Universal Registration Document

and Financial Report

2023

Contents

The items in the Annual Financial Report are identified in the summary using the pictogram

2023 Universal registration document

and Annual financial report

Natixis supports its clients in carrying out their projects throughout the world by offering innovative financing and investment solutions that contribute to the implementation of their environmental, technological and societal transitions.
natixis.groupebpce.com

This universal registration document was filed with the French Financial Markets Authority (Autorité des Marchés Financiers - AMF) on March 15, 2024, as the competent authority designated under EU Regulation 2017/1129 without prior approval in accordance with Article 9 of said regulation.

Natixis' universal registration document 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 Regulation (EU) 2017/1129.

This document is a translation into English of the Annual Financial Report/Universal Registration Document of the Company issued in French and is available on the website of the Issuer.

The Universal Registration Document is a copy of the official version of the Universal Registration Document which has been prepared in XHTML format and is available on the Issuer's website.

INTERVIEW

Stéphanie Paix,

Chief Executive Officer of Natixis and member of the BPCE Senior Management Committee

"Supporting our clients' environmental, technological and social transition is more than ever a priority"

Stéphanie Paix takes stock of business line activity at Natixis in 2023, and looks ahead to the challenges of 2024.

How would you sum up 2023?

I am particularly proud of what the Natixis teams have achieved over the past year. Against a backdrop of accelerating inflation and a rapid, sharp rise in interest rates, all of which put the brakes on business activity, our global business lines focused on supporting their clients. Priority was given to anticipation, providing expertise and innovative solutions for them, while continuing to place climate issues at the heart of our strategy.

In Corporate & Investment Banking, all the business lines have shown strong commercial dynamism, whether in capital markets, investment banking, real-asset financing or global trade activities. I would also like to highlight the many initiatives we have taken to support our clients' environmental transition, as evidenced by the numerous awards we have received (1).

In Asset & Wealth Management, our business lines were confronted with difficult market conditions, as was the case for the asset management industry as a whole, but managed to pursue their development by relying on high-performance asset management, as evidenced by the continuous improvement in client satisfaction with very good NPS scores, both in France and internationally (2).

What are your priorities for 2024 and your strategic ambitions for the future?

The global business lines will play an important role in Groupe BPCE's future development. After making a significant contribution to our results in 2023, they will continue to be a key driver of growth and commercial and cultural diversification for our Group.

Beyond that, we face a number of challenges. As ever, we will be there for our clients, with the primary ambition of responding to their needs by providing them with the appropriate expertise to help them grow. We must also strengthen our ability to support them, at their own pace and throughout the world, in all their transitions, whether environmental, societal or technological. Finally, we will capitalize on our recent achievements and successes to build our strategic business plan for 2030, with a first milestone to be reached in 2026.

Any final words?

This year will of course be marked by the Paris 2024 Olympic and Paralympic Games. It gives me particular pleasure to look forward to this major event, of which our Group has been a Premium Partner since 2019. It will provide a unique and convivial opportunity for people to get together... with a strong multicultural dimension that speaks so much to us at Natixis!

(1) The Banker Investment Banking Award 2023: Investment Bank of the year for sustainability-linked loans; IJ Global ESG Awards 2023: Natixis CIB - FR Awards: ESG Infrastructure & Energy Bank Award; Environmental Finance Impact Awards: "Fund of the year - Private Equity", "Fund of the year - Listed Equity" and "Personality of the year IFR Awards"; "ESG insight" & "Commodity derivatives house of the year".

(2) +14 NPS (Net Promoter Score) points with Groupe BPCE networks and +8 NPS points for international distribution.

Groupe BPCE

Groupe BPCE, the second largest banking group in France, present in over 50 countries, is a cooperative universal banking and insurance group at the service of its customers, members and the economy. With more than 100,000 employees, it has two main business lines: **Retail Banking and Insurance in France**, notably through its Banque Populaire and Caisse d'Epargne networks. It also deploys **the global** Asset & Wealth Management **business lines**, with Natixis Investment Managers, and Corporate & Investment Banking, with Natixis Corporate & Investment Banking. Groupe BPCE is a Premium Partner of the Paris 2024 Olympic and Paralympic Games, resonating with its DNA and historical commitment to sport.

Organization at December 31, 2023

Groupe BPCE is made up of the Banques Populaires Caisses d'Epargne and BPCE

GROUPE BPCE

BANQUE POPULAIRE

CAISSE D'EPARGNE

BPCE

CENTRAL BODY	BUSINESS LINES	POOLED RESOURCES
	Insurance Digital & Payments Global Financial Services Financial Solutions & Expertise	

22% of the financing of the French economy

Present in **50+ countries**

A solid banking group

€22.2bn
NET BANKING INCOME

€2.8bn
NET INCOME (GROUP SHARE)

15.6%
CET1 RATIO AT 31/12/2023

Long-term rating

A+ Fitch Ratings	**A1** Moody's
A+ R&I	**A** Standard & Poor's

Natixis

Natixis is an international French financial institution specializing in Asset & Wealth Management and Corporate & Investment Banking.

NATIXIS INVESTMENT MANAGERS

NATIXIS CORPORATE AND INVESTMENT BANKING

Natixis supports companies, banks, institutions and clients of the Banque Populaire and Caisse d'Epargne networks in the realization of their projects, all over the world, and designs customized financial solutions for them. Natixis builds a sustainable business model with its clients thanks to its proximity, the quality of its strategic dialogue and the combination of its expertise.

Since November 2023, the Natixis business lines, brought together in the Global Financial Services division, have been integrated within BPCE, which brings together the Group's central institution, the business lines serving retail and international clients, and the resource pools.

Natixis: a worldwide presence

NORTH AND SOUTH AMERICA
>3,000

EMEA[2]
>10,000
(including 7,000 in France)

ASIA-PACIFIC
>1,000

With more than
14,000 [1]
employees

Presence
in nearly
40 countries

(1) On permanent and fixed-term employment contracts.
(2) EMEA: Europe, Middle East, Africa (headcount as at December 31, 2023) excluding financial investments.

Natixis business line profile

Asset & Wealth Management

Ranked among the leaders in asset management worldwide, Natixis Investment Managers offers a range of diversified solutions covering different asset classes, management styles and vehicles, including strategies and products dedicated to the development of sustainable finance. The asset manager works in partnership with its clients to better understand their objectives and offer them a wide range of investment strategies adapted to their long-term challenges.

A MULTI-AFFILIATE networks

Natixis Investment Managers draws on the expertise of more than 15 affiliated asset management companies around the world and develops a comprehensive range of investment solutions.

It deploys its offers through an integrated distribution network established in over 20 countries, in addition to the sales teams of the Banques Populaires and Caisses d'Epargne.

A priority: RESPONSIBLE INVESTMENT

Natixis Investment Managers and its affiliates are committed to a transition to a more sustainable economy. They intervene through individual or collective actions, active voting policies, as well as key market initiatives aimed at advancing responsible investment.

Natixis Investment Managers IN FIGURES

2nd

EUROPEAN ASSET MANAGER

in the world's top 20 asset managers

+15

AFFILIATES

€1,166bn

ASSETS

under management at 31/12/2023

200

INVESTMENT STRATEGIES

The expertise of A PRIVATE BANK

Natixis Wealth Management designs and implements tailor-made wealth and financial solutions to structure and manage the assets of company directors, executives, large private investors and family shareholders.
It supports them in their initiatives to undertake, invest and transfer, and mobilizes a wide range of expertise that covers all their needs, whatever the size or maturity of their projects: corporate advisory, origination, vanilla and complex financing, investment, wealth engineering, asset management and diversification solutions, particularly in private equity.

EMPLOYEE SAVINGS SCHEMES AND RETIREMENT solutions

Natixis Interépargne supports companies of all sizes in the implementation and management of their employee savings schemes and pension savings plans (PEE, PERCO, Collective PER, Mandatory PER) as well as their employee shareholding, to make them a performance driver. It provides them with a high-performance management offering that is unique on the market to help them achieve their savings objectives.

Corporate & Investment Banking

Natixis Corporate & Investment Banking (CIB) supports its corporate clients, banks, institutional investors, financial sponsors, public sector entities and 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, and its global presence in nearly 30 countries.

FIVE MAJOR BUSINESS LINES

M&A

INVESTMENT BANKING

GLOBAL MARKETS

FINANCING

GLOBAL TRADE

Supporting our clients in their SUSTAINABLE GROWTH STRATEGY

A pioneer in green and sustainable finance, **Natixis CIB** actively pursues its contribution to Groupe BPCE's "Net Zero" commitment. At the heart of its business strategy is to support its borrower, issuer and investor clients through the various stages of their ecological and energy transition. It acts both as an advisor and as a preferred financial partner.

Natixis Corporate & Investment Banking IN FIGURESS

66%

OF REVENUES

generated outside France

+ 7%

INCREASE IN NBI

in 2023 compared with 2022

Teams of experts in

~ 30

COUNTRIES

3

INTERNATIONAL PLATFORMS:

EMEA, North and South America, Asia-Pacific

Key figures 2023

In 2023, Natixis' business lines achieved very good and solid results thanks to sustained commercial activity, making a strong contribution to Groupe BPCE's results.

€995m
Net income
(Group share)

€7.4bn
Net banking
income

11.3%
CET1 Bâle 3
fully loaded

Non-financial results

€3.3bn
in renewable
energy projects
in 2023

€472bn
of assets under
management in
Art. 8 and 9

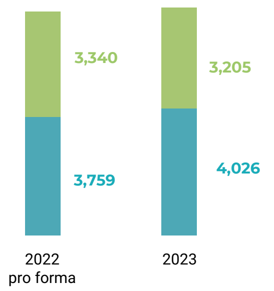
31%
women
in all our
leadership circles

Financial results

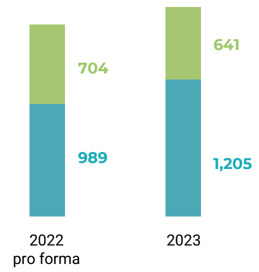
(in millions of euros)	2023	2022 [1]	2021 [2] Pro forma
Net banking income	7,396	7,114	7,497
Gross operating income	1,812	1,516	1,761
Pre-tax profit	1,600	1,256	1,579
NET INCOME (GROUP SHARE)	**995**	**1,800**	**1,403**

(1) Including proceeds from the disposal of the Insurance and Payments businesses to BPCE S.A.
(2) The presentation of the income statement of Natixis has changed following the disposal of the Insurance and Payments businesses carried out on March 22, 2022 and of Natixis Immobilier Exploitation on March 1, 2022 and the transfer of part of the support functions to BPCE S.A.

Net banking income of the business lines *(in €m)*



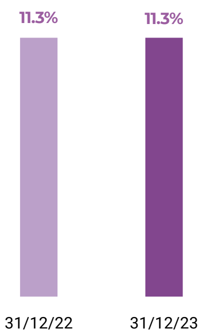
Pre-tax profit *(in €m)*



Corporate & Investment Banking Asset & Wealth Management

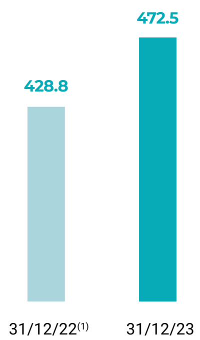
Financial structure

Common Equity Tier 1 ratio Basel 3



Risk-weighted assets Basel 3 (phased in) *(in €bn)*

Balance sheet totals *(in €bn)*



(1) Following the disposal of Insurance and Payments activities to BPCE.

Long-term ratings
(situation as of March 1, 2024)

	Standard & Poor's	Moody's	Fitch Ratings
Preferred senior long-term rating	A	A1	A+
Short-term rating	A-1	P-1	F1
Perspective	Stable	Stable	Stable

Natixis: a diversified financial player

Challenges

1. Energy transition and climate change

2. Technological transition

New uses

3. Societal transition

4. Increased regulatory pressure

5. Economic challenges: geopolitical instability, persistently high interest rates, resilient inflation, weak growth, energy crisis

The characteristics of our model

GLOBAL

- Presence in nearly **40 countries**
- **More than 55%** of our revenues outside France, with the United States as the second largest domestic market for Natixis IM

"ASSET-SMART"

- **Innovative** origination-distribution **model** for Natixis CIB
- Asset management activity naturally **low in capital consumption**

MULTI-BOUTIQUE AND ENTREPRENEURIAL

- **Network of +15 affiliates** for Natixis IM, with teams directly interested in their results promoting performance
- **Network of 7 M&A boutiques** for Natixis CIB
- **A strong entrepreneurial culture** at Natixis

SELECTIVE AND DIVERSIFIED EXPERTISE WITH HIGH ADDED VALUE

- **8 core industries** for Natixis CIB and recognized expertise, particularly in infrastructure, real estate and energy
- **A comprehensive management offering** for Natixis IM, thanks to the complementarity of our +15 affiliates, focused on active management

Our strengths

GROUPE BPCE

- **Cooperative Group** with a universal banking and insurance model, with a long-term strategy and actions
- **22%** of the financing of the French economy
- Financial strength, with a **CET1 ratio above 15% (at the end of 2023)**

OUR TEAMS

- **More than 14,000 committed women and men** representing around 100 nationalities

OUR CULTURE & VALUES

- **Sustainable impact**
- **Entrepreneurial spirit**
- **Collective intelligence**

Our business lines

Natixis CIB

A bank recognized for its expertise and capacity for innovation

NATIXIS CORPORATE AND INVESTMENT BANKING

Natixis IM

A global tier-one player, with a diversified and high-performing entrepreneurial model generating added value for our clients

NATIXIS INVESTMENT MANAGERS

Natixis WM

A high value-added offering for our direct HNWI* clients and those of the Banque Populaire and Caisse d'Epargne networks

NATIXIS WEALTH MANAGEMENT

* *High net worth individuals*

aiming for a lasting impact

Our added value for our stakeholders

OUR CLIENTS

- **High-performance management offering:** 77% of Natixis IM funds ranked 1st and 2nd quartile by Morningstar over the past 5 years (based on past performance over 5 years)*
- **A major player in corporate financing,** 90% of SBF companies are Natixis CIB clients
- Partnering with our clients to support them **in their energy, technological and societal transition strategy**

OUR EMPLOYEES

- **Deployment of specific programs** to support business line transformation
- **Regular surveys** to manage team engagement

GROUPE BPCE

- Provision of savings and financial solutions for clients of Groupe BPCE institutions (individuals, professionals and corporates)
- Contribution to the Group's financial strength

OUR SUPPLIERS

- **Nearly €600 million** of purchases that contribute to the economic development of our regions

THE COMPANY

- **Multiple solidarity actions** (payroll donations, solidarity days, projects supported by Natixis Foundation)

THE ENVIRONMENT

- Leader in **renewable energy financing with 10.9 GW** of renewable electricity capacity financed in 2023
- Measurement and management of the climate impact of financing portfolios with the **Green Weighting Factor**

Opportunities

1. New financial environment, with higher interest rates and persistent volatility

2. Expertise in green and sustainable finance. Need to support our clients in their transition

3. Agility of our teams

* *Scope: €267 billion in open funds at end September 2023 (including money market funds).*

1. Business overview

1.1 History and links with BPCE

1.1.1 History

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 financialservices 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
- LBPCE 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 clients across all its business lines, with adapted products and services and ever more advice
- NNatixis and La Banque Postale create a European leader in fixedincome and insurance-related asset management: Ostrum Asset Management, which provides an asset management o ffering 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

2022

- Sale on January 5 by Natixis of its residual stake in Coface
- Creation on March 22 of the Global Financial Services (GFS) division, which brings together Groupe BPCE's global business lines: Corporate and Investment Banking under the Natixis Corporate & Investment Banking brand and Asset & Wealth Management, notably through the Natixis Investment Managers brand
- Agreement signed on March 25 by Natixis Investment Managers and H2O AM on the termination of their partnership
- Completion on May 13 of the acquisition by Natixis Investment Managers of La Banque Postale's stakes in Ostrum AM (45%) and AEW Europe (40%) and extension of the industrial partnerships in asset management with La Banque Postale until end-2030. With these transactions complete, Natixis IM now owns 100% of Ostrum AM and AEW Europe

2023

- Opening of two new offices for Natixis CIB: a representative office in Toronto and a branch in South Korea
- Extension of Natixis IM's offering: acquisition of a stake in Ecofi, a subsidiary of Crédit Coopératif
- Integration of the Natixis business lines (Global Financial Services division) into BPCE, alongside the retail business lines and resource pools
- Ramping up the commitment of Natixis teams and business lines ahead of the Paris 2024 Olympic and Paralympic Games. More than 1,000 employees involved

1.1.2 Financial solidarity mechanism with BPCE

Including Natixis, all the institutions affiliated entities with the central institution of Groupe BPCE benefit from a guarantee and solidarity mechanism, whose purpose, according to Articles L.511-31, L.512-107-5 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 solidarity is based on legislative provisions establishing a legal principle of solidarity requiring the central institution to restore the liquidity or solvency of affiliated entities in difficulty, and/or all of the Group's affiliated entities. By virtue of the unlimited nature of the solidarity principle, BPCE is entitled at any time to ask any one, or more, or all of the affiliated entities to contribute to the financial efforts that may be necessary to restore the position, and may, if necessary, mobilize all the cash and capital of the affiliated entities in the event of difficulty of one or more of them.

Thus, in the event of Natixis experiencing difficulties, BPCE will have to do everything necessary to restore Natixis' situation, and may in particular implement the internal solidarity mechanism it has set up by (i) first mobilizing its capital as part of its duty as a shareholder; (ii) if this is not sufficient, BPCE could call on the mutual guarantee fund created by BPCE, which at December 31, 2023 had a total of €348 million in assets contributed equally by the two Banque Populaire and Caisse d'Epargne networks and which is set to grow by annual contributions (subject to the amounts that would be used in the event of a call on the fund); (iii) if BPCE's capital and this mutual guarantee fund were insufficient, BPCE could call (in equal shares) on the guarantee funds belonging to each of the two Banque Populaire and Caisse d'Epargne networks for a total of €900 million (*i.e.* €450 million for each network), consisting of deposits made by the Banques Populaires and the Caisses d'Epargne in the books of BPCE in the form of 10-year term accounts, renewable indefinitely; (iv) if BPCE's capital and these three guarantee funds were not sufficient, additional sums would be requested from all the Banques Populaires and Caisses d'Epargne. It should be noted that the guarantee funds referred to above constitute an internal guarantee mechanism within Groupe BPCE activated at the initiative of the BPCE Management Board, or of a competent authority in matters of banking crisis, which may request that it be implemented if it deems it necessary; (v) in addition, BPCE may also make unlimited use of the resources of any one, several or all of the other affiliated entities.

