6)	(3.2)
2021 plan	20/01/2021	March-2022 March-2023	(8.6)	(8.0)
TOTAL			**(12.7)**	**(17.4)**

10.2.3 Pension commitments and other long-term benefits (excluding deferred compensation treated as other long-term benefits)

Post-employment defined-contribution plans

Under post-employment defined-contribution plans, Natixis pays fixed contributions into a separate entity and has no obligation to pay further contributions.

The main defined-contribution plans available to Natixis employees are operated in France. They include the mandatory pension scheme and the national schemes AGIRC and ARRCO.

Pension plans for which employees can voluntarily opt are operated by certain Natixis entities and are also classified as defined-contribution plans. These entities have a single contribution obligation (PERCO contribution).

Contributions paid under defined-contribution plans are expensed for the period in which the services were provided.

(in millions of euros)	31/12/2021	31/12/2020 [(a)]
Contributions expensed under post-employment defined-contribution plans	86	107

(a) *Including €11 million at December 31, 2020 corresponding to the contribution of the Insurance and Payments business lines treated as discontinued operations at December 31, 2021.*

Post-employment defined-benefit plans and other long-term employee benefits

Post-employment defined-benefit plans include all post-employment benefits for which Natixis has committed to pay a specified level of benefits.

Liabilities in respect of these awarded benefits are hedged, in full or in part, by assets comprised mainly of outsourced insurance contracts managed by French insurers specializing in retirement. The insurers carry the longevity risk once the annuities are liquidated. Plan assets are invested in the insurers' general funds, which, for the most part, generally consist of bonds. The insurers are subject to French prudential standards and regulations.

The insurers also manage the asset/liability strategy for the portion of the benefit liabilities that they cover.

For the other portion, Natixis has set up interest rate and liquidity hedges backed by long-term cash flows.

Insurance contracts taken up with a related party to Natixis and intended to finance all or part of Natixis' defined-benefit plan commitments are recorded in the asset side of the balance sheet as "Accruals and other assets".

Other long-term employee benefits comprise benefits other than post-employment and termination benefits not wholly due within twelve months of the end of the period in which employees have provided the related services.

These notably include long-service awards, deferred compensation payable in cash twelve months or more after the end of the period and, since 2020, the Time Savings Account (CET). Information concerning deferred compensation treated in accordance with IAS 19 is presented in Note 10.2 and not in the tables below.

a) Amounts recognized on the balance sheet as at December 31, 2021

The amount of the recognized provision on the liability side of the balance sheet corresponds to the value of the actuarial liabilities under the defined benefit plans, less the market value of the assets to hedge these benefit liabilities.

	31/12/2021					31/12/2020				
	Post-employment defined-benefit plans		Other long-term employee benefits			Post-employment defined-benefit plans		Other long-term employee benefits		
(in millions of euros)	Supple-mentary pension benefits and other	End-of-career awards	Long-service awards	Other benefits	Total	Supple-mentary pension benefits and other	End-of-career awards	Long-service awards	Other benefits	Total
Actuarial liabilities	558	173	41	271	1,043	579	212	49	185	1,025
Fair value of plan assets	(443)	(96)	0	0	(538)	(423)	(105)	0	0	(528)
Fair value of separate assets [(a)]	(36)	(27)	0	0	(64)	(33)	(29)	0	0	(62)
Effect of ceiling on assets	20	0	0	0	20	0	0	0	0	0
NET AMOUNT RECOGNIZED IN BALANCE SHEET	**99**	**50**	**41**	**271**	**461**	**124**	**77**	**49**	**185**	**435**
Under liabilities	135	78	41	271	525	156	107	49	185	497
Under assets	36	27	0	0	64	33	29	0	0	62

(a) Separate asset components are for the most part segregated in the balance sheets of Natixis insurance subsidiaries (ABP Life Insurance), hedging the benefit liabilities of other entities within the Natixis group of consolidated companies which were transferred to hedge the post-employment benefits of a few categories of employees.

b) Changes in recognized amounts on the balance sheet (Changes in actuarial liabilities)

	31/12/2021					31/12/2020				
	Post-employment defined-benefit plans		Other long-term employee benefits			Post-employment defined-benefit plans		Other long-term employee benefits		
(in millions of euros)	Supple-mentary pension benefits and other	End-of-career awards	Longs-ervice awards	Other benefits	Total	Supple-mentary pension benefits and other	End-of-career awards	Long-service awards	Other benefits	Total
Actuarial liabilities at start of period	**579**	**212**	**49**	**185**	**1,025**	**622**	**238**	**54**	**127**	**1,042**
Changes recorded in net income	**(13)**	**(1)**	**1**	**101**	**88**	**(27)**	**8**	**3**	**(23)**	**(39)**
Service cost	2	13	4	57	77	6	12	4	18	40
Past service cost	0	(0)	1	0	1	(13)	0	1	0	(12)
o/w plan liquidation and reduction	*0*	*(0)*	*(0)*	*0*	*(0)*	*(13)*	*0*	*0*	*0*	*(13)*
Interest cost	9	1	0	0	11	12	1	0	0	13
Benefits paid	(24)	(15)	(2)	(35)	(76)	(32)	(6)	(2)	(41)	(81)
o/w amounts paid out in respect of plan liquidation	*(7)*	*(13)*	*0*	*0*	*(21)*	*(16)*	*(5)*	*0*	*0*	*(21)*
Revaluation adjustments on other long-term employee benefits	0	0	(1)	0	(1)	0	0	(0)	0	(0)
Other	(0)	0	(1)	78	77	(0)	1	0	1	2
Changes recognized directly in equity with no recycling	**(33)**	**(9)**	**0**	**0**	**(43)**	**34**	**2**	**0**	**0**	**36**
Revaluation adjustments – demographic assumptions	0	(5)	0	0	(5)	6	1	0	0	7
Revaluation adjustments – financial assumptions	(23)	(2)	0	0	(25)	17	4	0	0	21
Revaluation adjustments – past-experience effect	(11)	(2)	0	0	(13)	12	(3)	0	0	9
Translation adjustments	**22**	**(0)**	**0**	**2**	**24**	**(28)**	**(0)**	**0**	**(3)**	**(31)**
Changes associated with non-current assets held for sale [(a)]	**(0)**	**(29)**	**(10)**	**(17)**	**(56)**	**(21)**	**(36)**	**(9)**	**(3)**	**(68)**
Changes in scope	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Other [(b)]	**3**	**1**	**1**	**(0)**	**4**	**(1)**	**(0)**	**(0)**	**86**	**85**
Actuarial liabilities at end of period	**558**	**173**	**41**	**271**	**1,043**	**579**	**212**	**49**	**185**	**1,025**

(a) Corresponds to the Insurance, Payments and Natixis Immo Exploitation business lines at December 31, 2021, treated for accounting purposes under IFRS 5, and at December 31, 2020 to Coface, which has been treated for accounting purposes under IFRS 5 and under EM since early 2020.

(b) Including €86 million corresponding to the reclassification to the opening of the provision for Time Savings Accounts now considered as a long-term benefit.

c) Changes in recognized amounts on the balance sheet (Changes in hedging assets)

Plan assets

(in millions of euros)	31/12/2021			31/12/2020		
	Post-employment defined-benefit plans			Post-employment defined-benefit plans		
	Supplementary pension benefits and other	End-of-career awards	Total	Supplementary pension benefits and other	End-of-career awards	Total
Fair value of assets at start of period	**423**	**105**	**528**	**422**	**104**	**526**
Changes recorded in net income	**(12)**	**(0)**	**(12)**	**(18)**	**(0)**	**(19)**
Interest income	8	0	8	10	0	10
Plan participant contributions	1	0	1	2	0	2
o/w paid by employer	*1*	*0*	*1*	*1*	*0*	*1*
o/w paid by beneficiaries	*0*	*0*	*0*	*0*	*0*	*0*
Benefits paid	(21)	(2)	(22)	(26)	(2)	(28)
o/w amounts paid out in respect of plan liquidation	*(6)*	*(1)*	*(7)*	*(12)*	*(2)*	*(14)*
Other	0	1	1	(3)	1	(2)
Changes recognized directly in other comprehensive income with no recycling	**8**	**2**	**10**	**47**	**2**	**49**
Revaluation adjustments – Return on assets	8	2	10	47	2	49
Translation adjustments	**20**	**0**	**20**	**(24)**	**0**	**(24)**
Changes associated with non-current assets held for sale [(a)]	**0**	**(12)**	**(12)**	**(1)**	**(1)**	**(2)**
Changes in scope	**0**	**0**	**0**	**0**	**0**	**0**
Other	**3**	**0**	**4**	**(3)**	**(0)**	**(3)**
Fair value of assets at end of period	**443**	**96**	**538**	**423**	**105**	**528**

(a) *Corresponds to the Insurance, Payments and Natixis Immo Exploitation business lines at December 31, 2021, treated for accounting purposes under IFRS 5, and at December 31, 2020 to Coface, which has been treated for accounting purposes under IFRS 5 and under EM since early 2020.*

Separate assets

(in millions of euros)	31/12/2021			31/12/2020		
	Post-employment defined-benefit plans			Post-employment defined-benefit plans		
	Supplementary pension benefits and other	End-of-career awards	Total	Supplementary pension benefits and other	End-of-career awards	Total
Fair value of assets at start of period	**33**	**29**	**62**	**32**	**28**	**60**
Changes recorded in net income	**(0)**	**(3)**	**(4)**	**(0)**	**0**	**(0)**
Interest income	0	0	0	0	0	0
Plan participant contributions	0	0	0	0	0	0
o/w paid by employer	*0*	*0*	*0*	*0*	*0*	*0*
o/w paid by beneficiaries	*0*	*0*	*0*	*0*	*0*	*0*
Benefits paid	0	(3)	(3)	(0)	0	(0)
o/w amounts paid out in respect of plan liquidation	*0*	*(3)*	*(3)*	*(0)*	*0*	*(0)*
Other	(0)	0	(0)	0	0	0
Changes recognized directly in other comprehensive income with no recycling	**4**	**1**	**5**	**1**	**1**	**2**
Revaluation adjustments – Return on assets	4	1	5	1	1	2
Translation adjustments	**0**	**0**	**0**	**0**	**0**	**0**
Changes associated with non-current assets held for sale	**0**	**0**	**0**	**(0)**	**(0)**	**(0)**
Changes in scope	**0**	**0**	**0**	**0**	**0**	**0**
Other	**0**	**0**	**0**	**0**	**0**	**0**
Fair value of assets at end of period	**36**	**27**	**64**	**33**	**29**	**62**

d) Composition of plan assets

	31/12/2021				31/12/2020			
		Fair value of assets				Fair value of assets		
	Weighting by category (in %)	Total	Listed on an active market (in %)	Not listed on an active market (in%)	Weighting by category (in %)	Total	Listed on an active market (in%)	Not listed on an active market (in%)
Money market	9%	51	99%	1%	2%	11	31%	69%
Equity	19%	101	65%	35%	21%	111	71%	29%
Bonds	46%	250	100%	0%	51%	271	99%	1%
Real estate	1%	8	0%	100%	2%	9	0%	100%
Derivatives	0%	-			0%	-		
Investment funds	24%	128	85%	15%	24%	127	88%	12%
Asset-backed security	0%	-			0%	-		
Structured debt instruments	0%	-			0%	-		
TOTAL	**100%**	**538**	**88%**	**12%**	**100%**	**528**	**88%**	**12%**

e) Post-retirement plan revaluation differences

Revaluation components of actuarial liabilities

	31/12/2021			31/12/2020		
	Post-employment defined-benefit plans			Post-employment defined-benefit plans		
(in millions of euros)	Supplementary pension benefits and other	End-of-career awards	Total	Supplementary pension benefits and other	End-of-career awards	Total
TOTAL REVALUATION ADJUSTMENTS AT START OF PERIOD	**330**	**12**	**343**	**328**	**30**	**358**
Revaluation adjustments over the period	(31)	(9)	(40)	18	2	20
Changes associated with non-current assets held for sale [(a)]	0	(7)	(7)	(16)	(19)	(35)
TOTAL REVALUATION ADJUSTMENTS AT END OF PERIOD	**300**	**(3)**	**296**	**330**	**13**	**343**

(a) Corresponds to the Insurance, Payments and Natixis Immo Exploitation business lines as at December 31, 2021, treated for accounting purposes under IFRS 5, and as of December 31, 2020 to Coface, which has been treated for accounting purposes under IFRS 5 and under EM since early 2020.

Plan assets

	31/12/2021			31/12/2020		
	Post-employment defined-benefit plans			Post-employment defined-benefit plans		
(in millions of euros)	Supplementary pension benefits and other	End-of-career awards	Total	Supplementary pension benefits and other	End-of-career awards	Total
TOTAL REVALUATION ADJUSTMENTS AT START OF PERIOD	**166**	**5**	**171**	**129**	**3**	**132**
o/w effect of ceiling on assets	**1**	**0**	**1**	**1**	**0**	**1**
Revaluation adjustments over the period	(13)	3	(11)	37	2	39
o/w effect of ceiling on plan assets	*(20)*	*0*	*(20)*			
Changes associated with non-current assets held for sale		(1)	(1)			
TOTAL REVALUATION ADJUSTMENTS AT END OF PERIOD	**153**	**7**	**159**	**166**	**5**	**171**
o/w effect of ceiling on assets	***(20)***		***(20)***	***1***		***1***

Separate assets

(in millions of euros)	31/12/2021 Post-employment defined-benefit plans			31/12/2020 Post-employment defined-benefit plans		
	Supplementary pension benefits and other	End-of-career awards	Total	Supplementary pension benefits and other	End-of-career awards	Total
TOTAL REVALUATION ADJUSTMENTS AT START OF PERIOD	**8**	**7**	**15**	**7**	**6**	**13**
o/w effect of ceiling on assets						
Revaluation adjustments over the period	4	1	5	1	1	2
o/w effect of ceiling on plan assets						
Changes associated with non-current assets held for sale						
TOTAL REVALUATION ADJUSTMENTS AT END OF PERIOD	**12**	**8**	**20**	**8**	**7**	**15**
o/w effect of ceiling on assets						

f) Analysis of expenses for the period

The annual payroll costs recognized in respect of defined-benefit plans consist of:

- the costs of services rendered, representing rights vested by beneficiaries over the period;
- past service costs, arising from possible plan changes or curtailments as well as the effects of possible plan settlements;
- the net interest cost reflecting the impact of unwinding the discount on the net obligation.

Obligations in respect of other long-term employee benefits are accounted for using the same actuarial valuation method as that used for post-employment defined-benefit obligations, except for revaluation adjustments, which are immediately recognized in income.

(in millions of euros)	31/12/2021 Post-employment defined-benefit plans		Other long-term employee benefits			31/12/2020
	Supplementary pension benefits and other	End-of-career awards	Long-service awards	Other benefits	Total	
Service cost	2	13	4	57	77	40
Past service cost	0	(0)	1	0	1	(12)
Interest cost	9	1	0	0	11	13
Interest income	(8)	(0)	0	0	(8)	(10)
Other	(0)	(1)	(1)	(0)	(2)	4
TOTAL EXPENSE FOR THE FISCAL YEAR	**3**	**13**	**5**	**57**	**78**	**34**

g) Main actuarial assumptions at December 31, 2021

The amount of the provision for post-employment defined-benefit plans is calculated on an actuarial basis using a number of demographic and financial assumptions.

	France	Europe	United States [(a)]	France	Europe	United States [(a)]
Discount rate (excluding Time Savings Account)	0.62%	1.67%	2.71%	0.16%	1.34%	2.35%
Inflation rate	1.70%	2.83%		1.60%	2.61%	
Rate of increase in salaries	2.68%	2.72%		2.28%	2.44%	
Rate of increase in healthcare costs	2.70%	0.00%	5.50%	2.40%	0.00%	3.90%
Duration *(in years)*	12	20	14	13	23	15

(a) The two parameters of inflation rate and wage growth rate are no longer taken into account for the valuation of liabilities in the United States.

	31/12/2021				31/12/2020			
	Post-employment defined-benefit plans		Other long-term employee benefits		Post-employment defined-benefit plans		Other long-term employee benefits	
	Supplementary pension benefits and other	End-of-career awards	Long-service awards	Other benefits	Supplementary pension benefits and other	End-ofc-areer awards	Long-service awards	Other benefits
Discount rate (excluding Time Savings Account)	1.98%	0.31%	0.54%	1.45%	1.52%	0.08%	0.07%	1.96%
Inflation rate	2.04%	1.70%	1.70%	1.70%	1.87%	1.60%	1.60%	1.60%
Rate of increase of salaries (including inflation)	2.69%	2.68%	2.64%	2.67%	2.32%	2.26%	2.28%	2.96%
Rate of increase of medical costs (including inflation)	4.35%				3.22%			
Duration *(in years)*	15	7	9	12	15	9	10	13

The discount rate is determined based on the yields of AA-rated corporate bonds of the same duration. This benchmark is obtained from the Bloomberg "EUR Composite (AA) Zero Coupon Yield" yield curve.

For end-of-career awards and long-service awards, employee turnover is calculated by age bracket and grade based on a six-year average. A rate of 0% is used for employees aged 60 and over.

Wage growth including inflation is determined using the average rate of real compensation growth over the past six years. This wage growth is capped at the maximum nominal rate of increase seen over the same period.

h) Analysis of sensitivity to key assumptions

	31/12/2021				31/12/2020			
	Post-employment defined-benefit plans		Other long-term employee benefits		Post-employment defined-benefit plans		Other long-term employee benefits	
(as a percentage)	Supplementary pension benefits and other	End-of-career awards	Long-service awards	Other benefits	Supplementary pension benefits and other	End-of-career awards	Long-service awards	Other benefits
+0.5% change in discount rate	(8.21)%	(5.23)%	(3.89)%	(0.79)%	(9.92)%	(5.58)%	(4.36)%	(1.18)%
(0.5)% change in discount rate	9.23%	5.70%	4.18%	0.96%	11.87%	6.10%	4.69%	1.33%
+1% change in rate of increase of healthcare costs	1.06%				1.10%			
(1)% change in rate of increase of healthcare costs	(0.88)%				(0.91)%			
+1% change in rate of increase of salaries and income (including inflation)	9.36%	11.61%	7.81%		10.35%	12.41%	8.84%	
(1)% change in rate of increase of salaries and income (including inflation)	(7.39)%	(10.02)%	(6.93)%		(8.58)%	(10.60)%	(7.80)%	

i) Schedule of undiscounted payments

	31/12/2021		31/12/2020	
	Post-employment defined-benefit plans		Post-employment defined-benefit plans	
(in millions of euros)	Supplementary pension benefits and other	End-of-career awards	Supplementary pension benefits and other	End-of-career awards
n+1 to n+5	122	49	120	50
n+6 to n+10	95	58	97	71
n+11 to n+15	97	72	93	77
n+6 to n+10	98	79	96	95
> n+20	336	120	344	156
TOTAL	**748**	**377**	**750**	**448**

Note 11 Capital management

11.1 Share capital

Ordinary shares	Number of shares	Par value	Capital in euros
Opening balance	3,155,951,502	1.60	5,049,522,403
Capital increase	2,006,829	1.60	3,210,926
CLOSING BALANCE	**3,157,958,331**		**5,052,733,330**

At December 31, 2021, there were 2,461,581 treasury shares, compared to 4,014,663 treasury shares held as at December 31, 2020.

The capital increases carried out over the 2021 fiscal year correspond to the allocation of free shares to certain Natixis employees, as part of the share-based deferred variable compensation plan for 2018 and 2019 and the Long Term Incentive Plan 2017 (LTIP).

11.2 Capital management

Natixis' main capital management objectives are to ensure that the Group meets the capital requirements imposed by its external environment and maintains an adequate rating to support its activity and maximize shareholder value.

Natixis adapts the management of its capital structure in line with changes in economic conditions and in the risk profile of its operations. Its objectives, policies and procedures remained unchanged in 2021.

11.3 Equity instruments issued

11.3.1 Perpetual deeply subordinated notes and preference shares

In accordance with IAS 32, issued financial instruments are classified as debt or equity depending on whether or not they incorporate a contractual obligation to deliver cash to the holder.

Since December 31, 2009, issues of perpetual deeply subordinated notes and preference shares have been recognized as equity instruments issued in accordance with a clause concerning dividend payments which has become discretionary and have been booked to "Consolidated reserves" in the consolidated balance sheet.

The conversion of these debt instruments into equity instruments had generated a gain of €418 million recognized in income on June 30, 2009.

Issues after June 30, 2009 were always classified as equity given the discretionary nature of their interest.

Deeply subordinated notes amounted to €2,248.3 million at December 31, 2021 (compared with €1,978 million as at December 31, 2020).

The increase of €270.3 million over the year is part of the management of the prudential capital trajectory and corresponds to:

- an issue of undated deeply subordinated loans (French ESSDI) subscribed by BPCE on June 14, 2021 for an amount of €500 million;
- a repayment of undated deeply subordinated notes (French TSSDI) subscribed by BPCE in the third quarter of 2021 for an amount of €500 million;
- an undated deeply subordinated loan subscribed by BPCE on December 13, 2021 for an amount of $430 million (€381.3 million);
- a redemption of undated deeply subordinated notes subscribed by BPCE on December 31, 2021 for an amount of €111 million. This transaction resulted in the recognition in consolidated reserves of an impact of -€101.2 million corresponding to the difference between the redemption price of this security and its book value in equity. This difference breaks down between, on the one hand, the reversal of the capital gain that was recognized in profit or loss in 2009 when this security was reclassified for its fair value in equity for an amount of -€62.5 million and, on the other hand, cumulative currency effects on the securities issued in dollars for an amount net of tax of -€38.7 million.

Note that the gross amount of exchange rate fluctuations in deeply subordinated notes in foreign currencies recorded in income at December 31, 2021 amounted to a positive €69 million, or €49.4 million after tax, compared with a negative €85.6 million as at December 31, 2020, or -€58.2 million after tax.

The main characteristics of the undated deeply subordinated notes are available on the Natixis website (www.natixis.groupebpce.com).

Note 12 Commitments

12.1 Guarantee commitments

A financial guarantee is a contract that requires the issuer to compensate the holder of the contract for any loss that the holder incurs because a debtor fails to make payment when due. The exercise of these rights is subject to the occurrence of an uncertain future event.

The amounts shown represent the nominal value of the commitment undertaken:

	31/12/2021	31/12/2020
Guarantee commitments given		
To banks	**5,831**	**6,952**
Confirmation of documentary credits	1,707	1,317
Other guarantees	4,124	5,635
To customers	**22,341**	**17,008**
Real estate guarantees	124	135
Administrative and tax bonds	202	210
Other bonds and endorsements given	678	669
Other guarantees	21,338	15,994
TOTAL GUARANTEE COMMITMENTS GIVEN	**28,172**	**23,960**
Guarantee commitments received from banks	21,665	12,043

Specific case of guarantees issued to mutual funds

Natixis guarantees the capital and/or returns on units in certain mutual funds. These guarantees are executed solely in the event that the net asset value of each of the units in the fund at maturity is lower than the guaranteed net asset value.

The capital and/or performance guarantees given by Natixis to certain UCITS are recognized as derivatives and are measured at fair value in accordance with the provisions of IFRS 13.

Guarantee commitments reconciliation table

	Guarantee commitments									
	Unimpaired commitments for which expected credit losses are measured over 12 months (S1 bucket)		Unimpaired commitments for which expected credit losses are measured on a lifetime basis (S2 bucket)		Commitments impaired after their origination/ acquisition (S3 bucket)		Commitments impaired on origination/ acquisition		Total	
(in millions of euros)	Gross exposure	Provisions for losses	Gross exposure	Provisions for losses	Gross exposure	Provisions for losses	Gross exposure	Provisions for losses	Gross exposure	Provisions for losses
BALANCE AS AT 01/01/2020	**21,257**	**(3)**	**3,294**	**(7)**	**129**	**(41)**	**3**	**0**	**24,682**	**(51)**
New OBS commitments originated or purchased	3,469	(1)	300	(2)			0	0	3,769	(3)
Variations linked to changes in credit risk parameters *(excluding transfers)*	(1,113)	(3)	(748)	(7)	(3)	5	(1)	0	(1,864)	(5)
Transfers of guarantee commitments	*(395)*	*0*	*311*	*0*	*84*	*(0)*			*0*	*0*
Transfers to S1	394	1	(394)	1	0	0			0	2
Transfers to S2	(779)	(1)	780	(1)	(1)	0			0	(1)
Transfers to S3	(10)	0	(75)	0	85	(0)			0	0
Fully sold, called or matured commitments	(3,983)	1	(468)	2	(1)	0	(0)	0	(4,452)	2
Variations linked to changes in exchange rates	(1,477)	0	(145)	0	(28)	2	0	0	(1,651)	2
Changes in the model used		0		0		0				0
Other movements [(a)]	3,202	0	9	0	252	0	0	0	3,462	1
BALANCE AS AT 31/12/2020 [(b)]	**20,960**	**(6)**	**2,553**	**(14)**	**433**	**(34)**	**2**	**0**	**23,946**	**(54)**
New OBS commitments originated or purchased	14,144	(5)	1,431	(4)			77	0	15,652	(9)
Variations linked to changes in credit risk parameters *(excluding transfers)*	(959)	3	(5)	7	(224)	(8)	(1)	(6)	(1,188)	(3)
Transfers of guarantee commitments	*(1,003)*	*1*	*731*	*(1)*	*272*	*(1)*			*0*	*(1)*
Transfers to S1	457	0	(457)	0	0	0			0	0
Transfers to S2	(1,457)	1	1,458	(2)	(1)	0			0	(1)
Transfers to S3	(3)	0	(270)	1	273	(1)			0	0
Fully sold, called or matured commitments	(10,965)	2	(589)	3	(101)	12	0	0	(11,655)	17
Variations linked to changes in exchange rates	1,209	0	177	0	24	(1)	0	0	1,410	(2)
Changes in the model used		0		0		0		0		
Other changes	(6)	0	(2)	0	0	(1)	0	0	(8)	(1)
BALANCE AS AT 31/12/2021 [(b)]	**23,378**	**(6)**	**4,297**	**(10)**	**404**	**(33)**	**78**	**(6)**	**28,157**	**(55)**

(a) Including an amendment made on December 31, 2020 concerning guarantee commitments in the form of letters of credit granted by the New York branch. In 2019, these guarantees were presented for an amount net of guarantees received from other participants. The impact is of €2,930 million on commitments classified as stage 1 and of €252 million on commitments classified as stage 3.

(b) Gross carrying amount excluding insurance company contributions, i.e. €14 million at December 31, 2021 (versus €14 million as at December 31, 2020).

12.2 Financing commitments

The following financing commitments fall within the scope of IFRS 9:

- commitments qualified as financial liabilities at fair value through profit or loss if the entity that grants them has a practice of reselling or securitizing loans immediately after they are issued;
- commitments which are settled net (i.e. sold);
- commitments which result in a loan granted at below-market interest rates.

Other financing commitments falling within the scope of IAS 37

A financing commitment given is a contingent liability, defined by IAS 37 as:

- a potential obligation arising from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- a present obligation arising as a result of past events but not recognized because:
  - it is not likely that an outflow of economic benefits will be required to settle the obligation, or
  - the amount of the obligation cannot be measured with sufficient reliability.

(in millions of euros)	31/12/2021	31/12/2020
Financing commitments given		
To banks	**2,152**	**7,142**
To customers	**60,638**	**51,887**
Opening of documentary credits	*3,311*	*2,026*
Other confirmed lines of credit	*56,429*	*49,219*
Other commitments	*898*	*642*
TOTAL FINANCING COMMITMENTS GIVEN	**62,790**	**59,029**
Financing commitments received		
▪ from banks	4,366	12,070
▪ from customers	5	8
TOTAL FINANCING COMMITMENTS RECEIVED	**4,371**	**12,078**

Financing commitments reconciliation table

(in millions of euros)	Financing commitments									
	Unimpaired commitments for which expected credit losses are measured over 12 months (S1 bucket)		Unimpaired commitments for which expected credit losses are measured on a lifetime basis (S2 bucket)		Commitments impaired after their origination/ acquisition (S3 bucket)		Commitments impaired on origination/ acquisition		Total	
	Gross exposure	Provisions for losses	Gross exposure	Provisions for losses	Gross exposure	Provisions for losses	Gross exposure	Provisions for losses	Gross exposure	Provisions for losses
BALANCE AS AT 01/01/2020	**46,527**	**(15)**	**5,590**	**(48)**	**76**	**(12)**	**9**	**0**	**52,201**	**(76)**
New OBS commitments originated or purchased	10,595	(10)	1,258	(8)	0	0	3	0	11,855	(18)
Variations linked to changes in credit risk parameters *(excluding transfers)*	4,173	(10)	(1,804)	(28)	(82)	10	7	(0)	2,293	(29)
Transfers of financing commitments	*(1,721)*	*(1)*	*1,647*	*1*	*74*	*(0)*			*(0)*	*(0)*
Transfers to S1	978	(4)	(976)	4	(2)	0			(0)	(0)
Transfers to S2	(2,683)	3	2,684	(4)	(1)	0			(0)	(0)
Transfers to S3	(16)	0	(61)	0	77	(0)			0	0
Fully sold, called or matured commitments	(5,864)	1	(316)	2	(4)	0	(4)	0	(6,188)	3
Variations linked to changes in exchange rates	(1,637)	1	(276)	3	(2)	0	(0)	0	(1,916)	4
Changes in the model used										0
Other movements [(a)]	729	2	64	0	(11)	0	0	0	782	2
BALANCE AS AT 31/12/2020	**52,801**	**(32)**	**6,162**	**(79)**	**51**	**(2)**	**14**	**0**	**59,029**	**(114)**
New OBS commitments originated or purchased	29,015	(16)	1,175	(7)	0	0	19	0	30,209	(23)
Variations linked to changes in credit risk parameters *(excluding transfers)*	(2,383)	5	(1,670)	(30)	13	(3)	209	0	(3,831)	(28)
Transfers of financing commitments	*(1,137)*	*0*	*1,118*	*(6)*	*19*	*(1)*			*0*	*(6)*
Transfers to S1	473	(2)	(473)	3	0	0			0	2
Transfers to S2	(1,609)	2	1,620	(10)	(11)	0			0	(8)
Transfers to S3	(1)	0	(29)	1	30	(1)			0	0
Fully sold, called or matured commitments	(23,307)	7	(1,292)	12	(18)	4	(17)	0	(24,634)	24
Variations linked to changes in exchange rates	1,402	(1)	251	(2)	3	0	0	0	1,656	(3)
Changes in the model used										0
Other changes	362	0	0	0	0	0	0	0	362	0
BALANCE AS AT 31/12/2021	**56,754**	**(37)**	**5,746**	**(111)**	**66**	**(2)**	**224**	**0**	**62,790**	**(150)**

(a) Including the exit of Coface.

Note 13 Other Information

13.1 Lease contracts where Natixis is the lessee

13.1.1 Impact on income of leasing transactions as lessee

The net amount of rights-of-use relating to leases as lessee at December 31, 2021 was €680 million (€898 million as at December 31, 2020) of which €678 million (€897 million as at December 31, 2020) related to property leases *(see Note 7.11)*.

The lease liabilities in respect of leases as lessee came to €737 million (€1,011 million as at December 31, 2020) and are recognized under "Other liabilities" *(see Note 7.9.2)*.

(in millions of euros)	**31/12/2021**	31/12/2020
Interest expenses on lease liabilities	(11)	(13)
Amortization of rights-of-use	(201)	(194)
Variable lease payments not included in the valuation of lease liabilities	(6)	(9)
Impact on the income statement of lease agreements recognized in the balance sheet	**(217)**	**(216)**

(in millions of euros)	**31/12/2021**	31/12/2020
Lease expenses on short-term leases	(1)	(1)
Lease expenses on low-value assets	(0)	(5)
Impact on the income statement of lease agreements not recognized in the balance sheet	**(1)**	**(6)**

Lease expenses related to low-value contracts and short-term contracts are recorded under "Expenses from other activities" in the consolidated income statement.

13.1.2 Income from subleases on right-of-use assets

When Natixis subleases all or part of an asset for which it has taken out a lease, the subleasing contract is subject to a substance-based analysis, similar to the approach taken by the lessors.

Income earned on these contracts is recorded in exactly the same way as it is by the lessor, i.e. under "Income from other activities", in the case of operating leases *(see Note 6.6)*, and under "Interest income", in the case of finance leases *(see Note 6.1)*.

(in millions of euros)	**31/12/2021**	31/12/2020
Sub-lease revenue – operating leases	31	29
Sub-lease revenue – finance leases	0	0

13.1.3 Breakdown of lease liabilities and off-balance sheet commitments by contractual maturity

The amounts presented in the table below comprise non-discounted contractual cash flows.

	31/12/2021								31/12/2020							
(in millions of euros)	Less than 1 month	1 to 3 months	3 to 6 months	6 months to 1 year	1 to 2 years	2 to 5 years	Over 5 yars	Total	Less than 1 month	1 to 3 months	3 to 6 months	6 months to 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Non-discounted lease liabilities (before deduction of financial expenses)	39	12	51	102	145	454	526	1,329	40	11	50	100	186	339	352	1,079

Including cash flows from the Insurance, Payments and Natixis Immo Exploitation business lines, classified as "Liabilities related to non-current assets held for sale" at December 31, 2021 (see Notes 1.2 and 7.10).

The following table presents future cash outflows not included in the measurement of lease liabilities as at December 31, 2021 for leases not yet commenced but representing commitments undertaken by Natixis.

	31/12/2021								31/12/2020							
(in millions of euros)	Less than 1 month	1 to 3 months	3 to 6 months	6 months to 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total	Less than 1 month	1 to 3 months	3 to 6 months	6 months to 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total[(a)]
Leases already signed but whose underlying assets have not yet been made available	0	0	0	0	4	13	18	35	0	0	0	0	0	104	257	361

(a) Corresponds to Tours Duos, which was delivered in December 2021.

13.2 Lease contracts where Natixis is the lessor

	31/12/2021							31/12/2020						
	Residual term							Residual term						
Lease financing *(in millions of euros)*	Less than 1 year	More than or equal to 1 year and less than 2 years	More than or equal to 2 years and less than 3 years	More than or equal to 3 years and less than 4 years	More than or equal to 4 years and less than 5 years	> 5 years	Total	Less than 1 year	More than or equal to 1 year and less than 2 years	More than or equal to 2 years and less than 3 years	More than or equal to 3 years and less than 4 years	More than or equal to 4 years and less than 5 years	> 5 years	Total
Finance leases														
Gross investment	12	9	7	3	1	0	32	12	9	6	4	1	0	32
Present value of minimum lease payments receivable	11	8	6	3	1	0	28	11	8	6	4	1	0	30
Unearned finance income	2	1	1	0	0	0	4	2	1	0	0	0	0	3
Operating leases														
Minimum payments receivable under irrevocable leases	45	37	31	25	20	63	221	47	40	33	28	22	64	234

13.3 Related parties

Relations between the Group's consolidated companies

The main transactions between Natixis and related parties (BPCE and subsidiaries, Banque Populaire group including Banque Populaire banks and their subsidiaries, the Caisse d'Epargne network including the Caisses d'Epargne and their subsidiaries and all of the affiliates consolidated using the equity method) are described below:

	31/12/2021				31/12/2020			
(in millions of euros)	**BPCE**	**o/w Solutions and Financial Expertise division [(a)]**	**Banques Populaires**	**Caisses d'Epargne**	BPCE	o/w Solutions and Financial Expertise division [(a)]	Banques Populaires	Caisses d'Epargne
Assets								
Financial assets at fair value through profit or loss	20,281	125	3,342	3,508	19,641	258	3,155	4,517
Financial assets at fair value through other comprehensive income								
Debt instruments at amortized cost					0		21	
Loans and receivables due from banks and similar items at amortized cost	79,213	3,156	257	40	38,346	4,469	431	293
Customer loans and receivables at amortized cost	62	46	110		201	135	135	
Insurance business investments	11,389		23		11,557		144	225
Non-current assets held for sale	432		316	880				
Liabilities								
Financial liabilities at fair value through profit or loss	5,680	167	2,440	2,993	7,071	258	3,770	3,984
Deposits and loans due to banks and similar items	111,689	443	309	3	60,743	926	241	121
Deposits and loans due to customers	233	130	64	12	163	72	36	1
Debt securities	264							
Subordinated debt	3,866				2,947			
Liabilities related to insurance policies					0		2	77
Liabilities on assets held for sale	1	0	12	88				
Shareholders' equity	2,086				1,794			
Commitments								
Commitments given	1,954	583	273	227	7,344	581	7	165
Commitments received	16,630	2,299	303	834	15,089	37	151	971

Relations with associates and joint ventures are not material.

(a) Corresponds to Factoring, Consumer Financing, Leasing and Financial Surety & Guarantee entities.

(in millions of euros)	31/12/2021				31/12/2020 [b]			
	BPCE	o/w Solutions and Financial Expertise division [a]	Banques Populaires	Caisses d'Epargne	BPCE	o/w Solutions and Financial Expertise division [a]	Banques Populaires	Caisses d'Epargne
Income								
Interest and similar income	412	29	40	0	364	46	51	1
Interest and similar expenses	(431)	(1)	(0)	(0)	(542)	(20)	(4)	(0)
Net fee and commission income	(7)	2	(33)	(59)	(49)	(46)	(419)	(313)
Net gains or losses on financial instruments at fair value through profit or loss	498	(83)	92	(219)	(1,369)	100	(50)	723
Gains and losses on financial assets at fair value through other comprehensive income								
Net gains or losses arising from the derecognition of financial assets at amortized cost								
Net gains or losses on financial assets at amortized cost reclassified to financial assets at fair value through profit or loss								
Net gains or losses on financial assets at fair value through other comprehensive income reclassified to financial assets at fair value through profit or loss								
Income and expenses from other activities	26	20	1	0	51	50	6	15
Operating expenses	(205)		6	3	(74)	4	(1)	(12)
Profit from discontinued operations	16	(37)	(428)	(321)				

Relations with associates and joint ventures are not material.

(a) Corresponds to Factoring, Consumer Financing, Leasing and Financial Surety & Guarantee entities.
(b) Including -€646 million at December 31, 2020 corresponding to the Insurance, Payments and Natixis Immo Exploitation business lines, the income of which is classified as "Net income from discontinued operations" at December 31, 2021.

Management compensation

(in euros)	31/12/2021	31/12/2020
Directors of Natixis [a]	621,611	612,896
Executives [b]	15,962,701	13,370,043

(a) In 2021 and 2020, compensation paid to members of the Board of Directors included a fixed portion (€8,000 per person) and a variable portion (€2,000 per Board Meeting, per person). Members of the Audit Committee and the Risk Committee received a fixed payment of €3,000 (€17,000 for its Chairman) and a variable payment of €1,000 per meeting and per person (€2,000 for its Chairman). The members of the Appointments Committee and the Compensation Committee received a fixed portion of €2,000 (€15,000 for its Chairman) and a variable portion of €1,000 per meeting and per person (€2,000 for its Chairman). The members of the CSR Committee received a fixed portion of €2,000 (€12,000 for its Chairman) and a variable portion of € 1,000 per meeting and per person (€2,000 for its Chairman). The members of the Strategic Committee received a variable payment of €2,000 and the Chairman of the Strategic Committee received a fixed payment of €12,000.
(b) The amounts shown represent the total amount of compensation paid or delivered to the members of the Senior Management Committee.

Compensation of corporate officers

The compensation of corporate officers is given in detail in the standardized tables in accordance with AMF recommendations in Section 2.3 of the Registration Document.

The table below shows the compensation paid in the fiscal year.

	FY 2021	FY 2020
Laurent Mignon, Chairman of the Board of Directors		
Compensation for the fiscal year	300,000 €	300,000 €
Value of options paid during the fiscal year	0 €	0 €
Value of bonus shares paid during the fiscal year	0 €	0 €
TOTAL	**300,000 €**	**300,000 €**
Nicolas Namias, Chief Executive Officer		
Compensation for the fiscal year [(a)]	1,037,305 €	525,119 €
Value of options paid during the fiscal year	0 €	0 €
Value of bonus shares paid during the fiscal year	0 €	0 €
TOTAL	**1,037,305 €**	**525,119 €**

(a) *Including a family supplement of €447 and a vehicle benefit of €9,079 in 2021, including a family supplement of €670 and a vehicle benefit of €3,710 in 2020.*

Executive officer pension plans

The Chief Executive Officer of Natixis benefits from the pension plan for non-classified executives of Natixis, i.e. for Nicolas Namias:

- Social Security contributions in Tranche 1;
- AGIRC-ARRCO pension regime in Tranche 1 (13.53%);
- AGIRC-ARRCO supplementary pension regime in Tranche 2 capped at 4x the PASS (3.86%);
- AGIRC-ARRCO pension regime in Tranche 2 (21.59%).

Like the rest of the staff, the Chief Executive Officer is covered by the mandatory pension plan. He is not covered by the kind of supplementary pension plans described in Articles 39 or 83 of the French General Tax Code.

Indemnities for cessation of activity

Severance payments

The monthly reference compensation is equal to one-twelfth of the sum of the fixed compensation paid in respect of the last calendar year in activity and the average variable compensation paid over the last three calendar years of activity.

The amount of severance pay is equal to: Monthly Reference Compensation x (12 months +1 month per year of seniority).

The Chief Executive Officer will not receive contract termination payment in the event of gross negligence or willful misconduct, if he leaves the Company at his initiative to take another position or changes his position within Groupe BPCE, or exercises his right to retire.

Furthermore, in line with the provisions of the Afep-Medef corporate governance code, the right to a benefit is contingent on meeting performance criteria and requirements, as verified by the Board of Directors where appropriate.

At its meeting of February 11, 2021, the Board of Directors of Natixis defined new methods for determining the compensation for the termination of service of the Chief Executive Officer, under which the achievement of the objectives will be assessed on the basis of the fiscal years ended before said termination. These performance criteria are as follow:

1. average Natixis underlying net income over the two fiscal years preceding departure greater than or equal to 75% of the average budget forecast for the period;
2. average underlying Natixis ROE over the two fiscal years preceding departure greater than or equal to 75% of the average budget forecast for the period;
3. Natixis cost/income ratio below 75% over the last half-year prior to departure.

The amount of the payment shall be determined based on the number of performance criteria met:

- if all three criteria are met: 100% of the agreed payment;
- if two criteria are met: 66% of the agreed payment;
- if one criterion is met: 33% of the agreed payment;
- if none of the criteria is met: no payment will be made.

As a reminder, the amount of the CEO's severance payment, combined with the non-compete indemnity if warranted, may not exceed the equivalent of 24 months of monthly reference compensation.

Non-compete indemnities

The non-compete agreement is limited to a period of six months and carries an indemnity equal to six months of fixed compensation, as in force on the date on which the CEO leaves office.

The payment of the non-compete compensation is excluded when the executive officer asserts his pension rights. In any event, no non-compete compensation may be paid beyond age 65. It is also specified that the non-compete compensation must be paid in installments during its term.

The amount of the non-compete compensation, together with the severance payment, if applicable, received by the Chief Executive Officer is capped at 24 months of the monthly reference compensation (both fixed and variable).

Upon the departure of the Chief Executive Officer, the Board of Directors must make a decision regarding whether to enforce the non-compete clause.

Note 14 Statutory Auditors' fees

The bank's financial statements are audited by two independent accounting firms.

The appointment of Deloitte & Associés[(1)] was renewed by the shareholders at the General Shareholders' Meeting in May 2016, for a term of six years ending as of the General Shareholders' Meeting to be held in 2022 to approve the previous year's financial statements.

PricewaterhouseCoopers Audit[(2)] was appointed by the shareholders at the General Shareholders' Meeting of May 2016, for a term of six years ending as of the General Shareholders' Meeting to be held in 2022 to approve the previous year's financial statements.

Deloitte & Associés and PricewaterhouseCoopers Audit are registered as Statutory Auditors with the Compagnie Régionale des Commissaires aux Comptes de Versailles and are under the oversight of the Haut Conseil du Commissariat aux Comptes.

The Statutory Auditors and their networks were paid the following amounts in return for their duties:

	Deloitte & Associés					PwC					Mazars					TOTAL				
	2021		2020		Change	2021		2020		Change	2021		2020		Change	2021		2020		Change
(in thousands of euros)	Amount	%	Amount	%	%	Amount	%	Amount	%	%	Amount	%	Amount	%	%	Amount	%	Amount	%	%
Independent audit, certification and examination of the parent company and consolidated accounts	**6,341**	**73%**	**5,957**	**83%**	**6%**	**7,981**	**73%**	**8,156**	**78%**	**-2%**	**2,770**	**84%**	**2,438**	**77%**	**14%**	**17,092**	**74%**	**16,551**	**80%**	**3%**
Issuer	*3,588*		*3,554*		*1%*	*1,866*		*1,887*		*-1%*	*2*		*2*		*0%*	*5,456*		*5,443*		*0%*
Fully-consolidated subsidiaries	*2,753*		*2,403*		*15%*	*6,114*		*6,269*		*-2%*	*2,768*		*2,436*		*14%*	*11,635*		*11,108*		*5%*
Services other than the certification of accounts	**2,363**	**27%**	**1,196**	**17%**	**98%**	**3,013**	**27%**	**2,294**	**22%**	**31%**	**514**	**16%**	**732**	**23%**	**-30%**	**5,890**	**26%**	**4,222**	**20%**	**40%**
Issuer	*1,259*		*769*		*64%*	*1,028*		*1,370*		*-25%*	*455*		*690*		*-34%*	*2,742*		*2,829*		*-3%*
Fully-consolidated subsidiaries	*1,104*		*427*		*159%*	*1,985*		*924*		*115%*	*59*		*42*		*40%*	*3,148*		*1,393*		*126%*
TOTAL	**8,704**	**100%**	**7,153**	**100%**	**22%**	**10,994**	**100%**	**10,450**	**100%**	**5%**	**3,284**	**100%**	**3,170**	**100%**	**4%**	**22,982**	**100%**	**20,773**	**100%**	**11%**
of which fees paid to the entity appointed as Statutory Auditor of the consolidating entities for the certification of the financial statements	*2,576*		*2,114*		*22%*	*3,871*		*3,774*		*3%*	*1,765*		*1,435*		*23%*	*8,212*		*7,323*		*12%*
of which fees paid to the entity appointed as Statutory Auditor of the consolidating entities for services other than the certification of the financial statements	556		218		155%	154		192		-20%	59		2			769		412		87%

Services other than the certification of accounts include:

- assistance with ensuring the compliance of mechanisms implemented amounting to €1 million;
- tax audits, primarily performed outside the European Union, amounting to €0.9 million;
- technical assistance assignments amounting to €0.7 million;
- services provided at the time of the acquisition of entities for a total of €0.7 million.

(1) *Deloitte & Associés – 6 place de la Pyramide, 92908 Paris La Défense Cedex, represented by signatory partner Charlotte Vandeputte.*
(2) *PricewaterhouseCoopers Audit – 63 rue de Villiers 92208 Neuilly-sur-Seine Cedex, represented by signatory partner Emmanuel Benoist.*

Note 15 Operations by country

Article 7 of Law No. 2013-672 of the French Monetary and Financial Code of July 26, 2013, amending Article L.511-45 requires credit institutions to publish information on their locations and activities in each country or territory.

Pursuant to the article referred to above, the table below specifically provides information linked to Net Banking Income, pre-tax profit, income tax and headcount at December 31, 2021.

15.1 Entity operations by country at December 31, 2021

Country of operation	Activity
ALGERIA	
NATIXIS ALGÉRIE	Bank
GERMANY	
NATIXIS PFANDBRIEFBANK AG	Bank
NATIXIS ZWEIGNIEDERLASSUNG DEUTSCHLAND	Fin. institution
NATIXIS INVESTMENT MANAGERS S.A., ZWEIGNIERDERLASSUNG DEUTSCHLAND	Distribution
AEW INVEST GmbH	Distribution
SAUDI ARABIA	
SAUDI ARABIA INVESTMENT COMPANY	Fin. institution
AUSTRALIA	
NATIXIS AUSTRALIA PTY LTD	Fin. institution
INVESTORS MUTUAL LIMITED	Asset Management
NATIXIS INVESTMENT MANAGERS AUSTRALIA PTY LIMITED	Distribution
AEW ASIA LIMITED AUSTRALIAN BRANCH	Asset Management
AZURE CAPITAL HOLDINGS PTY LTD	M&A advisory services
AZURE CAPITAL SECURITIES PTY LTD	Fund management and Equity Capital Markets
THE AZURE CAPITAL TRUST	Holding company
AZURE CAPITAL LIMITED	Holding company
BELGIUM	
DALENYS S.A.	Holding company
NATIXIS BELGIQUE INVESTISSEMENTS	Investment company
NATIXIS INVESTMENT MANAGERS S.A., BELGIAN BRANCH	Distribution
BRAZIL	
MIROVA NATURAL CAPITAL BRAZIL CONSULTORIA E ASSESSORIA LTDA	Consulting
CANADA	
NATIXIS CANADA	Fin. institution
NATIXIS IM CANADA HOLDINGS LTD	Holding company
CHINA	
NATIXIS SHANGHAI	Fin. institution
NATIXIS BEIJING	Fin. institution
VERMILION (BEIJING) ADVISORY COMPANY LIMITED	M&A advisory services
SOUTH KOREA	
NATIXIS INVESTMENT MANAGERS KOREA LIMITED	Distribution
AEW KOREA LLC	Asset Management
UNITED ARAB EMIRATES	
NATIXIS DUBAI	Fin. institution
NATIXIS INVESTMENT MANAGERS MIDDLE EAST	Distribution
SPAIN	
NATIXIS MADRID	Fin. institution
NATIXIS INVESTMENT MANAGERS, SUCURSAL EN ESPANA	Distribution
AEW EUROPE LLP SPANISH BRANCH	Distribution
NATIXIS PARTNERS IBERIA, S.A.	M&A advisory services
UNITED STATES	
AEW CAPITAL MANAGEMENT, INC.	Asset Management
AEW CAPITAL MANAGEMENT, LP	Asset Management
AEW PARTNERS V, INC.	Asset Management
AEW PARTNERS VI, INC.	Asset Management
AEW PARTNERS VII, INC.	Asset Management
ALPHASIMPLEX GROUP LLC	Asset Management
AURORA INVESTMENT MANAGEMENT LLC	Asset Management
CASPIAN CAPITAL MANAGEMENT, LLC	Asset Management
EPI SLP LLC	Asset Management
GATEWAY INVESTMENT ADVISERS, LLC	Asset Management
HARRIS ALTERNATIVES HOLDING INC.	Holding company

Country of operation	Activity
HARRIS ASSOCIATES LP	Asset Management
HARRIS ASSOCIATES SECURITIES, LP	Distribution
LOOMIS SAYLES & COMPANY, INC.	Asset Management
LOOMIS SAYLES & COMPANY, LP	Asset Management
LOOMIS SAYLES ALPHA, LLC.	Asset Management
LOOMIS SAYLES DISTRIBUTORS, INC.	Distribution
LOOMIS SAYLES DISTRIBUTORS, LP	Distribution
NATIXIS ASG HOLDINGS, INC.	Distribution
NATIXIS FINANCIAL PRODUCTS LLC	Derivatives transactions
NATIXIS NEW YORK	Fin. institution
NATIXIS NORTH AMERICA LLC	Holding company
NATIXIS REAL ESTATE CAPITAL LLC	Real-estate finance
NATIXIS REAL ESTATE HOLDINGS LLC	Real-estate finance
NATIXIS US MTN PROGRAM LLC	Issuing vehicle
NATIXIS FUNDING CORP	Other financial company
NATIXIS SECURITIES AMERICAS LLC	Brokerage firm
EPI SO SLP LLC	Asset Management
LOOMIS SAYLES TRUST COMPANY, LLC	Asset Management
VERSAILLES	Securitization vehicle
PETER J. SOLOMON COMPANY LP	M&A advisory services
HARRIS ASSOCIATES, INC.	Asset Management
VAUGHAN NELSON INVESTMENT MANAGEMENT, INC.	Asset Management
NATIXIS INVESTMENT MANAGERS, LLC	Holding company
NATIXIS INVESTMENT MANAGERS INTERNATIONAL, LLC	Distribution
PETER J. SOLOMON SECURITIES COMPANY LLC	Brokerage
AEW SENIOR HOUSING INVESTORS II INC.	Asset Management
VAUGHAN NELSON INVESTMENT MANAGEMENT, LP	Asset Management
AEW PARTNERS REAL ESTATE FUND IX, LLC	Asset Management
CM REO HOLDINGS TRUST	Secondary markets finance
CM REO TRUST	Secondary markets finance
MSR TRUST	Real-estate finance
AEW PARTNERS REAL ESTATE FUND VIII LLC	Asset Management
AEW SENIOR HOUSING INVESTORS III LLC	Asset Management
AEW SENIOR HOUSING INVESTORS IV LLC	Asset Management
MIROVA US LLC	Asset Management
LOOMIS SAYLES OPERATING SERVICES, LLC	Asset Management
SEAPORT STRATEGIC PROPERTY PROGRAM I CO-INVESTORS, LLC	Asset Management
OSTRUM AM US LLC	Asset Management
FLEXSTONE PARTNERS LLC	Asset Management
NATIXIS ADVISORS, LLC (EX-NATIXIS ADVISORS, LP)	Distribution
NATIXIS DISTRIBUTION, LLC (EX-NATIXIS DISTRIBUTION, LP)	Distribution
NIM-OS, LLC	Media and digital
AEW COLD OPS MM, LLC	Asset Management
AEW EHF GP, LLC	Asset Management
AEW CORE PROPERTY (US) GP, LLC	Asset Management
NATIXIS INVESTMENT MANAGERS US HOLDINGS, LLC	Holding company
FRANCE	
1818 IMMOBILIER	Real estate operations
ALLIANCE ENTREPRENDRE	Asset Management
BPCE ASSURANCES	Insurance company
NAMI INVESTMENT	Insurance real estate investments
NATIXIS ASSURANCES	Insurance company holding company

Country of operation	Activity
NATIXIS IMMO DEVELOPPEMENT	Residential real estate development
NATIXIS IMMO EXPLOITATION	Real estate operations
NATIXIS INNOV	Holding company
NATIXIS LIFE	Life insurance
NATIXIS MARCO	Investment company – (extension of activity)
Natixis Private Equity	Private Equity
NATIXIS S.A.	Bank
SCI (real estate company) ALTAIR 1	Real estate operations
SCI (real estate company) ALTAIR 2	Real estate operations
SEVENTURE PARTNERS	Asset Management
CONTANGO TRADING S.A.	Brokerage company
NATIXIS PARTNERS	M&A advisory services
FCT LIQUIDITÉ SHORT 1	Securitization vehicle
DNCA FINANCE	Asset Management
NAXICAP PARTNERS	Management of venture capital mutual funds
OSSIAM	Asset Management
FRUCTIFONCIER	Insurance real estate investments
AAA ACTIONS AGRO ALIMENTAIRE	Insurance investment mutual fund
BPCE APS	Service providers
FONCIERE KUPKA	Real estate operations
BPCE RELATION ASSURANCES	Mutual fund
SPG	SICAV
NATIXIS COFICINE	Financial company (audiovisual)
NATIXIS INTEREPARGNE	Employee savings plan management
Natixis Payment Solutions	Banking services
NATIXIS Investment ManagerS	Holding company
NATIXIS Wealth Management	Bank
SELECTIZ	Insurance investment mutual fund
SELECTIZ PLUS FCP 4DEC	Insurance investment mutual fund
NATIXIS PAIEMENT HOLDING	Holding company
PAYPLUG	Payment services
NATIXIS Investment ManagerS PARTICIPATIONS 1	Holding company
NATIXIS Investment ManagerS PARTICIPATIONS 3	Holding company
DALENYS PAYMENT	Payment services
RECOMMERCE	Online service
EOLE COLLATERAL	Securitization vehicle
INVESTIMA 77	Holding company
MIROVA	Management of venture capital mutual funds
MV CREDIT FRANCE	Holding company
OSTRUM AM (NEW)	Asset Management
FONDS TULIP	Insurance investments (Securitization funds)
ALLOCATION PILOTÉE ÉQUILIBRE C	Insurance investment mutual fund
MIROVA EUROPE ENVIRONNEMENT C	Insurance investment mutual fund
SEEYOND	Asset Management
NATIXIS Investment ManagerS INTERNATIONAL	Distribution
VEGA Investment ManagerS	Mutual fund holding company
MASSENA PARTNERS – BRANCH	Asset Management and investment advisory services
OPCI FRANCEUROPE IMMO	Insurance investment mutual fund
FCT NA FINANCEMENT DE L'ÉCONOMIE – COMPARTIMENT IMMOCORP II	Insurance investments (Securitization funds)
THEMATICS ASSET MANAGEMENT	Asset Management
VAUBAN INFRASTRUCTURE PARTNERS	Asset Management

Country of operation	Activity
DARIUS CAPITAL CONSEIL	Investment advisory services
DORVAL ASSET MANAGEMENT	Asset Management
FLEXSTONE PARTNERS SAS	Asset Management
H2O AM EUROPE	Asset Management
TEORA	Insurance brokerage firm
NATIXIS IM INNOVATION	Asset Management
AEW EUROPE S.A. (formerly AEW S.A.)	Asset Management
MIROVA NATURAL CAPITAL LIMITED, French branch	Asset Management
AEW (formerly AEW CILOGER)	Real-estate management
NATIXIS TRADEX SOLUTIONS	Holding company
REAUMUR ACTIONS	Insurance investment mutual fund
BPCE PRÉVOYANCE	Personal protection insurance
BPCE VIE	Insurance
DNCA INVEST NORDEN	Insurance investment mutual fund
SCPI IMMOB EVOLUTIF	Insurance real estate investments
VEGA EURO RENDEMENT FCP RC	Insurance investment mutual fund
XPOLLENS (formerly S-MONEY)	Payment services
DALENYS SERVICES	Internal services provider
DALENYS MARKETING	Online service
DALENYS TECHNOLOGIES	Online service
BIMPLI	Payment services, service vouchers and online service for works councils
NATIXIS FONCIERE S.A.	Real estate investments
UNITED KINGDOM	
AEW EUROPE ADVISORY LTD	Asset Management
AEW EUROPE CC LTD	Asset Management
AEW EUROPE HOLDING LTD	Asset Management
AEW EUROPE INVESTMENT LTD	Asset Management
AEW EUROPE LLP	Asset Management
AEW GLOBAL ADVISORS (EUROPE) LTD	Asset Management
AEW GLOBAL LTD	Asset Management
AEW GLOBAL UK LTD	Asset Management
H2O ASSET MANAGEMENT CORPORATE MEMBER	Asset Management
LOOMIS SAYLES INVESTMENTS LTD (UK)	Asset Management
NATIXIS LONDON	Fin. institution
AEW EUROPE PARTNERSHIP	Asset Management
AEW UK INVESTMENT MANAGEMENT LLP	Asset Management
H2O Asset Management LLP	Asset Management
NATIXIS Investment ManagerS UK Ltd	Distribution
NATIXIS ALTERNATIVE HOLDING LIMITED	Holding company
FENCHURCH PARTNERS LLP	M&A advisory services
VERMILION PARTNERS (UK) LIMITED	Holding company
VERMILION PARTNERS LLP	M&A advisory services
MV CREDIT LIMITED	Asset Management
MV CREDIT LLP	Asset Management
AEW PROMOTE LP LTD	Asset Management
MIROVA NATURAL CAPITAL LIMITED	Asset Management
NATIXIS Investment ManagerS UK (FUNDS) LIMITED (UK), LLC	Operational support
AEW EVP GP LLP	Asset Management
HONG KONG	
AEW ASIA LIMITED	Asset Management
NATIXIS ASIA LTD	Other financial company
NATIXIS HONG KONG	Fin. institution
NATIXIS Investment ManagerS HONG KONG LIMITED	Asset Management
VERMILION PARTNERS (HOLDINGS) LIMITED	Holding company
VERMILION PARTNERS LIMITED	Holding company
NATIXIS HOLDINGS (HONG KONG) LIMITED	Holding company
POINCARÉ HOLDINGS LTD	Asset Management
POINCARE CAPITAL MANAGEMENT LIMITED	Asset Management
NATIXIS Investment ManagerS INTERNATIONAL HONG KONG LIMITED	Asset Management

Country of operation	Activity
CAYMAN ISLANDS	
AEW VIA INVESTORS, LTD	Asset Management
DF EFG3 LIMITED	Holding company
INDIA	
NATIXIS GLOBAL SERVICES (INDIA) PRIVATE LIMITED	Operational support
IRELAND	
BLEACHERS FINANCE	Securitization vehicle
NATINIUM FINANCIAL PRODUCTS	Securitization vehicle
PURPLE FINANCE CLO 1	Securitization vehicle
PURPLE FINANCE CLO 2	Securitization vehicle
ITALY	
NATIXIS MILAN	Fin. institution
DNCA FINANCE MILAN BRANCH	Asset Management
NATIXIS Investment ManagerS S.A., ITALIAN BRANCH	Distribution
AEW ITALIAN BRANCH (formerly AEW CILOGER ITALIAN BRANCH)	Distribution
JAPAN	
NATIXIS JAPAN SECURITIES CO, LTD	Fin. institution
NATIXIS TOKYO	Fin. institution
NATIXIS Investment ManagerS JAPAN CO., LTD	Asset Management
AEW JAPAN CORPORATION	Asset Management
JERSEY	
AEW VALUE INVESTORS ASIA II GP LIMITED	Asset Management
NATIXIS STRUCTURED PRODUCTS LTD	Issuing vehicle
AEW VALUE INVESTORS ASIA III GP LIMITED	Asset Management
LUXEMBOURG	
H2O ASSET MANAGEMENT HOLDING	Asset Management
KENNEDY FINANCEMENT LUXEMBOURG	Investment company – Asset Management
KENNEDY FINANCEMENT LUXEMBOURG 2	Central corporate treasury – Asset Management
NATIXIS ALTERNATIVE ASSETS	Holding company
NATIXIS LIFE	Life insurance
NATIXIS REAL ESTATE FEEDER SARL	Investment company
NATIXIS TRUST	Holding company
DAHLIA A SICAR SCA	Private Equity
NATIXIS STRUCTURED ISSUANCE	Issuing vehicle
AEW EUROPE GLOBAL LUX	Asset Management
NATIXIS INVESTMENT MANAGERS S.A.	Distribution
MV CREDIT SARL	Asset Management
NATIXIS WEALTH MANAGEMENT LUXEMBOURG	Bank
MASSENA PARTNERS S.A.	Asset Management and investment advisory services
MASSENA WEALTH MANAGEMENT SARL	Asset Management and investment advisory services
DNCA FINANCE BRANCH LUXEMBOURG	Asset Management
THEMATICS SUBSCRIPTION ECONOMY FUND	Asset Management
LOOMIS SAYLES ALPHA LUXEMBOURG, LLC	Asset Management

Country of operation	Activity
AEW EUROPE SARL	Asset Management
AEW VIA IV GP PARTNERS S. À RL	Asset Management
AEW APREF GP S. À RL	Asset Management
AEW CORE PROPERTY (US) LUX GP, SARL	Asset Management
THEMATICS AI AND ROBOTICS	Life insurance
MALAYSIA	
NATIXIS LABUAN	Fin. institution
MEXICO	
NATIXIS IM MEXICO, S. de R.L. de C.V	Asset Management
MONACO	
H2O AM MONACO SAM	Asset Management
PROMETHEUS Wealth Management	Asset Management
NETHERLANDS	
NATIXIS Investment ManagerS, NEDERLANDS	Distribution
LOOMIS SAYLES & COMPANY, LP, DUTCH BRANCH	Distribution
LOOMIS SAYLES (NETHERLANDS) BV	Distribution
AEW – Dutch branch	Real-estate management
DALENYS INTERNATIONAL	Holding company
DALENYS FINANCE	Holding company
POLAND	
AEW CENTRAL EUROPE	Asset Management
PORTUGAL	
NATIXIS PORTO	Fin. institution
CZECH REPUBLIC	
AEW CENTRAL EUROPE CZECH	Distribution
RUSSIA	
NATIXIS BANK JSC, MOSCOW	Bank
SINGAPORE	
LOOMIS SAYLES INVESTMENTS ASIA PTE LTD	Asset Management
NATIXIS SINGAPORE	Fin. institution
AEW ASIA PTE LTD	Asset Management
H2O AM ASIA PTE LTD	Asset Management
NATIXIS Investment ManagerS SINGAPORE LIMITED	Asset Management
SWEDEN	
NATIXIS Investment ManagerS, NORDICS FILIAL	Distribution
MIROVA SWEDEN SUBSIDIARY	Asset Management
SWITZERLAND	
NATIXIS Investment ManagerS SWITZERLAND SARL	Asset Management
FLEXSTONE PARTNERS SARL	Asset Management
TAIWAN	
NATIXIS TAIWAN	Fin. institution
NATIXIS Investment ManagerS SECURITIES INVESTMENT CONSULTING CO. LTD	Asset Management
URUGUAY	
NATIXIS Investment Managers URUGUAY S.A.	Distribution

15.2 Net Banking Income, pre-tax profit, taxes and headcount by country at December 31, 2021

Country of operation	NBI *(in millions of euros)*	Profit or loss before taxes, including operating taxes	Profit or loss before tax	Corporate income tax	Headcount (FTE)
ALGERIA	55	26	24	(7)	789
GERMANY	90	45	44	(14)	125
SAUDI ARABIA	0	0	(0)	0	3
AUSTRALIA	34	8	8	(7)	106
BELGIUM	0	(0)	(0)	(0)	2
BRAZIL	0	0	0	0	2
CANADA	8	7	7	(0)	8
CHINA	17	2	1	(0)	61
SOUTH KOREA	2	1	1	(0)	4
UNITED ARAB EMIRATES	47	23	22	0	53
SPAIN	78	52	50	(14)	76
UNITED STATES	2,710	741	696	(148)	2,693
FRANCE	3,425	408	267	(188)	10,670
UNITED KINGDOM	424	171	167	(6)	553
HONG KONG	261	102	96	(15)	411
CAYMAN ISLANDS	5	5	5	0	0
INDIA	(0)	(1)	(1)	0	44
IRELAND	(1)	(3)	(3)	0	0
ITALY	128	101	100	(38)	92
JAPAN	57	22	21	(4)	100
JERSEY	(0)	(0)	(0)	0	0
LUXEMBOURG	132	10	4	(0)	239
MALAYSIA	3	2	2	(0)	4
MEXICO	0	0	0	0	8
MONACO	39	32	32	(8)	15
NETHERLANDS	1	0	0	(0)	17
POLAND	6	4	4	(1)	5
PORTUGAL	(0)	3	3	(1)	1,080
CZECH REPUBLIC	0	0	0	0	3
RUSSIA	3	(0)	(1)	(0)	34
SINGAPORE	116	12	8	1	254
SWEDEN	0	0	0	(0)	3
SWITZERLAND	6	2	2	(0)	17
TAIWAN	10	4	3	(1)	18
URUGUAY	1	(0)	(0)	(0)	2
	7,658	**1,777**	**1,563**	**(452)**	**17,491**

Note 16 Comparative consolidation scopes

Business lines Consolidated subsidiaries	Activity	Consolidation method at December 31, 2021	31/12/2021 % Control	31/12/2021 % Ownership	31/12/2020 % Control	31/12/2020 % Ownership	Country
CORPORATE & INVESTMENT BANKING							
NATIXIS Pfandbriefbank AG	Bank	FC	100	100	100	100	Germany
Azure Capital Holdings Pty Ltd	M&A advisory services	FC	53	53	53	53	Australia
Azure Capital Securities Pty Ltd	Fund management and Equity Capital Markets	FC	53	53	53	53	Australia
The Azure Capital Trust	Holding company	FC	53	53	53	53	Australia
Azure Capital Limited	Holding company	FC	53	53	53	53	Australia
NATIXIS AUSTRALIA PTY Ltd	Fin. institution	FC	100	100	100	100	Australia
Saudi Arabia Investment Company	Fin. institution	FC	100	100	100	100	Saudi Arabia
NATIXIS BELGIQUE INVESTISSEMENTS	Investment company	FC	100	100	100	100	Belgium
EDF GROUP INVESTMENT	Investment company	EM	8	8	8	8	Belgium
Vermilion (Beijing) Advisory Company Limited	M&A advisory services	FC	51	51	51	51	China
Natixis Partners Iberia, S.A. (z)	M&A advisory services	FC	85	85	80	80	Spain
NATIXIS NORTH AMERICA LLC	Holding company	FC	100	100	100	100	United States
Peter J. Solomon Company LP (j)	M&A advisory services	FC	53	53	51	51	United States
Peter J. Solomon Securities Company LLC (j)	Brokerage	FC	53	53	51	51	United States
NATIXIS FUNDING CORP	Other financial company	FC	100	100	100	100	United States
Versailles	Securitization vehicle	FC	100	0	100	0	United States
NATIXIS SECURITIES AMERICAS LLC	Brokerage firm	FC	100	100	100	100	United States
NATIXIS FINANCIAL PRODUCTS LLC	Derivatives transactions	FC	100	100	100	100	United States
NATIXIS REAL ESTATE HOLDINGS LLC	Real-estate finance	FC	100	100	100	100	United States
NATIXIS REAL ESTATE CAPITAL LLC	Real-estate finance	FC	100	100	100	100	United States
CM REO HOLDINGS TRUST	Secondary markets finance	FC	100	100	100	100	United States
CM REO TRUST	Secondary markets finance	FC	100	100	100	100	United States
MSR TRUST	Real-estate finance	FC	100	100	100	100	United States
Natixis US MTN Program LLC	Issuing vehicle	FC	100	100	100	100	United States
NATIXIS S.A.	Banks	FC	100	100	100	100	France
NATIXIS FUNDING** (u)	Market making on secondary debt market				100	100	France
NATIXIS IMMO DEVELOPPEMENT	Residential real estate development	FC	100	100	100	100	France
CONTANGO TRADING S.A.	Brokerage company	FC	100	100	100	100	France
Natixis Partners	M&A advisory services	FC	100	100	100	100	France
FCT Liquidité Short 1	Securitization vehicle	FC	100	100	100	100	France
EOLE Collateral	Securitization vehicle	FC	100	100	100	100	France
SPG	SICAV	FC	100	100	100	100	France
NATIXIS MARCO	Investment company – (extension of activity)	FC	100	100	100	100	France
NATIXIS INNOV	Holding company	FC	100	100	100	100	France
Investima 77	Holding company	FC	100	100	100	100	France
Natixis Alternative Holding Limited	Holding company	FC	100	100	100	100	United Kingdom
Fenchurch Partners LLP	M&A advisory services	FC	51	51	51	51	United Kingdom
Vermilion Partners (UK) Limited	Holding company	FC	51	51	51	51	United Kingdom
Vermilion Partners LLP	M&A advisory services	FC	51	51	51	51	United Kingdom
NATIXIS ASIA LTD	Other financial company	FC	100	100	100	100	Hong Kong
Natixis Holdings (Hong Kong) Limited	Holding company	FC	100	100	100	100	Hong Kong
Vermilion Partners (Holdings) Limited	Holding company	FC	51	51	51	51	Hong Kong
Vermilion Partners Limited	Holding company	FC	51	51	51	51	Hong Kong
Natixis Global Services (India) Private Limited (o)	Operational support	FC	100	100			India
NATINIUM FINANCIAL PRODUCTS	Securitization vehicle	FC	100	100	100	100	Ireland

Business lines Consolidated subsidiaries	Activity	Consolidation method at December 31, 2021	31/12/2021 % Control	 Ownership	31/12/2020 % Control	 Ownership	Country
Bleachers finance	Securitization vehicle	FC	100	0	100	0	Ireland
DF EFG3 Limited	Holding company	FC	100	100	100	100	Cayman Islands
NATIXIS JAPAN SECURITIES CO, Ltd	Fin. institution	FC	100	100	100	100	Japan
NATIXIS STRUCTURED PRODUCTS LTD	Issuing vehicle	FC	100	100	100	100	Jersey
NATIXIS TRUST	Holding company	FC	100	100	100	100	Luxembourg
NATIXIS REAL ESTATE FEEDER SARL	Investment company	FC	100	100	100	100	Luxembourg
NATIXIS ALTERNATIVE ASSETS	Holding company	FC	100	100	100	100	Luxembourg
Natixis Structured Issuance	Issuing vehicle	FC	100	100	100	100	Luxembourg
Natixis Bank JSC, Moscow	Bank	FC	100	100	100	100	Russia
Branches							
NATIXIS Zweigniederlassung Deutschland	Fin. institution	FC	100	100	100	100	Germany
NATIXIS CANADA	Fin. institution	FC	100	100	100	100	Canada
NATIXIS SHANGHAI	Fin. institution	FC	100	100	100	100	China
NATIXIS BEIJING	Fin. institution	FC	100	100	100	100	China
NATIXIS DUBAI	Fin. institution	FC	100	100	100	100	United Arab Emirates
NATIXIS NEW YORK	Fin. institution	FC	100	100	100	100	United States
NATIXIS MADRID	Fin. institution	FC	100	100	100	100	Spain
NATIXIS LONDON	Fin. institution	FC	100	100	100	100	United Kingdom
NATIXIS HONG KONG	Fin. institution	FC	100	100	100	100	Hong Kong
NATIXIS MILAN	Fin. institution	FC	100	100	100	100	Italy
NATIXIS TOKYO	Fin. institution	FC	100	100	100	100	Japan
NATIXIS LABUAN	Fin. institution	FC	100	100	100	100	Malaysia
NATIXIS PORTO	Fin. institution	FC	100	100	100	100	Portugal
NATIXIS SINGAPORE	Fin. institution	FC	100	100	100	100	Singapore
NATIXIS TAIWAN	Fin. institution	FC	100	100	100	100	Taiwan
Film industry financing							
NATIXIS COFICINÉ**	Financial company (audiovisual)	FC	100	100	100	100	France
ASSET & WEALTH MANAGEMENT							
Asset management							
Natixis investment managers group							
AEW Invest Gmbh	Distribution	FC	60	60	60	60	Germany
Natixis Investment Managers Australia Pty Limited	Distribution	FC	100	100	100	100	Australia
Investors Mutual Limited (l)	Asset Management	FC	68	68	52	52	Australia
Mirova Natural Capital Brazil Consultoria e Assessoria LTDA (o)	Consulting	FC	100	100			Brazil
Natixis IM Canada Holdings Ltd	Holding company	FC	100	100	100	100	Canada
Natixis Investment Managers Korea Limited	Distribution	FC	100	100	100	100	South Korea
AEW Korea LLC (e)	Asset Management	FC	100	100			South Korea
AEW CAPITAL MANAGEMENT, INC.	Asset Management	FC	100	100	100	100	United States
AEW CAPITAL MANAGEMENT, LP	Asset Management	FC	100	100	100	100	United States
AEW PARTNERS V, INC.	Asset Management	FC	100	100	100	100	United States
AEW PARTNERS VI, INC.	Asset Management	FC	100	100	100	100	United States
AEW PARTNERS VII, INC.	Asset Management	FC	100	100	100	100	United States
AEW REAL ESTATE ADVISORS, INC. (q)	Asset Management				100	100	United States
AEW SENIOR HOUSING INVESTORS INC. (g)	Asset Management				100	100	United States
AEW SENIOR HOUSING INVESTORS II INC.	Asset Management	FC	100	100	100	100	United States
AEW Value Investors Asia II GP Limited	Asset Management	FC	100	100	100	100	Jersey
AEW VIA INVESTORS, LTD	Asset Management	FC	100	100	100	100	Cayman Islands
AEW Partners Real Estate Fund VIII LLC	Asset Management	FC	100	100	100	100	United States
AEW Senior Housing Investors III LLC	Asset Management	FC	100	100	100	100	United States
AEW Senior Housing Investors IV LLC	Asset Management	FC	100	100	100	100	United States
AEW Partners Real Estate Fund IX, LLC	Asset Management	FC	100	100	100	100	United States
AEW Cold Ops MM, LLC (o)	Asset Management	FC	100	100			United States
AEW EHF GP, LLC (o)	Asset Management	FC	100	100			United States
AEW Core Property (US) GP, LLC (v)	Asset Management	FC	100	100			United States

Business lines Consolidated subsidiaries	Activity	Consolidation method at December 31, 2021	31/12/2021 % Control	31/12/2021 % Ownership	31/12/2020 % Control	31/12/2020 % Ownership	Country
Seaport Strategic Property Program I Co-Investors, LLC	Asset Management	FC	100	100	100	100	United States
ALPHASIMPLEX GROUP LLC	Asset Management	FC	100	100	100	100	United States
AURORA INVESTMENT MANAGEMENT LLC	Asset Management	FC	100	100	100	100	United States
CASPIAN CAPITAL MANAGEMENT, LLC	Asset Management	FC	100	100	100	100	United States
EPI SLP LLC	Asset Management	FC	60	60	60	60	United States
EPI SO SLP LLC	Asset Management	FC	60	60	60	60	United States
GATEWAY INVESTMENT ADVISERS, LLC	Asset Management	FC	100	100	100	100	United States
HARRIS ALTERNATIVES HOLDING INC.	Holding company	FC	100	100	100	100	United States
HARRIS ASSOCIATES LP	Asset Management	FC	100	100	100	100	United States
HARRIS ASSOCIATES SECURITIES, LP	Distribution	FC	100	100	100	100	United States
HARRIS ASSOCIATES, INC.	Asset Management	FC	100	100	100	100	United States
LOOMIS SAYLES & COMPANY, INC.	Asset Management	FC	100	100	100	100	United States
LOOMIS SAYLES & COMPANY, LP	Asset Management	FC	100	100	100	100	United States
LOOMIS SAYLES ALPHA, LLC.	Asset Management	FC	100	100	100	100	United States
LOOMIS SAYLES DISTRIBUTORS, INC.	Distribution	FC	100	100	100	100	United States
LOOMIS SAYLES DISTRIBUTORS, LP	Distribution	FC	100	100	100	100	United States
LOOMIS SAYLES TRUST COMPANY, LLC	Asset Management	FC	100	100	100	100	United States
Loomis Sayles Operating Services, LLC	Asset Management	FC	100	100	100	100	United States
Ostrum AM US LLC	Asset Management	FC	100	100	100	100	United States
NATIXIS ASG HOLDINGS, INC.	Distribution	FC	100	100	100	100	United States
Flexstone Partners LLC [t]	Asset Management	FC	87	87	84	84	United States
Natixis Investment Managers, LLC	Holding company	FC	100	100	100	100	United States
Natixis Advisors, LLC (formerly Natixis Advisors, LP)*	Distribution	FC	100	100	100	100	United States
Natixis Distribution Corporation [s]	Distribution				100	100	United States
Natixis Distribution, LLC (formerly Natixis Distribution, LP)*	Distribution	FC	100	100	100	100	United States
NATIXIS Investment ManagerS INTERNATIONAL, LLC	Distribution	FC	100	100	100	100	United States
NIM-os, LLC [o]	Media and digital	FC	100	100			United States
VAUGHAN NELSON INVESTMENT MANAGEMENT, INC.	Asset Management	FC	100	100	100	100	United States
VAUGHAN NELSON INVESTMENT MANAGEMENT, LP	Asset Management	FC	100	100	100	100	United States
Mirova US LLC	Asset Management	FC	100	100	100	100	United States
Natixis IM innovation	Asset Management	FC	100	100	100	100	France
AEW Europe S.A. (formerly AEW S.A.)*	Asset Management	FC	60	60	60	60	France
AEW (formerly AEW Ciloger)*	Real-estate management	FC	60	60	60	60	France
ALLIANCE ENTREPRENDRE	Asset Management	FC	100	100	100	100	France
DARIUS CAPITAL CONSEIL	Investment advisory services	FC	70	70	70	70	France
DNCA Finance [h]	Asset Management	FC	100	87	100	85	France
Dorval Asset Management	Asset Management	FC	89	89	89	89	France
Flexstone Partners SAS [t]	Asset Management	FC	87	87	84	84	France
Mirova	Management of venture capital mutual funds	FC	100	100	100	100	France
Natixis Investment Managers International	Distribution	FC	100	100	100	100	France
Ostrum AM (New)	Asset Management	FC	55	55	55	55	France
Natixis TradEx Solutions**	Holding company	FC	100	100	100	100	France
NATIXIS FORMATION ÉPARGNE FINANCIÈRE [k]	Holding company				100	100	France
NATIXIS INVESTMENT MANAGERS	Holding company	FC	100	100	100	100	France
NATIXIS INVESTMENT MANAGERS PARTICIPATIONS 1	Holding company	FC	100	100	100	100	France
NATIXIS INVESTMENT MANAGERS PARTICIPATIONS 3	Holding company	FC	100	100	100	100	France
NAXICAP PARTNERS	Management of venture capital mutual funds	FC	100	100	100	100	France
OSSIAM [i]	Asset Management	FC	71	71	75	75	France
SEVENTURE PARTNERS	Asset Management	FC	59	59	59	59	France

Business lines Consolidated subsidiaries	Activity	Consolidation method at December 31, 2021	31/12/2021 % Control	31/12/2021 % Ownership	31/12/2020 % Control	31/12/2020 % Ownership	Country
SEEYOND	Asset Management	FC	100	100	100	100	France
MV Credit France	Holding company	FC	100	100	100	100	France
H2O AM Europe	Asset Management	FC	50	50	50	50	France
Thematics Asset Management	Asset Management	FC	50	50	50	50	France
Vauban Infrastructure Partners	Asset Management	FC	61	62	61	61	France
AEW EUROPE ADVISORY LTD	Asset Management	FC	60	60	60	60	United Kingdom
AEW EUROPE CC LTD	Asset Management	FC	60	60	60	60	United Kingdom
AEW EUROPE HOLDING LTD	Asset Management	FC	60	60	60	60	United Kingdom
AEW EUROPE INVESTMENT LTD	Asset Management	FC	60	60	60	60	United Kingdom
AEW EUROPE LLP	Asset Management	FC	60	60	60	60	United Kingdom
AEW EUROPE PARTNERSHIP	Asset Management	FC	60	60	60	60	United Kingdom
AEW GLOBAL ADVISORS (EUROPE) LTD	Asset Management	FC	100	100	100	100	United Kingdom
AEW GLOBAL LTD	Asset Management	FC	60	60	60	60	United Kingdom
AEW GLOBAL UK LTD	Asset Management	FC	60	60	60	60	United Kingdom
AEW UK INVESTMENT MANAGEMENT LLP [y]	Asset Management	FC	100	60	50	30	United Kingdom
AEW Promote LP Ltd	Asset Management	FC	100	60	100	60	United Kingdom
AEW EVP GP LLP [x]	Asset Management	FC	100	60			United Kingdom
H2O Asset Management LLP	Asset Management	FC	50	50	50	50	United Kingdom
H2O Asset Management Corporate member	Asset Management	FC	50	50	50	50	United Kingdom
LOOMIS SAYLES INVESTMENTS LTD (UK)	Asset Management	FC	100	100	100	100	United Kingdom
NATIXIS Investment Managers UK LTD	Distribution	FC	100	100	100	100	United Kingdom
Natixis Investment Managers UK (Funds) Limited (UK), LLC [c]	Operational support	FC	100	100			United Kingdom
Mirova Natural Capital Limited	Asset Management	FC	100	100	100	100	United Kingdom
MV Credit Limited	Asset Management	FC	100	100	100	100	United Kingdom
MV Credit LLP	Asset Management	FC	100	100	100	100	United Kingdom
AEW ASIA LIMITED	Asset Management	FC	100	100	100	100	Hong Kong
NATIXIS Investment Managers HONG KONG LIMITED	Asset Management	FC	100	100	100	100	Hong Kong
Poincaré Holdings Ltd	Asset Management	FC	50	25	50	25	Hong Kong
Poincaré Capital Management Ltd	Asset Management	FC	50	25	50	25	Hong Kong
Natixis Investment Managers International Hong Kong Limited	Asset Management	FC	100	100	100	100	Hong Kong
PURPLE FINANCE CLO 1	Securitization vehicle	FC	89	89	89	89	Ireland
PURPLE FINANCE CLO 2	Securitization vehicle	FC	100	100	100	100	Ireland
Asahi Natixis Investment Managers Co. Ltd	Distribution	EM	49	49	49	49	Japan
NATIXIS Investment Managers JAPAN CO., LTD	Asset Management	FC	100	100	100	100	Japan
AEW Japan Corporation	Asset Management	FC	100	100	100	100	Japan
AEW Value Investors Asia III GP Limited	Asset Management	FC	100	100	100	100	Jersey
AEW EUROPE SARL	Asset Management	FC	60	60	60	60	Luxembourg
AEW EUROPE GLOBAL LUX	Asset Management	FC	100	60	100	60	Luxembourg
AEW VIA IV GP Partners S.à RL [f]	Asset Management	FC	100	100			Luxembourg
AEW APREF GP S.à RL	Asset Management	FC	100	100			Luxembourg
AEW Core Property (US) Lux GP, SARL [v]	Asset Management	FC	100	100			Luxembourg
H2O Asset Management HOLDING	Asset Management	FC	50	50	50	50	Luxembourg
KENNEDY FINANCEMENT Luxembourg	Investment company – asset management	FC	100	100	100	100	Luxembourg
KENNEDY FINANCEMENT Luxembourg 2	Central corporate treasury – Asset Management	FC	100	100	100	100	Luxembourg
Loomis Sayles Alpha Luxembourg, LLC	Asset Management	FC	100	100	100	100	Luxembourg
NATIXIS Investment Managers S.A.	Distribution	FC	100	100	100	100	Luxembourg
MV Credit SARL	Asset Management	FC	100	100	100	100	Luxembourg
Thematics Subscription Economy Fund [m]	Asset Management	FC	44	44	57	57	Luxembourg
Natixis IM Mexico, S. de R.L. de C.V	Asset Management	FC	100	100	100	100	Mexico
H2O AM Monaco SAM	Asset Management	FC	50	50	50	50	Monaco
Prometheus Wealth Management SAM	Asset Management	FC	50	25	50	25	Monaco

Business lines Consolidated subsidiaries	Activity	Consolidation method at December 31, 2021	31/12/2021 % Control	31/12/2021 % Ownership	31/12/2020 % Control	31/12/2020 % Ownership	Country
Loomis Sayles (Netherlands) BV (d)	Distribution	FC	100	100			Netherlands
AEW CENTRAL EUROPE	Asset Management	FC	60	60	60	60	Poland
Natixis Investment Managers Singapore Limited	Asset Management	FC	100	100	100	100	Singapore
AEW Asia Pte Ltd	Asset Management	FC	100	100	100	100	Singapore
LOOMIS SAYLES INVESTMENTS ASIA Pte Ltd	Asset Management	FC	100	100	100	100	Singapore
H2O AM Asia Pte Ltd	Asset Management	FC	50	50	50	50	Singapore
Flexstone Partners SARL (t)	Asset Management	FC	87	87	84	84	Switzerland
Natixis Investment Managers Switzerland Sarl	Asset Management	FC	100	100	100	100	Switzerland
NATIXIS Investment ManagerS SECURITIES INVESTMENT CONSULTING Co. LTD	Asset Management	FC	100	100	100	100	Taiwan
Natixis Investment Managers Uruguay S.A.	Distribution	FC	100	100	100	100	Uruguay
Branches							
Natixis Investment Managers S.A., Zweignierderlaasung Deutschland	Distribution	FC	100	100	100	100	Germany
AEW Asia Limited Australian Branch	Asset Management	FC	100	100	100	100	Australia
Natixis Investment Managers S.A., Belgian Branch	Distribution	FC	100	100	100	100	Belgium
Natixis Investment Managers Middle East	Distribution	FC	100	100	100	100	United Arab Emirates
Natixis Investment Managers Spanish Branch	Distribution	FC	100	100	100	100	Spain
AEW Europe LLP Spanish Branch	Distribution	FC	100	60	100	60	Spain
Mirova Natural Capital Limited, French branch	Asset Management	FC	100	100	100	100	France
AEW Italian Branch (formerly AEW Ciloger Italian Branch)*	Distribution	FC	60	60	60	60	Italy
Natixis Investment Managers S.A., Italian Branch	Distribution	FC	100	100	100	100	Italy
DNCA Finance Milan branch (h)	Asset Management	FC	100	87	100	85	Italy
DNCA Finance Luxembourg branch (h)	Asset Management	FC	100	87	100	85	Luxembourg
Natixis Investment Managers, Nederlands	Distribution	FC	100	100	100	100	Netherlands
Loomis Sayles & Company, LP, Dutch Branch	Distribution	FC	100	100	100	100	Netherlands
AEW – Dutch Branch (r)	Real-estate management	FC	100	60			Netherlands
AEW Central Europe Czech	Distribution	FC	60	60	60	60	Czech Republic
Natixis Investment Managers, Nordics filial	Distribution	FC	100	100	100	100	Sweden
Mirova Sweden subsidiary (r)	Asset Management	FC	100	100			Sweden
Other entities							
Natixis Investment Managers US Holdings, LLC	Holding company	FC	100	100	100	100	United States
PRIVATE EQUITY – THIRD-PARTY ASSET MANAGEMENT							
Natixis Private Equity	Private Equity	FC	100	100	100	100	France
DAHLIA A SICAR SCA	Private Equity	FC	100	100	100	100	Luxembourg
Wealth Management							
NATIXIS Wealth Management Luxembourg	Bank	FC	100	100	100	100	Luxembourg
Groupe Natixis Wealth Management							
Natixis Wealth Management**	banks	FC	100	100	100	100	France
VEGA INVESTMENT MANAGERS	Mutual fund holding company	FC	100	100	100	100	France
1818 IMMOBILIER	Real estate operations	FC	100	100	100	100	France
TEORA	Insurance brokerage firm	FC	100	100	100	100	France
Massena Partners S.A.	Asset Management and investment advisory services	FC	98	98	98	98	Luxembourg
Massena Wealth Management SARL	Asset Management and investment advisory services	FC	98	98	98	98	Luxembourg
Branches							
Massena Partners – Branch	Asset Management and investment advisory services	FC	98	98	98	98	France
Employee Savings Schemes							
Natixis Interépargne**	Employee savings plan management	FC	100	100	100	100	France
INSURANCE							
NATIXIS ASSURANCES	Insurance company holding company	FC	100	100	100	100	France
NATIXIS LIFE	Life insurance	FC	100	100	100	100	Luxembourg

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Business lines Consolidated subsidiaries	Activity	Consolidation method at December 31, 2021	31/12/2021 % Control	31/12/2021 % Ownership	31/12/2020 % Control	31/12/2020 % Ownership	Country
BPCE IARD (formerly ASSURANCES Banque Populaire IARD)	Insurance for damage to property	EM	50	50	50	50	France
BPCE Prévoyance	Personal protection insurance	FC	100	100	100	100	France
ADIR	Insurance for damage to property	EM	34	34	34	34	Lebanon
FRUCTIFONCIER	Insurance real estate investments	FC	100	100	100	100	France
BPCE Vie	Insurance	FC	100	100	100	100	France
REAUMUR ACTIONS	Insurance investment mutual fund	FC	100	100	100	100	France
NAMI INVESTMENT	Insurance real estate investments	FC	100	100	100	100	France
ECUREUIL VIE DÉVELOPPEMENT	Insurance	EM	51	51	51	51	France
BPCE RELATION ASSURANCES	Mutual fund	FC	100	100	100	100	France
SCI DUO PARIS	Real-estate management	EM	50	50	50	50	France
FONDS TULIP	Insurance investments (Securitization funds)	FC	100	100	100	100	France
FCT NA Financement de l'économie – compartiment Immocorp II	Insurance investments (Securitization funds)	FC	100	100	100	100	France
DNCA INVEST NORDEN [p]	Insurance investment mutual fund	FC	39	39			Luxembourg
THEMATICS AI AND ROBOTICS [x]	Asset Management	FC	37	37			Luxembourg
AAA ACTIONS AGRO ALIMENTAIRE	Insurance investment mutual fund	FC	37	37	37	37	France
SCPI IMMOB EVOLUTIF	Insurance real estate investments	FC	48	48	50	50	France
OPCI FRANCEUROPE IMMO	Insurance investment mutual fund	FC	57	57	55	55	France
SELECTIZ	Insurance investment mutual fund	FC	58	58	56	56	France
SELECTIZ PLUS FCP 4DEC	Insurance investment mutual fund	FC	57	57	54	54	France
ALLOCATION PILOTÉE ÉQUILIBRE CTNTX009_URD 2021	Insurance investment mutual fund	FC	47	47	43	43	France
MIROVA EUROPE ENVIRONNEMENT C	Insurance investment mutual fund	FC	37	37	36	36	France
Vega Euro Runeration FCP RC [p]	Insurance investment mutual fund	FC	31	31			France
BPCE ASSURANCES	Insurance company	FC	100	100	100	100	France
BPCE APS	Service providers	FC	53	53	53	53	France
Branches							
NATIXIS LIFE	Life insurance	FC	100	100	100	100	France
PAYMENTS							
Payments							
NATIXIS PAYMENT SOLUTIONS**	Banking services	FC	100	100	100	100	France
NATIXIS INTERTITRES [w]	Service vouchers offers				100	100	France
NATIXIS PAIEMENT HOLDING	Holding company	FC	100	100	100	100	France
ALTER CE (COMITEO) [b] [w]	Online service for works councils				70	70	France
GIFT VOUCHERS [w]	Service vouchers offers				100	100	France
XPOLLENS (formerly S-MONEY)*	Payment services	FC	100	100	100	100	France
LAKOOZ [w]	Payment services				100	100	France
PAYPLUG [n]	Payment services	FC	100	100	99	99	France
BIMPLI [v]	Payment services, service vouchers and online service for works councils	FC	100	100			France
DALENYS group							
DALENYS S.A.	Holding company	FC	100	100	100	100	Belgium
DALENYS INTERNATIONAL	Holding company	FC	100	100	100	100	Netherlands
DALENYS FINANCE	Holding company	FC	100	100	100	100	Netherlands
DALENYS PAYMENT	Payment services	FC	100	100	100	100	France
DALENYS SERVICES	Internal services provider	FC	100	100	100	100	France
DALENYS MARKETING	Online service	FC	100	100	100	100	France
DALENYS TECHNOLOGIES	Online service	FC	100	100	100	100	France
RECOMMERCE	Online service	FC	100	100	100	100	France
COFACE							
Coface Group							
Coface S.A. [a]	Holding company				42	42	France
Coface EUROPE [a]	Credit insurance and related services				42	42	France
Coface RE [a]	Reinsurance				42	42	Switzerland
BUSINESS DATA INFORMATION [a]	Marketing and other services				42	42	Israel

Business lines Consolidated subsidiaries	Activity	Consolidation method at December 31, 2021	31/12/2021 % Control	31/12/2021 % Ownership	31/12/2020 % Control	31/12/2020 % Ownership	Country
Coface BELGIUM SERVICES [a]	Business and solvency data				42	42	Belgium
Coface CHILE S.A. [a]	Insurance				42	42	Chile
Coface DEBITOREN [a]	Receivables management and data				42	42	Germany
Coface DO BRASIL SEGUROS DE CREDITO [a]	Credit insurance and related services				42	42	Brazil
Coface FINANZ [a]	Factoring				42	42	Germany
Coface HOLDING AMERICA LATINA [a]	Financial data				42	42	Mexico
Coface HOLDING ISRAEL [a]	Holding company				42	42	Israel
Coface ITALIA [a]	Holding company				42	42	Italy
Coface NEDERLAND SERVICES [a]	Receivables management and data				42	42	Netherlands
Coface NORTH AMERICA [a]	Credit insurance and related services				42	42	United States
Coface NORTH AMERICA HOLDING COMPANY [a]	Holding company				42	42	United States
Coface NORTH AMERICA INSURANCE COMPANY [a]	Credit insurance and related services				42	42	United States
Coface POLAND CMS [a]	Financial data				42	42	Poland
Coface POLAND FACTORING [a]	Factoring				42	42	Poland
Coface SERVICES AUSTRIA [a]	Receivables management and data				42	42	Austria
Coface SERVICES NORTH AMERICA GROUP [a]	Holding company				42	42	United States
Coface SERVICIOS ESPANA SL [a]	Receivables management and data				42	42	Spain
Coface UK HOLDING [a]	Holding company				42	42	United Kingdom
Coface ROMANIA CMS [a]	Insurance				42	42	Romania
Coface RUS INSURANCE COMPANY [a]	Credit insurance				42	42	Russia
Coface SEGURO DE CREDITO MEXICO [a]	Insurance				42	42	Mexico
Coface SIGORTA TURKEY [a]	Insurance				42	42	Turkey
Coface SOUTH AFRICA [a]	Insurance				42	42	South Africa
Coface SOUTH AFRICA SERVICES [a]	Insurance				42	42	South Africa
Coface UK SERVICES LTD [a]	Receivables management and data				42	42	United Kingdom
CofaceRATING HOLDING [a]	Receivables management and data				42	42	Germany
CofaceRATING.DE [a]	Receivables management and data				42	42	Germany
COFINPAR [a]	Credit insurance and related services				42	42	France
COGERI [a]	Receivables management and data				42	42	France
FIMIPAR ** [a]	Buyback of receivables				42	42	France
Coface CENTRAL EUROPE HOLDING [a]	Holding company				42	42	Austria
Kisselberg [a]	Insurance				42	42	Germany
Colombes Fund [a]	Mutual funds				42	42	France
Lausanne Fund [a]	Mutual funds				42	42	Switzerland
FCT VEGA [a]	Securitization fund				42	42	France
Coface GK Forsikring AS [m] [a]	Credit insurance				42	42	Norway
Branches							
Coface SVERIGE – Branch (Coface KREDIT) [a]	Insurance				42	42	Sweden
Coface IRELAND – Branch (Coface Europe) [a]	Credit insurance and related services				42	42	Ireland
Coface UK – Branch (Coface Europe) [a]	Credit insurance and related services				42	42	United Kingdom
Coface BELGIUM – Branch (Coface Europe) [a]	Credit insurance and related services				42	42	Belgium
Coface PORTUGAL – Branch (Coface Europe) [a]	Credit insurance and related services				42	42	Portugal
Coface IBERICA – Branch (Coface Europe) [a]	Credit insurance and related services				42	42	Spain
Coface SWITZERLAND – Branch (Coface S.A.) [a]	Insurance				42	42	Switzerland
Coface ISRAEL [a]	Credit insurance				42	42	Israel
Coface NEDERLAND – Branch (Coface KREDIT) [a]	Insurance				42	42	Netherlands
Coface DANMARK – Branch (Coface KREDIT) [a]	Insurance				42	42	Denmark
Coface ARGENTINA – Branch (Coface Europe) [a]	Credit insurance and related services				42	42	Argentina
Coface CHILE – Branch (Coface Europe) [a]	Credit insurance and related services				42	42	Chile
Coface CANADA – Branch (Coface Europe) [a]	Credit insurance and related services				42	42	Canada
Coface HUNGARY – Branch (Coface AUSTRIA) [a]	Insurance				42	42	Hungary
Coface POLAND – Branch (Coface AUSTRIA) [a]	Insurance				42	42	Poland
LEID – Branch (Coface AUSTRIA) [a]	Insurance				42	42	Lithuania
Coface ROMANIA INSURANCE – Branch (Coface AUSTRIA) [a]	Insurance				42	42	Romania

Business lines Consolidated subsidiaries	Activity	Consolidation method at December 31, 2021	31/12/2021 % Control	31/12/2021 % Ownership	31/12/2020 % Control	31/12/2020 % Ownership	Country
Coface TECHNOLOGIE – ROMANIA [a]	Data services				42	42	Romania
Coface CZECH INSURANCE – Branch (Coface AUSTRIA) [a]	Insurance				42	42	Czech Republic
Coface SLOVAKIA INSURANCE – Branch (Coface AUSTRIA) [a]	Insurance				42	42	Slovakia
Coface PKZ [a]	Credit insurance				42	42	Slovenia
Coface JAPAN – Branch (Coface Europe) [a]	Credit insurance and related services				42	42	Japan
Coface SINGAPOR – Branch (Coface Europe) [a]	Credit insurance and related services				42	42	Singapore
Coface HONG KONG – Branch (Coface Europe) [a]	Credit insurance and related services				42	42	Hong Kong
Coface ECUADOR – Branch (Coface Europe) [a]	Credit insurance and related services				42	42	Ecuador
Coface AUSTRALIA – Branch (Coface Europe) [a]	Credit insurance and related services				42	42	Australia
Coface TAIWAN – Branch (Coface Europe) [a]	Credit insurance and related services				42	42	Taiwan
Coface BULGARIA (Branch) [a]	Insurance				42	42	Bulgaria
Coface ASSICURAZIONI SPA [a]	Credit insurance and related services				42	42	Italy
Coface AUSTRIA [a]	Holding company				42	42	Austria
Coface DEUTSCHLAND [a]	Credit insurance and related services				42	42	Germany
Coface GRECE – Branch (Coface Europe) [a]	Credit insurance and related services				42	42	Greece
CORPORATE CENTER							
NATIXIS ALGÉRIE	Bank	FC	100	100	100	100	Algeria
Naléa [q]	Securitization vehicle				100	100	France
SCI ALTAIR 1	Real estate operations	FC	100	100	100	100	France
SCI ALTAIR 2	Real estate operations	FC	100	100	100	100	France
NATIXIS IMMO EXPLOITATION	Real estate operations	FC	100	100	100	100	France
FONCIERE KUPKA	Real estate operations	FC	100	100	100	100	France
NATIXIS FONCIERE S.A.	Real estate investments	FC	100	100	100	100	France

* Change in registered company name in 2021.

** French subsidiaries whose individual prudential oversight is performed based on Group consolidated ratios in accordance with Article 7 of Regulation (EU) No. 575/2013 of the European Parliament and of the Council of June 26, 2013 relative to regulatory requirements applicable to credit institutions and investment firms.

(a) The sale by Natixis of a 29.5% stake in Coface was completed on February 10, 2021.
(b) The shareholding rate increased from 70% to 100% following the exercise of the put on the remaining minority interests in the first quarter of 2021.
(c) As part of its international distribution activity, Natixis IM set up a new entity in the first quarter of 2021, dedicated to the operational support of investment funds in the United Kingdom.
(d) Creation in the first quarter of 2021 by Loomis Sayles of a new company in the Netherlands, in order to secure its presence and accelerate its development in Europe.
(e) In order to accelerate its development in Asia, the American company AEW Capital Management created a new subsidiary in South Korea, AEW Korea LLC, in the first quarter of 2021.
(f) Creation in the first quarter of 2021 by AEW Capital Management of two new subsidiaries in Luxembourg involved in the management of two investment funds (AEW Value Investors Asia IV and AEW Asia Pacific Real Estate Fund).
(g) AEW Senior Housing Investors Inc., which was involved in the management of AEW Capital Management's non-consolidated fund AEW Senior Housing Investors, was dissolved and deconsolidated in the first quarter of 2021.
(h) In accordance with the provisions of the shareholders' agreement establishing the executive management company, which was created in December 2016, the percentage of interest held by this structure in DNCA Finance decreased from 15% to 13% as of January 1, 2021. Following this transaction, the stake in DNCA Finance and its subsidiaries was 87%.
(i) Following changes in the share capital of Ossiam concerning the entity's managers, the shareholding in NIM decreased from 74.7 to 70.8% as of the first quarter of 2021.
(j) The shareholding increased from 51 to 53.28% following the exercise of the put by non-controlling interests in the first and second quarters of 2021.
(k) Deconsolidation in the second quarter of 2021 following the liquidation of the entity which had been under run-off management for several reporting periods.
(l) The shareholding increased from 52 to 71.7% following the acquisition in the second quarter of 2021 of a portion of the shares held by the managers of the entity as part of the exercise of the put. During the fourth quarter of 2021, the shareholding decreased from 71.7 to 67.8% following the sale of 4% of the entity's capital to the entity's new Chief Executive Officer.
(m) During the second quarter of 2021, new subscriptions were made in the fund by external investors, reducing NIM's shareholding from 57 to 44%. Nevertheless, the fund remains consolidated due to the crossing of thresholds.
(n) The shareholding increased from 99.44 to 99.72% following the buyback in the second quarter of 2021 of a portion of the shares held by the managers of the entity as part of the exercise of the put.
(o) Creation and consolidation of the subsidiary in the third quarter of 2021.
(p) Consolidation in the third quarter of 2021 after thresholds were crossed.
(q) Deconsolidation in the third quarter of 2021 following the liquidation/dissolution of the entity.
(r) Creation and consolidation of the branch in the third quarter of 2021.
(s) Natixis Distribution Corporation was absorbed by its parent company, Natixis Investment Managers, LLC during the third quarter of 2021.
(t) Natixis IM acquired during the third quarter of 2021 a part of the share capital of Flexstone Partners SAS, parent of Flexstone, following the departure of a manager. As a result, the shareholding in these entities increased from 84 to 86.6%.
(u) Deconsolidation in the fourth quarter of 2021 following the dissolution by TUP of Natixis S.A.
(v) Creation and consolidation of the subsidiary in the fourth quarter of 2021.
(w) Deconsolidation in the fourth quarter of 2021 following its merger with Bimpli.
(x) Consolidation in the fourth quarter of 2021 after thresholds were crossed.
(y) The shareholding in the entity increased from 50 to 100% following the acquisition in the fourth quarter of 2021 of the residual capital from the managers of the structure.
(z) The shareholding increased from 80 to 85% following the exercise of the put on the minority interests in the third quarter of 2021.

16.1 Non-consolidated entities at December 31, 2021

Information on entities that are exclusively controlled, jointly controlled or significantly influenced, and controlled structured entities that are not included in the consolidation scope, are available on the Natixis website at:

https://natixis.groupebpce.com/natixis/en/home-j_6.html

16.2 Non-consolidated investments at December 31, 2021

Non-consolidated investments at December 31, 2021 representing a fraction of the share capital greater than or equal to 10% and whose net carrying amount is greater than or equal to €5 million are as follows:

Entities	Country	Share of capital held [(a)]	Amount of shareholders' equity *(in millions of euros)*	Amount of profit *(in millions of euros)*
CE DÉVELOPPEMENT	France	15%	160	34
EFG – HERMES HOLDING	Egypt	13%	99	18
Fiera Capital [(b)]	Canada	11%	300	(2)
Coface [(b)]	France	10%	1,998	83

(a) Directly or indirectly.
(b) Information on equity and income is that of the last fiscal year as approved by the General Shareholders' Meeting (December 31, 2020).

In addition, the 25% stake in the share capital of US investment firm WCM Investment Management, which was not consolidated due to the absence of significant influence by Natixis, accounted for a total of €598 million at December 31, 2021 versus €429 million as at December 31, 2020.

5.2 Statutory Auditors' report on the consolidated financial statements

Fiscal year ended December 31, 2021

To the General Shareholders' Meeting

Opinion

In compliance with the engagement entrusted to us by your General Shareholders' Meeting, we have audited the accompanying consolidated financial statements of Natixis for the fiscal year ended December 31, 2021.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group over the past fiscal year, and of the results of its operations for the year then ended, in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

The opinion expressed above is consistent with the content of our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with 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 "Statutory Auditors' responsibilities for the audit of the consolidated financial statements" section of our report.

Independence

We conducted our audit engagement in compliance with the independence rules applicable to us, for the period from January 1, 2021 to the date of our report and, in particular, we did not provide any services that are prohibited under Article 5(1) of Regulation (EU) No. 537/2014 or under the French Commercial Code or the French Code of Ethics (code de déontologie) for Statutory Auditors.

Observation

Without calling into question the opinion expressed above, we draw your attention to the point set out in Note 5.4 to the consolidated financial statementsconcerning the change in the method for the accounting and presentation of currency swaps.

Justification of assessments – Key audit matters

The global crisis related to the Covid-19 pandemic has created particular conditions for preparing and auditing the financial statements for this fiscal year. The crisis and the exceptional emergency health measures taken have had multiple consequences for companies, particularly in respect of their activity and financing and have caused increased uncertainties for their future outlook. Some of these measures, such as travel restrictions and remote working, have also had an effect on the internal organization of companies and on the arrangements for conducting audits.

It is in this complex and evolving context that, in accordance with the provisions of Articles L.823-9 and R.823-7 of the French Commercial Code relating to the justification of our assessments, we bring to your attention the key audit matters relating to the risks of material misstatement that, in our professional judgment, were the most important for the audit of the consolidated financial statements for the fiscal year, as well as the responses we have provided to you to address these risks.

These assessments are made in the context of the audit of the consolidated financial statements taken as a whole and the formation of our opinion expressed above. We do not provide a separate opinion on specific items of the consolidated financial statements.

Presentation and valuation of subsidiaries held for sale

Risk identified and main judgments

As of December 31, 2021, the Natixis Group recognized four disposal transactions in accordance with IFRS 5 "Non-current assets held for sale and discontinued operations":

- On November 5, 2020, the announcement of negotiations concerning the sale of H2O, followed by the continuation of negotiations leading to the signature of a final agreement on January 6, 2022;
- On February 9, 2021, the announcement of the industrial project to support the development of Natixis' business lines and the simplification of its functional lines resulted in the direct reporting to BPCE of the Insurance and Payments business lines, as well as of Natixis Immo Exploitation (NIE), which was also followed by the signing of a memorandum of understanding on September 22, 2021.The Natixis Group recorded the impacts of these disposals in its financial statements as of December 31, 2021.

Pursuant to the provisions of IFRS 5, and in addition to the assets and liabilities of H2O already recorded on a separate line of the balance sheet as of December 31, 2020, the assets and liabilities of these subsidiaries have been added to the assets and liabilities intended to be recorded as assets and liabilities held for sale, at the lower of their net carrying amount and their fair value net of disposal costs.

As discontinued operations, the results of the Insurance and Payment business lines have also been identified on a separate line of the income statement.

The estimated gains and losses on other assets have been recorded when applicable.

Given the importance of these disposals for the Natixis Group, we considered that their accounting treatment, as well as the information provided in this respect in the notes to the consolidated financial statements, was a key audit matter for fiscal year 2021.

With regard to the Insurance entities, the amount of non-current assets and liabilities held for sale amounted to €123,793 million and €122,928 million, respectively, and the net income of the Insurance activities was €350 million.

For the Payments entities, the amount of non-current assets and liabilities held for sale amounted to €1,084 million and €813 million, respectively, and the net income of the Payments activities to €29 million.

For Natixis Immo Exploitation, the amount of non-current assets and liabilities held for sale amounted to €601 million and €549 million, respectively.

Lastly, in the case of H2O, the amount of non-current assets and liabilities held for sale amounted to respectively €401 million and €76 million and the estimated gain on disposal was -€84 million, presented in gains and losses on other assets.

For more details, please refer to Notes 1.2.2, 2.6, 5.8, 6.9, 6.11 and 7.10 to the consolidated financial statements.

Our audit approach

We have reviewed the documentation relating to these transactions made available by Natixis and assessed their accounting treatment as of December 31, 2021.

Our work consisted in:

- verifying that the proposed divestments did indeed meet the IFRS 5 criteria, enabling them to be classified as activities held for sale;
- examining the identification and presentation of all of the components of the assets and liabilities held for sale in "Non-current assets held for sale", "Non-current liabilities held for sale" and "Income from discontinued operations", with regard to the provisions of IFRS 5;
- assessing the methods used to measure the fair value of assets and liabilities held for sale;
- verifying the estimate made by Natixis of the gains and losses on disposals less the estimated costs of sale, as well as their recognition under gains and losses on other assets;
- lastly, assessing the appropriateness of the information provided on these transactions and their accounting treatment in the notes to the consolidated financial statements.

Impairment of customer loans and receivables (stages 1, 2 and 3)

Risk identified and main judgments

As part of its financing activities within the Corporate & Investment Banking division, Natixis is exposed to credit risk in respect of loans and receivables and financing commitments given to customers.

The persistence of the Covid-19 pandemic situation and its effects on the economic environment are likely to affect the repayment capacity of borrowers with contrasting situations depending on the geographical area and sectors of activity. Government measures to support the economy continued to be deployed (partial unemployment schemes, loans guaranteed by the State, etc.).

In accordance with the "impairment" component of IFRS 9, Natixis recognizes impairment and provisions to cover expected credit losses on outstandings that reflect their classification in stage 1, 2 or 3. The stage that outstandings are assigned to depends on the increase in credit risk observed since their initial recognition. The deterioration of the credit risk during fiscal year 2021 was assessed on the basis of the quantitative criteria and qualitative criteria as indicated in Note 5.3 to the consolidated financial statements.

Impairment for expected credit losses on stage 1 or 2 outstandings is the discounted sum of the product of the exposure at default (EAD), probability of default (PD) and loss given default (LGD) inputs in each projection year, including forward-looking information.

In the context of a pandemic marked by persistent uncertainties, Natixis adjusted its macroeconomic scenarios in 2021 to take into account the effects of the health crisis on the determination of IFRS 9 impairment parameters.

Outstanding loans bearing a known counterparty risk (stage 3) are subject to impairments determined essentially on an individual basis. These impairments are measured based on the recoverable value of the receivable, i.e. the present value of the estimated recoverable future cash flows after taking the impact of any collateral into account.

We considered these impairments to be a key audit matter as it is an area where judgment plays a significant role in the preparation of the financial statements, particularly in the context of a pandemic, whether in terms of classifying outstanding loans in stage 1, 2 or 3, determining the inputs and procedures for impairment calculations in respect of outstandings in stages 1 and 2, and assessing the individual provisioning level of outstanding loans in stage 3.

Net exposures in respect of loans and receivables to customers at amortized cost amounted to €70,146 million at December 31, 2021. The cost of risk amounted to €181 million at December 31, 2021.

Please refer to Notes 5.1, 5.3, 5.22, 6.8, 7.6.2 and 9.2 to the consolidated financial statements for more details.

Our audit approach

Our work was adapted to take account of changes in risk and the increased degree of uncertainty. We appreciated the relevance of the internal Natixis control system and in particular its adaptation to the crisis.

Impairment of outstanding loans in stages 1 and 2

Our work mainly consisted in:

- assessing the Natixis control system covering:
  - the classification of outstandings in stage 1 or 2 according to the indicators used to define the significant deterioration in credit risk,
  - validation of internal models;
- assessing the appropriateness of the parameters used in the calculation of impairments at December 31, 2021 and the adjustments of the macroeconomic scenarios aimed at taking into account the effects of the Covid-19 pandemic;
- performing counter calculations on a sample of contracts.

Impairment of outstanding loans in stage 3

We evaluated the design and tested the effectiveness of the key controls put in place by the Natixis Group in particular those related to:

- the identification of indicators of impairment (such as past-due payments, restructuring, etc.) and the counterparty rating process;
- the classification of exposures in stage 3;
- the monitoring of guarantees, their analysis and their valuation;
- the determination of individual impairment losses and the associated governance and validation system.

In addition, we carried out a credit review over a sample of files selected based on materiality and risk criteria, particularly files exposed to the business sectors most affected by the health crisis. In this review we:

- took note of the latest available information on the situation of counterparties whose risk has increased significantly;
- performed independent analyses of the assumptions used and the estimates of provisions drawn up by management based on information provided by the institution and external data;
- verified that estimated impairment allowances were correctly recognized.

As part of this work, we verified that the measures granted to customers in the context of the crisis (moratoriums, loans guaranteed by the State, etc.) had indeed been included in the risk assessment.

We also verified the information detailed in the notes on the impairment of customer loans and receivables, including those relating to credit risk.

Provisions for legal and compliance risks

Risk identified and main judgments

The Natixis Group is involved in litigation before the courts and is the subject of investigations and requests for information from regulatory and tax authorities in different jurisdictions.

The assessment of the resulting legal and compliance (including tax) risks reflects management's estimates as of the reporting date.

The recognition of a provision and determination of its amount as well as the information disclosed in the notes to the consolidated financial statements require, by their very nature, the exercise of judgment, not least because of the difficulty of estimating the outcome and financial consequences of ongoing proceedings.

We therefore considered provisions for legal and compliance risks to be a key audit matter given the sensitivity of these provisions to the assumptions and options adopted by management.

Provisions for litigation amounted to €509 million at December 31, 2021.

Please refer to Notes 5.13, 5.22 and 7.17 to the consolidated financial statements for more details.

Our audit approach

We examined the identification, assessment and provisioning arrangements for legal and compliance risks.

We took note of the status of ongoing proceedings and the main risks identified by the Natixis Group, mainly through regular discussions with management (and more specifically the Natixis Compliance Department and Legal and Taxation divisions) and by reviewing the documentation made available to us.

Our work also involved assessing the reasonableness of the assumptions and data used by management to estimate the amount of provisions recognized at the reporting date. In particular, we engaged tax law specialists to conduct a critical review of analyses of the tax risks identified by Natixis and the related provisions.

We also carried out confirmation procedures with the Group's legal advisors regarding ongoing proceedings.

Finally, we checked that the provisions thus measured were correctly recorded and verified the related disclosures in the notes to the consolidated financial statements.

Assessment of complex financial instruments

Risk identified and main judgments

As part of its capital markets activities within the Corporate & Investment Banking division, the Natixis Group holds on its balance sheet a significant portion of financial instruments recognized at fair value.

Different approaches are used to determine market value depending on the nature and complexity of the instruments: use of directly observable quoted prices (instruments classified in Level 1 of the fair value hierarchy), valuation models with inputs that are mostly observable (instruments classified in Level 2) and valuation models with inputs that are mostly non-observable (instruments classified in Level 3).

In the case of complex financial instruments, particularly those in Level 3 and some in Level 2 of the fair value hierarchy, these approaches may include a significant amount of judgment given:

- the use of internal valuation models;
- the use of valuation inputs unobservable on the market;
- additional valuation adjustments made, to reflect certain market, counterparty or liquidity risks.

We considered the assessment of complex financial instruments to be a key audit matter due to the material nature of the exposures and the use of judgment in determining fair value and the effects of the health crisis.

Level 2 financial instruments accounted for an amount of €146,138 million in assets and €163,214 million in liabilities as of December 31, 2021.

Level 3 financial instruments accounted for an amount of €9,298 million in assets and €12,959 million in liabilities as of December 31, 2021.

For more details, please refer to Notes 5.6, 5.22 and 7.5 to the consolidated financial statements.

Our audit approach

We examined the internal control procedures and systems for the identification, valuation, recognition and classification of complex financial instruments, in particular those classified in Levels 2 and 3.

We tested the effectiveness of the key controls that we deemed relevant to our audit, including those relating to:

- the validation and periodic review, by the Risk division, of valuation models and related adjustments;
- the independent verification of valuation inputs;
- the determination of the main valuation adjustments;
- documenting and periodically reviewing the observability criteria used to classify complex financial instruments in the fair value hierarchy and taking into account the impacts on Day-One Profit.

We carried out these checks with the assistance of our valuation specialists, with whom we also carried out independent valuations by examining, on a sample basis, the assumptions, methodologies and market inputs of the valuation models used to estimate the main valuation adjustments as of December 31, 2021.

We also examined, on a sample basis, any variances in margin calls with Natixis' market counterparties, which helped us assess the appropriateness of the valuations.

Lastly, we verified the information presented in the notes on financial instruments as of December 31, 2021, including that relating to the impacts of the health crisis on the fair value of financial instruments.

Insurance technical reserves

Risk identified and main judgments

As part of its insurance business, the Natixis Group recognizes technical reserves that represent its commitments towards policyholders.

We considered the valuation of these provisions to be a key audit matter insofar as they represent a significant amount in the Group's financial statements and since some of these reserves require the exercise of judgment in determining the assumptions (e.g. experience tables and behavioral statistics) or calculation models used.

Liabilities related to insurance business contracts amounted to €113,747 million at December 31, 2021.

Please refer to Notes 5.22 and 7.10.4 to the consolidated financial statements for more details.

Our audit approach

We used the actuarial specialists to assist us in auditing these items.

Depending on the type of risks covered by the reserves, the main audit procedures applied included:

- obtaining an understanding of the general conditions relating to insurance contracts marketed by the Group;
- assessing the methods and assumptions used to calculate these provisions, in particular their compliance with applicable regulations, market practices and the economic and financial context made more uncertain by the health crisis;
- testing, on the basis of accounting reconciliation, recurrence tests, or surveys, the reliability of information relating to insurance contracts recorded in the management systems and used for the valuation of technical reserves;carrying out, based on a sample of policies, an independent recalculation of certain reserves;
- assessing calculation methods and the result of the liability adequacy test, as required under IFRS 4.

We also verified the information on insurance liabilities disclosed in the notes to the Group's consolidated financial statements.

Deferred tax assets related to tax loss carryforwards

Risk identified and main judgments

The Natixis Group recognizes deferred tax assets at the reporting date in respect of tax loss carryforwards when it is considered likely that the tax entity concerned will have future taxable profits that tax loss carryforwards may be set off against, within a certain time frame.

The estimate of the ability to generate future taxable profits within this period requires the exercise of judgment on the part of management, including in developing tax business plans, to justify the recognition of deferred tax assets.

We identified this issue as a key audit matter due to the sensitivity of deferred tax assets thus recognized to the assumptions and options adopted by management.

At December 31, 2021, an amount of €1,226 million was recognized in Natixis' consolidated balance sheet in respect of deferred tax assets, of which €704 million in tax losses carried forward.

Please refer to Notes 5.22 and 7.8 to the consolidated financial statements for more details.

Our audit approach

We acquired information on how budgetary data is compiled to estimate future taxable profits and assessed the reliability of the process of drawing up the tax business plans that are the basis of our assessment of the probability of the Group recovering its deferred tax assets by:

- examining how the last business plan used as a basis of the estimates was developed and approved;
- comparing projected results of previous fiscal years to the actual results for those fiscal years;
- assessing the reasonableness of the forecast assumptions and the inputs used by management to estimate future profits and the recoverability of recognized deferred tax assets, based on our experience and knowledge of the Group's activities and strategy.

With the help of our specialists, we verified the appropriateness of the model adopted by management to identify existing tax loss carryforwards to be used, whether through deferred tax liabilities or future taxable profits.

Based on projections made by management, we performed tests to check that deferred tax asset bases are properly calculated and that the right tax rates are used.

Goodwill measurement

Risk identified and main judgments

As part of its development, Natixis recognized goodwill on the assets side of its consolidated balance sheet, corresponding to the difference between the acquisition price of the companies acquired and the fair value of the identifiable assets and liabilities assumed at the date of acquisition.

This goodwill is specifically monitored by allocating it to dedicated cash-generating units (CGUs). Each CGU is subject to an impairment test, at least annually, or more frequently when there are indications of impairment, by comparison between its net carrying amount and recoverable amount (determined by discounting future cash flows).

As the Insurance and Payments CGUs were transferred to BPCE, and in accordance with IFRS 5, the impairment test consisted this year in comparing the sale price with the carrying amount, restated for the recycling of gains and losses recorded directly in equity.

We considered that the valuation of goodwill was a key point of our audit because of the judgment by management involved in the determination of the recoverable amount, in particular with regard to the choice of valuation methods used and the main assumptions taken into account in the calculations (in particular the assumptions regarding the growth rate of the projected cash flows from the medium-term plans of the business lines and the discount rates), but also given the current context of the health crisis.

Goodwill recorded on the balance sheet amounted to €3,440 million at December 31, 2021.

For more details, please refer to Notes 2.5, 5.22 and 7.13 to the consolidated financial statements.

Our audit approach

We reviewed the processes and controls implemented by Natixis to identify any objective indications of impairment and assess the need for goodwill impairment.

We then carried out, with the help of our business valuation experts, a critical review of the methods used to implement the methodology and we assessed the calculation of the recoverable amount of the various CGUs.

We thus verified:

- the relevance of the valuation methods selected by Natixis with regard to market practices;
- the consistency of cash flow projections with management's latest estimates as validated by the Board of Directors, and their reasonableness in the context of the economic and financial situation caused by the health crisis;
- the consistency of the main assumptions (growth rate, discount rate, etc.) by comparison with market data;
- the validity of the calculations made by the Natixis Group by carrying out independent counter-calculations.

We also carried out analyses of the sensitivity of the valuations to a change in the main assumptions.

For the Insurance and Payments CGUs, we reviewed the consistency of the methodology implemented in line with the provisions of IFRS 5.

Lastly, we examined the appropriateness of the information provided in the notes to the consolidated financial statements relating to the fiscal year ended on December 31, 2021 on the impairment tests and the associated sensitivity analyzes.

Specific verifications

In accordance with applicable professional standards in France, we have also performed the specific verifications required by law and regulations of information about the Group disclosed in your 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 or information provided for by French law and regulations

Presentation format of the consolidated financial statements included in the annual financial report

In accordance with the professional standards on the Statutory Auditors' procedures relating to the annual and consolidated financial statements presented using the European Single Electronic Format, we have also verified compliance with this format defined by Commission Delegated Regulation (EU) No. 2019/815 of December 17, 2018 in the presentation of the consolidated financial statements included in the annual financial report mentioned in I of Article L.451-1-2 of the French Monetary and Financial Code, prepared under the responsibility of the Chief Executive Officer. In the case of consolidated financial statements, our procedures include verifying that the markup of these financial statements complies with the format defined by the aforementioned regulation.

On the basis of our work, we concluded that the presentation of the consolidated financial statements included in the annual financial report complies, in all material respects, with the European Single Electronic Format.

Appointment of the Statutory Auditors

We were appointed Statutory Auditors of Natixis S.A. by the General Shareholders' Meetings held on May 24, 2016 in the case of PricewaterhouseCoopers Audit, and on June 16, 1998 in the case of Deloitte & Associés (taking into account the mergers of firms that have occurred since that date). The appointment was previously held by other entities of the Deloitte network for which the full history of appointments cannot be established.

As of December 31, 2021, PricewaterhouseCoopers Audit was in its 6th year of appointment without interruption. As of that date, the length of Deloitte & Associés' uninterrupted appointment was over 20 years, including 16 years since the combination of the IXIS business of the Caisse Nationale des Caisses d'Epargne (CNCE) and the Natexis Banques Populaires business of Banque Fédérale des Banques Populaires (BFBP), which on November 17, 2006 resulted in the incorporation of Natixis through the transfer of CNCE's subsidiary shares and equity investments to the Natexis Banques Populaires entity, which was renamed Natixis.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from 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 is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and, where applicable, the General Inspection of procedures for preparing and processing accounting and financial information.

The consolidated financial statements have been approved by the Board of Directors.

Statutory Auditors' responsibilities for the audit of the consolidated financial statements

Objectives 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 from 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 of users taken on the basis of these parent company financial statements.

As specified in Article L.823-10-1 of the French Commercial Code, our statutory audit does not include assurance on the viability of the Company or the quality of management of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditor exercises professional judgment throughout the audit.

In addition, he/she:

- identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his 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 internal control 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 and related disclosures made by management in 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 his 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, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or 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 audit evidence regarding the financial information of persons or entities included in the scope of consolidation that he/she considers sufficient and appropriate to express an opinion on the consolidated financial statements. The Statutory Auditor is responsible for the direction, supervision and completion of the audit of the consolidated financial statements as well as for the opinion expressed about those statements.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also make it aware, when appropriate, of any significant weaknesses we have identified in the internal control system in terms of procedures for preparing and processing accounting and financial information.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters, that we are required to describe in this report.

We also provided the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.822-10 to L.822-14 of the French Commercial Code and in the French Code of Ethics for Statutory Auditors. Where appropriate, we discuss any risks to our independence and the related safeguard measures with the Audit Committee.

Neuilly-sur-Seine and Paris La Défense, March 11, 2022

The Statutory Auditors

PricewaterhouseCoopers Audit	Deloitte & Associés
Emmanuel Benoist	Charlotte Vandeputte

6

INDIVIDUAL FINANCIAL STATEMENTS AT DECEMBER 31, 2021

6.1 Individual financial statements and notes

Natixis comparative separate balance sheets

(in millions of euros)

See Note No.	Year ended December 31	2021	2020
	Assets		
4	Cash and balances with central banks, postal cheque accounts	43,921	24,526
6	Government securities and equivalent	13,911	18,113
4	Advances to banks	123,685	81,014
5	Customer transactions	118,326	124,144
23	*o/w institutional operations:*	*904*	*886*
6	Bonds and other fixed-income securities	9,361	10,175
6	Equities and other variable-income securities	49,498	38,910
7	Investments and other long-term securities held	316	154
7	Investments in subsidiaries and affiliates	12,803	13,510
11	Intangible assets	114	91
11	Property, plant and equipment	95	118
	Capital subscribed not paid		
7	Treasury shares	10	17
12	Other assets	25,835	30,020
12	Accrual accounts	5,392	4,876
	o/w institutional operations:	*7*	
	TOTAL ASSETS	**403,268**	**345,669**

See Note No.	Off-balance sheet items – Commitments received	2021	2020
36	**Financing commitments**	**40,566**	**46,623**
	Commitments received from banks	36,073	44,162
	Commitments received from customers	4,493	2,461
36	**Guarantee commitments**	**20,418**	**8,937**
	Commitments received from banks	20,418	8,937
36	**Commitments on securities**	**6,738**	**7,702**
36	**Other commitments received**	**12,156**	**7,726**

(in millions of euros)

See Note No.	Year ended December 31	2021	2020
	Liabilities		
13	Central banks, postal cheque accounts		
13	Debts due to credit institutions	178,313	119,541
23	*o/w institutional operations:*	*46*	*46*
14	Customer transactions	94,977	100,132
23	*o/w institutional operations:*	*1,007*	*987*
15	Debt securities	54,829	52,146
16	Other liabilities	46,104	45,254
16	Accrual accounts	2,510	3,158
23	*o/w institutional operations:*		*8*
17	Provisions for risks and other expenses	2,076	2,021
19	Subordinated debt	6,443	5,810
	Fund for general banking risks		
	Equity excluding fund for general banking risks	18,015	17,606
21	Subscribed capital	5,053	5,050
21	Issue premium	7,426	7,426
21	Reserves	1,732	1,735
20	Regulated provisions and investment subsidies	45	2
23	*o/w institutional operations:*	*45*	*2*
21	Retained earnings	3,204	3,250
	Net income/(loss)	555	143
	TOTAL LIABILITIES	**403,268**	**345,669**

See Note No.	Off-balance sheet items – Commitments given	2021	2020
36	**Financing commitments**	**97,864**	**108,439**
	Commitments given to banks	27,953	48,423
	Commitments given to customers	69,911	60,016
36	**Guarantee commitments**	**36,972**	**29,202**
	Commitments given to banks	7,060	7,861
	Commitments given to customers	29,912	21,341
36	**Commitments on securities**	**6,771**	**9,117**
36	**Other commitments given**	**19,015**	**20,008**

Natixis comparative separate income statements

(in millions of euros)

See Note No.	Year ended December 31	2021	2020
24	Interest and similar income	5,167	5,596
24	Interest and similar expenses	(4,067)	(4,554)
25	Income from variable-income securities	307	757
26	Fee and commission income	801	811
	Fee and commission expenses	(373)	(377)
27	Net gains/(losses) on trading portfolio transactions	1,295	968
28	Net gains/(losses) on transactions on securities held for sale	110	(256)
	Other banking operating income	654	306
29	Other banking operating expenses	(467)	(106)
	Net banking income	3,426	3,145
30	Operating expenses	(2,634)	(2,329)
	▪ Payroll costs	(1,434)	(1,225)
	▪ Other administrative expenses	(1,200)	(1,104)
	Write-down, amortization and impairment of property, plant and equipment and intangible assets	(71)	(80)
	Gross operating income	720	736
31	Cost of risk	33	(694)
	Net operating income	753	42
32	Gains/(losses) on fixed assets	(114)	(110)
	Income before tax	639	(68)
	Non-recurring income		
33	Income taxes	(84)	211
20	Funding / reversal of funding for general banking risks and regulated provisions	0	0
	NET INCOME/(LOSS)	555	143

Notes and annexes

Note 1 Significant events

1.1 Coface

Following the approval of the relevant competition and regulatory authorities, Natixis and Arch Capital Group Ltd. announced on February 10, 2021 the sale by Natixis of a 29.5% stake in the share capital of Coface to Arch Financial Holdings Europe IV Limited, an affiliate of Arch Capital Group Ltd., at a price of €9.95 per share (dividend attached). Natixis is no longer represented on the Board of Directors of Coface.

Following this transaction, the residual stake in Coface, classified as "Other Long-Term Securities", was 12.7%.

During the second half of 2021, Natixis sold 4,226,361 Coface shares on the market, bringing its residual stake to 10.04% as of December 31, 2021, representing an amount of €155.8 million.

The result for the 2021 fiscal year for these transactions amounted to a negative €1.8 million.

On January 6, 2022, Natixis announced the successful sale of its entire residual stake in the Coface entity, at a price of €11.55 per share, carried out as part of an accelerated placement with institutional investors. This disposal will affect Natixis' financial statements for the first quarter of 2022.

1.2 Filing of a simplified public tender offer for Natixis shares

On February 9, 2021, BPCE S.A. announced its intention to acquire the shares in the capital of Natixis S.A. that it did not hold (around 29.3% as at December 31, 2020), and to file a simplified public tender offer with the French Financial Markets Authority (AMF).

After obtaining the approval of the AMF on the compliance of the transaction and the various regulatory authorizations required, the simplified tender offer for Natixis shares took place from June 4 to July 9 inclusive.

In accordance with the opinion of the AMF (D&I No. 221C1758 of July 13, 2021), on July 21, 2021, BPCE squeezed out all Natixis shares that had not been tendered to the public offer, under the same financial conditions as the simplified public tender offer, i.e. €4 per share of Natixis. As a result, due to the successful implementation of the squeeze-out, Natixis was delisted on July 21, 2021.

At December 31, 2021, BPCE held all of the share capital and voting rights of Natixis (excluding treasury shares and liquidity agreements).

This transaction is part of an ambitious industrial project to support the development of Natixis' business lines and the simplification of its organizational set up.

This project includes an organizational component that could involve:

- transfer to BPCE of the Insurance and Payment business lines;
- grouping within a new division business lines serving Corporate Clients and Asset & Wealth Management.

In particular, it includes the following steps that should be implemented by the end of the first quarter of 2022:

i. the contribution by Natixis to a company wholly owned by BPCE of all the shares held by Natixis in Natixis Assurances;

ii. the contribution by Natixis to a company wholly owned by BPCE of all the shares held by Natixis in Natixis Payment Solutions, Partecis and Natixis Payment Holding (NPH), Natixis subsidiaries that currently carry out the payment activities of Groupe BPCE;

iii. the distribution by Natixis to its shareholders of the shares of Natixis Assurances Holding and Natixis Payments Holding received as compensation, respectively, for the Insurance and Payments contributions; and

iv. the acquisition by BPCE of all the shares received by the beneficiaries of free shares in Natixis Assurances Holding and Natixis Payments Holding as a result of the exercise of the sales agreements provided for in the liquidity agreements.

At the end of the proposed transaction, BPCE would directly hold all of the share capital and voting rights of Natixis Assurances Holding and Natixis Payments Holding.

At the same time as the aforementioned distribution, Natixis will carry out a capital increase which will be fully subscribed by BPCE for an amount of approximately €1.7 billion in order to restore its equity.

On September 22, 2021, the Board of Directors of Natixis approved the terms of the negotiation protocol, signed on the same day, to frame their discussions and define the guiding principles that should govern the drawing up of the definitive documentation relating to the proposed transaction.

The ongoing restructuring of the Payments division, which began in 2021 and was completed on January 31, 2022, was a prerequisite for the division's transfer to BPCE.

These transactions, and in particular the capital increases carried out in January 2022, were therefore taken into account to determine the amount of writedowns to be made on NPH shares at December 31, 2021. The writedowns amounted to -€84.8 million on the basis of a valuation of €220 million corresponding to that used in the contribution projects.

As part of this reorganization of the Payments division, it is also worth noting the recognition of a writedown of -€92.8 million on Natixis Marco shares.

In addition, the parties also announced the transfer by Natixis to BPCE of all the shares held by Natixis in Natixis Immo Exploitation (NIE). This transfer is part of a project to create a shared services center (Workplace SSC) within BPCE S.A. bringing together all of the real estate-related expertise. It will be achieved through a sale of 100% of the shares comprising the share capital of NIE. This transaction could take place during the first quarter of 2022, at the same time as the transfer of the Workplace headcount.

The information-consultation process of the relevant employee representative bodies within Groupe BPCE was initiated on September 23, 2021. The latter issued their opinion on January 11, 2022.

The Board of Directors of Natixis on February 10, 2022 subsequently approved and authorized the signing of the contribution agreements relating to the contributions of the Insurance and Payments activities to the two aforementioned holding companies, and approved the draft resolutions submitted to it relating in particular to the distribution to shareholders of the shares received in exchange for the contributions and the capital increase subject to obtaining the approval of the European Central Bank (obtained on February 28, 2022).

1.3 Launch of a transformation and operational efficiency program

Natixis announced on November 5, 2020, the launch of a transformation and operational efficiency program that will generate approximately €350 million in sustainable cost savings at the end of 2024 (approx. €270 million in associated exceptional costs over the period), including the transformation of the Corporate & Investment Banking equities division.

To meet the challenges it faces, Natixis will also continue to develop its operating model with a view to competitiveness by drawing on its solid and diversified expertise.

This approach of anticipation, adaptation and development has led Natixis, since 2016, to organize its support functions around two areas of activity in Europe: Paris and Porto. In line with this organizational plan, a development project for the Porto center was presented to the social partners at the end of January 2021.

This would consist of:

- continuing to develop the support functions already established in Porto;
- positioning some of the other support functions in Porto.

This project also confirms Porto's place as a center of excellence and expertise.

The strategic review of the equity derivatives activity also confirmed its importance for Natixis and repositioned it on strategic clients while reducing the level of risk.

To implement the various components of these projects under the best possible conditions, an internal and external resource mobility plan has been proposed within the areas concerned. This plan was opened on June 21, 2021 and is based on three key principles:

- priority given to internal mobility;
- the absence of forced departures;
- support for external departure projects on a strictly voluntary basis.

In connection with this program, Natixis recorded a provision for restructuring which includes expenses directly related to the restructuring and essentially representing an estimate of social and support costs, for an initial amount of €16.5 million. At December 31, 2021, the amount of the provision was €14.8 million.

Note 2 Accounting principles and valuation methods

Natixis' separate financial statements are prepared and presented in accordance with Regulation No. 2014-07 (amended) of the Autorité des Normes Comptables (ANC – French Accounting Standards Authority) dated November 26, 2014 relating to the financial statements of companies in the banking sector and Regulation No. 2014-03 (amended) relating to the French General Accounting Plan (PCG – Plan comptable général).

Financial statements for foreign subsidiaries, prepared in accordance with local rules, are restated in accordance with generally accepted accounting principles in France for the preparation of individual financial statements.

The financial statements for the fiscal year are presented in identical format to those for the previous fiscal year. Generally accepted accounting principles have been applied in compliance with the principle of prudence based on the following principles:

- going concern;
- consistency of accounting methods from year to year;
- independence of fiscal years.

The French Accounting Standards Authority (ANC) has updated its Recommendation No. 2013-02 of November 7, 2013 on the valuation and accounting rules for pension commitments and similar benefits. This update follows the adoption of the IFRS IC decision of April 20, 2021 relating to IAS 19 "Employee Benefits", concerning defined benefit plans. This amendment introduces a choice of methods relating to the distribution of benefit entitlements for defined benefit plans with characteristics identical to those intended to be covered by the IFRS IC. This choice of method consists of recognizing the provision from:

- either the date on which the beneficiary was hired; or
- the date from which each year of service counts towards the vesting of benefit rights, i.e. the date before which the services rendered by the employee do not affect either the amount or the due date of the benefits. This approach was adopted by Natixis in the parent company financial statements.

The amendment to Recommendation No. 2013-02 had no impact on Natixis' individual financial statements.

In addition, at December 31, 2021, Natixis changed the method used to recognize and present currency swaps:

Before that date, the balance sheet valuation of the currency swaps in the forward leg was recognized separately for the interest rate component and the foreign exchange component. As of December 31, 2021, the two interest rate and foreign exchange components of the forward leg are now included in the valuation of derivatives.

This change did not have a significant impact on the balance sheet and has no impact on the income statement.

2.1 Advances to banks and customer loans

Advances to banks cover all receivables other than those represented by a security, held in connection with banking transactions with credit institutions, including subordinated loans and reverse repo stock and securities. They are broken down between demand loans and deposits and term loans and time deposits.