As a result of this full and complete legal solidarity, one or more affiliated entities 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 affiliated entities 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 affiliated entities.

In the event of court-ordered liquidation concerning all the affiliated entities, the external creditors with equal ranking or identical rights of all the affiliated entities would be managed in hierarchical order of creditors in equal manner and irrespective of their association with a particular 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 impairment 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

Asset & Wealth Management develops solutions adapted to the savings, investment, risk management and advisory needs of Groupe BPCE's various private and institutional clients. Its ambition: to assert its position as a world leader in active management.

1.2.1.1 Asset Management

Ranked among the world leaders in Asset Management and 2nd European player in this industry with €1,166 billion in assets under management at end-December 2023, **Natixis Investment Managers** (Natixis IM) supports investors on all continents in building their portfolios by offering them a wide range of diversified and responsible solutions.

With its decentralized and entrepreneurial multi-affiliate model, Natixis IM brings together the expertise of over 15 specialized Asset Management companies, and offers its investor clients a range of over 200 strategies to help them achieve their investment objectives, whatever the market conditions.

Managed from its headquarters in Boston and Paris, the Company develops its offer around four key areas of expertise:

- fundamental active management;
- insurance management;
- real assets;
- quantitative management.

It deploys its offer through an integrated distribution network established in over 20 countries, in addition to the sales teams of the Banques Populaires and Caisses d'Epargne.

2023 KEY EVENTS

- 77% of funds rated by Morningstar over five years were in the 1st and 2nd quartiles at the end of December 2023, compared with 70% a year earlier.
- Natixis IM actively managed its investments and continued to streamline its organization: it sold Alpha Simplex, integrated its expertise in Private Debt Real Assets into AEW and strengthened Ostrum AM with the integration of Seeyond's quant expertise. It also extended its offering with the acquisition of a stake in Ecofi, a subsidiary of Crédit Coopératif, a French expert in solidarity and sustainable investment.
- Alongside its affiliates, Natixis IM continued its efforts to develop responsible and impact investing: ESG assets represent a growing share of total assets under management: 41% at the end of 2023, up 4 points on 2022.
- The asset manager also launched initiatives aimed at revitalizing financial savings within Groupe BPCE networks and serving them more effectively.
- Lastly, Natixis IM pursued its international development, particularly in priority Asia-Pacific markets, with major commercial successes in Japan and the strengthening of its organization in Australia, following the merger of its local teams with those of IML.

NATIXIS INVESTMENT MANAGERS: OVER 15 SPECIALIZED ASSET MANAGEMENT COMPANIES IN THE UNITED STATES, EUROPE AND ASIA-PACIFIC (AS OF END OF DECEMBER 2023 – ASSETS UNDER MANAGEMENT IN BILLIONS OF EUROS)

- AEW (€63.2 billion), Real Estate Asset Management, Real Estate Investment Trusts (REIT) and Real Estate Mutual Funds
- DNCA Finance (€31.2 billion), Fixed-Income and Equities Management
- Dorval Asset Management (€1.2 billion), Flexible Management
- Flexstone Partners (€5.8 billion), Private Equity
- Gateway Investment Advisers, LLC (€8.0 billion), Hedged Equity
- Harris Associates (€94.4 billion), US and international Equity Management
- Investors Mutual Limited (€2.6 billion), value-based Australian Equity Management
- Loomis, Sayles & Co. (€303.5 billion), Equity (growth, core, value) and Bonds (core to high-yield) Management
- Mirova (€29.7 billion), SRI Equity and Fixed Income Management, Infrastructure Project Financing
- MV Credit (€4.2 billion), Real Assets
- Naxicap Partners (€6.5 billion), Private Equity
- OSSIAM (€9.8 billion), strategy-based ETFs (Exchange Traded Funds)
- Ostrum Asset Management (€391.6 billion), Fixed-Income and Equity Management
- Seventure Partners (€0.8 billion), Private Equity
- Thematics Asset Management (€3.3 billion), International Thematic Investing
- Vauban Infrastructure Partners (€8.9 billion), Infrastructure Equity Investments
- Vaughan Nelson Investment Management (€14.7 billion), Equity and Fixed Income Management
- WCM Investment Management (€75.0 billion), active management of International Growth Equities

SOLUTIONS MANAGEMENT OFFERING (ASSETS UNDER MANAGEMENT AT END DECEMBER 2023 – IN BILLIONS OF EUROS UNDER MANAGEMENT)

- Natixis Investment Managers Solutions International (€45.4 billion)
- Natixis Investment Managers Solutions US (€45.6 billion)

Employee savings schemes and pension savings plans

Natixis Interépargne, a leader in Employee savings schemes and pension savings plans, is invested in the future of more than 90,000 corporate clients* and in serving more than 3.2 million savers*. A pioneer in innovation for over 50 years, it supports companies of all sizes in the implementation and management of their employee savings schemes and pension savings plans (PEE, PERCO, Collective PER, Mandatory PER) as well as their employee shareholding, to make them a performance driver. It provides them with a high-performance management offering that is unique on the market to help them achieve their savings objectives. Natixis Interépargne draws on the wealth and diversity of expertise of more than 15 management companies affiliated with Natixis Investment Managers. With more than €35 billion in assets under management*, it is a leader in SRI and solidarity investment in France, with a 20.3% market share in SRI Employee savings schemes and pension savings plans, and a 21.1% market share in solidarity-based Employee savings schemes.

2023 KEY EVENTS

Natixis Interépargne continued its strong sales momentum across all its client segments.

- It was chosen by major corporate clients: Technip FMC entrusted it with its PEE and PERCO plans for €100 million in outstandings; Worldline entrusted it with its PEG/PERCO and its employee shareholding plan for an outstanding amount of €40 million; Roquette awarded it the account management and financial management of its PEE and PERCOL scheme (3,500 employees and €70 million).
- In the distribution network segment, Crystal Union entrusted it with the takeover of the PEE and PERCOL plans for almost €40 million, and with the creation and management of a dedicated bond fund. At December 31, 2023, more than 28,000 new contracts had been signed (+12%), with a 15% increase for partner distributors (AG2R La Mondiale, Abeille assurances, Swiss Life).
- Natixis Interépargne was once again rewarded by Mieux Vivre Votre Argent, winning 2nd place in the Corbeilles de l'Épargne Salariale in the Long Term Employee Savings category and the Certificate for the best range of diversified funds over five years.
- Finally, the bills currently under discussion on value sharing and green industry open up new prospects for the development of Employee savings schemes, particularly in SMEs, and the enrichment of financial offerings (labeled funds, Private Equity).

* *At 31/12/2023.*

1.2.1.2 Wealth Management

Established in France and Luxembourg, **Natixis Wealth Management** designs and implements tailor-made wealth and financial solutions to structure and manage the assets of company directors, executives, large private investors and family shareholders. It supports them in their initiatives to undertake, invest and transfer, and mobilizes a wide range of expertise that covers all their needs, whatever the size or maturity of their projects: corporate advisory, origination, vanilla and complex financing, investment, wealth engineering, asset management and diversification solutions, particularly in Private Equity.

The entire value proposition is tailored to the degree of personalization desired by clients and is distributed via two channels: B2C and B2B. To expand its range of listed and unlisted asset management products and services, Natixis Wealth Management draws on the complementary expertise of its three subsidiaries: VEGA Investment Managers, in collective asset management, delegated management and open architecture fund selection; Massena Partners, dedicated to advising private family groups and family offices, mainly in Private Equity; Teora by Natixis Wealth Management specializes in high-end life insurance brokerage, in open architecture.

2023 KEY EVENTS

- Natixis Wealth Management rolled out its strategic roadmap and pursued its transformation program, particularly with regard to its repositioning in Luxembourg, its new brand identity and the upscaling of its IT infrastructure.
- The bank unveiled its CSR commitments focused on sustainable development Goals 4 and 5 in favor of education and gender equality.
- It also strengthened the business proximity of all its teams with the rest of Groupe BPCE, in particular the Banque Populaire and Caisse d'Epargne networks and the other global business lines of the Global Financial Services division.
- Natixis Wealth Management was the winner in the Private Banking category at the 2023 Rencontre Occur awards. It also won the Trophée d'Or in the "Best affiliated private bank" category at the Sommet du Patrimoine et de la Performance 2023, and *Décideurs* magazine gave it an "Excellent" rating in the same category.
- VEGA Investment Managers, a subsidiary specializing in listed asset management, was recognized as the 3rd asset management company most committed to the ecological transition according to the Epsor study carried out in May 2023. It was also recognized by *Mieux Vivre Votre Argent* magazine, which awarded it the 2nd Corbeille d'Or for asset management companies and the Certificate of Best SRI Management over one year.

1.2.2 Corporate & Investment Banking

Natixis Corporate & Investment Banking (CIB) supports its corporate clients, banks, institutional investors, financial sponsors, public sector entities and Groupe BPCE networks. It advises them and designs innovative, tailor-made solutions to support their strategy, drawing on the full range of its expertise in advisory services, investments, financing, commercial banking and capital markets, as well as its global presence in nearly 30 countries across three geographic areas: the Americas, Asia-Pacific and EMEA.

Natixis CIB is organized around five main business lines (Global Markets, Investment Banking, Real Assets, Global Trade, M&A):

The Global Markets business line offers a wide range of hedging products, financing and investment solutions in the fixed income, credit, foreign exchange, commodities and equity markets, all combined with recognized economic research.

The Investment Banking teams support their clients in their strategic decisions: acquisitions, sales or purchases of assets and more generally any growth project. Offering high value-added solutions, Investment Banking includes strategic financing and acquisition activities, financing on the primary bond and equity markets, and financial engineering on listed investments.

The Real Assets business line includes the origination and structuring of Structured Financing in the Aviation, Infrastructure & Energy and Real Estate & Hotels sectors. Real Assets relies on a global network of experts in 10 offices around the world and is recognized as one of the major players in the market in these sectors.

The Global Trade business line brings together the activities of international trade finance, structured finance solutions for export operations and cash management for its corporate clients, commodity traders and the clients of the Banque Populaire and Caisse d'Epargne networks. This business line, which is at the heart of the Group strategy, is designed to support and finance the commercial development of its clients in a sustainable manner.

Finally, the Mergers & Acquisitions (M&A) teams assist large and medium-sized commercial and industrial companies, institutional investors and investment funds in the preparation and implementation of divestitures or mergers, capital raising, restructuring and capital protection transactions. This expertise is supported by a network of seven boutiques in eight countries: Natixis Partners, Solomon Partners, Fenchurch, Natixis Partners Iberia, Vermilion, Azure Capital and Clipperton.

Natixis CIB's core business lines are supported by a number of cross-functional teams, including the Advisory & Coverage division dedicated to client coverage, which brings together bankers, sector experts and teams in charge of supporting our clients' environmental and technological transitions. To ensure a close relationship with our clients, this division has a strong regional presence in France, and draws on all the bank's teams of experts abroad.

The distribution and portfolio management teams support all financing activities and are central to the successful deployment of the bank's Originate-to-Distribute model.

Lastly, in addition to its five main business lines, Natixis CIB is positioned, via its subsidiary Coficiné, as a leader in specialized financing for the media, entertainment and cultural industries.

2023 KEY EVENTS

- Natixis CIB demonstrated strong commercial dynamism in 2023 and continued to develop its various activities, in line with its strategic priorities in a market that was less volatile than in 2022 but still marked by a higher interest rate environment, directly impacting business volumes in M&A, Leverage Finance and the real estate sector.
- The bank pursued its strategy of international diversification with the opening of a representative office in Toronto, extending its presence in North America, and the launch of a branch in South Korea, aimed at rounding out its product offering and client base in the region.
- All business lines contributed to revenue growth, despite contrasting dynamics:
  - Global Markets activities continued to build on their 2022 momentum, pursuing the strategy of developing flow products and winning new clients, with a very strong performance from the Equity franchise, in particular serving Groupe BPCE networks, and good resilience from Fixed Income activities in a context of lower volatility. The teams' expertise was recognized with several awards, including "Structured Products House of the Year" (Global Derivatives Awards 2023) and "Investment Bank of the Year for Equity Derivatives" (The Banker Investment Banking Awards 2023);
  - the market environment was very mixed for the Investment Banking business lines, with strong bond volumes from institutional issuers (banks and insurance companies), but a sharp decline in other segments (Leverage Loans, M&A, primary equities). Natixis CIB's activity proved resilient in this environment: it distinguished itself in rankings and awards for its expertise and ability to support its clients: "Best Investment Bank in France" (*Global Finance Magazine*), #1 for share buybacks in France (Bloomberg), #2 for euro-denominated issuances for financial institutions (Dealogic);
  - Natixis CIB again played a major role in real asset financing in 2023, with many of the transactions in which it was involved being recognized as "Transactions of the Year". In terms of infrastructure financing, activity remained very strong, particularly in Europe and North & South America, driven by the digital and energy transitions. Natixis CIB received the ESG Infrastructure Bank of the Year award at the 2023 IJGlobal ESG Awards. Business in aeronautical financing was also buoyant, with Natixis CIB benefiting from the sector's significant recovery. The bank also maintained its leading position in the real estate market in France and in Europe *(source:* Dealogic*)*, in a context of a sharp slowdown in the investment market;
  - our Global Trade business had an exceptional year, driven by client demand for deposits and working capital solutions in a context of high interest rates, by the resilience of the commodities trading franchise in a slower market, and by the development of export financing activities, including with clients of the Group's networks. The year was also marked by interesting developments in the digital and green fields (first "e-borrowing base" transaction via the KOMGO platform, first borrowing base transaction on carbon certificates);
  - in a persistently difficult market, the M&A business line continued to outperform, with sustained activity from boutiques Fenchurch, Azure Capital and Natixis Partners France.

Natixis CIB, a benchmark partner for clients in their environmental and social transition, continued to assert itself through the structuring of emblematic transactions both in France and internationally, with, for example, the issuance of the BPCE Sport Social Bond, which promotes health and social integration through sporting activities, the Green Loan dedicated to financing the Neom green hydrogen project, supported by ACWA Power, Air Products and NEOM, which will be the world's largest hydrogen plant to produce green ammonia on a large scale in 2026, and the capital increase for Carbios, a company specializing in the design and development of enzymatic products for the degradation of plastics.

Natixis CIB's Green & Sustainable Hub (GSH) is a major player in the co-construction of market standards for sustainable financing, and is heavily involved in the work of ICMA and LMA/APLMA/LSTA, notably as a long-standing member of ICMA's Green Bond Principles Executive Committee, as a pilot of the work leading to the update of the Climate Transition Finance Handbook (CTFH) and the Sustainability-linked bond (SLB) working group, with the publication of a new Q&A. It is also behind the launch of a taskforce on "Green enabling activities" in 2023.

Natixis CIB's expertise and capacity for innovation in these areas were once again recognized this year by clients and the market, as demonstrated by the awards it received (The Banker Investment Banking Award 2023: Investment Bank of the year for sustainability-linked loans; IJGlobal ESG awards 2023: Natixis CIB – ESG Infrastructure & Energy Bank Award; Environmental Finance Impact Awards: "Fund of the year – Private Equity", "Fund of the year – Listed Equity" and "Personality of the year").

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 *(see Chapter [8] of this universal registration document "Cross reference table for the annual financial report and the management report")* 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 7, 2024

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 of Directors;
- 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] 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 Articles of Association 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 Annex 6 of Commission Delegated Regulation (EU) No. 2019/980 of March 14, 2019, French Financial Markets Authority recommendation No. 2012-02 as amended on July 28, 2023, consolidating the recommendations published since 2012 by the French Financial Markets Authority, the guide to compiling universal registration documents published by the AMF on July 28, 2023, and lastly the Afep-Medef corporate governance code for listed companies as amended in December 2022 ("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, the 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 will 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 since 2014 to credit institutions, set forth by French law transposing the CRD 4 Directive.

Majority and equal representation of the Banque Populaire and Caisse 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 of Directors has a majority and equal representation of the Banque Populaire and Caisse 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 (99.94% as of December 31, 2023).

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

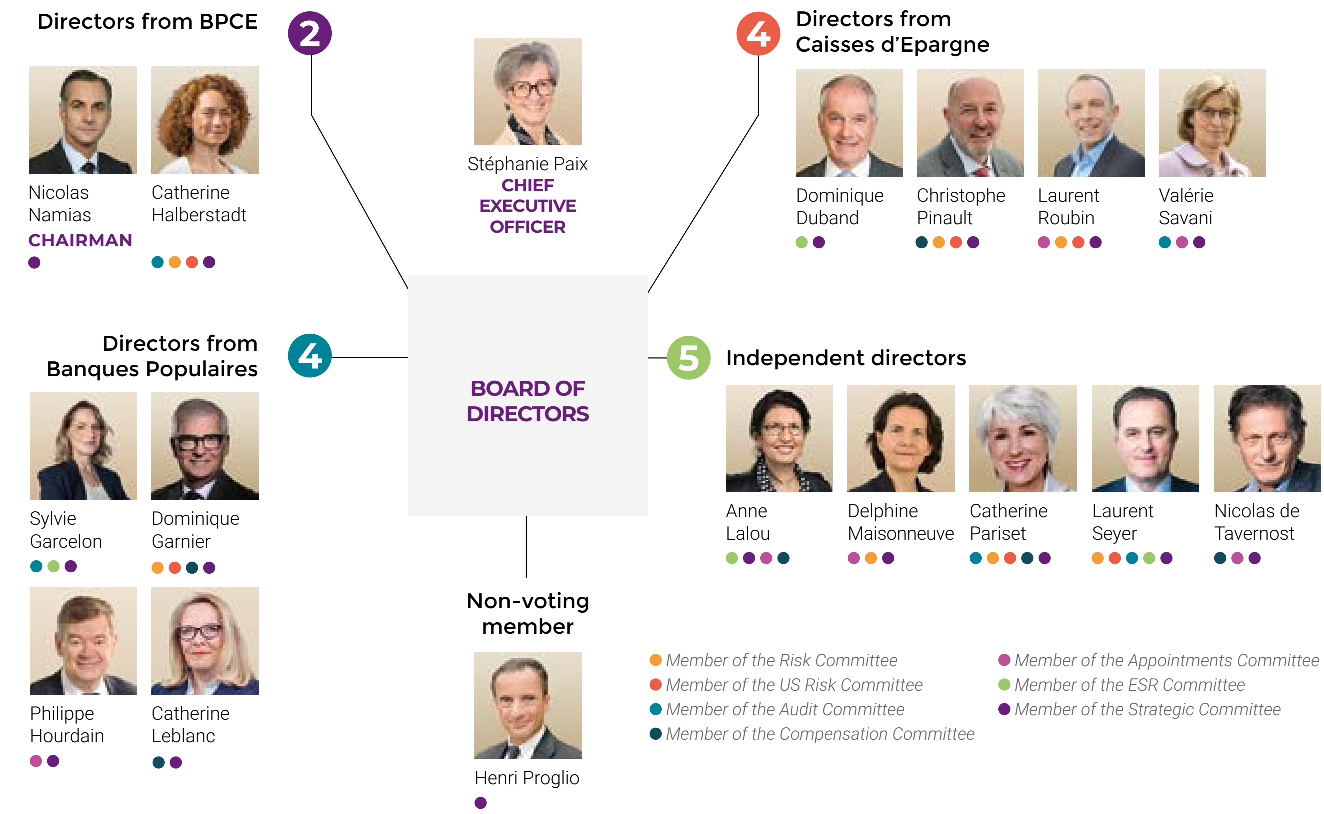
The presence of a third of independent directors

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 Natixis Board of Directors.