Customer loans comprise loans to economic operators other than banks, with the exceptions of those represented by a security, and reverse repo stock and securities. They are broken down by type of loan (current accounts overdrawn, commercial loans, cash loans, equipment loans, export credit, subordinated loans, etc.).

Accrued interest is credited to the corresponding receivables item on the income statement.

Fees earned on the granting or acquisition of loans, as well as marginal transaction costs, are recognized using the effective interest rate actuarial method over the effective life of the loan. Recognition is shown as net interest income in Net Banking Income (NBI). Fees and transaction costs to be recognized are included in the relevant loan book.

Loans that have been granted on an irrevocable basis, but have not yet given rise to any transfer of funds, are included in off-balance sheet items under “Financing commitments given”.

Performing and non-performing loans are identified separately.

Loans for which there is an identified credit risk, regardless of any guarantees, which makes it probable that Natixis will be unable to recover all or part of the amount owed by the counterparty under the terms and conditions of the loan agreement, are considered to be non-performing. In particular, loans that include payments over three months overdue are classified as non-performing loans.

Non-performing loans are receivables for which an event of default has been identified as defined in Article 178 of Regulation (EU) No. 575/2013 and the provisions of Regulation (EU) No. 2018/1845 of the European Central Bank on the threshold for assessing the significance of arrears on credit obligations, applicable no later than December 31, 2020. The definition of defaulted loans is specified by:

- the introduction of a relative threshold and an absolute threshold, to be applied to payment arrears to identify default situations;
- the clarification of the criteria for the return to sound outstandings with the imposition of a probationary period (12 months for restructured assets and 3 months for other assets); and
- the introduction of explicit criteria for classifying restructured loans as default.

Loans accelerated by the lender and loans classified among non-performing loans for more than one year for which a write-off is planned are deemed to be irrecoverable.

The reversal of the effect of discounting on impairments of non-performing loans associated with the passage of time is recognized under “Interest and similar income” on the income statement.

Specific case of loans restructured due to the debtor’s financial situation

Restructured loans correspond to loans with modified terms under which Natixis grants a concession to borrowers facing or likely to face financial difficulties. They are a combination of a concession granted by Natixis and financial difficulties experienced by the borrower.

The modified terms of restructured loans must put the borrower in a more favorable situation (e.g. suspension of interest or principal payment, extension of term, etc.) and are confirmed by the use of amendments that modify the terms of an existing contract or by the full or partial refinancing of an existing loan.

Financial difficulties are determined by observing a number of criteria such as amounts past due for more than 30 days or an at-risk rating. The restructuring of a loan does not necessarily result in the counterparty being classified in the Basel default category, as the financial difficulty is addressed before the counterparty is downgraded into the Basel default category.

Specific impairments and provisions

Where there is a risk of partial or total non-recovery of loans or of borrowers breaching their covenants, impairment charges (for non-performing loans) or provisions (for off-balance sheet commitments) corresponding to the amount of the probable loss are recognized on the income statement under “Cost of risk”. These impairments and provisions are assessed quarterly on a case-by-case basis taking into account an analysis of the risk and available collateral.

Interest corresponding to the remuneration of impaired loans and receivables or to the reversal of the effect of discounting is recognized as interest income.

Impairment losses are calculated as the difference between the gross carrying amount of the receivable and the amounts thought to be recoverable (including flows from the realization of guarantees), discounted at the original effective interest rate for fixed-rate receivables or at the last effective interest rate determined according to the contractual terms for variable-rate receivables.

Impairments on non-performing loans covering risks carried on the asset side of the balance sheet are deduced from the assets in question.

Probable losses stemming from off-balance sheet commitments are recognized as provisions on the liability side of the balance sheet.

Provisions for non-specific credit risk

Financial assets that have not been assigned their own specific credit risk are included in groups of assets with similar risk characteristics. The composition of these portfolios of similar assets is based on two criteria: geographical risk and sector risk.

Portfolios are reviewed quarterly and, where appropriate, loans in sectors or countries where economic circumstances suggest problems may arise are included in the base for performing loans provisions.

Each group of assets is assessed for objective evidence of impairment based on observable data indicating a likely decrease in the estimated recoverable cash flows for that group of assets. A collective write-down in the balance sheet liabilities is taken against any group of assets showing objective evidence of impairment. Assets belonging to that group, which are subsequently specifically identified as impaired (specific risk), are removed from the collective write-down calculation base.

Provisions for geographic risk are primarily based on each country's internal rating, incorporating different parameters and indicators (political situation, performance of the economy and economic outlook, banking system situation, etc.). Calculation of the impairment loss is based on a correlation table between the internal rating and provisioning rate, with a revision to the rate allocated to a provisioning scale possible.

Provisions for sector risk are based on combinations of indexes specific to each sector (sector growth, cash held by businesses in the sector, cost of commodities, etc.). The method for calculating the impairment loss is the "expected loss" method calculated at maturity.

The COVID-19 health crisis is a global crisis affecting all the geographical areas in which Natixis operates, while its impact is much more differentiated according to the economic sectors. In this context, and taking into account a methodology based solely on country risk on the one hand and sector risk on the other, it appeared that the sector criterion represented the most relevant approach to collective risk. Accordingly, a change in the methods used to calculate collective provisions was made in 2020 to retain the sector-based criterion as the first objective indicator of risk deterioration. These calculation methods were maintained for the 2021 fiscal year.

Loans on the watch list, for which a Basel default has been identified, are impaired collectively by sector unless they are already subject to specific write-downs.

Provisions for sector and country risk are shown under liabilities in the balance sheet.

2.2 Securities portfolio

Securities are, in accordance with Book II – Title 3 "Accounting treatment of securities transactions" of Regulation No. 2014-07 of the ANC, classified according to:

- their type: government securities (treasury bills and similar securities), bonds and other fixed-income securities (negotiable debt securities and interbank market instruments), shares and other variable income securities;
- the economic purpose for which they are held, into one of the following categories: held for trading, held for sale, held for investment, other long-term securities, investments in associates and investments in subsidiaries and affiliates.

The buying and selling of securities are recorded in the balance sheet at the settlement-delivery date.

In the event of a securities lending transaction, the securities loaned cease to appear on the balance sheet and a receivable representing the carrying amount of the securities loaned is recognized as an asset.

In the case of a securities borrowing transaction, the borrowed securities are recorded in the trading securities category with a matching liability corresponding to the securities debt to the lender for an amount equal to the market price of the securities borrowed on the date of borrowing. Borrowed securities (including borrowed securities that have been loaned out) are presented in the balance sheet as a deduction from the debt representing the value of the borrowed securities.

The applicable classification and measurement rules are as follows:

- **securities held for trading:** securities that are originally bought or sold with the intention of reselling or repurchasing them in the short term, and securities held as part of a market-making operation. Securities bought or sold for the purposes of the specialized management of a trading portfolio are also classed as securities held for trading. In order to be eligible for this category, the securities must be tradable on an active market as of the date of their initial recognition and their market prices must be accessible, representing actual transactions regularly occurring in the market under normal trading conditions.

  On acquisition, securities held for trading are recognized at the price paid including any accrued interest. Transaction costs are recognized in expenses.

  At each balance sheet date, they are measured at market value and the grand total of any valuation difference is recognized on the income statement under the heading "Balance of transactions on securities held for trading";
- **securities held for sale:** securities which are not classified in any other category are considered as securities held for sale.

  They are reported on the balance sheet at their purchase price, excluding acquisition costs. Any difference between the purchase price (excluding accrued coupons) and the redemption price is recognized in income pro rata to the remaining life of the securities.

  They are valued at year-end at their lowest carrying amount or market value. Unrealized losses give rise to the recognition of an impairment loss, whose calculation factors in gains from any hedging transactions conducted. Unrealized gains are not recognized;
- **securities held for investment:** securities held for investment are dated fixed-income securities acquired with the stated intention of holding them to maturity and for which Natixis has the ability to hold them through to maturity.

  They are reported on the balance sheet at their purchase price, excluding acquisition costs. Any difference between the purchase price and the redemption price is recorded in income pro rata to the remaining life of the securities.

  In line with regulatory requirements, unrealized losses are not subject to impairment, unless there is a strong likelihood that the instruments will be sold before maturity due to unforeseen circumstances or if there is a risk of default by the issuer of these instruments. Unrealized gains are not recognized;
- **equity investments, investments in subsidiaries and affiliates and other long-term investments:**
  - **other long-term investments:** investments made by Natixis in the form of securities, with the intention of forging lasting professional relationships and creating a special relationship with the issuing company, but without any influence over the management of the corporate entities in which investments were made due to the low percentage of voting rights held.

    They are recognized at their acquisition date at the purchase price excluding acquisition costs.

    They are included in the balance sheet at their lowest historical cost or value in use. Unrealized losses are subject to a provision for impairment,
  - **equity investments:** investments in the form of securities that are deemed useful to Natixis' business if held for the long term.

    They are recognized at their acquisition date at the purchase price excluding acquisition costs.

    These securities are valued individually at their lowest value in use at the reporting date or their acquisition cost. Unrealized losses are subject to a provision for impairment,

- **investments in subsidiaries and affiliates:** shares and other variable-income securities in related corporate entities over which Natixis exercises exclusive control, i.e. corporate entities likely to be fully consolidated in Natixis' consolidation scope.

  They are recognized at their acquisition date at the purchase price excluding acquisition costs.

  These securities are valued individually at their lowest value in use at the reporting date or their acquisition cost. Unrealized losses are subject to a provision for impairment.

The measurement approaches used to determine value in use are the following, as appropriate:

- the net asset method (restated or not);
- the peer comparison method;
- the discounted future cash flows (DCF) method;
- the stock market price; or
- a combination of these methods.

The DCF method is based on the establishment of business plans prepared by the management of the subsidiaries in question and approved by Natixis Senior Management. The discount rate on future cash flows is the result of:

- an average rate of return on an investment deemed to be risk-free;
- an average credit spread on the market in which the subsidiary is listed;
- an average beta as reflected in a sample of equivalent companies.
- **Treasury shares:** Natixis may hold treasury shares to regulate its share price under a liquidity agreement. These shares are recognized as securities held for trading and follow the same rules as other securities in this category. Moreover, treasury shares acquired through arbitraging on stock market indices are recognized as securities held for trading. Following the delisting, Natixis no longer carries out this type of transaction.

Treasury shares held for distribution to employees are classified as held for sale and follow the corresponding rules.

Income, value adjustments and proceeds on disposal of securities portfolios are recognized as follows:

- income from variable-income securities is recognized as and when received or when the payment has been subject to a resolution at a General Shareholders' Meeting;
- income from fixed-income securities is recognized based on the accrual method;
- value adjustments and proceeds from the disposal of securities are recognized under different headings depending on which portfolio they belong to:
  - under "Net Banking Income" for securities held for trading and securities held for sale,
  - under cost of risk for fixed-income securities in the portfolio of securities held for sale or for investment when adjustments in value relate to counterparty risk exposure,
  - under net gains/(losses) on fixed assets:
    - for adjustments in the value of securities held for investment (excluding impairment for risk exposure to a counterparty) when there is a high probability of disposal of such securities held for investment due to unforeseen circumstances and for all proceeds from the disposal of said securities,
    - for investments in associates, subsidiaries and affiliates and other long-term securities.

Reclassifications from the "securities held for trading" to the "securities held for sale" and "securities held for investment" categories and from "securities held for sale" to "securities held for investment" are permitted in exceptional market circumstances requiring a change in strategy or when the securities in question have ceased to be tradable on an active market since their acquisition.

The regulation allows banks to sell all or part of the securities reclassified as "held for investment" if the following two conditions are met:

- the transfer was motivated by exceptional circumstances;
- the market for these securities has become active again.

Natixis has carried out no such transfers in its separate financial statements.

2.3 Property, plant and equipment and intangible assets

Fixed assets are recognized at acquisition cost plus directly attributable transaction costs and borrowing costs accrued during any phase of construction or installation before they come into service.

Internally-generated software is carried on the asset side of the balance sheet at its direct development cost, including outsourcing expenses and personnel costs directly attributable to its production and preparation where they meet the criteria for capitalization.

After acquisition, fixed assets are carried at cost less any cumulative write-down, amortization and impairment losses.

As soon as they are in a condition to be used by Natixis in the manner in which they are intended, fixed assets are depreciated or amortized over their estimated useful lives on a straight-line or declining balance basis when this better reflects the economic amortization/depreciation. The residual value of the asset is deducted from its depreciable or amortizable amount when it can be measured reliably.

In line with applicable accounting principles, a specific depreciation schedule is defined for each significant component of an item of property, plant and equipment which has a different useful life or is expected to consume future economic benefits differently from the item as a whole. For buildings comprising business and investment property, the following components and depreciation periods are applied:

- land: non-depreciable
- non-destructible facades: non-depreciable
- facades, roofs and waterproofing: 20 to 40 years
- foundations and framework: 30 to 60 years
- external rendering: 10 to 20 years
- equipment and installations: 10 to 20 years
- internal fixtures and fittings: 8 to 15 years

Other items of property, plant and equipment are depreciated over their estimated useful lives, generally between five to ten years.

Purchased software is amortized on a straight-line basis over its estimated useful life, which in most cases is less than five years. Internally-generated software is amortized over its estimated useful life, which cannot exceed 15 years.

When the fixed assets relate to a leased building, their depreciation period is made consistent with that of the leases. In particular, when Natixis decides not to renew a lease (for example under a so-called 3-6-9 lease), the period of depreciation of the fixed assets relating to the lease (e.g.: fixed fixtures and fittings) is capped at the residual term of the lease.

Depreciation/amortization periods must be reviewed annually and, where applicable, the impact of any change in estimate is recognized prospectively, in income, from the date of the change.

2.4 Debt securities

This line item comprises debt attributable to freely tradable securities held for sale issued by Natixis in France or in foreign countries, with the exception of subordinated instruments recognized as subordinated debt.

This line item notably includes medium-term notes, interbank market instruments, negotiable debt securities and bonds and other fixed-income securities.

Accrued interest payable relating to these issues is disclosed separately as a related payable, with an offsetting entry in the income statement.

Issue or redemption premiums on bond issues are amortized over the life of the issues in question and the related expense is recognized under the heading “interest and similar expenses” on the income statement.

2.5 Subordinated debt

This item covers perpetual and dated subordinated notes, which in the event of liquidation can only be redeemed after all other creditors’ claims have been met. Accrued interest is credited to the corresponding receivables item on the income statement.

Where perpetual subordinated notes are treated as equivalent to amortizable securities, each periodic payment is broken down into the repayment of principal, which is deducted from the nominal amount, and interest, which is charged to the income statement under “Interest and similar expenses”.

2.6 Forward financial instruments (futures and options)

The notional amount of these instruments is recorded off the balance sheet for internal monitoring and regulatory purposes, but is not included in the published statement of off-balance sheet items. Details for these instruments are provided in the notes.

The accounting principles applied depend on the instrument involved and the purpose of the transaction (hedging or for trading purposes).

Interest rate and currency trading

These transactions are carried out for four purposes:

- micro-hedging (specific hedge);
- macro-hedging (global balance sheet management);
- speculative position-taking;
- specialized management of a trading portfolio.

Gains or losses on specific hedges are recognized in income on a symmetrical basis with the income and expenses of the position or transaction being hedged.

Expenses and income arising from forward financial instruments used to hedge and manage Natixis’ overall interest rate risk are recognized on a prorata basis. Unrealized gains and losses are not recognized.

The accounting treatment of speculative positions is identical for interest flows. Contracts are marked to market value at each reporting date and any unrealized losses are recognized in income as provisions.

Each instrument in the final category is marked to market on an individual basis. Changes in value during the period are recognized immediately on the income statement. Valuations are adjusted for counterparty risk, the position funding cost and the discounted present value of future contractual management costs.

Forward foreign exchange contracts

Outright foreign currency futures or transactions hedging other foreign currency futures are measured based on the forward foreign exchange rate remaining to run on the currency in question. Differences in interest rates or premiums and discounts associated with hedged foreign currency futures are recognized in stages as interest expense or income over the effective term of the transaction.

Options (interest rate, currency and equity) and futures

The notional amount of the underlying instrument of each option or futures contract is recognized with a distinction being made between hedging and trading contracts.

For hedging transactions, income and expenses are recognized in income on a symmetrical basis with the income and expenses of the hedged items.

For non-hedging activities, positions in a class of option or forward contract are marked to market at the reporting dates. Changes in market value are recognized directly in the income statement. However, for instruments traded on over-the-counter markets, gains or losses are recognized on the income statement only upon settlement of these transactions, without effect on the potential setting aside of provisions for the net risk incurred over the life of the instrument.

2.7 Institutional operations

In accordance with Article 41 of the Amending Finance law for 1997 (No. 97-1239 of December 29, 1997), amended by Article 121 of the Amending Finance law for 2008 (No. 2008-1443 of December 30, 2008), Article 5 of the Amended Finance law for 2014 (No. 2014-1655 of December 29, 2014) and the agreement signed with the French State on December 24, 2019, Natixis manages certain public procedures on behalf of the French State, mainly consisting of loans and grants to foreign States conferred within the framework of Public Development Aid, non-concessional loans to foreign States, grants to the French "Fund for Private Sector Aid and Studies" and the stabilization of interest rates for export credits guaranteed by the State. The related transactions, some of which may be guaranteed by the State, are recognized separately in the financial statements. The State and other related creditors have a specific right over the Natixis assets and liabilities allocated to these public procedures. The bank’s assets and liabilities relative to these operations are identified on the balance sheet under each of the headings concerned with these operations.

2.8 Employee benefits

Employee benefits are recognized in "Payroll costs".

They fall into four categories:

"short-term benefits" including salaries, social security contributions, annual leave, employee profit-sharing, incentive plans, top-up contributions and variable compensation payable in the 12 months after they are attributed, are expensed in the period in which the corresponding services were rendered;

"termination benefits" are granted to employees upon the termination of their employment and prior to retirement. A provision is accrued for these benefits;

"post-employment benefits" such as pensions, other supplementary retirement benefits applicable to the banking industry, end-of-career awards and other contractual benefits payable to retirees. Natixis distinguishes between two types of post-employment benefits:

- **defined-contribution plans**, which mainly consist of the social security basic pension scheme and the supplementary schemes AGIRC and ARRCO, under which an entity has no obligation to pay a specified benefit amount. Contributions paid under defined-contribution plans are expensed in the corresponding period,
- **defined-benefit plans** under which Natixis has a legal or constructive obligation to pay a specified benefit amount are valued and funded.

  A provision is set aside for defined-benefit plans based on an actuarial assessment of the benefit obligation using the projected unit credit method. This method draws on demographic and financial assumptions. The value of plan assets is deducted from the actuarial debt. This valuation is carried out on a regular basis by independent actuaries.

  Actuarial assumptions are reviewed annually. Differences resulting from changes in actuarial assumptions and experience adjustments (impact of differences between actuarial assumptions and actual experience) give rise to actuarial gains and losses.

  In accordance with Recommendation No. 2013-02 of the ANC on rules for measuring and recognizing retirement and similar commitments, dated November 7, 2013 (which allowed the partial adoption of revised IAS 19 as adopted by the European Union in June 2012), Natixis chose to maintain the corridor method approach in the individual financial statements.

  Under this method, Natixis does not recognize the portion of net cumulative actuarial gains and losses that is lower than the greater of (i) 10% of the present value of the defined-benefit obligation and (ii) 10% of the fair value of any plan assets at the end of the previous reporting period. The portion of actuarial gains and losses outside the 10% corridor is therefore recognized over the average remaining working lives of the employees participating in the relevant plan.

  In the event of changes to an existing plan or the implementation of a new plan, past service cost is recognized in income over the period until the benefits become vested.

  Insurance contracts taken up with a party related to Natixis and intended to finance all or part of Natixis' defined-benefit plan commitments are recorded in the asset side of the balance sheet as "Other assets".

  The amount recognized as a provision in the balance sheet represents the present value of the obligation under defined-benefit plans at the closing date:

  - minus any past service cost not yet recognized in income;
  - plus or minus any unrecognized actuarial gains or losses in accordance with the corridor principle arising from:
    - experience adjustments linked to demographic variables,
    - changes in actuarial assumptions,
    - change in discount rate,
    - differences between expected returns on plan assets and reimbursement rights and their actual returns;
  - minus the market value of plan assets at the closing date.

The annual payroll costs recognized in respect of defined-benefit plans consist of:

- rights vesting for beneficiaries over the period;
- the financial cost corresponding to unwinding the discount on the commitment;
- the expected return on plan assets;
- the amortization of actuarial gains and losses and past service costs;
- the effects of plan curtailments and settlements.

"Other long-term benefits", including long-service awards and deferred compensation paid in cash and in cash indexed to a valuation formula that does not represent fair value (see Note 2.9), as part of the Loyalty and Performance Plans. Other long-term benefits are measured using an actuarial method identical to that used for defined-benefit post-employment benefits, with the exception of actuarial gains and losses for which the corridor method does not apply and the cost of past services that are recognized directly as expenses.

The estimated amount of the expense related to cash-settled variable compensation, subject to the employee's continued service in accordance with the Employee Retention and Performance Recognition plans, is recognized over the vesting period.

2.9 Loyalty and performance plans

Natixis allocates plans to certain categories of its employees. These plans are settled in two ways: in shares or in cash indexed to the share price or to a valuation formula.

All of these plans are contingent on satisfying service and/or performance requirements.

Cash-settled employee deferred variable compensation plan indexed to the value of the Natixis share

Cash-settled plans indexed to the share price give rise to the recognition of a payroll expense that is measured taking account of changes to the fair value of the share price on the balance sheet date and the likelihood of satisfying performance and/or service requirements. Where a service requirement exists, the calculated expense is recognized on a straight-line basis over the vesting period. When no service requirement exists, the expense is recognized immediately as a debt. The latter is then remeasured at each reporting date taking into account performance criteria and any changes in the value of underlying shares.

Changes to the terms and conditions of a cash-settled employee deferred variable compensation plan indexed to the value of the Natixis share which would lead to the latter being reclassified as an employee deferred variable compensation plan settled in shares would trigger, when the plan stipulates the allocation of existing shares, the derecognition of the debt recorded for the initial plan indexed to the value of the Natixis share and the recognition of a liability as a provision for the new employee deferred variable compensation plan settled in shares. The difference between the recognition of the new plan and the derecognition of the preexisting debt is taken directly to profit and loss. When the plan provides for the allocation of new shares, only the derecognition of the debt recorded for the initial plan indexed to the value of the Natixis share is taken to profit and loss.

Employee deferred variable compensation plan settled in shares

Plans settled in shares are recognized in accordance with French Accounting Committee (CRC) Regulation No. 2008-15, which provides for the recognition of a liability where there is the likelihood or the certainty that the obligation to grant shares generates an outflow in settlement without an offsetting provision:

- if the granting involves the issue of new shares, Natixis incurs no outflow and, as a result, no expense is recognized;
- if the granting involves the repurchase of shares or the granting of existing shares, an outflow will be recognized when the shares are issued to employees, without an offsetting provision. A provision is then set aside taking account of the entry cost of the shares or the share price on the balance sheet date if the shares have not yet been purchased, and the probable number of shares granted to employees. The expense is recognized in stages over the vesting period.

Loyalty and performance plans settled in cash indexed to a valuation formula

Following the delisting of the Natixis share on July 21, 2021, the loyalty and performance plans payable in indexed cash (for their components not yet vested) were modified: their payment is now indexed according to a formula based on the price of the simplified tender offer for Natixis shares (€4) and the change in Groupe BPCE's net income (Group share). These plans are equivalent to "Other long-term benefits". The principles are similar to those provided for cash-settled plans indexed to share value.

The corresponding expense all of these plans, recognized in the financial statements for the fiscal year 2021, was €18.9 million, compared with €9.3 million at December 31, 2020.

2.10 Provisions for risks

A provision for risks is a liability of uncertain timing or amount. A liability is a present obligation arising from past events, the settlement of which is expected to result in an outflow of resources embodying economic benefits that can be reliably measured.

The amount recognized as a provision should be the best estimate of the expenditure required to settle the present obligation at the reporting date. This amount is discounted when the effect of discounting is material. Provisions are reviewed at each reporting date and adjusted if necessary. Provisions recognized on the balance sheet, other than provisions to cover employee benefits and sector and country risks, mainly concern provisions for restructuring, provisions for disputes, fines and penalties and provisions for other risks.

2.11 Transactions denominated in foreign currencies

Off-balance sheet receivables, debts and commitments denominated in foreign currencies are converted to euros at the going exchange rate at the balance sheet date through the revaluation of foreign exchange positions. The difference between amounts resulting from the valuation of euro-denominated foreign exchange positions and amounts reported in equivalent euro-denominated foreign exchange positions is recorded in the income statement.

However, exchange differences relating to institutional operations are recognized under accrual accounts.

2.12 Integration of foreign subsidiaries

The financial statements of foreign subsidiaries, prepared in accordance with local rules, are restated in accordance with generally accepted accounting principles in France, translated into euros when the functional currency is not the euro and included in Natixis' financial statements after the elimination of intra-group transactions.

Items from the balance sheet and income statement are translated at the end of the reporting period.

The difference arising from the translation of foreign subsidiaries' capital allocations are recorded in the accrual accounts.

2.13 Contributions to banking resolution mechanisms

The procedure for setting up the deposit and resolution guarantee fund was changed by a French Ministerial Order dated October 27, 2015. Contributions under the deposit guarantee and resolution fund may be paid in the form of shareholder or association certificates and cash guarantee deposits that are recognized as assets on the balance sheet and contributions (non-refundable contributions in the event of voluntary withdrawal of approval) recognized in profit or loss.

Directive No. 2014/59/EU (BRRD – Bank Recovery and Resolution Directive) which establishes the framework for the recovery and resolution of banks and investment firms and Regulation (EU) No. 806/2014 (SRM Regulation) established the introduction of a resolution fund as of 2015. In 2016, this fund became a Single Resolution Fund (SRF) between the member States participating in the Single Supervisory Mechanism (SSM). The SRF is a resolution financing mechanism available to the resolution authority (Single Resolution Board). The latter may use this fund when implementing resolution procedures.

In accordance with Delegated Regulation No. 2015/63 and Implementing Regulation No. 2015/81 supplementing the BRRD Directive on ex-ante contributions to financing mechanisms for resolution, the Single Resolution Board set the level of contributions to the Single Resolution Fund for 2021. The contributions paid to the fund may be made in the form of cash guarantee deposits which are recorded as assets on the balance sheet (up to a maximum of 15% of the contributions called up) and contributions recognized in the income statement.

2.14 Non-recurring income

Non-recurring income and expense items are determined based on their amount, their unusual nature with respect to current operations, and the likelihood of the events in question repeating.

2.15 Corporate income tax

Due to additional contributions, the corporate tax rate used to calculate the expense payable for the year was 28.4% for France. Applicable local corporate tax rates were used for foreign subsidiaries.

Note 3 Post-closing events

On February 10, 2022, the Board of Directors approved the 2021 financial statements. Since that date, there have been no significant changes in the financial or commercial situation of Natixis, except for the continued occurrence of the significant events described in Note 1.

Note 4 Interbank and similar transactions

(in millions of euros)	**2021**	2020
Cash, postal cheque accounts and central banks	**43,921**	**24,526**
Receivables from credit institutions*	**123,685**	**81,014**
Sight	4,929	4,227
Forward	118,756	76,787
Interbank and similar transactions	**167,606**	**105,540**
** o/w subordinated loans*	*0*	*0*
o/w reverse repurchase agreements	*34,592*	*34,692*
o/w accrued interest	*34*	*56*

Non-performing loans amounted to €24 million at December 31, 2021, compared with €30 million as at December 31, 2020. At December 31, 2021, as at December 31, 2020, Natixis had no irrecoverable loans due from credit institutions.

Provisions for non-performing loans amounted to -€24 million at December 31, 2021, compared with -€30 million at December 31, 2020.

The increase in interbank transactions includes the setting up of term loans and borrowings with BPCE in the amount of +€54.2 billion concluded in order to meet the constraints of the long-term liquidity ratio (NSFR: Net Stable Funding Ratio) that became mandatory on June 30, 2021. These Money Market transactions were entered into with separate exercise notice periods between lending transactions and borrowing transactions in order to enable Natixis to comply with a minimum ratio of 100%.

Note 5 Customer transactions

(in millions of euros)	**2021**	2020
Current accounts overdrawn	**1,925**	**2,433**
Commercial loans	**526**	**397**
Other customer loans	**115,875**	**121,314**
Cash and consumer credit	35,742	30,542
Equipment loans	6,192	4,621
Export credit	2,427	2,122
Home loans	2	2
Reverse repurchase agreements	50,703	59,400
Subordinated loans	1,234	1,230
Other loans	19,575	23,397
Customer transactions	**118,326**	**124,144**
o/w accrued interest	*124*	*127*

The amount of perpetual subordinated loans totaled €812 million as at December 31, 2021 versus €808 million as at December 31, 2020.

Restructured loans as defined in Note 1 amounted to €518 million in performing loans, before impairment, as at December 31, 2021 versus €263 million as at December 31, 2020. The amount after impairment amounted to €509 million at December 31, 2021 versus €259 million as at December 31, 2020.

Restructured loans as defined in Note 1 recorded as non-performing or irrecoverable loans amounted to €1,809 million before impairment at December 31, 2021 versus €1,444 million as at December 31, 2020. The amount after impairment amounted to €1,404 million at December 31, 2021 versus €1,010 million as at December 31, 2020.

Non-performing loans amounted to €3,382 million at December 31, 2021 versus €3,764 million as at December 31, 2020 (of which €181 million at December 31, 2021 relating to irrecoverable loans versus €179 million as at December 31, 2020).

Provisions for non-performing loans totaled -€1,375 million at December 31, 2021 versus -€1,404 million as at December 31, 2020 (of which -€168 million at December 31, 2021 versus -€174 million as at December 31, 2020 relating to provisions for irrecoverable loans).

At December 31, 2021, there were no receivables eligible for refinancing from the Banque de France or the European Central Bank. As a reminder, they amounted to €114 million as at December 31, 2020.

Note 6 Bonds, shares and other fixed and variable income securities

(in millions of euros)	2021				2020			
	Securities held for trading	**Securities held for sale**	**Securities held for investment**	**Total**	Securities held for trading	Securities held for sale	Securities held for investment	Total
Government securities and equivalent [(b)]								
Gross value [(a)]	8,327	5,126	457	13,910	11,215	6,086	728	18,028
Premiums/discounts	0	(26)	0	(26)	0	44	0	44
Accrued interest	2	25	0	27	8	32	0	41
Impairment				0				0
Net carrying amount	**8,329**	**5,125**	**457**	**13,911**	**11,223**	**6,162**	**728**	**18,113**
Bonds and other fixed-income securities [(b) (c)]								
Gross value [(a)]	3,609	5,512	236	9,357	3,788	6,195	244	10,227
Premiums/discounts		2	0	2		6	0	6
Accrued interest	0	16	0	16	0	20	0	20
Impairment		(14)	0	(14)		(78)	(0)	(78)
Net carrying amount	**3,609**	**5,516**	**236**	**9,361**	**3,788**	**6,143**	**244**	**10,175**
Equities and other variable-income securities [(b) (d)]								
Gross value	48,020	1,478		48,020	37,875	1,059		38,934
Accrued interest	0	0		0	0	0		0
Impairment	0	0		0	0	(23)		(23)
Net carrying amount	**48,020**	**1,478**		**48,020**	**37,875**	**1,035**		**38,910**

(a) *For these categories of securities, the gross values shown in the "Securities held for sale" and "Securities held for investment" columns are the redemption value.*
(b) *Of which securities loaned for €32,420 million at December 31, 2021 versus €29,902 million as at December 31, 2020.*
(c) *Of which bonds and other listed fixed-income securities for €8,535 million at December 31, 2021 versus €9,327 million as at December 31, 2020.*
(d) *Of which shares and other listed variable-income securities for €49,344 million at December 31, 2021 versus €38,659 million as at December 31, 2020.*

Financial instruments not listed on active markets, recognized in short-term investments, trading securities and investment securities, represented an amount of €14,891 million at December 31, 2021.

For the first time on December 31, 2020, Natixis applied ANC Regulation No. 2020-10 of December 22, 2020, amending ANC Regulation No. 2014-07 specifically as regards the presentation of securities loans on the balance sheet. This change consists in presenting under "Other liabilities", the debt representing the securities borrowed, less the value of the securities borrowed (classified as trading securities on the balance sheet) and the value of the securities borrowed that have been loaned out (also classified as trading securities on the balance sheet).

Transfers of securities between categories

There were no transfers of securities between categories in 2020 or 2021.

6

Unrealized capital gains and losses in the investment portfolio

(in millions of euros)	**2021**	2020
Government securities and equivalent		
Unrealized capital gains	37	29
Unrealized capital losses	(26)	
Bonds and other fixed-income securities		
Unrealized capital gains	10	
Unrealized capital losses	(29)	(87)
Equities and other variable-income securities		
Unrealized capital gains	74	62
Unrealized capital losses	(14)	(11)

Note 7 Investments in subsidiaries and affiliates, investments, other long-term investments and treasury shares

(in millions of euros)	**2021**	2020
Investments	**97**	**95**
Outstanding	99	97
Current account advances	0	0
Translation adjustments	1	5
Impairment	(3)	(7)
Securities loaned	0	0
Other long-term investments	**218**	**58**
Outstanding [(a)]	230	75
Current account advances		
Translation adjustments		
Impairment	(12)	(17)
Securities loaned		
Accrued interest	**1**	**1**
INVESTMENTS AND OTHER SECURITIES HELD LONG-TERM	**316**	**154**
Investments in subsidiaries and affiliates	**12,803**	**13,510**
Outstanding [(b)]	13,205	13,796
Current account advances	6	6
Translation adjustments	65	71
Impairment [(c)]	(473)	(363)
Securities loaned	0	0
Accrued interest	**0**	**0**
INVESTMENTS IN SUBSIDIARIES AND AFFILIATES	**12,803**	**13,510**
Treasury shares	**10**	**17**
Securities held for trading	10	17
Securities held for sale	0	0
Securities loaned		
Long-term investments		
TREASURY SHARES	**10**	**17**

(a) Including in 2021 the transfer of Coface securities from the accounting category "Investments in subsidiaries and affiliates" to "Other securities held long-term" for an amount of €155 million.

(b) The main changes during 2021 related to:

(c) The main changes during 2021 related to:

- *Coface S.A.: disposals for a negative impact of €483 million and transfer of accounting category of the residual portion of €155 million ("Investments in subsidiaries and affiliates" to "Other long-term investments");*
- *total transmission of the assets and liabilities (TUP) of Crane, Phoenix and Investima 32 for a negative €20.6 million;*
- *the Natixis North America capital increase for a positive €63 million.*

(c) The main changes during 2021 related to:

- *Natixis Marco with an additional provision for a negative €92 million;*
- *Natixis Payments Holding company additional provisions for a negative €85 million;*
- *the impact of reversals of provisions on the securities of the companies subject to a TUP during the year for a positive €18 million;*
- *Contango with a reversal of provision for a positive €6 million;*
- *Coface S.A., with a reversal of the provision following the disposal for a positive €41 million.*

Note 8 Information on crossing thresholds following acquisitions in the capital of French companies for the 2021 fiscal year

The table below was drawn up in accordance with the provisions of Article L.247-1 of the French Commercial Code:

Breach of threshold of 5% of share capital		% as at 31/12/2021	Number of shares as at 31/12/2021
COFIMAGE 28	Not listed	76.00%	3,038
ECRINVEST 27	Not listed	100.00%	3,700
ECRINVEST 28	Not listed	100.00%	3,700
INVESTIMA 78	Not listed	100.00%	3,700
INVESTIMA 79	Not listed	100.00%	3,700

Note 9 Disclosures concerning subsidiaries and investments

Articles L.233-15 and R. 123-197 of the French Commercial Code

Companies or groups	Listed/ Not listed	Share capital *(in thousands of units)*		Shareholders' equity other than capital (A) *(in thousands of units)*		Share of capital 31/12/2021 *(in %)*
A – BREAKDOWN OF INVESTMENTS WITH A GROSS VALUE OF OVER 1% OF THE REPORTING COMPANY'S CAPITAL						
Subsidiaries and investments (holdings in excess of 10%)						
NATIXIS Investment ManagerS 43 AV PIERRE-MENDÈS-FRANCE 75013 Paris	NL	237,087	EUR	5,459,136	EUR	100.00%
NATIXIS ASSURANCES 30 AV PIERRE-MENDÈS-FRANCE 75013 Paris	NL	148,014	EUR	1,338,787	EUR	100.00%
NATIXIS Marco 47 QUAI D'AUSTERLITZ 75013 Paris	NL	700,119	EUR	10,806	EUR	100.00%
NATIXIS TRUST 51 AVENUE JOHN F. KENNEDY L-1855 Luxembourg	NL	609,865	EUR	134,367	EUR	100.00%
Coface S.A. 1 place Costes et Bellonte – CS20003 92276 Bois-Colombes	L	300,360	EUR	896,772	EUR	10.04%
NATIXIS Wealth Management 115 RUE MONTMARTRE 75002 Paris	NL	129,048	EUR	98,847	EUR	100.00%
NATIXIS PAYMENT HOLDING 30 AV PIERRE-MENDÈS-FRANCE 75013 Paris	NL	4,392	EUR	173,877	EUR	61.13%
NATIXIS NORTH AMERICA LLC 1251 of the Americas New York, NY 10020	NL	2,526,579	USD	(424,569)	USD	100.00%
NATIXIS JAPAN SECURITIES CO., LTD. 1-11-1, MARUNOUCHI, CHIYODA-KU Tokyo 100-6226	NL	18,000,000	JPY	1,849,004	JPY	100.00%
NATIXIS INNOV 47 QUAI D'AUSTERLITZ 75013 Paris	NL	150,060		4,899	EUR	100.00%
NATIXIS ALGÉRIE IMMEUBLE EL KSAR – ZONE D'AFFAIRES MERCURE – LOT 34/35 BAB EZZOUAR 16311 Alger	NL	20,000,000	DZD	1,234,170	DZD	100.00%
Natixis Pfandbriefbank AG Im Trutz Frankfurt 55 D-60322 Frankfurt am Main	NL	120,000	EUR	10,827	EUR	100.00%
CONTANGO TRADING S.A. 30 AV PIERRE-MENDÈS-FRANCE 75013 Paris	NL	90,100	EUR	(71,698)	EUR	100.00%
DF EFG3 LIMITED Maples Corporate Services Limited of PO Box 309, Ugland House, Grand Cayman, KY1-1104	NL	105,720	USD	(13,548)	USD	100.00%
Natixis Payment Solutions 30 AV PIERRE-MENDÈS-FRANCE 75013 Paris	NL	53,559	EUR	132,485	EUR	100.00%
Natixis Interépargne 30 AV PIERRE-MENDÈS-FRANCE 75013 Paris	NL	8,891	EUR	18,577	EUR	100.00%
B – TOTAL DISCLOSURES ON OTHER SUBSIDIARIES AND INVESTMENTS*						
21 – In French companies (aggregate)						
22 – In foreign companies (aggregate)						

* *Of which subsidiaries and investments not covered under paragraph A.*
(A) Excluding income for the year
(a) 2021 fiscal year.

Carrying amount of shares held (in thousands of euros)		Loans and advances agreed and not reimbursed (in thousands of euros)	Amounts of sureties, endorsements and others Guarantees (in thousands of euros)	NBI or revenue excl. VAT of the last fiscal year [(a)] (in thousands of euros)	Profit or loss of last year [(a)] (in thousands of euros)	Dividends cashed in 2021 (in thousands of euros)
Gross	Net					
				48,050	11,215	
				9,011	85,984	
				9,570	9,551	
				17,319	8,564	
				1,043	82,223	
				83,318	17,161	
				(108)	(6,598)	
				(7,216)	(95,477)	
				53,973	15,375	
				(970)	(990)	
				60,093	18,137	
				24,652	2,981	
				(4,061)	(5,076)	
				(26,153)	18,129	
				375,694	72,023	
				108,349	20,117	
267,490	256,949	846,851	-			15,628
228,664	194,929	9,271,353	6,268,438			1,088

Note 10 Treasury shares – Assets

(in euros)	Number purchased	Purchase price	Average purchase price	Amount sold or canceled	Sale price	Average sale price	Final shares	% of capital held
As at January 1, 2021	**337,399,702**	**1,540,392,358**	**4.57**	**336,538,123**	**1,429,294,403**	**4.25**	**861,579**	**0.03%**
Price stability	8,126,368	16,311,747	2.01	(6,526,366)	(18,123,028)	2.78		
As at December 31, 2021	**345,526,070**	**1,556,704,104**	**4.51**	**343,064,489**	**1,447,417,431**	**4.22**	**2,461,581**	**0.08%**

Nominal value of share: €1.60.

Note 11 Fixed assets

	2021			2020		
(in millions of euros)	Gross	Impairment and amortization	Net	Gross	Impairment and amortization	Net
Operating fixed assets	**2,066**	**(1,857)**	**209**	**2,044**	**(1,835)**	**209**
Intangible assets	1,426	(1,312)	114	1,413	(1,322)	91
Property, plant and equipment	640	(545)	95	631	(513)	118
Non-operating fixed assets	**1**	**(1)**	**0**	**1**	**(1)**	**0**
Intangible assets			0			0
Property, plant and equipment	1	(1)	0	1	(1)	0
INTANGIBLE ASSETS	**1,426**	**(1,312)**	**114**	**1,413**	**(1,322)**	**91**
PROPERTY, PLANT AND EQUIPMENT	**641**	**(546)**	**95**	**632**	**(514)**	**118**

	01/01/2021	Acquisitions	Transfers	Other	31/12/2021
Gross value					
Operating intangible assets	**1,413**	**47**	**(35)**	**1**	**1,426**
Goodwill	865	0	0	0	865
Software	502	4	(35)	5	476
Other intangible assets	46	43	0	(4)	85
Operating property, plant and equipment	**631**	**21**	**(17)**	**5**	**640**
Land and buildings	200	11	(5)	1	207
Other property, plant and equipment	431	10	(12)	4	433
Non-operating property, plant and equipment	**1**	**0**	**0**	**0**	**1**
Land and buildings	1	0	0	0	1
Other property, plant and equipment	0	0	0	0	0
TOTAL	**2,045**	**68**	**(52)**	**6**	**2,067**

	01/01/2021	Charges	Reversals	Other	31/12/2021
Depreciation and amortization					
Operating intangible assets	**(1,322)**	**(25)**	**35**	**0**	**(1,312)**
Goodwill	(864)	0	0	0	(864)
Software	(458)	(25)	35	0	(448)
Other intangible assets	0	0	0	0	0
Operating property, plant and equipment	**(513)**	**(46)**	**17**	**(3)**	**(545)**
Land and buildings	(147)	(21)	5	2	(161)
Other property, plant and equipment	(366)	(25)	12	(5)	(384)
Non-operating property, plant and equipment	**(1)**	**0**	**0**	**0**	**(1)**
Land and buildings	(1)	0	0	0	(1)
Other property, plant and equipment	0	0	0	0	0
TOTAL	**(1,836)**	**(71)**	**52**	**(3)**	**(1,858)**

Note 12 Accrual accounts and miscellaneous – Assets

(in millions of euros)	2021	2020
Options	8,205	10,173
Settlement accounts	21	13
Miscellaneous debtors	17,102	19,037
Inventory accounts and similar	507	798
OTHER ASSETS	**25,835**	**30,020**
Collection accounts	0	(0)
Adjustment accounts	3,858	3,410
Gains on financial instruments	129	378
Deferred charges and prepayments	330	300
Accrued income	277	268
Other accrual accounts	798	520
ACCRUAL ACCOUNTS	**5,392**	**4,876**

Note 13 Interbank and similar transactions

(in millions of euros)	2021	2020
Central banks, postal cheque accounts		
Debts due to credit institutions*	**178,313**	**119,541**
Sight	10,998	14,333
Forward	167,315	105,208
Interbank and similar transactions	**178,313**	**119,541**
** o/w repurchase agreements*	*44,853*	*40,178*
** o/w accrued interest*	*0*	*51*

The increase in interbank transactions includes the setting up of term loans and borrowings with BPCE in the amount of +€54.2 billion concluded in order to meet the constraints of the long-term liquidity ratio (NSFR: Net Stable Funding Ratio) that became mandatory on June 30, 2021. These Money Market transactions were entered into with separate exercise notice periods between lending transactions and borrowing transactions in order to enable Natixis to comply with a minimum ratio of 100%.

Note 14 Customer transactions

(in millions of euros)	**2021**	2020
Special savings accounts	**35**	**116**
Sight		
Forward	35	116
Other debts*	**94,942**	**100,016**
Sight	26,140	32,592
Forward	68,802	67,424
Customer transactions	**94,977**	**100,132**
** o/w repurchase agreements*	*58,114*	*67,381*
** o/w accrued interest*	*11*	*27*

Note 15 Debt securities

(in millions of euros)	**2021**	2020
Interbank market securities and negotiable debt securities	**33,040**	**30,580**
Bonds	**21,789**	**21,566**
DEBT SECURITIES	**54,829**	**52,146**
o/w non-amortizable share premiums	*275*	*242*

Note 16 Accrual accounts and miscellaneous – Liabilities

(in millions of euros)	**2021**	2020
Miscellaneous creditors	14,751	16,298
Securities transactions	24,628	20,606
o/w trading securities, other liabilities on securities	*24,622*	*20,592*
o/w accrued interest	*6*	*14*
Sold options	6,715	8,350
Securities transactions settlement accounts	10	
OTHER LIABILITIES	**46,104**	**45,254**
Unavailable accounts	22	17
Adjustment and suspense accounts	270	990
Losses on financial instruments	340	208
Deferred income and prepayments	20	60
Accrued charges	805	690
Other accrual accounts	1,053	1,193
ACCRUAL ACCOUNTS	**2,510**	**3,158**

Note 17 Provisions and impairment

(in millions of euros)	01/01/2021	Charges	Reversals	Translation adjustments	Other	31/12/2021
Provisions for impairment deducted from assets	**(1,896)**	**(661)**	**654**	**(35)**	**29**	**(1,909)**
Banks	(30)	0	6	0	0	(24)
Customers	(1,404)	(426)	507	(60)	8	(1,375)
Investments	(7)	(1)	7	0	(2)	(3)
Other long-term investments	(17)	(2)	37	0	(30)	(12)
Investments in subsidiaries and affiliates	(363)	(210)	47	0	53	(473)
Misc. securities and debtors	(75)	(22)	50	25	0	(22)
Provisions recognized in liabilities	**2,021**	**554**	**(532)**	**42**	**(9)**	**2,076**
Employee benefits	296	134	(56)	0	(4)	370
Off-balance sheet commitments	35	48	(45)	1	(1)	38
Country risk	325	59	(102)	1	0	283
Specific credit risk	1	0	(1)	0	0	0
Provisions for litigation	453	6	(66)	30	2	425
Sector risk	297	75	(135)	7	0	244
Forward financial instrument risk	56	(3)	(25)	0	0	28
Other	558	235	(102)	3	(6)	688

(in millions of euros)	01/01/2020	Charges	Reversals	Translation adjustments	Other	31/12/2020
Provisions for impairment deducted from assets	**(1,427)**	**(1,003)**	**489**	**43**	**2**	**(1,896)**
Banks	(48)	0	18	0	0	(30)
Customers	(991)	(857)	409	37	(2)	(1,404)
Investments	(10)	(12)	14	0	1	(7)
Other long-term investments	(20)	(9)	12	0	0	(17)
Investments in subsidiaries and affiliates	(261)	(117)	10	0	5	(363)
Misc. securities and debtors	(97)	(8)	26	6	(2)	(75)
Provisions recognized in liabilities	**2,264**	**406**	**(592)**	**(52)**	**(5)**	**2,021**
Employee benefits	237	103	(43)	0	(1)	296
Off-balance sheet commitments	49	19	(28)	(1)	(4)	35
Country risk	385	24	(82)	(2)	0	325
Specific credit risk	2	0	(1)	0	0	1
Provisions for litigation	491	5	(2)	(41)	0	453
Sector risk	220	159	(74)	(8)	0	297
Forward financial instrument risk	366		(310)	0	0	56
Other	514	96	(52)			558

NIT dispute

On December 18, 2019, the French antitrust body (Autorité de la Concurrence) announced that France's four historical meal voucher companies were to be fined a total of nearly €415 million for price fixing.

On a financial level, the fine incurred by Natixis came to €83.3 million (of which €4.4 million for Natixis Intertitres alone, with Natixis being severally liable for the balance).

Natixis has appealed this decision and believes it has numerous arguments in its defense with which to challenge it. Under these conditions, no provisions were booked in the financial statements at December 31, 2020 or December 31, 2021.

Note 18 Workforce and social liabilities (excluding Loyalty and Performance plans)

Changes in headcount

	31/12/2021	31/12/2020
Technical staff	2,640	2,428
Managers	4,802	5,076
NUMBER OF EMPLOYEES	**7,442**	**7,504**

Post-employment benefits and other long-term benefits

Main actuarial assumptions

	2021				2020			
	Post-employment defined-benefit plans		Other long-term employee benefits		Post-employment defined-benefit plans		Other long-term employee benefits	
By type of obligation	Supplementary pension benefits and other	End-of-career awards	Long-service awards	Other benefits	Supplementary pension benefits and other	End-of-career awards	Long-service awards	Other benefits
Discount rate	0.86%	0.75%	0.55%	0.70%	0.38%	0.25%	0.05%	(0.10)%
Expected return on plan assets	0.86%	2.86%	0.00%		0.78%	2.90%	0.50%	

Salary increase rates are calculatedd by grade based on a constant population and a three-year average. At December 31, 2021, this average (gross of inflation) was 2.68%, compared with 2.28% as at December 31, 2020.

The remaining average working lives of employees, for all plans, was 11.5 years versus 12.0 years as at December 31, 2020.

Employee benefits, plan assets and separate asset obligations

(in millions of euros)	31/12/2021	31/12/2020
Gross benefit obligation	552	511
Fair value of plan assets	(245)	(230)
Fair value of separate assets	(64)	(62)
NET OBLIGATION	**243**	**219**

Breakdown of net obligation by plan type

	2021					2020				
	Post-employment defined-benefit plans		Other long-term employee benefits			Post-employment defined-benefit plans		Other long-term employee benefits		
(in millions of euros)	Supple-mentary pension benefits and other	End-of-career awards	Long-service awards	Other benefits	Total	Supple-mentary pension benefits and other	End-of-career awards	Long-service awards	Other benefits	Total
Benefit obligation as at January 1										
Net obligations recognized	35	28	33	115	211	36	24	31	63	154
Unrecognized actuarial gains and losses	6	(8)	(2)	2	(2)	28	(10)	(2)	3	19
Unrecognized past service cost	1	6	3		10	1	7	3		11
Total net obligation as at January 1	**42**	**26**	**34**	**117**	**219**	**65**	**21**	**32**	**66**	**184**
Benefits paid over the period	(3)	(9)	(1)	(33)	(46)	(3)	(3)	(1)	(35)	(42)
Benefits vested over the period	1	8	3	66	78	1	7	3	17	28
Interest cost	1				1	2	1			3
Expected return on plan assets, gross	(4)	(3)			(7)	(3)	(3)			(6)
Change in management fees					0					0
Payments to the fund during the period					0	(1)				(1)
Payment fees					0					0
Plan amendments recognized over the period		3			3	(10)	1			(9)
Actuarial gains and losses recognized over the period			(1)		(1)	12			1	13
Other items	3			32	35	1			69	70
Change in obligation taken to income	**(2)**	**(1)**	**1**	**65**	**63**	**(1)**	**3**	**2**	**52**	**56**
Other items (change in consolidation scope, etc.)					0					0
Other changes recognized	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Actuarial gains and losses on benefit obligations	(13)	(5)	(1)	(1)	(20)	(13)	2			(11)
Actuarial gains and losses on return on plan assets	(15)				(15)	3				3
Other actuarial gains and losses		1			1					0
Change in actuarial gains and losses not recognized	**(28)**	**(4)**	**(1)**	**(1)**	**(34)**	**(10)**	**2**	**0**	**0**	**(8)**
Plan amendments over the period					0	(10)				(10)
Other items		(1)			(1)					0
Other changes not recognized	**0**	**(1)**	**0**	**0**	**(1)**	**(10)**	**0**	**0**	**0**	**(10)**
Benefit obligation as at December 31										
Net obligations recognized	33	26	33	180	272	35	28	33	115	211
Unrecognized actuarial gains and losses	(21)	(12)	(2)	1	(34)	6	(8)	(2)	2	(2)
Unrecognized past service cost		2	3		5	1	6	3		10
TOTAL NET OBLIGATION AS AT DECEMBER 31	**12**	**16**	**34**	**181**	**243**	**42**	**26**	**34**	**117**	**219**

Note 19 Subordinated debt

(in millions of euros)	2021	2020
Dated subordinated debt	**4,076**	**3,676**
Subordinated notes	226	726
Subordinated loans	3,850	2,950
Perpetual subordinated debt	**2,344**	**2,108**
Participating loans		
Subordinated notes	1,466	2,108
Subordinated loans	878	
Accrued interest	**23**	**26**
	6,443	**5,810**

Debt representing 10% of the total amount of subordinated debt

Date of issuance	Maturity date	Currency	Amount of issuance	Frequency of coupon	Rate and duration before first redemption date	Rate after first redemption date	2021	2020	Liabilities convertible into equity	Condition of subordination (next higher rank)
14/06/2021	14/06/2031	EUR	900,000,000	Quarterly	€STR + 133 bp	€STR + 133 bp	900,000,000.00	0.00	Non-convertible	SNP
13/12/2021	14/03/2033	EUR	900,000,000	Quarterly	€STR + 156 bp	€STR + 156 bp	900,000,000.00	0.00	Non-convertible	SNP
29/07/2015	29/07/2027	EUR	1,000,000,000	Quarterly	Euribor 3M +230 bp	No redemption clause	1,000,000,000.00	1,000,000,000.00	Non-convertible	Unsecured creditors

Perpetual deeply subordinated notes

Natixis issued perpetual deeply subordinated notes which offer unit-holders fixed rate or variable rate compensation and which may be redeemed at the end of a set period and then at each coupon anniversary date. In the event of non-redemption at the end of this period, for some of these issues, a variable coupon indexed to the Euribor or Libor will be paid.

The contractual conditions of deeply subordinated notes state that the issuer may suspend (in whole or in part) the payment of interest, as non-paid coupons are not deferred.

Due to the existence of a loss-absorption clause, the nominal value of the securities may be reduced in the event of regulatory capital inadequacy to serve as a new basis for determining coupon amounts. The original nominal value may however be reconstituted under certain conditions.

In the event of the liquidation of Natixis and regardless of any reduction to the securities' original nominal value, unit-holders will bear their securities at their original nominal value.

Redeemable Subordinated Debt

Redeemable subordinated debt issued by Natixis includes medium- or long-term loans or securities equivalent to ordinary subordinated debt. They are redeemable before the contractual maturity date in the event of liquidation of the issuer, and rank after other creditors but before holders of the super subordinated notes.

Following approval by the banking supervisory authority and at the initiative of the issuing company, redeemable subordinated debt may be subject to early redemption through repurchasing on the stock market, or over the counter in the case of private debt, as of a date set in the issue notice or purchase agreement or in the event of changes to current tax and regulatory rules. In all cases, these redemptions are subject to the approval of the banking supervisory authorities.

Note 20 Regulated provisions

(in millions of euros)	Revaluation reserve for depreciable fixed assets	Provisions for investment	Accelerated depreciation	Public funds assigned	Total
As at January 1, 2020	**0**	**0**	**0**	**2**	**2**
Charges					0
Reversals					0
Other					0
Activity in 2020	**0**	**0**	**0**	**0**	**0**
BALANCE AS AT DECEMBER 31, 2020	**0**	**0**	**0**	**2**	**2**
As at January 1, 2021	**0**	**0**	**0**	**2**	**2**
Charges					0
Reversals					0
Other				43	43
Activity in 2021	**0**	**0**	**0**	**43**	**43**
BALANCE AS AT DECEMBER 31, 2021	**0**	**0**	**0**	**45**	**45**

Note 21 Share capital, issue premiums, reserves and carry forward

(in millions of euros)	Share capital	Issue premium	Legal reserve	General reserve	Long-term capital gains regulated reserve	Other reserves	Retained earnings	Total
As at January 1, 2020	**5,045**	**7,426**	**533**	**1,205**	**0**	**2**	**1,008**	**15,219**
Appropriation of 2019 earnings							2,242	2,242
Free share allocation	5			(5)				0
Activity in 2020	**5**	**0**	**0**	**(5)**	**0**	**0**	**2,242**	**2,242**
BALANCE AS AT DECEMBER 31, 2020	**5,050**	**7,426**	**533**	**1,200**	**0**	**2**	**3,250**	**17,461**
As at January 1, 2021	**5,050**	**7,426**	**533**	**1,200**	**0**	**2**	**3,250**	**17,461**
Appropriation of 2020 earnings							(46)	(46)
Free share allocation	3			(3)				0
Activity in 2021	**3**	**0**	**0**	**(3)**	**0**	**0**	**(46)**	**(46)**
BALANCE AS AT DECEMBER 31, 2021	**5,053**	**7,426**	**533**	**1,197**	**0**	**2**	**3,204**	**17,415**

At December 31, 2021, the share capital was composed of 3,157,958,331 shares, each with a nominal value of €1.60. All shares confer the same rights on their holders, except for treasury shares, which have no voting rights.

The capital increase in fiscal year 2020 corresponds to the allocation of 2,873,020 free shares to certain Natixis employees as part of the Loyalty and Performance plans.

The capital increase in fiscal year 2021 corresponds to the allocation of 2,006,829 free shares to certain Natixis employees as part of the Loyalty and Performance plans.

Note 22 Transactions with subsidiaries and affiliates

(in millions of euros)	**2021**	2020
Assets		
Advances to banks	96,945	52,861
Customer loans	37,337	35,334
Bonds and other fixed-income securities	4,037	3,317
Equities and other variable-income securities	3,028	3,341
Liabilities		
Amounts due to credit institutions	119,262	72,744
Amounts due to customers	20,470	24,158
Debt securities	322	407
Subordinated debt	5,300	5,046
Off-balance sheet		
Financing commitments given to:		
▪ banks	3,302	28,067
▪ customers	9,776	10,277
Guarantees provided on behalf of:		
▪ banks	3,706	5,120
▪ customers	6,517	6,464

Under Article 1124-61 of Regulation No. 2014-07 on transactions between related parties, Natixis has no additional information to disclose, since these transactions are either excluded from the reporting scope (wholly-owned subsidiaries), or entered into under normal market conditions.

Note 23 Statement of assets, liabilities and commitments related to the management of public procedures

(in millions of euros)	**2021**	2020
Customer transactions	904	886
Other asset accounts	7	
TOTAL ASSETS	**911**	**886**
Interbank and similar transactions	46	46
Customer transactions	1,007	987
Other liabilities		8
Public funds assigned	45	2
TOTAL LIABILITIES	**1,098**	**1,043**

Note 24 Interest and similar income

(in millions of euros)	**2021**	2020
Interest and similar income	**5,167**	**5,596**
Interbank transactions	1,150	1,694
Customer transactions	2,015	1,934
Bonds and other fixed-income securities	151	181
Other interest and similar income	1,851	1,788
Interest and similar expenses	**(4,067)**	**(4,554)**
Interbank transactions	(1,108)	(1,271)
Customer transactions	(755)	(641)
Bonds and other fixed-income securities	(1,095)	(1,349)
Other interest and similar expenses	(1,109)	(1,294)
	1,100	**1,042**

Of which -€159 million in interest expense on subordinated debt at December 31, 2021 versus -€176 million as at December 31, 2020.

Negative interest on assets is presented under "Interest and similar expenses"; negative interest on liabilities is presented under "Interest and similar income". At December 31, 2021, the negative interest on financial assets and liabilities amounted to €241.4 million and €271 million respectively.

Note 25 Income from variable-income securities

(in millions of euros)	**2021**	2020
Investment in subsidiaries and affiliates	300	752
Investment in associates and other long-term investments		
Equities and other variable-income securities	7	5
TOTAL	**307**	**757**

Note 26 Commissions

	2021		2020	
(in millions of euros)	**Income**	**Expense**	Income	Expense
Customer transactions	436	(5)	368	(5)
Securities transactions	2	(144)	2	(170)
Forward financial instruments	55	(45)	68	(46)
From financing and guarantee commitments	117	(78)	117	(74)
From other off-balance sheet commitments	114	(37)	113	(24)
From foreign exchange transactions		(10)		(8)
From other financial services	11	(9)	15	(11)
From payment services	38	(45)	32	(38)
Ancillary income	7		7	
Other	21		91	
TOTAL	**801**	**(373)**	**811**	**(377)**

Note 27 Profit from trading portfolios

(in millions of euros)	2021	2020
Net gains/(losses) on securities held for trading	9,777	(1,349)
Net gains/(losses) on foreign exchange transactions	(713)	430
Net gains/(losses) on forward financial instruments	(7,769)	1,887
TOTAL	**1,295**	**968**

Note 28 Gains or losses on investment and similar portfolio transactions

(in millions of euros)	2021	2020
Securities held for sale		
Gains on disposal	69	59
Losses on disposal	(25)	(275)
Net impairment (Charge)/Reversal	66	(40)
TOTAL	**110**	**(256)**

Note 29 Other operating banking income and expenses

(in millions of euros)	2021	2020
Expenses from income sharing agreements	0	0
Ancillary income	245	275
Share of income from joint banking ventures	5	5
Transfers of operating banking expenses	2	2
Other	(65)	(81)
TOTAL	**187**	**200**

Note 30 Operating expenses

(in millions of euros)	**2021**	2020
Payroll costs	**(1,434)**	**(1,225)**
Wages and salaries	(876)	(803)
Social security expenses [(a)]	(352)	(287)
Incentive and profit-sharing plans	(82)	(30)
Taxes on income	(70)	(70)
Rebilled expenses	24	25
Provisions for Risks and Expenses [(b)]	(78)	(60)
Other administrative expenses	**(1,200)**	**(1,104)**
Taxes and levies [(c)]	(186)	(209)
External services	(1,258)	(1,031)
Rebilled expenses	244	137
Depreciation, amortization and impairment of property, plant and equipment and intangible assets	**(71)**	**(80)**
Charges	**(71)**	**(80)**
TOTAL	**(2,705)**	**(2,409)**

(a) Including pension expenses of €77 million at December 31, 2021 compared with €75 million as at December 31, 2020.
(b) Including a net allocation of €14.8 million for the Company Redeployment Plan.
(c) Including a contribution of €130 million to the Single Resolution Fund (SRF) at December 31, 2021, versus €160 million as at December 31, 2020.

Note 31 Cost of risk

(in millions of euros)	**2021**	2020
Cost of risk on assets	**(134)**	**(675)**
Non-performing loans:	**(130)**	**(675)**
Impairment charges	(303)	(764)
Reversals of impairment charges	417	349
Losses covered	(241)	(265)
Losses not covered	(7)	(2)
Recoveries of bad debts written off	4	7
Securities:	**(4)**	**0**
Impairment charges	(4)	0
Reversals of impairment charges	43	25
Losses covered	(43)	(25)
Cost of risk on liabilities	**167**	**(17)**
On country and sector risks:	**103**	**(27)**
Charges to provisions	(134)	(183)
Reversals of provisions	237	156
Risks and charges:	**64**	**10**
Charges to provisions	(54)	(26)
Reversals of provisions	118	36
TOTAL	**33**	**(694)**

Note 32 Gains or losses on fixed assets

(in millions of euros)	**2021**	2020
Long-term investments		
Investments and other long-term securities held	**(114)**	**(110)**
Gains	13	11
Losses	(10)	(19)
Impairment charges	(213)	(138)
Reversals of impairment charges	92	36
Provisions for risks and other expenses	(1)	(2)
Reversals of provisions for risks and other expenses	5	1
Securities held for investment	**0**	**0**
Gains	0	0
Property, plant and equipment and intangible assets	**0**	**0**
TOTAL	**(114)**	**(110)**

Note 33 Income tax

(in millions of euros)	**2021**	2020
Tax at standard rate	(60)	(11)
Tax at reduced rate		
Tax credits	5	14
Impact of tax consolidation	146	217
Other items	(175)	(9)
Carry Back		
TOTAL	**(84)**	**211**

Tax calculation

The tax consolidation agreement in force at Natixis up to December 31, 2021 was based on the principle of neutrality, whereby each subsidiary determines its tax and contributes to the Group tax as if it were not consolidated.

Any tax savings or expense generated by consolidation is recognized by Natixis as the parent company.

Any losses transferred to the parent company give rise to a provision for restitution of corporate tax, deemed to offset the additional group tax incurred if subsidiaries return to profit, and their tax contribution is decreased by the amount of prior year losses.

As a result of the repurchase of Natixis shares from minority shareholders, carried out by BPCE in 2021, the Natixis tax consolidation group ended on December 31, 2021. The consequences of the end of the tax consolidation group were recognized at December 31, 2021.

Note 34 Geographical information

(in millions of euros)	2021						2020					
	France	**Others Europe [(a)]**	**Americas**	**Asia**	**Other**	**Total**	France	Others Europe [(a)]	Americas	Asia	Other	Total
Interest and similar income and expenses	269	213	381	232	5	1,100	471	228	121	218	4	1,042
Income from variable-income securities	307	0	0			307	730	1	26			757
Fee and commission income and expenses	146	74	151	57	0	428	138	62	202	31	1	434
Net income from investment and trading portfolio transactions	1,363	11	3	32	(4)	1,405	591	78	(2)	36	9	712
Other operating banking income and expenses	198	4	(16)	0	0	186	212	3	(9)	(7)	0	200
TOTAL NET BANKING INCOME	**2,283**	**302**	**519**	**321**	**1**	**3,426**	**2,142**	**372**	**338**	**278**	**14**	**3,145**

(a) Including United Kingdom.

Note 35 Off-balance sheet – Forward financial instruments

(in millions of euros)	**Notional 2021**	Notional 2020
On organized markets	**305,422**	**269,680**
Forward transactions	301,393	269,680
Options	4,029	0
Over the counter	**7,777,598**	**4,963,630**
Forward transactions	7,245,640	4,444,705
Options	531,958	518,925
INTEREST RATE INSTRUMENTS	**8,083,020**	**5,233,310**
On organized markets	**200**	**583**
Forward transactions	200	583
Options		
Over the counter	**268,061**	**251,666**
Forward transactions	55,762	42,163
Options	212,299	209,503
EXCHANGE RATE INSTRUMENTS	**268,261**	**252,250**
On organized markets	**121,463**	**106,988**
Forward transactions	56,323	37,195
Options	65,140	69,793
Over the counter	**184,134**	**192,486**
Forward transactions	127,898	124,557
Options	56,236	67,929
OTHER INSTRUMENTS	**305,597**	**299,474**
o/w hedges		
▪ on interest rate instruments	24,424	35,418
▪ on exchange rate instruments	3	23
▪ on other instruments	3,148	2,386
o/w macro hedging transactions	533,370	122,221
o/w isolated open positions	222	351

6

Counterparty risk exposure

	Counterparty risk exposure [a]
Governments and central banks	10,312
Financial institutions	29,724
Other	15,367
TOTAL	**55,403**

(a) *Exposure calculated based on current Basel 3 standards.*

Information on risk management is presented in Section 3.5 of Chapter 3 "Credit and counterparty risks".

Fair value of forward financial instruments

(in millions of euros)	2021	2020
Interest rate instruments		
Positive fair value	30,277	38,612
Negative fair value	26,709	33,684
Exchange rate instruments		
Positive fair value	18,624	9,742
Negative fair value	18,681	10,493
Other instruments		
Positive fair value	6,176	5,561
Negative fair value	7,015	6,326

Note 36 Off-balance sheet – Commitments

(in millions of euros)	2021	2020
Financing commitments	**97,864**	**108,439**
Banks	27,953	48,423
Customers	69,911	60,016
Guarantee commitments	**36,972**	**29,202**
Banks	7,060	7,861
Customers	29,912	21,341
Commitments on securities	**6,771**	**9,117**
Other commitments	**19,015**	**20,008**
TOTAL COMMITMENTS GIVEN	**160,622**	**166,765**
Financing commitments	**40,566**	**46,623**
Banks	36,073	44,162
Customers	4,493	2,461
Guarantee commitments	**20,418**	**8,937**
Banks	20,418	8,937
Commitments on securities	**6,738**	**7,702**
Other commitments	**12,156**	**7,726**
TOTAL COMMITMENTS RECEIVED	**79,878**	**70,988**

Note 37 Foreign exchange transactions, foreign currency loans and borrowings

(in millions of euros)	2021	2020
Spot transactions		
Currencies purchased and not received	23,548	18,499
Currencies sold and not delivered	23,486	18,287
Foreign currency lending/borrowing		
Currencies loaned and not delivered		
Currencies borrowed and not received		
Forward exchange		
Euros receivable/currencies deliverable	528,585	414,644
Currencies receivable/euros deliverable	562,396	433,633
Currencies receivable/currencies deliverable	293,657	237,676
Currencies deliverable/currencies receivable	293,048	237,461
Premium/discount receivable	1,762	1,656
Premium/discount payable	1,577	1,403

Note 38 Jobs, resources by maturity

(in millions of euros)	<= 3 months	3 months to 1 year	1 to 5 years	> 5 years	Perpetual	Total
Advances to banks	40,291	62,563	11,289	9,543	0	123,686
Customer transactions	64,658	14,975	28,623	9,258	812	118,326
Bonds and other fixed-income securities	1,082	1,210	3,878	3,191	0	9,361
Jobs	**106,031**	**78,748**	**43,790**	**21,992**	**812**	**251,373**
Debts due to credit institutions	75,177	22,660	77,716	2,760	0	178,313
Customer transactions	86,862	2,758	1,320	4,037	0	94,977
Debt securities	16,130	18,331	3,748	16,620	0	54,829
Resources	**178,169**	**43,749**	**82,784**	**23,417**	**0**	**328,119**

Note 39 Establishments and operations in non-cooperative states or territories within the meaning of Article 238-0A of the French General Tax Code

Article L.511-45 of the French Monetary and Financial Code and the Ministerial Order of October 6, 2009, require banks to disclose in a note to their financial statements their establishments and operations in States and territories that do not have an administrative assistance agreement with France aimed at countering fraud and tax evasion, which provides access to banking information.

These obligations form part of the global struggle against territories that are non-cooperative on tax matters based on the work of various OECD working groups and summits, and are also part of the fight against money laundering and the financing of terrorism.

Monitoring of Natixis' subsidiaries and branches in non-cooperative countries forms an integral part of Natixis' risk monitoring process overseen by the Risk function. This process involves:

- local Risk Officers/functions that have a functional link to the central Risk Department;
- ad hoc reporting procedures that respect local constraints but also comply with overall risk requirements.

At December 31, 2021, in accordance with the above-mentioned Article, Natixis hereby reports that it has:

- in Panama, €70 million in outstanding financing (net of provisions) and €121 million in loan commitments given;
- in the British Virgin Islands, financing outstandings (net of provisions) of €121 million.

Company financial results over the last five financial years Articles 133, 135 and 148 of the decree on commercial companies

Category	2017	2018	2019	2020	2021
Financial position at year-end					
Share capital	5,019,776,380.80	5,040,461,747.20	5,044,925,571.20	5,049,522,403.20	5,052,733,329.60
Number of shares issued	3,137,360,238	3,150,288,592	3,153,078,482	3,155,951,502	3,157,958,331
Number of bonds redeemable in shares	0	0	0	0	0
Number of bonds convertible into shares	0	0	0	0	0
Overall results of effective operations					
Revenues net of tax	24,812,396,935.44	31,465,230,299.13	23,040,275,032.80	26,296,468,149.97	32,895,241,124.13
Income before tax, depreciation, amortization and provisions	1,058,912,618.73	1,610,377,425.74	2,205,278,559.53	369,564,682.90	526,221,628.27
Income taxes	255,217,927.59	269,538,633.33	120,723,077.77	211,515,956.27	(84,376,911.41)
Income after tax, depreciation, amortization and provisions	1,678,182,285.17	1,834,308,793.77	2,242,111,898.15	142,691,880.31	555,173,956.59
Amount of dividends distributed [(a)]	1,160,823,288.06	2,457,225,101.76	0.00	189,357,090.12	789,489,582.75
Operational result per share					
Income after tax, but before depreciation, amortization and provisions	0.42	0.60	0.74	0.18	0.14
Income after tax, depreciation, amortization and provisions	0.53	0.58	0.71	0.05	0.18
Dividend per share	0.37	0.78	0.00	0.06	0.25
Employees					
Number of employees	7,513	7,462	7,255	7,504	7,442
Total payroll costs	899,121,895.31	916,160,105.76	916,358,847.83	801,847,788.90	876,012,387.95
Social security and other employee benefits	503,004,737.45	421,145,026.49	523,163,629.26	317,843,440.76	433,842,274.88

(a) of which in 2018:

- *an ordinary dividend of €945,086,577.60;*
- *a special dividend of €1,512,138,524.16.*

Of which in 2021: subject to approval by the Ordinary General Shareholders' Meeting.

6.2 Statutory Auditors' report on the parent company financial statements

Fiscal year ended December 31, 2021

To the General Shareholders' Meeting of NATIXIS S.A.

Opinion

In compliance with the assignment entrusted to us by the General Shareholders' Meeting, we carried out the audit of the parent company financial statements of NATIXIS for the fiscal year ended December 31, 2021, as appended to this report.

In our opinion, the parent company financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company for the past fiscal year and of the results of its operations for the year then ended in accordance with French accounting principles.

The opinion expressed above is consistent with the content of our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with 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 those standards are further described in the "Statutory Auditors' responsibilities for the audit of the financial statements" section of our report.

Independence

We conducted our audit engagement in compliance with the independence rules applicable to us, for the period from January 1, 2021 to the date of our report and in particular we did not provide any services that are prohibited under Article 5(1) of Regulation (EU) No. 537/2014 or under the French Commercial Code or the French Code of Ethics (code de déontologie) for Statutory Auditors.

Observation

Without calling into question the opinion expressed above, we draw your attention to the points set out in Note 2 to the annual financial statements concerning the valuation and accounting rules for retirement commitments and similar benefits and the changes for the recognition and presentation of currency swaps.

Justification of assessments – Key audit matters

The global crisis related to the Covid-19 pandemic has created particular conditions for preparing and auditing the financial statements for this fiscal year. The crisis and the exceptional emergency health measures taken have had multiple consequences for companies, particularly in respect of their activity and financing and have caused increased uncertainties for their future outlook. Some of these measures, such as travel restrictions and remote working, have also had an effect on the internal organization of companies and on the arrangements for conducting audits.

It is in this complex and evolving context that, in application of the provisions of Articles L.823-9 and R.823-7 of the French Commercial Code pertaining to justification of our assessment, we bring to your attention key points of the audit as they pertain to the risk of material misstatement which, in our professional judgment, were the most important for the audit of the annual financial statements for the fiscal year, as well as the responses we have provided to these risks.

These assessments are made in the context of the audit of the consolidated financial statements taken as a whole and the formation of our opinion expressed above. We do not provide a separate opinion on specific items of the annual financial statements.

Impairment of customer loans and receivables on an individual basis

Risk identified and main judgments

As part of its financing activities within the Corporate & Investment Banking division, Natixis recognizes provisions on an individual basis to cover incurred credit losses on loans and receivables granted to customers.

The persistence of the Covid-19 pandemic situation and its effects on the economic environment are likely to affect the repayment capacity of borrowers with contrasting situations depending on the geographical areas and sectors of activity. Government measures to support the economy specific to each country continued to be deployed (short-time working arrangements, loans guaranteed by the State, etc.).

The determination of individual impairment allowances for non-performing loans requires a significant amount of judgment, particularly in terms of identifying impairment and calculating the impairment loss to be recognized.

We considered individual impairment to be a key audit matter as it is an area where estimation plays a significant role in the preparation of the financial statements.

Receivables due from customers amounted to €118,326 million at December 31, 2021. The cost of risk on doubtful receivables amounted to €130 million at December 31, 2021.

Please refer to paragraph 1 of Note 2, and to Notes 5 and 31 of the notes to the financial statements for more details.

Our audit approach

Our work was adapted to take account of changes in risk and the increased degree of uncertainty. We appreciated the relevance of the internal Natixis control system and in particular its adaptation to the crisis.

We evaluated the design and tested the effectiveness of the key controls put in place by Natixis, in particular those related to:

- the identification of indicators of impairment (such as past-due payments) and the counterparty rating process;
- the classification of exposures as non-performing;
- the monitoring and valuation of guarantees;
- the determination of individual impairment losses on non-performing loans and the associated governance and validation system.

In addition, we carried out a credit review over a sample of files selected based on materiality and risk criteria, particularly files exposed to the business sectors most affected by the health crisis. In this review we:

- took note of the latest available information on the situation of sensitive and non-performing counterparties;
- performed independent analyses of the assumptions used and the estimates of provisions drawn up by management based on information provided by the institution and external data;
- verified that estimated impairment allowances were correctly recognized.

We also verified the information detailed in the notes on impairment of customer loans and receivables.

Provisions for legal and compliance risks

Risk identified and main judgments

Natixis is involved in litigation before the courts and is the subject of investigations and requests for information from regulatory and tax authorities in different jurisdictions.

The assessment of the resulting legal and compliance (including tax) risks reflects management's estimates as of the reporting date.

The recognition of a provision and determination of its amount as well as the financial information disclosed require, by their very nature, the exercise of judgment, not least because of the difficulty of estimating the outcome and financial consequences of ongoing proceedings.

We therefore considered provisions for legal and compliance risks to be a key audit matter given the sensitivity of these provisions to the assumptions and options adopted by management.

Provisions for litigation and other risks amounted to €1,113 million at December 31, 2021 (see Note 17 to the annual financial statements).

For more details, please refer to paragraph 10 of note 2 and note 17 of the notes to the financial statements.

Our audit approach

We examined the identification, assessment and provisioning arrangements for legal and compliance risks.

We took note of the status of ongoing proceedings and the main risks identified by Natixis, including through regular discussions with management (and more specifically Natixis' Legal, Compliance and Tax Departments) and by reviewing the documentation made available to us.

Our work also involved assessing the reasonableness of the assumptions and data used by management to estimate the amount of provisions recognized at the reporting date. In particular, we engaged tax law specialists to conduct a critical review of analyses of the tax risks identified by Natixis and the related provisions.

We also carried out confirmation procedures with Natixis' legal advisors regarding ongoing proceedings.

Finally, we checked that the provisions thus measured were correctly recognized and verified the related disclosures in the notes to the parent company financial statements.

Valuation of financial instruments not quoted on an active market

Risk identified and main judgments

As part of its capital markets activities within the Corporate & Investment Banking division, Natixis holds a significant portion of financial instruments on its balance sheet that are not quoted on an active market.

The determination of the market value of these financial instruments is based on valuation techniques that include a significant amount of judgment in the choice of methodologies and data used, given:

- the use of internal valuation models;
- the use of valuation inputs unobservable on the market;
- additional valuation adjustments made, to reflect certain market, counterparty or liquidity risks.

We considered financial instruments not quoted on an active market to be a key audit matter due to the material nature of the exposures and the use of judgment in determining fair value.

Financial instruments not listed on active markets are broken down into Government securities and equivalent, receivables due from credit institutions and transactions with customers.

Please refer to paragraphs 1 and 2 of Note 2, and to Notes 4, 5, 6, 27 and 28 to the parent company financial statements for more details.

Our audit approach

We examined the internal control procedures and systems for the identification, valuation and accounting of financial instruments not quoted on an active market.

We tested the effectiveness of the controls that we deemed relevant to our audit, including those relating to:

- the validation and periodic review, by the Risk division, of valuation models and related adjustments;
- the independent verification of valuation inputs;
- the determination of the main valuation adjustments, as well as the value adjustments made.

We carried out these checks with the assistance of our valuation specialists, with whom we also carried out independent valuations by examining, on a sample basis, the assumptions, methodologies and models used to estimate the main valuation adjustments as at December 31, 2021.

We also examined, on a sample basis, any variances in margin calls with Natixis' market counterparties, which helped us assess the appropriateness of the valuations.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law and regulations.

Information given in the management report and in the other documents on the financial position and the financial statements provided to shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the other documents on the financial position and the financial statements provided to shareholders.

The fair presentation and the consistency with the financial statements of the information relating to payment terms mentioned in Article D.441-6 of the French Commercial Code leads us to make the following observation: as indicated in the management report, this information does not include banking transactions and related transactions, as your Company considers that they do not fall within the scope of information to be reported.

Report on corporate governance

We certify the existence, in the section of the management report of the Board of Directors devoted to corporate governance, of the information required under Articles L.225-37-4, L.22-10-10 of the French Commercial Code.

Other verifications or information provided for by French law and regulations

Format of the annual financial statements included in the annual financial report

In accordance with professional standards on the statutory auditors' procedures relating to the annual and consolidated financial statements presented using the single European electronic information format, we have also verified compliance with this format defined by the European delegated regulation No. 2019/815 of December 17, 2018 in the presentation of the annual financial statements included in the annual financial report mentioned in I of Article L. 451-1-2 of the French Monetary and Financial Code, prepared under the responsibility of the Chief Executive Officer.

On the basis of our work, we conclude that the presentation of the annual financial statements included in the annual financial report respects, in all material respects, the single European electronic information format.

Appointment of the Statutory Auditors

We were appointed Statutory Auditors of Natixis S.A. by the General Shareholders' Meetings held on May 24, 2016 in the case of PricewaterhouseCoopers Audit, and on June 16, 1998 in the case of Deloitte & Associés (taking into account the mergers of firms that have occurred since that date). The appointment was previously held by other entities of the Deloitte network for which the full history of appointments cannot be established.

As at December 31, 2021, PricewaterhouseCoopers Audit was in its sixth year of appointment without interruption. As of that date, the length of Deloitte & Associés' uninterrupted appointment was over 20 years, including 16 years since the combination of the Ixis business of the Caisse Nationale des Caisses d'Epargne (CNCE) and the Natexis Banques Populaires business of Banque Fédérale des Banques Populaires (BFBP), which on November 17, 2006 resulted in the incorporation of Natixis through the transfer of CNCE's subsidiary shares and equity investments to the Natexis Banques Populaires entity, which was renamed Natixis.

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

Management is responsible for the preparation and fair presentation of the parent company financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of parent company financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company 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 is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and, where applicable, the General Inspection of procedures for preparing and processing accounting and financial information.

The parent company financial statements have been approved by the Board of Directors.

Statutory Auditors' responsibilities for the audit of the parent company financial statements

Objectives and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from 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 of users taken on the basis of these parent company financial statements.

As specified in Article L.823-10-1 of the French Commercial Code, our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditor exercises professional judgment throughout the audit. In addition, he/she:

- identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his 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 internal control 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 and related disclosures made by management in the parent company 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 his 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, there is a requirement to draw attention in the audit report to the related disclosures in the parent company 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 financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also make it aware, when appropriate, of any significant weaknesses we have identified in the internal control system in terms of procedures for preparing and processing accounting and financial information.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the parent company financial statements of the current period and which therefore constitute key audit matters, which we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.822-10 to L.822-14 of the French Commercial Code and in the French Code of Ethics for Statutory Auditors. Where appropriate, we discuss any risks to our independence and the related safeguard measures with the Audit Committee.

Neuilly-sur-Seine and Paris La Défense, March 11, 2022

The Statutory Auditors

PricewaterhouseCoopers Audit	Deloitte & Associés
Emmanuel BENOIST	Charlotte VANDEPUTTE

7

ACCOUNTABILITY REPORT ENVIRONMENTAL AND SOCIAL RESPONSIBILITY 2021

7.1 Strategic outlines and organization of the ESR policy

7.1.1 Strategic pillars of ESR

As a significant player in the financing of the economy, Natixis intends to play a role in the transition to sustainable development and, through its business lines, contributes to creating value for all of its internal and external stakeholders. ESR was one of the levers of the New Dimension strategic plan (2018-2020), and Natixis' ambition has been strengthened as part of the new plan, which expires in 2024, with the stated desire to **strengthen our commitment to the energy transition and SRI finance with a "Net Zero" alignment objective**.

This commitment is accompanied by ambitious objectives in all Natixis business lines and functions:

- assert our status as **financial partner of choice for our customers for their energy transition strategy**, drawing on the expertise of our Green & Sustainable Hub, with a 1.7-fold increase in Natixis CIB's green revenues;
- **positioning ESG at the heart of our Asset Management and Insurance activities** with more than 50% of the assets under management of Natixis Investment Managers, i.e. more than €600 billion, in the sustainable or impact investment category by 2024;
- **align our balance sheet and investments on a net zero trajectory** in line with the Paris Agreement and a +1.5°C target and based on our Green Weighting Factor methodology;
- offering our clients SRI finance solutions focused on **natural and social capital**;
- operate at a **higher level of corporate responsibility**, in particular for our direct impacts on the environment, with a 20% reduction in the carbon footprint per employee.

Our Social and Environmental Responsibility policy is focused on three key priorities

GREEN AND SUSTAINABLE BUSINESS DEVELOPPEMENT
contribute to the global energy transition and develop a sustainable economic model with our clients

DIRECT IMPACT & ONBOARDING
employees' commitment, management of direct impacts on the environment, responsible purchasing policy, solidarity initiatives

RISK MANAGEMENT
integration of ESG criteria in our financings and investments

Our ESR key performance indicators

BUSINESS

ASSET MANAGEMENT

Share of responsible, sustainable and impact investments (1)

33%

FINANCING

Green Weighting Factor (2)

23% Green
vs. 29% in 2020
33% Neutral
vs. 30% in 2020
44% Brown
vs. 41% in 2020

Share of renewable energies (3)

80%
vs. 65% in 2020

INSURANCE

Portfolio temperature (4)

2.4°C
vs. 2.7°C in 2020

RISK

Number of transactions analyzed by the ESR Risk team

365
vs. 224 in 2020

Share of assets most exposed to climate risk transition

6.4%
vs. 12.1% in 2020 (5)

Coal-related outstandings (6)

€369M
vs. €394M in 2020

DIRECT IMPACT TO ENVIRONMENT

Energy consumption per FTE (7)

2.43 Kwh
vs. 2.14 Kwh in 2020

Share of supply of renewable electricity in France

93%
vs. 92% in 2020

Carbon footprint Scope: France

7 TCO_2eq/FTE
vs. 7 TCO_2eq/FTE in 2020

SOCIAL

Training hours per employee

20.2 hours
vs. 15.1 hours in 2020

Percentage of women among Company leaders (8)

32.9%
vs. 31.8% in 2020

Share of employees working remotely (9)

87.1%
vs. 79.4% in 2020

SOCIETAL

Number of employees involved in solidarity initiatives (10)

More than 2,300
vs. 1,800 in 2020

(1) Share of assets managed on behalf of third parties by Natixis Investment Managers (NIM) affiliates that meet the definitions given in chapter 7.2.1.4.
(2) Environmental impact of the bank balance sheet rated by the Green Weighting Factor methodology excluding the financial sector, sovereigns and Global Markets (CIB scope).
(3) Share of renewable energies in the project financing of the electricity production sector in the portfolio.
(4) Potential for global warming induced by Natixis Assurances general fund investments (Carbon4Finance methodology).
(5) Percentage of gross exposures excluding financial sectors, global markets and sovereigns (CIB scope).
(6) Amount of coal exposure taking into account non-dedicated corporate outstandings and residual project financing outstandings.
(7) % energy consumption in France in Kwh / FTE. The 2020 base year benefited from the exceptional effect of long containment.
(8) Within the wider leadership circle (Natixis Purple Leaders).
(9) Employees on permanent contracts (PEC) who signed a remote working amendment at the end of 2021.
(10) Employees who took part in the salary or one-off donation of time.

7.1.2 ESR governance

Natixis ESR strategies and achievements are overseen at Board level by a dedicated ESR Committee, and validated at the executive level by an ESR Sponsors Committee that brings together senior executives from Natixis' business lines and functions around the Senior Management Committee.

To feed its thinking and steer the implementation of its strategy, ESR now relies on two steering Committees: one dedicated to internal ESR impacts and employee engagement, the other to sustainable business development and the management of ESR risks in our business lines.

The Natixis ESR Department is managed by a dedicated department reporting directly to the General Secretary, a member of the Senior Management Committee. It is made up of 10 permanent employees who work with the support of a network of around 200 ESR correspondents in all business lines and functions, in France and in the various international platforms, in particular the experts of the Green & Sustainable Hub (GSH). within Corporate & Investment Banking.

Lastly, to mobilize more broadly, Natixis has been organizing training and awareness-raising sessions on sustainable development issues in recent years, with the roll-out in 2021 of a mandatory training module for all employees.

Lastly, the ESR team works in close coordination with the Groupe BPCE Sustainable Development Department, both in defining and monitoring strategic guidelines and in reporting consolidated ESR data at Group level.

7.1.3 ESR commitments

Natixis' ESR strategy is based on a set of international agreements and consultations within the banking industry, including:

- the United Nations Global Compact since 2007;
- the CDP since 2007;
- the United Nations Principles for Responsible Investment (UN-PRI) since 2008;
- the Equator Principles since 2010;
- the OECD Guidelines for Multinational Enterprises;
- the Green Bond Principles and the Social Bond Principles (ICMA);
- the Climate Bonds Initiative;
- the Diversity Charter since 2009;
- the Responsible Purchasing Charter since 2017;
- the Principles for Responsible Banking (PRB) since 2018;
- the Act4nature international charter since 2018.

In 2021, Groupe BPCE joined **the Net-Zero Banking Alliance initiative,** launched by the UN, which brings together nearly 95 banks from around the world representing more than 42% of global banking assets, committed to aligning their lending and investment portfolios with net zero issuance by 2050, with an intermediate objective for 2030 or earlier, using robust and proven methodologies.

2021 KEY EVENT

Groupe BPCE and Natixis have published their **first climate reports following TCFD recommendations** (Task Force on Climate-Related Financial Disclosures) and detailed their actions to support the transition to a low-carbon economy and adaptation to the effects of climate change.

Concrete commitments have been made in the short, medium and long term on a "Net Zero" trajectory.

Natixis, together with Groupe BPCE, is determined to align its carbon footprint with a sustainable scenario for the environment. The commitment made as part of the new strategic plan to align these activities on a "net zero" trajectory requires Natixis to measure the impact of its financing and investments and to set short-, medium- and long-term objectives for this purpose to mitigate the impact of its activities on climate change.

7.1.4 Contribution to the sustainable development Goals (SDGs)

Adopted in 2015 by the UN's 193 Member States at the sustainable development Summit in New York, the SDGs have become the benchmark for measuring progress by governments and private companies, including banks.

The following table provides some examples.

Mindful of its role in achieving these goals, Natixis has identified 13 SDGs to which it already makes a material contribution that is set to expand in the years to come, through financing and investments or in its own daily operations.

	IN OUR BUSINESS LINES	IN OUR OPERATIONS AND OUR SOLIDARITY PROGRAMS
1 NO POVERTY	Leader in solidarity asset management in favor of job creation and access to accommodation for people in need	Specific wage measures for the lowest salaries Engaging with associations to support the most disadvantaged people
3 GOOD HEALTH AND WELL-BEING	Exclusion of financing and investments in the tobacco industry	Employee health monitoring and medical coverage, numerous initiatives to promote quality of life at work
4 QUALITY EDUCATION	Partner of the EDHECinfra Research Chair on ESG risk analysis of infrastructure investments	Numerous training programs to support staff employability Coaching of young people in civic service with the Unis-Cité springboards
5 GENDER EQUALITY	Creation of "30% Club Investor Group" (Ostrum, Mirova) to promote gender equality on the SBF120 governing bodies	Programs to ensure gender equality within the company and strategic objectives related to the proportion of women in leadership circles Support of the association UN Women to develop the women's economic empowerment.
6 CLEAN WATER AND SANITATION	Preservation of water resources with the "Sustainable ambition" product combining green bond with "Water & Ocean" index and the "Water" strategy of Thematics in asset management.	Partnership with the NGO Action Against Hunger for the construction of wells in rural communities in Liberia
7 AFFORDABLE AND CLEAN ENERGY	Major player in financing renewable energies in France and worldwide	100% green electricity supply contract for buildings in France Partnership with the NGO Electriciens Sans Frontières, for the installation of solar panels in health centers
8 DECENT WORK AND ECONOMIC GROWTH	Largest social bonds ever issued (for Unédic and Cades) in response to the COVID-19 crisis "Relance" label for the "Insertion Emploi Dynamique" fund managed by Mirova	5,000 people working out of France, the majority employed locally Maintaining jobs without recourse to short-time working during the COVID-19 health crisis

	IN OUR BUSINESS LINES	IN OUR OPERATIONS AND OUR SOLIDARITY PROGRAMS
11 SUSTAINABLE CITIES AND COMMUNITIES	Financing of sustainable infrastructure (clean transport, green buildings) Launch of the "Smart Cities" fund managed by DNCA	Environmental certifications of Natixis buildings in France and internationally Support for active transport (cycling), electric vehicles and shared mobility (carpooling)
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	AEW supporting the circular economy in real estate and construction Strategy on the theme of the subscription economy developed by Thematics AM	Waste reduction (paper, cups), reuse of IT equipment and furniture, integration of social and environmental criteria in our purchases
13 CLIMATE ACTION	Internal "Green Weighting Factor" mechanism Alignment of the investment strategy with the Paris Agreement Exclusion of financing in the coal, oil, shale gas and oil deriving from oil sands	Commitment to reduce the energy consumption of buildings in the Île-de-France region by 40% between 2010 and 2020 Mobility plan and travel policy to reduce the impact of transport
14 LIFE BELOW WATER	"Althelia Sustainable Ocean Fund", dedicated to protecting oceans	Engagement of Natixis employees in France and abroad to clean up beaches
15 LIFE ON LAND	"Land Degradation Neutrality Fund", dedicated to neutrality in terms of land degradation Sustainability-linked loans incorporating criteria linked to natural capital	Development of green spaces in buildings Support from the Terre de Liens association to help farmers settle down and develop sustainable agriculture
17 PARTNERSHIPS FOR THE GOALS	UNEP Finance Impact – Principles for Responsible Banking and Act4nature international, Taskforce on Nature related Financial risk and Disclosure	Natixis is a partner of Paris Action Climat, a signatory of the city of Paris "100 hectares" charter and a member of the Les Deux Rives circular district

7.1.5 Dialog with stakeholders

In the course of its business, Natixis has dealings with various stakeholders, including but not limited to:

Clients

- Business
- Institutional
- Retail
- Banque Populaire and Caisse d'Épargne networks

Completion of questionnaires
Invitations to tender
Product development and management
Contracts

Shareholders

- Groupe BPCE
- Active and inactive employees
- Individual shareholders

General Shareholders' Meetings
Meetings and newsletters (specific mechanism for individual shareholders)

Employees

- Employees of Natixis S.A. and its subsidiaries
- Staff representatives and unions

In-house information – ESR training
Specific Committees (e.g. Committee for Hygiene, Safety and working conditions)
Employee Opinion survey

Suppliers and subcontractors

- Businesses
- Service providers
- Companies in the protected sectors

Requests for proposals and calls for tenders
Responsible Supplier Relationship Charter
CRS clauses in contracts

NGOs

- Environmental and human rights defense associations

Answers to questions
Meetings
Maintaining a regular dialog on sectoral issues

Humanitarian organizations

- Partners associations/ Research institutes

Sponsorship
Payroll giving
Volunteering

Institutional players, regulators

- Financial regulatory authorities

Transmission of information and documents
Contributions to working groups

Rating agencies and external auditors

- CSR rating agencies
- Statutory Auditors

Transmission of information and documents for ratings and audits

Universities and schools

- Business and finance universities and schools

Supporting chairs
Relations with Grandes Écoles and universities
Campus Awards
Receiving interns, including co-op students

7.1.6 Recognized ESR performance

Given the importance placed on ESR ratings by investors, Natixis has increased its communications with non-financial rating agencies in an effort to establish more consistent and structured dialog while addressing the areas of focus identified to guide its own ESR initiatives.

Rated by various non-financial rating agencies, Natixis recorded strong performances in the social, environmental and governance areas.

Agency	2021 ESR rating	2020 ESR rating	2019 ESR rating
VE (Vigeo Eiris)	61/100 (advanced)	59/100 (robust)	59/100
ISS-ESG	C/Prime	C/Prime	C+/Prime
Sustainalytics	Nc [(a)]	78/100 (leader)	82/100
MSCI	Nc [(a)]	AAA	AAA
CDP [(b)]	A-	A-	B

(a) Due to the delisting of Natixis, some non-financial agencies are focusing their ratings on the BPCE entity.
(b) Since 2020, Natixis has completed the Carbon Disclosure Project (CDP) questionnaire with its parent company BPCE.

7.2 Business line contributions to green and sustainable growth

All of Natixis' business lines develop innovative financial products and services that serve the environmental and social objectives of its customers and, consequently, its own environmental and social ambitions.

2021 saw the acceleration of the implementation of Natixis' major commitments in the fight against climate change and the degradation of biodiversity, with the publication of the first TCFD report, the definition of targets (in mix of colors and temperature) on the basis of the Green Weighting Factor (GWF), in the preservation of natural capital with the first year of implementation of its international act4nature commitments.

As in 2020, the year 2021 will have been strongly impacted by the COVID-19 crisis, showing the importance of integrating social issues alongside environmental issues for a just transition. In this context, Natixis has been able to support its clients in innovative and historic transactions, including the structuring of historic social issues in Central America and Africa.

In 2022, Natixis intends to consolidate its recognized position as an innovation leader in sustainable finance by continuing to extend its range of products and services within the Corporate & Investment Banking sector, by launching new investment solutions in its Asset Management business lines. Investment and financing solutions that generate positive impact and thus effectively respond to the SDGs are a clear priority of the strategic plan.

In line with this priority, Natixis has set itself ambitious objectives in its 2021-2024 strategic plan:

- **alignment of the Natixis CIB portfolio on a +2.5°C trajectory** by 2024, then on a +1.5°C trajectory by 2050, based on the Green Weighting Factor;
- **multiplication of the Green Revenues[(1)] of Natixis CIB by 1.7** by 2024;
- reach **50% of assets under management of Natixis Investment Managers** or more than €600 billion in the responsible, sustainable or impact investment category by 2024;
- **alignment of the general insurance fund-life of Natixis Assurances with a trajectory of +2°C in 2024** and +1.5°C in 2030, via an increase in investments with a positive impact on the climate (target of 15% of annual flows).

(1) Green revenues: revenues from the Green and Sustainable Hub, from the Renewables sector and from customers and Green Weighting Factor transactions.

	2021	2020	2019
Asset management [a]	/	/	/
% responsible investments [b]	8.3%	83%	33%
% sustainable investments [b]	22.3%	12%	13%
% impact investments [b]	2.7%	2%	/
Labeled amounts	€116.5bn	€91bn	€33bn
Market share in solidarity investments in France	nd	19.5%	22.1%
Amounts invested in sustainable bonds [c]	€24.3bn	€18.5bn	€6.8bn
Amounts invested in natural capital strategies [d]	€458m	€467m	€255m
Corporate & Investment Banking	/	/	/
Green Weighting Factor (portfolio environmental impact) [e]	23% green 33% neutral 44% brown	29% green 30% neutral 41% brown	n.a. n.a. n.a.
Sustainable loans (part subscribed by Natixis) [f]	€6.24bn	€3.40bn	€4.37bn
Sustainable bond issues (Natixis arranged portion)	€18.53bn	€11.95bn	€4.41bn
Financing of the renewable electricity sector	/	/	/
% of amounts financed (in portfolio)	80%	65%	74%
Installed capacity of projects financed during the year	6.8 GW	6.5 GW	7.8 GW
Natixis Assurances	/	/	/
Portfolio temperature	2.4°C	2.7°C	2.7°C
% green assets invested during the year	19%	15%	14%
% of green assets in portfolios (commitment of 10% by 2030)	6.6%	4.5%	3.2%

(a) *% of total assets under management (2021: €1,245 billion / 2020: €1,135 billion).*

(b) *2021 data not comparable with 2020 and 2019, as the definitions of responsible, sustainable and impact have changed during 2021. The applicable definitions are specified in chapter 7.2.1.4.*

(c) *Including the long-term bonds of Ostrum AM, Mirova and DNCA. The increase in 2020 is mainly due to the merger of Ostrum with LBPAM.*

(d) *Mirova Natural Capital Strategies.*

(e) *% of total gross CIB exposures excluding financials, Global Markets and sovereigns.*

(f) *Annual production excluding securitization.*

7.2.1 Sustainable growth: financing the transformation in society

7.2.1.1 Consideration of the SDGs by Natixis' various business lines

Natixis uses the sustainable development Goals as a reference framework for all the initiatives stemming from its commitment to society. The 17 sustainable development Goals for 2030 are the benchmark for measuring progress achieved by governments and private sector companies, including financial institutions.

In Asset Management

DNCA has implemented a measurement of exposures to the main SDGs across its entire Beyond fund range. These measures are based on the data published by the companies and consolidated with analyzes conducted by the managers of DNCA.

Alliance Entreprendre, a player in Private Equity, an expert in SMEs and mid-sized companies, contributes to the SDGs both directly through its ESR strategy and indirectly through its investments in contributing companies with the consideration of ESG criteria throughout the investment cycle and the systematic assessment of its investment targets on the relevant ESG criteria with regard to their specificities.

Employees of **Flexstone Partners** have selected four priority SDGs to guide their actions as a "corporate citizen". The SDGs selected are climate action, quality education, gender equality and decent work and economic growth.

Mirova was named one of the "Best for the World" B Corps™ of 2021. The Best for the World™ are B Corp companies that have obtained, in one or more of the five impact domains assessed and at a global level, a score that enables them to be ranked in the top 5% of companies.

Thematics AM continued its impact measurement approach built with data provided by ISS ESG to assess the positive or negative influence of funds on the 17 SDGs. The contribution of these funds can range from -10 to +10 for each SDG, ultimately making it possible to assign a score on environmental and social issues. All the funds subject to the analysis obtained a positive rating at the end of the evaluation cycle, and above their benchmark.

Thanks to the partnership established at the end of 2019 with the independent impact rating agency impak Finance, **Vega IM** integrates impact analysis into the management of a fund in order to meet the challenges related to the SDGs. In 2021, seven funds obtained the public label "Socially Responsible Investment" (SRI) following a precise and demanding certification process led by Ernst & Young.

In financing

Government of Mexico: second SDG sovereign bond

In 2021, Natixis acted as Joint Bookrunner for the second sovereign bond linked to the Government of Mexico's SDGs. Natixis acted as Sole Sustainability Structurer and Joint Bookrunner to assist the Mexican Ministry of Finance in the design of the sustainable emission benchmark linked to the SDGs. This framework combines an eligibility program with green and social projects. The eligibility of social projects will be determined using geolocation, with priority given to vulnerable populations living in remote and disadvantaged areas (illiteracy, low attendance at school, lack of health services, lack of access, electricity, etc.). Thus, for the first time, the SDGs were used as an entry point for a framework and an opinion on the alignment with the SDGs was given by the United Nations Development Program (UNDP).

West African Development Bank: first sustainable bond from an African issuer

In 2021, Natixis structured the inaugural sustainable bond issued by the West African Development Bank (BOAD). This is the first sustainable development bond from an African issuer. The financial resources mobilized will strengthen BOAD's capacity for action in priority sectors such as agriculture and food security, renewable energies, basic infrastructure, health, education and social housing. This issue received the Environmental Finance Sustainability bond of the year award-supranational, sub-sovereign and agency (SSA).

International Development Finance Club

In September 2021, the International Development Finance Club (IDFC) commissioned Natixis CIB to develop a framework enabling public development banks (BPDs) to align their activities with the UN SDGs. Natixis proposed to the IDFC a conceptual framework, tools and an implementation process enabling them to continue aligning the SDGs. The bank has already shared its preliminary findings with IDFC members and will publish a final study in early 2022. The IDFC aims to position BPDs as key players in the alignment of finance with the Paris Agreement and the SDGs. The objectives include creating a set of principles for IDFC members to follow and providing guidance on integrating the SDGs into their internal operations and management, and more broadly into their financing activities.

The Republic of Benin: inaugural bond issue responding to the SDGs

In July 2021, Natixis worked with the Republic of Benin as Joint Sustainability Structuring Advisor and Joint Bookrunner for the issue of a bond meeting the SDGs, a first in Africa. The issue, for an amount of €500 million over 12.5 years, will make it possible to finance the provision of meals in schools, the electrification of the country or the construction of a network for the collection and recycling of waste.

7.2.1.2 A growing number of Natixis Asset Management companies observe the Principles for Responsible Investment (PRI)

Natixis examines non-financial criteria closely when preparing its investment strategies, as sustainable development issues allow it to provide investors with value-creating solutions over the long term.

In 2021, Natixis Investment Managers, which groups the expertise of 20 affiliate Asset Management companies around the world and ranks among the world's biggest asset managers (more than €1,245 billion in assets under management as at December 31, 2021), pursued its pledge to take environmental, social and governance (ESG) issues into consideration in the investment models each of its affiliates develops. The integration of ESG criteria is thus progressing throughout the management of NIM's affiliates.

The Principles for Responsible Investment (PRI) were published by the United Nations in 2006 as a voluntary commitment encouraging institutional investors and asset managers to incorporate ESG in by the management of their portfolios. In 2021, 4,375 signatories with $121.3 trillion in assets under management had adopted the PRI[1].

In 2019, Natixis Investment Manager also signed the PRI on behalf of the federation of investment firms it represents. At December 31, 2021 22 Natixis Investment Managers affiliates, which together hold 99% of total assets managed by Natixis Investment Managers affiliates, had signed the PRI, namely: AEW CILOGER, AEW Capital Management, Alliance Entreprendre, Dorval Asset Management, DNCA, Flexstone Partner, Harris Associates LP, Investors Mutual Limited, Loomis Sayles, Mirova, MV Credit, Naxicap Partners, Ossiam, Ostrum AM, Seeyond, Seventure Partners, Thematics Asset Management, Vega Investment Managers, Vauban Infrastructure Partners, Vaughan Nelson IM, WCM Investment Management. Natixis IM Solutions, a services and fund distribution platform, is attached to Natixis IM, signatory of the PRI.

7.2.1.3 Natixis' commitment to the Principles for a Responsible Banking Sector (PRB) and to the Net Zero Banking Alliance (NZBA)

Following on from the Principles for Responsible Investment (PRI) established in 2006 and the Principles for Sustainable Insurance (PSI) announced in 2012, the PRB are a global initiative launched by the banking industry in 2018. Developed by a group of 30 founding banks, including Natixis, and brought together by the Finance Initiative of the United Nations Environment Program (UNEP FI), the PRBs now have more than 265 banks representing just over 45% of global banking assets.

Signatory banks will publicly acknowledge their positive and negative social, environmental and economic impacts. The banks agreed to set public targets to address their main negative impacts and to step up their positive impacts in order to contribute to the sustainable development Goals (SDGs) and align with the Paris Agreement on climate change. Natixis actively participates in several working groups within the UNEP FI, in particular to co-construct impact measurement tools, whether at the level of the portfolio or the corporate clients.

As part of its commitment to the PRB, Natixis also joined the United Nations **Collective Commitment to Climate Action (CCCA),** which sets out concrete and time-bound actions that banks will take to support the energy transition.

Accordingly, Natixis undertook to:

- align its portfolios to reflect and finance the low carbon, climate-resilient economy required to limit global warming to well-below 2°C, striving for 1.5°C;
- take concrete action, within a year of joining, and use its products, services and client relationships to facilitate the economic transition required to achieve climate neutrality;
- be publicly accountable for its climate impact and progress on these commitments.

The full report is available on our website[2].

Since July 2021, **through Groupe BPCE, Natixis is involved in the Net Zero Banking Alliance (NZBA)**, an international initiative to unite the entire global financial sector around a carbon neutrality objective by 2050 and an intermediate target of 2.5°C by 2024. Created in April 2021 under the aegis of the UNEP FI and part of the Glasgow Financial Alliance for Net Zero (GFANZ), the NZBA initiative brings together 95 banks representing 42% of global banking assets.

7.2.1.4 Responsible, sustainable and impact investing

The affiliates of Natixis Investment Managers offer a range of solutions built on the conviction that ESG criteria can play an important role in identifying potential risks, seizing opportunities and generating returns for investors.

Different levels of ESG criteria are available in the investment strategies applied by fund managers:

- **responsible investment:** systematic and binding integration of ESG criteria in the investment process (research, selection, portfolio construction, etc.) with the aim of ESG performance and improvement of the risk/return profile, while being accompanied by an active shareholding policy. These AUMs include assets qualified in Article 8;
- **sustainable investment:** systematic and restrictive integration of ESG criteria in the investment process (research, selection, portfolio construction, etc.) while being accompanied by an active shareholding policy. This integration takes place through sustainable investments in economic activities that contribute to an environmental and/or social objective and in companies that follow good governance practices of ESG criteria. These AUMs include assets qualified in Article 8 and Article 9;
- **impact investing:** an investment strategy that enables the achievement of environmental and societal challenges, in line with international reference frameworks such as those defined by the United Nations SDGs. This strategy is based on the pillars of intentionality, additionality and impact measurability as defined by reference standards such as the IFC (Operating Principles for Impact Management), the GIIN (Global Impact Investing Network), Finance for Tomorrow, etc. These AUMs include assets qualified in Article 9.

(1) Source: unpri.org.
(2) https://www.natixis.com/natixis/en/2021-prb-reporting-and-self-assessment-natixis-rpaz5_128786.html.

Two other classifications, which can be found in the aforementioned categories, allow to further detail these strategies:

- **thematic investment:** investment strategy focused exclusively on specific thematic sectors or industries. These thematic strategies may include responsible, sustainable or impact investment approaches as defined above, as long as they aim at a targeted theme (i.e. biodiversity, climate transition, social inequality, etc.);
- **Certification:** funds certified by recognized third parties (the French SRI label, Greenfin, Finansol, Febelfin, LuxFlag ESG, Nordic Swan EcoLabel, FNG Siegel).

On March 10, 2021, the European SFDR (Sustainable Finance Disclosure Regulation) came into force. This regulation on "the publication of information on sustainability in the financial services sector" aims to ensure greater transparency and requirements around financial products presented as sustainable by investment companies. It proposes a new classification of investment products claiming to be environmentally or socially responsible. Natixis IM supports the transparency objective of this regulation and has put in place a governance system to ensure the integration of best practices by affiliates and alignment and compliance with the regulation for the products they offer within the European Union.

Natixis IM supports affiliates in the deployment of their ESG. Since 2020, Natixis IM has continued its policy of developing its range of strategies incorporating ESG criteria. At the end of 2021, nearly 60% of the seed capital allocated to liquid strategies was invested in strategies linked to ESG criteria aligned with the new SFDR guidelines via our various affiliates. Also, half of the seed capital allocated to liquid strategies has a European SRI or Towards Sust label.

Natixis Assurances systematically includes in its offer, for any new subscription to a life insurance policy, unit-linked support with the SRI label, unit-linked support with the Greenfin label and a unit-linked support benefiting from the Greenfin label and a unit-linked support with the solidarity savings label. These certified unit-linked products represented €5.8 billion at the end of 2021.

Distribution of assets under management of Natixis IM and its affiliates in 2021

	Q4 2021	PRI signatories		Natixis IM classification						SFDR classification							Measurement of the carbon footprint or temperature of the portfolios
Assets under management *(in billions of euros)*	**Assets under management**	**PRI**	**%**	**Responsible investment**	**%**	**Sustainable investment**	**%**	**Impact investing**	**%**	**Article 6**	**Article 8**	**Article 9**	**Total SFDR**	**%**	**Labeled funds**	**%**	
Harris Associates	108.8	108.8	100%	0.1	0.1%	-	0.0%	-	0.0%	4.5	0.1	-	4.7	4.3%	-	0.0%	✓
Loomis Sales & Co. (**)	319.3	319.3	100%	3.8	1.2%	-	0.0%	-	0.0%	17.7	3.8	-	21.5	6.7%	1.1	0.3%	✓
AEW	29.4	29.4	100%	-	0.0%	-	0.0%	-	0.0%	-	-	-	-	0.0%	-	0.0%	✓
Vaughan	13.6	13.6	100%	-	0.0%	-	0.0%	-	0.0%	1.4	-	-	1.4	10.5%	-	0.0%	
Gateway	10.2	-	0%	-	0.0%	-	0.0%	-	0.0%	-	-	-	-	0.0%	-	0.0%	
Alpha Simplex	5.5	5.5	100%	-	0.0%	-	0.0%	-	0.0%	-	-	-	-	0.0%	-	0.0%	
US Distribution	29.4	29.4	100%	-	0.0%	0.0	0.1%	-	0.0%	-	-	-	-	0.0%	-	0.0%	
WCM	94.1	94.1	100%	-	0.0%	-	0.0%	-	0.0%	-	-	-	-	0.0%	-	0.0%	
Ostrum AM	426.2	426.2	100%	72.9	17.1%	249.9	58.6%	-	0.0%	99.5	322.8	-	422.4	99.1%	60.1	14.1%	✓
Seeyond	8.6	8.6	100%	-	0.0%	2.2	25.9%	-	0.0%	6.4	2.2	-	8.6	100.0%	2.2	25.9%	✓
Mirova	28.6	28.6	100%	-	0.0%	-	0.0%	28.6	100.0%	-	-	28.6	28.6	100.0%	20.5	71.4%	✓
Dorval	1.5	1.5	100%	1.2	80.1%	-	0.0%	-	0.0%	0.3	1.2	-	1.5	100.0%	1.2	80.1%	✓
OSSIAM	5.8	5.8	100%	1.8	30.9%	0.0	0.6%	-	0.0%	4.0	1.8	0.0	5.8	100.0%	1.2	20.8%	✓
DNCA Finance	29.2	29.2	100%	18.4	62.8%	-	0.0%	1.5	5.1%	9.3	18.4	1.5	29.1	99.6%	17.5	59.9%	✓
Vega IM	11.3	11.3	100%	-	0.0%	3.3	29.3%	-	0.0%	5.0	3.3	-	8.3	73.7%	3.2	28.6%	
AEW Europe	37.6	37.6	100%	-	0.0%	13.6	36.2%	-	0.0%	23.7	13.9	-	37.6	100.0%	0.9	2.5%	
Thematics	3.9	3.9	100%	1.2	31.0%	2.7	69.0%	-	0.0%	0.1	2.6	1.2	3.9	100.0%	2.8	70.9%	
Investors Mutual Limited	3.3	3.3	100%	-	0.0%	-	0.0%	-	0.0%	-	-	-	-	0.0%	-	0.0%	
Natixis IM Singapore Limited	0.7	-	0%	0.3	38.9%	-	0.0%	-	0.0%	-	0.3	-	0.3	38.9%	0.3	38.9%	
Alliance Entreprendre	0.4	0.4	100%	-	0.0%	-	0.0%	-	0.0%	0.4	-	-	0.4	100.0%	-	0.0%	
Seventure Partners	0.8	0.8	100%	-	0.0%	-	0.0%	-	0.0%	0.8	-	-	0.8	100.0%	-	0.0%	
Naxicap Partners	5.8	5.8	100%	-	0.0%	-	0.0%	-	0.0%	5.8	-	-	5.8	100.0%	-	0.0%	✓
Flexstone Partners	4.8	4.8	100%	0.2	5.2%	-	0.0%	-	0.0%	1.4	0.2	-	1.7	34.9%	-	0.0%	
Vauban	6.0	6.0	100%	-	0.0%	6.0	100.0%	-	0.0%	-	6.0	-	6.0	100.0%	-	0.0%	✓
MV Credit	2.7	2.7	100%	-	0.0%	-	0.0%	-	0.0%	2.7	-	-	2.7	100.0%	-	0.0%	
Natixis IM Solutions	58.0	58.0	100%	3.1	5.3%	0.3	0.5%	3.6	6.2%	42.7	3.0	3.4	49.2	84.8%	5.6	9.6%	✓
TOTAL	**1,245.5**	**1,234.6**	**99.1%**	**102.9**	**8.3%**	**278.1**	**22.3%**	**33.7**	**2.7%**	**225.8**	**379.6**	**34.7**	**640.2**	**51.4%**	**116.5**	**9.4%**	

(*) *Loomis assets included in the Natixis IM Classification and SFDR Classification only include assets distributed in the EU.*

2021 KEY EVENT

Signing of the Declaration of banks for the COP15 Convention on Biological Diversity

Natixis Assurance and **Mirova** signed the "Financial Institution Statement ahead of the Convention on Biological Diversity COP15"[1], coordinated by the Ceres and the Finance for Biodiversity Foundation. This statement urges governments to agree on an ambitious roadmap to preserve biodiversity at COP15.

In line with this statement, Natixis Assurances supports Mirova with the "Land Degradation Neutrality" fund, which invests in sustainable land management projects (agroforestry, regenerative and sustainable agriculture, sustainable forestry on degraded land). To date, €5 million have been invested for a forward commitment of €15 million.

Exclusion policies

Natixis has adopted exclusion policies for sectors and issuers that do not respect certain human rights and fundamental principles of corporate responsibility. DNCA, Ostrum AM, Mirova, Seeyond, Thematics AM, Ossiam and Natixis Assurances apply these commitments to their investments, in full compliance with their fiduciary duties towards their customers. The following are excluded:

- controversial weapons;
- tobacco[2];
- companies deemed the worst offenders (which do not observe the principles of the United Nations Global Compact or the OECD Guidelines for Multinational Enterprises[3]);
- blacklisted countries (those on the FATF list or under US or European embargo).

In addition, some of our European affiliates have also implemented exclusion policies in the coal sector, such as DNCA (on its range of SRI funds), Dorval, Mirova and Ostrum, which is continuing its coal phase-out policy (taking the Urgevald list into account) or the oil sector for DNCA (on its range of SRI funds), Mirova, Thematics, Alliance Entreprendre, Flexstone Partners and Vauban. Natixis Assurances excludes companies active in the thermal coal sector (below quantitative and qualitative threshold) and in the oil sands sector (below quantitative threshold)[4].

Voting and engagement policies

NIM affiliates, whether equity or bond investors, behave as active investors through constructive engagement with the companies in which they invest, in order to encourage them to take better account of ESG issues. With regard to the multitude of affiliates, the methods vary but follow three main models of engagement illustrated below:

- direct engagement with portfolio companies:

  When monitoring investments, **Alliance Entreprendre** is committed to supporting and advancing investments on ESG topics through regular discussions with senior executives, particularly within governance bodies (Supervisory Board, Board of Directors, etc.),

  DNCA is committed to dialogue with the top ten companies in the portfolio that are the least rated in terms of their climate change policy,

  Ostrum AM co-developed a new engagement policy for all Equity and Fixed Income management based on eight common areas and fifteen themes, thus highlighting the importance it attaches to dialogue with companies beyond the vote,

  Naxicap Partners systematically includes an ESG clause in Shareholders' Agreements. This clause includes a commitment to implement a detailed action plan and provide regular information and responses to ESG questionnaires (140 indicators). In addition, Naxicap Partners works with the management of the companies in its portfolio to establish a plan to reduce greenhouse gas emissions and adapt to climate change. Since 2020, the Naxicap Partners ESR Committee has assessed the degree of progress of the ESG action plans and the support needs of the portfolio companies;

  Thematics AM guided by its responsible investment principles and its vision of corporate governance to better manage risks and create long -term sustainable value, it has defined a more structured engagement framework. Thematics AM explained the reasons for its commitment, what it expects from the companies it holds in its portfolios and how it can make this commitment a reality;

- proxy voting:

  DNCA undertakes to support any resolution in favor of the climate;

- collective commitment:

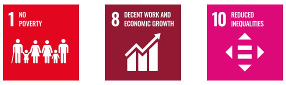
  Loomis Sayles is a member of Climate Action 100+,

  Ostrum AM is a member of the Finance for Tomorrow Just Transition Coalition,

  Seeyond strengthened its commitment by joining the Forum for Responsible Investment (FIR) in March 2021. This membership in a leading association reflects Seeyond's desire to strengthen its commitment to the market, to be able to dialogue with various stakeholders, but also to support dedicated initiatives in the field of responsible investment.

(1) https://www.financeforbiodiversity.org/wp-content/uploads/COP15-Financial-Institution-Statement.pdf.
(2) For DNCA only on funds in its Responsible Investment range and for Seeyond excluding index portfolios constrained by their benchmark index and specific client portfolios to which the client policy would apply.
(3) With the exception of Thematics AM, and for Seeyond excluding index portfolios constrained by their benchmark index and specific client portfolios to which the client policy will apply.
(4) For more details, please refer to the Natixis Assurances Responsible Investment report for 2021.

7.2.1.5 Solidarity investment

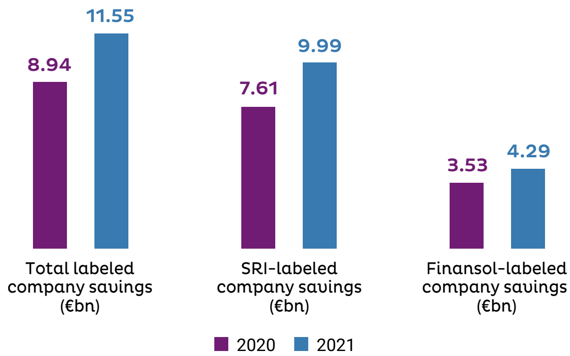


Natixis offers a range of SRI and solidarity-based Employee Savings Plans via **Natixis Interépargne**, a pioneer in responsible, solidarity-based employee savings. Natixis Interépargne was the first company to offer its customers responsible and solidarity employee share ownership plans (SRI and Finansol certified respectively), even before it was legally required to do so.

Natixis Interépargne is part of a sustainable approach as a leading player in employee savings and retirement savings plans in France with more than €30 billion in assets held. Assets under custody account for 19% of this market in France, valued at €162.4 billion by the Association Française de la Gestion Financière (AFG).

In addition, Natixis Interépargne offers more than three million savers who trust it the opportunity to invest in SRI and Solidarity funds managed by Natixis Investment Managers International.

Evolution of Natixis Interépargne solidarity and SRI company savings bookkeeping[1]



At the end of June 2021, Solidaire employee savings amounted to €13.7 billion according to the AFG and Natixis Interépargne, for its part, retained €3.7 billion in Solidaire employee savings at the same date. Over the past year, some solidarity mutual funds have passed symbolic milestones. The Impact ISR Rendement Solidaire fund exceeded €1 billion in assets under management and the Impact Actions Emploi Solidaire fund exceeded €100 million, while the latter's master fund called Insertion Emploi Dynamique managed by Mirova has exceeded €1 billion in assets.

Solidarity finance outstandings are very dynamic and have doubled at Natixis Interépargne in 5 years, rising from €2 billion at the end of 2016 to nearly €4.3 billion at the end of 2021.

Natixis Interépargne's savings inflows and Mirova's portfolio management expertise combine to provide financing for sustainable and solidarity-based projects. Projects such as these are developed by investing in companies that strictly observe ESG criteria, or by allocating resources to entities in the social and solidarity-based economy.

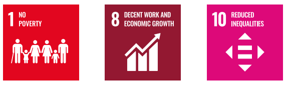
Mirova's Insertion Emplois Dynamique fund, which was launched in 1994, was one of the first solidarity-based "90/10" funds dedicated to job creation in France. The solidarity allocation (10% of assets) finances structures with a positive social impact across the country in conjunction with France Active, while the equity allocation (90% of assets) has invested since 2014 in listed companies planning to create jobs in France over 3 years, based on analysis performed by Mirova.

This fund was awarded the "Relance" label launched in October 2020 by the French Treasury: this label aims to direct French savings towards investment vehicles that support the economic recovery plan unveiled by the French Government following the COVID-19 crisis. In December 2021, the fund reached €1 billion in assets under management. Individual customers account for more than half of the fund's net inflows.

Mirova manages €1.4 billion of solidarity assets under management[2].

(1) Any fund that mentions a management policy under the label in question in its legal documentation is considered to be "labeled".
(2) Solidarity Funds (Mirova Solidaire) and solidarity-based 90/10 funds.

7.2.1.6 Financing and social impact investing



Sustainable bonds raise funds that may only be used to finance or refinance a series of green or social projects (only social projects for social bonds). The projects financed by social bonds and sustainable bonds include vital infrastructure such as access to clean water, access to basic services like education and healthcare and maintaining or developing employment.

The volume of social bonds issued in 2021 amounted to US$215 billion, almost 1.4 times more than in 2019, and 26 times more than in 2017 ($7.9 billion), the year in which the Social Bonds Principles were launched by the ICMA.

The market is growing strongly but remains modest in size compared to the environmental bond market, (US$180 and US$553 billion respectively for social and green bonds)[1].

In 2021, Natixis participated in the arrangement of the issues of 86 sustainable bonds and social bonds (109 tranches). The total size of these issues amounted to €103.5 billion (Natixis share of €18.5 billion).

In terms of social bonds, Natixis supported Unédic and CADES in their issues related to the COVID-19 crisis.

2021 KEY EVENTS

Inaugural social issues in the context of COVID-19

The COVID-19 crisis has brought social considerations back to the forefront of the thematic or impact financing market: while containment measures worsen poverty, exacerbate social inequalities and put a strain on the resilience of companies, Social bonds emissions were very well received by the market, as evidenced by the substantial oversubscription of order books.

Natixis has been very active in the development of several emblematic types of financing to respond to this new type of crisis, but also to address the SDGs.

Natixis, sole structurer of Unédic's social issue

Carried out as part of the Social Bond Principles of ICMA[2], this issue represented to date (May 2020) the largest social bond ever issued in the world, all issuers combined. Worth €4 billion and maturing in 2026, the transaction was a great success with investors: at its close, the order book stood at €7.75 billion.

Since then, Natixis has supported Unédic in two new issues in 2020 (June and October) and two new issues in 2021 (February and July). Also, Natixis IM's affiliate, Ostrum AM, has invested €361 million in these social bonds.

This inaugural issue, which took place in the context of an unprecedented health and economic crisis, will mainly be dedicated to financing the crisis response measures deployed by Unédic: reinforcement of the traditional unemployment insurance schemes and the introduction of an exceptional partial activity mechanism covering more than 12 million private sector employees. Unprecedented in terms of their scale, these schemes help to preserve the employment and income of more than one in two private employees in France, and to protect people affected by the particularly difficult economic context.

Since then, Natixis has supported CADES in three new social bond issues in 2021 (January, March and September).

The funds raised through the issuance of social bonds by CADES will be allocated to the financing and/or refinancing of social security deficits, deficits caused by decreases in revenue (economic conditions, deferral or exemption of charges), and/or increases in expenses (materialization of social risks, greater use of benefits).

CADES social issue: historical interest of investors

In September 2020, as a structurer and order-maker, Natixis supported the Caisse d'amortissement de la dette sociale (CADES) in its first issue since the start of the health crisis, inaugurating its social bond program drafted in accordance with the Social Bonds Principles. This issue received a second opinion from VigeoEiris, which awarded it its highest rating ("advanced"), in line with best market practices.

On the investment side, AEW, a subsidiary of Natixis IM specializing in real estate investments, has invested in the low-rent housing segment, and in 2021 launched a fund dedicated to institutional clients: the AEW US – Essential Housing Fund. The fund invests only in rental housing assets, accessible to average to modest revenue tenants with regulated rents, which are naturally affordable or under voluntary regulation.

Natixis co-chaired the working group on **Sustainability-linked Bonds Principles** (SLBP) under the responsibility of the ICMA, defining the tools to support clients in a long-term transition. These principles define five essential components when issuing such bonds: selection of key performance indicators, definition of sustainable performance objectives, characteristics of the obligation, reporting and verification. These bonds can be used by issuers that play an important role in the transition but are not able to issue green bonds or are reluctant to do so. They also make it possible to integrate the entire corporate strategy and align it with the SDGs.

(1) Source Bloomberg.
(2) International Capital Market Association.

2021 KEY EVENT

Natixis supports Repsol in its first issue linked to climate targets

In June 2021, Natixis structured the first issue of Repsol's sustainability-linked bonds (a tranche of €650 million for eight years and one for €600 million for twelve years). This issue contributes to the financing of the ambitious energy transition strategy of the Spanish oil group, which is the first company in its sector to commit to a carbon neutrality objective by 2050. It is also the first Sustainability-linked bond with scope 3 in the sector. The coupon of the bond is linked to the achievement of targets to reduce Repsol's carbon intensity (CO_2e emissions per unit of energy produced). Repsol has included the following targets: carbon intensity reduction of 12% by 2025 (applicable to the 2029 tranche) and a 25% reduction by 2030 (applicable to the 2033 tranche), compared to a baseline of 2016.

Natixis has also been active in structuring social impact loans, particularly in the health sector.

2021 KEY EVENTS

Social loan structuring

Elsan social impact loan

Supported by Natixis as Sustainability Coordinator, the healthcare provider Elsan successfully placed its first sustainability term loan in February 2021. Elsan has built its ESR policy around four major ambitions: proximity to local communities, patient care, eco-performance and investment in its talents. This financing has made it possible to extend Elsan's coverage to the whole of France and contributes to the consolidation of the French healthcare system, in coordination with all public and private healthcare players. This sustainable term loan is a first in the private hospital sector in Europe, and has aroused strong interest from investors, for whom the interest in incorporating ESG criteria has increased considerably. This success has also enabled Elsan to apply the Sustainability-Linked functionality to its entire senior debt range.

Ramsay social impact loan

One of the leaders in private hospitalization and general medicine in Europe, Ramsay Santé has recently increased its collateral trust in June 2021, by signing an additional loan agreement of €98 million, which makes it the one of the largest in the French market (€186 million) and the first to be linked to ESG criteria. Arranged by Natixis (Active Bookrunner and Sustainability Advisor), this long-term financing is backed by collateral on the shares of real estate subsidiaries held by the owner (three private hospitals located in the Paris region, of which Natixis is custodian).

This collateral trust is the first on the market to be linked to the environment: its interest rate is linked according to a support/penalty system that depends on the degree of achievement of the annual greenhouse gas emission reduction targets. (scope 1 & 2) of the buildings concerned, over the duration of the financing.

7.2.2 Financing the energy transition and combating climate change

7.2.2.1 GWF: an innovative solution for a greener loan book

Recognizing its responsibility as a financial actor, Natixis has committed to align its balance sheet with the objective of the Paris Agreement. By joining the Collective Commitment for Climate Action (CCCA) as part of the PRBs in 2019 and via BPCE's commitment to the NZBA, Natixis has committed to mobilizing its products, services and relationships to facilitate the economic transition necessary to achieve climate neutrality.

The Green Weighting Factor (GWF) is a unique proprietary tool developed by Natixis and deployed since September 2019 to all its financings in order to achieve several objectives: accelerate the transition of its activities towards sustainable finance and encourage its clients to improve their environmental footprint, systematically integrate the risk of climate transition into its financing activities, manage its climate alignment and, finally, prepare future climate regulations. This internal tool has enabled Natixis to set climate impact targets for each of its activities in 2021, and should ultimately enable the bank to meet its commitment to align its balance sheet with the Paris Agreement objective.

The tool includes both (i) a comprehensive methodology to assess the climate impact and climate transition risk of each financing (rated on a 7-level color scale from brown to green), and (ii) an internal capital allocation mechanism that links the amount of internal capital being allocated of each transaction to its level of positive or negative impact on climate change (and other environmental impacts when material). All loans with a green color rating receive a discount of up to 50% in their weighted assets, while the weighting of loans with a negative impact on the climate and the environment is increased by up to 24%. The GWF thus adapts the expected return of each transaction according to the environmental impact of the financed object (project, asset, non-dedicated financing), which promotes a change of behavior within the teams in order to develop sustainable finance. This is an internal mechanism that has no impact on the regulatory RWAs.

The GWF rating methodology was finalized in 2019 for all sectors financed by the bank, with the exception of the financial sector. After the methodological development and a proof of concept phase, the GWF was implemented in the bank's IT systems and incorporated in the bank's processes along the lending value chain. It is now deployed on a global scale. As of December 31, 2021, the GWF tool was applied to the entire bank balance sheet excluding the financial sector, i.e., €178 billion of total assets outstanding, and nearly 89% of exposures were already assessed.

Fully integrated into the bank's lending process, the GWF is a real tool for decision -making, strategic dialogue and incentives for operations. It is used in particular in the following cases:

- credit process and lending decision making;
- credit risk assessment: the GWF is used to monitor the bank's overall climate transition risk as well as for projecting the balance sheet until 2050 as requested by the French banking regulator ACPR as part of an inaugural climate stress test exercise;
- strategic dialogue with clients and the resulting structuring of sustainable financial products;
- active portfolio management, including distribution and securitization;
- commercial strategic planning, including client tiering, priority setting and identification of sustainable financing opportunities.

Since the implementation of the tool within the systems and credit processes of Natixis CIB in 2019, the bank's processes and activities were transformed. Also, a major step was achieved this year with the definition of granular color mix targets for the CIB and the translation of these into ambitious temperature objectives: 2.5° by 2024, 2.2° by 2030 and 1.5°C by 2050, thus actively contributing to Groupe BPCE's "Net Zero" commitment by 2050. These objectives have been set out for each business line in the 2024 Strategic Plan.

The GWF has thus evolved from an innovative, operational and decision -making tool at the transactional level to a real tool for managing the transition.

These commitments are based on transaction/customer level modeling, which requires business lines, platforms and sector teams to achieve GWF color mix and temperature objectives, and thus leads to the deployment of clear and documented action plan. This involves analyzing forward-looking scenarios and transforming the bank's capital allocation, client mix, business mix with clients, as well as the design of products to support their transition.

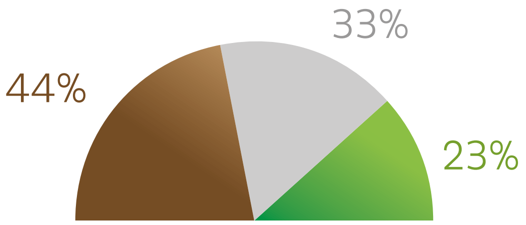
The bank's transition will depend on three key variables: the customer mix, what Natixis does with its customers and the pace of customer transition. This involves using industry knowledge, as well as Natixis' technological and climate expertise, to guide both the capital allocation and the product range in order to have an impact on the bank's temperature trajectory.

To do this, Natixis has developed a number of use cases for GWF:

- credit decision-making;
- business and strategic intelligence;
- strategic dialogue with customers;
- monitoring of risks related to the climate transition;
- balance sheet management, including distribution and securitization;
- long-term projections of the portfolio up to 2050 through climate stress test exercises;
- prioritization of strategic customers.

The first CIB budget assessment exercise in color and temperature for 2022 was launched in autumn 2021, as well as the definition of a governance and action plans to steer this trajectory. Quarterly monitoring will be carried out in a very granular manner at the level of the business lines, strategic industries and geographical platforms of the CIB.

GWF breakdown on the temperature calculation scope of Corporate & Investment Banking exposures as of 12/31/2021 (i.e. €114 billion of exposures, 86% of which are colored)



Gross exposures excluding financials, Global Markets and sovereigns (CIB scope)

It should be noted that although the brown portion reached 44%, the dark brown portion, which represents the gross exposures to the most emissive counterparties, was reduced by 12.1% in 2020 to 6.4% in 2021.

This methodology is scalable, and may include the criteria of the European classification – or taxonomy – as the European Commission's "Sustainable Finance Platform" progresses.

7.2.2.2 Financing and investment in renewable energy

In 2020, new renewable electricity capacity installations reached nearly 280 GW worldwide, i.e. 45% more than in 2019 according to the IEA. In particular, nearly 135 GW of new solar photovoltaic capacities were deployed in 2020. The wind energy sector (+114 GW in 2020) saw a virtual doubling of its annual capacity.

The exceptional level of new renewable electricity capacity installations is expected to be maintained, with 270 GW becoming operational in 2021 and 280 GW in 2022.

In 2021, Natixis once again positioned itself as a leading player in renewable energy financing, particularly in Europe and America. Natixis ranks 3rd world rank of MLA banks in renewable energy project financing[1]:

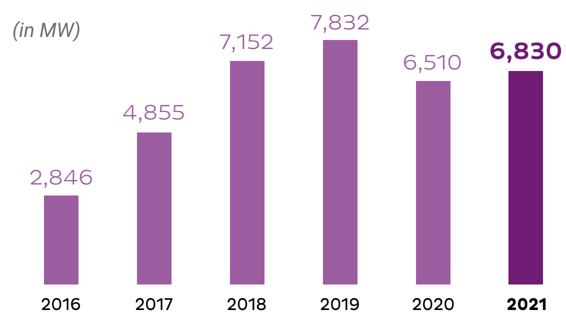
Renewable energy financing

In 2021, the Natixis CIB's infrastructure financing teams arranged 26 new deals in 2021 totaling €2.21 billion, representing an installed capacity of 6,830 MW;

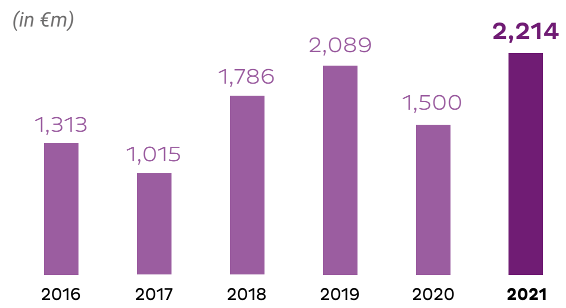
- 7 onshore wind farms with a total capacity of 2,555 MW;
- 18 PV and concentrated solar power projects with a capacity of 4,151 MW;
- 1 hydroelectric facility with a capacity of 125 MW.

Renewable energy accounted for more than 95% of total new financing granted by CIB in the electricity production sector in 2021.

Total installed capacity of renewable energy projects financed by Natixis per year



Amount arranged by Natixis for renewable energy projects per year



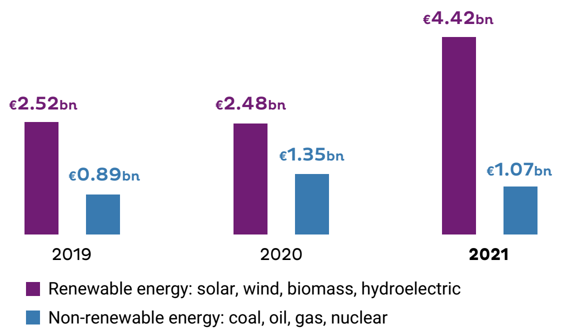
(1) Source: IJGlobal's Infrastructure and project finance league table report 2021.

2021 KEY EVENTS

Natixis leads the arrangement of a green loan for the first large-scale offshore wind farm in the United States

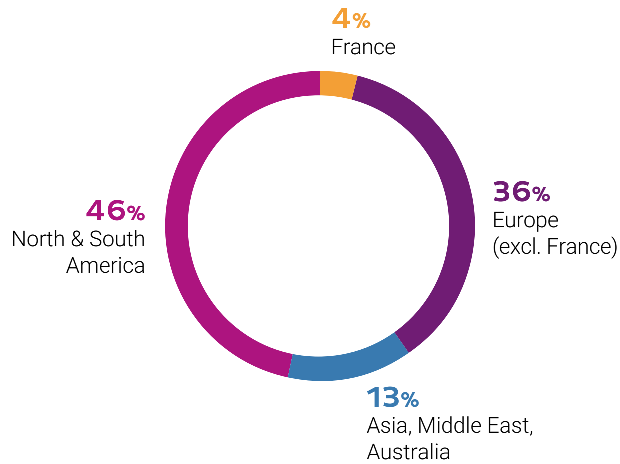
As part of the Vineyard Wind 1 project, which provides for the construction of the first large-scale offshore wind farm in the United States, with an installed capacity of 800 MW, Natixis acted as the green loan arranger to finance the project amounting to $2.3 billion. The wind farm, located 15 miles south of Martha's Vineyard and Nantucket, will consist of a network of 62 wind turbines spaced one mile apart and will generate 800 MW of electricity per year, enough to power more than 400,000 homes. The fleet must reduce CO_2 emissions of more than 1.6 million tons per year.