This governance, specific to Natixis, is illustrated by the composition of its Board of Directors as at February 7, 2024 *(see Section [2.1.2] below)* and explains the specific cases of derogation from the Afep-Medef code *(see Section [2.1.4] below)*.

2.1.2 Composition of the Board of Directors at February 7, 2024

15	1/3	47 %	61	7	96 %	21
Directors	Independent members	Gender mix	Average age	Meetings in 2023	Attendance rate	Training sessions in 2023



Other Board meetings' participants

Representatives of the Social and Economic Committee:
Sylvie Pellier
Laurent Jacquel

Statutory Auditors:
Mazars
PricewaterhouseCoopers Audit

General Counsel in charge of Compliance, Legal, Security, Governance & Regulatory Affairs:
Jennifer Baert

Chief Risk Officer:
Rajâa Meghar

Chief Financial Officer:
Stéphane Morin

Chief Human Resources Officer:
Cécile Tricon-Bossard

Global Head of Natixis Corporate & Investment Banking:
Mohamed Kallala

Head of Asset & Wealth Management:
Philippe Setbon

Global Head of IT & Operations:
Nicolas Fenaert

Deputy Chief Executive Officer of Natixis Investment Managers:
Nathalie Bricker

Secretary of the Board of Directors:
Aline Braillard

2.1.3 Summary table of the Board of Directors at February 7, 2024

First name/Last name	Personal information				Directorship information		Committees						
	Gender	Age*	Nationality	Number of shares*	First appointed	End date of the term of office	RISK COMMITTEE	US RISK COMMITTEE	AUDIT COMMITTEE	COMPENSATION COMMITTEE	APPOINTMENTS COMMITTEE	ESR COMMITTEE	STRATEGIC COMMITTEE
Directors from BPCE													
Nicolas Namias (Chairman *since 03/12/2022)*	M	47	French	5,986	01/12/2022 (with effect from 03/12/2022)	2027 AGM							●
BPCE Represented by Catherine Halberstadt *(since 01/01/2018)*	F	65	French	3,682,043,658[(a)]	25/08/2009	2027 AGM	●	●	●				●
Independent directors													
Diane de Saint Victor[(b)] (Director *until 08/02/2023)*	F	68	French	0	04/04/2019	2025 AGM				●	★		●
Delphine Maisonneuve *(since 13/04/2023)*	F	55	French and Ecuadorian	0	13/04/2023	2025 AGM	●				★		●
Anne Lalou	F	60	French	0	18/02/2015	2026 AGM				●	●	★	★
Catherine Pariset	F	70	French	0	14/12/2016	2027 AGM	●	●	★	●			●
Laurent Seyer	M	58	French	0	13/12/2021	2026 AGM	★	★	●			●	●
Nicolas de Tavernost	M	73	French	0	31/07/2021	2025 AGM				★	●		●
Directors from Banques Populaires													
Sylvie Garcelon	F	58	French	0	10/02/2016	2024 AGM			●			●	●
Dominique Garnier	M	62	French	0	28/05/2021	2024 AGM	●	●		●			●
Philippe Hourdain	M	67	French	0	23/06/2020	2026 AGM					●		●
Catherine Leblanc	F	68	French	0	23/06/2020	2025 AGM				●			●
Directors from Caisses d'Epargne													
Valérie Savani	F	54	French	0	15/12/2022	2027 AGM			●		●		●
Dominique Duband	M	65	French	0	06/02/2020	2026 AGM						●	●
Laurent Roubin	M	54	French	0	22/09/2021	2024 AGM	●	●			●		●
Christophe Pinault	M	62	French	0	20/12/2018	2025 AGM	●	●		●			●
Non-voting member													
Henri Proglio	M	74	French	0	04/04/2019	2027 AGM				●			●
NUMBER OF MEETINGS IN 2023*							7	6	5	3	4	2	1

★ *Chairman / Chairwoman* ● *Member / Participant*
* *at 31/12/2023*
(a) *These shares are held by BPCE.*
(b) *Director whose term of office ended during fiscal year 2023.*

2.1.4 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: https://natixis.groupebpce.com/articles/recommandations-Afep-Medef/?lang=fr.

As part of the "comply or explain" rule referred to in Article 28.1 of the Afep-Medef code, Natixis believes that its practices comply with the recommendations of the Afep-Medef code. However, some recommendations given 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:

The Audit Committee **(Article 17.1 of the Afep-Medef 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 Caisses d'Epargne and the Banques Populaires banks, in addition to a Groupe BPCE representative). Strict compliance with the recommendations of the Afep-Medef code on the composition of the Audit Committee would require Natixis' independent directors to systematically participate in more than three Specialized Committees, which would not be compatible with the need to devote sufficient time to the Committee's work. 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.
The Appointments Committee **(Article 18.1 of the Afep-Medef code)** "It must not include any Executive corporate officers and must be composed of a majority 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. Following the example of the Audit Committee, strict compliance with the recommendations of the Afep-Medef code on the composition of the Appointments Committee would require Natixis' independent directors to systematically participate in more than three Specialized Committees, which would not be compatible with the need to devote sufficient time to the Committee's work. 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.
The Compensation Committee **(Article 19.1 of the Afep-Medef code)** "It must not include any Executive corporate officers and must be composed of a majority of independent directors."	The number of independent directors on the Natixis' 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. Following the example of the Audit Committee and the Appointments Committee, strict compliance with the recommendations of the Afep-Medef code on the composition of the Compensation Committee would require Natixis' independent directors to systematically participate in more than three Specialized Committees, which would not be compatible with the need to devote sufficient time to the Committee's work. That is why Natixis promotes a balance of directors within the Committee, which is, additionally, always chaired by an independent director.
Session of the Board of Directors held without the executive directors **(Article 12.3 of the Afep-Medef code)** "It is recommended that at least one meeting be held each year without the presence of Executive corporate officers."	Natixis does not have an executive director on its Board. Stéphanie Paix is the Chief Executive Officer of Natixis but not a director. The Natixis Board of Directors does not formaly hold meetings without the presence of the executive director. However, the Chief Executive Officer was not present at the part of the Board of Directors' meeting during which his performance was evaluated and his compensation set.
Director's ethics **(Article 21 of the Afep-Medef code)** "(...) the director must be a shareholder in a personal capacity and (...) hold a minimum number of shares, which is significant in relation to the compensation allocated to him or her."	The Company's shares are not offered to the public and are not admitted for trading on a regulated market. In addition, BPCE holds 99.94% of the share capital at December 31, 2023.
Shareholding requirements for Executive corporate officers **(Article 24 of the Afep-Medef 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 99.94% of the share capital at December 31, 2023.
Equity ratio **(Article 27.2 of the Afep-Medef 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."	As Natixis has not been listed since July 2021, this recommendation of the Afep-Medef code is not applicable.

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

Nicolas Namias

Chairman of the BPCE Management Board

Born: 25/03/1976

Nationality: French

Adress:

7 promenade Germaine Sablon
75013 Paris

Chairman of the Board of Directors

First appointed: co-opted as a Director and appointed Chairman of the Board by the Board of Directors' meeting of 01/12/2022 with effect from 03/12/2022

Term expires:
2027 AGM [(a)]

Member – Strategic Committe

Firts appointed:
Board of Directors' meeting of 01/12/2022, with effect from 03/12/2022

KEY ADVISORY SKILLS

Refer to the skills mapping in Section [2.2.1.1. C]

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 (AMF). 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 financing 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 capacity, he coordinates all external growth operations conducted by Natixis. 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 member of the BPCE Management Board in charge of Finance and Group Strategy.

From August 3, 2020 to December 2, 2022, Nicolas Namias was Chief Executive Officer of Natixis and a member of the BPCE Management Board.

Nicolas Namias was appointed Chairman of the BPCE Management Board and Chairman of the Natixis Board of Directors as of December 3, 2022.

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

Other offices held in 2023:

Within Groupe BPCE

- Member of the BPCE Management Board *(since 01/06/2018)* and Chairman of the Management Board *(since 03/12/2022)*
- Chairman of SAS CE Holding Participations *(from 05/01/2023 to 31/10/2023)*
- Chairman of the Board of Directors of Natixis Investment Managers *(from 28/08/2020 to 10/02/2023)*
- Director of Solomon Partners GP LLC *(from 14/09/2020 to 07/02/2023)*

Outside Groupe BPCE

- Chairman of the Association Française des Établissements de Crédit et des Entreprises d'Investissement *(from 03/12/2022 to 31/08/2023)*
- Director of :CNP Assurances [(1)] *(since 07/12/2022)*, AROP (*Association pour le Rayonnement de l'Opéra*) *(since 18/04/2023)*
- Managing Director of SCI Nantucket *(since July 2018)*
- Member of the Executive Committee of the Fédération Bancaire Française (French Banking Federation) *(since 03/12/2022)* and Chairman *(since 01/09/2023)*
- Member of the Association Française Bancaire (French Banking Association) *(since 03/12/2022)*
- Non-voting member of ODDO BHF *(since 30/03/2023)*
- Treasurer of the Association des amis de l'Église d'Ars en Ré *(since 2021)*

Positions or offices held in previous fiscal years:

- Permanent representative of BPCE, Director of: Crédit Foncier de France *(from 01/06/2018 to 31/07/2019)*, CE Holding Participations *(from 01/06/2018 to 01/12/2020)*
- Chairman of the Board of Directors of: GIE BPCE Financial Services *(from 18/04/2019 to 15/10/2020)*, Crédit Foncier de France *(from 01/06/2019 to 30/09/2020)*, Coface S.A. [(1)] *(from 09/09/2020 to 10/02/2021)*, Natixis Payment Solutions *(from 10/09/2020 to 12/04/2022)*, Natixis Assurances *(from 21/09/2020 to 08/04/2022)*
- Director of Natixis Coficiné *(from 07/02/2018 to 05/05/2020)*
- Permanent Representative of Natixis, Director of IFCIC (*Institut pour le Financement du Cinéma et des Industries Culturelles*) *(from 16/12/2016 to 16/06/2020)*
- Deputy Chief Executive Officer of CE Holding Participations *(from 06/06/2018 to 01/12/2020)*

(a) 2027 AGM called to approve the financial statements for the fiscal year ended 31/12/2026.
(1) Listed company.

Stéphanie Paix

Chief Executive Officer of Natixis

Born: 16/03/1965

Nationality: French

Adress:

7 promenade Germaine Sablon
75013 Paris

First appointed:
Board of Directors' meeting of 01/12/2022, with effect from 03/12/2022

Term expires:
2026 AGM [(a)]

KEY ADVISORY SKILLS

Mastery of issues related to finance, corporate strategy, business development, retail banking, risk and banking audit

Graduate of IEP Paris and holder of Certificat administrateur of Société IFA/Sciences Po, Stéphanie Paix has been working for Groupe BPCE since 1988.

Inspector then Head of Mission at the Banque Fédérale des Banques Populaires (1988-1994), she joined the Banque Populaire Rives de Paris as Regional Director and, subsequently, Director of Production and General Organization (1994-2002). In 2002, she joined Natexis Banques Populaires, where she successively held the positions of Head of Operations Management and then Head of Cash Management and Operations (2002-2005). In 2006, she became Chief Executive Officer of Natixis Factor before becoming Chief Executive Officer of Banque Populaire Atlantique (2008 to 2011).

Stéphanie Paix was Chairman of the Management Board of Caisse d'Epargne Rhône Alpes from the end of 2011 to November 12, 2018. At that date, she joined BPCE and became Deputy Chief Executive Officer in charge of Group General Inspection. In January 2022, Stéphanie Paix was appointed Group Chief Risk Officer at BPCE.

Since December 3, 2022, she has been Chief Executive Officer of Natixis.

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

Other positions/offices held in 2023:

Within Groupe BPCE

- Member of the BPCE Senior Management Committee *(since January 2022)*
- Chairman of the Board of Directors of: Natixis Investment Managers *(since 10/02/2023)*, Natixis Partners Iberia *(since 03/11/2023)*, Fenchurch Advisory Partners LLP *(since 08/12/2023)*, Ostrum Asset Management *(since 12/12/2023)*
- Chairman of the Supervisory Board of Natixis Partners *(since 26/07/2023)*
- Director of Solomon Partners GP LLC *(since 07/02/2023)*, of GIE BPCE Achats *(from 06/12/2023 to 23/02/2024)*
- Director and Chairman of the Board of Directors of Vermilion Partners (Holding) Limited *(from 26/09/2023 to 01/03/2024)*
- Director and Chairman of the Board of Directors of Azure Capital Holding PTY LTD *(since 11/09/2023)*
- Permanent Representative of Natixis S.A., Director of BPCE IT *(from 15/12/2023 to 31/12/2023)* and ALBIANT IT *(from 15/12/2023 to 31/12/2023)*

Outside Groupe BPCE

- Since 01/06/2018, Director, member of the Audit Committee and member of the Compensation and Appointments Committee of Samse (*Chairman of the latter Committee since June 2020*)

Positions or offices held in previous fiscal years:

- None

(a) 2026 AGM called to approve the financial statements for the fiscal year ended 31/12/2025.

BPCE - Permanent representative Catherine Halberstadt

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

BPCE:

Adress:

7 promenade Germaine Sablon
75013 Paris

Catherine Halberstadt:

Born: 09/10/1958

Nationality: French

Adress:

7 promenade Germaine Sablon
75013 Paris

Director

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

Term expires:
2027 AGM [(a)]

Member – Audit Committe

First appointed:
Board of Directors' meeting of 21/12/2017

Member – Risk Committee and US 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]

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, Catherine Halberstadt served as the member of BPCE Management Board in charge of Human Resources, Internal Communications and the General Secretary's Office of BPCE.

Catherine Halberstadt was a member of the BPCE Management Board 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 Expertises (SEF) activities.

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

Other offices held in 2023:

Within Groupe BPCE

- Member of the Senior Management Committee in charge of Financial Solutions and Expertise (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 Solutions Immobilières (since 31/03/2021), Pramex International *(since 15/04/2021)*, BPCE Factor *(since 22/04/2021)*, Compagnie Européenne de Garanties et Cautions (CEGC) *(since 22/04/2021)*
- Permanent Representative of BPCE, Director of BPCE Solutions Informatiques *(since 01/01/2022)*

Outside Groupe BPCE

- Non-voting member of Bpifrance *(since 18/12/2020)*
- Director of La Montagne *(from 28/04/2022 to 15/06/2023)*

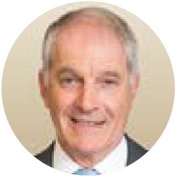
Positions or offices held in previous fiscal years:

- Director of Crédit Foncier *(from 10/05/2012 to 02/12/2020)*
- Director of Bpifrance Financement *(since 12/07/2013)*, Chairwoman of the Appointments Committee and the Compensation Committee, Chairwoman of the Audit Committee and member of the Risk Committee of Bpifrance Financement *(from 24/09/2015 to 18/12/2020)* [(1)]
- Director of Oney Bank *(from 14/04/2021 to 21/09/2022)*

(a) *2027 AGM called to approve the financial statements for the fiscal year ended 31/12/2026.*
(1) *Non-Group company.*

Dominique Duband

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



Born: 10/03/1958

Nationality: French

Adress:

53 rue de Laxou
54000 Nancy

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

In 1991, Dominique Duband joined Batigère Groupe 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 member of 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.

Director

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

Term expires:
2026 AGM [(a)]

Member – Strategic Committe

First appointed:
Board of Directors' meeting of 06/02/2020

Member – CSR Committee

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

KEY ADVISORY SKILLS

Refer to the skills mapping in Section [2.2.1.1. C]

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

Other offices held in 2023:

Within Groupe BPCE

- Chairman of the Steering & Supervisory Board, member of the Risk Committee, Chairman of the Compensation Committee and member of the Appointments Committee of Caisse d'Epargne et de Prévoyance Grand Est Europe CEGEE *(since 28/05/2018)*
- Director of Société Locale d'Épargne Meurthe-et-Moselle *(since 15/02/2016)* and Chairman *(since January 2021)*

Outside Groupe BPCE, within Batigère Groupe

- Chairman of Avec Batigère (association) *(since 29/06/2017)*
- Director of: Batigère Groupe *(since 20/07/2017)*, Livie *(since 27/06/2018)*, AMLI (association) *(since 18/06/2008)*, Avec Batigère (association) *(since 29/06/2017)*, Fondation d'Entreprise Batigère *(since 22/05/2017)*, Coallia (association) *(since 26/06/2019)*, Batigère Habitats Solidaires *(since 30/06/2022)*
- Chairman of the Board of Directors of Interpart *(since 28/06/2018)*

Positions or offices held in previous fiscal years:

- Director of Érigère *(from 29/06/2009 to 14/06/2019)*
- Director of Batigère Rhône-Alpes *(from 19/06/2008 to 17/09/2020)*
- Director of GIE Batigère Développement Grand Paris *(from 27/06/2017 to 15/05/2019)*
- Member of the Supervisory Board of Batigère *(from 29/06/2017 to 25/03/2019)*
- Permanent Representative of Batigère Groupe, member of the Supervisory Board of Batigère en Île-de-France *(from 26/06/2018 to 31/10/2019)*
- Member of the Supervisory Board of: Banque BCP Luxembourg *(from 03/07/2018 to the end of October 2021)*
- Director of Présence Habitat *(from 18/06/2009 to 20/06/2022)*
- Fédération Nationale des S.A. et Fondations d'HLM *(from 16/06/2016 to 23/06/2022)*
- Coallia Habitat *(from 26/06/2019 to 30/06/2022)*

(a) 2026 AGM called to approve the financial statements for the fiscal year ended 31/12/2025.

Sylvie Garcelon

Chief Executive Officer of Banque Populaire Aquitaine Centre Atlantique

Born: 14/04/1965

Nationality: French

Adress:

10 quai des Queyries
33072 Bordeaux Cedex

Director

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

Term expires:
2024 AGM [(a)]

Member – Audit Committe

First appointed:
Board of Directors' meeting of 10/02/2016

Member – Strategic Committee

First appointed:
Board of Directors' meeting of 10/02/2016

Member – CSR Committee

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

KEY ADVISORY SKILLS

Refer to the skills mapping in Section [2.2.1.1. C]

A graduate of SKEMA BUSINESS SCHOOL, Sylvie Garcelon joined the Banques Populaires group in 1987 in the General Inspection. In 1994, she became General Secretary at SBE before joining the Finance division of BRED in 2000. In 2003, she joined Natexis 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.

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

Other offices held in 2023:

Within Groupe BPCE

- Chief Executive Officer of Banque Populaire Aquitaine Centre Atlantique *(since 01/04/2021)*
- Chairwoman of Ouest Croissance Gestion *(since 31/03/2023)*
- Director of I-BP *(from 01/04/2021 to 01/11/2023)*
- Permanent Representative of BPACA, Chairwoman of: BP Immo Nouvelle Aquitaine *(since 01/04/2021)*, Ouest Croissance *(since 24/06/2021)*
- Permanent representative of BPACA, Director of SOCAMA Aquitaine Centre Atlantique *(since 19/05/2021)*, Albian-IT *(since 01/04/2021)*, GIE BPCE IT *(since 07/05/2021)*, BPCE Solutions Informatiques *(since 01/01/2022)*
- Permanent Representative of Ouest Croissance, Director of BP Développement *(from 24/06/2021 to 12/05/2023)*
- Director and Treasurer of the Fédération Nationale des Banques Populaires *(since 04/04/2017)*

Positions or offices held in previous fiscal years:

- Chief Executive Officer, member of the Senior Management Committee of CASDEN Banque Populaire *(from 27/05/2015 to 31/03/2021)*
- Director of Banque Palatine, member of the Audit Committee and the Risk Committee *(from 05/10/2016 to 16/05/2020)*, of the Fondation d'Entreprise Banque Populaire *(from 14/06/2016 to 24/11/2022)*, Foncière Aquitaine Poitou Charente *(from 01/06/2021 to 31/12/2022)*, of BRG Sud-Ouest Investissement *(from 01/04/2021 to 31/12/2022)*, of Rebondir Nouvelle Aquitaine *(from 01/04/2021 to 31/12/2022)*, of CNRS *(from 24/11/2017 to 22/11/2021)*
- BPCE non-voting member *(from 20/12/2018 to 27/05/2021)*

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

Dominique Garnier

Chief Executive Officer of Banque Populaire Alsace Lorraine Champagne

Born: 20/06/1961

Nationality: French

Adress:

3 rue François de Curel
57000 Metz

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 Expertises (SEF) division before being appointed **Chief Executive Officer of Banque Populaire Alsace Lorraine Champagne on May 20, 2021.**

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

Director

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

Term expires:
2024 AGM [(a)]

Member – Compensation Committe

First appointed:
Board of Directors' meeting of 28/05/2021 with effect as of 29/05/2021

Member – Risk Committee and US Risk Committee

First appointed:
Board of Directors' meeting of 08/11/2023 with immediate effect

Member – Strategic Committee

First appointed:
Board of Directors' meeting of 28/05/2021 with effect as of 29/05/2021

KEY ADVISORY SKILLS

Refer to the skills mapping in Section [2.2.1.1. C]

Other offices held in 2023:

Within Groupe BPCE

- Chief Executive Officer of Banque Populaire Alsace Lorraine Champagne (BPALC) *(since 20/05/2021)*
- Director of Fédération Nationale des Banques Populaires *(since 11/06/2021)*, CARBP (BP Group Autonomous Pension Fund) *(since 20/05/2021)*, RSBP (BP Supplementary Pension) *(since 20/05/2021)*
- Member of the Supervisory Board of BCP bank *(since 04/02/2022)* and Chairman of the Supervisory Board *(from 28/03/2022 to 22/05/2023)*
- Permanent Representative of BPACA, Director of: Informatique Banques Populaires (iBP) (merged with BPCE Solutions Informatiques) *(from 20/05/2021 to 01/11/2023)*
- Permanent Representative of BPALC, Director of: BPCE Infogérance et Technologies *(since 30/03/2022)*
- Permanent Representative of BPALC, Director of: BPCE Solutions Informatiques *(since 18/03/2022)*

Outside Groupe BPCE

- Permanent Representative of BPALC, Director of: Batigère Groupe SAS *(since 25/05/2021)*
- Chairman of the Grand Est Banking Committee of the French Banking Federation *(since 01/01/2023)*

Positions or offices held in previous fiscal years:

- 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 to March 2019)*
- Chief Executive Officer, member of the BPCE Senior Management Committee in charge of the Financial Solutions and Expertises (SEF) division *(from April 2019 to the end of May 2021)*
- Chairman of the Board of Directors of BPCE Factor *(from April 2019 to 22/04/2021)*
- Chairman of the Board of Directors of BPCE Lease *(from April 2019 to 26/03/2021)*
- Chairman of the Board of Directors of BPCE Financement *(from 2019 to 15/04/2021)*
- Chairman of the Board of Directors of Pramex International *(from June 2019 to 15/04/2021)*
- Chairman of the Board of Directors of BPCE Solutions Immobilières *(from March 2019 to March 2021)*
- Chairman of the Board of Directors of CEGC *(from April 2019 to 01/04/2021)*
- Chairman of the Board of Directors of Oney Bank *(from October 2019 to 14/04/2021)*
- Chairman of the Supervisory Board of SOCFIM (Société Centrale pour le Financement de l'Immobilier) *(from February 2019 to March 2021)*

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

Philippe Hourdain

Chairman of the Board of Directors of Banque Populaire du Nord

Born: 19/06/1956

Nationality: French

Adress:

847 avenue de la République
59700 Marcq-en-Baroeul

Director

First appointed:
Board of Directors' meeting of 23/06/2020

Term expires:
2026 AGM [(a)]

Member – Appointments Committe

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

Refer to the skills mapping in Section [2.2.1.1. C]

Philippe Hourdain holds a postgraduate degree from the IAE in Lille. He began his career in 1979 as a salesman for France Rail Publicité and then as Regional Manager.

In 1983, he became Sales Director of Épure (an advertising publishing agency) and in 1986 was appointed as a Project Manager at the French Ministry for Industry, seconded to the Secretary of State for Tourism. He was then appointed Sales Director of Techniphoto (industrial printing company) from 1988 to 1994. He then became Chairman of SAS Investissements et Action from 1994 to 2018. Philippe Hourdain was also the founding Chairman of HPC-ADLIS from 1994 to 2018. Philippe Hourdain has been Chairman of CCI Région Hauts de France since 2016.

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

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

Other offices held in 2023:

Within Groupe BPCE

- Chairman of the Board of Directors of Banque Populaire du Nord *(since 16/10/2016)*
- Treasurer of the Fédération Nationale des Banques Populaires *(since 08/04/2022)*
- Director of the Fédération Nationale des Banques Populaires *(since 16/10/2016)*

Outside Groupe BPCE

- Chairman of CCI Région Hauts de France *(since 23/06/2016)*
- Chairman of Investissements et Actions *(since 01/01/2023)*
- Director of Carrières du Boulonnais *(since 25/06/2022)*

Positions or offices held in previous fiscal years:

- Chairman of the Norlink Ports association *(from 25/01/2017 to December 2019)*
- Director of the Groupement des Acteurs Régionaux Portuaires (GARP) *(from 26/11/2019 to 31/12/2019)*, BPCE Financement *(from 27/11/2018 to 25/11/2020)*, of SAS CCIWEBSTORE *(from 26/09/2018 to 31/12/2022)*
- Chairman of Ports de Lille *(from February 2010 to the end of April 2020)*, of GIE CMDU *(from 20/04/2012 to 30/09/2020)*
- Non-associate Managing Director of SCI Templemars 4 *(from 17/08/2018 to 31/12/2022)* of SCI Lille II *(from 19/01/2005 to 31/12/2022)*

(a) 2026 AGM called to approve the financial statements for the fiscal year ended 31/12/2025.

Anne Lalou

Deputy Chief Executive Officer of Web School Factory and Chairwoman of Innovation Factory

Born: 06/12/1963

Nationality: French

Adress:

96 rue Didot
75014 Paris

Independant director

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

Term expires:
2026 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 – CSR Committee

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

KEY ADVISORY SKILLS

Refer to the skills mapping in Section [2.2.1.1. C]

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 is Deputy Chief Executive Officer of the Web School Factory and Chairwoman of the Innovation Factory.

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

Other offices held in 2023:

Within Groupe BPCE

- Director of the Web School Factory *(since September 2023)*
- Chairwoman of the Innovation Factory *(since 2016)*
- Director *(since 18/03/2014)*, member of the Ethics, Quality and CSR Committee *(since 22/06/2017)* and Chairwoman of the Compensation and Appointments Committee *(since October 2020)* of Clariane (formerly Korian) [(1)]
- Member of the Ethics Committee of M6 *(since July 2017)*

Positions or offices held in previous fiscal years:

- Chairwoman of the Ethics, Quality and CSR Committee of Clariane (formerly Korian) *(from 22/06/2017 to October 2020)*
- Member of the Supervisory Board *(since 07/05/2010)*, Chairwoman of the CSR Committee *(since 2014)*, member of the Finance Committee *(since 2012)* and member of the Digital Committee of Eurazeo *(from 2021 until the end of May 2022)*

(a) 2026 AGM called to approve the financial statements for the fiscal year ended 31/12/2025.
(1) Listed company.

Catherine Leblanc

Chairwoman of the Board of Directors of Banque Populaire Grand Ouest

Born: 11/02/1955

Nationality: French

Adress:

15 boulevard de la Boutière
35768 Saint-Grégoire Cedex

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 Research Department of the Paris Chamber of Commerce and Industry. She held various positions including Head of the Legal Department, Director of Finance and Human Resources (from 1990 to 1999) and Director of Development (from 1999 to 2000). At the same time she taught European Business Law and International HR Management at ESCP.

In 2001, she joined the ESSCA School of Management as Academic and Research Director. She was then the Chief Executive Officer from 2007 to December 2018. She leads the Group's national and international development, with two campuses abroad – in Shanghai and Budapest – the completion of double degrees in North & South America and Asia, and the award of international labels.

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

Director

First appointed:
co-opted by the Board of Directors' meeting of 23/06/2020

Term expires:
2025 AGM [(a)]

Member – Compensation Committe

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]

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

Other offices held in 2023:

Within Groupe BPCE

- Chairwoman of the Board of Directors of Banque Populaire Grand Ouest *(since 21/05/2019)*
- Member *(since 21/05/2019)* then treasurer of the Fédération Nationale des Banques Populaires *(since 21/09/2023)*

Outside Groupe BPCE

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

Positions or offices held in previous fiscal years:

- Managing Director of SCI Boudou Bleu [(b)] *(from 2002 to 2019)*
- Member of the International Advisory Board of the Antwerp Management School [(b)] *(from January 2016 to December 2019)*
- Member of the International Advisory Board of Deakin University [(b)] *(from March 2016 to December 2019)*
- Vice-Chairwoman of Banque Populaire Grand Ouest *(from 07/12/2017 to 21/05/2019)*
- Director of BPCE Factor *(from 02/12/2016 to 03/12/2020*

(a) 2025 AGM called to approve the financial statements for the fiscal year ended 31/12/2024.
(b) Non-Group company.

Delphine Maisonneuve
(since April 13, 2023)
Chief Executive Officer of Groupe VYV

Born: 26/09/1968

Nationality: French and Ecuadorian

Adress:

62-68 rue Jeanne d'Arc
75013 Paris

Independant director

First appointed:
co-opted by the Board of Directors' meeting of 13/04/2023 and ratified at the AGM of 23/05/2023

Term expires:
2025 AGM [(a)]

Chairwoman – Appointments Committee

First appointed:
Board of Directors' meeting of 13/04/2023

Member – Strategic Committee

First appointed:
Board of Directors' meeting of 13/04/2023

Member – Risk Committee

First appointed:

Board of Directors' meeting of 08/11/2023

KEY ADVISORY SKILLS

Refer to the skills mapping in Section [2.2.1.1. C]

A graduate of *École Centrale de Lyon* (as an engineer), Delphine Maisonneuve began her career in 1991 with AXA France, as an Organization Project Manager until 1993, then as a Sales Inspector for the General Agents Network – North East Region from 1994 to 1999.

She subsequently held various positions in Spain and France. From 2000 to 2003, she joined AXA Seguros as Methods and Business Development Manager. She then became Distribution Director of the AXA Group from 2004 to 2006. She then joined AXA France, where she held the following successive positions: Head of Sales and Distribution Ile-de-France from 2007 to March 2011, Head of the Property & Casualty (IARD) Professional and Personal Markets from March 2011 to March 2015, and Head of the Property & Casualty (IARD) Personal and Professional Markets from March 2015 to June 2018.

Following these functions, she was Chief Executive Officer of AXA Brazil from July 2018 to December 2019.

In January 2020, she was appointed Chief Executive Officer of AXA Next (entity dedicated to Axa's global innovation strategy) and Group Chief Innovation Officer until April 2021.

Since June 2021, she has been Chief Executive Officer of Groupe VYV, a mutual health and social protection player, bringing together Harmonie Mutuelle, MGEN, MNT, MMG, SMACL mutuelle, UMG VyV3 and Groupe Arcade-VYV. As part of her functions, she is also Executive Director and Operational Manager of the prudential insurance group and Operational Manager of VyV3 in charge of the Care and Support activities, and CEO of VyV Invest.

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

Other offices held in 2023:

- None

Positions or offices held in previous fiscal years:

- Director of AXA Partners *(from January 2020 to April 2021)*, of AXA France Vie *(from June 2020 to April 2021)*, of AXA France IARD *(from June 2020 to April 2021)*

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

Catherine Pariset

Member of the Board of Directors of Stellantis Financial Services, Generali Vie and Generali IARD

Born: 22/08/1953

Nationality: French

Adress:

19 rue Ginoux
75015 Paris

Independant director

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

Term expires:
2027 AGM [(a)]

Chairwoman – Audit Committee

First appointed:
Board of Directors' meeting of 14/12/2016

Member – Risk Committee and US Risk Committee

First appointed:
Board of Directors' meeting of 14/12/2016

Member – Compensation Committee

First appointed:
Board of Directors' meeting of 08/11/2023

Member – Strategic Committee

First appointed:
Board of Directors' meeting of 14/12/2016

KEY ADVISORY SKILLS

Refer to the skills mapping in Section [2.2.1.1. C]

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.

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

Other offices held in 2023:
Outside Groupe BPCE

- Director, Chairwoman of the Appointments and Compensation Committee, member of the Audit Committee and of the Risk Committee of Stellantis Financial Services (formerly Banque PSA Finance) *(since 22/02/2019)*
- Director and member of the Specialized Committees of Generali Vie and Generali IARD *(since 11/03/2020)* and Generali Retraite *(since 16/11/2022)*

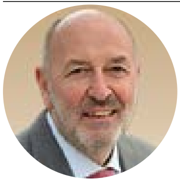
Positions or offices held in previous fiscal years:

- None

(a) *2027 AGM called to approve the financial statements for the fiscal year ended 31/12/2026.*

Christophe Pinault

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



Born: 26/11/1961

Nationality: French

Adress:

15, avenue de la Jeunesse
44703 Orvault Cedex

Director

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

Term expires:
2025 AGM [(a)]

Member – Risk Committee and US 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' meting of 20/12/2018

KEY ADVISORY SKILLS

See the mapping of expertise in Section [2.2.1.1. C]

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.

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

Other offices held in 2023:

Within Groupe BPCE

- Chairman of the Management Board of Caisse d'Epargne Bretagne Pays de Loire CEBPL *(since 24/04/2018 – Reappointed on 25/02/2022)*
- 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)*, Fonds de Dotation Caisse d'Epargne Bretagne Pays de Loire *(since 06/07/2020)*
- Permanent Representative of CEBPL, Director of GIE IT-CE *(from 14/05/2018 to 01/11/2023)* and of Groupe Habitat en Région *(since 22/04/2021)*
- Director of FNCE *(since 27/04/2018)*
- Director of Turbo *(since 18/07/2019)* and Chairman of the Board of Directors *(since 10/05/2022)*
- Director and Treasurer of the Belem Foundation *(since 02/07/2015)*

Outside Groupe BPCE

- Chairman of comité régional des banques FBF Pays de la Loire *(since 02/06/2022)*

Positions or offices held in previous fiscal years:

- Director of BPCE Assurances *(since 12/06/2007)* and member of the Audit and Risk Committee *(from 05/12/2017 to 02/07/2020)*
- Director of Natixis Investment Managers *(from 21/05/2013 to 09/12/2020)* and member of the Audit and Accounts Committee *(from 12/12/2017 to 09/12/2020)* then Chairman of the Audit and Accounts Committee *(from 11/09/2018 to 09/12/2020)*
- Chairman of the Supervisory Board of CE Développement SAS *(from 13/12/2016 to 03/12/2020)*
- Member of the Supervisory Board of Seventure Partners *(from 25/07/2016 to 16/12/2020)*
- Member of the Supervisory Board of Alliance Entreprendre SAS *(from 29/09/2016 to 17/11/2020)*
- Member of the Supervisory Board of Caisse d'Epargne Capital *(since 08/11/2016)*, then Chairman *(from 14/06/2017 to 15/12/2020)*

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

Laurent Roubin

Chairman of the Management Board of Caisse d'Epargne et de Prévoyance des Hauts de France

Born: 02/11/1969

Nationality: French

Adress:

612 rue de la Chaude Rivière
59800 Lille

Director

First appointed:
co-opted by the Board of Directors' meeting of 22/09/2021 and ratified at the AGM of 22/03/2022

Term expires:
2024 AGM [(a)]

Member – Risk Committee and US 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

Refer to the skills mapping in Section [2.2.1.1. C]

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

He began his career in 1992 at the Compagnie Bancaire Group holding company, then in the Risk division of Cetelem Spain (BNP PARIBAS Group). In 1996, he joined PricewaterhouseCoopers Management, and in 2020 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.