Portfolio exposure to renewable and non-renewable energies per year in billions of euros

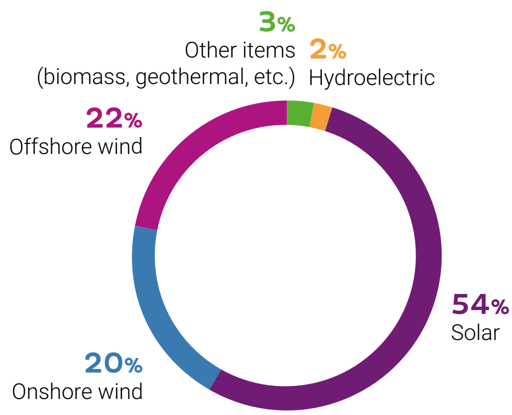


The portfolio breaks down as follows:

Regional breakdown of the renewable energy portfolio (% of outstandings)



Sector breakdown of the renewable energy portfolio (% of outstandings)



2021 KEY EVENT

Solek Group and Natixis close a financing for a portfolio of solar photovoltaic plants in Chile

In March 2021, Solek Group and Natixis successfully concluded a loan of $85.2 million to finance a portfolio of solar power plants in Chile totaling 110 MW. Natixis acted as sole lead arranger, hedging provider, bank issuing LC and administrative agent. These solar plants will be operated under Chile's special scheme for small-scale distributed generation (PGMD) plants, a scheme created in 2005 to encourage better distributed and more sustainable electricity production. This project is part of the country's objective to achieve an installed electricity production capacity from solar and wind energy of 20% by 2025, and to strive for carbon neutrality in the long term.

Investments in renewable energy

Natixis Investment Managers finances renewable energy via the investment funds proposed by its affiliates.

Through five vintages of renewable energy transition infrastructure funds, representing two billion in assets under management at the end of 2021, **Mirova** has financed more than 300 projects in 10 European countries and various renewable energy sectors and has contributed to the installation of 5 GW of clean energy.

Building on its success with the renewable energy infrastructure funds Fideme (2002), Eurofideme 2 (2009), Mirova Eurofideme 3 (2014) and Mirova Eurofideme 4 (2018), in 2021 Mirova launched its fifth fundraising for energy transition infrastructures. With this Mirova Energy Transition 5 (MET5) fund, Mirova is aiming for a final size of over €1 billion and wishes to continue to expand its investment scope towards new energy transition technologies. It will build on the European dynamic of the renewable energy and low-carbon mobility sectors, and may invest up to 10% of the fund's assets in OECD member countries. The fund will offer its investors renewable energy projects using proven technologies (onshore wind, photovoltaic, hydroelectricity, and biogas) as well as new robust technologies, such as offshore wind. MET5 will also invest in the low-carbon mobility sectors, in particular to support the growth of the electric vehicle sector and the emergence of hydrogen. The fund will retain great flexibility in terms of its intervention (majority or minority shareholdings, equity financing or subordinated debt, and the possibility of short-term bridge financing).

In 2021, **Vauban Infrastructure Partners** acquired 100% of the capital of four district heating networks in Spain, a "green" project connecting more than 25,000 homes to these networks by 2028. This portfolio is the largest in Spain in terms of capacity but also in biomass supply. The portfolio has a total capacity of 74 MW, a target demand of 300 GWh during the operating phase, and a total of 77 km of network already built and connecting 10,000 homes. Networks and capacity are expected to increase in the coming years. In addition to providing the lowest cost per MWh (annual savings of up to 10-20% for end customers before the recent increase in gas prices), the technology is in line with energy transition objectives which makes it more reliable for end users, until at least 2040. The project will result in a significant reduction in GHG emissions compared to other heating solutions thanks to the use of biomass, which emits ten times less than natural gas (around 400 gCO_2 eq/KWh for natural gas compared to approx. 40 gCO_2 eq/KWh for biomass, which may be even lower depending on the type of biomass used).

7.2.2.3 Financing and investment in sustainable mobility and cities

Natixis is a leading bank in the financing of environmental infrastructure(1). In particular, it arranged the financing of a waste -to -energy plant project in Skelton Grange, near Leeds, England. The facility will be able to burn up to 410,000 tons of non-recyclable residual waste per year, and generate nearly 49 MW of energy, which will supply approximately 100,000 households with energy. Natixis acted as lead manager and hedging bank for the financing of the project.

Sustainable real estate

In a contrasting real estate market in 2021, the real estate financing teams have increased their positioning on the financing of sustainable projects by doubling the number of financed transactions. A total of 13 transactions were closed in 2021.

- five sustainable financings (corporate loans), three of which Natixis was either Sustainability Coordinator or Co-coordinator;
- the signing of 8 green mortgage loans, including 4 for which Natixis was Sustainability Coordinator.

2021 KEY EVENTS

Structuring of Groupe BPCE's first green RMBS

For the Groupe BPCE, Natixis structured its first green securitization transaction of €1.5 billion to finance low-energy housing. This Green RMBS (Residential Mortgage-Backed Securities), in which the Banques Populaires and the Caisses d'Epargne are stakeholders, is the first transaction of such an amount to be carried out in this format by a French issuer. The innovative nature of this transaction is based, on the one hand, on Groupe BPCE's commitment to finance the production of new home loans for the purchase or construction of low-consumption housing up to the level of the loans sold, and on the other hand on the desire to involve investors directly in our action on the transition of a sector that emits high levels of GHG.

Launch of the innovative Impact Hypotheken investment platform

Natixis and CMIS Group have joined forces to launch the new Impact Hypotheken investment platform, targeting investors looking for sustainable assets. Impact Hypotheken enables pan-European investors to access mortgage loans dedicated to the acquisition and/or renovation of Dutch residential real estate that meet the technical eligibility criteria defined by CMIS as part of its Green Financing Framework aligned with the Green Bond Principles. The platform is specifically suitable for financing Dutch low-energy residential assets with a minimum energy rating of "A", or borrowers whose residential properties have a lower energy label and who are committed to improving the energy performance of their property by at least 30%, or in order to achieve an "A" energy label or better.

(1) *Natixis ranks fourth in the world among MLA banks for financing renewable energy infrastructures (source: IJGlobal's Infrastructure and Project Finance League Table Report 2021).*

In 2019, **Natixis Assurances** extended ESG integration to its real estate portfolio and ultimately aims to fully integrate ESG criteria. To this end, an energy convergence plan and continued labeling of its portfolio assets has been implemented. The asset acquisition policy includes identifying, monitoring and managing sustainable development indicators.

Natixis Assurances monitors and reports annually on the portion of its real estate investments that have environmental certification. Since July 2020, Natixis Assurances has implemented an ESG reporting monitoring strategy for its dedicated NAMI INVEST and FRUCTIFONCIER portfolios. Eight real estate assets received HQE certification in 2021, making it possible to obtain a label of up to 77% by value of the NAMI INVEST portfolio and 63% of the FRUCTIFONCIER portfolio.

In 2021, Natixis Assurances extended the ESG integration of its real estate portfolio through:

- an audit on the resilience of real estate assets to climate change, in order to anticipate and reduce future adaptation costs;
- feasibility studies for the installation of photovoltaic equipment on the roof to reduce the carbon footprint of assets;
- the installation of electric charging stations to promote the use of clean vehicles, etc.

Through the expertise of Natixis Assurances, the Multirisque Habitation policy for private individuals covers eco-responsible buildings with no additional premiums: timber frame houses, thatched roofs, as well as renewable energy production equipment. In all plans, an Ecological A+ refitting is planned for movable assets covered in the event of a claim.

In addition, policyholders benefit from support services to achieve energy savings, in particular by having access to a network of RGE certified craftsmen (Recognized Guarantor of the Environment: qualified professionals for energy renovation work).

Operational Civil Liability and Professional Liability cover the financial consequences of liability incurred as a result of accidental damage to the environment (e.g. contamination of soil, water, air, damage to species and protected habitats).

AEW CILOGER continued its efforts to obtain certification for its portfolio assets throughout 2021. Its buildings received BREEAM on construction, LEED existing building, HQE in use, BREEAM in use, BBCA (low-carbon building) or BEPOS (positive energy building) certification. The amount of certified assets amounted to €8.6 billion, which represents 23% of the AEW CILOGER portfolio. In 2021, seven funds took part in the assessment of the Global Real Estate Sustainability Benchmark (GRESB), which covers both environmental (measures to reduce the environmental footprint) and social (stakeholder relations and social impact of activities) topics). and governance (policies and procedures). Seven funds were awarded the Green Star level in 2021, showing an improvement in the rating compared to 2020, including one logistics fund that achieved the five-star level and was ranked first in its category in Europe. In addition, AEW CILOGER obtained the SRI real estate label in July 2021 for two retail funds.

The Innov 2019 project, launched in 2019 and rolled out until 2022, aims to test innovative solutions at around forty pilot sites, based on seven themes: photovoltaic electricity, electric vehicle charging stations, biodiversity, the circular economy, and the fight against food waste, waste management, resilience to climate change. Some projects have already been completed and have been extended to other buildings, in particular on biodiversity and the circular economy.

Investments by **Ostrum AM** contributing to the financing of sustainable buildings, via sustainable bonds (subject to a dedicated analysis), amounted to €3.15 billion at the end of December 2021.

Sustainable mobility

Mobility is crucial to human development. Moving goods and people allows access to goods and services, in particular housing, employment, healthcare, education and culture. However, this has an impact on climate change, air quality, the use of fossil fuels, biodiversity, and health. Transport growth projections expect the number of air passengers to double by 2040 and that there will be nearly two billion vehicles in circulation by 2050. Natixis is committed to developing sustainable, low carbon transport solutions through its financing and investment activities.

2021 KEY EVENT

TransMilenio: financing in the form of US Private Placement in line with a sustainable development objective

In November 2021, Natixis intervened with TransMilenio, the public transport authority for the district of Bogota, in connection with the financing of three separate concessions to supply a fleet of low-carbon buses. Natixis acted as sole placement agent and ESR coordinator, rating advisor in this US$126 million financing in the form of US Private Placements ("USPP"). The new, cleaner buses will have an average fleet emission intensity of 50 gCO_2 per passenger-km or less. They will replace TransMilenio's aging fleet in the district, where 25% of buses are more than ten years old. This transaction is among the first USPPs issued in Colombia and is the first Colombian USPP issued in the form of certified sustainable bonds and climate bonds.

Ostrum AM invests in sustainable mobility via sustainable bonds. Out of all the sustainable bonds analyzed, Ostrum AM invested €2.68 billion in sustainable mobility at the end of November 2021.

In 2021, **Mirova**, through its Mirova-Eurofideme 4 fund, invested €60 million with 3i Group plc, through its 3i European Operational Projects Fund, in NEoT Green Mobility ("NGM") to finance its project pipeline, while the Banque des Territoires invested an additional €20 million. NGM offers turnkey rental solutions and zero emission transport services to public authorities and transport operators. The Company's E-Mobility-as-a-Service solutions include the provision of batteries, rolling stock or charging infrastructure as a service to customers in a wide range of sectors: urban and intercity public transport, inland and maritime navigation, rail transport, charging stations and smart charging solutions. After starting with electric mobility, the Company will also seek to expand into the hydrogen sector. Today, NGM has more than €40 million in assets under management, under medium and long-term contracts, mainly in France and the United Kingdom, and aims to expand in Western and Northern Europe. With this combined investment, NGM is targeting an asset base of €400 million in 2024 and is positioning itself as a leading financial partner for mobility operators and local authorities wishing to electrify their fleet or infrastructure.

Natixis Assurances offers preferential rates to individuals who travel less than 8,000 km per year in their car: this option applies to 28.4% of contracts (275,975 policies), or €103.8 million in annual premiums in 2021. Savings of up to 30% are offered to electric vehicle owners. The new means of soft urban transport (electric bicycle, electric scooter, gyropod, etc.) can be provided as an option via the residential offer. As part of the support of its customers, eco-driving courses are also offered. In the event of an automobile accident, Natixis Assurances favors repairing damaged parts, or if necessary, replacing them with re-used parts (used parts) rather than new parts.

7.2.2.4 Green bonds and green loans

Green bond issuers undertake to use the funds raised to finance projects with a positive impact on the environment. Unlike traditional bonds which can finance all the issuer's activities, a green bond finances traceable investments in measures to improve environmental performance such as energy efficiency, renewable energy, sustainable transport or water management. As of the end of 2021, the green bonds market totaled $553 billion[(1)].

Natixis arranged 55 green bond issues in 2021, for a total arranged amount of €6.5 billion, confirming its solid positioning on this market, especially in Europe.

Natixis acted as Sole Green Structuring Advisor, Joint Bookrunner and Global Coordinator for the inaugural Green Convertible Bond of Voltalia, an international player in renewable energies. The issue of these green OCEANEs, amounting to €200 million maturing in 2025, will make it possible to finance and/or refinance eligible green projects, as defined in Voltalia's green and sustainable financing framework document. This framework is aligned with the Green Bond Principles.

Natixis is also active in green bond investments through its Asset Management affiliates.

Ostrum AM managed €19.6 billion of outstanding green bonds at the end of December 2021, through its funds and mandates. Ostrum AM has invested €359 million in the green bond of the Société du Grand Paris, which finances the Grand Paris Express, which will contribute to the modernization of the existing Paris transport network. Considered the largest infrastructure project in Europe, this investment fully supports the energy transition and is in line with France's Paris Agreement objectives.

In October 2021, **Mirova** supported SNCF in the development of a short-term green bond issue in line with the Green Bond Principles. This is the very first short-term green financing issued under the Euro Commercial Paper (ECP) program. Worth €50 billion and maturing in three months, this transaction aims to finance sustainable investments as well as operations (recycling, pollution control, renewable energy (PPA EnR), etc.) contributing to the ecological transition of SNCF. It is part of its charter dedicated to green financing ("Green Bond Framework"). Mirova also subscribed to this transaction.

As well as green bond issuance, since 2018, Natixis has also offered two types of green or sustainable loans: loans earmarked to finance environment-related projects (term loans called "green loans") and syndicated loans meeting ESG criteria (green revolving credit facilities or green RCF called "sustainability-linked loans" or "ESG-linked loans"). 90 transactions were finalized in 2021 (including securitizations). Natixis was an ESG structurer for more than half of these transactions. In addition, Natixis structured one RMBS green in 2021.

In 2021, Natixis obtained the following rankings[(2)]: #3 Global Green/Sustainability-Linked Loan Coordinator, #7 EMEA Sustainability-Linked Loan Bookrunner, #9 Global Green Loans Bookrunner and #4 Americas Green Loan MLA.

2021 KEY EVENT

Structuring of the first Green Cat Bond

Natixis worked with Generali, as Joint Bookrunner and Sole Sustainability Coordinator, for the issue of the first Green Cat Bond. The bond, in the amount of €200 million, will make it possible to reinsure any losses arising from natural disasters in Europe. Generali undertakes to invest the capital received in green insurance projects and products. An issue framework defines the eligible sectors and the refinancing conditions, similarly to a green bond. The collateral provided in the transaction will also be invested in sustainable securities of the EBRD.

(1) Source Bloomberg.
(2) Source Dealogic.

7.2.2.5 Development of low carbon structured products

Structured solutions based on the indices developed since 2015[1] have been proposed with innovative forms – structured notes, Green Bonds and Equity-linked Bonds – to meet the need for investment in sectors contributing to the energy and ecological transition with a range of solutions for both retail and institutional investors in different geographical regions. At the end of 2021, more than €1.7 billion in structured green bonds had been distributed, including €1.3 billion by the Banque Populaire banks and the Caisses d'Epargne through unit-linked sustainable life insurance.

2021 KEY EVENT

First structured product combining green bond, climate index with a donation commitment based on a partnership with the Terre des Liens association.

This product is offered in partnership with the insurer Groupama, Natixis acting as issuer and the social bonds being distributed by Groupama. This coherent structure is based on three complementary pillars:

- a green bond financing renewable projects and green real estate;
- the climate-themed index, Euronext Climate Objective Euro Decrement 5%, focuses on companies seeking to improve their carbon performance, their environmental commitments and their ability to offer products and services that are compatible with an economy reducing their carbon footprint;
- a portion of the funds raised as part of the structured product distribution campaign is dedicated to the donation to Terre des Liens, whose main action involves the acquisition of sustainable land and farms. These are maintained in the long term in their agricultural vocation and are ready to welcome new farmers with agricultural practices that respect the soil and the environment. The project is carried out in close collaboration with the Natixis Foundation.

7.2.2.6 Alignment with the objectives of the Paris Agreement

The **Green Weighting Factor** (GWF) will allow Natixis to decarbonize its balance sheet and gradually align the impact of its financing activities on the objectives of the Paris Agreement, i.e. to limit the global temperature rise to +2°C in relation to the pre-industrial era. Natixis intends to achieve this long-term objective while continuing to finance all economic sectors by increasing the presence of green solutions in its financing activities and helping its clients in the transition to lower carbon activities[2]. Since 2021, color mix objectives have been set for the CIB and translated into a temperature trajectory. Natixis undertakes to use the GWF initiative to set climate impact targets for each of its banking activities.

Natixis is contributing to the objectives of the Paris Agreement in all its financing and investment activities by applying its exclusion policies on the coal industry, oil sands, oil and shale gas exploration in the Arctic *(see Chapter [7.3.1] "Management of social and environmental risks")*.

As well as applying exclusion policies, several Natixis entities have also committed to aligning their investments with the goals of the Paris Agreement. Natixis IM also helps its affiliates to better take into account climate issues in their strategies, in particular through a specific working group, co-led by Loomis Sayles, enabling affiliates to exchange best practices.

Natixis IM affiliates have been involved in climate issues for years.

NIM Solutions supervised the contribution of the Natixis IM scope as part of the first TCFD report of BPCE and Natixis, based on data provided by S&P Trucost. NIM Solutions calculated the following metrics published in the report, covering €577 billion of listed assets (equities and bonds) under management within Natixis IM:

- carbon intensity of investments: 726 tCO_2 e/million euros invested versus a benchmark of 518 tCO_2 e/million euros invested;
- temperature indicator (Implied Temperature Rise) below 3°C versus a benchmark above 3°C;
- investments in the carbon-intensive and total fossil energy sectors:
  - thermal coal: 0.2% of assets under management (€1.04 billion) versus a benchmark of 0.51% of the index,
  - total fossil fuels: 4.44% of assets under management (€23.2 billion) vs. a benchmark of 6.43% of the index.

The NIM Solutions structuring team has also set up an innovative process to contribute to the reduction of carbon emissions. It consists of allocating a specific portion of the management fees of a fund to the purchase of VER (Verified Emission Reduction) carbon credits. This amount will be paid by the asset management company Natixis IM international. As of November 2021, the Coralium Santé fund, offered in the BPCE networks, will be able to benefit from the VER carbon credit acquisition mechanism paid by Natixis IM International. As such, from November 2021, the Coralium Santé fund, offered in the BPCE networks, will be able to benefit from the VER carbon credit acquisition mechanism by Natixis IM International through management fees as part of the management of a fund: 6 bps (i.e. estimate), i.e. a net contribution of €82 thousand per year (on an eight-year basis).

(1) ECO5 index: Euronext index launched in 2018, Climate Orientation, Solactive Climate and Energy transitions indexes.
(2) See introduction on the Green Weighting Factor in Chapter [6.4.2.1].

DNCA has developed a temperature rating methodology for its CDP portfolios[(1)]. DNCA has also published its first climate report on its DNCA portfolios and has developed new partnerships with Climate Action 100+ and the TCFD.

Dorval AM supports the "Non Disclosure Campaign" and the "Science-Based Target Campaign" (SBT) led by the CDP. These campaigns encourage companies to publish and set reduction objectives for their emissions. Dorval AM publishes an annual climate impact report for all its open funds in line with the Paris Agreement based on the methodology of their partner ISS. In this report, the current and future emissions of the invested companies are compared according to three different climate scenarios developed by the International Energy Agency: sustainable development scenario (SDS), the declared policy scenario (STEPS) and the current development scenario policies (CPS). In addition, Dorval AM's ambition is for at least 80% of its open-ended funds to be aligned with a trajectory of less than or equal to 2°C by 2050.

Loomis Sayles has integrated climate impact assessment instruments for its portfolios in order to better understand the risks and associated climate scenarios. These instruments make it possible to measure and monitor the carbon footprint of their portfolios and compare them with their benchmarks. Work on the integration of new external assessment tools and more data on climate change is underway to improve its carbon footprint assessment capabilities. Loomis Sayles uses several ESG data providers, including ISS, which gives them a comprehensive approach to climate risk and transition scenarios to assess the potential impact of future events on their portfolios. Loomis Sayles is a member of Climate Action 100+[(2)].

Since this year, **Ossiam AM** excludes the financial assets of companies involved in the exploration and production of oil and gas in the Arctic, as well as those involved in the exploration and production of oil sands regardless of the location of this activity. Ossiam will include benchmarks compatible with the Paris Agreements (Paris Aligned Benchmarks) in its funds and, in keeping with its principle of transparency, will begin to disclose the physical risk of funds.

Ostrum AM is committed to campaigns orchestrated by the CDP for greater transparency and to encourage companies to adhere to the SBT objectives. It is also a signatory of a declaration encouraging States to go further in their climate ambitions within the framework of COP 26. Ostrum AM is also in the process of developing an oil & gas policy.

Thematics AM published its first climate strategy and disclosure report, which details its commitment to reducing its environmental footprint, in line with the recommendations of the TCFD and those of Article 173 VI of the French law on the energy transition for green growth. This objective was made possible in part thanks to the services of a third-party data provider (S&P Trucost) which measures the alignment of the companies invested by Thematics AM with the Paris agreements.

To assess the climate performance of companies as closely as possible, **Mirova** has developed, in collaboration with Carbone 4, a methodology that uses a life cycle approach to calculate both induced emissions and avoided emissions. Thanks to these two measures, which are homogeneous across sectors and companies, Mirova is able to quantify the exposure of its portfolios to risks and opportunities related to climate change and the energy transition.

Naxicap Partners has carried out an exhaustive calculation of the carbon emissions of the companies in its portfolio, focusing in particular on Scope 3 emissions and thus has a better understanding of the overall carbon footprint of its portfolio. Sirsa, an ESG and carbon consulting firm, was commissioned to calculate the scope 3 carbon emissions of the companies in the Naxicap Partners portfolio. Sirsa used a simplified approach to identify the most significant sources of greenhouse gas emissions, particularly in scope 3, in order to reflect a global vision and deliver usable results. The estimation of scopes 1, 2 and 3 was carried out in 2021 on 71% of assets under management (from the ESG scope) for an average carbon intensity of the portfolio of 621 tCO_2 e/million euros invested. This work highlighted the main sources of emission of each company, making it possible to define precise action plans. As a result, from 2022, Naxicap Partners has set itself the goal of building a climate trajectory with the most impacted and impactful investments (according to the principle of dual materiality).

MV Credit is a signatory of the Global Investor Statement to Governments on the Climate Crisis in 2021.

Vauban Infrastructure Partners thus excludes investments in the exploration and production of fossil fuels (coal, oil, shale gas and gas), and annually assesses the carbon footprint of the assets in the portfolio (on scopes 1, 2 and 3). This assessment makes it possible to identify the levers for action to reduce and avoid GHG emissions, to engage in dialog with joint ventures on these actions, and to discuss compensation solutions when emissions cannot be avoided. Vauban Infrastructure Partners is also part of the TCFD approach and is committed to offsetting its own carbon emissions. In the GRESB (Global Real Estate Sustainability Benchmark) assessment in 2021, Vauban Infrastructure Partners was ranked first in the Europe – Diversified – Private Equity funds category with a GRESB score of 5/5.

In 2021, efforts by **AEW CILOGER** focused on adapting to the physical risks of climate change. AEW CILOGER has finalized a project on a list of pilot buildings, aimed at assessing these risks, their financial impacts and defining adaptation plans to reduce the vulnerability of the affected assets. This study was returned to investors.

For the main funds and mandates, climate risks are now systematically included. With regard to GHG emissions, dedicated reports and targets for reducing these emissions have been set for several investors.

In September 2021, **AEW Capital Management** joined the ULI Greenprint alliance made up of real estate groups, investors and strategic partners committed to improving the environmental performance of the real estate sector. The alliance and its members are aiming for a net zero carbon target by 2050, in line with the Paris Agreement target. AEW Capital Management will publish its first TCFD report in 2022.

(1) Carbon Disclosure Project is a non-profit charitable organization that runs the Global Disclosure System for investors, companies, cities, states and regions to manage their environmental impact. Website: https://www.cdp.net/fr.

(2) Climate Action 100+: investor-led initiative to ensure that companies with the highest emissions of greenhouse gases globally take the necessary actions to promote climate change. Website: https://www.climateaction100.org/.

Natixis Assurances strengthened its commitment against global warming in 2021 with the objective of placing the investment portfolio on a trajectory of 1.5°C by 2030 with a plateau of 2°C in 2024 (compared to 2030 previously). Natixis Assurances has also raised its investment objective in green assets from 10% to 15% per year, and is now targeting 10% of its total assets under management by 2024 (compared to the previous year). Achieving this last objective requires investing more than €1 billion per year between 2022 and 2024 in green assets.

It should be noted that at the end of December 2021, Natixis Assurances had made investments with a positive impact on the climate, representing 19.4% of investments over the year (flows). With this policy, Natixis Assurances intends to encourage and give priority to companies that contribute to the energy and ecological transition. Its commitment covers all its investment portfolios (excluding unit-linked policies).

Natixis is involved in several initiatives with other financial institutions seeking to establish industry-wide methodological principles for calculating the carbon footprint of the portfolios managed by banks, insurers and asset managers (including working groups under the UNEP FI). Given the wide variety of its business lines, Natixis is particularly keen to find common principles that will ensure consistency in how it quantifies the carbon footprint of its different activities. These principles will provide a framework in which to establish detailed targets for reducing this carbon footprint.

7.2.3 Protecting and developing natural capital

7.2.3.1 Natixis' biodiversity commitments

Natixis is aware of the major issue of the deterioration of natural capital and, as a bank, asset manager and insurer, is committed to taking concrete action to preserve it. The Earth is now facing an unprecedented mass extinction of living species: more than 60% of wild animal populations have disappeared in the last 40 years[(1)]. One million animal and plant species are threatened with extinction out of the estimated eight million on the planet[(2)].

All Natixis financing, Asset Management and Insurance business lines have been involved in a cross-functional discussion of biodiversity issues since 2018, resulting in eight concrete commitments[(3)] targeted at 100% on its direct and indirect biodiversity impacts. These commitments are part of Natixis' participation in the act4nature international initiative[(4)], and their SMART nature (specific, measurable, additional, relevant, time-bound) was validated by a multi-stakeholder Committee made up of 16 partners including several environmental NGOs. Natixis was the first bank involved in the act4nature international initiative to communicate individual SMART commitments in June 2020:

1. include biodiversity in its 2021-2024 strategic plan;
2. support the environmental transition of its customers by systematically integrating biodiversity issues into its sustainable finance offering;
3. measure the impact on the biodiversity of its customers, its financing, some of the assets managed for third parties and real estate investments;
4. integrate biodiversity criteria into the ESG analysis, shareholder dialog for the sectors for which biodiversity is the most important and in real estate investment decisions;
5. avoid, reduce and offset its impact on biodiversity, whether direct or derived from its financing activities;
6. increase the outstandings of its Asset Management dedicated to natural capital and the protection of water resources to €2 billion by 2023 through investment funds managed by its affiliates Mirova and Thematics AM;
7. train and raise awareness of Natixis employees on biodiversity issues;
8. actively contribute to the emergence of market standards by 2022 to measure and report on the impact of companies in terms of biodiversity, notably through the work of the TNFD.

By making these commitments, Natixis includes biodiversity at the center of its ESR system, along with climate change. Aware that reducing its indirect impact is an important lever for contributing to the preservation of natural capital, Natixis places biodiversity at the heart of its discussions with all its customers and stakeholders. This approach is part of a more global action to support its customers in their environmental transition.

Details of Natixis' individual commitments are available at *[https://www.natixis.com/natixis/fr/retrouvez-les-engagements-individuels-detailles-pour-la-biodiversite-rqaz5_112023.html]*. As part of these commitments, Natixis will publish an overview of its achievements in 2022 on its website.

(1) Source: WWF.
(2) Source: IPBES.
(3) https://www.natixis.com/natixis/upload/docs/application/pdf/2020-06/act4nature_engagements_individuels_natixis_fr.pdf.
(4) Natixis has been a signatory of the act4nature international initiative since 2018, led by the association Entreprises pour l'Environnement (EpE). In this context, it has committed to the ten collective commitments of the initiative, and to communicate individual commitments. www.act4nature.com

Participation of Natixis and Mirova in the Taskforce on Nature-related Financial risk and Disclosure

Natixis actively contributes to the international initiative Taskforce on Nature-related Financial risk and Disclosure (TNFD), which should lead by 2023 to the creation of a standard for measuring the impact and reporting biodiversity issues for companies, on the TCFD climate model. The TNFD is the result of a partnership between the Natural Capital Finance Alliance (NCFA), the United Nations Development Program (UNDP) and the World Wildlife Fund (WWF), with the support of the British government. Through its subsidiary **Mirova** Natixis is part of the TNFD initiative steering group.

This working group will have to address several issues:

- data accessibility: unlike climate data (mainly GHG emissions) held by companies, data related to natural capital requires access to larger databases (government, NGOs, universities, etc.);
- spatiality: risks related to nature are specific to their location, and the locations of a company's assets are generally not disclosed;
- materiality: nature is a public good and is currently used free of charge by companies. Risks related to nature are therefore rarely taken into account in financial decision-making. The working group will have to consider the possibilities of integrating this materiality through regulations, changes in terms of reporting or responsibility.

Once adopted, the TNFD will enable banks to manage the indirect impact of their investment and financing activities on nature, to reduce financial flows with a negative impact while promoting those with a positive impact.

7.2.3.2 Recognition of biodiversity in financing and investments

The Green Weighting Factor Initiative introduced in September 2019 now systematically evaluates the impact of financing solutions on biodiversity in relevant sectors as well as the impact of dedicated financing solutions (project or asset financing) on Key Biodiversity Areas.

Natixis already incorporates an in-depth analysis of the impact on biodiversity in its project financing activities and in 2021 it will continue to step up its recognition of natural capital preservation in all its activities:

In accordance with the **Equator Principles**, Natixis requires its clients to examine all the risks and potential impacts of their projects from an environmental, social, health and safety perspective and to take all the necessary steps to minimize and correct the potential impacts. Protecting biodiversity is an integral part of these requirements. The quality of the client's impact studies and management systems is also taken into account when assessing the project. The assessment is generally performed by an independent consultant and it pays particular attention to the preservation of natural and critical habitats, in compliance with the regulations applicable to the project. For projects located in non-designated countries[(1)], additional action is required to meet the conditions set by the International Finance Corporation[(2)].

Mining activities to extract, recycle and transform commodities have a significant impact on natural capital and biodiversity. For this reason, Natixis works with its clients to plan, avoid, reduce and offset the impact of these activities at each stage in the investment process. For each transaction, the Energy & Natural Resources (ENR) team ensures that its clients observe the practices required in the sector (including the Equator Principles) and Natixis' internal policies.

For **agricultural commodities**, Natixis helps its clients with natural capital protection. In 2021, Natixis acted as MLA Bookrunner and Sustainability Coordinator for the refinancing of a 3-year revolving credit facility linked to sustainability objectives, in favor of the American agricultural commodities trading group, Bunge. The interest rate under this facility is linked to the Company's credit ratings as well as five Core Sustainability Goals, which include the recently established Science-Based Goals (SBTs) that define the Bunge Climate Goals within its operations and reinforce the Company's commitment to eliminate deforestation in its supply chains by 2025.

First blue bond issue of a commercial bank in Asia : in September 2020, Natixis acted as associate global coordinator of the first issue of the Blue Bond of Bank of China Limited, Paris branch ($500 million tranche at 3 years). This innovative financial instrument will finance the restoration of the coastline, the biodiversity of the seabed, sustainable fishing, offshore wind and the fight against pollution (waste and wastewater treatment). The issue is aligned with the ICMA Green Bond Principles.

(1) As defined in the Equator Principles.
(2) IFC Performance Standard 6: biodiversity conservation and sustainable management of living natural resources.

2021 KEY EVENT

Iceberg Data Lab

In line with Natixis' commitment to support innovative environmental solutions, **Natixis IM** recently completed a minority investment with Iceberg Data Lab, a financial technology company that develops assessment tools and provides environmental data solutions to banks.

Faced with the growing demand from banks and their stakeholders for greater transparency on the impact of portfolios on the climate and the environment, Natixis IM and its subsidiary Mirova, as well as AXA IM, Sienna Capital and Solactive will support the global expansion and product development of Iceberg Data Lab. The latter aims to bring to the market intelligent solutions of scientific data and data on biodiversity and was recently selected by a consortium of investors, including Mirova, to develop a tool allowing investors to measure the impact of their investments on biodiversity.

Ossiam worked closely with Iceberg Data lab to develop the Food for Biodiversity ETF using its biodiversity footprint indicator. In addition, following the development of an investment strategy that minimizes the portfolio's biodiversity footprint, Ossiam has committed to integrating biodiversity at the heart of its activities by signing the Finance for Biodiversity commitment.

Ostrum AM has developed the consideration of biodiversity in their analyzes and commitments. **DNCA publishes** a trajectory/biodiversity report. **Dorval AM** measures the sensitivity of emitters in terms of biodiversity and land management, water stress and relations with local communities. Thus, issues related to biodiversity and natural capital are an integral part of their proprietary extra-financial rating on the environmental pillar.

AEW CILOGER integrates biodiversity into its SRI policy and management practices. A biodiversity indicator is included in the ESG audit that it has developed. This makes it possible to assess the building's initial performance and improve its management through a dedicated action plan. A biodiversity indicator is used for six funds or mandates corresponding to 33% of the portfolio managed.

Specific actions have been implemented, including biodiversity strategies across several portfolios and the integration of biodiversity into the Innov 2019 project. In 2021 AEW CILOGER also signed the Afilog Charter in favor of biodiversity and applicable to logistics buildings.

7.2.3.3 Thematic investment in natural capital

Since 2017, **Mirova** has had a platform specializing in investment for biodiversity conservation and natural capital. Mirova develops innovative investment solutions to mitigate and adapt to climate change, and to protect local regions, biodiversity, soil and marine resources, with €458 million invested in natural capital. In September 2021, Mirova published a progress report on its biodiversity roadmap focusing on three areas:

- accelerate investments in biodiversity;
- develop dedicated measurement indicators;
- strengthen commitments to its stakeholders.

2021 KEY EVENT

Launch of an alliance for investment in Natural Capital

Mirova, HSBC Pollination Climate Asset Management and Lombard Odier co-founded the Alliance for Investment in Natural Capital as part of the Sustainable Markets Initiative. The Alliance was created under the leadership of His Royal Highness, The Prince of Wales, as part of the Sustainable Markets Initiative. The creation of the Alliance was announced at the One Planet Summit.

The Alliance aims to mobilize $10 billion in investments for the theme of Natural Capital across all asset classes by 2022.

In response to the depletion of natural capital and land degradation as global issues (relating to food security, human life and ecosystems), the **Land Degradation Neutrality (LDN) Fund** is an example of the type of innovative public-private partnerships needed to finance the SDGs. The Fund was created(1) by the United Nations and Mirova as a source of transformative capital bringing together public and private investors to fund triple bottom line (economic, social and financial) projects that contribute to Land Degradation Neutrality. The LDN Fund will invest in three crucial sectors: sustainable agriculture, sustainable forestry, and other projects such as green infrastructure or ecotourism as opportunities arise.

The LDN Fund aims to generate positive environmental and socioeconomic impacts alongside financial returns. By addressing land degradation, the LDN Fund aims to deliver the following benefits:

- land degradation neutrality;
- climate change mitigation;
- climate change adaptation;
- improved livelihoods;
- improved biodiversity.

(1) United Nations Convention to Combat Desertification (UNCCD).

The LDN Fund continued to raise funds throughout 2021 totaling $208 million. The first impact report was published in June 2021 and demonstrates a tangible impact on the ground generated by innovative and promising entrepreneurs. The fund supported a project in Peru and Colombia in favor of agroforestry systems for small coffee producers. It has invested in an agroforestry project in Bhutan (Mountain Hazelnuts), in social enterprises helping local populations to develop cocoa and coffee plantations in Nicaragua (Cacao Oro project) and micro-forestry in Kenya (Komaza), and in a sustainable forestry company in Ghana and Sierra Leone (Miro Forestry).

The LDN Fund will use its investments to apply sustainable land management practices on 350,000 hectares of land around the world, to reduce CO_2 by 25 Mt, and to create or improve jobs for over 70,000 people.

Unhealthy oceans threaten all life on earth and have a particularly strong impact on small island nations and vulnerable coastal communities. Decades of poor management have led to the over-exploitation and degradation of ocean resources, in particular fish stocks and coral reef ecosystems. Improving the management of these natural resources can enhance productivity and operational efficiency and generate attractive returns for all stakeholders.

The Althelia Sustainable Ocean Fund (SOF) managed by Mirova, invests in companies that harness the ocean's natural capital sustainably, build resilience in coastal ecosystems and create sustainable economic growth. SOF holds a mixed portfolio of assets in the sustainable marine products sector, the circular economy and conservation. The fund focuses on emerging markets and small island nations.

Launched in 2018, Mirova completed the fundraising in 2020, which will reach $132 million. The first impact report was published in July 2021.

The SOF made eight investments in the areas of sustainable seafood, the circular blue economy and ocean conservation. They represent nearly $45 million in initial commitments, four of which were carried out during the year 2020: Recycled Technologies (supplier specializing in plastic recycling technologies), Plastic for Change (ethical plastic recycling company), nextProtein (production of alternative insect-based proteins) and CleanMarine Group (Marpol facility/treatment of liquid waste from vessels calling at the port of Freeport, Bahamas). In 2021, the SOF invested in the Norwegian company BIOmega (upcycling recycling fish biowaste).

Mirova has also partnered with IUCN, the NGO Turneffe Atoll Sustainability Association (TASA), Blue Finance and the Ministry of Blue Economy of Belize in an innovative blended financing mechanism to improve the management of marine protected areas of Belize and contribute to its blue economy. As a result, the asset management company made its first investments in its strategy dedicated to the preservation of biodiversity in the Amazon: Manioca, a Brazilian company marketing food products made from sustainably grown Amazonian ingredients, and Horta da Terra Ltd, a Brazilian company selling freeze-dried Amazonian products grown using regenerative farming systems in collaboration with the surrounding indigenous communities.

SOF's investments are having substantial positive impacts in terms of socioeconomic development and the preservation of natural resources.

2021 KEY EVENT

Orange chooses Mirova to support it in the regeneration of nature

As part of its "Net Zero Carbon" environmental strategy in 2040, Orange created the Orange Nature fund, endowed with €50 million to develop projects for the restoration and conservation of natural areas. The fund will invest, directly or indirectly, in various CO_2 carbon sink projects worldwide: afforestation, reforestation and restoration of natural ecosystems (mangroves or agroforestry projects). Particular attention will be paid to the economic and social development of the territories and populations concerned by the projects and their positive impacts on biodiversity. Orange will only be compensated in high-quality carbon credits[(1)] generated by these projects. Mirova will manage and deploy the fund.

The Orange Nature fund will have an exclusive co-investment agreement with the Nature+ Accelerator Fund sponsored by the International Union for the Conservation of Nature (IUCN) and the Global Environment Facility (GEF). Mirova has also been selected to structure and manage the Nature+ Accelerator Fund whose operations are due to begin in 2022.

(1) Carbon credits, also called VCUs (Voluntary Carbon Units) correspond to emission reductions and carbon sequestration, verified by the main players in the verification and certification of Carbon Credits on the market, thus guaranteeing the fund's environmental integrity (e.g. VCS, Gold Standard).

7.2.3.4 Development of the circular economy

AEW chairs the Circolab non-profit association created in February 2018 to promote the circular economy in the construction and real estate sector and in particular to encourage the reuse of materials via various initiatives: publication of reuse guidelines, promotion of best practices, development of shared tools, creation of an ecosystem of real estate sector players. Circolab currently has around seventy members (public and private sector contracting authorities, construction firms, building materials manufacturers, project managers, and associations).

Several working groups have been created, including one to estimate the goodwill in buildings that are part of the circular economy, during their construction or renovation. Work has also been completed to share best practice for buildings in use and to factor reuse into Building Information Modeling (BIM). In 2021 a circular economy trophy was launched for students to raise awareness of this issue. Several leading schools will participate, including ESTP, Arts et Métiers, Centrale, Ponts et Chaussées, INSA, etc. AEW has also created a Reuse label and organized several events to present its work at conferences.

The traditional model of extracting, producing, consuming and disposing is now outdated. The circular economy, which is now needed, aims to deploy sustainable models that reduce our impact on the environment and have a positive societal action.

To support a more responsible economy, **Thematics AM** has developed a strategy on the subscription economy, which aims to invest in companies whose business model is based on subscription. The subscription economy favors the use rather than the ownership of a product. Today, the subscription economy is booming and concerns all economic sectors. It is part of the new commitments of the circular economy. In a rapidly changing world, this fund invests in companies that are benefiting from changes in consumption habits caused by:

- the emergence of digital technology, which favors the personalization and contractualization of subscriptions/desubscriptions;
- the changing desires of new consumers, who favor the experience rather than the ownership of a good;
- the contribution to a service approach by companies, based on the functionality of their production and the sustainability of their approach.

As such, the fund is invested in listed companies that provide products or services on a subscription basis, thus promoting a more responsible economy. Launched in December 2019, the fund's assets amounted to $223 million at the end of 2021.

Natixis Assurances is also committed to limiting the consumption of resources: when it comes to insurance of multimedia devices, Natixis Assurances favors repairs to replacement whenever possible. In the event of a replacement, the policyholder is offered a refurbished device rather than a new refit.

At the beginning of 2021, Natixis Assurances began a project on the use of re-used parts, with the aim of increasing the rate of use, in conjunction with the networks of experts, garages and waste-recycling equipment.

7.3 Managing environmental, social and governance risks

Scope		2021	2020	2019
Corporate & Investment Banking	Number of transactions analyzed by the ESR Risk team	365	224	189
	Percentage of assets most exposed to climate transition risk	6.4% [(a)]	14.4% [(b)]	17.9% [(b)]
	Financing of the thermal coal sector	€369m [(c)]	€394m[(d)]	€118m [(e)]
	Financing of the oil and gas sector (exploration-production activities)	nc [(f)]	€5.8bn	nc
	Proportion of exposures to the oil & gas sector rated “brown” by the Green Weighting Factor methodology *(in% of sector outstandings)*	nc [(f)]	76%	nc
Asset Management	Investment in the coal sector	nc [(f)]	0.2% of assets under management (€1.04bn)	nc
	Investment in the fossil fuel sector	nc[(f)]	4.44% of assets under management (€23.2bn)	nc
Insurance	Investment in the coal sector	0.03% of assets (€20m)	0.07% of assets (€41m)	nc
	Investment in the fossil fuel sector	1.96% of assets (€1.13bn)	2.1% of assets (€1.25bn)	nc
Natixis	Number of sector policies published	4	4	4
	Number of employees trained in ESR risks in business lines and support functions	12,582[(i)]	1,240	nc
	Number of training hours delivered	3,481[(i)]	1,501	nc

(a) Percentage of outstandings rated “Dark Brown” under the Green Weighting Factor methodology (excluding the financial sector, Global Markets and sovereign).
(b) Percentage of the total amount of RWA rated "Dark brown" under the Green Weighting Factor methodology.
(c) Amount of coal exposure taking into account non-dedicated corporate loans and project financing (project financing: €54 million for 2021).
(d) Amount of coal exposure taking into account non-dedicated corporate assets and project financing (project financing: €71 million for 2020).
(e) Amount of coal exposure taking into account project financing only.
(f) Will be disclosed in the TCFD 2022 report.
(i) Employees trained in ESR e-learning are taken into account. For general ESR training, the number of training hours delivered is calculated in proportion to the time dedicated to “ESR risks”.

7.3.1 Incorporating ESG criteria in financing operations and investments

Environmental, Social and Governance (ESG) risks are factored into financing and investment activities as part of a global approach involving the business lines, the ESR Department and the control functions. The approach includes drafting and applying ESR policies in the most exposed sectors, determining excluded sectors, and assessing and monitoring ESG risks on transactions and counterparties using various tools and processes.

Implementation of ESR policies in sensitive sectors

ESR policies have been drawn up and included in the risk policies applied by the business lines working with the most sensitive sectors. These policies cover the following sectors:

Coal industries

From October 2015, Natixis undertook to stop financing coal-fired power plants and thermal coal mining around the world. It also undertook to no longer provide general-purpose corporate financing to companies for which coal-fired power plants or thermal coal mines account for over 25% of their activity, and no longer support companies developing new coal-fired power plants or thermal coal mines. Natixis will completely withdraw from thermal coal in the EU and OECD countries in 2030 and in the rest of the world in 2040. This commitment, which was the subject of a sectoral policy covering financing, advisory and Capital Markets activities and other products and services, was strengthened in June 2019, with Natixis extending its exclusion criteria to all infrastructure projects (ports, railways and any other infrastructure or facility) linked to thermal coal.

The sector policy also applies to investments made by Ostrum, for all its portfolios managed directly, and to Natixis Assurances, for all its general funds, Ostrum having supplemented its commitments in this sector with a dedicated policy published in early 2021. Mirova, for its part, excludes any investment in the fossil fuel sector.

At the end of 2021, Natixis had no outstanding financing exposure to thermal coal mining activities and only residual exposure to coal power plant and coal infrastructure financing.

Defense

Since March 2009, Natixis has prohibited financing, investment and offers of services to companies involved in manufacturing, storing or trading anti-personnel mines and cluster bombs. The sectoral policy published in 2018 and amended in 2020, available on the Natixis website, broadens the scope of the weapons subject to exclusion and sets precise criteria in the conditions for carrying out operations, in particular those relating to importing and exporting countries.

The policy also applies to investment operations undertaken by Natixis, Ostrum, and Natixis Assurances.

For Corporate & Investment Banking, Natixis introduced a new tool for analyzing and evaluating transactions in the Defense sector.

Tobacco

Since December 2017, Natixis has undertaken to cease all financing or investment in favor of tobacco producers, wholesalers and traders, as well as manufacturers of tobacco products, and published a detailed sector policy on the sector in 2018[1]. This policy applies to Natixis, Ostrum and Natixis Assurances' financing, investment and services activities.

Oil and gas

In December 2017, Natixis committed to stop providing financing for the exploration and production of oil sands and oil in the Arctic region.

In April 2021, Natixis published an oil and gas sector policy detailing the terms of its commitment worldwide, namely:

- to no longer finance the exploration and production of shale oil and gas projects;
- discontinue the financing of projects involving the exploration, production, transportation and storage of extra-heavy oil and oil derived from oil sands, and related export terminals;
- no longer provide general purpose corporate financing for, and no longer invest[2] in any company of which the aforementioned activities *(see above)* account for 25% or more of total operations;
- discontinue financing for onshore or offshore oil exploration and production projects in the Arctic.

This commitment to protect the Arctic upholds the position already adopted by Ostrum and Mirova, which, since 2016, have headed a group of investors having signed a declaration calling for the Arctic region to be protected against oil exploration activities, and for the adherence to national commitments to combat climate change in this particularly hydrocarbon-rich area of the world.

Other industries

Natixis has internal ESR policies for the nuclear, mining & metals, and palm oil sectors. These apply to financing operations and cover the following issues:

- nuclear: compliance with the strictest international security rules (IAEA, etc.), reliability of technologies, demonstration by the host country and the operator of their capacity to control and operate their nuclear industry, based on specific criteria;
- mining & metals: compliance with international mining industry standards as well as the E&S performance criteria of the IFC (World Bank), analysis of the traceability of trade flows and their acceptability (working conditions);
- palm oil: traceability and compliance with best practices and applicable standards.

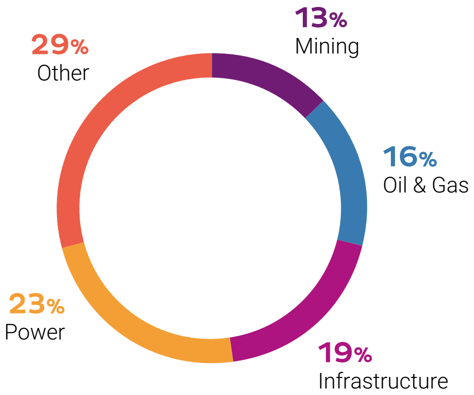
(1) https://www.natixis.com/natixis/en/tobacco-policy-rep_95634.html.
(2) This applies to all Natixis Assurances' investments.

Overview of financing transactions over the last three years

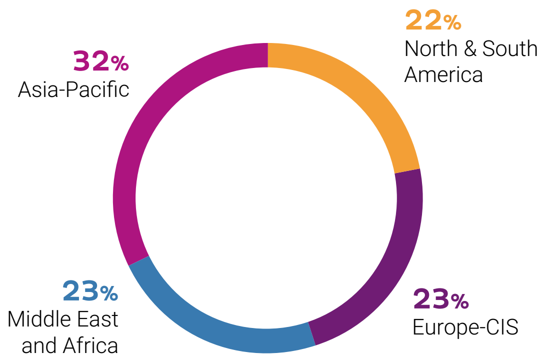
Managing environmental and social risks across Natixis' financing business lines involves analyzing clients and transactions to ensure they comply with its ESR policies and exclusion commitments, analyzing transactions according to the Equator Principles or other evaluation methods, and analyzing controversial issues that its clients may run into.

Over the last three years, 778 (including 365 in 2021) such transactions have been managed in this way, with the following sector breakdown:

Breakdown of the number of transactions reviewed by sector *(2019-2021)*



Breakdown of the number of transactions reviewed by geographic area *(2019-2021)*



Equator Principles

As a signatory of the Equator Principles since December 2010, Natixis applies an industry-wide methodology recognized by 127 member banks and financial institutions aimed at evaluating the E&S risks of the projects it finances and assessing the quality of the management systems used by its clients to manage, minimize, and remedy the impacts they cause as best they can.

This methodology applies to the financing of investments in new projects or the extension of existing projects. For Natixis it mainly concerns infrastructure, energy (oil, gas), electricity and renewable energy, and the mining and metals sectors around the world.

An organizational structure has been set up to involve both the business lines and the ESR Department in assessing and managing transactions. The process includes an assessment of the quality of existing E&S documentation prepared by the client (or client advisory services, if such documentation has not yet been drafted), the measurement and classification of the potential E&S impacts and risks, and, where necessary, the consultation of external specialists. It also provides for the drafting of an action plan for impact mitigation and correction measures, which is included in the financial documentation. Compliance with the action plan is monitored over the life of the financing facility.

Natixis' credit approval process includes a summary of key issues used to assess a project.

Details of the analysis and decision-making process, the resources used and full information on transactions audited in this way are available in the annual Equator Principles report (published before July 31 each year and available on the Natixis website[1]).

A new amended version (EP IV, dated July 2020) became effective on October 1, 2020. The new version extends the scope of application of the Principles and strengthens the conditions applied when assessing transactions, in particular in terms of human rights (especially the rights of indigenous communities) and physical and transition risks arising from climate risk. The teams were regularly informed.

Assessments performed beyond the scope of the Equator Principles

Mindful of the great diversity of client transactions and financing solutions, Natixis ensures the same level of vigilance on the underlying E&S risks of certain types of transactions outside the scope of the Equator Principles. These include acquisition financing transactions not associated with an investment program, financing that is, by nature, for multiple purposes, transactions involving portfolios of assets too large for a dedicated assessment, or certain kinds of assets.

In each of these cases, the quality of governance and management of the E&S risks inherent to the industry in question are assessed on the basis of current international best practices and standards, and the services of external consultants are called upon if necessary.

(1) https://www.natixis.com/natixis/jcms/ala_5415/en/environmental-and-social-risk-management

Analysis of reputational risk associated with involved parties

For all the financing transactions referred to above, and also when deemed necessary for any other transaction, an analysis is performed to determine whether the borrowing company, its operator or main shareholder has a history of poor management of its operations, from an environmental, social or health and safety standpoint.

In the interest of establishing lasting relations with its clients, the objective is to raise awareness among the business lines – before a credit decision is made – of all the situations that can give rise to reputational risk, and where necessary to consider appropriate measures. This analysis has become systematic since the implementation of the screening tool described below.

Environmental, social and governance (ESG) risk screening tool for corporate clients

To identify, assess and monitor the environmental, social and governance (ESG) risks of its corporate clients, Natixis has set up a complementary tool, ESR Screening.

This new system in place in all regions includes two levels of assessment integrated with existing risk management systems.

The first level ranks clients in a risk category based on the context in which they do business, the maturity of their ESR risk management system, any controversies to which they may be exposed and the type of business relationship they maintain with Natixis.

The second level performs an in-depth analysis of the most material ESG risks. The analysis focus on counterparties identified as being the most at risk and most often involves direct discussions with the client.

The system is integrated throughout client onboarding and loan approval processes to allow the systematic analysis of ESG risks. It involves the business lines, Compliance, and the Risk and ESR divisions.

The assessment process will gradually be applied to the portfolio of existing clients, taking into account the schedule for periodic renewals of financing authorizations.

7.3.2 Duty of vigilance

The French law on the duty of vigilance requires Natixis to prepare, publish and implement a duty of vigilance action plan containing measures that can identify and prevent the risks of violating human rights and basic freedoms, harming the environment, and endangering occupational health and safety, that are associated with the activities conducted by Natixis as well as its subsidiaries, subcontractors and suppliers.

Launched in 2017, the duty of vigilance project is overseen by Natixis' ESR Department and involves several other departments: Corporate & Investment Banking, Purchasing, Human Resources, Logistics, Compliance and Legal.

This vigilance plan covers Natixis employees in its own locations, as well as suppliers for the purchase of products and services. In addition, the procedures to be carried out as part of the bank's financing activities are strengthened each year.

Particular attention is paid to climate risks, as evidenced by the new strategic guidelines, operational measures and the TCFD reporting prepared by Natixis in 2021 *(see section 6.3.3)*.

Lastly, Natixis' Compliance Department has adapted the bank's whistleblowing system to take new regulations into account (including, in particular, the duty of vigilance, but also the Sapin II law).

Duty of vigilance in everyday operations

The environmental risks associated with Natixis' operations are discounted as its business is not liable to generate serious adverse impacts on the environment. Furthermore, the bank already applies strict environmental regulations in Europe and the United States, and has launched several initiatives to limit its impact on the environment (e.g. certified buildings, reduced use of resources, waste management, eco-friendly business travel, etc.).

Regarding **the risks incurred by Natixis employees and service providers in terms of human rights**, the decision was made to extend efforts in areas deemed most important in view of Natixis' businesses: working conditions, prevention of discrimination, and personal safety.

These issues are already strictly governed by a number of regulations in France (representing more than 65% of Natixis employees) including labor law, the personal and property safety policy, and the Professional Risk Assessment Document. Internally, numerous agreements have also been signed within the scope of Natixis France (relating in particular to remote working, employee savings schemes, profit-sharing and supplementary health guarantees).

Internationally, the working conditions of Natixis employees comply with or improve local regulations at the various sites under corporate governance. With regard to salaries, compensation surveys are regularly conducted to verify their competitiveness in their reference market.

Overall, maternity leave is more favorable than local regulations. In 2021 in France, beginning on July 1, paternity and childcare leave was increased from 11 to 25 days for a single birth and from 18 to 32 days for multiple births. Natixis has decided, in line with its actions in favor of parenthood and professional equality, to finance this leave in full. Internationally, it is planned to roll out a similar measure before the end of 2024, namely paternity and childcare leave (also called second parent leave in some countries) of a minimum of four weeks. This deployment will be decided by each of the entities and will be done in accordance with local regulations and in addition to them.

The safety and security of Natixis' employees and service providers are of vital importance. In 2019, the Security Department at Natixis in Paris rolled out solutions for all its offices focused on two major aspects: early warning and self-assessment.

Early warning systems are essential to be able to anticipate and respond quickly to risks and dangerous situations. To allow this, security managers can now access an early warning system on the internet that analyzes safety and security risks arising from geopolitical events.

The self-assessment and compliance system used for the past three years has been reviewed and rationalized. Its use was extended from France to all offices at the end of 2019. Travel safety around the world is enhanced through an application that brings together all travel agencies and offers training adapted to each trip. A global security unit is being developed to better coordinate actions and costs. The first two operational Committee Meetings with the various correspondents were held in 2021.

In addition, employee training topics are essential. An augmented reality course is in place to better immerse learners in risky situations and teach them the right reactions to have. It will be completed in 2022 by training in high-rise buildings in virtual reality.

Likewise, the protection of property and people relies on well-established practices. A building safety risk analysis is underway and training against malicious acts will be held in 2022. It relies on the use of innovative technologies with the gradual roll-out of telephone access badges and greater pooling of tools and processes.

Duty of vigilance in purchasing

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

In 2017, Natixis participated in a joint initiative involving several French Banking and Insurance companies and signed the Responsible Purchasing Charter. The aim of the charter is to encourage the suppliers of the signatory banks to implement duty of vigilance measures as part of their overall ESR approach. The charter sets a series of commitments that both parties are required to observe, based largely on the basic principles of the United Nations Global Compact in the areas of human rights, working conditions, the environment and anti-corruption[(1)].

Regarding the enforcement of the duty of vigilance law, Natixis and BPCE Procurement took part in a concerted effort in the banking and insurance sector to map out ESR risks in purchasing activities, involving three other banking groups. The map, which was delivered in June 2018, enables the following risks to be measured by country and by category of purchase:

Fair practices and ethics	Fraud and corruption
	Personal data protection
	Copyright and patents
Environment	Consumption of natural resources
	Pollution (air, water, ground)
	Biodiversity
	Carbon emissions
	Waste management
Human rights	Health and safety
	Working conditions
	Discrimination
	Forced labor and modern-day slavery
	Child labor

It maps out risks by drawing on the expertise of the chosen supplier for each purchasing category, in addition to statistics on each country, in accordance with recognized standards.

The mapping system identified 13 types of high ESR risk-type purchases from among more than 100 purchasing categories in the banking sector. These high risk purchases are to be the subject of targeted duty of vigilance measures:

Under the new consultation procedures conducted by BPCE Procurement in sensitive categories, suppliers are assessed on the basis of their ESR performance:

- the ESR questionnaire based on the risk map is sent to the supplier;
- the supplier must detail their action plan to deal with the identified ESR risks;
- BPCE Procurement/Natixis ESR together assess this response;
- the ESR grade is built into the supplier's overall grade;
- the supplier action plan must be implemented where ESR grade is below average;
- monitoring of the supplier's action plan.

The process applied since 2018 has made it possible to assess a first series of suppliers in sensitive categories. At the end of 2021, 69% of the purchasing categories concerned by the system had been assessed (servers, ATMs, bank cards, relationship marketing, furniture, vehicles, etc.) and other categories are being assessed.

BPCE Procurement has provided training to familiarize the procurement and ESR functions with the system, in the form of morning procurement meetings, classroom-based lessons and specific duty of vigilance e-learning courses. 100% of BPCE Procurement buyers responsible for these procurement categories have received training.

For purchases made directly by Natixis, an equivalent process was implemented in 2020 as part of the new Know Your Supplier procedure (KYS). For all purchases of more than €50 thousand in one of the thirteen sensitive categories, this process is now followed for purchases made in France and will be gradually rolled out to international platforms.

Managing risks in our financing activities

For several years now, Natixis has addressed the human rights and environmental risks incurred by some of its financing activities, most notably by applying the Equator Principles for project financing or specific policies for sensitive sectors.

In addition, the ESR Department has implemented with the business lines, the Compliance and Risk Departments a solution to identify, assess, and monitor corporate clients' environmental, social and governance (ESG) risks. The assessment process will gradually be applied to the portfolio of existing clients, taking into account the review schedule *(see Chapter [6.5.1])*.

Whistleblowing system

The whistleblowing system forms an integral part of Natixis' Code of Conduct and is based on a company-wide policy which sets the minimum standard to be applied throughout Natixis. It is accessible to any person holding a current employment contract with Natixis, as well as employees of external companies (Natixis suppliers or subcontractors).

(1) https://back.bpce-achats.fr/storage/documents/9YMh2ecdXFSrAUhMOp4SKfZWh64bfInkxPnW5izi.pdf (French only).

7.3.3 Climate risks

The environment and climate emergency is one of the biggest challenges facing the world's economies and every one of us. The financial sector can and must spearhead the ecological transition by channeling funds into a sustainable economy. As a provider of financial solutions, Natixis has a role to play in this movement.

As a financial institution and major economic player, Natixis is exposed to climate risk in the running of its operations and business activities. Taking this climate risk into consideration is crucial for Natixis in all its areas of business: Asset Management, Financing and investments, Insurance and Payments.

Aware of the challenges that climate change poses to the planet, society, its customers and its own business model, Natixis has implemented a series of measures to change its operational strategy.

2021 KEY EVENT

Publication of the first TCFD report

In October 2021, Natixis published its first climate report following the recommendations of the Task Force on Climate-Related Financial Disclosures. This report details the actions implemented to support the transition to a low-carbon economy and adaptation to the effects of climate change.

In this first TCFD report, Natixis is committed to ambitious objectives, such as reducing its financing of oil and gas exploration-production activities by 15% between 2020 and 2024, and arranging new financing of €9 billion on renewable energy over the same period.

https://www.natixis.com/natixis/fr/1er-rapport-tcfd-on-climate-lpaz5_133744.html

Climate risk mapping

Natixis has systematically identified and assessed the materiality of the impacts of climate-related risks. This exercise is based on Natixis' risk mapping and a qualitative assessment of the materiality of the impacts by the ESR and risk experts, in the short/medium term (< 5 years) and in the long term (5 to 30 years). The results of this work are presented in the TCFD report published in October 2021[1].

Integration of climate-related risks into the risk appetite framework

The categories "climate risk/transition risk" and "climate risk/physical risk" have been added to Natixis' risk inventory. The transition risk was considered material, including in the short term, given the potential reputational impacts, the risks related to changes in the regulatory and legal framework, and the strategic risk related to market changes in response to the climate transition. The physical risk is also considered material, in particular to take into account the increase in expected long-term impacts. As part of the risk appetite and the risk identification process, the assessment of the materiality of these risks will be reviewed annually and may be refined using new measurement methodologies.

In order to monitor the transition risk, an indicator reflecting the proportion of exposures rated "dark brown" by the Green Weighting Factor methodology was introduced as part of the risk appetite. In 2022 it will be subject to a quantitative limit.

Establishment of processes to identify, quantify and manage climate-related risks

Within the operational scope: As part of the operational risk management system, Natixis annually assesses its resilience to extreme climate risks (example scenarios: storms, heat waves, Seine floods, etc.) for its activities in France and internationally. The impacts of these scenarios are reflected in the measurement of a VaR (Value at Risk) taking into account external data, the quality of the BCP (Business Continuity Plan) and insurance policies.

Within Corporate & Investment Banking, Natixis has gradually deployed several tools to assess and manage its exposure. This approach will be strengthened in the coming years, in particular by completing the risk quantification and physical risk monitoring system.

- **Natixis has chosen to exclude from its financing and investment activities sub-sectors or borrowers that do not meet its appetite for climate-related risks.** Exclusion lists for the coal and oil and gas sectors have been implemented. *(see section 6.3.1)*.
- **Natixis assesses the effects of its transactions on the climate by assigning a climate rating either to the asset or project financed, or to the borrower in the case of general purpose financing.** This rating (or "Green Weighting Factor color rating") is derived from an estimate of the impact of the transaction on the climate and takes into account all significant environmental externalities, such as water use, pollution, waste and biodiversity. This proprietary tool systematically integrates transition risk into the bank's financing activities. Based on the Green Weighting Factor rating, an internal capital allocation mechanism links the amount of internal capital allocated to each transaction (analytical credit RWA) to its positive or negative impact on the climate and the environment. All loans with a green color rating receive a discount of up to 50% in their weighted assets, while the weighting of loans with a negative impact on the climate and the environment is increased by up to 24% *(see section 7.2.2)*.

(1) https://www.natixis.com/natixis/fr/1er-rapport-tcfd-sur-le-climat-lpaz5_133744.html.

7

- **Since October 2020, Natixis has applied the fourth version of the Equator Principles (EP IV Amendment), which reinforces the integration of climate change in the environmental impact analysis of major projects** *(see section 6.5.1)*. The borrower is therefore required to: 1) assess the physical risks associated with climate change for most projects, 2) carry out an assessment of the risks of climate transition and an analysis of less gas-intensive greenhouse effect alternatives for projects with CO_2 equivalent emissions of at least 100,000 tons per year in total. Depending on the risks identified and the nature of the associated impacts, mitigation measures are requested from the client. They are covered by specific clauses in the financial documentation ("covenants").
- **In 2020/2021, Natixis deployed ESR Screening, a complementary tool to identify, assess and monitor the environmental, social and governance (ESG) risks of its corporate clients.** This tool makes it possible to identify the customers most at risk and analyze them in depth. Climate transition and physical risks are fully integrated into the system.

All of these tools are integrated into the processes and systems of Corporate & Investment Banking. In particular, they are used to provide qualitative analysis to the Credit Committee and to formulate an opinion on how climate risks affect the borrower's risk profile. They may result in a positive, conditional (contractual conditions, action plans, restrictions) or negative opinion. The primary objective is to engage in constructive dialogue with the highest-risk counterparties.

In Asset & Wealth Management activities: Natixis Investment Managers has identified climate-related risks as a major issue and seeks to strengthen its understanding in order to support sectors and companies working to promote the transition and invest in impactful projects.

A working group bringing together representatives of the federation and affiliates has been set up. It meets on a monthly basis and aims to promote the sharing of best practices. ESG criteria are integrated by the majority of affiliates in the investment and commitment processes *(see section 7.3.1)*. This practice is accompanied by numerous actions: deployment of training, development of methodologies, work on climate data and measurement of the carbon footprint of portfolios.

In insurance activities: Natixis Assurances' sustainable investment strategy takes into account the influence of climate change risks on its investments in order to manage them appropriately. The management of sustainability risks and the negative impacts of the Natixis Assurances portfolio is based on a sector-based, normative and best-in-class approach, representing the basis of its ESG commitment (tobacco, coal, controversial weapons, oil sands) and companies rated negative on sustainable development). In addition, through a selective ESG integration policy, Natixis Assurances aims to improve the ESG profile of its investments under management mandates and in dedicated funds.

The property & casualty insurance portfolio for individuals and professionals through its guarantees for home, car and professional multi-risk carries the risk of claims related to weather events. Analysis of the contract portfolio is carried out regularly to identify and measure risks, in particular those related to weather events (floods, drought, storms, etc.), to qualify their geographical distribution and to adapt the underwriting policy.

Performance of climate stress tests

Groupe BPCE and Natixis took part in:

- the ACPR 2020 climate pilot exercise based on a dynamic projection of the balance sheet by sector (20 sectors with a high climate issue) up to the year 2030, 2035, 2040 and 2050 in four geographical areas;
- an analysis of sensitivity to climate risks, led by the European Banking Authority in 2020, as part of the regular risk assessment of European Union banks.

The purpose of these voluntary exercises was to feed into discussions on the impacts of climate change in order to better integrate risk measures.

Groupe BPCE and Natixis are working on the first banking stress test of the European Central Bank (ECB) to assess the exposure of the financial sector to climate and environmental risks. The exercise will be carried out by the ECB between March and July 2022.

Participation in industry working groups

Given the evolving framework of knowledge related to climate risks and the availability of internal and external data, Natixis actively participates in numerous industry working groups and engages in discussions with regulators. Natixis was particularly invited to present its system for analyzing transition risk in its financing activities by the NGFS (Network for Greening the Financial System), which includes 45 central banks and banking sector supervisors.

7.3.4 Publication under the requirements of Article 8 of the Regulation establishing taxonomy 2020/852

The European taxonomy is a methodology for assessing a company's activities in relation to environmental objectives, and more specifically in its current version, climate change mitigation and adaptation.

For this first publication exercise, the objective is to identify the so-called "eligible" activities, i.e. products or services that can potentially (but not necessarily) contribute to mitigating or adapting to climate change. For financial institutions, a ratio measuring the balance sheet portion of assets eligible for taxonomy is to be published.

The Natixis publication is consolidated in Groupe BPCE's non-financial statement.

7.4 Managing our direct environmental impact

	2021	2020	2019
Energy consumption per workstation *(in kwh)*	2.43	2.14	2.47
Energy consumption from renewable sources in France *(in %)*	93	92	92
Consumption per workstation *(in kg)*	2.96	5.04	10.41
Distance traveled by plane *(in thousands of km)*	4,873	4,302	27,441
Percentage of electric and hybrid vehicles in the vehicle fleet *(in %)*	32	20	15
Carbon footprint *(tco_2eq/fte)*	7	7	7.92

In line with its policy of recognizing ESR in its business lines, for over 10 years, Natixis has actively reduced its direct impact on the environment related to its internal operations. These impacts are very significant given the Company's 17,000 employees and its numerous locations in France and internationally.

Reducing our direct impact on the environment is one of the levers of the next Natixis strategic plan for the protection of biodiversity and the fight against climate change, with the aim of reducing our carbon footprint per FTE by 20% between 2019 and 2024. This ambition is based on a target of a 40% reduction in energy consumption, a 30% reduction in air travel and a 10% reduction in the impact of digital technology.

This policy is broken down into seven themes: sustainable real estate, responsible digital technology, the promotion of sustainable mobility, resource management (energy and paper), responsible purchasing, waste management and revegetation.

7.4.1 Sustainable Real estate

The Natixis Workplace Department, as manager of the Company's buildings, oversees the implementation and monitoring of environmental certifications, the reduction of energy consumption and the energy supply of buildings, as well as their accessibility.

Natixis and its subsidiaries in France (with the exception of Financial investments and affiliates – *see scopes Chapter [7.8]*) represent **216,665 m^2** of operating premises (compared to 242,494 m^2 in 2020) and **14,177 workstations** (compared to 16,162 in 2020). The real estate master plan contributes to the rationalization of the real estate portfolio and reduces our environmental impact. This rationalization is made possible by the implementation of the Flex Office and by the deployment of remote working for almost all employees.

Creation and monitoring of certifications

For the purpose of managing its buildings and offices, Natixis has chosen to occupy buildings whose design and operation guarantee optimal environmental performance.

We thus have **in France 11 certified buildings** (HQE Labels[1], BBC[2], HPE[3] or BREEAM[4]) representing an area of 101,662 m^2.