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

Other offices held in 2023:

Within Groupe BPCE

- Chairman of the Management Board of Caisse d'Epargne Hauts de France *(since 19/10/2018 and renewed on 23/06/2023)*
- Chairman of the Board of Directors of SIA Habitat *(since 12/11/2018)*
- Vice-Chairman and member of the Board of Directors 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)* and Chairman of the Compensation Committee *(since 14/06/2019)*
- Permanent Representative of CEHDF, member of the Board of Directors of SAS Groupe Habitat en Région *(since 22/04/2021)* and member of the Compensation Committee *(since 27/07/2021)*
- Permanent Representative of CEHDF, Managing Director of SNC Écureuil 5 rue Masseran *(since 05/05/2021)*

Outside Groupe BPCE

- Permanent Representative of CEHDF, member of the Board of Directors of Groupe IRD *(since 01/01/2022)* then Chairman of the Appointments and Compensation Committee *(since 14/04/2023)* and member of the Strategic Finance Committee *(since 27/06/2023)*

Positions or offices held in previous fiscal years:

- Member of the Supervisory Board of Fidor Bank *(from 23/03/2017 to 22/07/2019)*
- Chairman of the Comité Régional FBF des Hauts-de-France *(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 16/12/2021)*
- Director of Fondation d'Entreprise Caisse d'Epargne Hauts de France *(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 *(from 12/11/2018 to 25/06/2021)*
- Permanent Representative of CEHDF, member of the Supervisory Board of Euratechnologies *(from 29/01/2019 to 30/06/2022)*
- Permanent Representative of CDHDF, Treasurer of the Fondation des Possibles – Fondation d'Entreprise *(from 12/11/2018 to 06/03/2022)*
- Chairman of the Compensation Committee of SIA Habitat *(from 12/12/2018 to 18/10/2022)*
- Permanent Representative of CEHDF, member of the Board of Directors of IT-CE *(from 01/01/2022 to 31/12/2023)*

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

Valérie Savani

Chairwoman of the Steering & Supervisory Board of Caisse d'Epargne Loire-Centre

Born: 06/05/1969

Nationality: French

Adress:

12, rue de Maison Rouge
45146 Saint-Jean-de-la-Ruelle

Director

First appointed:
co-opted by the Board of Directors' meeting of 15/12/2022

Term expires:
2027 AGM [(a)]

Member – Appointments Committee

Firts appointed:
Board of Directors' meeting of 15/12/2022

Member – Audit Committee

First appointed:
Board of Directors' meeting of 15/12/2022

Member – Strategic Committee

First appointed:
Board of Directors' meeting of 15/12/2022

KEY ADVISORY SKILLS

Refer to the skills mapping in Section [2.2.1.1. C]

A graduate of the University of *Paris II Panthéon-Assas*, with a Magister in Banking and Finance and a postgraduate degree in Financial and Stock Market Techniques, and a CAPES in Economics and Social Sciences, Valérie Savani began her career in 1995 as a Professor of Economics and Social Sciences.

In 2000, she became an assessor at the Juvenile Court of Bourges, a position she still holds today. At the same time, she was elected municipal councilor of the city of Saint Doulchard (18) from 2001 to 2007.

In 2015, Valérie Savani joined Groupe BPCE. In January 2015, she became Vice-Chairwoman of Société Locale d'Epargne Bourges et Boischaut, a company affiliated with Caisse d'Epargne Loire-Centre.

In April 2015, she was appointed member of the Steering & Supervisory Board of Caisse d'Epargne Loire-Centre.

Since April 21, 2021, Valérie Savani has been Chairwoman of the Supervisory Board of Caisse d'Epargne Loire-Centre.

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

Other offices held in 2023:

Within Groupe BPCE

- Member *(since 16/04/2015)*, then Chairwoman *(since 21/04/2021)* of the Steering & Supervisory Board of Caisse d'Epargne Loire-Centre, Chairwoman of the Appointments Committee and member of the Compensation Committee *(since 21/04/2021)*, member of the Audit Committee and Risk Committee *(since 30/06/2015)*
- Vice-Chairwoman of the Board of Directors of SLE Bourges et Boischaut *(since 01/01/2015)*
- Member of the Board of Directors of: FNCE *(since 21/04/2021)*, CE Holding Participations *(from 19/05/2021 to 31/10/2023)*, Fondation d'entreprise Caisse d'Epargne Loire-Centre *(since 25/06/2021)*, BPCE Payments *(since 01/03/2022)*

Outside Groupe BPCE

- Professor of economic and social sciences at the Education Nationale *(since 1995)*
- Assessor at the Juvenile Court of Bourges *(since January 2000)*
- Co-Managing Director of SCI Kerbeler *(since 2022)*

Positions or offices held in previous fiscal years

- None

(a) 2027 AGM called to approve the financial statements for the fiscal year ended 31/12/2026.

Laurent Seyer

Chairman of Ellesse SAS

Born: 16/02/1965

Nationality: French

Adress:

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

Independant director

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

Term expires:
2026 AGM [(a)]

Chairman – Risk Committee and US 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 – CSR 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

Refer to the skills mapping in Section [2.2.1.1. C]

Laurent Seyer spent 24 years at Société Générale where he held various management positions in the General Inspection, mergers & acquisitions and equity derivatives. He was Chief Executive Officer 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.

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

Other offices held in 2023:

Outside Groupe BPCE

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

Positions or offices held in previous fiscal years:

- None

(a) *2026 AGM called to approve the financial statements for the fiscal year ended 31/12/2025.*

Nicolas de Tavernost

Chairman of the Groupe M6 Management Board

Born: 22/08/1950

Nationality: French

Adress:

89, Avenue Charles de Gaulle
92575 Neuilly-sur-Seine Cedex

Independant director

First appointed:
Board of Directors' meeting 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

Refer to the skills mapping in Section [2.2.1.1. C]

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 Chief Executive Officer of Métropole Télévision M6, where he has served as Chairman of the Management Board since 2000.

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

Other offices held in 2023:

Within Groupe M6 and Groupe RTL

- Chairman of the Groupe M6 Management Board [(1)] *(since May 2000)*
- Chairman and Director of Société Nouvelle de Distribution *(since June 2019)*
- Chairman and Chief Executive Officer and Director of M6 Plateforme S.A. *(from 26/07/2022)*
- Director of Groupe M6 Fondation d'Entreprise *(since 2018)*
- Permanent Representative of M6 Publicité, Director of: M6 Diffusion S.A. *(since 2013)*, M6 Éditions S.A., M6 Événements S.A. *(since 15/03/2012)*
- 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)*, M6 Digital Services SAS *(since 14/02/2023)*, M6 Studio SAS *(since 14/02/2023)*, Chairman and member of the Shareholders' Committee of Multi 4 SAS *(since 19/06/2014)*
- 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)*
- Permanent Representative of C. Productions S.A., Director of M6 Films S.A. *(since 01/01/2015)*
- Permanent Representative of Métropole Télévision, Managing Director 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 Groupe M6 and Groupe RTL

- Director of GL Events S.A. *(since May 2008)*

Positions or offices held in previous fiscal years:

Within Groupe M6 and Groupe RTL

- Member of the Supervisory Board of Salto Gestion *(from 16/09/2019 to 10/03/2021)*
- Permanent representative of Métropole Télévision, Director of: Société Nouvelle de Distribution S.A. *(from June 2011 to 27/06/2019)*, Médiamétrie *(from 22/11/2017 to 27/04/2021)*
- Permanent representative of Métropole Télévision, Chairman of: M6 Digital Services *(from June 2011 to 01/02/2019)*, SNC Audiovisuel FF SAS *(from 20/07/2017 to 20/06/2019)*, SNC Catalog MC SAS *(from 22/07/2016 to 20/06/2019)*, M6 Bordeaux SAS *(from 2001 to 31/12/2020)*, M6 Hosting *(from 09/07/2018 to 01/02/2019)*
- Permanent Representative of M6 Publicité, Director of: Home Shopping Service S.A. *(from 2013 to 01/10/2020)*
- Chairman of SPILE (*Sortir de prison intégrer l'entreprise*), a non-profit under French law 1901, in his quality of Chairman of the Groupe M6 Management Board *(from April 2013 to 31/12/2021)*

Outside Groupe M6 and Groupe RTL

- Volunteer director of Polygone S.A. *(from 02/03/2013 to 31/12/2021)* and of the RAISE endowment fund *(from 22/11/2013 to 19/07/2022)*
- Chairman of the Association des Chaînes Privées *(from December 2020 to 31/12/2022)*

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

Henri Proglio

Chairman of Henri Proglio Consulting SAS

Born: 29/06/1949

Nationality: French

Adress:

9 avenue Percier
75008 Paris

Non-voting member

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

Term expires:
2027 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

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 Chief Executive Officer of CGEA, a subsidiary specializing in waste management and transport. In 2000, he chairs at Vivendi Environnement (Veolia Environnement), and becomes in 2003 Chairman and Chief Executive Officer.

In 2005, he was also appointed Chairman of the School Council of his graduate school, 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.

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

Other offices held in 2023:

Outside Groupe BPCE

- Chairman of Henri Proglio Consulting SAS *(since 09/01/2015)*
- Honorary Chairman of EDF [(1)] *(since 2015)*
- Director of: Dassault Aviation [(1)] *(since 2008)*, Akkuyu Nuclear JSC (Turkey) *(since 2015)*
- Chairman of the comité des Sages Dassault *(since July 2023)*
- Atalian *(from 01/09/2017 to the end of February 2023)*
- FCC *(from 27/02/2015 to the end of June 2023)*

Positions or offices held in previous fiscal years:

Outside Groupe BPCE

- Director of ABR Management Russia *(from 2014 to 04/07/2022)*

(a) 2027 AGM called to approve the financial statements for the fiscal year ended 31/12/2026.
(1) Listed company.

Exiting director in 2023

Diane de Saint Victor *(until February 8, 2023)*

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

Born: 20/02/1955

Nationality: French

Adress:

Baarerstrasse 63
6300 Zug
Switzerland

Independant director

First appointed:
co-opted by the Board of Directors' meeting of 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

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 counsel. From 1988 to 1993, she was a legal counsel at General Electric in the Healthcare division, and then in internationally division in France and the United States.

In 1993, she joined Honeywell where, for 10 years, she served as General Counsel 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 General Counsel of EADS (Airbus) in France.

From 2007 until the end of March 2020, she was General Counsel & Company Secretary of ABB. From April 2020 until the end of November 2020, she was Company Secretary of ABB.

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).

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

Other offices held in 2023:

Outside Groupe BPCE

- Member of the Board of Directors of Transocean [(1)] and member of the Audit Committee and of the Health, Safety, Environmental & Sustainability Committee *(from 07/05/2020 to 11/05/2023)*
- Member of the Board of Directors of C&A *(since 14/10/2021)*, member of the Compensation Committee *(since 14/10/2021)*, member of the Audit Committee *(since 19/10/2022)* and member of the Sustainability Committee *(since 27/03/2023)*
- 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)*
- Member of the Board of Directors of WNS and member of the Audit Committee, the Appointments Committee and Governance & Sustainability Committee *(since 01/04/2023)*

Positions or offices held in previous fiscal years:

- ABB General Counsel & Company Secretary [(1)] *(since 2007)* then Company Secretary of ABB *(from 31/03/202 to the end of November 2020)*
- General Counsel and member of the Executive Committee of ABB Ltd [(1)] *(from 2007 to 11/12/2019)*
- Member of the Board of Directors of the US Chamber of Commerce in France *(from 2017 to 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)] *(from 13/11/2019 to 31/07/2020)*
- Member of the Board of Directors, Chairwoman of the Compensation Committee and member of the Audit Committee of Altran Technologies *(from 15/05/2019 to 21/04/2020)*

(a) 2025 AGM called to approve the financial statements for the fiscal year ended 31/12/2024. It is specified that Diane de Saint Victor resigned from her directorship with effect from the end of the Board of Directors' meeting of February 8, 2023.

(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

As of February 7, 2024, the date on which the Board approved its corporate governance report, the Natixis Board of Directors had 15 directors. It is composed as follows:

- two members from BPCE, namely Nicolas Namias 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 Dominique Duband, Christophe Pinault, Laurent Roubin and Valérie Savani; and
- five independent members, namely Anne Lalou, Delphine Maisonneuve[(1)], Catherine Pariset, Laurent Seyer and Nicolas de Tavernost.

In accordance with Article L.225-27-1 of the French Commercial Code, the Natixis Board of Directors 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. Two directors of Natixis were over the age of 70 as of February 7, 2024 *(see the summary table of the Board of Directors in Section [2.1.3] of this chapter)*.

In addition, in accordance with Article 15.1 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 fiscal year 2023 that are likely to have a material impact on the Company's governance are as follows:

- on April 13, 2023, the Natixis Board of Directors:
  - co-opted, with immediate effect, **Delphine Maisonneuve**, as Director to replace Diane de Saint Victor, who resigned, for the remainder of the latter's term of office, *i.e.* until the General Shareholders' meeting of Natixis called in 2025 to approve the financial statements for the fiscal year ended December 31, 2024, and
  - appointed the latter, with immediate effect, as member and Chairwoman of the Appointments Committee and member of the Compensation Committee. Delphine Maisonneuve is also an ex-officio member of the Strategic Committee;
- on May 23, 2023, the Combined General Shareholders' meeting of Natixis:
  - ratified the co-opting of **Nicolas Namias** as Director at the Board of Directors' meeting of December 1, 2022, with effect from December 3, 2022, to replace Laurent Mignon, who resigned, for the remainder of his term of office, *i.e.* until the end of the General Shareholders' Meeting called in 2023 to approve the financial statements for the fiscal year ended December 31, 2022,
  - ratified the co-opting of **Valérie Savani** as Director at the Board of Directors' meeting of December 15, 2022, to replace Didier Dousset, who resigned, for the remainder of his term of office, i.e. until the end of the General Shareholders' Meeting called in 2023 to approve the financial statements for the fiscal year ended December 31, 2022,
  - ratified the co-opting of **Delphine Maisonneuve** as Director at the Board of Directors' meeting of April 13, 2023, to replace Diane de Saint Victor, who resigned, for the remainder of her term of office, *i.e.* until the end of the General Shareholders' Meeting called in 2025 to approve the financial statements for the fiscal year ended December 31, 2024,
  - reappointed **Nicolas Namias** as Director for a term of four (4) years, terminating at the end of the General Shareholders' Meeting called in 2027 to approve the financial statements for the fiscal year ended December 31, 2026,
  - reappointed **BPCE** as Director for a term of four (4) years, terminating at the end of the General Shareholders' Meeting called in 2027 to approve the financial statements for the fiscal year ended December 31, 2026,
  - reappointed **Catherine Pariset** as Director for a term of four (4) years, terminating at the end of the General Shareholders' Meeting called in 2027 to approve the financial statements for the fiscal year ended December 31, 2026,
  - reappointed **Valérie Savani** as Director for a term of four (4) years, terminating at the end of the General Shareholders' Meeting called in 2027 to approve the financial statements for the fiscal year ended December 31, 2026,
  - reappointed **Henri Proglio** as non-voting member for a term of four (4) years, terminating at the end of the General Shareholders' Meeting called in 2027 to approve the financial statements for the fiscal year ended December 31, 2026;
- on November 8, 2023, the Natixis Board of Directors:
  - appointed, with immediate effect, Delphine Maisonneuve and Dominique Garner, as members of the Risk Committee,
  - appointed, with immediate effect, Dominique Garnier, as a member of the US Risk Committee,
  - appointed, with immediate effect, Catherine Pariset, as a member of the Compensation Committee, to replace Delphine Maisonneuve.

(1) Co-opted by the Board of Directors' meeting of April 13, 2023, position previously held by Diane de Saint Victor.

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:

2024 AGM	Sylvie Garcelon, Dominique Garnier, Laurent Roubin
2025 AGM	Catherine Leblanc, Delphine Maisonneuve, Christophe Pinault, Nicolas de Tavernost
2026 AGM	Dominique Duband, Philippe Hourdain, Anne Lalou, Laurent Seyer
2027 AGM	Nicolas Namias, BPCE (represented by Catherine Halberstadt), Catherine Pariset, Valérie Savani, (and Henri Proglio – non-voting member)

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. This policy was approved, in its initial version, by the Board of Directors at its meeting of February 12, 2019 and updated on December 17, 2020, on December 15, 2022 and on February 7, 2024. As part of this update, the Group's diversity policy has been integrated into the policy for assessing the suitability of Natixis' executive directors, members of the Board of Directors and holders of key positions. 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 suitability 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 description

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 director,** in particular in relation to Natixis' specific activities (solid understanding of the banking and financial sector, Natixis' main business lines (Corporate & Investment Banking, Asset & Wealth Management), solvency, models, 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, environmental and social responsibility);
- **balanced representation of women an men** on the Board of Directors, with a minimum gender mix of 40%. This balance is also sought, as far as possible, in the composition and Chairmanship of the Board's Specialized Committees;
- **a balance in terms of age of the members of the Board of Directors** with a minimum target of 50% directors under the age of 65 years and;
- **the international scope of the Board of Directors,** in view of Natixis' activities and geographical deployment, with a minimum target of 33% directors with an international profile.

This policy will be applied when a new director is appointed and when the Appointments Committee and the Board of Directors perform their annual review of the Board of Directors' 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 of Directors 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 (by means of its Appointments Committee) regularly examines the best way to balance its membership and that of its Committees. To this end, the Appointments Committee assesses, at least once a year, the structure, size, adequacy of the composition 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 irectors

As part of the review of the Board of Directors' diversity, at its meeting of December 5, 2023, the Appointments Committee examined an updated mapping of the skills and expertise of members of Board to assess the level of knowledge and expertise of each director for each area of expertise considered (including the two 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 14, 2023 notably:

- noted, after a review of the fit & proper situation of the members of the Board of Directors:
  - that the rules governing the holding of multiple offices are complied with,
  - that sufficient time is devoted to the performance of their duties,
  - that nothing is likely to call into question their good repute, honesty and integrity, and
  - there are no new conflicts of interest to be declared;
- confirmed:
  - that each member of the Board of Directors makes a useful contribution to the work of the Board and its Specialized Committees,
  - that collectively, the Board of Directors has the ability to make informed decisions and the breadth of expertise required to ensure the smooth running and effective direction of the Company's business,
  - that the current composition of the Board of Directors is satisfactory and does not require the appointment of an additional independent director, and
  - that the current composition of the Specialized Committees is satisfactory;
- determined, for fiscal year 2024 the qualifications deemed necessary for the duties to be performed within the Board of Directors as presented to it; and
- noted that the complementary profiles to be favored in future searches for director candidates are those with direct or indirect skills in Natixis' business lines, economists with financial expertise, and those with international experience.