Internationally, Natixis also has numerous offices with environmental certifications, both in terms of construction and operation.

The Natixis head office building in New York benefits from the LEED gold level environmental label, and has improved its Energy Star score from 69 to 76.

In Madrid, Natixis occupies a BREEAM certified building. Natixis Frankfurt moved into a building with LEED Gold certification in August 2021[5]. A process was initiated by Natixis' offices in Porto to obtain BREEAM certification.

Natixis offices in Dubai obtained Gold level LEED & WELL certificates[6]. In addition, these offices are located in a LEED Platinum certified building.

Finally, in Hong Kong, the occupied building has been recognized for its environmental performance with numerous certifications: LEED Platinum for its construction and LEED Gold and WELL Gold for its operation.

(1) HQE: High Environmental Quality.
(2) BBC: Low Consumption Building.
(3) HPE: High Energy Performance.
(4) BREEAM: Building Research Establishment Environmental Assessment Method.
(5) LEED: Leader in Energy and Environmental Design.
(6) WELL: Building Standard framework for well-being in the workplace.

2021 KEY EVENT

The Duo towers project

Since the end of 2021, **Groupe BPCE is a tenant of the Tours Duo in Paris 13**, whose interior fittings will begin in January 2022. This new head office will house employees from Natixis and the BPCE community. Located close to the Seine, the two towers – 180 meters and 39 floors for DUO Est and 122 meters and 27 floors for DUO Ouest – cover more than 97,000 m² dedicated office space, and will accommodate more than 10,000 workstations.

The project was carried out with high standards in terms of well-being and respect for environmental issues.

DUO is the largest project registered in France benefiting for its construction from the **WELL Platinum** certification meeting the highest standards in terms of the comfort, health and well-being of users, and **LEED Platinum**, **HQE Exceptional** and **Effinergie+** labels demonstrating exceptional energy performance.

In addition, as part of the move into the Duo towers, BPCE and Natixis have initiated a process of **Osmoz certification of facilities,** a new quality of life at work certification.

7.4.2 Digital sustainability

The environmental and social impact of the information system is very significant particularly with regard to the entire life cycle of IT equipment on the environment. It leads to a decline in biodiversity, consumption of energy and natural resources, greenhouse gas emissions and pollution. For society, it is at the heart of the accessibility of services and the transformation of business lines.

As part of Natixis' Strategic Plan, responsible digital technology is one of the major challenges of the internal ESR component, with an **objective to reduce its carbon footprint by 10% by 2024**.

In line with the Responsible Digital Charter signed in June 2019, Natixis structures its Responsible Digital policy around the reduction of direct impacts (Green for IT), the responsible design of its "Green by Design" digital services, and the promotion of new sober and innovative solutions to serve Natixis' "Tech for Good" societal and environmental challenges.

7.4.2.1 Reducing the impact of digital technology: Green for IT

Control and optimize the growth of the IT infrastructure has been a major challenge for the Natixis Infrastructure Department for several years. The focus is on reducing the number of equipment and using equipment to its full potential. The use of technology such as virtual servers, resource overallocation and data compression means that infrastructure growth can now be absorbed without significantly increasing the number of devices required.

In 2021, for example, Natixis New York closed its dedicated data center of around 840 m² to the benefit of a more efficient data center of around 90 m² in a shared space, allowing it to reduce its impact in terms of equipment and energy.

Control the amount of equipment

In France, the number of multifunction printers was reduced by 11% between 2020 and 2021 and the number of individual printers was halved. Natixis Frankfurt also eliminated three-quarters of its printers in 2021, as did Natixis Porto, which now has only seven printers compared to eleven in 2020.

In addition, the reuse of IT equipment is systematically prioritized and implemented during new moves. There were 4,800 computer monitors reused for the installations on the Liberty 2 site, and 700 monitors were kept for the future needs of the Duo towers.

However, to support the deployment of remote working, 451 monitors were subsidized by Natixis in 2021 to equip employees at home.

Extend the useful life of equipment within Natixis

The other way to reduce the impact of IT is to extend the life of equipment. Thus, in France, smartphones are kept for 3 years instead of the initial 2 years, and laptops for 4 years instead of 3. Monitors are kept as long as they are functional.

Natixis Dubai has extended the warranty period for its laptops by 1 year, thus increasing the warranty period to four years, in order to promote their repair when possible, rather than buy them back. Also in New York and Porto, the useful life of laptops is extended by repairing them where possible (example: changing batteries when parts are available).

Promoting the reuse of Natixis equipment at the end of the cycle

Natixis France encourages the reuse of its equipment at the end of its life cycle, either by selling it to reuse channels via the Bocage workshops, or by making one-off donations directly to targeted associations.

As a result, in 2021, thanks to donations from Natixis, 1,196 devices (smartphones, monitors, laptops and desktops) could be reused or upgraded. At Natixis Dubai, more than one ton of electronic equipment was recycled.

Lastly, Natixis is involved in the European and global operations of **awareness** around digital waste. In March 2021, during **Cyber World Clean Up Day**, the participating employees freed up 91 GB of digital storage by deleting documents in their message boxes or directories, or applications on their phones.

During the **European Sustainable Development Weeks** in September 2021, collection boxes for mobile phones and waste electrical and electronic equipment were made available to employees in four Natixis buildings in Paris. Personal IT equipment was thus recovered to give it a second life or to upgrade its materials.

7.4.2.2 Responsible eco-design: **Green by Design**

The IT Department aims to be able to offer digital services that fulfill Natixis' social and environmental commitments while meeting its business lines' requirements. This involves, for example, designing infrastructures in an eco-responsible way without compromising safety. Or, for data, to ensure that what is needed is kept in mind, without losing sight of regulatory obligations.

In order to raise awareness and put in place concrete solutions on the subject of Ecodesign, a Green by Design community was initiated in January 2021 within Natixis.

Thus, **eco-design training** sessions on web solutions developed by an external organization (partner of the GreenIT collective) were offered from June to November 2021, and 18 employees with technical profiles were able to benefit from this training.

Lastly, a concrete application of eco-design was carried out with the digital sobriety audit on one of the Natixis solutions (intersavings website and mobile application). This audit detailed the areas for improvement which were then implemented. The application's environmental performance has thus been improved, confirming the effectiveness of certain best practices (the user experience has also been reduced by 11 seconds overall).

7.4.2.3 Digital technology for ESR: **Tech for Good**

This last part of Natixis' Responsible Digital policy aims to provide Natixis' business lines and its employees with digital services that have a positive impact on the environment and society.

In line with the aforementioned Responsible Digital Charter, Natixis has joined the Tech'Care initiative in March 2021. This platform aims to create momentum around players committed to eco-responsible digital technology (professional organizations, schools, competitiveness clusters, associations, foundations, think tanks) and to federate expertise to move from commitment to action. Workshops and webinars are regularly organized and led by digital and environmental experts on specific topics. Launched on October 8, the platform already has more than 290 signatories.

Tech for good has already given examples of concrete applications at Natixis: **measuring the impact of printed pages** *(see Chapter [7.4.4.1] "Paper: less and better")* and the tool for measuring the individual carbon footprint of employees at work **My Green Footprint** *(see Chapter [7.4.7] "Carbon footprint management")*. My Green Footprint has been eco-designed and is rated A according to the GreenIT Analysis.

In addition, Natixis has set up a tool to score its IT projects on an environmental level. This tool, the GPS-Green Project Scoring, offers each project leader a color on the environmental impact of their project. Initially, this involves raising the awareness of project leaders, via the various decision trees put in place.

In addition to these three pillars, Natixis has offered all its employees awareness-raising tools on the challenges and impacts of digital technology. **The Digital Fresco,** a fun, participative workshop in groups of eight people was added to the training catalog in France. Each month, an external expert from The Digital Fresco runs a workshop.

Lastly, Natixis contributes to Groupe BPCE's responsible digital sector by co-managing one of its five projects dedicated to the promotion of responsible digital technology and has, in particular, applied to the Group for the first edition of the Responsible Digital Awards.

2021 KEY EVENT

Groupe BPCE, winner of the Responsible Digital Awards

This distinction, obtained in the "Strategy for organizations and responsible digital technology" category, was awarded to the Group at the awards ceremony organized by the Institut du Numérique Responsable (Digital Sustainability Institute) in Bercy on December 16, 2021. This first edition aims to reward any initiative aimed at reducing the societal, economic and environmental footprint of digital technology.

For Natixis and Groupe BPCE, this is recognition of its actions and, in particular: the resources mobilized, the organization set up around its Digital sustainability business line, relations with its stakeholders, and the commitments made by Natixis and the Group to reduce the carbon footprint of its IT and improve the energy efficiency of its datacenters.

7.4.3 Promoting sustainable mobility

Mobility plan

In 2018, BPCE S.A. and Natixis implemented a three-year inter-company mobility plan. This plan, applicable to the Île-de-France scope, involved more than 20 Group companies and 26 buildings, representing 18,000 employees. It has made it possible to reduce or optimize employees' commuting and inter-site travel with the adoption of transport that has less impact on greenhouse gas emissions, air quality or noise pollution. Five other plans were also drawn up for the main French regions in which Natixis has offices.

In 2021, work began to establish a new inter-company mobility plan with an initial consultation of stakeholders.

In 2020 and 2021 remote working and inter-site travel were drastically reduced given the healthcare context and the deployment of remote working. Employees have also reviewed their transport habits to get to the office.

Support cycling

To support the rise of the bicycle compared to other modes of transport, Natixis continued to roll out **secure parking spaces for bicycles** in Île-de-France, with over **1,000 parking spaces**, available indoors or outdoors. Taking into account the changes in the building stock (several buildings vacated in 2021), the improvements for bicycles give a ratio of one parking space for 17 working positions in 2021 compared to one space for 53 working positions in 2018. In addition, Natixis has pooled all of the bicycle parking spaces in its buildings, which are now open to all employees, and locker rooms with showers and lockers are available at 13 of the Groupe BPCE and Natixis 17 occupied sites and many other facilities.

Internationally, the Frankfurt and New York platforms have also set up bicycle parks for employees.

In addition, at the end of the year, the Company offered bicycle overhaul workshops for cyclists in several buildings in the Paris region: more than 200 employees were able to have their bicycles overhauled.

Lastly, with the support of a specialized operator, in October 2020 Natixis set up a shared fleet of 15 self-service electric bicycles in three docking stations, enabling employees to cycle between different sites in Charenton-le-Pont and Paris 13. After one year of testing, the fleet had 217 registered users and 448 trips. The shared electric bicycle program has therefore been extended to include 30 bicycles and 24 terminals at the three sites concerned.

Encourage remote working and remote work to reduce travel

Even beyond the specific lockdown periods of 2020 and 2021 when remote work is in place, the deployment of remote working, which was already in place for the majority of employees in the Natixis Integrated scope in France, has accelerated: 87.1% of employees on permanent contracts had signed an amendment to remote working at the end of 2021 (compared to 79.4% at the end of 2020). On average, these employees worked remotely for seven days per month.

Facilitating the use of electric vehicles

Each year, Natixis continues to install electric recharging terminals in the car parks of its buildings. The number of spaces for electric vehicles amounted to 133 spaces in 2021 compared to 151 in 2020 and 117 in 2019. The number of places fell slightly in 2021 as several buildings were vacated during the year.

Support the use of public transport or soft transport

Natixis encourages its employees to use public transport, which is well established near its Île-de-France sites, and reimburses up to 60% of transport costs. Since 2018, Natixis has also reimbursed employee subscriptions to public bike-sharing services in full.

2021 KEY EVENT

Working group on parking policies

As part of the deployment of the Real Estate Master Plan, a steering Committee on the parking policy was set up in 2021. Its objective is to propose arrangements and rules of use corresponding to the parking needs for the various modes of transport (car, motorbike, bicycle, etc.) and to ESR issues.

This Committee worked on modal shift projections (changes in uses) observed in the mobility survey conducted in 2020, by proposing a ESR trajectory that will be taken into account in the development of future infrastructures.

Vehicle fleet

Natixis has **345 company** and service vehicles which traveled 5.3 million km in 2021 compared to 4.4 million km traveled in 2020, a decrease of 20%.

Under its **Car Policy**, Natixis selects more eco-friendly vehicles in terms of both CO_2 and particulate emissions. Thus, the share of **electric and plug-in hybrid** vehicles in the car fleet continued to increase in 2021 with a total of 105 vehicles, i.e. **32% in 2021** compared to 20% in 2020.

The average CO_2 emissions rate for the Natixis vehicle fleet was **105 g/km in** 2021.

In 2021, Porto has a new fleet of electric vehicles.

Business travel policy

In 2021, business travel by plane (+13%) and train (+24%) increased slightly compared to 2020, but the levels remain low compared to the baseline year 2019.

Business travel data *(in km)*	**2021**	2020	2019
Train (total)	2,665,983	2,157,105	7,853,749
Travel by air (total)	4,873,865	4,302,819	27,441,201
TRAVEL (TOTAL)	**7,539,848**	**6,459,924**	**35,294,950**

Natixis' business travel policy has set out rules ensuring the safety and comfort of employees during business trips, while contributing to the policy of optimizing costs and managing the environmental impact of these trips. This policy applies to Natixis and its subsidiaries, excluding Financial investments in France. The subsidiaries and branches abroad establish travel rules that are consistent with the Group's Worldwide Travel policy.

This notably includes rules on business travel that has an environmental impact:

- when a destination can be reached by both rail and air, trains are now compulsory for a number of destinations in France and Europe (depending on journey time);
- economy class is compulsory for domestic flights, flights between European countries and intercontinental flights of less than four hours;
- the use of taxis and the reimbursement of mileage expenses are governed by rules on specific use (approval by manager, exceptional circumstances). Natixis also prefers that its employees use green taxis (hybrid vehicles) for business travel.

7.4.4 Management of resources

The Workplace Department managing Natixis' Real Estate ensures optimum resource management by closely managing the various resources used: **energy** (electricity, heating and cooling utilities), **water** and **paper**.

Each building it manages has a budget for energy consumption, which is monitored on a monthly basis.

7.4.4.1 Energy: less and better

Reduction of energy consumption

The reduction in energy consumption of Natixis buildings has been a trend observed for more than 10 years. In 2015, Natixis signed a Paris Climate Action partnership with the City of Paris with an objective of a 30% reduction in the energy consumption of its buildings in the Paris region between 2010 and 2020. At the end of 2020, the decrease was 47%.

The reduction in energy consumption must now continue, particularly as part of the building master plan. It is now included in the Natixis strategic plan with the aim of **-40%** between 2019 and 2024.

In France, Natixis has optimized the energy consumption of its buildings for several years with the roll-out of various measures:

- the **Technical Building Management** system (BMS) to closely monitor the use of lighting, heating, cooling and air (automatic switching off of lights and air conditioning, optimization of heating and cooling consumption with better consideration of the outside temperature);
- a **re-lamping** policy with the use of LED light bulbs;
- installation of **motion sensor** lighting systems in common areas.

In addition, on eight pilot sites, in order to better monitor the electricity consumption of buildings, the Smart Impulse solution coupled with sensors makes it possible to distinguish the different consumptions related to IT, lighting, ventilation, and heating and cooling if produced by electricity. This monitoring makes it possible to highlight any deviations, and on this basis, the implementation of corrective actions.

In addition, the implementation of **cleaning during the day** was systematized in buildings to reduce the extent of use of the building and therefore its energy consumption. This environmental gain is accompanied by a societal gain for the employees of Natixis service providers, benefiting from a better quality of life through daytime working hours.

These different measures combined with awareness-raising and **employee engagement via a guide to green actions**, challenges and conferences make it possible to observe a downward trend in the energy consumption of buildings since 2010. In addition, as part of the profit-sharing agreement, Natixis and its subsidiaries in France offer a bonus to each employee if the objective of reducing energy consumption is collectively achieved.

The specific situation related to COVID-19 in 2020 and 2021 directly impacted the energy consumption of buildings:

- **an increase in consumption**: the legal obligation to constantly renew the air in air-conditioned buildings leads to the permanent operation of air renewal systems that were previously only triggered on an ad hoc basis. In addition, the continuous injection of outdoor air requires that the heating or air conditioning systems be operated to regulate the temperatures;
- **a reduction in consumption**: as employees have benefited greatly from remote working, the real estate portfolio has been rationalized (closure of certain buildings, adapted configuration of the remaining buildings), resulting in a reduction in the energy consumption of Natixis buildings. It should be noted that this decrease is qualified by the transfer of energy consumption to the homes of employees, which Natixis is unable to assess.

Scope: Natixis France.

Energy	2021	2020	2019
Energy consumption: electricity, heating and cooling of office buildings *(in mwh)*	34,512	34,556	39,345
Energy consumption per workstation *(in mwh)*	2.43	2.14	2.47
Energy consumption per m^2 of usable rented office space *(in mwh)*	0.16	0.14	0.16
Total heating oil consumption *(in m^3)*	7	10	11

In France, **energy consumption in 2021 is stable compared to 2020**, confirming the decrease of 12% compared to 2019, partly due to the return of certain buildings. In relation to the number of workstations, consumption increased by 14% compared to 2020, but compared to 2019, a year without a health crisis, consumption decreased slightly by 1.6%.

Internationally, the energy consumption of buildings occupied by Natixis is also managed to jointly contribute to the aforementioned 40% reduction target. The electricity, heating and cooling consumption of the main buildings has been consolidated.

Scope: Natixis international

Electricity consumption (in Mwh)	2021
EMEA	3,078
Americas	4,011
APAC	1,789

Internationally, many initiatives have also been put in place.

International platforms have implemented measures to improve the energy efficiency of their buildings by:

- lighting: use of presence detectors in Porto, Frankfurt, Kazakhstan and Milan; relamping in favor of LEDs or low-consumption light bulbs in Frankfurt, Istanbul, Kazakhstan and Moscow; Automatic switching off of lights in Madrid and Milan;
- the optimization of air conditioning and air renewal systems in Moscow and Kazakhstan;
- the installation in Porto of a natural cooling system to reduce the cooling needs of its datacenter;
- replacing printers in Dubai with more efficient Blue-Angel certified printers, saving 200 kWh per year.

2021 KEY EVENT

CUBE competition, sixth edition: Port and Bordeaux in smooth

Natixis is taking part for the third consecutive year in the **CUBE energy saving competition**, organized by the Institut Français de Performance Énergétique du Bâtiment, following two successful years (five awards in all).

Natixis Bordeaux has listed three of its buildings (Auriol, St Exupéry and Martillac) in the competition.

Natixis Porto, in the International category, relisted its offices after winning last year:

- the platinum medal for savings of more than 25%;
- the award for Best Communications for the mobilization of its employees and for its external communications.

Energy supply

In addition to its ambition to reduce energy consumption, Natixis' strategic plan has set the objective of a 100% renewable energy supply, both in France and internationally.

Natixis buildings in **London, Boston, Porto, Milan, Frankfurt** are now supplied **at 100% and, in France,** for its **almost all at 93%, by electricity from renewable energy sources**. In 2021, Porto and London joined Frankfurt and Milan, which had switched to renewable energy contracts in 2020. The other international platforms are mobilizing to gradually obtain electricity from renewable sources.

Apart from electricity, the main energies used are **cooling networks** and **hot urban**.

In France, the cooling network (ClimEspace) is generated 100% from renewable energy and the heating network (CPCU) is 50%.

Energy production

In France, several actions enable **self-consumption** energy for Natixis buildings.

In Paris, the **heat from the IT equipment** in the trading room is recovered to heat the *47 Quai building*. This allows heating autonomy for eight months out of the year, with the additional heating being provided by the district heating network.

In Charenton, **solar carpets** installed in the *Freedom 2* building are used to heat the building's domestic water.

In Kazakhstan, Natixis is participating in an on-site renewable energy production project with the installation of **solar panels** on the roof of the building's parking garage.

7.4.4.2 Paper: less and better

The commodity used the most at Natixis is **paper** (reams, envelopes, desktop publishing, internal and external printouts, etc.).

Internationally, the offices in New York, Madrid and Milan and Porto exclusively use **paper deriving from 100% recycled paper**.

Practically paper used by Natixis (**99%**) in **France** is **sustainable forest management-certified** (**FSC certification**[(1)]).

In addition, Natixis' offices in Dubai and Frankfurt no longer use **letterhead** since 2020.

Scope: Natixis France – letterhead paper and paper reams.

Paper	2021	2020	2019
Total paper consumption *(in metric tons)*	42	81	166
Consumption per workstation *(in kg)*	2.96	5.04	10.41

In France, paper consumption has practically been divided by four, with a decrease of more than 70% between 2019 and 2021.

Internationally the trends are identical. For example, Natixis Dubai reduced its printing by more than 30% in 2021, Natixis Porto by 60% in 2021 and by 88% compared to 2019.

In France, this decrease in internal paper consumption has been a trend observed for several years, following the introduction of multifunction card printers, the deployment of laptops, and the widespread use of the **remote working** and **awareness** actions with employees.

Natixis and its subsidiaries in France thus encourage their employees to limit their printing thanks to an **individual bonus** (additional profit-sharing) linked to a collective objective of reducing paper consumption. And since the end of 2019, a tool for measuring **printing footprint** was made available to all its employees, in France and internationally. Each employee can thus monitor the number of pages they print and are aware of the carbon impact caused by the use of ink, paper and printers related to their printing.

7.4.4.3 Water: decreasing consumption

In addition to the responsible management of energy and paper resources, an initiative has been initiated to reduce the **water consumption** of buildings. For example, water pressure reducers have been installed in all sanitary facilities in Porto. In addition, the two vegetable gardens in Porto and Charenton have been designed to use as little water as possible thanks to the use of innovative water-saving tank systems, the installation of oyas and rainwater collectors.

Scope: Natixis France – Drinking water consumption.

Drinking water	2021	2020	2019
Consumption *(in m^3)*	47,673	58,169	67,483

7.4.5 Developing green spaces

Consistent with the Objective 100 Hectares Charter signed with the City of Paris in 2017 Natixis is committed to:

- develop greening or urban agriculture projects as part of the operation of its existing buildings or its future locations in Paris;
- promoting eco-friendly green spaces in built-up areas, contributing to biodiversity and water management in Paris by banning the use of pesticides and saving water;
- sharing its knowledge of the subject with other partner companies, employees and project stakeholders.

In addition, the signing of the Act4Nature Charter in 2018 commits Natixis to preserving and promoting biodiversity in its business lines, as well as its direct impacts, and to raising awareness among its employees about this issue.

(1) FSC: Forest Stewardship Council.

2021 KEY EVENT

A fourth collaborative vegetable garden for Natixis

In the summer of 2021, Natixis Assurances inaugurated a fourth collaborative vegetable garden.

This garden was devised and designed by around twenty volunteer employees during co-design workshops. With a surface area of 30 m², it brings together 14 varieties of aromatic herbs, 20 tomato plants of 8 varieties, 12 summer vegetable plants, 18 fruit trees, etc. with planting in summer and autumn.

In this first year, eight participatory gardening workshops were held from September to December. Fifty employees were trained in permaculture techniques such as mulching the soil, respecting the seasons and combining vegetables. At Christmas, a naturopath/aromatherapist also spoke at a conference.

There are consequently four **collaborative vegetable gardens** in the Natixis buildings in Paris, Porto and Charenton-le-Pont, where employees can meet, garden and learn about urban agriculture and biodiversity. These productive green spaces have been designed to respect the principles of circularity and sustainability, drawing inspiration from permaculture. Thus, some of the biowaste from the Company canteen is used as compost, the plantations are organic, and the garden furniture comes from reuse. Every month, events are provided by external experts in urban agriculture. Open houses and the distribution of harvests made it possible to raise the awareness of employees other than the gardeners.

In the garden of the *Freedom 2* building in Charenton, a biodiversity assessment is carried out twice a year, and this, for the third consecutive year, to measure the biodiversity gains made possible by the creation of a pond, wild meadows, nesting boxes, insect hotels, diversified plantations, and a wildlife corridor. *Urbanescence,* specializing in urban biodiversity, studies the impact of these actions on flora, fauna and soil macrofauna. The diagnosis establishes a non-exhaustive list of the main species observed on site and formulates ecological issues for each type of space, proposing pro-biodiversity measures in the landscaping of the garden. The garden of the Charenton Liberté 2 building is intended to be both an ecological corridor and a micro nature reserve.

In Porto, the entire production of Natixis' collaborative vegetable garden was donated to local institutions. In 2021, 45 kg of vegetables were donated.

In Frankfurt, for several years, Natixis has been co-financing an **apple orchard** of heritage local species in the Hesse region. This area is a refuge for many animal and plant species, and feeds endangered birds, insects and wild bees. It thus contributes to the preservation of biodiversity in the region.

In addition to these gardens, Natixis has installed six **beehives** on the roofs of its Parisian buildings. These beehives allow the local production of **111 kg of honey** (i.e. 888 jars distributed to Natixis employees and customers) as well as raising employee awareness of biodiversity loss issues and pollination issues.

Lastly, in 2021, as was the case in 2020, employees of the network of ESR correspondents were made aware of the challenges of biodiversity through participatory workshops held in *The Biodiversity Fresco*.

7.4.6 Waste reduction and sorting

Natixis' waste reduction policy is based on the principle of the five Rs: refuse, reduce, reuse, return to the earth, recycle.

Waste reduction and reuse

Natixis is taking action to reduce the waste it generates. The Company is committed to a responsible approach called "Going from disposable to sustainable" with the aim of **removing all single-use items,** an objective set out in Natixis' new Strategic Plan for 2024.

In 2019, all **plastic and disposable cups** for water fountains were completely removed from buildings in France and internationally, saving 3.5 million cups per year.

The process continued in 2020 and 2021 with the elimination of **plastic water bottles** in Dubai, London, Frankfurt, Milan, Porto, Madrid, Moscow and on all Asian international platforms. In France, the phase-out is in progress and remains to be finalized.

Lastly, since 2021, always with the aim of reducing its waste at source, Natixis has been working to gradually replace its coffee machines using **disposable capsules** by coffee bean machines.

2021 KEY EVENT

Inspirational conference Family 0-waste (or almost): raise awareness of waste issues to reduce them!

In November 2021, on the occasion of the **European Week for Waste Reduction**, Jérémie Pichon, from Family 0-waste (or almost) came to share with humor his journey towards a life without waste (or almost) during a conference at Natixis.

In order to reach as many people as possible, the conference, which was held on site, was broadcast live in France and internationally thanks to simultaneous translation. The employees present were able to leave with one of the books of the Family 0-waste (or almost) to inspire them to reduce their waste, whether in their professional or personal life.

Reuse and recycling are also part of Natixis' strategy to reduce its waste. Since 2019, Natixis has been a member of the Circolab association to strengthen its commitment to the circular economy in real estate and construction. Old carpets and some furniture are recycled.

2021 KEY EVENT

Reuse of furniture

As part of the management of the Natixis real estate portfolio, a process of reusing and upgrading furniture has been undertaken.

Internal reuse is favored, particularly for the seats and desks which are massively reused as part of the new facilities. Furniture in good condition that cannot be used internally is donated to associations.

In 2021, with the emptying of three buildings, 52 tons of furniture were donated to 21 associations. End-of-life professional furniture is transported to a processing center for energy recovery or recycling.

Waste sorting

In France, waste sorting at Natixis is based on the following actions:

- sorting and recycling of paper, cardboard, plastic (bottles) and metal (cans) through centralized collection points in all buildings;
- collection and special disposal of used ink cartridges, batteries and fluorescent and neon tubes;
- sorting and recycling of plastic pens and office supplies.
- collection of aluminum coffee capsules set up in collaboration with the coffee supplier and the companies in charge of the collection in order to recycle them. It should be noted that the Natixis offices in New York also have systems for collecting coffee capsules for recycling;
- recovery and recycling of cigarette ends by specialized channels: Natixis Investment Manager France has renewed its contract with the *Cy-clope* for cigarette butt collectors near the *Éléments* building;
- collection and reuse or recycling of personal mobile phones or other electrical and eletronic personal items in four buildings.

Scope: Natixis France.

Volume of waste *(in tons)*	**2021**	2020	2019
Paper, envelopes and cardboard sorted	179	242	352
Other sorted IWD (plasti c, aluminum, etc.)	19	12	10
Unsorted DIB	195	266	689
Waste electrical and electronic equipment (WEEE)	14	11	10
TOTAL	**407**	**531**	**1,061**

The global amount of waste has decreased in the last three years while the part ot sorted waste has grown.

The overall volume of waste has been falling for three years, and the proportion of waste sorted is increasing.

The volume of waste sorted continued to decrease in 2021 compared to 2020, confirming the trend observed between 2019 and 2020, partly explained by a lower presence on site and a lower quantity of printing. Professional WEEE increased in 2021, due to the emptying of certain buildings.

In addition, Natixis sells its electrical and electronic equipment (including IT) to specialized reuse and recycling channels. Natixis Frankfurt transfers the profits from the resale of WEEE to environmental projects around the world.

7.4.7 Carbon footprint management

Every year, Natixis measures the carbon footprint for Natixis France.

Since 2021, in order to better take into account the new uses related to remote working, Natixis France's carbon footprint includes monitors subsidized by the Company and the additional energy costs for days worked remotely, linked to theoretical consumption at home.

Natixis France carbon footprint

Carbon footprint *(in metric tons of co_2 equivalent)*	2021	2020	2019
Energy	2,550	2,151	3,638
Procurement	45,971	51,095	58,003
Travel	6,057	4,977	9,557
Fixed assets	8,802	7,652	6,552
Other items	5,630	5,706	4,207
TOTAL	**69,009**	**71,581**	**81,957**
Tq CO_2 per person (FTE)	7	7	7.92

As health measures related to the COVID-19 health crisis had a strong impact on the carbon footprint, it is difficult to carry out a comparative analysis compared to the year 2019.

The carbon footprint per FTE remained stable between 2020 and 2021, with the following variations observed:

- a slight increase in the energy item due to the increase in consumption *(see Chapter [7.4.4.1])* and taking into account the energy consumption of remote working employees;
- a resumption of daily and business travel *(see Chapter [7.4.3])*;
- an increase in fixed assets given the adoption of a new methodology for IT fixed assets: in a "life cycle" approach, all equipment in the portfolio is recognized, even if it is depreciated in the accounts, and the equipment of subsidized employees' remote working is also taken into account;
- a decrease in purchases linked in particular to the review of emission factors in the Groupe BPCE impact calculation tool.

In addition, since 2019, on a French and international scope, Natixis Investment Managers and its distribution platforms have measured its carbon footprint related to its direct impacts every year, using the Greenhouse Gas Protocol (GHG) method.

It should be noted that this carbon footprint does not assess the impact of Natixis' business lines. However, an assessment of the climate impact and the temperature trajectory of the financing and investment vehicles offered by Natixis was carried out in certain business lines *(see Chapter [7.2.2])*.

Carbon emission reduction plans

Based on calculated carbon emissions, a carbon action plan has been implemented in three main areas:

- **buildings:** the rationalization of its real estate portfolio implemented as part of the real estate master plan reduces energy consumption (electricity, heating and cooling);
- **travel:** for commuting, Natixis promotes the use of public transport and active mobility, the widespread use of remote working supported by the use of robust and adapted digital tools. For business travel, priority to the train is defined in the travel policy;
- **IT:** managing the impact of digital technology through a responsible digital policy and actions.

Moreover, knowing that **agriculture** is responsible for 25% of greenhouse gases worldwide, Natixis is also committed to the food issue. Every day, a vegetarian dish is already offered to employees on the menu of the Company restaurant. To go further, Natixis and BPCE S.A. have included ambitious ESR criteria in order to continue to reduce the carbon footprint of meals (local products) as part of the calls for tenders for the corporate catering of the Tours DUO in Paris, from organic farming, in season, etc.).

Natixis Porto conducted a series of **workshops to raise awareness** of healthier and more environmentally friendly food. Around a hundred employees received boxes containing everything they needed to cook a complete vegan meal. The meals were organic, from local producers, and without plastic packaging.

2021 KEY EVENT

My Green Footprint: a measurement tool to support employees in their environmental transition!

Natixis has made an individual tool available to all its employees in France **measuring their environmental footprint at work**: My Green Footprint. Thanks to this tool, employees can quickly assess their carbon impact related to their uses at work (commuting, lunch, energy consumption, IT equipment) and through the simulation game and tips, obtain courses of action to reduce their impact.

My Green Footprint will be enhanced in the future with three new indicators: business travel, IT usage and waste. In addition, the roll-out to international platforms is underway, as is the opening up to Groupe BPCE entities.

Every year since 2016, Ostrum Asset Management has offset 100% of its direct carbon emissions through several external avoidance projects in partnership with Eco Act. This approach by avoiding emissions makes it possible to have a direct and immediate effect. For example, in Eritrea, the borehole rehabilitation project enables us to supply local populations with drinking water through the repair of boreholes. Families no longer have to burn firewood to purify water, which limits emissions from deforestation and combustion.

Lastly, Natixis contributes to the development of carbon sinks by financing Planète Urgence's Environment and Development program in Indonesia, which in 2021 made it possible to plant nearly 20,000 trees and raise awareness among local communities about mangrove preservation and local biodiversity. Similarly, in Porto, awareness-raising actions on reforestation were carried out with donations to employees of 54 native trees planted locally in Portuguese forests.

7.4.8 Responsible purchasing

The responsible purchasing policy is a strategic and operational lever for the implementation of the BPCE and Natixis ESR policy. The main objective of the policy is to promote more eco-friendly products and services that provide guarantees and added value at the social and societal levels.

Broader objectives are also pursued through this policy:

- assessing Natixis' suppliers using social and environmental responsibility criteria related to their products, services or industries;
- promoting official environmental certifications and eco-designed products;
- encouraging suppliers to be more transparent in describing the environmental characteristics of their products.

This policy is based on a number of tools, including a responsible purchasing framework, specifying the criteria applicable by category of products and services.

In this new version of the responsible purchasing framework, the ESR criteria have been reviewed in many purchasing categories, with the systematic search for options to replace the purchase of new equipment (internal reuse, purchase of refurbished equipment, etc.) and increased requirements for mandatory criteria (reference labels, respect for human rights).

These criteria were included in all purchases made for the work environment and offices program (furniture, works, catering, IT equipment, etc.) with a weighting of 20% of the ESR score in the selection of suppliers.

7.5 Human Resources management and employee commitment

Headcount

Natixis Worldwide headcount under contract

Breakdown by division	Natixis Worldwide 2021	2020	2019
Corporate & Investment Banking	3,525	3,617	3,676
Asset & Wealth Management	5,244	5,155	4,914
Insurance	2,193	2,058	2,033
Payments	1,243	1,143	1,061
Support departments and others	5,024	4,933	4,593
TOTAL, EXCLUDING FINANCIAL INVESTMENTS	**17,217**	**16,906**	**16,277**
Financial investments [(b)]	801	772	5,203
TOTAL NATIXIS WORLDWIDE	**18,018**	**17,678**	**21,480**

Regional breakdown *(in %)* (excluding Financial investments)	2021	2020	2019
France [(a)]	65.3%	66.6%	67.8%
EMEA	13.1%	11.9%	10.5%
Americas	16.4%	16.4%	16.7%
Asia-Pacific	5.2%	5.1%	5.0%

(a) Including French overseas departments and territories.
(b) Natixis Algérie.

*The 18,018 contracts in the Natixis Worldwide scope correspond to 17,401 FTE * (financial management figures).*
The breakdown by division of these 17,401 FTEs is as follows: Corporate & Investment Banking: 3,496, Asset & Wealth Management: 5,196, Insurance: 2,018, Payments: 1,178, Support departments and others: 4,724, Financial investments (Natixis Algérie): 789.
According to the financial management vision, the overall breakdown by activity of the 17,401 FTEs is as follows: Corporate Banking: 2481, Asset & Wealth Management: 5,196, Insurance: 2,018, Payments: 1,178, Functional and other departments: 5,739, Financial investments: 789 (Natixis Algeria).

Compared to headcount under contract, FTE headcount takes into account the rate of activity, consolidation rates of subsidiaries and excludes employees on long absences: occupational illness/accident of over 90 calendar days, leave of several months (maternity, sabbatical…), working-time account balance in the event of retirement or early retirement.

Headcount – staff under contract (managed scope)

The **managed scope** covers all of Natixis and its subsidiaries[1] around the world that apply its HR Policies. The indicators provided in Chapter [6.4.3] refer to this scope.

This workforce forms the basis of the HR indicators for ESR.

	Management scope					
	2021		2020		2019	
Breakdown by division	**Fr [a]**	**Intl**	Fr [a]	Intl	Fr [a]	Intl
Corporate & Investment Banking	1,222	1,935	1,341	1,948	1,415	1,968
Asset & Wealth Management	2,401	633	2,279	605	2,178	608
Insurance	2,129	64	1,995	63	1,974	59
Payments	747		690	-	682	-
Support departments and others	3,957	1,067	4,202	731	4,160	433
	10,456	**3,699**	**10,507**	**3,347**	**10,409**	**3,068**
	14,155		**13,854**		**13,477**	

Regional breakdown *(in %)*	**2021**	2020	2019
France [a]	73.9%	75.8%	77.2%
EMEA	14.9%	12.9%	11.2%
Americas	5.6%	5.8%	6.0%
Asia-Pacific	5.6%	5.5%	5.6%

(a) Including French overseas departments and territories.

Breakdown of headcount *(by number of contracts)*	France			EMEA			Americas			Asia-Pacific			Total Worldwide		
	2021	2020	2019	**2021**	2020	2019	**2021**	2020	2019	**2021**	2020	2019	**2021**	2020	2019
Headcount under contract	10,456	10,507	10,409	2,104	1,782	1,509	798	801	806	797	764	753	14,155	13,854	13,477
o/w permanent employment contracts *(as a%)*	97.3	97.5	97.6	97.8	98.0	97.7	100.0	100.0	100.0	96.7	97.9	98.7	97.5	97.7	97.8
Men *(as a%)*	49.1	50.2	50.3	63.1	65.9	67.4	65.5	65.5	65.9	54.5	54.3	53.9	52.4	53.4	53.4
Women *(as a%)*	50.9	49.8	49.7	36.9	34.1	32.6	34.5	34.5	34.1	45.5	45.7	46.1	47.6	46.6	46.6

	France			EMEA			Americas			Asia-Pacific			Total Worldwide		
Hires/departures [a]	**2021**	2020	2019	**2021**	2020	2019	**2021**	2020	2019	**2021**	2020	2019	**2021**	2020	2019
Total new hires	1,305	940	1,297	687	457	375	118	62	108	189	100	126	2,299	1,559	906
% Permanent employment contracts	63.5	60.3	68.9	91.3	92.1	89.3	100	100	100	88.9	90.0	95.2	75.8	73.1	76.4
Total departures	1,395	938	1,271	378	182	208	127	69	118	156	86	109	2,057	1,275	1,706
o/w resignations	209	159	221	265	111	126	106	42	64	130	63	85	710	375	426
o/w layoffs	121	145	151	58	34	42	14	14	11	13	15	16	206	208	220

(a) Including transfers of the activities outside the managed scope. The conversion of fixed-term employment contracts to permanent employment contract are included under both new hires (permanent employment contracts) and departures (fixed-term employment contracts).

	France			EMEA			Americas			Asia-Pacific			Total Worldwide		
Part-time	**2021**	2020	2019	**2021**	2020	2019	**2021**	2020	2019	**2021**	2020	2019	**2021**	2020	2019
Part-time workers as a% of headcount	9.0	9.2	10.1	2.9	3.9	3.8	0.4	0.4	0.1	0.1	0.1	0.1	7.1	7.5	8.3
o/w women *(in%)*	87.5	87.7	87.4	83.9	82.6	84.2	100	100	100	100	100	100	87.4	87.4	87.2

(a) Excluding pre-retirees.

*(1) Managed Scope means all Natixis and its subsidiaries** worldwide for which personal data is available in HR Information Systems, excluding Fintechs of the Payments division.*

*** Companies in which Natixis directly or indirectly holds at least a 50% interest.*

7.5.1 Human Resources and diversity management

In a context where changes are accelerating, Natixis' ambition is to strengthen the employee experience, to build an inclusive and efficient working environment, where everyone can develop their skills, be a player in the transformation and have a positive impact on its business and the world around it.

7.5.1.1 Developing the employability of employees and supporting the acquisition of new skills

In a constantly changing world, the ability to adapt makes all the difference. This is why, in 2021, Natixis largely deployed **Jobs in Motion**, a program to support the transformation of its business lines and skills and give its employees the opportunity to maintain their employability throughout their career.

This program has three objectives:

- develop internal mobility;
- give employees the opportunity to train for promising business lines; and
- anticipate the Company's skills needs.

Thanks to this program, the internal mobility rate increased by 20% between 2020 and 2021.

Develop mobility

To **boost internal mobility** as an essential lever to strengthen and adapt skills, Natixis has proposed a "mobility pact" with new rules of the game, clear and known to all, whether you are a manager, HR manager or employee; for example, mobility is encouraged every three years and everyone is free to apply for a new position whenever they wish.

Natixis has also invested in various support systems – speed job meetings with managers, online personality tests, mapping of promising business lines, mobility/CV workshops and annual forums, etc. More than 1,000 persons participated in these events proposed by the recruitment teams.

In order to identify the resources and skills that the Company will need in the coming years to achieve its development objectives, in 2021, Natixis continued to roll out its **SWP methodology** (Strategic Workforce Planning), a responsible approach to anticipating skills needs, both in terms of quality and quantity.

2021 KEY EVENT

Launch of the Jimmy platform

To support this new dynamic and change in the culture around skills, a new platform based on artificial intelligence and developed with the start-up Neobrain was launched in pilot mode with a sample of 4,000 people in the IT teams and HR. Entitled "**Jimmy**," it enables employees to self-assess their skills online, and to receive extended job and training offers according to their career paths and preferences. More than 80% of employees in the pilot have adopted this new tool in less than three months.

	France			Total Worldwide		
	2021	2020	2019	**2021**	2020	2019
Number of internal transfers [(a)]	1,053	808	860	1,216	860	967
Rate of job openings filled through internal transfers *(in%)*[(b)]	56.0	58.8	49.2	41.1	43.0	40.2
Internal transfer rate *(in%)* [(c)]	11.4	8.1	8.8	9.8	6.6	7.8

(a) Mobility in the geographic area.
(b) Employee mobility rate for the geographic area.
(c) Incoming mobility in the geographic area with regard to all recruitment and inward mobility in the geographical area.

Training for the business lines of the future

Natixis invests in its employees by training them for promising business lines and promotes their skills development in strategic areas, such as, for example, Tech, Data, UX design and ESR.

With the Step Up Academy, the internal university dedicated to the business lines of the future, Natixis aims to train more than 600 employees for a new occupation in a new business line by 2024.

In 2021, the Step Up Academy enabled nearly 200 employees to change their career path, thanks to customized training courses lasting three to nine months in their new position. Since its launch in 2020, nearly 300 people have been able to acquire essential skills for their future. One of the 70 programs started in 2021 with the Simplon School, a player in the Social and Solidarity Economy, to enable 11 employees – made up of 50% women – to move on to become IT developers.

To raise awareness of accessible positions through Step Up training, **Speed job meetings** were organized throughout 2021 with the various recruiting business lines to enable employees to interact with the managers of these business lines.

Develop lifelong learning

Natixis also implements an active training policy in order to meet the challenges of the transformation of business lines and to encourage the permanent adaptation of its employees' skills to regulatory, technological and economic changes.

With the objective of increasing the training hours of its employees by 20% by 2024, Natixis has developed a multi-modal offer with a large number of digital content accessible to all via a learning hub.

The overall approach to training, built in line with the ambitions of the 2024 strategic plan and forward-looking management of Assets and Skills, is based on five key objectives:

- **ensure the development of skills** which are necessary to support the transformations of business lines and support the employability of employees;
- **meet the challenges of digital transformation** and new ways of working;
- **develop leadership that empowers and support development** of the managerial role to support employee engagement;
- **enhancing English language skills** to further the Company's international growth;
- **facilitating employee mobility**.

In addition to regulatory compliance programs, the year 2021 was marked by very strong **development of on-line resources**, through the worldwide deployment of the **LinkedIn Learning platform**, including several thousand open access courses on business lines, technological and personal development topics.

Specific training courses have also been launched on topics central to the Company's strategic challenges, such as: **SRI finance** (via a mandatory e-learning course on ESR or modules run by experts from the Green Hub of Natixis Corporate & Investment Banking), **tech and data** (with, among other things, modules dedicated to senior executives at the beginning of 2020), language learning and even "**soft skills**."

Natixis responded to the need for distance learning and in 2021 won the **1st best digital learning system award** in response to the health crisis, for the Learning Days 2020 organized in a fully digital and international format. This prize, awarded by FEFAUR (Digital Learning consulting firm), each year highlights the best projects carried out by French companies in the field of digital learning.

Strengthening **employee experience** also includes face-to-face or hybrid training.

Training	2021
Number of employees trained	10,601
Number of training hours	214,405
% Hour of E-learning training	17.8%
Percentage of employees trained [(a)]	95.2%
Average number of training hours per employee	20.2
Number of employees having taken one or more training courses leading to a qualification	466

Breakdown of training hours by area	Ratio
Office and IT	11.3%
Languages	11.9%
General training	21.6%
▪ personal and professional efficiency, Human Resources	16.8%
▪ management	4.8%
Risks and regulations	15.5%
Business Line	23.8%
Training leading to a diploma/certificate	8.2%
Other	7.7%
TOTAL	**100.0%**

Consolidated figures as at 28/01/22, representing at least 90% of hours of training received during the year.

(a) Number of employees trained/workforce present or retired during the period in question.

The number of employees present for the period 2021 is 11,138.

2021 KEY EVENT

Inauguration of the Learning Village

Natixis inaugurated its first "**Learning Village",** a new learning space of 400 m², at its Charenton-le-Pont business unit. Entirely dedicated to learning, this space was above all designed as a place to live with its different neighborhoods: a village center, a reception and collaboration area, six training rooms, a video creation studio, etc. an auditorium and a relaxation room.

These new spaces are places where people can meet, share their skills, experience and experiment, and should enable them to develop in a number of ways and offer a new learning experience to employees of Natixis and the BPCE community.

7.5.1.2 Attracting, retaining and developing talent

Attract new talent

Supporting youth employment remained a priority for Natixis at the heart of the health crisis. Once again this year, Natixis welcomed more than 500 work-study students, 700 interns and more than 30 VIE students. Natixis also wanted to continue its policy of recruiting juniors, and renewed its commitment to recruit 50% of young people by 2024, as part of the new BPCE 2024 strategic plan.

2021 KEY EVENT

New programs dedicated to young talent

In 2021, Natixis Corporate & Investment Banking launched a new program "**Analysts and Associates 2021 Global Markets Talent Pool**" aiming to recruit and train 20 young talents in Capital Markets business lines. They joined a pool already made up of around twenty employees dedicated to Investment Banking.

Natixis Investment Managers has, for its part, successfully launched the **third edition of its Graduate Challenge**, opened for the first time to schools abroad. A unique opportunity for finance students from all over the world to try their hand at asset management by working with experts and, for some, to join Natixis teams afterwards.

Strengthen school relations

Very active with students, for many years Natixis developed special relationships with partner schools and has a significant presence on forums, in order to publicize opportunities in its various business lines. In 2021, Natixis took part in nearly 70 recruitment forums and events, mostly in digital. It also **renewed several key partnerships, with HEC and Polytechnique, for example, as part of the** Chair in Business Analytics and Future Banking, or with **school 42**, as part of its "lab 42" on digital business lines.

New initiatives, such as the creation of a workshop on "meaning at work" with HEC; the organization of a conference on "COVID liabilities and Young Generations" in partnership with Sciences Po Finances and Mines Nancy, and the participation of experts in the first edition of the "Talent For Good" fair in Paris also took place during the year.

Facilitate the integration of employees

In order to promote the successful integration of employees and enable them to appropriate the culture of Natixis, a program of workshops dedicated to the three cultural pillars of the "Purple Way" (sustainable impact, entrepreneurial spirit, collective intelligence) was set up in 2020. These workshops, offered to newcomers within six months of their arrival, are part of an overall program, including a first fully digitized pre-boarding phase; access to a chatbot to facilitate their search for information as well as integration surveys. Completed in the first and sixth months after joining the Company, they aim to measure satisfaction with taking up the position and to take corrective action if necessary.

2021 KEY EVENT

Talent Acquisition Hub meeting

Monthly induction points have been systematized between the recruitment teams of the **Talent Acquisition Hub** and Human Resources managers in the various business divisions to discuss the improvements made to the **integration pathway** and identify any problems.

Be recognized as an employer of choice

In 2021, Natixis was **awarded the Top Employer France label for the sixth consecutive year,** with a score of 92%. This label certifies the quality of the Company's HR and managerial practices and its commitment to providing a fulfilling working environment for its employees.

Another highlight is that Natixis is once again one of the top 25 French employers in 2021 **according to Glassdoor** and once more won the label **HappyTrainees**, awarded by **ChoosemyCompany** on the basis of the opinions of students who have completed an internship or work-study program in its teams (score of **4.08 out of 5** and a recommendation rate of **91.2%**).

In addition to the many communication actions on social networks and specialized job boards such as Jobteaser, aimed at supporting its "much more than just a job" pledge, in 2021 Natixis will continue its campaign on *making sens* through a new series of testimonials on the **Welcome to the jungle** platform dedicated to ESR and sustainable finance business lines, or by supporting an exclusive documentary on the future of work entitled "Work In Progress".

Developing talents

Developing talented employees is a priority of Natixis' HR strategy.

Natixis deploys a structured Talent Management system across all of its entities, which makes it possible to anticipate successions and contribute to the individual development plans of each employee, particularly through Talent reviews and Career Committees.

This system made it possible to define **succession plans** for all Executive Committee positions and most of the first leadership circle.

The "**Purple Academy**", the internal university dedicated to leadership development, offers programs to support leaders in the transformation of Natixis, promote the deployment of the leadership model and accelerate the development of leaders and talents.

Natixis also offers a **Women Sponsorship Program**, allowing the sponsorship of 15 female talents for one year by a member of the Senior Management Committee or the Executive Committee. The aim is to promote these employees in the Company and encourage them to take on greater responsibilities.

7.5.1.3 Strengthening commitment in a context of transformation and health crisis

In 2021, the Human Resources and Occupational Health teams continued to mobilize, through a dedicated commitment plan, to support employees and management in the face of the health crisis and changes in working methods.

In terms of health, many initiatives have been deployed to support employees in the face of the crisis: sustainable reinforcement of remote working (up to ten days per month), very regular communication of the health protocol and barrier actions (newsletter, dedicated sharepoint or billboard), possibility of being vaccinated and performing an antigen test on several sites, access to an online teleconsultation service and a psychological support unit (La Ligne).

In addition, to support the development of hybrid work, which represented a major change this year, employees were offered a wide range of solutions – workshops, webinars, practical guides, discussion meetings with their managers – to adapt their work practices and methods of operation, training in digital or collaborative tools or preserving their well-being and positive energy in this context.

Natixis also paid particular attention to leaders, through a specific system aimed at organizing the work of the teams, which has resulted in specific training modules such as "managing in an uncertain context" or practical kits for defining operating charters in hybrid mode.

The attention paid to the well-being of employees, in the health context of 2021, continued to be based on a listening system, "**YourPulse,**" based on short, rapid and anonymous surveys that enable employees to be quickly and regularly assessed on the basis of a few recurring or thematic questions.

2021 KEY EVENT

Continuation of Your Pulse surveys

Close to **200** "**Your Pulse**" **surveys** were carried out between 2020 and 2021 to monitor team morale and implement corrective actions. This system was supplemented by a **global survey on quality of life at work**, whose results made it possible to consolidate and adjust the commitment plan.

Building sustainable employer-employee communications

At a time when the Company and its business lines must cope with constant changes in terms of regulations, technology, organization and skills, Natixis is committed to developing constructive, high-quality employer-employee communications with its employee representatives.

Several collective negotiations carried out in recent years bear witness to this desire to build a Group-wide employment framework for the various Natixis entities in France, which today is based on:

- a homogeneous framework for the Social and Economic Committee (CSE);
- compensation measures, through a single Natixis Employee Savings Plan, a supplementary collective pension plan (Percol), a profit-sharing mechanism, and consistent salary measures;
- measures to strengthen the deployment of remote working (introduction of new remote working formats and access to an equipment platform with partial subsidy from the employer);
- the same complementary healthcare insurance for all Natixis France employees;
- measures to address employees with disabilities, including a Group-wide policy covering the professional integration and retention of employees with disabilities, and an allocation for children with disabilities.

With regard to the management of talent and skills, a BPCE forward-looking employment and skills management agreement, applicable to Natixis, defines internal mobility and career management systems and commitments to promote the integration of young people and the retention of older employees, as well as measures relating to the career paths of employee representatives and their career development.

Thus, in 2021, seven agreements or amendments applicable to the scope of Natixis Intégrée in France were signed:

Agreement Natixis Integrated France 2021	Signing date
Natixis Integrated salary agreement for the year 2021	21/1/2021
Group profit-sharing agreement for Natixis employees included in the results of fiscal year 2021	25/06/2021
Amendment to the Natixis Integrated agreement on remote working	09/07/2021
Amendment No. 4 to the Natixis Group PERCO relating to the transformation of the Natixis Group into PERCOL	24/02/2021
Amendment No. 6 to the Natixis Employee Savings Plan of August 5, 2011	24/02/2021
Amendment No. 7 to the Natixis Employee Savings Plan of August 5, 2011	21/10/2021
Amendment No. 2 to the Natixis collective agreement relating to the "reimbursement of healthcare costs" of October 19, 2017	04/10/2021

In addition to these global Natixis agreements, several agreements were signed in 2021 within Natixis' French companies, including for Natixis S.A. an agreement on the profit-sharing of NSA employees in the Company's results.

7.5.1.4 Supporting new ways of working and management in a hybrid environment

Alongside BPCE, in 2020 Natixis launched a "WELL" program based on two pillars:

- **new working environments** (offices, real estate, infrastructure); and
- **new ways of working** (flex office, remote working, etc.).

It is part of the new real estate master plan in Île-de-France, around three divisions, **Charenton, Austerlitz and the Tours Duo**, and aims to improve both collective efficiency and the employee experience.

2021 KEY EVENTS

Extension of remote working

To meet the new expectations of employees in terms of flexibility and work/life balance, Natixis signed **an amendment to its remote working agreement** (allowing remote working for up to ten days per month, providing for equipment financing aid, etc.).

Support actions managers and employees support the teams in the transition **towards a hybrid way of working**, by developing the practice and use of collaborative methods and tools in all business lines, as well as by launching a training and awareness program on new managerial positions and practices.

7.5.1.5 Building an inclusive working environment

Natixis has set itself the goal of building a respectful and inclusive work environment that capitalizes on the diversity of its employees and allows everyone to be heard, valued and have an impact. This ambition is driven by an approach that is both global and local, systemic and managed.

Natixis has made commitments for all of its business lines. Diversity and inclusion drive recruitment, talent management and performance evaluation practices. Progress objectives have been defined and governance bodies have been put in place to continue making progress.

Fight against stereotypes and prejudices

Since September 2021, a global leadership awareness program on inclusive leadership has been launched.

This approach is supplemented by regular awareness-raising actions. Thus, on the occasion of May 21 (International Day of Interculturality) an internal communication campaign entitled "Let's be the change" was launched allowing certain managers and employees to speak out on inclusion and its challenges in order to address the issue for Natixis.

Gender equality and professional gender equality

For several years, Natixis has set up a **proactive diversity policy** around three main areas:

- the representation of women in the most gendered business lines;
- access to positions of responsibility;
- equal pay.

This is what enables Natixis S.A. (which has more than 5,000 employees in France) to further improve its professional equality index, with a score of **86 points** (vs. 84).

A commitment has been made to have at least 40% of women in all leadership circles, 50% of juniors in new recruitments, increasing the proportion of international profiles in leadership circles and training all leaders in inclusive leadership, all by 2024 and thereby anticipating the obligations set by Rixain Law No. 2021-1774 of December 24, 2021 with regard to governing body quotas.

2021 KEY EVENT

Natixis' position in the ranking of women in the SBF 120

The actions taken in this direction were reflected in the results of the **8th Ranking of the number of women in the governing bodies of the SBF120**: Natixis remains the top bank on the list and has made good progress by placing itself at **10th place** versus 30th in 2019.

This annual ranking examines the percentage of women in the top 120 listed French companies, taking into account the place of women in their governing bodies. This increase illustrates Natixis' commitment to working towards real equality between women and men, promoting access to leadership positions and building an inclusive working environment.

In 2021 Natixis set up the **Champion for change program** for IT business lines, and participated in the **3rd Edition of Women & Girls in Tech.**

Presence of women in the headcount	France			EMEA			Americas			Asia-Pacific			Total Worldwide		
	2021	2020	2019	**2021**	2020	2019	**2021**	2020	2019	**2021**	2020	2019	**2021**	2020	2019
% of women in the workforce	50.9	49.8	49.7	36.9	34.1	32.6	34.3	34.5	34.1	45.5	45.7	46.1	47.6	46.6	46.6
% of women in the extended leadership circle (Purple Leaders)	34.1	33.7	32.2	26.8	22.2	16.3	27.9	24.5	20.4	32.3	28.1	19.4	32.9	31.8	29.6
% of women in the leadership circle (Global Leaders)	28.5	29.4	27.8	28.6	16.7	0.0	77.8	66.7	60.0	16.7	20.0	0.0	31.0	30.3	26.9
% of women on the Executive Committee	28.9	26.3	25.6	0.0	0.0	0.0		100.0	100.0	nc	nc	nc	28.9	27.5	26.7
% of women in SMC (Senior Management Committee)	33.3	36.4	30.0												

In terms of governance, it should be noted that Natixis has seven women out of fifteen members on its Board of Directors.

	France		
	2021	2020	2019
Percentage of women among management level staff	45.1	43.6	44.6
Percentage of women among employees receiving promotions	54.3	56.4	57.5
Percentage of women among employees granted individual pay increases	57.2	59.2	57.5
Percentage of women among employees who received training	50.6	49.5	49.5

Professional equality also involves the prevention of sexist acts and sexual harassment. The creation of a dedicated and trained network, the creation of a page on the Intranet and the awareness-raising actions rolled out over the last two years on International Women's Rights Day all help in this direction.

Natixis management supports the **Winn network** (Women in Natixis Network) which aims to promote gender diversity in Natixis management in France and internationally. This association is open to men, and is sponsored by Nicolas Namias, Natixis Chief Executive Officer.

Concerned about the diversity and inclusion of all its talents, Natixis signed **the Autres Cercle Charter in June 2021,** participated, for the second consecutive year, at the **Tetu Connect** forum, dedicated to the entry into the workforce of young LGBT people, and also supports the All Equals network, Natixis' LGBT+ network.

Disability: integration & job retention

Natixis has been committed for over 10 years to the employment of people with disabilities. Dedicated training and specific support are offered by the disability mission, which relies on a network of 15 disability officers. During the lockdown period, the technical arrangements of the workstations were automatically duplicated in the employees' homes. When they returned to the site, inclusive masks were offered to teams with employees who lip-read.

2021 KEY EVENT

New IT training partnership

An innovative program was launched with the Simplon School and EA DSI (an adapted and socially responsible company) to train 15 people with disabilities who are isolated from the labor market to be trained in IT professions.

Lastly, each year, Natixis raises awareness among its employees through the **Handi'days during the European week for the employment of people with disabilities** (Disability awareness through Role Reversal – Handi'days 2020 & 2021). Natixis also took part in several specialized job forums such as Hello Handicap, Paris pouremploi and the TH ESSEC forum.

7.5.1.6 Compensation policy

Natixis' compensation policy is structured in such a way as to promote employee engagement over the long term and increase the Company's employer appeal, while discouraging excessive risk-taking. Each year, Natixis conducts a study comparing its compensation levels to the external market in a bid to remain competitive.

The compensation policy strictly complies with regulations in Natixis' countries and sectors of operation, including the CRD V, the French law on the separation and regulation of banking activities, AIFMD, UCITS, MiFID, IDD and Solvency.

It also meets transparency requirements vis-à-vis its external stakeholders, such as the ACPR, the ECB and the AMF, but also internal stakeholders.

A compensation logbook gives Natixis employees in France an individualized view of their salary, additional forms of compensation, social security coverage, and Employee Savings Plan for the previous year.

The compensation policy is centered on three components and reflects both individual and collective performance:

Fixed compensation reflects, at the individual level, the skills, responsibilities and expertise expected for a position, as well as the role and importance of duties in the organization.

Variable compensation is granted where applicable, based on the achievement of individual and collective targets. Pursuant to the various regulations in force, and to encourage performance over the long term, a significant portion of variable compensation granted to employees identified as risk-takers in the meaning of CRD may be deferred (from 40% to 60% for the highest amounts).

Natixis also encourages its employees in France to contribute to collective performance via incentives, profit-sharing and employee savings mechanisms (employee savings plan and collective pension plan).

The compensation policy also incorporates the fundamental objectives pursued by Natixis in terms of equality in the workplace and non-discrimination. To this end, in its latest agreement on gender equality in the workplace, Natixis S.A. renewed its commitments to equal compensation between men and women by allocating a specific annual budget of 0.20% of fixed salaries in order to remove the fixed compensation gaps identified and not justified between men and women, and launched new measures to improve efforts to decrease the wage gap between men and women.

Natixis also places great importance on the compensation of senior and junior employees.

Information on the compensation policy, especially for employee categories whose professional activities have a significant impact on Natixis' risk profile, is set out in the annual report on compensation policies and practices published each year before the General Shareholders' Meeting.

ESR criteria are factored into Natixis' compensation policy through:

- the inclusion of Natixis' ESR strategy when determining the Chief Executive Officer's variable annual compensation;
- the inclusion of ESR criteria (paper and energy consumption) in Natixis' profit-sharing agreement;
- the inclusion of additional specific ESR goals in certain Natixis subsidiary incentive schemes;
- the open-ended funds of the PES and PER Collective Employee Savings Plans labeled SRI or incorporating ESG criteria.

Management scope France	2021	2020	2019
Average gross annual compensation of staff under permanent employment contracts [(a)] (excl. profit-sharing, incentives and employer contributions to the Company savings plan) *(in thousands of euros)*	88.5	88.4	89.7 [(b)]
Average profit-sharing bonus *(in thousands of euros)*	2.0	2.8 [(b)]	2.8 [(c)]
Average incentive bonus *(in thousands of euros)*	4.9	5.0 [(b)]	5.6 [(c)]
Average gross employer contribution paid in respect of the Company savings plan (PEE) and the collective pension plan (PERCO) *(in thousands of euros)*	3.3	3.2 [(b)]	3.3 [(c)]

Note: The overall contribution amount paid in 2021 totaled €36.64 million (€35.76 million in 2020 and €38.67 million in 2019).

(a) Average gross annual compensation is calculated based on full-time permanent employees.
(b) Excluding Specialized Financial Services division (SFS), disposed on 01/04/2019.
(c) Including the Specialized Financial Services (SFS) division.

	France		
Accounting consolidation scope[(a)]	2021	2020	2019
Profit-sharing bonuses *(in millions of euros)*	23.6	35.3	41.5
Incentive bonuses *(in millions of euros)*	59.0	63.8	82.9

(a) On the accounting consolidation scope: mandatory employee profit-sharing totaled €43.0 million in 2021, €35.1 million in 2020, and €40.1 million in 2019; incentive schemes totaled €95.3 million in 2021 (IFRS 5), €80.3 million in 2020, and €96.3 million in 2019.

N.B. Total payroll costs (wages and salaries, profit-sharing and incentive schemes) are also reported in Chapter [7.6] "Operating expenses".

7.5.2 Employee engagement

7.5.2.1 ESR Awareness

Natixis intends to mobilize its teams around major ESR issues such as the fight against climate change, the protection of biodiversity and the development of solidarity projects. It is by mobilizing our business lines that we are also taking action to reduce our direct environmental footprint. Numerous awareness-raising actions are launched each year to provide a better understanding of the Company's ESR strategy and encourage support for the projects.

Networks of committed employees

The ESR Department and its network of correspondents rely on communities of volunteer employees who wish to contribute to the management of change in the Company and to share best practices on sustainable development issues internally. They participate in various communities created on the internal social network (and in particular the ESR yammer) to share their achievements, projects and ideas on environmental protection, cycling, zero waste, diversity and social inclusion, etc.).

It should be noted that in 2021, Natixis IM developed the LEAFS network (Employee Resources Group Focus on Environment), which has around 30 members spread across the United States, the United Kingdom and France.

Training offer

Natixis offers its employees a wide range of training courses in the various areas of ESR. In March 2021, a dedicated "Sustainability Training" page was created on the internal HR training portal, which brings together the Company's existing resources to understand the challenges of ESR and sustainable finance and master the tools in place at Natixis: face-to-face training, e-learning, videos, reports, etc.

Built with the Natixis business lines and functions to guide employees who wish to learn about these topics, this page is regularly updated with new resources in this area.

In addition to this training portal for all, several Natixis subsidiaries offer their employees specific training courses directly related to their profession; this is the case, for example, for Ostrum AM, which, after a first wave of training in 2020 on ESG issues in the asset management profession, trained all its employees in the challenges of biodiversity for the finance and asset management.

2021 KEY EVENT

Launch of a mandatory training: ESR e-learning

To support the launch of the new strategic plan, Natixis has rolled out a mandatory e-learning program on corporate environmental and social responsibility. This training is intended for all employees in France and abroad and aims to:

- provide information on the impacts of human activity on the ecosystem;
- to better understand the expectations of stakeholders vis-à-vis the Company;
- to explore the actions implemented in terms of sustainable finance and ESR at Natixis in its various business lines and functions.

At the end of 2021, more than 12,000 employees had completed this online course.

Weeks dedicated to sustainable development

For many years, Natixis has been participating in the various flagship ESR events: European Sustainable Development Week (SEDD), European Mobility Week (SEM) and European Week for Waste Reduction (SERD). These actions are deployed in France and internationally.

In 2021, more than 20 events were offered to employees during these themed weeks, in several formats such as conferences and webinars, awareness-raising workshops on zero waste, ESG risks, and training sessions, training on the climate, biodiversity, responsible digital technology, bicycle repair workshops and open days to discover the Company's collaborative vegetable gardens. These events, spread over four weeks, brought together more than 1,200 participants.

7.5.2.2 Commitments to solidarity-related projects

Natixis is involved in many solidarity projects by supporting the mobilization of its employees, who are increasingly willing to get involved in meaningful and useful projects for society.

Several schemes are offered in the Company in France and abroad, in partnership with numerous non-profit organizations (NGOs, local associations) to allow the involvement of each person according to their availability and their commitment wishes.

Since 2013, Natixis has allowed its employees to take humanitarian leave (Congé Solidaire®) to support the non-profit association Planète Urgence. The missions concern the protection of biodiversity, socio-educational support for young people and the reinforcement of the skills of adults in various fields. As part of the health crisis, missions were offered in France or remotely. More than 150 missions have been supported since the beginning.

In addition, for the first time in 2021, Natixis supported the “Environment and Development” program implemented by Planète Urgence in Indonesia, aimed at restoring a mangrove ecosystem and preserving biodiversity (with a particular focus on the Java rhinoceros). Thanks to the financing provided by Natixis, nearly 20,000 trees have been planted and local populations have been made aware of the importance of preserving the mangrove and the Java rhinoceros.

Since 2019, Natixis has offered its employees in France a simple and participative generosity scheme: payroll ROUNDING. It enables them to support one of the five selected associations that receive salary donations. The monthly microdon is deducted directly from the pay slip and Natixis doubles the amount of employee donations. Two years after its launch, nearly €150,000, including the Company’s contribution, were paid to the five beneficiary associations.

Other actions are regularly organized for employees such as solidarity races (e.g. Odyssea, Course du Cœur) or collection of objects on behalf of the most disadvantaged (e.g. collection of toys for the Rejoué association).

Lastly, several mentoring or sponsorship schemes are offered to support the education and integration of young people. For example, Natixis Investment Managers has a partnership with the Sport dans la Ville association, Ostrum AM with the Vox Populi association, and since 2011, Natixis has supported the association Nos Quartiers ont du Talent (NQT).

Natixis Foundation

In 2020, Natixis Foundation – corporate foundation was created. Its aim is to facilitate the commitment of all Natixis employees to a fair transition. Natixis Foundation will thus support projects and actions of general interest that come under both environmental protection and solidarity, with a goal of lasting impact.

In 2021 Natixis Foundation defined three priority areas of action: the professional integration of young people and education, the circular economy and biodiversity. In its first year of operation, Natixis Foundation paid particular attention to selecting and implementing regional actions or projects, in France and abroad, with the support of Natixis employees. They got involved by proposing actions as part of the foundation’s first call for employee projects, voting for projects, and co-constructing them.

Natixis Foundation supports the professional integration of young people through biodiversity protection missions, in partnership with the Unis-Cité association; helping the most disadvantaged by combating food waste, in partnership with the associations Linkee and Banco Alimentare; helping people in professional reintegration through the renovation of toys, in partnership with the association Rejoué, improving the quality of biodiversity, respectively in rural and mountain areas, in partnership with the Terre de Relations Foundation and with the Mountain Wilderness France association.

In line with the health challenges related to the COVID-19 crisis, two projects were selected by employees and are supported by the foundation: improving healthcare conditions in four rural African villages through equipment producing water and solar energy, in partnership with the NGO Électriciens Sans Frontières, and the construction and rehabilitation of wells in rural communities in Liberia, in partnership with the NGO Action contre la Faim. In fact, access to water improves hygiene conditions and practices (including barrier gestures) in rural communities and promotes the development of local agriculture.

Lastly, two projects were selected by the employees and are supported by the foundation: the construction and rehabilitation of water wells in rural communities in Liberia in partnership with the NGO Action contre la Faim and the improvement of care conditions in four rural African villages thanks to solar energy equipment, in partnership with the NGO Électriciens Sans Frontières.

Solidarity week

In December 2021, the Company organized for the first time a global week dedicated to solidarity engagement with its employees all over the world. Numerous initiatives were organized at the same time in the United States, the United Kingdom, Portugal, Italy, Hong Kong, the United Arab Emirates and France. Natixis employees were able to mobilize for causes such as the fight against exclusion, protection of the environment, support for education and young people, and support for health and people with disabilities.

2021 KEY EVENT

Natixis Solidarity Days

On the occasion of Solidarity Week, Natixis has set up a pilot solidarity day, organized during working hours and addressed to all employees in France. Nearly 100 employees spent a day in a charitable organization, in contact with vulnerable or isolated people, to organize various workshops (painting, cooking, eco-construction of furniture, self-esteem). In total, seven associations were supported in Ile-de-France, an estimated 690 hours of volunteering and more than 700 direct and indirect beneficiaries.

International solidarity

In all its international offices, Natixis establishes partnerships with general-interest associations and mobilizes employees support for solidarity-based projects. In 2021, and despite the prolongation of the health crisis, actions resumed in many branches and employees mobilized strongly to support local associations and Company partners. Several initiatives have emerged and once again the commitment has been there.

In the **EMEA region**:

In Milan, the branch organized two actions in support of the ABAL association which helps autistic children and their families: employees were able to volunteer days within the association and a food drive was also organized. In addition, several donation campaigns were launched to support partnerships with the Food Bank and DYNAMO CAMP (a charity that helps children with disabilities) as well as the Italian Environmental and Cultural Heritage Protection Fund (FAI).

In Madrid, around thirty employees, whose contributions are supplemented by the Company, make monthly donations to the food bank, Economato.

In London, several actions took place at the end of 2021 to support the SCT association, such as the creation of an online fundraising page or a bake sale. A meal preparation day was also organized with the association Felix Project Kitchen and 1,400 meals were distributed to local organizations in London (schools, food banks and associations).

In Porto, a multitude of actions were organized in 2021: a food drive, several donation campaigns to finance school kits, home improvement work to improve the quality of life, home therapies for children with rare diseases, and food for homeless animals. Employees were also able to take part in other actions such as the decoration of a COVID-19 vaccination center for children, or a campaign to support the elderly.

In Dubai, three actions were carried out: a donation of 300 Iftar meals during Ramadan, a fundraiser to finance 100 million meals (with an additional contribution from employees' donations by Natixis), and a food drive to benefit the Red Cross of the Emirates.

Within the Americas platform partnerships that began several years ago were also continued:

In **New York**, the iMentor and American Cancer Society associations are supported through financial donations or employee mobilization actions.

As part of the annual "Natixis Employees Giving Campaign" in Boston, Natixis also supports its employees' initiatives by organizing two weeks of fundraising for various charities supported by Natixis Investment Managers and its affiliates. In addition, at the end of the year, other operations were organized such as the creation of Christmas wreaths to decorate the homes of disadvantaged people with the association Pine Street In and a collection of toys for children from disadvantaged neighborhoods in the Winthrop School.

Finally **in the Asia-Pacific region**, Natixis continues to develop its contribution to solidarity operations and to mobilize employees from various locations.

A Do-It-Yourself workshop for making soap from coffee grounds was organized and the soaps were redistributed to associations helping people in need.

A solidarity march was launched in the streets of Hong Kong to distribute essential goods.

Lastly, support for the PSE (Pour un Sourire d'enfant) association continued in 2021 with several actions during Solidarity Week such as a solidarity sale, a screening of the film Les Pépites (Little Gems) and a call for tenders. to volunteers for time-giving missions.

7.6 Reporting frameworks and methodology

The information in this document covers the 2021 fiscal year. The reporting period considered is one full calendar year, running from January 1 to December 31.

Environmental information relating to the direct impact of Natixis relates to the scope of Natixis France, with the exception of certain qualitative information collected from international locations.

Social information covers the Natixis scope managed in France and internationally, with the exception of the presentation of the Global workforce, which is presented in the accounting consolidation scope (Joinly, for example, was not consolidated).

The managed scope covers all of Natixis and its subsidiaries[1] around the world whose HR information systems contain data on employees by name. This workforce forms the basis of the HR indicators for ESR. This scope excludes Financial investments and Fintechs. The list of entities in this scope is presented below.

Outside France, the inclusion of entities depends on the relevance of indicators with respect to social and environmental regulations and their ability to integrate monitoring tools or deliver information.

Indicators are broken down by geographic area.

The **Natixis Worldwide** scope covers all of Natixis and its subsidiaries[1] around the world, including Financial investments and entities within the accounting consolidation scope (Natixis Algérie).

The following changes in scope took place in 2021:

- **in the managed scope**:
  - Corporate & Investment Banking division:
    - Chamonix Partners Capital Management LLC (one employee as of December 31, 2021,
    - Natixis Global Services (India) Private Limited (41 employees at December 31, 2021);
  - Asset & Wealth Management:
    - AEW UK Investment Management LLP (27 employees at December 31, 2021) now more than 50% owned,
    - AEW Dutch Branch (1 employee as of December 31, 2021),
    - Mirova Natural Capital (Brazil) (two employees at December 31, 2021),
    - Mirova Sweden Branch (1 employee at December 31, 2021),
    - Teora, a company created in 2021 and made up of employees from Natixis Wealth Management. (51 employees as of December 31, 2021);
- exit from the scope of the following entities:
  - Corporate & Investment Banking division:
    - Natixis Almaty Representative Office (one employee at December 31, 2020);
  - Asset & Wealth Management:
    - Ostrum Asset Management US LLC Two employees at December 31, 2020), including one employee transferred to Mirova US.

Methodological notes on indicators

The headcount includes all employees who have an active employment contract with a Natixis legal entity (managed scope). Interns, apprentices and beneficiaries of a VIE (International Volunteer Program) assignment are not considered. Expatriates and seconded employees are accounted for in their entity of origin.

Hires include external recruitment to positions with permanent employment contracts or fixed-term employment contracts, transfers from Groupe BPCE and the conversion of all other types of contracts (work-study placements, internships, VIE, etc.) into permanent employment contracts or fixed-term employment contracts, and conversions of fixed-term employment contracts into permanent employment contracts.

Departures include external departures of employees with permanent employment contracts or fixed-term employment contracts and transfers to Groupe BPCE, and conversions from fixed-term employment contracts to permanent employment contracts.

The following changes were made to the calculation methods in order to be aligned with the indicators used to monitor Natixis' Human Resources policies: departures to BPCE are no longer counted as resignations, and contractual terminations are now taken into account and recognized in redundancies. Mobility includes changes in duties, changes of assignment, changes of assignment and function, to which have been added expatriations and made available. The indicators presented were the subject of a pro-forma for previous years.

(1) Companies in which Natixis directly or indirectly holds at least a 50% interest.

List of subsidiaries included in the ESR reporting framework

Natixis France (managed scope)

Division	Business Line	Company
Corporate & Investment Banking		Natixis S.A.
		Media Consulting & Investment
		Natixis Coficiné
Asset & Wealth Management	Private Equity	Alliance Entreprendre
		Flexstone Partners SAS
		Naxicap Partners
		Seventure Partners
		Vauban Infrastructure Partners
	Asset Management	Mirova
		Natixis Investment Managers
		Natixis Investment Managers International
		Natixis Investment Managers P1
		Natixis TradEx Solutions
		Ostrum Asset Management
		Seeyond
		Thematics Asset Management
	Real Estate Asset Management	AEW
	Wealth Management	Natixis Wealth Management
		TEORA
		VEGA Investment Managers
	Employee Savings Schemes	Natixis Interépargne
	MAD NSA employees – AWM division subsidiaries	Natixis S.A.
Insurance	Personal Insurance	BPCE Relation Assurances
		BPCE VIE
	Non-Life Insurance	BPCE Assurances
		BPCE Assurances Production Services
	MAD employees NSA – Insurance division subsidiaries	Natixis S.A.
	Insurance division cross-functional departments	Natixis S.A.
Payments		Natixis S.A.
		Natixis Intertitres
		Natixis Payment Solutions
		Titres Cadeaux
Support departments		Natixis S.A.

Natixis International (managed scope)

Division	Business Line	Company
Corporate & Investment Banking		Natixis – Singapore – DBU
		Natixis Australia Proprietary Limited
		Natixis Bangkok Representative Office
		Natixis Beijing Branch
		Natixis Belgique Investissements S.A.
		Natixis Brasil S.A. Banco Múltiplo
		Natixis Buenos Aires Representative Office
		Natixis Canada Branch
		Natixis Colombia Representative Office
		Natixis Dubai Branch
		Natixis Frankfurt Branch
		Natixis Hong Kong Branch
		Natixis Jakarta Representative Office
		Natixis Japan Securities Co., Ltd.
		Natixis Labuan Branch
		Natixis Lima Representative Office
		Natixis London Branch
		Natixis Madrid Branch
		Natixis Mexico Representative Office
		Natixis Milan Branch
		Natixis Moscow Bank (ZAO)
		Natixis Mumbai Representative Office
		Natixis New York Branch
		Natixis North America Inc.
		Natixis Pfandbriefbank AG
		Natixis Saudi Arabia Invest Co.
		Natixis Shanghai Branch
		Natixis Taipei Branch
		Chamonix Partners Capital Management LLC
		Natixis Global Services (India) Private Limited
		NATIXIS STRUCTURED ISSUANCE S.A.

Division	Business Line	Company
Asset & Wealth Management	Private Equity	Flexstone Partners SARL
		Vauban Infrastructure Luxembourg SARL
	Asset Management	Mirova Luxembourg SAS
		Mirova Natural Capital (UK)
		Mirova Natural Capital Brazil
		Mirova Sweden Branch
		Mirova US
		Natixis IM Australia Pty Limited
		Natixis IM Beijing
		Natixis IM Hong Kong Limited
		Natixis IM International, LLC
		Natixis IM LUX
		Natixis IM Mexico, S. de R.L. de C.V
		Natixis IM Middle East, a branch of Natixis IM UK Limited
		Natixis IM S.A. Oficina de Representación (Colombia)
		Natixis IM S.A., Korea Representative Office
		Natixis IM S.A., Succursale Italiana
		Natixis IM S.A., Zweigniederlassung Deutschland
		Natixis IM Securities Investment Consulting (Taipei) Co., Ltd.
		Natixis IM UK Limited

Division	Business Line	Company
Asset & Wealth Management	Asset Management	Natixis IM Uruguay S.A.
		Natixis IM, Netherlands
		Natixis IM, Nordic branch
		Natixis IM, Spanish branch
		Natixis IM, Switzerland Sàrl, Geneva
		Natixis Investment Managers International Hong Kong Limited
		Natixis Investment Managers Japan Co., Ltd.
		Natixis Investment Managers Singapore Limited
		Natixis Investment Managers, LLC
	Real Estate Asset Management	AEW Central Europe/Czech Republic
		AEW Central Europe Sp z o o
		AEW Europe Global LUX
		AEW Europe Italian Branch
		AEW Europe LLP
		AEW Europe SARL
		AEW Invest GmbH
		AEW Dutch Branch
		AEW UK INVESTMENT MANAGEMENT LLP
	Wealth Management	Natixis Wealth Management Luxembourg
Insurance	Personal Insurance	Natixis Life Luxembourg
support departments		NATIXIS – SUCURSAL EM PORTUGAL

7.7 Moderate assurance report by one of the Statutory Auditors on the verification of selected social and environmental information

Fiscal year ended December 31, 2021

For the attention of general management,

In our capacity as Statutory Auditors of Natixis SA (hereinafter the "Company") and following the request made to us, we carried out a review to enable us to express a moderate assurance on the social and environmental information selected by the Company and presented in Section 7 "Corporate Social and Environmental Responsibility Report for 2021" of the Universal Registration Document (hereinafter "the Information"[1]) prepared for the fiscal year ended December 31, 2021.

Conclusion

Based on the procedures we have implemented, as described in the section entitled "Nature and scope of the work", and the information we have collected, we have not identified any significant anomaly that would call into question the fact that the Information has been prepared in accordance with the procedures used by the Company (hereinafter the "Guidelines").

Preparation of Information

The absence of a generally accepted and commonly used reference framework or established practices on which to evaluate and measure the Information allows the use of different but acceptable measurement techniques that may affect comparability between entities and in the time.

Consequently, the Information must be read and understood with reference to the Guidelines, the significant elements of which are presented in section 7 of the Universal Registration Document and available on the website or on request at the Company's registered office.

Limitations inherent in the preparation of the Information

The Information may be subject to uncertainty inherent to the state of scientific or economic knowledge and the quality of the external data used. Some data are sensitive to the methodological options, assumptions or estimates used in their preparation and presented in section 7 of the Universal Registration Document.

Company's responsibility

It is the responsibility of the Company:

- to select or establish appropriate criteria and procedures to prepare the Guidelines;
- to prepare the Information in accordance with the Guidelines;
- to put in place the internal controls that it deems necessary for the preparation of information that does not contain significant anomalies, whether these are due to fraud or error.

Statutory Auditor's responsibility

The conclusion expressed in this report relates only to the Information and not to the whole of Section 7 of the Universal Registration Document.

It is our responsibility, on the basis of our work:

- to express a conclusion of limited assurance that the Information has been prepared in accordance with the Guidelines and does not contain any material misstatements, whether due to fraud or error;
- to form an independent conclusion, based on the audit evidence obtained; and
- to share our conclusion with the Company's management.

As it is our responsibility to form an independent conclusion on the Information as prepared by the Company, we are not authorized to be involved in the preparation of such Information, as this could compromise our independence.

(1) *Qualitative information: Share of Natixis Investment Managers' assets under sustainable or impact management.*
Quantitative information: RES financing - amounts arranged in 2021; Temperature of the Natixis Assurance general fund at the end of 2021; Share of Natixis Investment Managers' assets under sustainable or impact management; Natixis carbon footprint 2021; Natixis headcount 2021; Total hires and departures in France..

Regulatory provisions and applicable professional doctrine

Our work described below was carried out in accordance with the professional guidelines of the Compagnie Nationale des Commissaires aux Comptes and the international standard ISAE 3000 (revised) "*Assurance Engagements other than Audits and Reviews of Historical Financial Information*" from the IAASB (*International Auditing and Assurance Standards Board*).

Independence and quality control

Our independence is defined in the provisions of Article L.822-11 of the French Commercial Code and in our Code of Ethics. In addition, we have put in place a quality control system that includes documented policies and procedures to ensure compliance with applicable legal and regulatory texts, ethical rules and the professional doctrine of the Compagnie nationale des commissaires aux comptes with respect to this intervention.

Nature and scope of the work

We have planned and performed our work in order to enable us to formulate a conclusion of moderate assurance on the following information (the “Information”):

- RES financing - amounts arranged in 2021
- Natixis Assurance general fund temperature at end 2021
- Percentage of Natixis Investment Managers assets under sustainable or impact management
- Natixis carbon assessment 2021
- Natixis workforce 2021
- Total new hires and departures in France

The nature, timing and extent of the procedures performed on this information depend on our professional judgment, including the evaluation of the risks of material misstatement, whether they result from fraud or error. We took into account the relevant internal controls for the preparation of the Information by the Company during our risk assessment.

We also have:

- assessed the appropriateness of the Guidelines with regard to their relevance, completeness, reliability, neutrality and comprehensibility;
- verified the implementation of a process for the collection, compilation, processing and control aimed at ensuring the completeness and consistency of the Information;
- conducted interviews with the relevant departments at the Company’s head office and with a selection of contributing entities in order to analyze the deployment and application of the Guidelines;
- implemented analytical procedures to verify the calculations made and the correct consolidation of the data collected and the consistency of their changes;
- conducted detailed tests on the basis of sampling, carried out at the level of a selection of representative[(1)] entities that we have selected, consisting of verifying the correct application of definitions and procedures and reconciling the data with the supporting documents. The sample thus selected covers between 74% and 100% of the consolidated data relating to Information.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. The procedures implemented as part of a moderate assurance are less extensive than those required for a reasonable assurance carried out in accordance with the professional doctrine of the Compagnie Nationale des Commissaires aux Comptes; a higher level of assurance would have required more extensive audit work.

Paris-La Défense, March 11, 2022

One of the Statutory Auditors,

Deloitte & Associés

Charlotte Vandeputte	Julien Rivals
Partner, Audit	Partner, Sustainable Development

(1) Natixis SA, Natixis Assurance, Ostrum AM, Harris Associates, NIMI Singapore, according to the data tested.

8

LEGAL AND GENERAL INFORMATION

8.1 Legal notices and practical information relating to Natixis

Corporate name: NATIXIS

Trading name: NATIXIS

The Company did not change its name or means of identification during the fiscal year.

Address: 30 avenue Pierre Mendès-France, 75013 Paris, France

Registration No. (first page of the bylaws): 542 044 524 RCS PARIS, FRANCE

Legal form: Public limited company with a Board of Directors

Registration date: 30/07/1954

Term of the Company: until 09/11/2093

Corporate purpose (Article 2 of the bylaws): The corporate purpose, in France and elsewhere, comprises:

- the conduct of all banking business and related businesses as per the banking law;
- the provision of all investment services as defined in the French Monetary and Financial Code;
- the performance of the specific assignments entrusted by the French State in the economic and financial area, in the framework of special agreements;
- the performance of all brokerage business;
- the acquisition of interests in companies, groups or associations with a direct or indirect connection with the activities referred to above; as well as;
- the execution of all private and commercial transactions.

LEI: KX1WK48MPD4Y2NCUIZ63

Website: www.natixis.com

Parent company: BPCE

The information on the Natixis website is not part of Natixis' universal registration document, unless it is specifically incorporated by reference.

8.2 Natixis bylaws

As a result of the squeeze-out by BPCE effective on July 21, 2021 on the Natixis shares not held by BPCE and the delisting of Natixis shares from the Euronext Paris regulated market on the same day, BPCE holds 99.78% of the share capital of the Company as of December 31, 2021.

The bylaws below will be amended by the Ordinary and Extraordinary General Shareholders' Meeting on March 22, 2022 in order to adapt them to the delisting of Natixis.

- These bylaws are up to date with the increase in the share capital of March 1, 2022.

Natixis

A joint company with a Board of Directors with share capital of €5,057,122,683.20.

Registered office: 30 avenue Pierre-Mendès-France – 75013 Paris, France – RCS (Trade and Companies Register) Paris No. 542 044 524.

Chapter I: Form of the Company – Name – Registered office – Term – Corporate purpose

Article 1 – Legal form – Name, registered office and term

Natixis is a joint stock company (société anonyme) with a Board of Directors. It is governed by the regulations pertaining to commercial companies, by the provisions of the French Monetary and Financial Code (Code monétaire et financier) and by these bylaws.

The name of the Company is "Natixis". The registered office of the Company is in Paris (13th arrondissement), 30, avenue Pierre Mendès-France.

The term of the Company, created on November 20, 1919, was increased to ninety-nine years beginning on November 9, 1994, unless it is extended or dissolved early.

Article 2 – Corporate purpose

The corporate purpose, in France and elsewhere, comprises:

- the conduct of all banking business and related businesses as per the banking law;
- the provision of all investment services as defined in the French Monetary and Financial Code;
- the performance of the specific assignments entrusted by the French State in the economic and financial area, in the framework of special agreements;
- the performance of all brokerage business;
- the acquisition of interests in companies, groups or associations with a direct or indirect connection with the activities referred to above; and
- the execution of all private and commercial transactions.

Chapter II: Share capital – Shares – Payments

Article 3 – Share capital

The share capital is set at €5,057,122,683.20 divided into 3,160,701,677 fully paid-up shares of €1.60 each.

Article 4 – Form and transfer of shares

Shares in the Company may either be registered shares or identifiable bearer shares, at the shareholder's discretion.

They are registered in share accounts and are transferred according to the terms provided for by law and regulations.

Article 5 – Identification of the shareholders

The Company may, under the conditions stipulated by the legislative and regulatory provisions in force, request any organization or authorized intermediary to communicate all information regarding the holders of securities conferring immediately or in the future voting rights in its Shareholders' Meetings, namely their identity, nationality, address, number of securities owned and the restrictions to which these securities may be subject.

Any individual or legal entity owning directly or indirectly, alone or jointly, a fraction of 1% of the voting rights (on the basis of all the voting rights attached to the shares, including those deprived of voting rights), or any multiple of this percentage, shall notify the Company by registered letter with acknowledgment of receipt of the number of votes they possess. This notice must be made within a period of 15 days following each acquisition or sale of this fraction.

In the event of non-compliance with the notification requirement provided for in the previous paragraph and upon request, recorded in the minutes of the meeting from a shareholder representing at least 1% of the voting rights, the shares exceeding the fraction which should have been declared will lose their voting rights for a period of two years following the notification compliance date.

Article 6 – Indivisibility of shares

The shares are indivisible from the Company's perspective.

Joint owners are required to be represented to the Company by a single person chosen among them or by a sole proxy.

Article 7 – Rights and obligations attached to the shares

Except for the rights which may be granted to preferred shares, if any were created, each share entitles its owner to a share in the ownership of the Company's assets which is proportional to the number of shares issued.

Shareholders shall be liable for losses only to the extent of their contributions to the Company's share capital.

The rights and obligations attached to a share follow it. Ownership of a share implies, by the operation of law, acceptance of the Company's bylaws and of the resolutions voted by the General Shareholders' Meeting.

Article 8 – Modification of the capital

The share capital may be increased, amortized or reduced by all procedures and according to all means authorized by law and regulations.

The new shares subscribed will be paid-up according to the decisions voted by the General Shareholders' Meeting or the Board of Directors. Failure to pay up the shares is sanctioned under the conditions stipulated by the regulations in force.

Chapter III: Administration and control of the Company

Section I: Board of Directors

Article 9 – Structure of the Board of Directors

The Company is managed by a Board of Directors, consisting of at least three (3) and no more than eighteen (18) directors, subject to the departures stipulated by law in the event of a merger.

The directors are appointed by the Ordinary General Shareholders' Meeting; however, the Board has the right, in the event of the vacancy of one or more seats, due to death or resignation, to appoint replacements temporarily, each for the period remaining in their predecessor's term, subject to ratification by the next General Shareholders' Meeting.

When it has been established, in accordance with the regulations in force, that the percentage of the capital owned by employee shareholders exceeds the threshold established by law, a director is appointed by the Ordinary General Shareholders' Meeting from among the candidates designated for this purpose by the Supervisory Board of the employee mutual fund(s). The director appointed in this capacity is not taken into account in calculating the maximum number of directors referred to in the first paragraph of this Article.

The director appointed in this capacity sits on the Board of Directors and is entitled to vote. He or she is subject to the same rights and obligations as the Company's other directors.

The number of directors who are over the age of 70 shall not exceed one-third of the number of directors in office. When this percentage is exceeded, the oldest of the directors leaves office at the end of the next Ordinary General Shareholders' Meeting.

Throughout his or her term, each director shall own at least one hundred and forty (140) Company shares.

Directors are appointed for a term of four (4) years. They may be re-elected. A director's duties end at the end of the Ordinary General Shareholders' Meeting convened to approve the financial statements of the past fiscal year, held the year during which his or her term expires.

Article 10 – Chairman of the Board of Directors

The Board of Directors elects a Chairman who must be an individual, selected from among its members. The Chairman is elected for the duration of his term as director and may be re-elected.

It determines the Chairman's compensation.

The Board of Directors may, on the proposal of the Chairman, elect one or more Vice-Chairperson from among its members.

The Chairman's duties end at the latest at the end of the Ordinary General Shareholders' Meeting convened to approve the financial statements of the past fiscal year during which the Chairman reached the age of sixty-five.

The Chairman is responsible for convening the Board of Directors.

He organizes and conducts its work, on which he reports to the General Shareholders' Meeting.

He sees to the smooth operation of the Company's bodies and makes sure in particular that the directors are able to perform their duties.

Article 11 – Meetings of the Board of Directors

11.1 The Board of Directors convenes as often as the Company's interests and legal and regulatory provisions so require, upon notice from its Chairman either at the registered office or at any other location indicated in the notice, which may be sent by email.

The Board may also be convened by the Chairman at the request of at least one-third of the directors, or at the request of the Chief Executive Officer, on the basis of a specific agenda. The Chairman is bound by the requests made in this manner.

Subject to an Emergency such as defined below, and the case referred to in Article 14 below, the Board of Directors must be convened with reasonable notice prior to the scheduled date of the meeting. Notices of meetings shall include the detailed agenda for the meeting.

Prior to the meeting, and with sufficient notice, the directors must be given the information they need to make an informed decision.

Board Meetings are chaired by the Chairman of the Board of Directors or, in his absence, by the oldest director or by one of the Vice-Chairpersons, as the case may be.

The Board of Directors may appoint a Secretary, who may or may not be selected from among its members.

Decisions are made at a majority of the votes of the members present or represented. In the event of a tie, the vote of the Chairman of the meeting is the casting vote, except for the appointment of the Chairman of the Board of Directors.

The Board takes valid decisions only if at least one-half of its members are present or deemed present.

The Board of Directors establishes Internal Rules which may stipulate that, except for adopting decisions concerning the preparation of the annual financial statements and the management report as well as for preparing the consolidated financial statements and the Group's management report, the directors who participate in the Board Meeting by video-conference or by using telecommunication means, under the conditions permitted or required by law and the regulations in force, are deemed present for calculating the quorum and the majority.

Minutes of Board Meetings shall be prepared, and copies or extracts thereof shall be issued and certified in accordance with the law.

11.2 In the event of an emergency as defined below (the "Emergency"), the following accelerated procedure may be applied.

An Emergency is defined as an exceptional situation (i) subject to short notice, imposed by a third party under penalty of foreclosure, where non-compliance might incur damages for the Company or one of its main subsidiaries, or (ii) requiring a rapid response from the Company which is incompatible with the application of the usual notice periods for the Board of Directors.

In the event of an Emergency, the notice and convening periods of the Board of Directors are not subject to Article 11.1 above, provided that the Chairman of the Company's Board of Directors has:

- given prior notice to the directors providing the reason for the Emergency as per the foregoing definition; and
- provided all directors, along with the notice of said Board Meeting, with all the necessary information for their analysis.

Article 12 – Powers of the Board of Directors

12.1 The Board of Directors determines the orientations of the Company's activity and sees to the implementation thereof, in accordance with its corporate interest, taking into account the social and environmental issues associated with its activity. Within the limits of the corporate purpose and the powers expressly granted by law or these bylaws to General Shareholders' Meetings, the Board concerns itself with any matter relating to good business practice and governs the business of the Company through its deliberations. The Board of Directors performs the controls and checks it deems appropriate.

The Chairman or the Chief Executive Officer is required to provide each director with all the documents and information necessary for the performance of their duties.

On the proposal of its Chairman, the Board of Directors may decide to create Committees within the Board responsible for reviewing issues which the Board itself or its Chairman submits to them for their examination and opinion. It determines the structure and powers of these Committees, which conduct their activities under its responsibility.

12.2 In addition to the operations referred to by law and regulations in force, the Internal Rules of the Board of Directors will determine the decisions which will be subject to the prior approval of the Board of Directors.

12.3 The Board of Directors is qualified to decide or authorize the issuing of bonds and all other financial instruments representing debt securities.

The Board of Directors may delegate to any person of its choosing the necessary powers to complete, within a period of one year, the issue of such financial instruments and to draw up the procedures.

The designated persons report to the Board of Directors under the conditions determined by the latter.

Article 13 – Compensation of Board members

The General Shareholders' Meeting may grant the directors a fixed annual sum as compensation for their activities. The Board of Directors distributes this amount freely among its members.

The Board may also allocate special compensation to the directors in the cases and conditions provided by law.

Section II: Senior Management

Article 14 – Senior Management procedures

The Company's Senior Management is the responsibility of either the Chairman of the Board of Directors, or that of another individual appointed by the Board of Directors bearing the title of Chief Executive Officer.

The choice between these two methods for exercising Senior Management is made by the Board of Directors which may legitimately deliberate only if:

- the agenda, containing this item, is sent out at least 15 days prior to the Board Meeting;
- at least two thirds of the directors are present or represented.

The shareholders and third parties are informed of this choice under the conditions defined by the legal and regulatory provisions in force.

When the Company's Senior Management is handled by the Chairman of the Board of Directors, the following provisions concerning the Chief Executive Officer will apply to the Chairman of the Board of Directors who will take on the title of Chairman and Chief Executive Officer.

Article 15 – Chief Executive Officer

The Chief Executive Officer is vested with the broadest powers to act in all circumstances on the Company's behalf. He or she exercises those powers within the limits of the corporate purpose and subject to the powers expressly reserved for Shareholders' Meetings and the Board of Directors by law and to the provisions and restrictions stipulated by the Internal Rules. He or she represents the Company in its relations with third parties.

The Board of Directors may appoint a Chief Executive Officer from among the directors or outside their ranks.

The Board of Directors determines the compensation and term in office of the Chief Executive Officer, which shall not exceed that of his or her term as director when he or she is a Board member.

The Chief Executive Officer may be dismissed by the Board of Directors at any time.

The Board of Directors may limit the powers of the Chief Executive Officer. However, the limitation of these powers is not binding to third parties.

The Chief Executive Officer may delegate a portion of his/her powers to any corporate officer of his/her choosing, with or without the option of substituting one for another.

Article 16 – Deputy Chief Executive Officers

On the proposal of the Chief Executive Officer, the Board of Directors may appoint one to five individuals selected from among the directors or outside their ranks, in charge of assisting the Chief Executive Officer, with the title of Deputy Chief Executive Officer.

In conjunction with the Chief Executive Officer, the Board of Directors determines the scope and duration of the powers conferred upon the Deputy Chief Executive Officers. They have the same powers with respect to third parties as the Chief Executive Officer.

When a Deputy Chief Executive Officer is a director, his/her term in office shall not exceed his/her term on the Board.

Deputy Chief Executive Officers may be dismissed at any time by the Board of Directors on the proposal of the Chief Executive Officer.

The compensation of the Deputy Chief Executive Officer(s) is determined by the Board of Directors.

Article 17 – Liability of corporate officers

Corporate officers are liable vis-à-vis the Company or third parties, either for breaches of the legal or regulatory provisions governing joint stock companies, or for breaches of these bylaws, or for misconduct in their management, under the conditions and subject to the penalties stipulated by the laws in force.

Section III: Control

Article 18 – Non-voting members

The Ordinary General Shareholders' Meeting may appoint one or more non-voting members.

Non-voting members are appointed for a term of four (4) years. A non-voting member's duties end at the end of the Ordinary General Shareholders' Meeting convened to approve the financial statements of the past fiscal year, held in the year during which his/her term expires. Non-voting members may be re-elected and may be dismissed by the General Shareholders' Meeting.

Non-voting members receive the same information as the directors, and are convened to all meetings of the Board of Directors. They sit on the Board of Directors in an advisory capacity.

They may be appointed temporarily by the Board of Directors subject to the ratification by the next General Shareholders' Meeting.

They may receive compensation, the amount of which is determined by the Board of Directors.

Article 19 – Statutory Auditors

One or several Principal Statutory Auditors and, if applicable, one or several Deputy Statutory Auditors, are appointed by the Ordinary General Shareholders' Meeting in accordance with the law. They are vested with the duties and powers conferred upon them by the laws in force.

Chapter IV: General Shareholders' Meetings

Common provisions

Article 20 – General Shareholders' Meetings

The shareholders' decisions are made in General Shareholders' Meetings, which are qualified as ordinary or extraordinary.

Article 21 – Notices

General Shareholders' Meetings are convened by the Board of Directors or, failing this, under the conditions of Article L.225-103 of the French Commercial Code. Notices are made under the conditions determined by the regulations in force.

Article 22 – Admission to General Shareholders' Meetings – Powers

Shareholders' Meetings include all the shareholders whose securities have no outstanding payments due.

In accordance with Article R.225-85 of the French Commercial Code, the right to take part in the General Shareholders' Meeting is subject to the registration of the shares in the accounts in the name of the shareholder or broker registered on his/her behalf on the second business day preceding the General Shareholders' Meeting at twelve midnight, Paris time (D-2), or in the accounts of registered shares kept by the Company, or in the accounts of bearer shares kept by the authorized brokers.

For holders of registered shares, such entry in the account by D-2 is sufficient to enable them to attend the meeting.

With respect to holders of bearer shares, proof of their status as a shareholder must be provided directly to the centralizing body of the meeting by the authorized intermediaries holding their bearer share accounts. The intermediaries do so by producing a certificate that must be attached to the voting form or admission card request in the name of the shareholder or the name of the registered intermediary acting on behalf of the shareholder. A certificate is also delivered to shareholders who wish to attend the meeting in person and who have not received an admission card by D-2, twelve midnight Paris time.

A shareholder may always be represented at General Shareholders' Meetings by a duly authorized proxy. This proxy may not represent another person.

Shareholders may vote by post or by proxy in accordance with the legal and regulatory provisions in force. In accordance with the decision of the Board of Directors, shareholders may participate in General Shareholders' Meetings by means of video-conferencing and may vote using all means of telecommunication and remote transmission, including the Internet, in accordance with the applicable regulations at the time of their use. This decision is communicated in the notice of meeting published in the *Bulletin des Annonces Légales Obligatoires* (Gazette of Mandatory Legal Notices – BALO). Those shareholders who use the electronic voting form offered on the website created by the meeting organizer, by the required deadline, are considered present or represented shareholders. The electronic form can be filled in and signed directly on the site by any means approved by the Board of Directors in accordance with the applicable legislative and regulatory provisions.

The proxy or vote cast before the meeting by this electronic method, as well as the receipt that is issued for it, will be considered irrevocable written documents that are enforceable in all cases, with the stipulation that in the event of the disposal of shares before the second business day preceding the meeting at twelve midnight, Paris time, the Company will, as a result, invalidate or change, depending on the case, the proxy or vote cast before that date and time.

Article 23 – Agenda

The agenda is drafted by the author of the notice.

One or more shareholders, representing at least the required portion of the share capital and acting on the conditions and within the deadlines determined by law, are entitled to request, by registered mail with acknowledgment of receipt, or by email, the entry of draft resolutions onto the meeting's agenda.

Article 24 – Conduct of General Shareholders' Meetings

General Shareholders' Meetings are chaired by the Chairman of the Board of Directors, or in the event of his absence, by one of the Deputy Chief Executive Officers, or by a director appointed by the General Shareholders' Meeting.

Scrutineers' duties are performed by the two attending shareholders holding the highest number of shares who accept this position.

A register of attendance is kept in accordance with the regulations in force. General Shareholders' Meetings vote on the quorum and majority conditions stipulated by law.

The Board of Directors may, at the time of the notice, decide to publicly broadcast the entire meeting by video-conference or other forms of telecommunication. In this case, the decision is conveyed in the announcements and notices of the meetings.

Article 25 – Voting rights

As an exception to Article L.22-10-46 of the French Commercial Code, whereby a voting right equivalent to twice that attributed to other shares may be attributed to fully paid-up shares which have been registered in the name of the same shareholder for at least two years, each member of the meeting has a right to as many votes as they hold or are represented by shares.

Article 26 – Minutes

Decisions of the General Shareholders' Meeting are recorded in minutes entered into a special register and signed by the officers of the meeting.

Minutes are drafted and copies or extracts of proceedings are issued and certified in accordance with the regulations in force.

Following the Company's dissolution and during its liquidation, these copies or extracts are certified by one or more of the liquidators.

Article 27 – Right to information

All shareholders are entitled to receive, under the conditions and on the dates stipulated by law, the documents necessary to enable them to make an informed decision on the Company's management and control.

The nature of the documents and the terms and conditions for their dispatch or availability are determined by law and regulations.

Ordinary General Shareholders' Meetings

Article 28 – Date of the meeting

Shareholders are convened annually to an Ordinary General Shareholders' Meeting by the Board of Directors, prior to the end of the fifth month following the close of the fiscal year, on the date, at the time and at the location stated in the notice of the meeting.

Article 29 – Prerogatives

The Ordinary General Shareholders' Meeting, which must be held annually, hears the report on the Company's business drafted by the Board of Directors and presented by its Chairman, as well as the report by the Statutory Auditors and any other report stipulated in the regulations.

It discusses, approves, rejects or adjusts the financial statements and determines the profit to be distributed.

It appoints the directors, the non-voting members and the Statutory Auditors.

It votes on all proposals entered onto the agenda.

Extraordinary General Shareholders' Meetings

Article 30 – Prerogatives

The Extraordinary General Shareholders' Meeting may be convened at any time either by the Board of Directors or pursuant to any legal provision. It may amend any of the provisions of these bylaws. In particular, it can increase or reduce the share capital, extend the Company's duration or decide its early dissolution. However, it cannot change the Company's nationality or increase the shareholders' commitments.

Chapter V: Fiscal year – Parent company financial statements – Appropriation and distribution of earnings

Article 31 – Fiscal year

The Company's fiscal year begins on January 1 and ends on December 31.

Article 32 – Inventory – Annual financial statements

Each quarter, a brief statement of the Company's assets and liabilities is prepared. This statement is at the disposal of the Statutory Auditors and is published according to the laws in force.

Furthermore, at the end of each fiscal year, an inventory is drafted of the Company's various assets and liabilities and accounting documents imposed by both the laws governing companies and by banking regulations.

All these documents are placed at the disposal of the Statutory Auditors according to legal and regulatory provisions.

Article 33 – Earnings for the fiscal year – Dividends

From the earnings of each fiscal year, minus any losses carried forward as the case may be, at least 5% is levied to create the legal reserve. This levy ceases to be mandatory when said reserve reaches a sum equal to one-tenth of the share capital. It must be resumed when this reserve falls below one-tenth.

The balance of the earnings constitutes, along with any retained earnings, the distributable profit of which the Ordinary General Shareholders' Meeting disposes freely in the framework of the laws in force, and which it can carry forward, or place on reserve, or distribute partially or entirely, on the proposal of the Board of Directors.

The Ordinary General Shareholders' Meeting may also decide to distribute sums levied from retained earnings or from the reserves at its disposal; in such case, the decision expressly references the reserve items from which the levies are made.

The Ordinary General Shareholders' Meeting may offer an option to the shareholders, for all or a part of the dividend distributed, between payment of the dividend in cash or in shares. In this second option, payment will take place through the allocation of Company shares in accordance with the applicable legal and regulatory provisions.

Under the legal conditions in force, the Board of Directors may decide to pay interim dividends in cash or in shares.

The annual dividends are paid at the dates established by the Board of Directors within a period of nine months following the close of the fiscal year.

Chapter VI: Dissolution – Liquidation

Article 34 – Equity below one-half of the share capital

If, due to losses recognized in the accounting documents, the Company's equity falls below one-half of the share capital, the Board of Directors is required, within four months following the approval of the financial statements having revealed these losses, to convene the Extraordinary General Shareholders' Meeting in order to decide whether it is fitting to dissolve the Company early.

Should the Board of Directors fail to convene the Extraordinary General Shareholders' Meeting, the Statutory Auditors may do so.

Article 35 – Dissolution – Liquidation

At the Company's expiry, or in the event of early dissolution, the General Shareholders' Meeting determines the liquidation method, on the proposal of the Board of Directors and subject to the legal requirements in force, and appoints one or more liquidators whose powers it determines.

Chapter VII: Disputes

Article 36 – Disputes

Any dispute arising among the shareholders concerning the performance of these bylaws shall be submitted to the courts having jurisdiction where the Company has its registered office.

8.3 Distribution and change in share capital and voting rights

8.3.1 Distribution of share capital as of December 31, 2021

8.3.1.1 Distribution table

As of December 31, 2021, Natixis' main shareholders are as follows:

	% capital	% voting rights
BPCE	99.78%	99.86%*
Employee shareholding	0.14%	0.14%
Treasury shares	0.08%	0.00%
Free float	0.00%	0.00%

* *The percentage of voting rights takes Natixis' treasury shares into account.*

As far as Natixis is aware, at this date no shareholders, other than those listed in the above table, owned more than 5% of the capital or voting rights.

8.3.1.2 Treasury shares held by Natixis

Information relating to the use of the share buyback program communicated to the General Shareholders' Meeting pursuant to Article L.225-211 of the French Commercial Code:

The following information concerns the use of the share buyback program for the period from January 1 to July 21, 2021, the date of the Company's delisting.

In fact, following the purchase of more than 90% of the share capital and voting rights of Natixis by BPCE as part of its simplified tender offer and the implementation of the squeeze-out procedure, Natixis terminated the liquidity agreement with Oddo BHF. The termination took effect on July 9, 2021.

The table below summarizes the transactions carried out by the Company with its own shares from January 1 to December 31, 2021 and indicates the number of treasury shares held by the Company:

Number of treasury shares registered in the name of the Company as of 31/12/2020	4,014,663
Number of shares purchased during fiscal year 2021 [(a)]	**4,973,284**
Number of shares potentially reallocated to other objectives	0
Average price of shares acquired in 2021	€3.074
Value of shares acquired in 2021 measured at purchase price	€15,285,886.49
Number of shares sold during fiscal year 2021 [(a)]	**6,523,987**
Average price of shares sold in 2021	€3.131
Value of shares sold in 2021 measured at sale price	€20,426,140.83
Volume of shares actually used to achieve the objective pursued *(liquidity contract - purchases + disposals)*	**11,497,271**
Total trading expenses (excl. tax)	**€63,000**
Number of treasury shares registered in the name of the Company as of 31/12/2021	**2,461,581**
Gross carrying amount per share [(b)]	€4.00
Total gross carrying amount of shares [(b)]	€9,846,324
Nominal amount of share	€1.60
Percentage of share capital held by the Company as of 31/12/2021	0.078%

(a) *Transactions carried out as part of the share buyback program intended to stimulate the share market by an investment provider (liquidity contract) until July 21, 2021.*

(b) *Share price on April 12, 2021.*

8.3.1.3 Employee shareholding

As of December 31, 2021, the percentage of share capital held by employees was 0.146%.

8.3.1.4 Ownership of shares by members of the management and administrative bodies

The holding of Natixis shares by directors and corporate officers, whether natural persons or legal entities, is not material.

8.3.1.5 Crossing of legal thresholds declared to the Company during fiscal year 2021

At the date of this document and to Natixis' knowledge, the only legal threshold crossing declared to the Company during fiscal year 2021 is as follows:

- on July 9, 2021, BPCE declared that it had crossed upwards, on July 8, 2021, following the acquisition of Natixis shares as part of the tender offer that it had implemented, the threshold of 90% of the share capital and voting rights of Natixis and held 2,847,988,426 Natixis shares representing the same number of voting rights, i.e. 90.18% of the share capital and voting rights of the Company.

8.3.2 Distribution of share capital at February 28, 2022

According to the Prospectus Regulation, as of February 28, 2022, Natixis' main shareholders were as follows:

	% capital	% voting rights
BPCE	99.78%	99.86%*
Employee shareholding	0.14%	0.14%
Treasury shares	0.08%	0.00%
Free float	0.00%	0.00%

* *The percentage of voting rights takes Natixis' treasury shares into account.*

8.3.3 Share capital as of March 1, 2022

The share capital amounted to €5,057,122,683.20 on March 1, 2022, divided into 3,160,701,677 fully paid-up shares of €1.60 each.

8.3.4 Changes in the shareholder base over the past three years

The table below shows changes in the Company's share capital over the last three fiscal years.

	31/12/2021			31/12/2020			31/12/2019		
	Number of shares	% capital	% voting rights	Number of shares	% capital	% voting rights	Number of shares	% capital	% voting rights
BPCE	3,150,897,741	99.78%	99.86%	2,227,221,174	70.57%	70.66%	2,227,221,174	70.64%	70.68%
Employee shareholding	4,599,009	0.14%	0.14%	97,166,403	3.08%*	3.08%	88,057,496	2.79%	2.80%
Treasury shares	2,461,581	0.08%	0.08%	4,014,663	0.13%	0.00%	2,083,199	0.07%	0.00%
Free float	0	0.00%	0.00%	827,549,262	26.22%	26.26%	835,716,613	26.50%	26.52%

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8.3.5 Changes in Natixis' share capital over the last five fiscal years

The table below shows changes in the Company's share capital over the last five fiscal years.

	Number of shares at the start of the fiscal year	Number of shares created during the fiscal year	Number of shares at the end of the fiscal year	Share capital *(in euros)*
2017	3,137,074,580	285,658	3,137,360,238	5,019,776,380.80
2018	3,137,360,238	12,928,354	3,150,288,592	5,040,461,747.20
2019	3,150,288,592	2,789,890	3,153,078,482	5,044,925,571.20
2020	3,153,078,482	2,873,020	3,155,951,502	5,049,522,403.20
2021	3,155,951,502	1,951,530	3,157,903,032	5,052,644,851.20

The table below gives details on the value of share premiums for each corporate action.

Fiscal year	Heading	Number of shares	Share capital *(in euros)*	Share premium on capital increases *(in euros)*
2013	**As of January 1**	**3,086,214,794**	**4,937,943,670.40**	
	Bonus shares awarded	5,640,766	9,025,226	
	Shares issued in respect of the capital increase reserved for employees	8,439,630	13,503,408	10,127,556
	As of December 31	**3,100,295,190**	**4,960,472,304.00**	
2014	**As of January 1**	**3,100,295,190**	**4,960,472,304.00**	
	Bonus shares awarded	6,261,106	10,017,769.60	
	Shares issued in respect of the capital increase reserved for employees	9,951,325	15,922,120	24,291,184.33
	As of December 31	**3,116,507,621**	**4,986,412,193.60**	
2015	**As of January 1**	**3,116,507,621**	**4,986,412,193.60**	
	Bonus shares awarded	3,114,520	4,983,232	
	Shares issued in respect of the capital increase reserved for employees	8,505,624	13,608,998.40	31,428,280.68
	As of December 31	**3,128,127,765**	**5,005,004,424**	
2016	**As of January 1**	**3,128,127,765**	**5,005,004,424**	
	Bonus shares awarded	957,368	1,531,788.80	
	Shares issued in respect of the capital increase reserved for employees	7,989,447	12,783,115.20	13,390,313.18
	As of December 31	**3,137,074,580**	**5,019,319,328**	
2017	**As of January 1**	**3,137,074,580**	**5,019,319,328**	
	Bonus shares awarded	285,658	457,052.80	
	As of December 31	**3,137,360,238**	**5,019,776,380.80**	
2018	**As of January 1**	**3,137,360,238**	**5,019,776,380.80**	
	Bonus shares awarded	945,549	1,512,878.40	
	Shares issued in respect of the capital increase reserved for employees	11,982,805	19,172,488	40,765,502.61
	As of December 31	**3,150,288,592**	**5,040,461,747.20**	
2019	**As of January 1**	**3,150,288,592**	**5,040,461,747.20**	
	Bonus shares awarded	2,789,890	4,463,824	
	As of December 31	**3,153,078,482**	**5,044,925,571.20**	
2020	**As of January 1**	**3,153,078,482**	**5,044,925,571.20**	
	Bonus shares awarded	2,873,020	4,596,832	
	As of December 31	**3,155,951,502**	**5,049,522,403.20**	

8.3.6 Other information concerning Natixis' share capital and securities

Form and transfer of shares (Chapter II, Article 4 of the bylaws)

The shares of the Company are in registered form.

They are registered in share accounts and are transferred according to the terms provided for by law and regulations.

Securities not conferring rights to the share capital

On November 25, 1985, Banque Française du Commerce Extérieur, Natixis' predecessor, issued 140,000 non-voting shares with a par value of FRF 5,000 (€762.25). The coupon is payable annually on November 25. Redemptions are at the initiative of the borrower.

As of December 31, 2021, 46,438 non-voting shares were outstanding.

Stock subscription option

No stock options were granted by the Company in fiscal years 2009 to 2021.

Natural or legal persons exercising or potentially exercising control over Natixis

As the main shareholder of Natixis, BPCE assumes the responsibilities provided for by banking regulations.

The application of the Afep-Medef Corporate Governance rules and the rules set out for members of the Board of Directors prevent the risk of abusive exercise of control.

Other information on the capital

In fiscal year 2021, Natixis did not pledge any of its shares.

8.3.7 Potential authorized capital

Current delegations and financial authorizations and use by the Board of Directors

As of the date of this document, the Board of Directors of the Company has the following delegations and financial authorizations granted to it by the General Shareholders' Meeting.

Date of GM	Resolution No.	Purpose of authorization	Amount authorized	Duration	Date used	Amount used
28/05/2019	25	To award bonus shares to employees and corporate officers of the Company and related companies, with cancelation of preferential subscription rights	2.5%/0.1% (b) of the share capital	37 months	10/04/2020	€5,757,411 *(0.11402%)*
					20/05/2020	€428,189 *(0.00847%)*
28/05/2021	20	To reduce share capital by canceling treasury shares	10% of the shares constituting the Company's share capital	26 months	None.	None.
28/05/2021	21	To increase share capital through the issue of shares and/or securities that give access to the capital of the Company or entitling holders to the allotment of debt securities, with preferential subscription rights maintained	€1.5bn (a)	26 months	None.	None.
28/05/2021	22	To increase the share capital through the issue, by public offering, of shares and/or securities that give access to the capital of the Company or entitling holders to the allotment of debt securities, with cancelation of preferential subscription rights	€500m (a) (c)	26 months	None.	None.
28/05/2021	23	To increase the share capital through the issue, by an offering as set out in Article L.411-2 1° of the French Monetary and Financial Code, of shares and/or securities that give access to the capital of the Company or entitling holders to the allotment of debt securities, with cancelation of preferential subscription rights	€500m (a) (d)	26 months	None.	None.

Date of GM	Resolution No.	Purpose of authorization	Amount authorized	Duration	Date used	Amount used
28/05/2021	24	To issue shares and/or securities that give access to the capital of the Company or entitling holders to the allotment of debt securities as remuneration for contributions in kind involving capital stock or securities that give access to capital, with cancelation of preferential subscription rights	10% of the share capital (d)	26 months	None.	None.
28/05/2021	25	To increase the share capital through the capitalization of reserves, retained earnings, share premiums or other items	€1.5bn (a) (c)	26 months	None.	None.
28/05/2021	26	To increase the number of securities to be issued in the event of capital increases with or with cancelation of preferential subscription rights	15% of the initial issue (e)	26 months	None.	None.
28/05/2021	27	To increase the share capital through the issue of shares or securities that give access to the capital of the Company, reserved for members of employee savings plans with cancelation of preferential subscription rights in favor of said members	€50m (a) (c)	26 months	None.	None.

(a) *Maximum nominal amount.*

(b) *For executive corporate officers. Amount deducted from the cap of 2.5%.*

(c) *Amount deducted from the overall ceiling set in resolution No. 21 of the General Shareholders' Meeting of May 28, 2021 (€1.5 billion).*

(d) *Amount deducted from the overall ceiling set in resolution No. 21 of the General Shareholders' Meeting of May 28, 2021 (€1.5 billion) and the ceiling decided in resolution No. 22 of said General Shareholders' Meeting (€500 million). For the delegation of the 23rd resolution, the issue of shares may not exceed the limits specified by the applicable legislation at the date of the issue (currently 20% of share capital per year).*

(e) *Amount deducted from the ceiling set in resolution No. 21 of the General Shareholders' Meeting of May 28, 2021 (€1.5 billion). For each issue, ceiling equal to the limit provided for under regulations in force on the issue date (currently, 15% of the initial issue).*

Special report on transactions carried out in under the provisions of Articles L.225-197-1 to L.225-197-3 of the French Commercial Code during the fiscal year 2021

In accordance with the provisions of Article L.225-197-4 of the French Commercial Code, the transactions carried out pursuant to Articles L.225-197-1 to L.225-197-3 on free shares for employees and corporate officers of the Company are described in this report.

No free shares were allocated in 2021.

The items below are provided for additional information.

Bonus shares in vesting period

The table below details the free shares granted during the vesting period in previous years.

Date of GM	24/05/2016 (20th resolution)	24/05/2016 (20th resolution)	28/05/2019 (25th resolution)
Date of Board of Directors' meeting (grant date)	13/04/2018	12/04/2019	10/04/2020
Total number of shares granted (a)	3,389,678	2,600,406	3,598,382
Vesting date (definitive allocation) (b)	01/03/2020 (c) 01/03/2021 13/04/2021 13/04/2023	01/03/2021 (c) 01/03/2022	01/03/2022 (c) 01/03/2023

(a) *Details of the shares allocated to executive corporate officers are provided in section 2.3.2.4 (AMF table No. 10).*

(b) *Subject to compliance with the presence and performance conditions defined in the plan regulations.*

(c) *Scheduling of the shares' vesting for beneficiaries.*

Free shares in the holding period delivered during the fiscal year 2021

The information below details the free shares in the holding period following the definitive acquisition of the shares by the beneficiaries recorded during fiscal year 2021 by decision of the Chief Executive Officer.

- By virtue of the authorization granted by the Combined General Shareholders' Meeting of May 24, 2016 in its 20th resolution, the Board of Directors decided at its April 13, 2018 meeting to award a total of 2,943,516 bonus shares to certain employees of Natixis and its subsidiaries, and to the corporate officer of Natixis in respect of the 2018 Plan. The vesting period for the last tranche of this award expired on March 1, 2020. By virtue of the authorization granted by the Combined General Shareholders' Meeting of May 24, 2016 in its 20th resolution, the Board of Directors decided at its April 12, 2019 meeting to award a total of 2,600,406 bonus shares to certain employees of Natixis and its subsidiaries, and to the corporate officer of Natixis in respect of the 2019 Plan. The vesting period for the first tranche of this award also expired on March 1, 2021.

  As a result, **by decision of March 1, 2021**, the Chief Executive Officer, by virtue of the powers granted to him by the Board of Directors, acknowledged the share capital increase by capitalization of reserves in the amount of €2,258,320 via the issue of 1,411,450 new shares with a par value of €1.60 each in respect of the 2018 Plan, and in the amount of €864,128 via the issue of 540,080 new shares with a par value of €1.60 each in respect of the 2019 Plan, thereby increasing the Company's share capital from €5,049,522,403.20 to €5,052,644,851.20.

- By virtue of the authorization granted by the Combined General Shareholders' Meeting of May 24, 2016 in its 19th resolution, the Board of Directors decided at its May 23, 2017 meeting to award a total of 79,369 bonus shares under the 2017 Plan to the members of the Natixis Senior Management Committee. The vesting period for these shares expired on May 23, 2021.

  As a result, **by decision of July 23, 2021**, the Chief Executive Officer, by virtue of the powers granted to him by the Board of Directors, acknowledged a capital increase by capitalization of reserves in the amount of €88,478.40 via the issue of 55,299 new shares with a par value of €1.60, thus bringing the Company's share capital from €5,052,644,851.20 to €5,052,733,329.60.

Mauve employee shareholding plan

The Mauve plan is reserved for employees of companies included in the scope determined by the Board of Directors, which comprises Natixis S.A. and its subsidiaries and branches, who are enrolled in the Natixis Employee Savings Plan and in the Natixis International Employee Savings Plan. The scheme is also available to the retirees and pre-retirees of the companies included in this scope.

Under the Mauve plan, beneficiaries are able to subscribe for Natixis shares (or for a similar alternative if they are international beneficiaries) on advantageous terms and with the benefit of employer-paid contributions in compliance with the provisions of existing plans within Natixis.

Amounts invested in the Mauve plan are locked up for a period of five years, barring cases of early release applicable to employee savings plans in France. This time period may be reduced outside of France based on local legislation and the alternative proposed.

In order to align the interests of Natixis employees with the growth and earnings of Natixis over the long term, the Board of Directors of Natixis agreed to use the authorization granted by the General Shareholders' Meeting to carry out a capital increase reserved for the employees of Natixis, with cancelation of their preferential subscription right under the Mauve employee shareholding plan, for the years 2013 to 2016 inclusive and again in 2018.

In a resolution dated May 28, 2019, the Combined General Shareholders' Meeting renewed the authorization granted to the Board of Directors to decide whether to increase share capital, in one or more stages, up to a maximum of fifty (50) million euros, through the issue of shares or securities giving access to share capital reserved for members of employee savings plans. It also established that the delegation of authority to issue shares would remain valid for a period of 26 months from the date of said meeting.

Natixis' Board of Directors did not use this delegation of authority in 2021.

As a result of the simplified public tender offer carried out by BPCE for all of the Natixis shares not held by BPCE, followed by the squeeze-out effective July 21, 2021 and the delisting of Natixis shares on the Euronext Paris regulated market on the same day, there are no longer any employee shareholding funds in the share capital of Natixis.

8.3.8 Shareholder voting rights

None of the Company's shareholders holds different voting rights.

In line with Article 25 of the Company's bylaws, and as an exception to the granting of double voting rights to any fully paid-up shares that can be proved to have been registered in the name of the same shareholder for at least two years, each member of the General Shareholders' Meeting has a right to as many votes as they hold or are represented by shares.

8.3.9 Share buyback program

Given the squeeze-out on July 21, 2021 carried out by BPCE on the Natixis shares not held by BPCE and the delisting of Natixis shares from the regulated market of Euronext Paris on the same day, the Natixis share buyback program ended. As such, the liquidity contract was terminated on July 9, 2021, prior to the squeeze-out.

As the allocation of treasury shares to the market making contract has now lost its purpose, the Board of Directors proposed, at its meeting of August 3, 2021, to reallocate these shares to a new objective: the coverage of free share plans granted to employees and executive officers whose rights are currently being acquired. This new objective is in line with the objectives approved by the Natixis General Shareholders' Meeting of May 28, 2021 and in the framework of the regulations applicable to the share buyback program in unlisted companies. The deliberation of the Board on the reallocation of treasury shares will be ratified by the Combined General Shareholders' Meeting of March 22, 2022 (eighth resolution, see section 8.5.2 of this document).

At December 31, 2021, Natixis held 2,461,581 of its own shares, or 0.078% of its share capital. In accordance with the regulations in force, these shares have no dividend rights or voting rights.

With regard to the buyback program implemented during the fiscal year 2021 and now inapplicable (as indicated above), (i) the description of the said program is provided in section 7.7 of the 2020 Universal Registration Document, and (ii) the information relating to its use (in 2021, until the squeeze-out) is provided in Section 8.3.1.2 of this Universal Registration Document.

8.3.10 Dividend distribution policy

In 2021 the European Central Bank lifted the restrictions it had placed on the distribution of dividends.

With the exception of fiscal years 2019 and 2020, the Company has, in recent years, distributed a dividend representing more than 50% of net income Group share.

For fiscal year 2020, given the limitations imposed by the supervisor, in this case compliance with the limit of 20 basis points of the CET 1 ratio as at December 31, 2020, the Board of Directors proposes to the General Shareholders' Meeting of May 28, 2021 the distribution of a dividend of six cents per share, representing the amount of €189,329,805 for fiscal year 2020.

The Board of Directors proposes to the General Shareholders' Meeting of May 24, 2022 the distribution of a dividend of 25 cents per share, representing an amount of €789,489,582.75 for fiscal year 2021.

In respect of previous years (2016 to 2020), Natixis has distributed the following dividends:

(in euros)	For the 2020 fiscal year	For the 2019 fiscal year*	For the 2018 fiscal year	For the 2017 fiscal year	For the 2016 fiscal year
Net dividend per share	0.06	N/A	0.78	0.37	0.35
Pay-out ratio	N/A	N/A	64%	74%	85%

* *Given the COVID-19 pandemic, and in line with the ECB recommendations of March 27, 2020, the Company did not distribute dividends in 2019.*

8.4 Statutory Auditors' special report on related-party agreements

General Shareholders' Meeting called to approve the financial statements for the fiscal year ended December 31, 2021

To the shareholders,

NATIXIS SA

30 avenue Pierre-Mendès-France

75013 Paris, France

In our capacity as your Company's Statutory Auditors, we hereby submit our report on related-party agreements.

We are required to inform you, on the basis of the information provided to us, of the key features, terms and conditions as well as the reasons justifying the relevance for the Company of the contractual agreements that have been indicated to us or that we may have identified in the performance of our assignment. It is not our role to comment whether they are beneficial, or to ascertain the existence of any other agreements. It is your responsibility, in accordance with Article R.225-31 of the French Commercial Code (Code de commerce), to assess the benefits resulting from these agreements prior to their approval.

In addition, we are required to inform you, in accordance with Article R.225-31 of the French Commercial Code, of the execution during the past fiscal year of the agreements already approved by the General Shareholders' Meeting.

We performed the procedures we considered necessary to comply with the professional code of the Compagnie Nationale des Commissaires aux Comptes (France's National Association of Statutory Auditors) relating to this assignment. Our work consisted in verifying that the information provided to us is consistent with the underlying documents from which it was extracted.

Agreements submitted for the approval of the General Shareholders' Meeting

Agreements authorized and entered into during the past fiscal year

In accordance with Article L.225-40 of the French Commercial Code, we were informed of the following agreements entered into during the past fiscal year that were approved by the Board of Directors.

1. NSFR borrowing transactions between BPCE and Natixis

On June 23, 2021, the Board of Directors authorized the temporary implementation of open money market cross-transactions (with no maturity date) with an early redemption option with prior notice between BPCE and Natixis for an amount of approximately €47 billion (equivalent to €42.75 billion corresponding to Natixis' NSFR requirement) for a price of between 5 and 15 bp (with a review of the latter half-yearly depending on market conditions to date).

It should be noted that the transaction is justified with regard to the corporate interests of Natixis and BPCE Group in order to comply with the prudential requirements relating to the NSFR ratio and pending formal exemption authorization from the ECB and will be unwound if an NSFR exemption is granted by the regulator.

This agreement is subject to the approval of the General Shareholders' Meeting of May 24, 2022.

Corporate officers concerned on the day of the transaction: Laurent Mignon, Chairman of the Board of Directors, Catherine Halberstadt (permanent representative of BPCE on the Board of Natixis and member of the BPCE Senior Management Committee), and Nicolas Namias (Chief Executive Officer of Natixis and member of the BPCE Management Board).

Over fiscal year 2021, Natixis recorded coupon payments on the loan of €108,747,159.77 in accrued interest and €4,812,570.61 of accrued interest not yet due. Interest expenses generated an income of €113,559,730.38.

Over fiscal year 2021, Natixis recognized a loan of €120,820,079.41 in accrued interest and €5,340,348.35 in accrued interest not yet due. Interest expenses generated an income of €113,559,730.38.

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Agreements already approved by the General Shareholders' Meeting

Agreements approved in previous fiscal years that were still being executed in the past fiscal year

In accordance with Article R.225-30 of the French Commercial Code, we were notified that the following agreements, already approved by the General Shareholders' Meeting in previous fiscal years, were still being executed in the past fiscal year.

1. Partnership agreement between Natixis Investment Managers, Ostrum Asset Management, Topco, La Banque Postale Asset Management, in the presence of Natixis, BPCE and La Banque Postale.

On June 23, 2020, the Board of Directors authorized the signature of a partnership agreement between Natixis Investment Managers, Ostrum Asset Management, Topco, La Banque Postale Asset Management (LBPAM), in the presence of Natixis, BPCE and La Banque Postale (LBP).

The purpose of this agreement is to formalize a partnership aimed at creating a leading European player in asset management by combining, within Ostrum Asset Management, the activities and expertise of euro rate and credit management, as well as the insurance management of Ostrum Asset Management and La Banque Postale Asset Management. The agreement aims to combine, within Ostrum Asset Management, the core euro rate management activities and expertise, as well as the insurance management of Ostrum Asset Management and LBPAM.

This partnership agreement was signed on June 28, 2020 for a completion date no later than October 31, 2020, and was approved by the General Shareholders' Meeting of May 28, 2021.

Corporate officers concerned on the day of the transaction: Laurent Mignon, Chairman of the Management Board of BPCE and Chairman of the Board of Directors of Natixis, Catherine Halberstadt, Member of the Management Board of BPCE and permanent representative of BPCE at Natixis, BPCE also being a director of Natixis Investment Managers and Ostrum Asset Management, Alain Condaminas, director of Natixis and director of Ostrum Asset Management, Christophe Pinault, director of Natixis and director of Natixis Investment Managers, François Riahi, Chief Executive Officer of Natixis and member of the Management Board of BPCE.

This agreement had no financial impact in 2021.

2. New partnership agreements entered into by CNP Assurances, BPCE, Natixis S.A. and BPCE Vie

At its meeting of December 19, 2019, the Board of Directors authorized the following partnership agreements between CNP Assurances, BPCE, Natixis S.A. and BPCE Vie:

a) Agreement modifying the new partnership agreements entered into by CNP Assurances, BPCE, Natixis and BPCE Vie: this agreement modifies the Memorandum of Understanding reached in 2015 and several of the new partnerships enacted to implement it. This agreement, which entered into force on January 1, 2020, provides for the extension of the initial expiration date of the existing agreements until December 31, 2030 (currently December 31, 2022) with the possibility of renewing these agreements upon each expiration for successive three-year periods until 2052, and a change to the coinsurance breakdown for collective payment protection insurance, to be shared equally (50/50) between CNP Assurances and Groupe BPCE effective from January 1, 2020;

b) Amendment to the Tranche 1 new business reinsurance treaty, entered into by BPCE Vie and CNP Assurances, in the presence of Natixis and pertaining to the quota share reinsurance of euro-denominated guarantees issued by BPCE Vie through BPCE Vie life insurance and accumulation contracts for retirement savings, distributed by entities within the Retirement Savings scope, except for the contracts identified in Article R.342-9 of the French Insurance Code (Code des assurances).

These agreements were approved by the May 20, 2020 General Shareholders' Meeting.

Corporate officers concerned on the day of the transaction: Laurent Mignon, Chairman of the Management Board of BPCE and Chairman of the Board of Directors of Natixis; Catherine Halberstadt, a member of the Management Board of BPCE and permanent representative of BPCE at Natixis; Bernard Dupouy, a member of the Supervisory Board of BPCE and a member of the Board of Directors of Natixis; Thierry Cahn, Vice-Chairman of the Supervisory Board of BPCE and a member of the Board of Directors of Natixis; and Françoise Lemalle, a member of the Supervisory Board of BPCE and a member of the Board of Directors of Natixis.

Over the fiscal year, Natixis recognized a financial impact (estimated surplus NBI of €17 million) related to the change in the co-insurance share of the collective ADE. No financial impact was recognized in 2021 in respect of the amendment to the Tranche 1 reinsurance agreement.

3. Sale by Natixis of the Securities & Guarantees (CECG), Leasing (Natixis Lease), Factoring (Natixis Factor), Consumer Finance (Natixis Financement) and Securities Services (EuroTitres Department) businesses of its Specialized Financial Services division to BPCE ("Project Smith")

On February 12, 2019, the Board of Directors approved the conditions of Project Smith and authorized the signature of the following agreements:

a) the agreement relating to the sale by Natixis to BPCE of all shares held by Natixis in CECG, Natixis Lease, Natixis Factor and Natixis Financement (the "Disposal Agreement");

b) the agreement relating to the sale by Natixis to BPCE of the EuroTitres goodwill (the "EuroTitres Agreement");

The signing of the Disposal Agreement and the EuroTitres Agreement, which indicates a sale price of €2.7 billion, is in the interests of the Company, given Project Smith's strategic benefit to Natixis and the fair price. Project Smith has enabled Natixis to improve its strategic growth capacity and achieve, ahead of schedule, its 2020 target CET1 ratio of 11%. It also provides the Company with more strategic flexibility so it can accelerate the implementation of its asset-light model while consolidating its distinctive, high added-value expertise, which is light on capital and low on cost of risk.

These agreements were approved by the May 28, 2019 General Shareholders' Meeting.

Corporate officers concerned on the day of the transaction: Laurent Mignon, Chairman of the Management Board of BPCE and Chairman of the Board of Directors of Natixis; Catherine Halberstadt, a member of the Management Board of BPCE and permanent representative of BPCE at Natixis; Bernard Dupouy, a member of the Supervisory Board of BPCE and a member of the Board of Directors of Natixis; Thierry Cahn, a member of the Supervisory Board of BPCE and a member of the Board of Directors of Natixis; and Françoise Lemalle, a member of the Supervisory Board of BPCE and a member of the Board of Directors of Natixis.

Corporate officers interested to the transaction: Alain Condaminas, Chief Executive Officer of Banque Populaire Occitane and a member of the Board of Directors of Natixis; Christophe Pinault, Chairman of the Management Board of Caisse d'Epargne et de Prévoyance Bretagne Pays de Loire and a member of the Board of Directors of Natixis; Sylvie Garcelon, Chief Executive Officer of Casden Banque Populaire and a member of the Board of Directors of Natixis; Philippe Sueur, a member of the Steering and Supervisory Board of Caisse d'Epargne Ile-de-France and a member of the Board of Directors of Natixis; and Nicole Etchegoïnberry, Chairwoman of the Management Board of Caisse d'Epargne Loire-Centre and a member of the Board of Directors of Natixis.

In December 2021, Natixis was called as a guarantee and paid BPCE, in respect of damages, a total amount of €9,075,038.91 (€8,955,687.00 for the tax receivable and €119,351.91 for procedural costs).

4. Compensation agreement between Natixis and Banque Palatine and amendment to the agreement

On February 10, 2016, the Board of Directors authorized the signing of a compensation agreement between Natixis and Banque Palatine designed to offset particular additional costs sustained by Banque Palatine in connection with the transfer of the investment services provided to its clients to Natixis EuroTitres and Caceis, and previously provided by a service provider outside Groupe BPCE. This agreement allows Natixis EuroTitres and Caceis to benefit from additional activity related to services rendered to Banque Palatine clients under the pricing conditions applicable to the services of Groupe BPCE entities.

This agreement was approved by the May 24, 2016 General Shareholders' Meeting.

Corporate officers concerned on the day the compensation agreement was signed:

BPCE, a Banque Palatine and Natixis director, as represented by Daniel Karyotis on the Natixis Board of Directors;

Michel Grass, Banque Palatine and Natixis director

On February 9, 2017, the Board of Directors authorized the signing of an amendment to the compensation agreement between Natixis and Banque Palatine originally signed on February 10, 2016, designed to offset particular additional costs sustained by Banque Palatine in connection with the transfer of the investment services provided to its clients to Natixis EuroTitres and Caceis, and previously provided by a service provider outside Groupe BPCE.

This amendment changed the amount of Natixis' compensation in order to take into account an additional cost that was not anticipated by the parties when the agreement was signed. The Board of Directors of Natixis considered that the agreement allows Natixis (EuroTitres department) to benefit from additional activity related to services rendered to Banque Palatine clients under the pricing conditions applicable to the services of Groupe BPCE entities.

This amendment was rejected by the May 23, 2017 General Shareholders' Meeting.

Corporate officers concerned on the day the amendment to the compensation agreement was signed:

BPCE, a Banque Palatine and Natixis director, as represented by Marguerite Bérard-Andrieu on the Natixis Board of Directors

Sylvie Garcelon, a Banque Palatine and Natixis director

The expenses recognized by Natixis in respect of this agreement amounted to €345,000.00 for fiscal year 2021.