Summary of the collective skills of the members of the Board of Directors

Mapping of Natixis Board skills as of February 7, 2024

Independent directors

One third of the members of the Board of Directors are independent, in accordance with the Afep-Medef code. At February 7, 2024, the five independent directors of Natixis are: Anne Lalou (Deputy Chief Executive Officer of the Web School Factory and Chairwoman of the Innovation Factory), Delphine Maisonneuve (Chief Executive Officer of Groupe VYV), Catherine Pariset (Director of Stellantis Financial Services, Generali Vie, Generali IARD and Generali Retraite), Laurent Seyer (Chairman of Ellesse SAS) and Nicolas de Tavernost (Chairman of the Groupe M6 Management Board).

As is the case every year, at its meeting of December 14, 2023, in the light of the report submitted by the Appointments Committee, the 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 of Directors' Internal Rules *(see Section [2.2.1.2.] of this chapter)*.

The Board of Directors paid particular attention to assessing whether or not the business relationship between the companies in which the independent directors hold corporate office with Natixis or its group is significant.

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, Natixis 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. For these companies, either Natixis does not have any business relationships or it has non-material business relationships.

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 members of the Board of Directors 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.

As a result, the Natixis Board of Directors, after examining the independence criteria, confirmed the independence of Anne Lalou, Delphine Maisonneuve, Catherine Pariset, Laurent Seyer and Nicolas de Tavernost, as well as the proportion represented by independent directors on the Natixis Board, *i.e.* one third of its members.

2

Criteria to be assessed [(a)]	Anne Lalou	Delphine Maisonneuve	Catherine Pariset	Laurent Seyer	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 significant client, supplier, or corporate or investment banker or advisor (or linked directly or indirectly to these persons) to Natixis or the Group and does not derive a significant portion of business from Natixis 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 Natixis in the previous five years.	OK	OK	OK	OK	OK
Has not been a director of Natixis for more than 12 years (independent director status is lost once a director has served for 12 years).	OK	OK	OK	OK	OK
Is not a director 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.

Gender balance

As of February 7, 2024, the Board of Directors consists of seven women and eight men.

Natixis went from being a Board of Directors composed of 33% women in March 2016 (five women and ten men) to a Board composed of 47% women.

Four of the seven Specialized Committees of the Board of Directors are also chaired by a woman.

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. This policy was updated and incorporated into the Appointment and Succession Policy for the Chief Executive Officer, executive directors, and members of the Natixis Board of Directors, which was approved by the Board of Directors on February 7, 2024. This policy was established in compliance 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.

This selection, the content of which is described in the **diagram below**, concerns both group directors 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. **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 candidate's range of skills, knowledge and experience must be sufficiently broad, particularly in banking and finance, risk awareness, corporate strategy and management.*	> Selection of a recruitment firm, where applicable. > Shortlist of candidates drawn up by the Chairman of the Appointments Committee, in conjunction with the Chairman of the Board of Directors.	> Discussions between the Chairman of the Appointments Committee 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).*
INTERNAL DIRECTORS FROM THE GROUP		*In addition to the above elements, the profile of the candidate from the Group 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).*	> Drawing up a list of potential candidates for short- and medium-term appointment to the Board, in liaison with the Fédération Nationale des Banques Populaires and the Fédération Nationale des Caisses d'Epargne, following transmission of the skills maps of Board members identifying the types of profiles likely to meet the Board's collective suitability needs. > List of potential candidates together with background information shared by the Chairman of the Board of Directors with the Appointments Committee.		

In blue: Provisions applicable to independent directors.
In green: Provisions applicable to internal directors from the Group.
In black: Common provisions applicable to independent directors and internal directors from the Group.

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 Articles of Association of Natixis.

The current version of the internal rules, adopted on April 13, 2023, 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 directors. **The internal rules of the Natixis Board of Directors are available in full on the website *https://natixis.groupebpce.com***.

The Board of Directors, assisted by the Specialized 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 Articles of Association 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 and in particular:

  - 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 directors have properly implemented the surveillance frameworks, 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 Articles of Association, the Chairman convenes and chairs the Board of Directors 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 14 of the Company Articles of Association, 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 directors (within the meaning of Article L.511-13 of the French Monetary and Financial Code).
  - The Board of Directors convenes the General Shareholders' Meeting, sets the agenda and decides on the implementation of the resolutions adopted.
  - 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.821-67) and the French Monetary and Financial Code (Article L.511-89), the Board of Directors must set up 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 Specialized Committees' operation, an account of which is included in Natixis' annual report *(for 2023, see Section [2.2.1.4] "Assessment of the Board of Directors' work in fiscal year 2023")*.
  - The Board of Directors approves the report on corporate governance.
  - Minutes of Board of Directors' Meetings are drawn up in accordance with legal and regulatory provisions in force.

- **Compensation policies**

  - 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 Officers 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, which sets out the rights and obligations to which all members are bound. The internal rules were updated by the Board of Directors at its meeting of April 13, 2023.

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 member of the Natixis Board of 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 the 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 Specialized 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 all 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 members 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 represented 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.

As such, Natixis recommends that these "closely associated persons" refrain from carrying out such transactions.

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 persons who are closely associated with 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. The director or the non-voting member strives, for the duration of their term, to avoid any conflict that may exist between their interests and those of Natixis. They therefore take care to preserve in all circumstances their independence of judgment, decision and action. 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 economic interests;
- their personal or professional relationships with holders of qualified holdings within Natixis;
- their personal or professional relationships with Natixis-wide staff;
- another job currently or recently exercised;
- their personal or professional relationships with external interested parties.

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.

When the Chairman of the Board of Directors has previously held executive positions within Natixis (executive director and Chief Executive Officer), he may find himself in a situation of conflict of interest when he chairs the Board of Directors. In the event that he cannot avoid finding himself in one of the situations referred to above, the Chairman of the Board of Directors informs the General Secretary. He cannot then chair the debates and is replaced by an independent director of the Board of Directors, and if necessary, by the Chairman of the Specialized Committee having examined the item of the agenda concerned.

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.

In the event of a conflict of interest, the director or the non-voting member refrains from participating in debates within the Board of Directors, or the Specialized Committee, if necessary, dealing with the subject related to the conflict of interest; they do not participate in the deliberations or the vote of the Board of Directors, and the part of the minutes of the meeting relating to the subject concerned by the conflict of interest is not submitted to them.

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 Specialized Committees of which they are a member, to provide the information needed for the Board or the Specialized 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 the 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 member of Board 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 [2.1.5] 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, directly or indirectly, of fraud, filed for bankruptcy, liquidation or receivership, convicted and/or punished by the authorities, 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 Caisses d'Epargne and the Banques Populaires. 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 members of the Board of Directors 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 Specialized Committee Meeting addressing the conflict of interest, and from voting on the corresponding resolution.

In addition, at its meeting of December 5, 2023, the Appointments Committee reviewed the declarations made by the directors regarding potential conflicts of interest. The analysis of each of the situations declared did not reveal, at the date of review, any situation of conflict of interest that would be likely to compromise the ability of the directors concerned to carry out their duties with the objectivity, independence of mind and impartiality required by the interests of Natixis. The review also revealed that, at the review date, the independent directors were not in a position of conflict of interest with regard to any non-executive offices they held in other companies.

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.

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 French Financial Markets Authority 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 "Loi 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.

Related-party agreements authorized in fiscal year 2023

During fiscal year 2023, the Board of Directors authorized the following related-party agreements under Article L.225-38 of the French Commercial Code:

- at its meeting of August 2, 2023: **eight related-party agreements for the purpose of back swaps**, as part of the "BPCE Home Loans 2023" securitization transaction. The aforementioned agreements were authorized and entered into between Natixis and each of the following Groupe BPCE entities: Caisse d'Epargne Grand Est Europe, Banque Populaire Aquitaine Centre Atlantique, Banque Populaire Alsace Lorraine Champagne, Banque Populaire du Nord, Banque Populaire Grand Ouest, Caisse d'Epargne Bretagne Pays-de-Loire, Caisse d'Epargne Hauts-de-France, Caisse d'Epargne Loire-Centre and approved all its terms and conditions, notably financial.

  As part of the "BPCE Home Loans 2023" transaction, Natixis acts as counterparty to interest-rate hedging instruments (the "front swap") and hedges its commitments through mirror instruments (the "back swaps"), entered into with the Caisses d'Epargne ("CE") and the Banques Populaires ("BP") banks participating in this transaction.

  It is specified that the back-swap agreements are concluded in the interest of Natixis because (i) their market value is in favor of Natixis from day one, (ii) they enable Natixis to hedge its commitments under the front swap and (iii) they enable Natixis to provide the interest-rate hedging service in the BPCE Home Loans 2023 transaction, for which Natixis' running remuneration is expected to be approximately €2 million.

Related-party agreements approved in fiscal year 2023

On May 23, 2023, the Combined General Shareholders' meeting of Natixis:

- approved, pursuant to Article L.225-42 of the French Commercial Code, after reading the Statutory Auditors' special report, the tax consolidation agreement entered into on December 13, 2022 between BPCE (as Head of the integrated group) and Natixis (as a member subsidiary of the integrated group).

  This agreement was entered into following the acquisition of more than 95% of the capital of Natixis S.A. by BPCE in fiscal year 2021. As a result of this takeover, the tax consolidation group of which Natixis S.A. was until then the integral parent company will cease to exist as of December 31, 2021.

  Correspondingly, Natixis S.A. and the subsidiaries of its former tax group have given their agreement to join, as of January 1, 2022, the tax consolidation group of which BPCE is the parent company.

  As the Head of the tax consolidation group, BPCE is the only company liable to pay corporate income tax to the French Treasury, calculated on the basis of the taxable income of the tax consolidation group as a whole. In this respect, it is entitled, under certain conditions, to use the tax losses carried forward to December 31, 2021 by the former Natixis tax consolidation group, in accordance with the legal mechanism known as the extended base.

  The agreement sets out Natixis' contribution to BPCE's tax liability and provides that Natixis will pay the tax that it would have paid to the French Treasury as the parent company of the tax group that it could have formed with its subsidiaries in the absence of BPCE's acquisition of more than 95% control, taking into account the profits of new tax consolidated companies, if any.

This broader basis is contractually reinforced between BPCE and Natixis S.A. since the agreement provides for the possibility for Natixis to apply this loss carryforward to a basis that also includes the taxable profits of subsidiaries that will become members of the BPCE tax group and the Natixis S.A. tax subgroup as from January 1, 2022.

This agreement could lead Natixis to offset more tax losses against BPCE than BPCE itself will be able to offset against the total income used to calculate the tax due to the French Treasury, thereby allowing Natixis to benefit from a tax saving that BPCE will not yet have realized, for a potential amount of €85 million (€330 million of losses x 25.82% – estimate based on the 10-year tax business plan).

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 fiscal year 2023, the Board of Directors approved the downgrading at its meeting of February 7, 2024 of:

- the Contribution Agreement between Kimo (Holding Assurances) and Natixis, authorized by the Natixis Board of Directors at its meeting of February 10, 2022;
- the Contribution Agreement between Shiva (Holding Paiements) and Natixis, authorized by the Natixis Board of Directors at its meeting of February 10, 2022;
- the negotiation protocol relating to the transfer of the Insurance and Payments activities by Natixis to BPCE (Pléiade II) entered into between Natixis and BPCE, authorized by the Board of Directors on September 22, 2021;
- agreements relating to the sale by Natixis to BPCE of its Sureties and Guarantees (CECG), Leasing (Natixis Lease), Factoring (Natixis Factor), Consumer Financing (Natixis Financement) and Securities activities (EuroTitres Department) authorized by the Board of Directors on February 12, 2019;
- agreement providing for the distribution of Natixis products and services to the regional banks acquired from HSBC by the Banque Populaire Group authorized by the Board of Directors on December 18, 2008;
- the “Click’n Trade” service and partnership agreement between IXIS CIB, CNCE and Banque Palatine, authorized by the Board of Directors of IXIS CIB prior to the merger with Natixis on December 31, 2007;
- letters of joint and several commitment and guarantee that were terminated or completed, authorized by the Board of Directors of IXIS CIB prior to the merger into Natixis on December 31, 2007.

This information on related-party agreements is included in the Statutory Auditors’ special report presented to the General Shareholders’ meeting of May 22, 2024 *(see Section [8.4] of Chapter [8] of this universal registration document)*.

2.2.1.3 Work of the Board of Directors in 2023

The Board of Directors held a total of seven meetings in 2023. The attendance rate was 96% for the year.

Each director’s individual attendance rate for Board of Directors’ and Committee Meetings is provided in Section [2.2.2.8] of this chapter *(see Attendance table of the Board of Directors and Specialized Committees)*.

All documents relating to the agenda are sent or handed to the directors within a reasonable time frame, 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 members of Board of Directors could hear his opinion on important issues and ask him any questions that they deemed relevant.

The members of the Senior Management Committee were also invited to provide details on the topics discussed during the meeting. 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 2023 were in particular as follows:

Financial position and monitoring of Natixis activity	‣ Review and approval of the annual financial statements (individual and consolidated) at December 31, 2022 ‣ Review of the consolidated financial statements at March 31, 2023, June 30, 2023 and September 30, 2023 ‣ Approval of the proposed allocation of net income and dividend distribution ‣ Presentation and review of the budget for 2024 ‣ Presentation of the client satisfaction system and measurement of the NPS (Net Promoter Score)
Risk management	‣ Monitoring of the liquidity position at January 31, 2023 ‣ Monitoring of RAF limits ‣ Approval of RAF indicators for Leverage Finance asset class risks, as well as their thresholds and limits ‣ Approval of the annual update of the Risk Appetite Framework (RAF), the Risk Appetite Statement, the identification and materiality of risks, the strategic RAF indicators and their limits including those falling within the scope of the French Ministerial Order of November 3, 2014, as well as the declaration of appetite for compliance risk ‣ Approval of the valuation risk management framework ‣ Approval of contingency plans, particularly in light of the results of the alternative scenarios regarding liquidity positions and risk mitigation factors ‣ Approval of the amended internal rules of the Risk Committee ‣ Approval of the amended US Risk Committee charter ‣ Feedback on the work of the Risk Committee and the US Risk Committee
Audit Internal control	‣ Follow-up of recommendations (internal audit, Group inspection and supervisors) as of December 31, 2022 and June 30, 2023 ‣ Approval of the draft Natixis CIB 2024 audit plan ‣ Approval of the draft Natixis AWM 2024 audit plan ‣ Feedback on the work of the Audit Committee

Compliance	‣ Annual AML-CTF internal control reports and asset freeze ‣ Acknowledgment of the mapping of compliance risks, the status of the compliance risk management framework and the activity and results of compliance monitoring ‣ Approval of the update of the Compliance Charter
Corporate governance	‣ Appointment of three new executive directors ‣ Reappointment of the term of office of the Chairman of the Board of Directors, subject to the renewal of his term of office as director by the General Shareholders' meeting of May 23, 2023 ‣ Renewal of three directors and one non-voting member as members of Specialized Committees subject to the renewal of their terms of office by the General Shareholders' meeting of May 23, 2023 ‣ Co-option of a director and appointment to Specialized Committees ‣ Approval of the new composition of the Specialized Committees ‣ Approval of the succession plan for the chairmen of the Specialized Committees ‣ Convening of the General Shareholders' meeting of May 23, 2023 – Approval of the draft resolutions and the report on the resolutions ‣ Approval of the Board of Director's management report including the corporate governance report and the Board of Directors' report on the use of authorizations to increase the Company's share capital ‣ Convening of the meeting for holders of non-voting shares – Approval of the text of the resolutions ‣ Annual review of related-party agreements entered into and authorized in prior fiscal years and still in force ‣ Prior approval of new related-party agreements ‣ Launch of the assessment of the work of the Board of Directors in 2023 ‣ Assessment of the adequacy of the individual and collective composition of the Board of Directors and the Specialized Committees ‣ Review of the qualification of directors as independent members ‣ Analysis of the qualifications needed for the duties carried out on the Board of Directors ‣ Acknowledgment of the complementary profiles to be favored in future searches for director candidates Setting diversity objectives and targets within the Board of Directors ‣ Confirmation of the rules governing the composition of the Board of Directors ‣ Amendment of the Internal Rules of the Board of Directors ‣ Director training schedule for the second half of 2023 ‣ Calendar of Proceedings 2024 ‣ Feedback on the work of the Appointments Committee
Compensation	‣ Compensation of the Chief Executive Officer for fiscal year 2022 and compensation principles for fiscal year 2023 ‣ Variable compensation for 2022 ‣ Approval of variable compensation packages and variable compensation for control functions and the regulated population for fiscal year 2022 ‣ Deferred variable compensation – Vesting in 2023 of allocations under previous deferred plans ‣ Acknowledgment of the Natixis 2022 annual report on compensation policies and practices ‣ Approval of the compensation policy for members of the Board for fiscal year 2023 ‣ Approval of the 2023 Risk and Compliance objectives ‣ Approval of the update of the compensation policy for 2023 ‣ Items related to the compensation policy ‣ Feedback on the work of the Compensation Committee
Financial transactions and/or strategy	‣ Update of the delegation to be granted by the Board in the context of the Securities Based Swap Dealer reporting ‣ Monitoring of 2022 strategic operations ‣ Review of strategic plan implementation to the end of 2022 ‣ Information on the restructuring project in Luxembourg ‣ Approval of the strategy for Natixis' activities in Russia ‣ Preparation of the new strategic plan: sequences and themes ‣ Renewal of bond issue authorizations ‣ Opinion of the CSE on the economic and financial situation ‣ Report on the work of the Strategic Committee ‣ Presentation of Loomis Sayles Capital Re ‣ Presentation of APAC activities and their risks ‣ Presentation of Ostrum Asset Management ‣ Presentation of the Investment Banking activity
CSR	‣ Approval of the declaration related to the Modern Slavery Act ‣ Report on the work of the CSR Committee
Other	‣ Update on the banking crisis ‣ Presentation of the IT and Operations system ‣ Total transfer of company assets and liabilities to Natixis ‣ Taiwan branch, approval of a license application

2.2.1.4 Assessment of the work of the Board of Directors in 2023

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, the Board of Directors uses the services of an independent external firm (2010, 2013, 2016, 2019, 2022) to carry out a formal assessment of its work and that of its Specialized Committees. An internal assessment is carried out by the Board of Directors for the other years.