5. Memorandum of Understanding and agreements relating to the new partnership agreements between the CNP group and Groupe BPCE

At its meeting of August 6, 2013, the Board of Directors gave François Pérol a mandate to set up an insurance division at Natixis, and to enter into negotiations with CNP Assurances in order for the life insurance business generated by the Group to be brought in-house at Natixis Assurances.

The negotiations conducted with CNP between October 2013 and July 2014 resulted in the determination of the fundamental principles for the future partnership between BPCE, Natixis, and CNP, which were authorized by the Board of Directors on July 31, 2014.

The discussions with CNP continued, and initially resulted in a master memorandum of agreement between CNP Assurances, BPCE, and Natixis, which was authorized by the Board of Directors on November 4, 2014, and then in a Memorandum of Understanding, as well as in various specific agreements referred to in that protocol ("the New Partnership Agreements"), which were authorized by the Board of Directors on February 18, 2015, and where the main provisions are as follows:

5.1 Memorandum of Understanding between CNP Assurances, BPCE and Natixis

The aim of this agreement is to:

- acknowledge the non-renewal of the Current Agreements;
- determine, organize, and manage the contractual package formed by the New Partnership Agreements, for which the Memorandum of Understanding is the umbrella agreement;
- determine the term of the New Partnership Agreements, namely seven years as from January 1, 2016. At the end of this 7-year period, BPCE will be able to either extend the new partnership agreements for a period of 3 years as from January 1, 2023, or to purchase CNP's insurance deposit inventory. BPCE will have the option of acquiring the existing portfolio as of December 31, 2020 and CNP the option, in 2020 and 2022, of notifying BPCE of its desire to initiate discussions with a view to such sale;
- determine and organize the operation of the Partnership Monitoring Committee (and of any potential sub-committees set up by the latter); and
- more broadly, organize and manage the relations between the Parties under the Renewed Partnership.

Corporate officers concerned on the day of the transaction: François Pérol, Chairman of the Management Board of BPCE, Chairman of the Board of Directors of Natixis and a member of the Board of Directors of CNP Assurances; Laurent Mignon, Chief Executive Officer of Natixis and a member of the Management Board of BPCE; Daniel Karyotis, a member of the Management Board of BPCE and permanent representative of BPCE at Natixis; Alain Condaminas, a member of the Supervisory Board of BPCE and a member of the Board of Directors of Natixis; Catherine Halberstadt, a member of the Supervisory Board of BPCE and a member of the Board of Directors of Natixis; Didier Patault, a member of the Supervisory Board of BPCE and a member of the Board of Directors of Natixis; Thierry Cahn, a member of the Supervisory Board of BPCE and a member of the Board of Directors of Natixis; and Pierre Valentin, a member of the Supervisory Board of BPCE and a member of the Board of Directors of Natixis.

This agreement had no financial impact in 2021.

5.2 Agreements entered into by CNP Assurances, BPCE, Natixis, and ABP Vie (a subsidiary of Natixis Assurances)

- Quota share reinsurance treaty entered into by CNP Assurances and ABP Vie in the presence of Natixis, with a view to ABP Vie, a Natixis Assurances subsidiary, reinsuring 10% of CNP Assurances' life insurance and accumulation product inventory, distributed by the Caisses d'Epargne network until December 31, 2015, and during the interim period determined in the Protocol;
- New business (Tranche 1) reinsurance treaty entered into by ABP Vie and CNP Assurances in the presence of Natixis: quota share reinsurance by CNP Assurances of 40% of all ABP Vie's life insurance and accumulation products distributed by the Caisses d'Epargne network as from January 1, 2016;
- New business (Tranche 2) reinsurance treaty entered into by ABP Vie and CNP Assurances in the presence of BPCE and Natixis: quota share reinsurance by CNP Assurances of 90% of new business involving ex-CNP customers.
- Tranche 2 reinsurance matching agreement entered into by ABP Vie, CNP Assurances and BPCE in the presence of Natixis, the aim of which is to determine the procedures for handling events:
  - the provision by BPCE to CNP Assurances of the list of customers covered, in accordance with the frequencies and procedures provided for in said agreement, as from the recognition of a market shock (interest-rate shock or behavioral shock), and
  - the implementation of the tests required to ensure that the determination and information exchange mechanisms provided for in said agreement can operate properly;
- EuroCroissance matching agreement entered into by CNP Assurances, BPCE, and ABP Vie in the presence of Natixis, the aim of which is to determine the procedures for the management of events (procedures similar to those in the Tranche 2 reinsurance matching agreement).

These agreements are part of Natixis and Groupe BPCE's strategic plan and in particular the "Assurément #2016" project.

Corporate officers concerned on the day of the transaction: François Pérol, Chairman of the Management Board of BPCE, Chairman of the Board of Directors of Natixis and a member of the Board of Directors of CNP Assurances; Laurent Mignon, Chief Executive Officer of Natixis and a member of the Management Board of BPCE; Daniel Karyotis, a member of the Management Board of BPCE and permanent representative of BPCE at Natixis; Alain Condaminas, a member of the Supervisory Board of BPCE and a member of the Board of Directors of Natixis; Catherine Halberstadt, a member of the Supervisory Board of BPCE and a member of the Board of Directors of Natixis; Didier Patault, a member of the Supervisory Board of BPCE and a member of the Board of Directors of Natixis; Thierry Cahn, a member of the Supervisory Board of BPCE and a member of the Board of Directors of Natixis; and Pierre Valentin, a member of the Supervisory Board of BPCE and a member of the Board of Directors of Natixis.

These agreements were approved by the May 19, 2015 General Shareholders' Meeting.

These agreements had no financial impact in 2021.

6. The "3a2" debt issuance program in the United States implemented by BPCE and amendment to the agreement relating to the guarantee granted to BPCE bondholders by the Natixis New York Branch Office on April 9, 2013

On February 17, 2013, the Board of Directors approved the guarantee given to BPCE by the Natixis NY Branch Office. This guarantee was granted in Natixis' corporate interest, in the event that BPCE re-lends all or part of the USD resources raised from Natixis. This agreement, signed on April 9, 2013, was approved by the May 21, 2013 General Shareholders' Meeting.

Moreover, on February 19, 2014, the Board of Directors authorized the amendment to this agreement, the purpose of which is to alter the sub-ceilings provided for in Article 4 of the agreement, namely: raising the total maximum nominal amount of the bonds that can be issued by BPCE under Program 3 (a)(2) each year from USD 4 billion to USD 6 billion, and raising the total maximum nominal amount of the proceeds from the bond issues under Program 3 (a)(2) that cannot be re-loaned to Natixis within 90 days of their settlement & delivery from USD 2 billion to USD 3 billion. Furthermore, BPCE may loan securities to Natixis for shorter maturities than those of the bonds, depending on Natixis' needs.

This amendment was approved at the Ordinary General Shareholders' Meeting of May 20, 2014.

Corporate officers concerned on the applicable date:

François Pérol, Chairman of the BPCE Management Board and Chairman of the Board of Directors of Natixis;

Steve Gentili, a member of the BPCE Supervisory Board and Natixis director;

Didier Patault, a member of the BPCE Supervisory Board and Natixis director;

Philippe Sueur, Vice-Chairman of the Steering and Supervisory Board of Caisse d'Epargne Ile-de-France and Natixis director;

Thierry Cahn, a member of the BPCE Supervisory Board and Natixis director;

Alain Condaminas, a member of the BPCE Supervisory Board and Natixis director;

Catherine Halberstadt, a member of the BPCE Supervisory Board and Natixis director;

Pierre Valentin, a member of the BPCE Supervisory Board and Natixis director;

Stéphanie Paix, Chairwoman of the Management Board of Caisse d'Epargne Rhône-Alpes and Natixis director;

BPCE, as represented by Daniel Karyotis, Chief Financial Officer and a member of the Management Board of BPCE and BPCE's permanent representative on the Board of Directors of Natixis.

The income recognized by the Natixis New York branch in respect of this agreement amounted to USD 322,704.19 for the fiscal year ended December 31, 2021.

7. Invoicing agreement pertaining to Natixis' affiliation to BPCE

On February 22, 2012, the Board of Directors authorized a new invoicing agreement pertaining to Natixis' affiliation to BPCE, in replacement of the existing affiliation agreement. This new invoicing agreement is aimed at providing a better reflection of the proportion of BPCE's governance functions that relate to affiliated entities. It provides for annual invoicing based on the actual cost of the tasks performed by BPCE.

The agreement will enter into effect for the parties as long as Natixis is affiliated with BPCE, as defined by the provisions of Article L.511-31 of the French Monetary and Financial Code.

This agreement was approved by the May 29, 2012 General Shareholders' Meeting.

Corporate officers concerned on the applicable date:

François Pérol, Chairman of the BPCE Management Board and Chairman of the Board of Directors of Natixis;

Steve Gentili, a member of the BPCE Supervisory Board and Natixis director;

Didier Patault, a member of the BPCE Supervisory Board and Natixis director;

Bernard Jeannin, a member of the BPCE Supervisory Board and Natixis director;

Olivier Klein, a member of the BPCE Management Board and Natixis director;

Jean Criton, a member of the BPCE Supervisory Board and Natixis director;

Philippe Queuille, a member of the BPCE Management Board and Natixis director;

Philippe Sueur, Vice-Chairman of the Steering and Supervisory Board of Caisse d'Epargne Ile-de-France and Natixis director;

BPCE, as represented by Nicolas Duhamel, Chief Financial Officer and a member of the BPCE Management Board and BPCE's permanent representative on the Natixis Board of Directors.

The expenses recognized by Natixis in respect of this agreement amounted to €22,391,609.00 for the fiscal year ended December 31, 2021.

8. Agreement providing for the distribution of Natixis products and services to the regional banks acquired from HSBC by the Banque Populaire Group

On December 18, 2008, the Supervisory Board approved an agreement providing for the distribution of Natixis products and services to the regional banks acquired from HSBC by the Banque Populaire Group, pursuant to which Natixis was to be the exclusive supplier to these banks for the business lines concerned by the agreement as from 2009. The agreement also stipulated that the conditions established between Natixis and the Banque Populaire Group should apply to these banks.

This agreement was approved by the April 30, 2009 General Shareholders' Meeting.

Corporate officers concerned on the applicable date:

Mr. Dupont, Chairman of the Management Board of Natixis

Mr. Tourret, Vice-Chairman of the Supervisory Board of Natixis

Mr. Queuille, member of the Supervisory Board of Natixis

Mr. Clochet, member of the Supervisory Board of Natixis

Mr. Gentili, member of the Supervisory Board of Natixis

Mr. de la Porte du Theil, member of the Supervisory Board of Natixis

Mr. Mettling, member of the Supervisory Board of Natixis

Mr. Bernard Jeannin, member of the Supervisory Board of Natixis

These agreements had no financial impact in 2021.

9. "Click'n Trade" service and partnership agreement between IXIS CIB, CNCE and Banque Palatine

On June 6, 2007, the Supervisory Board approved a service agreement between IXIS CIB, CNCE and Banque Palatine pertaining to CNCE's transfer to Banque Palatine of the operating and technical management of the "Click'n Trade" website, with CNCE retaining ownership of the website, and remaining the forward and cash currency transactions counterparty for IXIS CIB. This agreement was entered into for an indefinite period.

This agreement had no financial impact in 2021.

10. Letters of joint and several commitment and guarantee terminated or expired

IXIS CIB (previously known as CDC Marchés and then as CDC IXIS Capital Markets) entered into a number of letters of joint and several commitment and guarantee between 1996 and 2004 with its various successive shareholders, namely the Caisse des Dépôts (CDC), CDC Finance-CDC IXIS (to which CNCE became the successor in interest following the merger dated December 31, 2004) and CNCE.

Similarly, IXIS CIB has entered into joint and several letters of commitment with its American subsidiaries, namely Natixis Municipal Products Inc. (formerly CDC Municipal Products Inc.), Natixis Derivatives Inc. (formerly CDC Derivatives Inc.), Natixis Financial Products Inc. (formerly CDC Financial Products Inc.), Natixis Funding Corp. (formerly CDC IXIS Funding Corp.) and Natixis Commercial Paper Corp. (formerly CDC IXIS Commercial Paper Corp.).

All of these letters of joint and several guarantee and commitment had expired or been terminated at the date of this report but continue to apply retrospectively to all the guaranteed transactions entered into prior to the date on which the underlying joint and several guarantees were terminated or expired, until these transactions have been fully unwound.

In the case of joint and several guarantees entered into with CDC Finance-CDC IXIS, the IXIS CIB creditors for transactions secured under these guarantees that were entered into before the expiry of the respective guarantees may, in accordance with the letter from the Chief Executive Officer of CDC dated October 12, 2004, enforce their rights directly against CDC until the maturity of the guaranteed transactions, as if this commitment had been taken out directly by CDC on behalf of the IXIS CIB creditors.

The conditions governing the payment and calculation of the fees payable by IXIS CIB in respect of the guarantees were defined in an agreement with CDC Finance - CDC IXIS and CNCE.

The expenses recognized by Natixis in respect of these agreements came to €110,194.76 for the fiscal year ended December 31, 2021.

11. Outsourcing service contract between Natixis and BPCE-IT/ALBIAN-IT

On December 13, 2021, the Board of Directors approved, in accordance with Article L. 225-39 of the French Commercial Code, the downgrading of the outsourcing service contract signed on December 18, 2020 between Natixis and BPCE-IT/Albiant-IT and approved by the General Shareholders' Meeting of May 28, 2021, considering the latter as an agreement relating to current transactions and concluded under normal conditions.

This agreement organizing the merger of the Infrastructure, Production and Security activities of Natixis and BPCE IT for the purpose of optimizing and strengthening the quality of IT production services provided to Natixis, no longer counted, as of December 13, 2021, the common corporate officer within the companies concerned which justified the application of the related-party agreements procedure at the time.

As a result, following the resignation of Nicole Etchegoïnberry from her duties as director of the companies concerned on September 1, 2021, the Board of Directors approved, at its meeting of December 13, 2021, the downgrading with effect from January 1, 2022 of the outsourcing service contract.

The expenses recognized by Natixis in respect of this agreement amounted to €209,183,772.00 for the fiscal year ended December 31, 2021.

12. Negotiation Agreement relating to Natixis selling the Securities & Guarantees (CECG), Leasing (Natixis Lease), Factoring (Natixis Factor), Consumer Finance (Natixis Financement) and Securities Services (EuroTitres Department) businesses of its Specialized Financial Services division to BPCE

The Board of Directors approved on December 13, 2021, in accordance with Article L. 225-39 of the French Commercial Code, the downgrading of the negotiation protocol relating to the sale by Natixis to BPCE of its Bonds and Guarantees, Finance Leasing, Factoring and Consumer Credit and Securities businesses of its Specialized Financial Services division authorized by the Board of Directors of September 12, 2018 and approved by the Shareholders' Meeting of May 28, 2019, this protocol having become without effect.

In fact, following the authorization given by the Board of Directors on February 12, 2019 to the conclusion of contracts for the sale by Natixis to BPCE (i) of all the shares held by the latter in CECG, Natixis Lease, Natixis Factor and Natixis Financement and (ii) the EuroTitres business goodwill in application of Article L. 225-38 of the French Commercial Code (which contracts continued to be effective in fiscal year 2021), these contracts of sale have replaced the negotiation protocol, which is now without effect.

Agreements authorized since the end of the previous fiscal year and subject to the approval of the General Shareholders' Meeting

We remind you that the following agreements, authorized and entered into during the past fiscal year or since the end of the past fiscal year, were the subject of our special report of March 7, 2022, which will be presented to your Combined General Shareholders' Meeting of March 22, 2022.

1. Re-invoicing agreement relating to the Real Estate Master Plan ("Schéma Directeur Immobilier") between Natixis, BPCE and Natixis Immo Exploitation

On December 13, 2021, the Board of Directors authorized the conclusion of a rebilling agreement relating to the Real Estate Master Plan between Natixis, BPCE and Natixis Immo Exploitation (the other Group companies intended to adhere to this agreement by means of amendment). This agreement aims to streamline the real estate sites of the BPCE community and Natixis in the Paris region and includes a project to transform working methods.

It is specified that it is in the interest of Natixis to join the joint transformation and management program for Groupe BPCE's real estate sites.

This agreement will be submitted the General Shareholders' Meeting of March 22, 2022, for approval.

Corporate officers concerned on the day of the transaction: Laurent Mignon (Chairman of the Board of Directors of Natixis and Chairman of the Management Board of BPCE), Catherine Halberstadt (permanent representative of BPCE on the Board of Natixis and member of the BPCE Senior Management Comittee), and Nicolas Namias (Chief Executive Officer of Natixis and member of the Management Board of BPCE).

The expenses recognized by Natixis in respect of this agreement amounted to €31,058,890 for fiscal year 2021.

2. Negotiation protocol relating to the transfer of the Insurance and Payments activities by Natixis to BPCE

On September 22, 2021, the Board of Directors approved the principle, terms and conditions of the project relating to the transfer of the Insurance and Payments business lines from Natixis to BPCE and authorized the conclusion by Natixis of the related negotiation protocol.

This transfer would take the form of a contribution by Natixis of the entities of the Insurance and Payments divisions respectively to a Holding Assurances and a Holding Paiements wholly owned by BPCE. In consideration for these contributions, Natixis would receive new shares issued by Holding Assurances and Holding Paiements. The transaction would then be followed by the distribution of shares in Holding Assurances and Holding Paiements held by Natixis for the benefit of its shareholders (BPCE and minority shareholders who are still beneficiaries of free shares during the lock-up or retention period), a General Shareholders' Meeting of Natixis must be convened to approve this distribution in kind. BPCE would then buy back the shares of Holding Assurances and Holding Paiements received by the beneficiaries of free shares, in accordance with the provisions of the liquidity contracts entered into as part of the public offer.

Following the valuation work carried out on the Insurance and Payments scopes, reflecting the profitability of the scopes on a standalone and autonomous basis, the valuations used would be as follows (valuation with the dividend attached for 2021): €2.7 billion for the Insurance business and €950 million for the Payments business.

These valuations are supported and controlled by the multi-criteria valuation analyses carried out, and in particular by the valuations by discounting future free cash flows (DCF or DDM) deemed most relevant in the context of internal transfer of business lines.

In addition, the agreement provides for the automatic transfer of employees located within Natixis whose functions are dedicated to the Insurance and Payments business to the benefit of Holding Assurances and Holding Paiements respectively. It also provides for the information and consultation of employee representative bodies, then, at the end of this procedure, the signing of the final documentation (notably contribution agreements, TSAs and/or service level agreements (SLAs), exit agreements).

It should be noted that the transaction is justified in the interests of Natixis and Groupe BPCE, particularly in view of the strategic plan approved by Natixis on July 7, 2021 and the fairness of the valuation of the "Insurance" and "Payments" business lines, it being specified that the proposed project would complete the movement initiated by the successful creation of the SEF division within Groupe BPCE, the Insurance and the Payments business lines are now directly attached to BPCE, better able to ensure their future development in conjunction with its primary customers, which would allow the Company to refocus on its traditional core business lines by dedicating the necessary resources to them.

This negotiation protocol will be submitted to the General Shareholders' Meeting of March 22, 2022, for approval.

Corporate officers concerned on the day of the transaction: Laurent Mignon, Catherine Halberstadt (permanent representative of BPCE), Sylvie Garcelon, Dominique Garnier, Philippe Hourdain, Catherine Leblanc, Daniel de Beaurepaire, Dominique Duband and Christophe Pinault.

Expenses related to this agreement amounted to €1.8 million at December 31, 2021.

3. Contribution agreement between Kimo (Holding Assurances) and Natixis

On February 10, 2022, the Board of Directors authorized the conclusion of a contribution agreement between Kimo (Holding Assurances) and Natixis and approved all the terms and conditions, notably financial, provided for in said agreement.

As part of the repositioning of Natixis Assurances under Holding Assurances (Kimo), which is intended to be wholly-owned by BCPE, this agreement aims to enable Natixis to make a contribution in kind of 100% of the Natixis Assurances shares it holds for the benefit of Holding Assurances, the shares of Holding Assurances issued in consideration for this contribution being then intended to be distributed to Natixis shareholders, followed by the acquisition by BPCE of all the shares received from Holding Assurances by the beneficiaries of free shares in respect of the distribution as a result of the exercise of the sales agreements provided for in the liquidity contracts.

It should be noted that the transaction is justified in light of Natixis' interests, particularly in view of the fairness of the valuation of the Insurance business, it being specified that this transaction completes the movement initiated by the successful creation of the SEF division within Groupe BPCE, with the Insurance business now reporting directly to BPCE, allowing Natixis to refocus on global business lines by dedicating the necessary resources.

This agreement will be submitted to the General Shareholders' Meeting of March 22, 2022, for approval.

Corporate officers concerned on the day of the transaction: Laurent Mignon (Chairman of the Board of Directors of Natixis and Chairman of the Management Board of BPCE), Catherine Halberstadt (permanent representative of BPCE on the Board of Natixis and member of the BPCE Senior Management Committee), Sylvie Garcelon, Dominique Garnier, Philippe Hourdain, Catherine Leblanc, Didier Dousset, Dominique Duband, Laurent Roubin and Christophe Pinault.

4. Contribution agreement between Shiva (Holding Paiements) and Natixis

On February 10, 2022, the Board of Directors authorized the conclusion of a contribution agreement between Shiva (Holding Paiements) and Natixis and approved all the terms and conditions, notably financial, provided for in said agreement.

As part of the repositioning of the Payments Subsidiaries under Holding Paiements (Shiva), which is intended to be wholly owned by BCPE, this agreement aims to enable Natixis to make a contribution in kind of 100% of the shares of the Payments Subsidiaries that it holds for the benefit of Holding Paiements, the shares of Holding Paiements issued as remuneration for this contribution being then intended to be distributed to Natixis shareholders, followed by the acquisition by BPCE of all the shares received from the company Holding Paiements by the beneficiaries of free shares in respect of the distribution as a result of the exercise of the sales agreements provided for in the liquidity contracts.

It should be noted that the transaction is justified in light of Natixis' interests, particularly in view of the fairness of the valuation of the Payments business, it being specified that this transaction completes the movement initiated by the successful creation of the SEF division within Groupe BPCE, with the Payments business unit now reporting directly to BPCE, allowing Natixis to refocus on global business lines by dedicating the necessary resources.

This agreement will be submitted to the General Shareholders' Meeting of March 22, 2022, for approval.

Corporate officers concerned on the day of the transaction: Laurent Mignon (Chairman of the Board of Directors of Natixis and Chairman of the Management Board of BPCE), Catherine Halberstadt (permanent representative of BPCE on the Board of Natixis and member of the BPCE Senior Management Committee), Sylvie Garcelon, Dominique Garnier, Philippe Hourdain, Catherine Leblanc, Didier Dousset, Dominique Duband, Laurent Roubin and Christophe Pinault.

5. Memorandum of understanding relating to the transfer of operating resources and employees between BPCE, BPCE Achats, BPCE Services, Albiant-IT, Natixis, Natixis Immo Exploitation and Natixis Payment Solutions

On February 10, 2022, the Board of Directors authorized the conclusion of a memorandum of understanding relating to the transfer of operating resources and employees between BPCE, BPCE Achats, BPCE Services, Albiant-IT, Natixis, Natixis Immo Exploitation and Natixis Payment Solutions and approved all the terms and conditions, including financial terms, of said agreement.

As part of the simplification of the Group's organization and the attachment of the Insurance and Payments business lines to BPCE, this memorandum of understanding aims to organize the transfers of certain employees as well as the transfer and provision of assets and liabilities, from Natixis and its subsidiaries to BPCE and its subsidiaries, and from BPCE to BPCE Services.

It is specified that the proposed transfers of employees and operating resources and the conclusion of the memorandum of understanding are in the interest of Natixis insofar as these transfers are necessary for the disposal transactions by Natixis of the Insurance and Payments business lines for the benefit of BPCE, and consequently to the refocusing of Natixis on global business lines by dedicating the appropriate resources to them.

This memorandum of understanding will be submitted to the General Shareholders' Meeting of March 22, 2022, for approval.

Corporate officers concerned on the day of the transaction: Laurent Mignon (Chairman of the Board of Directors of Natixis and Chairman of the Management Board of BPCE), Catherine Halberstadt (permanent representative of BPCE on the Board of Natixis and member of the BPCE Senior Management Committee), Sylvie Garcelon, Dominique Garnier, Philippe Hourdain, Catherine Leblanc, Didier Dousset, Dominique Duband, Laurent Roubin and Christophe Pinault.

Neuilly-sur-Seine and Paris-La Défense, March 11, 2022

The Statutory Auditors

PricewaterhouseCoopers Audit	Deloitte & Associés
Emmanuel Benoist	Charlotte Vandeputte

8.5 General Shareholders' Meetings of 2022

8.5.1 Terms and conditions of attendance by shareholders at General Shareholders' Meetings

General Shareholders' Meetings are convened by the Board of Directors or, failing this, under the conditions of Article L.225-103 of the French Commercial Code. Notices of meeting are prepared in accordance with the conditions laid out in the applicable regulations (Article 21 of the bylaws). Meetings take place either at the registered office or at another location specified in the notice.

8.5.2 Combined General Shareholders' Meeting of March 22, 2022 – agenda

Extraordinary resolutions:

First resolution - Amendment of Article 33 of the Natixis bylaws (Profits for the fiscal year - Dividends) on the terms of payment in the event of distributions;

Ordinary resolutions:

Second resolution - Exceptional distribution of share premiums in kind through the delivery of shares in the companies Kimo and Shiva (*subject to the amendment of the bylaws referred to in the first resolution and the approval of the capital increase referred to in the ninth resolution*);

Third resolution - Ratification of the appointment by co-optation of Dominique Garnier as a director;

Fourth resolution - Ratification of the appointment by co-optation of Laurent Roubin as a director;

Fifth resolution - Ratification of the appointment by co-optation of Laurent Seyer as a director;

Sixth resolution - Ratification of the appointment by co-optation of Didier Dousset as a director;

Seventh resolution - Approval of related-party agreements referred to in Articles L. 225-38 et seq. of the French Commercial Code;

Eighth resolution - Ratification of the change in the allocation of treasury shares;

Extraordinary resolutions:

Ninth resolution - Capital increase in cash through the issuance of ordinary shares with cancellation of preferential subscription rights for the benefit of persons designated by name, subject to the completion, immediately before the completion of the capital increase, of the exceptional distribution of share premiums in kind by way of delivery of shares of the companies Kimo and Shiva referred to in the second resolution;

Tenth resolution - Cancellation of preferential subscription rights in favor of BPCE in respect of the capital increase referred to in the previous resolution;

Eleventh resolution - Delegation of authority to be given to the Board of Directors to decide on a share capital increase, through the issue of shares or securities giving access to the share capital; reserved for members of savings plans, without preferential subscription rights in favor of the latter;

Twelfth resolution - Cancellation of preferential subscription rights in favor of a category of persons in respect of the capital increase referred to in the previous resolution;

Thirteenth resolution - Delegation of authority to be given to the Board of Directors to decide on a share capital increase, through the issue of shares and/or securities giving access to the share capital or giving entitlement to the allocation of debt securities, with maintenance of preferential subscription rights;

Fourteenth resolution - Delegation of authority to be given to the Board of Directors to decide to increase the share capital by issuing shares with cancellation of preferential subscription rights;

Fifteenth resolution - Cancellation of the preferential subscription rights in favor of BPCE in respect of the capital increase referred to in the previous resolution;

Sixteenth resolution - Delegation of authority to be given to the Board of Directors to decide on a share capital increase by capitalizing reserves, profits, issue premiums, or other;

Seventeenth resolution - Amendment of Natixis' bylaws;

Ordinary resolutions:

Eighteenth resolution - Powers for formalities.

8.5.3 Ordinary General Shareholders' Meeting of May 24, 2022 – agenda

Ordinary resolutions:

First resolution - Review and approval of the parent company financial statements for the fiscal year ended December 31, 2021;

Second resolution - Review and approval of the consolidated financial statements for the fiscal year ended December 31, 2021;

Third resolution - Appropriation of revenue for the fiscal year ended December 31, 2021 and setting of the dividend;

Fourth resolution - Approval of related-party agreements referred to in Articles L.225-38 et seq. of the French Commercial Code;

Fifth resolution - Total compensation paid in 2021 to the persons covered by Article L.511-71 of the French Monetary and Financial Code;

Sixth resolution - Renewal of the term of office of Dominique Duband;

Seventh resolution - Renewal of the term of office of Philippe Hourdain;

Eighth resolution - Renewal of the term of office of Anne Lalou;

Ninth resolution - Renewal of the term of office of Laurent Seyer;

Tenth resolution - Renewal of the appointment of the Statutory Auditor of PricewaterhouseCoopers audit;

Eleventh resolution - Appointment of Mazars as Statutory Auditor, replacing Deloitte et Associés;

Twelfth resolution - Non-renewal of the term of office as alternate statutory auditor of the BEAS firm;

Thirteenth resolution - Non-renewal of the term of office as alternate statutory auditor of Mr. Jean-Baptiste Deschryver;

Fourteenth resolution - Powers for formalities.

8.6 Person responsible for the universal registration document and the annual financial report

Nicolas Namias, Natixis Chief Executive Officer

8.7 Statement of responsibility for the universal registration document

I hereby certify that the information contained in this universal registration document is, to the best of my knowledge, true and accurate and contains no omission liable to impair its significance.

To the best of my knowledge, the financial statements were prepared in accordance with applicable accounting standards and provide a true image of the assets, the financial position and the income of the Company, and all businesses entering the scope of consolidation, and the management report presents a true picture of changes in the business, of the income and of the financial position of the Company and all the businesses included in the scope of consolidation as well as a description of all the main risks and uncertainties with which they are confronted.

Paris, March 11, 2022

Nicolas NAMIAS

Chief Executive Officer

8.8 Documents available to the public

This document is available on the website https://natixis.groupebpce.com and on that of the Autorité des Marchés Financiers *https://www.amf-france.org/*.

All regulated information as defined by the AMF (in Title II of Book II of the AMF General Regulation) is accessible on the Company's website: www.natixis.com

The bylaws of Natixis S.A. are reproduced in full in this document.

8.9 Cross-reference table of the universal registration document

Sections of Annex I of European Regulation No. 2017/1129

The following cross-reference table contains the sections provided for in Annex 1 (as referenced in Annex 2) of the Commission Delegated Regulation (EU) No. 2019/980 of March 14, 2019, supplementing Regulation (EU) No. 2017/1129 of the European Parliament and European Council and repealing Commission Regulation (EC) No. 809/2004, and concerns the pages of this universal registration document containing information about each of said sections.

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Pursuant to Article 19 of Regulation (EU) No. 2017/1129, the pages of the documents referred to below are included for reference purposes:

- the parent company and consolidated financial statements for the year ended December 31, 2020, presented respectively on pages 413 to 449 and 249 to 403 and the relevant Statutory Auditors' reports, pages 450 to 454 and 404 to 412 respectively of the universal registration document filed with the AMF on March 9, 2021 under registration number D.21-0105.

  The information is available at the following link:

  https://natixis.groupebpce.com
- the parent company and consolidated financial statements for the year ended December 31, 2019, presented respectively on pages 392 to 425 and 233 to 383 and the relevant Statutory Auditors' reports, pages 426 to 430 and 384 to 391 respectively of the universal registration document filed with the AMF on March 6, 2020 under registration number D.20-0108.

  The information is available at the following link:

  https://natixis.groupebpce.com
- the parent company and consolidated financial statements for the year ended December 31, 2018, presented respectively on pages 403 to 441 and 241 to 394 and the relevant the Statutory Auditors' reports, pages 442 to 446 and 395 to 402 of the registration document filed with the AMF on March 15, 2019 under number D. 19-0154.

  The information is available at the following link:

  https://natixis.groupebpce.com

The universal registration document is available for consultation on the AMF website *(www.amf-france.org)* and on the Natixis website *(https://natixis.groupebpce.com)*.

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GLOSSARY

Acronym/Term	Definition
ABCP	Asset-backed commercial paper, i.e. a marketable debt instrument backed by cash flows from a pool of underlying assets.
ABE	European Banking Authority *(See EBA)*.
ABS	Asset-backed security, i.e. an instrument representing a pool of financial assets (excluding mortgage loans), its performance linked to that of the underlying asset or pool of assets.
ACPR	French Prudential Supervisory Authority. French banking and insurance supervisory body for the banking and insurance sector.
ADAM	Association for the Defense of Minority shareholders (Association de Défense des Actionnaires Minoritaires).
ADIE	Association for the right to economic initiative (Association pour le droit à l'initiative économique).
Afep-Medef	French Association of Private Sector Companies – French Business Confederation (Association Française des Entreprises Privées – Mouvement des Entreprises de France).
AFS	Available-for-sale.
AGIRC	General Association for Managers' Pension Institutions (Association Générale des Institutions de Retraite des Cadres).
A-IRB	Advanced Internal Ratings-Based Approach.
ALM	Asset and liability management – Management of the financial risks borne by an institution's balance sheet (interest rate, currency, liquidity) and its refinancing policy in order to protect the bank's asset value and/or its future profitability.
ALM (Committee)	Asset and Liability Management Committee.
AM	Asset Management.
AMF	French Financial Markets Authority.
AML	Anti-money laundering.
AML-CTF	Anti-money laundering and counter-terrorism financing.
AQR	Asset quality review involves the supervisory assessment of risks, the actual review of the quality of assets and stress tests.
ARRCO	Association for the Employee Complementary Pension Plan (Association pour le Régime de Retraite Complémentaire des Salariés).
AT1	Additional Tier 1 capital.
AUM	Assets under management.
Back office	An Administrative Department at a financial intermediary that performs support and post-trading functions.
Back testing	A method of comparing observed actual losses with expected losses of a model.
Bail-in	A mechanism designed to limit the use of public funds by a failing institution still in operation or in the process of liquidation. The bail-in mechanism grants power to the supervisory authorities to require certain creditors of a credit institution on the brink of failure to convert their debt into shares of the institution and/or to take a loss on their holdings. Under the European accord of June 26, 2015, in the event of capital inadequacy (due to losses), creditors holding subordinated debt, then senior creditors, then unsecured deposits by large corporates, then those of SMEs and finally those of individuals exceeding €100,000 will be bailed-in. However, secured deposits, covered bonds, employee compensation, liabilities related to the institution's vital activities and interbank liabilities with a maturity of less than 7 days should not be affected.
BALO	Bulletin des Annonces Légales Obligatoires.
Basel I (the Basel Accords)	A supervisory framework established in 1988 by the Basel Committee aiming to maintain the solvency and stability of the international banking system by establishing uniform minimum capital requirements for banks on the international level. It established a minimum capital adequacy ratio of 8% in relation to all the risks borne by a bank.
Basel II (the Basel Accords)	A supervisory framework aimed at better anticipating and limiting the risks borne by credit institutions. It focuses on banks' credit risk, market risk and operational risk. The terms drafted by the Basel Committee were adopted in Europe through a European Directive and have been applicable in France since January 1, 2008.
Basel III (the Basel Accords)	A new development in banking prudential standards, which incorporated the lessons of the financial crisis of 2007-2008. They complement the Basel 2 accords by reinforcing the quality and quantity of minimum capital that institutions must hold. Basel 3 also establishes minimum requirements for liquidity risk management (quantitative ratios), defines measures aimed at limiting procyclicality in the financial system (capital buffers that vary according to the economic cycle) and reinforces requirements for financial institutions deemed to be systemically important.
BCBS	Basel Committee on Banking Supervision. Institution bringing together the governors of the central banks of the G20 countries in charge of strengthening the soundness of the global financial system as well as the effectiveness of prudential supervision and cooperation between banking regulators.
BCP	Business Continuity Plan.
BFBP	Banque Fédérale des Banques Populaires.

Acronym/Term	Definition
Bond	A portion of a loan issued in the form of an exchangeable security. For a given issue, a bond grants the same debt claims on the issuer for the same nominal value, the issuer being a company, a public sector entity or a government.
Book	Portfolio.
Bookrunner	Main runner or lead manager in the issuance of new equity, debt or securities instruments.
Borrowing base lending	A means of asset financing whereby the lender is routinely informed of the value of the borrower's assets pledged as collateral.
Bps	Basis points.
Broker	Broker.
Brokerage	Brokerage.
BRRD	Banking Recovery and Resolution Directive.
CA	Revenue/Board of Directors.
CAGR	Compound annual growth rate. Mean annual growth rate over a specified period.
Capital CET 1	Core capital including the financial institution's consolidated shareholders' equity minus regulatory deductions.
Capital CET 2	Supplementary capital mainly consisting of subordinated securities minus regulatory deductions.
CCAN	Natixis shareholders' Consultative Committee (Comité Consultatif des Actionnaires de Natixis).
CCF	Credit Conversion Factor.
CDD	Fixed-term employment contract.
CDI	Permanent employment contract.
CDO	Collateralized debt obligations, i.e. debt securities backed by a pool of assets which can be either bank loans (mortgages) or corporate bonds. Interest and principal payments may be subject to subordination (i.e. through the creation of tranches).
CDPC	Credit Derivatives Products Company, i.e. a business specializing in the sale of coverage against credit default through credit derivatives.
CDS	Credit default swap, i.e. insurance against credit risk in the form of a bilateral financial contract whereby the protection buyer periodically pays a premium to the protection seller, who in turn promises to compensate for any losses on a reference asset (a bond issued by a government, financial institution or company) upon the occurrence of a credit event (bankruptcy, default, deferred payment or restructuring).
CECEI	The former French Credit Institutions and Investment Firms Committee (Comité des Établissements de Crédit et des Entreprises d'Investissement), which has since been incorporated into the French Prudential Supervisory Authority (Autorité de Contrôle Prudentiel et de Résolution).
CEO	Chief Executive Officer.
CESU	Chèque Emploi Service Universel (universal service employment voucher).
CET 1 Capital	Common Equity Tier 1.
CFCC	Control Functions Coordination Committee.
CFH	Cash flow hedge.
CFO	Chief Financial Officer.
CGM	Combined General shareholders' Meeting.
CGU	Cash-generating units.
CHSCT	Committee for Hygiene, Safety and Working Conditions (Comité d'Hygiène, de Sécurité et des Conditions de Travail).
CIB	Corporate & Investment Banking.
CIC	Cooperative investment certificates.
CLOs	Collateralized loan obligation, i.e. a credit derivative product backed by a homogeneous pool of corporate loans.
CMBS	Commercial Mortgage-Backed Securities.
CMS	Constant maturity swap, i.e. a swap that allows the buyer to exchange a short-term interest rate for a longer-term interest rate.
CNCE	Caisse Nationale des Caisses d'Epargne
CNIL	Commission Nationale de l'Informatique et des Libertés (an independent administrative authority protecting privacy and personal data).

Acronym/Term	Definition
Code of Conduct	The Natixis Code of Conduct (Ethics Charter) reflects Natixis' DNA. It gathers all of our rules of conduct and good practices in different areas: respect for client interests, professional ethics and accountability in relationships with colleagues, shareholders, etc. and, more broadly, with society, and protection of the reputation of Natixis and Groupe BPCE. The Code of Conduct applies to all Natixis employees, entities and affiliates over the world, across all business lines. It also applies to our suppliers and all our business partners in their dealings with Natixis.
Collateral	A transferable asset or guarantee pledged to secure reimbursement on a loan in the event that the borrower fails to meet their payment obligations.
Combined ratio	Measure of an insurance company's profitability expressed in terms of the ratio of total costs (incurred losses + expenses) divided by total revenue.
COMEX	Senior Managament Committee.
Commodities	Raw materials.
Common Equity Tier 1 ratio	Ratio of Common Equity Tier 1 (CET1) capital to risk-weighted assets. The CET1 ratio is a solvency indicator used in the Basel 3 prudential accords.
Company-controlled stock	A company's ownership share of its own equity, held via its direct or indirect control of one or more other companies. Company-controlled stock does not bestow voting rights and is not included in the calculation of earnings per share.
Core business	Core business.
Corporate	Finance company.
Cost/Income ratio	A ratio indicating the share of net banking income (NBI) used to cover operating expenses (the Company's operating costs). It is calculated by dividing operating costs by the net banking income.
Cost of risk in basis points	A measure calculated by dividing the net expense of commercial risk by outstanding loans at the beginning of the period.
Coverage	Coverage in terms of client support.
Covered bond	A bond for which the reimbursement and payment of interest is backed by returns on a high-quality asset portfolio, often a portfolio of mortgage loans, which serves as collateral. The issuer often manages the payment of cash flows to investors (obligations foncières in France, Pfandbriefe in Germany). This product is mainly issued by financial institutions.
CP	Commercial paper. In the United States, commercial paper is a negotiable debt instrument issued by corporations on the money market.
CPI	Consumer Price Index.
CPM	Credit Portfolio Management.
CRD	Capital Requirements Directive (EU Directive).
CRD III	A EU Directive under which the proposals of the Basel Committee were transposed in July 2010 and enacted as of December 31, 2011. In July 2009, the Basel Committee published a new set of proposals known as Basel 2.5 on the topic of market risk. The aim was to better account for default and credit migration risk on assets in the trading book (both tranched and untranched assets) and to reduce the procyclicality of value at risk.
CRD IV	A European Directive that enacts the proposals of the Basel III framework into French law.
Credit and counterparty risk	The risk of loss from the inability of clients, issuers or other counterparties to honor their financial commitments. Credit risk includes counterparty risk related to market transactions and securitization.
Credit default swap (CDS)	A bilateral financial contract whereby the protection buyer periodically pays a premium to the protection seller, who in turn promises to compensate for any losses on a reference asset (a bond issued by a government, financial institution or company) upon the occurrence of a credit event (bankruptcy, default, deferred payment or restructuring). This is an insurance mechanism to protect against credit risk.
Credit derivative	A financial product whose underlying asset is a credit obligation or debt security (bond). The purpose of the credit derivative is to transfer credit risk without transferring the asset itself for hedging purposes. One of the most common forms of credit derivatives is the credit default swap (CDS).
CRM	Comprehensive Risk Measure.
CRR	Capital Requirement Regulation (EU regulation).
CVA	Credit valuation adjustment, i.e. the expected loss related to counterparty's default risk. The CVA aims to account for the fact that the full market value of the transactions cannot be recovered. The method for determining the CVA is primarily based on the use of market inputs in connection with the practices of market professionals.
CVaR	Credit Value at Risk.
Data center	Data center.
Deal of the year	Operation of the year.

Acronym/Term	Definition
Deleveraging	A reduction in banks' use of leverage, achievable by various means but primarily by a reduction in the size of the balance sheet (by selling assets or slowing down new lending) and/or an increase in equity (through recapitalization or retaining earnings). This financial adjustment process often has negative implications for the real economy, particularly due to the narrowing of the credit channel.
Derivative	A financial security or financial contract whose value changes based on the value of an underlying asset, which may be either financial (equities, bonds, currencies, etc.) or non-financial (commodities, agricultural products, etc.) in nature. This change may coincide with a multiplier effect (leverage effect). Derivatives can take the form of either securities (warrants, certificates, structured EMTNs, etc.) or contracts (forwards, options, swaps, etc.). Exchange-traded derivatives contracts are called futures.
District Court	The lower tier of the US federal judicial system.
Dodd-Frank Act	The Dodd-Frank Wall Street Reform and Consumer Protection Act, more commonly known as the Dodd-Frank Act, is the US law on financial regulation adopted in July 2010 in response to the financial crisis. Broad in scope, the text addresses a wide range of subjects: establishment of a financial stability council, treatment of systemic institutions, regulation of the most risky financial activities, regulation of derivatives markets, strengthening of the supervision of agency practices, etc. The US regulators (Securities and Exchange Commission, Commodity Futures Trading Commission, etc.) are currently working on the development of precise technical rules on these various topics.
DOJ	US Department of Justice.
DSN	Deeply subordinated notes, i.e. perpetual bonds with no contractual redemption commitment that pay interest in perpetuity. In the event of liquidation, they are repaid after other creditors (subordinated loans). These securities pay annual interest contingent on the payment of a dividend or the achievement of a specific result.
DTA	Deferred Tax Assets, arising from temporary or timing differences between accounting expenses and tax liabilities.
Dual tranches	Two tranches.
DVA	Debit Valuation Adjustment (DVA) is symmetrical to the CVA and represents the expected loss from the counterparty's perspective on liability valuations of derivative financial instruments. It reflects the impact of the entity's own credit quality on the valuation of these instruments.
EAD	Exposure at default, i.e. the value of exposure to the risk of the debtor defaulting within one year.
Earnings per share	The Company's net income (excluding returns on hybrid securities recognized as equity instruments) divided by the weighted average number of shares outstanding.
EBA	European Banking Authority (EBA). The European Banking Authority was established by EU Regulation on November 24, 2010. It took effect on January 1, 2011 in London, superseding the Committee of European Banking Supervisors (CEBS). This new body has an expanded mandate. It is in charge of harmonizing prudential standards, ensuring coordination among the various national supervisory authorities and performing the role of mediator. The goal is to establish a Europe-wide supervision mechanism without compromising the ability of the national authorities to conduct the day-to-day supervision of credit institutions.
ECAI	External Credit Assessment Institution, i.e. a credit rating agency that is registered or certified in accordance with EU Regulation, or a central bank that issues credit ratings.
ECB	European Central Bank.
EDTF	Enhanced Disclosure Task Force.
EEA	European Economic Area.
EGM	Extraordinary General Shareholders' Meeting.
EIB	European Investment Bank.
EL	Expected loss, i.e. the value of the loss likely to be incurred given the quality of the structure of the transaction and any measures taken to mitigate risk, such as collateral. It is calculated by multiplying exposure at risk (EAD) by Probability of Default (PD) and by Loss Given Default (LGD).
ELBE	Expected Loss Best Estimate (ELBE), i.e. the institution's best estimate of the expected loss for the defaulted exposure. This estimate takes into account current economic circumstances, exposure status and an estimate of the increase of the loss rate caused by possible additional unexpected losses during the recovery period.
EMEA	Europe, Middle East and Africa.
Encumbered assets	Encumbered assets are those that are capitalized as a guarantee, security or credit enhancement for any transaction.
EPP	Employment preservation plan.
Equity (tranche)	In a securitization arrangement, the equity tranche refers to the tranche that bears the first losses incurred from defaults within the underlying portfolio.
ESG	Environment, Social and Governance.
ESR	Environmental and social (or societal) responsibility.
ETF	Exchange-traded fund, i.e. a type of investment fund that tracks a stock market index or asset.
EU	European Union.

Acronym/Term	Definition
EUR	Euro.
Euribor	Euro Interbank Offered Rate, the benchmark interest rate on the euro zone's money market.
European Securities and Markets Authority (ESMA)	An independent European supervisory authority located in Paris. On January 1, 2011, it replaced the Committee of European Securities Regulators (CESR). It forms part of the European System of Financial Supervision. Its expanded mandate includes the supervision of rating agencies in Europe and the development of technical standards for EU Regulations on the functioning of the financial markets (EMIR, MiFID, the "Prospectus" Directive).
Expected loss	See EL.
Exposure at default (EAD)	A financial institution's exposure in the event of a counterparty's default. EAD covers on- and off-balance sheet exposures. Off-balance sheet exposures are converted into balance sheet equivalents with the help of internal or regulatory conversion factors (drawdown assumption).
Fair value	The price that would be received to sell an asset or paid to transfer a liability in a standard arm's length transaction between market participants at the measurement date. Fair value is therefore based on the exit price.
Fair Value adjustment on own senior debt	An "issuer credit risk" component calculated using a discounted cash-flow model, contract by contract, including parameters such as swaps curve, and revaluation spread (based on the BPCE reoffer curve).
FBF	French Banking Federation. Professional body that brings together all banking companies in France.
FCPR	Private equity Investment Fund (Fonds Commun de Placement à Risque).
FED	Federal Reserve System, i.e. the US central bank.
FINREP	Financial reporting.
F-IRB	Foundation Internal Ratings-Based Approach.
FSB	Financial Stability Board, whose mandate is to identify vulnerabilities in the global financial system and to implement principles for regulation and supervision in the interest of financial stability. Its members are central bank governors, finance ministers and supervisors from the G20 countries. Its primary objective is to coordinate international efforts by national financial authorities and international standard setters in the regulation and supervision of banks. Conceived at the G20 summit in London in April 2009, the FSB is the successor to the Financial Stability Forum, which was founded in 1999 under a G7 initiative.
FTE	Full-time equivalent.
Fully-Loaded	Indicates full compliance with Basel 3 solvency requirements (mandatory from 2019).
FX	Foreign exchange.
GAAP	Generally accepted accounting principles.
GAPC	Workout portfolio management (Gestion active des portefeuilles cantonnés).
GBP	Pound sterling (British pound).
GDP	Gross Domestic Product.
GEC	Global Energy & Commodities.
GM	General Shareholders' Meeting.
Green bonds	A green bond is an "environmental" bond issued by an approved entity (business, local authority or international organization) to finance an eco-friendly and/or sustainability-driven project or activity. These instruments are often used in connection with the financing of sustainable agriculture, the protection of ecosystems, renewable energy and organic farming.
GRI	Global Reporting Initiative: An organization consisting of stakeholders and partners (businesses, audit firms, human rights, environmental protection, and labor organizations, and government representatives) which has created a joint framework for the development of sustainability reporting.
Gross exposure	Exposure before the impact of provisions, adjustments and risk reduction techniques.
G-SIBs	Global systemically important banks.
G-SIIs	Global systemically important institutions.
GWWR	General Wrong Way Risk.
Haircut	The percentage by which a security's market value is reduced to reflect its value in a stressed environment (counterparty risk or market stress). The size of the haircut reflects the perceived risk.
Hedge fund	Alternative management funds: A speculative investment fund that seeks to generate absolute return through a high degree of management flexibility.
Holding company	The Company that heads a corporate group.
HQLA	High-quality liquid assets.
HQE	High Environmental Quality (Haute qualité environnementale).

Acronym/Term	Definition
HRR	Head of Human Resources.
HY	High Yield.
IARD	Property and casualty insurance (Incendie, Accidents et Risques Divers).
IAS	International Accounting Standards.
IASB	International Accounting Standards Board.
IBOR	Interbank Offered Rate.
ICAAP	Internal Capital Adequacy Assessment Process, a practice required under Pillar II of the Basel Accords to ensure that firms have sufficient capital to cover all their risks.
IDA	Deferred tax assets.
IDFC	Infrastructure Development Finance Company.
IFACI	French Institute of Internal Auditing and Control (Institut Français de l'Audit et du Contrôle Internes).
IFRIC 21	International Financial Reporting Interpretations Committee (IFRIC) – IFRIC 21, adopted by the European Union in June 2014, is an interpretation of IAS 37 "Provisions, Contingent Liabilities and Contingent Assets."
IFRS	International Financial Reporting Standards.
IMF	International Monetary Fund.
Incremental Risk Charge (IRC)	The capital requirement intended to cover issuers' credit migration and default risks for a period of one year for fixed income and loan instruments in the trading book (bonds and CDS). The IRC is a 99.9% value-at-risk measure; i.e. the greatest risk after the elimination of the 0.1% worst-case scenarios.
Insurance risk	Encompasses asset and liability risks (interest rate, valuation, counterparty and forex risk) as well as risks related to the pricing of mortality risk premiums and the risks associated with life and property & casualty insurance, including pandemics, accidents and natural disasters (such as earthquakes, hurricanes, industrial accidents, acts of terrorism and military conflict).
Investment grade	A long-term rating of a counterparty or underlying issue awarded by a rating agency, ranging from AAA/Aaa to BBB-/Baa3. A rating of BB+/Ba1 or below is considered non-investment grade.
IRB	Internal-ratings based, refers to the Internal Ratings-Based Approach, the measurement of credit risk on the basis of credit ratings as defined by EU Regulations.
IRM	Incremental Risk Measure.
IRRBB	Interest rate risk in the banking book. IRRBB designates the current or future risk to which the bank's capital and profits are exposed due to adverse interest rate fluctuations influencing positions in the banking book.
IS	Information system.
ISDA	International Swaps and Derivatives Association.
ISF	Wealth Tax (Impôt Sur la Fortune).
ISP	Investment service provider.
IWMA	Independent wealth management advisor.
JV	Joint Venture.
L&R	Loans and receivables.
LBO	Leveraged buyout.
LCR	Liquidity coverage ratio.
Leverage effect	The leverage effect accounts for the rate of return on equity based on the after-tax rate of return on invested capital (return on capital employed) and the cost of debt. By definition, it is equal to the difference between the rate of return on equity and the return on capital employed.
Leverage/leveraged financing	Financing through debt.
LGD	Loss Given Default, a Basel 2 credit risk indicator corresponding to the loss in the event of default. It is expressed as a percentage (loss rate).
Libor	London Interbank Offered Rate.
Liquidity	In a banking context, liquidity refers to a bank's ability to cover its short-term commitments. Liquidity also refers to the degree to which an asset can be quickly bought or sold on a market without a substantial reduction in value.
Liquidity coverage ratio (LCR)	A measure introduced to improve the short-term resilience of banks' liquidity risk profiles. The LCR requires banks to maintain a reserve of risk-free assets that can be converted easily into cash on the market in order to cover its cash outflows minus cash inflows over a 30-day stress period without the support of central banks.

Acronym/Term	Definition
Loss alert	A mechanism that warns of loss.
Loss Given Default	See LGD.
Loss ratio	Total losses paid to settle claims divided by premiums paid.
LR	Leverage ratio.
LTRO	Long Term Refinancing Operation. Long-term loans granted to banks by the ECB.
Mark-to-market	A valuation method whereby a financial instrument is appraised at fair value based on its market price.
Mark-to-model	A valuation method whereby, in the absence of a market price, a financial instrument is appraised at fair value based on a financial model using observable and unobservable data.
Market risk	The risk of a loss in value on financial instruments resulting from changes in market parameters, from the volatility of these parameters or from the correlations between these parameters. These parameters are exchange rates, interest rates and the prices of securities (equities, bonds), commodities, derivatives or any other assets, such as real estate assets.
Market stress test	Used in conjunction with internal VaR and SVaR models to assess market risk by calculating potential losses on portfolios in extreme market conditions.
MDA	Maximum Distributable Amount, a new provision for banks placing restrictions on their dividends, AT1 coupon and bonus payments (under a rule that tightens restrictions as banks deviate from their requirements), if the capital buffers are not met. As these buffers are on top of Pillars I and II, they apply immediately if the bank fails to comply with the combined requirements.
Mezzanine	A form of financing that is a hybrid of equities and debt. In ranking terms, mezzanine debt is subordinated to "senior debt" but still takes priority over equities.
Mid cap	Refers to mid-size market capitalization.
Middle office	A department at a financial intermediary that generally performs risk control functions.
MiFID	Markets in Financial Instruments Directive (EU Directive).
MLA	Mandated lead arranger.
Monoline	An insurance company that takes part in a credit enhancement operation, backing a debt security issue (e.g. in securitization transactions) with the aim of improving the issue's rating.
MREL	Minimum requirement for own funds and eligible liabilities – Ratio defined in the European Bank Recovery and Resolution Directive indicating the minimum requirement for own funds and eligible liabilities that have to be available to absorb losses in the event of resolution.
MRH	Multi-Risk Homeowners' insurance.
MTN	Medium Term Note.
MTP	Medium-term plan.
Mutual fund	Collective investment fund.
Natixis business line ROE	ROE for business lines is calculated based on normative capital to which are added goodwill and intangible assets for the business line. Capital is allocated to Natixis business lines on the basis of 10% of their Basel 3 average risk-weighted assets. Business lines receive interest on the normative capital allocated to them. By convention, the interest rate on normative capital is maintained at 3%.
Natixis leverage ratio	This ratio is calculated based on the rules set forth in the Delegated Act, without phase-in except for DTAs on tax-loss carryforwards and with the assumption of a roll-out for non-eligible subordinated notes under Basel 3 by eligible notes. Repo transactions with central counterparties are offset in accordance with IAS 32 rules without maturity or currency criteria. Leverage ratio disclosed including the effect of intragroup cancelation – pending ECB authorization.
Natixis ROE	The result used for ROE calculations is net income (Group share), less DSN interest expenses on preferred shares after tax. Equity capital is the average equity attributable to equity holders of the parent as defined by IFRS, after payout of dividends, excluding average hybrid debt, and excluding unrealized or deferred gains and losses recognized in equity (OCI).
Natixis ROTE	Natixis ROTE is calculated by taking as the numerator net income (Group share) excluding DSN interest expenses on preferred shares after tax. Equity capital is average shareholders' equity Group share as defined by IFRS, after payout of dividends, excluding average hybrid debt, average intangible assets and average goodwill.
NAV	Net asset value.
NBI	Net banking income.
NEF	A financial cooperative that offers savings and loan solutions targeting projects with a social, environmental and/or cultural purpose.
Net book value	Calculated by taking equity attributable to equity holders of the parent, restated for hybrids and capital gains on reclassification of hybrids as equity instruments. Tangible net book value is corrected for goodwill on associates, restated goodwill and restated intangible assets.

Acronym/Term	Definition
Net stable funding ratio (NSFR)	This ratio is intended to strengthen the longer-term resilience of banks through additional incentives meant to encourage banks to finance their operations using more structurally stable resources. This long-term structural liquidity ratio, applicable to a one-year period, was formulated to provide a viable structure for asset and liability maturities.
Netting agreement	A contract whereby two parties to a financial contract (forward financial instrument), securities loan or repurchase agreement agree to settle their reciprocal claims under these contracts through a single consolidated net payment, particularly in the event of default or contract termination. A master netting agreement extends this mechanism to different categories of transactions subject to different framework agreements through one all-encompassing contract.
New Deal	A strategic plan implemented by Natixis for the 2009-2012 period.
New Dimension	A strategic plan implemented by Natixis for the 2018-2020 period.
New Frontier	A strategic plan implemented by Natixis for the 2014-2017 period.
NGAM	Natixis Global Asset Management.
NPE	Natixis Private Equity.
NRE	French law on New Economic regulations (Loi sur les nouvelles Réglementations Économiques).
NSFR	Net Stable Funding Ratio.
OCI	Other Comprehensive Income, contains the income and expense items (including reclassification adjustments) not included in net income/loss as required or authorized by the IFRS.
OECD	Organization for Economic Cooperation and Development.
OFAC	US Office of Foreign Assets Control.
OFR	Own Funds Requirement: the amount of capital that is required to be held, i.e. 8% of risk-weighted assets (RWA).
OGM	Ordinary General Shareholders' Meeting.
Operational risks (including accounting and environmental risks)	The risk of losses or sanctions arising from the failure of internal systems or procedures, human error or external events.
ORSA	Own Risk and Solvency Assessment: As part of European efforts to reform the prudential regulation of the insurance industry, ORSA is an internal process undertaken by the institution to assess risk and solvency. It must show its ability to identify measure and manage factors that could have an impact on its solvency or financial situation.
OTC	Over-the-counter.
P&L	Profit & Loss.
P3CI	A loan covering CCIs (cooperative investment certificates).
PD	Probability of default, i.e. the likelihood that a counterparty of the bank will default within a one-year period.
PEP	Politically exposed person.
PEPP	The Pandemic Emergency Purchase Program (PEPP) is an unconventional monetary policy program launched by the European Central Bank in March 2020 to combat the economic crisis linked to the COVID-19 pandemic. It is part of the family of unconventional monetary policies. It consists of massive bond buybacks.
PERP	Retirement Savings Plan (Plan d'Épargne Retraite Populaire).
Personal guarantee	Represented by a surety, independent guarantee or letter of intent. In the context of a surety, the guarantor promises to repay the creditor a debtor's obligation in the event the debtor is unable to do so itself. An independent guarantee is a commitment through which the guarantor promises to pay an amount, upon first request or pursuant to agreed terms, in consideration of an obligation taken out by a third party. A letter of intent is an agreement to act or refrain from acting that is intended to support a debtor in meeting its commitment.
PFE	Own Funds Requirement: the amount of capital that is required to be held, i.e. 8% of risk-weighted assets (RWA).
Phase-in	Refers to compliance with current solvency requirements, in accordance with the transitional period for the implementation of Basel 3.
Pillar I	Pillar I sets minimum requirements for capital. It aims to ensure that banking institutions hold sufficient capital to provide a minimum level of coverage for their credit risk, market risk and operational risk. The bank can use standardized or advanced methods to calculate its capital requirement.
Pillar II	Pillar II governs a prudential supervision process that complements and strengthens Pillar I. It includes: (i) the analysis by the bank of all its risks, including those already covered by Pillar I; (ii) the bank's estimate of its capital requirements to cover its risks; and (iii) the comparison by the banking supervisor of its own analysis of the bank's risk profile with that carried out by the latter, with a view to adapting, if necessary, its prudential action by capital exceeding the minimum requirements or any other appropriate technique.
Pillar III	Pillar III is concerned with establishing market discipline through a series of reporting requirements. These requirements – both qualitative and quantitative – are intended to improve financial transparency in the assessment of risk exposure, risk assessment procedures and capital adequacy.

Acronym/Term	Definition
Pricing	Pricing.
Probability of default	See PD.
Process	Process.
Rating	An appraisal by a credit rating agency (Moody's, Fitch Ratings, Standard & Poor's) of the creditworthiness of an issuer (company, government or other public entity) or a transaction (bond issue, securitization, covered bond). The rating has a direct impact on the cost of raising capital.
Rating agency	An organization that specializes in assessing the creditworthiness of issuers of debt securities, i.e. their ability to honor their commitments (repayment of capital and interest within the contractual period).
RBC	Risk-based capital.
Real collateral	Guarantees that may consist of assets in the form of tangible or intangible assets, movable or immovable, such as raw materials, precious metals, sums of money, financial instruments or insurance contracts.
Resecuritization	The securitization of an exposure that is already securitized where the risk associated with an underlying pool of exposures is tranched and at least one of the underlying exposures is a securitization position.
Risk appetite	The degree of risk, by type and by business line, that the institution is prepared to take on in the pursuit of its strategic objectives. Risk appetite can be expressed through either quantitative or qualitative criteria.
Risk Appetite Framework (RAF)	Document describing the interface between the organization's key processes and the implementation of the governance that puts the RAS into action.
Risk Appetite Statement (RAS)	Document setting out, in qualitative and quantitative terms, the risks that the bank is prepared to take.
Risk Assessment	Risk Assessment.
Risk weight (RW)	The percentage value by which a given exposure is multiplied, used in the calculation of the corresponding risk-weighted assets.
Risk-weighted assets (RWA)	Exposure value multiplied by its risk weight.
Risk-weighted assets	See RWA.
RMBS	Residential Mortgage-Backed Security, i.e. a debt security backed by a pool of assets consisting of residential mortgage loans.
ROE (Return On Equity)	Net income (excluding returns on hybrid securities recognized as equity instruments) divided by shareholders' equity (restated for hybrid securities), used to measure the profit generated on capital.
RSSI	Head of Information Systems Security.
RTT	Compensatory time off in lieu of overtime pay (Réduction du Temps de Travail).
RW	Risk weight.
RWA	Risk Weighted Assets, or risk-weighted EAD.
S&P	Standard & Poor's.
SA (Standardized Approach)	Approach used to measure credit risk as defined by EU Regulations.
Sales	Sales.
SCPI	Real estate investment trust (Société Civile de Placement Immobilier).
SEC	US Securities and Exchange Commission.
Securitization	A transaction whereby credit risk on loan receivables is transferred to investors by an entity through the issuance of negotiable securities. This may involve the transfer of receivables (physical securitization) or the transfer of risks only (credit derivatives). Some securitization transactions are subordinated through the creation of tranches.
SEF	Structured Export Finance.
SEPA	Single Euro Payments Area.
SFEF	*Société de Financement de l'Économie Française* (SPV set up by the French government to refinance French banks during the financial crisis).
SFS	Specialized Financial Services.
Share	An equity security issued by a corporation, representing a certificate of ownership and conferring on its possessor (the "shareholder") proportional rights in the distribution of any profits or net assets as well as a voting right at the General Shareholders' Meeting.
SIFA	*Société d'Investissement France Active*: The investment company through which France Active receives solidarity-based savings and invests them in the Social and Solidarity-Based Economy and socially innovative companies.

Acronym/Term	Definition
Small cap	Small market capitalization.
SMC	Senior Management Committee.
SME	Small and medium-sized enterprises.
SMI	Small and medium-sized industries.
Solvency	Measures the ability of a business or an individual to repay its debt over the medium to long term. For a bank, solvency reflects its ability to cope with the losses that its risk profile is likely to trigger. Solvency analysis is not the same as liquidity analysis. The liquidity of a business is its ability to honor its payments in the normal course of its business, to find new funding sources and to achieve a balance at all times between its incomings and outgoings. For an insurance company, solvency is covered by the Solvency II Directive (see Solvency II).
Solvency II	European Directive on insurance and reinsurance undertakings intended to ensure that they comply at all times with their commitments towards policyholders in view of the specific risks incurred by such businesses. It aims to achieve an economic and prospective assessment of solvency based on three pillars – quantitative requirements (Pillar I), qualitative requirements (Pillar II) and information for the public and the supervisor (Pillar III). Adopted in 2014, it was enacted into national law in 2015 and came into force on January 1, 2016.
Spread	The difference between the actuarial rate of return on a bond and the actuarial rate of return on a risk-free loan with the same duration.
SREP	Methodology for assessing and measuring the risks for each bank. SREP gives the prudential authorities a set of harmonized tools to analyze a bank's risk profile from four different angles: business model, governance and risk management, risk to capital, and risk to liquidity and funding. The supervisor sends the bank the SREP decisions at the end of the process and sets key objectives. The bank must then "correct" them within a specific time-frame.
SRF	Single Resolution Fund.
SRI	Socially Responsible Investment.
SRM	Single Resolution Mechanism (SRM): An EU-level system to ensure an orderly resolution of non-viable banks with a minimal impact on taxpayers and the real economy. The SRM is one of the pillars of the European Banking Union and consists of an EU-level resolution authority (Single Resolution Board – SRB) and a common resolution fund financed by the banking sector (Single Resolution Fund – SRF).
SSM	Single supervisory mechanism.
Stress test	A bank stress test simulates the behavior of a bank (or group of banks) under extreme but realistic economic scenarios (i.e. worsened prospects for growth, unemployment and inflation, cumulated) to assess whether the bank's (or banks') capital reserves are sufficient to absorb such a shock.
Stressed value at risk (stressed VaR)	Like the VaR approach, stressed VaR is calculated based on a fixed econometric model over a continuous 12-month period under a representative crisis scenario relevant to the bank's portfolio, using a "historical simulation" with "one-day" shocks and a confidence interval of 99%. However, unlike VaR, which uses 260 daily fluctuation scenarios on a sliding one-year period, stressed VaR uses a one-year historical window corresponding to a period of significant financial tension.
Structural interest rate and exchange rate risk	The risk of losses or impairment on assets arising from changes in interest rates or exchange rates. Structural interest/exchange rate risks are associated with commercial activities and proprietary transactions.
Structured issue/structured product	A financial instrument combining a bond product and an instrument, such as an option, providing exposure to any asset type (equities, forex, fixed-income, commodities). Such instruments may be backed by a (total or partial) guarantee on the investment. In a different context, the term "structured product" or "structured issue" can also refer to securities resulting from securitization transactions, for which a ranking of bearers is established.
Subordinated notes	Debt securities that are ranked below senior debt in terms of repayment priority.
SVaR	Stressed Value at Risk.
SVT	Government bond primary dealer (Spécialiste en Valeurs du Trésor).
Swap	An agreement between two counterparties to exchange different assets, or revenues from different assets, until a given date.
SWWR	Specific Wrong Way Risk.
Systemically important financial institution (SIFI)	Systemically Important Financial Institution (SIFI): The Financial Stability Board (FSB) coordinates the comprehensive measures intended to reduce the moral hazard and risks posed by global systemically important financial institutions (G-SIFIs) to the global financial system. These institutions meet the criteria established by the Basel Committee as outlined in "Global systemically important banks: Assessment methodology and the additional loss absorbency requirement" and are identified in a list published in November 2011. The FSB updates this list in November of each year. To date there are 29 such institutions.
Tier	Tier 1 (T1) refers to the portion of a financial institution's prudential capital that is considered to be the most solid. It includes its capital stock and retained earnings allocated to reserves. The ratio of Tier 1 capital to risk-weighted assets is a solvency indicator used in the Basel I, Basel II and Basel III prudential accords.
TLAC	Total Loss Absorbing Capacity – ratio to measure the capacity to absorb financial losses.

Acronym/Term	Definition
TLTRO III	Targeted Longer-Term Refinancing Operations. In order to maintain favorable credit conditions in the euro zone and maintain an accommodating monetary policy, the Eurosystem announced on March 7, 2019 the launch of a third series of targeted long-term refinancing operations.
TMO	Average bond market rate (Taux Moyen Obligataire).
Total Capital Ratio	Ratio of overall capital (Tier 1 and Tier 2) to risk-weighted assets.
Trading	Trading.
Transformation risk	The risk associated with assets that are financed by liabilities with different maturities. Because banks' traditional activity is to make longer-term use of liabilities with short maturities, they naturally tend to incur transformation risk, which in turn is a source of liquidity and interest rate risks. Positive term transformation occurs when assets have a longer maturity than liabilities. Negative term transformation occurs when assets are financed by liabilities with longer maturities.
Treasury stock	The equity share held by the Company, especially through the share buyback program. Treasury stock does not bestow voting rights and is not included in the calculation of earnings per share, except for securities held in association with a liquidity contract.
TRS	Total return swap, i.e. a transaction whereby two parties exchange the income generated and any change in value on two different assets over a given time period.
TUP	Total transfer of assets and liabilities *(Transmission Universelle de Patrimoine)*.
UK	United Kingdom.
US	United States of America.
USD	US dollar.
Value at Risk (VaR)	A measure of market risk on a bank's trading book expressed as a monetary value. It allows the entity performing the calculation to appraise the maximum losses liable to be incurred on its trading book. A statistical variable, VaR is always assigned a confidence interval (generally 95% or 99%) and a specific time frame (in practice, one day or 10 days, as the trading positions involved are meant to be unwound within a few days).
Volatility	A measurement of the magnitude of an asset's price fluctuation and thus a measurement of its risk. Volatility corresponds to the standard deviation of the asset's immediate returns over a given period.
VSE	Very small enterprises.
WWR	Wrong-way risk.

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