With regard to the follow-up given to the previous assessment for fiscal year 2022, improvements were made. The Board of Directors notably:

- introduced the attendance of all members of the Senior Management Committee at Board of Directors' Meetings, to take account of the directors' request for greater interaction with the management team;
- presented, if possible, a function or job at each Board of Directors' Meeting;
- included on the agenda of one of its meetings a mid-term review of NPS by business line;
- included in the "New Director" training course a meeting of the newcomer with the members of the Senior Management Committee and with the other directors;
- strengthened exchanges between directors outside Board of Directors' Meetings, thanks to an off-site Board Meeting in Milan, the business lines and the Strategic Committee.

The assessment of the work of the Board of Directors for fiscal year 2023 focused on the following topics:

- the composition, organization and functioning of the Board of Directors and the Specialized Committees;
- the training offered;
- the relationship and interaction between the Board of Directors, the Chairman of the Board of Directors and the Chief Executive Officer;
- the results;
- the strategy;
- the risks and internal control;
- the general performance of the Board of Directors and the Specialized Committees.

Each director, as well as the non-voting member and the Chairman of the Board of Directors, completed the evaluation questionnaire in a personal interview conducted by the General Secretary or the Secretary of the Natixis Board of Directors. CSE representatives were also invited to take part in individual interviews.

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 director was asked to assess his or her own skills as part of a self-assessment.

The results of the interviews were summarized in an evaluation report that was presented to the Appointments Committee and then to the Board of Directors' meeting of February 7, 2024.

This assessment made the following assessments and findings:

- In a context of increased requirements, particularly on the "Governance" theme, the directors' assessment remains positive regarding the functioning and overall performance of the Board.
- The directors feel that the board, in its community, has the appropriate expertise and is functioning satisfactorily.
- As individuals, the members of Board demonstrate a satisfactory understanding of Natixis' business lines and their roles and responsibilities, as well as an ability to challenge the general management.
- The members of the board report a good affectio societatis between the members of the board and a good cohesion with the general management, in particular thanks to the presence of all the members of the General Management Committee on the boards. The continuation of informal exchanges must continue.
- Directors appreciated the quality of the financial information provided but would like to rebalance the time allocated to non-financial/regulatory matters.
- Directors have a positive view of the strategic topics discussed in committee and in council but would like a more in-depth follow-up of these topics.
- Directors felt that the Board has a sufficient degree of involvement in risk management and internal control, while noting that the materials could be more educational.

2.2.1.5 Director training

Natixis renewed the training program for directors in 2023. The training program implemented complements the existing one for the members of the BPCE Supervisory Board.

The program is based on the principle of continuing education, with training modules on fundamentals, expertise and current affairs.

In addition, each new director receives induction training tailored to his or her skills profile.

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

In accordance with the opinion of the Appointments Committee, the Board of Directors, at its meeting of February 7, 2024, notably approved:

- the overhaul of the policy for assessing the suitability of Executive directors, members of the Board of Directors and holders of key positions; and
- the training program and took note of the 2024 training schedule, including training provided by external providers, the training objectives, the consequences of non-compliance with mandatory training and training attendance.

This policy of assessing the suitability of Executive directors, members of the Board of Directors and holders of key positions includes the training policy for members of the Board of Directors, which is based in particular on:

- a two-day introductory training course, held within six months of taking office, for all new members of the Board of Directors;
- ongoing training including modules on fundamentals, thematic expertise and current events. In 2024, each director will be given an "individual training passport", including proposals for compulsory and recommended training courses, as well as personalized monitoring of attendance rates.

In fiscal year 2023, 21 training sessions were also organized by Natixis, open to members of the BPCE Supervisory Board and representatives of the Social and Economic Committee. Directors were also invited to attend sessions held by BPCE for the latter's members of the Supervisory Board.

The training provided by Natixis in 2023 covered the following topics:

- onboarding process for new directors (including in particular Global Financial Services' business lines, ambitions and development prospects);
- impacts of the energy and commodities crisis;
- prudential regulations: solvency and liquidity;
- cybersecurity;
- capital planning;
- capital and financial markets activities (educational module focused on fundamentals and expertise and in-depth study);
- Global Financial Services' Risk Appetite Framework;
- liquidity risk;
- valuation mechanisms;
- credit risk management and governance;
- model risk management;
- HR issues and compensation mechanisms;
- presentation of the business lines, activities and operations of the asset management company "Ostrum";
- CSR at Natixis (regulatory changes and challenges);
- director's liability (civil, criminal, and regulatory);
- NIM's ESG strategy;
- compliance risk management;
- financial security framework;
- Natixis and digital (challenges and benchmarks).

2.2.1.6 The non-voting member

First name/Last name	Age (at 31/12/2023)	Nationality	Date first appointed	End date of the term of office
Non-voting member				
Henri Proglio	74	French	04/04/2019	2027 AGM

As of April 4, 2019, the 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 an effective contribution to the Board of Directors. He attends Board of Directors' Meetings in an advisory capacity and contributes to the work of the Compensation Committee and the Strategic Committee.

2.2.2 Specialized 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, the Natixis Board of Directors has seven Specialized Committees: an Audit Committee, a Risk Committee, a US Risk Committee, a Compensation Committee, an Appointments Committee, a Strategic Committee, and an Environmental and Social Responsibility Committee (ESR Committee) each chaired by an independent director.

The Board of Directors' meeting of May 3, 2023 decided, subject to approval by the General Shareholders' meeting of May 23, 2023 (pursuant to resolutions No. 13 to 15):

- to renew, with effect from the said BPCE General Shareholders' Meeting (represented by Catherine Halberstadt), Catherine Pariset and Valérie Savani as members of the Specialized Committees of the Natixis Board of Directors, namely:
  - **BPCE**, represented by Catherine Halberstadt, as a member of the Audit Committee, the Risk Committee, the US Risk Committee and the Strategic Committee,
  - **Catherine Pariset** as a member and Chairwoman of the Audit Committee, a member of the Risk Committee, the US Risk Committee and the Strategic Committee,
  - **Valérie Savani** as a member of the Appointments Committee, the Audit Committee and the Strategic Committeer..

The General Shareholders' meeting of May 23, 2023 renewed the terms of office of Nicolas Namias, BPCE, Catherine Pariset and Valérie Savani as Directors, and renewed the term of office of Henri Proglio as non-voting member.

At its meeting of November 8, 2023, the Board of Directors decided to:

- appoint, with immediate effect, Delphine Maisonneuve and Dominique Garnier, as members of the Risk Committee;
- appoint, with immediate effect, Dominique Garnier, as a member of the US Risk Committee; and
- appoint, with immediate effect, Catherine Pariset, as a member of the Compensation Committee, to replace Delphine Maisonneuve.

2.2.2.1 The Audit Committee

A – Organization

The Audit Committee has five members. As of February 7, 2024, its members are:

Catherine Pariset	**Chairwoman**
BPCE, represented by Catherine Halberstadt	Member
Sylvie Garcelon	Member
Valérie Savani	Member
Laurent Seyer	Member

The Audit Committee's Chairwoman and members have extensive accounting and financial expertise gained over the course of their professional careers.

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

The Audit Committee has been chaired by Catherine Pariset since February 9, 2017.

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 Monitoring table of compliance with the recommendations of the Afep-Medef code in Section [2.1.4] 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' meeting of February 9, 2017.

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

- verifying the clarity of the information provided by Natixis and assessing the appropriateness of the accounting methods used to prepare Natixis' individual and consolidated financial statements;
- assessing the quality of internal control, in particular the consistency of risk measurement, monitoring and control frameworks, and proposing, where necessary, the implementation of additional measures in this respect;
- monitoring the financial reporting process (preparation of financial statements, management report, etc.) and making recommendations to ensure its integrity;
- 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 the Natixis Board of Directors; and the half-yearly and annual management reports;
- monitoring the effectiveness of the internal control and risk management framework 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 the Natixis Board of Directors for the appointment of Statutory Auditors or auditing firms;
- examining the Statutory Auditors' audit program, the results of their audits and recommendations, and any follow-up action taken;
- 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:

- financial, accounting and regulatory documents periodically established by the Company, both in individual and consolidated form;
- summary reports of the Company's Statutory Auditors;
- any audit reports concerning the Company;
- accounting policies and methods applied within the Company;
- internal control principles and procedures;
- estimates of the Company's consolidated annual earnings;
- consolidated budgets and financial statements of significant subsidiaries, 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 four times a year. 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 Committee's work so that it can make fully informed decisions.

C – Work of the Audit Committee in 2023

The Natixis Audit Committee met five times in fiscal year 2023. The attendance rate was 88% for the year as a whole.

Each director's individual attendance rate at Audit Committee Meetings is provided in Section [2.2.2.8] of this chapter *(see Attendance table of the Board of Directors and Specialized Committees)*.

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

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

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

In fiscal year 2023, the Audit Committee's duties focused on the following items in particular:

Financial position	‣ Review and approval of the individual and consolidated financial statements for fiscal year 2022 ‣ Approval of the consolidated financial statements for the 1st, 2nd and 3rd quarters of 2023 ‣ Comments by the Statutory Auditors ‣ Presentation of the 2023 budget ‣ Review of the results of the sharing arrangements resulting from the partnership agreements for the US affiliates of Natixis Investment Managers and DNCA
Other items	‣ Statutory Auditors' audit plan for 2023, budget allocated for audits, and follow-up on completed/ongoing audits ‣ Follow-up on Statutory Auditors' fees for non-audit assignments ‣ Follow-up on Statutory Auditors' fees for 2023 (certification and other assignments) ‣ Information on prior authorizations given by the leader of the Audit Committee for the completion of the Statutory Auditors' services ‣ Update on the preparation of the 2023 Statutory Auditors' reports ‣ Update on the valuation mechanism ‣ Non-financial information – inventory of the ESG project ‣ Provisional agenda for the 2024 Audit Committees

2.2.2.2 The Risk Committee

A – Organization

The Risk Committee is composed of seven members. As of February 7, 2024, the Risk Committee was composed as follows:

Laurent Seyer	**Chairman**
BPCE, represented by Catherine Halberstadt	Member
Dominique Garnier *(since November 8, 2023)*	Member
Delphine Maisonneuve *(since November 8, 2023)*	Member
Catherine Pariset	Member
Christophe Pinault	Member
Laurent Roubin	Member

Of the seven members, three are independent (Delphine Maisonneuve, Catherine Pariset and Laurent Seyer). It should be noted that the opinions and recommendations of the Risk Committee are adopted if the majority of members present, including the Committee 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' meeting of August 2, 2023.

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 directors and by the Chief Risk Officer;
- 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 reports from the Risk Committees of Natixis and its subsidiaries, as well as 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 frameworks;
- assisting the Board of Directors in determining guidelines and verifying that the executive directors have properly implemented the surveillance frameworks (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;
- examining, at least once a year, the elements relating to environmental risk oversight and the risks associated with climate change;
- giving its opinion on the appointment and dismissal of the Head of the Internal Audit at Natixis;
- monitoring the findings of Natixis' internal auditors and of the regulatory and supervisory authorities (in particular the French Prudential Supervisory Authority); to this end, a summary of the reports of Natixis' internal auditors and of BPCE's General Inspection concerning Natixis and its subsidiaries is drawn up for the attention of the Risk Committee, which also receives all reports from the regulatory and supervisory authorities (in particular those of the French Prudential Supervisory Authority) concerning 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 its 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 Counsel, the Natixis Head of Internal Audit, 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.

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

C – Work of the Risk Committee in 2023

The Natixis Risk Committee met seven times in fiscal year 2023. The attendance rate was 92% for the year as a whole.

Each director's individual attendance rate at Risk Committee Meetings is provided in Section [2.2.2.8] of this chapter *(see Attendance table of the Board of Directors and Specialized Committees)*.

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 fiscal year 2023, the Risk Committee's duties focused on the following items:

Risk management	‣ Review of the key points from the risk dashboard and the bank's risk environment outlook, including an update on distribution risk ‣ Liquidity update, including liquidity situation and year-end indicators, review of structural risk mapping and materiality; annual review of liquidity risk tolerance and other structural balance sheet risks; annual review of liquidity risk strategies, policies, procedures, systems, tools and limits, and underlying assumptions ‣ Check that the compensation policy is compatible with the risks ‣ Presentation of the ICAAP report, with a focus on the economic capital component ‣ ICAAP economic capital consumption indicators updated to June 30, 2023 ‣ Presentation of ICAAP economic capital requirements ‣ Update on RAF Leverage Finance ‣ Update on the risk appetite framework (including presentation of risk mapping, assessment of materiality and follow-up of actions, as well as review of the first set of RAF indicators and associated thresholds/limits) ‣ Presentation on the results of the BCBS 239 self-assessment and the 2023 roadmap ‣ Annual review of the risk appetite framework and the indicators defined in accordance with the French Ministerial Order of November 3, 2014 ‣ Update on internal stress test results ‣ Updates on NIM risk management ‣ Review of contingency plans, particularly in light of the results of the alternative scenarios regarding liquidity positions and risk mitigation factors ‣ Model risk management update ‣ Presentation of the project to strengthen the counterparty risk supervision framework ‣ Examination of the adequacy of the prices of products and services offered to clients with the risk strategy of Natixis ‣ CR3 project and climate risk materiality matrix ‣ Presentation of the geopolitical risk management framework

Internal control	▸ Internal audit update, main risks identified and budget for 2023 ▸ Review of CIB's 2023 internal audit plan ▸ Follow-up of recommendations (internal audit, Group General Inspection and supervisors) at December 31, 2022 and June 30, 2023 ▸ Review of Group General Inspection and internal audits of Natixis CIB and AWM ▸ Presentation of CIB's and AWM's 2024 audit plan ▸ Assessment of the effectiveness of the internal control framework and procedures in place for fiscal year 2022, in accordance with the French Ministerial Order of November 3, 2014, including assessment of the performance of the Compliance function, and the risk management function, including the 2023 roadmap ▸ CIB internal audit whistleblowing system for recommendations and CIB audit quality review by an external service provider ▸ Presentation of the report on internal control sent to the French Prudential Supervisory Authority ▸ Presentation of the Internal Audit Charter
Compliance	▸ Summary of 2022 compliance control results, update on compliance control activity and results, presentation of mapping and 2023 annual compliance control plan ▸ Presentation of the Compliance function's 2023 priorities ▸ Annual focus on financial security, including system, risk classification and AML-CTF policy ▸ Update of the Compliance Charter ▸ Highlights, challenges and projects related to compliance and reputational risks State of compliance framework and control of compliance risks ▸ Presentation of RCSI 2022 report and MIFID II annual reports (product governance, registration system, conflicts of interest and complaints) ▸ Focus on the structured products governance framework within Global Markets
Other	▸ SREP 2022 letter: main conclusions and recommendations, and associated action plans ▸ Infrastructure update ▸ Presentation of the Credit Trading/Credit Markets business line ▸ Presentation of the Aviation business line ▸ Presentation of the LBO/ASF business line ▸ Proposed amendments to the Risk Committee's internal rules ▸ Provisional schedule of the 2024 Risk Committees

2.2.2.3 The US Risk Committee ("USRC")

The US Risk Committee was created in 2016 to meet an American regulatory requirement (Dodd Frank Act) applicable to foreign banks established in the United States and meeting certain activity threshold criteria.

A – Organization

The US Risk Committee is composed of eight members (namely the six members of the Risk Committee and two members based in the United States).

As of February 7, 2024, its members are:

Laurent Seyer	**Chairman**
Ronald Cathcart [(a)]	Vice-Chairman
BPCE, represented by Catherine Halberstadt	Member
Dominique Garnier *(since November 8, 2023)*	Member
Catherine Pariset	Member
Christophe Pinault	Member
Laurent Roubin	Member
Catharine Lemieux	Member

(a) Ron Cathcart has been appointed Vice-Chairman of the US Risk Committee since September 1, 2023.

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

B – Role and powers

The US Risk Committee is tasked with monitoring the management of risks related to Natixis' combined US Operations.

The responsibilities and operating procedures of the US Risk Committee are set out in a charter, the latest version of which was approved by the Board of Directors' meeting of August 2, 2023.

C – Work of the US Risk Committee in 2023

The US Risk Committee met six times in fiscal year 2023. The attendance rate was 90.83% for the year as a whole.

Each director's individual attendance rate (excluding associate members based in the United States) at US Risk Committee Meetings is provided in Section [2.2.2.8] of this chapter *(see Attendance table of the Board of Directors and Specialized Committees)*.

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 2023, its work focused on the following topics:

Risk management framework	‣ Summary and overview of the USRC under CUSO environment and under risk exposure and tolerance and compliance ‣ Review of the US Risk Committee charter ‣ Annual review of CUSO "Risk management framework" policy
Risk management	‣ CUSO self-assessment and action plans ‣ CUSO organization adjustment project ‣ Review of NIM's activities and risks, including an update on Step-In-Risk and the control plan for 2023 ‣ Update on emerging risks ‣ Annual CUSO risk appetite review ‣ Update on liquidity risk management
Compliance, permanent control, internal control	‣ Risks and Compliance Update on NIM US ‣ Update on cybersecurity and IT risks ‣ CIB Americas Cyber Security Remediation Plan ‣ Presentation of the cybersecurity policy update for CIB Americas ‣ Presentation of the updated succession plan, particularly for key functions and Compliance
Internal audit	‣ Monitoring of the conclusions of the Loan Review and the Audit
Other	‣ Update on Human Resources management in the US ‣ Scenario analysis of CIB Americas' Real Estate & Hospitality portfolio, including provisioning methodology and credit policy

2.2.2.4 The Compensation Committee

A – Organization

The Compensation Committee has six members. As of February 7, 2024, the Compensation Committee consisted of:

Nicolas de Tavernost	Chairman
Dominique Garnier	Member
Anne Lalou	Member
Catherine Leblanc	Member
Catherine Pariset *(since November 8, 2023)*	Member
Christophe Pinault	Member

Three of the six members are independent (Anne Lalou, Catherine Pariset and Nicolas de Tavernost).

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

Henri Proglio (non-voting member) also participates in the meetings of the Compensation Committee.

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 directors) and it is chaired by an independent director *(see Monitoring table of compliance with the recommendations of the Afep-Medef code in Section [2.1.4] of this chapter)*.

B – Role and powers

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

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

- the amount and terms of compensation paid to the Chairman of the Natixis Board of Directors, where applicable, 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 Chief Executive Officer and, where applicable, one or more Deputy Chief Executive Officers, 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 the members of the Natixis Board of Directors and the total amount submitted to the shareholders at Natixis' General Shareholders' Meeting for a decision;
- control of compensation for heads of control functions (risk, compliance and audit);
- the compliance of Natixis' compensation policy with applicable regulations, in particular those governing credit institutions and investment firms (CRD V and IFD), as well as asset management activities (AIFMD and UCITS V);
- the annual review of Natixis' compensation policy, and in particular the variable compensation allocated to categories of employees whose professional activities are likely to have a significant impact on the risk profile of Natixis or the Group within the framework of the regulations referred to above.

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

The Compensation Committee relies, where necessary, on Natixis' Internal Control Departments or external experts.

Minutes of the Compensation Committee Meetings are prepared by the Human Resources Department in conjunction with the secretary of the Board of Directors. These minutes are shared with the Compensation Committee members and approved at the following session. The Board of Directors is made aware of the Committee's work so that it can make fully informed decisions.

C – Work of the Compensation Committee in 2023

The Compensation Committee met three times in fiscal year 2023. The attendance rate was 94.33% for the year as a whole.

Each director's individual attendance rate at Compensation Committee Meetings is provided in Section [2.2.2.8] of this chapter *(see Attendance table of the Board of Directors and Specialized Committees)*.

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 2023, the Committee focused on the following areas:

Corporate officers	▸ Compensation of the Chief Executive Officer for fiscal year 2022 and compensation principles for fiscal year 2023 ▸ Compensation policy for members of the Board of Directors in 2023
Implementation of the compensation policy/Annual compensation review	▸ Review of specific Risk and Compliance targets (2022 review & presentation of 2023 targets) ▸ Variable compensation for 2022 (CIB Front, support and control functions, AWM) ▸ Compensation for 2022 for the heads of control functions and the population of risk-takers under CRD V ▸ Individual information on the 100 highest earners in 2023 and on the executives and heads of control functions of AWM affiliates ▸ Variable deferred compensation, vesting in 2023 of allocations under previous deferred plans ▸ CIB Front 2023 variable pool trajectory ▸ Framing of variable compensation packages for 2023 (CIB Front, Support and Control Functions, AWM) ▸ Employee savings schemes in 2023 ▸ Natixis policy on equal pay and gender equality in the workplace in 2023
Compliance with regulations	▸ Conclusions of the 2023 audit mission on CRD V risk takers (fiscal year 2022) ▸ 2022 annual report on Natixis' compensation policies and practices (focus on risk-takers under CRD V) ▸ Update in 2023 of Natixis' compensation policy ▸ Review of regulatory aspects in 2023 (identification of regulated populations) ▸ Policy on deferred variable compensation in 2023

2.2.2.5 The Appointments Committee

A – Organization

The Appointments Committee has six members. As of February 7, 2024, its members are:

Delphine Maisonneuve (since 13/04/2023) [(a)]	Chairwoman
Philippe Hourdain	Member
Anne Lalou	Member
Laurent Roubin	Member
Valérie Savani	Member
Nicolas de Tavernost	Member

(a) Previously held by Diane de Saint Victor, who resigned from the Board with effect from the Board of Directors' meeting of February 8, 2023.

Three of the six members are independent (Anne Lalou, Delphine Maisonneuve 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 directors) and it is chaired by an independent director *(see Monitoring table of compliance with the recommendations of the Afep-Medef code in Section [2.1.4] of this chapter)*. Furthermore, the opinions and proposals of the Appointments Committee are adopted if the majority of members present, including the Committee's Chairwoman, vote for them.

The Appointments Committee was chaired by Diane de Saint Victor from April 4, 2019 to February 8, 2023 inclusive, the date on which she resigned from her duties as Director, Chairwoman and member of the Appointments Committee, member of the Compensation Committee and Strategic Committee of Natixis. Since April 13, 2023, the Committee has been chaired by Delphine Maisonneuve.

B – Role and powers

The role of the Natixis Appointments Committee is to prepare the decisions of the Natixis Board of Directors on the selection/appointment of corporate officers, and to assess the individual and collective skills of directors, 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 by the Board of Directors' meeting of December 17, 2014.

The Appointments Committee's primary duties are:

- issuing an opinion and, upon request from Natixis' Board, making proposals and recommendations to the Board of Directors on the appointment of a Chief Executive Officer 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 members of the Board of Directors have, both individually and collectively;
- detailing the duties and the qualifications required for serving on the 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. It develops a policy to achieve these objectives. Natixis' objectives, policies and 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 reviewing the policies of the Board of Directors on selecting and appointing Natixis' executive directors, if applicable the 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 of Directors. Each year, before the publication of the annual report, based on this 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] of this chapter)*.

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

C – Work of the Appointments Committee in 2023

The Appointments Committee met four times in fiscal year 2023. The attendance rate was 95.75%.

Each director's individual attendance rate at Appointments Committee Meetings is provided in Section [2.2.2.8] of this chapter *(see Attendance table of the Board of Directors and Specialized Committees)*.

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 2023, the Committee focused on the following areas:

Executive directors	‣ Review of the appointment of three new executive directors
Composition and effectiveness of the Board of Directors and Specialized Committees	‣ Opinion on the co-opting of a new director and their appointment to the Specialized Committees ‣ Opinion on changes in the composition of the Specialized Committees (appointment of two new members of the Risk Committee, one new member of the US Risk Committee and one new member of the Compensation Committee) ‣ Monitoring the implementation of the action plan relating to the assessment of the Board's work ‣ Update on diversity on the Natixis Board of Directors, including the modification of the skills map of the members of the Board of Directors and Specialized Committees and the assessment grid for said map

Adequacy of the individual and collective skills of the Board of Directors and the Specialized Committees	‣ Review of the adequacy of the individual and collective skills of the Board of Directors and the Specialized Committees, including:
	  ‣ review of the fit & proper criteria of the members of the Board of Directors (including the non-voting member), the analysis of conflicts of interest and the review of the independence of the independent directors;
	  ‣ analysis of the qualifications needed for the duties carried out on the Board of Directors;
	  ‣ review of the skills of the members of the Board of Directors and Specialized Committees;
	  ‣ review of diversity criteria/objectives;
	  ‣ review of shareholder representation on the Board of Directors and Specialized Committees, including verification that the Board of Directors is not dominated by a person or group of persons in conditions prejudicial to the interests of Natixis.
	‣ Identification of potential additional profiles for the Board of Directors

Succession plan	‣ Review of the succession plan for the Chairmen of the Specialized Committees
General Shareholders' Meeting	‣ Review of the draft resolutions relating to the composition of the Board of Directors to be submitted to the General Shareholders' Meetings of May 23, 2023
Other items	‣ Provisional schedule of Appointments Committees in 2024

D – Succession plan for Executive corporate officers

With regard to the succession plan for the Chairman of the Natixis Board of Directors, it should be noted that pursuant to an internal governance rule specific to the group, the Chairman of the BPCE Management Board is also the Chairman of the Natixis Board of Directors.

As part of its work, the Appointments Committee reviews on a regular basis the succession plan for the Chief Executive Officer.

In addition, the appointment and succession plan was incorporated into the Appointment and Succession Policy for Natixis' Chief Executive Officer, executive directors and members of the Natixis Board of Directors, which was approved by the Board of Directors on February 7, 2024.

Through its work and discussions, the Appointments Committee has developed a policy that is adapted to short-, medium- and long-term situations while making diversity, in all its components, a key element.

To carry out its mission, the Appointments Committee keeps the Board of Directors informed of the progress of its work and coordinates with the Compensation Committee.

2.2.2.6 The Strategic Committee

A – Organization

The Strategic Committee is made up of all the directors and the non-voting member. The members of Natixis' Senior Management Committee are 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 main tasks of the Strategic Committee are to:

- maintain the Board of Director's strategic thinking at dedicated meetings;
- enable dialogue with senior management on strategic developments at Natixis and take the initiative in requesting that a subject be brought before the Board of Directors for approval when it becomes major;
- monitor the implementation of strategic orientations as validated by the Board of Directors and, where necessary, discuss corrective actions.

C – Activity of the Strategic Committee in 2023

The Strategic Committee meets at least once a year. In 2023, the Strategic Committee met once. The attendance rate was 88%. The director's and non-voting member's individual attendance at the Strategic Committee Meetings is provided in Section [2.2.2.8] of this chapter *(see Attendance table of the Board of Directors and Specialized Committees)*.

Each director receives the documents related to the agenda within a reasonable timeframe via a secure digital platform.

In 2023, the Natixis Strategic Committee examined the following points:

- geographic horizon: Middle East (correlated with Natixis business lines and associated risks);
- energy and new technologies;
- new trends in world trade, de-dollarization and new currencies;
- progress report on the BPCE 2024 strategic plan;
- preparation and framework of the future strategic plan.

2.2.2.7 The Environmental and Social Responsibility (ESR) Committee

A – Organization

The ESR Committee has four members. As of February 7, 2024, its members are:

Anne Lalou	**Chairwoman**
Dominique Duband	Member
Sylvie Garcelon	Member
Laurent Seyer	Member

Two of the members are independent (Anne Lalou and Laurent Seyer).

The ESR skills of the four members are recognized by the Board of Directors. Laurent Seyer, Chairman of the Risk Committee and the US Risk Committee, provides his expertise in terms of risks and facilitates coordination of work with the Risk Committee.

The ESR Committee has been chaired by Anne Lalou since January 1, 2021.

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 and, in general, any information required by current ESR legislation in relation to Groupe BPCE;
- to annually review the non-financial ratings of Natixis.

Minutes of the ESR Committee Meetings are prepared by the secretary of the Board of Directors. These minutes are shared with the ESR Committee members and approved at the following session. 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 2023

The ESR Committee met twice during fiscal year 2023. The attendance rate was 87.5%.

Each director's individual attendance rate at ESR Committee Meetings is provided in Section [2.2.3.7] of this chapter *(see Attendance table of the Board of Directors and Specialized Committees)*.

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 2023, the Committee focused on the following areas:

Strategy/ESG	▸ Market context ▸ ESG 2022 objectives and recognition of their achievement ▸ Focus on ESG risks ▸ ESG transformation program: governance, integration of Group guiding principles ▸ Non-financial reporting & CSRD awareness-raising ▸ BPCE ESG data program ▸ Exchange on the strategic plan & review of the points to be monitored
Other items	▸ Regulatory overview and market context ▸ Inclusion of nuclear power in the European taxonomy ▸ Business Focus – Mirova ▸ Report on NIM's review of fund classification (SFDR 8 & 9) ▸ Update on the financing of players in the Oil & Gas sector

2.2.2.8 Attendance table of the Board of Directors and Specialized Committees

	Board of Directors	Risk Committee	US Risk Committee	Audit Committee	Compen-sation Committee	Appoint-ments Committee	ESR Committee	Strategic Committee	Individual attendance rate
Directors from BPCE									
Nicolas Namias (Chairman)	7/7 100%	N/A	N/A	N/A	N/A	N/A	N/A	1/1 100%	100%
BPCE represented by Catherine Halberstadt	6/7 86%	6/7 86%	3/6 50%	2/5 40%	N/A	N/A	N/A	1/1 100%	72.40%
Independent directors									
Delphine Maisonneuve (since 13/04/2023)	5/5 100%	0/1 0%	N/A	N/A	N/A	2/2 100%	N/A	0/1 0%	50%
Anne Lalou	7/7 100%	N/A	N/A	N/A	3/3 100%	4/4 100%	2/2 100%	1/1 100%	100%
Catherine Pariset	7/7 100%	7/7 100%	6/6 100%	5/5 100%	0/1 0%	N/A	N/A	1/1 100%	83.33%
Laurent Seyer	7/7 100%	7/7 100%	6/6 100%	5/5 100%	N/A	N/A	2/2 100%	1/1 100%	100%
Nicolas de Tavernost	7/7 100%	N/A	N/A	N/A	3/3 100%	4/4 100%	N/A	1/1 100%	100%
Directors from Banques Populaires									
Sylvie Garcelon	7/7 100%	N/A	N/A	5/5 100%	N/A	N/A	1/2 50%	1/1 100%	87.50%
Dominique Garnier	7/7 100%	1/1 100%	2/2 100%	N/A	3/3 100%	N/A	N/A	1/1 100%	100%
Philippe Hourdain	7/7 100%	N/A	N/A	N/A	N/A	4/4 100%	N/A	1/1 100%	100%
Catherine Leblanc	6/7 86%	N/A	N/A	N/A	3/3 100%	N/A	N/A	1/1 100%	95.33%
Directors from Caisses d'Epargne									
Dominique Duband	7/7 100%	N/A	N/A	N/A	N/A	N/A	2/2 100%	1/1 100%	100%
Christophe Pinault	7/7 100%	6/7 86%	5/6 83%	N/A	3/3 100%	N/A	N/A	1/1 100%	93.80%
Laurent Roubin	7/7 100%	7/7 100%	6/6 100%	N/A	N/A	3/4 75%	N/A	1/1 100%	95%
Valérie Savani	5/7 71%	N/A	N/A	5/5 100%	N/A	4/4 100%	N/A	1/1 100%	92.75%
Non-voting member									
Henri Proglio	6/7 86%	N/A	N/A	N/A	2/3 67%	N/A	N/A	0/1 0%	51%
AVERAGE ATTENDANCE RATE	**96%**	**92%**	**90.83%**	**88%**	**94.33% (EXCLUDING NON-VOTING MEMBER)**	**95.75%**	**87.50%**	**88%**	

2.2.3 Senior Management

As of February 7, 2024, Senior Management is structured around the Chief Executive Officer, Stéphanie Paix, and the Senior Management Committee, whose activities for 2023 are detailed below *(see Section [2.2.3.5] below)*.

The members, alongside the Chief Executive Officer, are as follows:

- Jennifer Baert[1] (General Counsel in charge of compliance, legal, security, governance & regulatory affairs, executive director);
- Nathalie Bricker[2] (Deputy Chief Executive Officer of Natixis Investment Managers in charge of Finance and Strategy);
- Nicolas Fenaert[3] (Global Head of IT & Operations);
- Mohamed Kallala (Global Head of Corporate & Investment Banking);
- Rajâa Meghar[4] (Chief Risk Officer, executive director);
- Stéphane Morin[5] (Chief Financial Officer, executive director);
- Philippe Setbon[6] (Head of Asset & Wealth Management, Chief Executive Officer of Natixis Investment Managers);
- Cécile Tricon-Bossard (Chief Human Resources Officer).

The Senior Leaders, whose activity is detailed below *(see Section [2.2.3.6] 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 Composition of the Senior Management Committee as of February 7, 2024

9 MEMBERS

56% Gender mix

Chief Executive Officer and Executive director

STÉPHANIE PAIX

Heads of the two business lines

MOHAMED KALLALA
Global Head of Natixis Corporate & Investment Banking

PHILIPPE SETBON
Head of Asset & Wealth Management
Chief Executive Officer of Natixis Investment Managers

NATHALIE BRICKER
Deputy Chief Executive Officer of Natixis Investment Managers

Heads of the main functional departments

JENNIFER BAERT
General Counsel and Executive director

RAJÂA MEGHAR
Chief Risk Officer and Executive director

STÉPHANE MORIN
Chief Financial Officer and Executive director

CÉCILE TRICON-BOSSARD
Chief Human Resources Officer

NICOLAS FENAERT
Global Head of IT & Operations

(1) *Jennifer Baert was appointed as an executive director by the Board of Directors' meeting of February 8,2023.*
(2) *Nathalie Bricker, Director of Finance and Strategy of Natixis Investment Managers, was appointed Deputy Chief Executive Officer of Natixis Investment Managers on December 20, 2023.*
(3) *Nicolas Fenaert was appointed Global Head of IT & Operations on December 1, 2023 to replace Véronique Sani.*
(4) *Rajâa Meghar was appointed as an executive director by the Board of Directors' meeting of November 8, 2023.*
(5) *Stéphane Morin was appointed Chief Financial Officer on October 1, 2023 and he was appointed executive director by the Board of Directors' meeting of November 8, 2023, replacing Nathalie Bricker.*
(6) *Philippe Setbon was appointed Chief Executive Officer of Natixis Investment Managers and Head of Asset & Wealth Management on December 14, 2023, replacing Tim Ryan.*

2.2.3.2 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 include the Board of Directors and the Senior Management Committee, is a key issue at 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 35% by the end of the plan.

As of February 7, 2024, the proportion of women on the Natixis Senior Management Committee was 56%.

Natixis has thus gone from a Senior Management Committee composed exclusively of men six years ago, to a Committee composed today of four men and five women, each holding strategic positions. 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 Leaders. The objective is to promote these female talents, increase their visibility and thus actively prepare their access to career opportunities within Natixis. Moreover, Natixis ensures that its other leadership development programs include at least 50% female profiles.

In addition, coaching programs dedicated to women have been offered for more than 10 years. They enable employees to develop their leadership skills and assert their ambitions every year.

B – Gender balance in the top 10% of positions with the highest responsibility

At February 7, 2024, 31% of women hold positions among the top 10% of positions of highest responsibility, which correspond to the Leadership circle of “Ambassador Leaders” (equivalent to the top 200) including the members of the Senior Management Committee and the Senior Leaders of Global Financial Services (GFS).

2.2.3.3 Chief Executive Officer

The Chief Executive Officer is responsible for the Natixis’ Senior Management, in accordance with the decision of the Board of Directors’ meeting of April 30, 2009 to separate the offices of Chairman of the Board of Directors and Chief Executive Officer.

The Board of Directors’ meeting of December 1, 2022 appointed Stéphanie Paix for a term of four years from December 3, 2022, expiring at the end of the Natixis General Shareholders’ Meeting called in 2026 to approve the financial statements for the fiscal year ended December 31, 2025.

Therefore, Stéphanie Paix is, as of December 3, 2022, executive director of Natixis within the meaning of 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/her powers to any corporate officer of his/her 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 Committee 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 principles laid down by Senior Management.

On the Chief Executive Officer’s recommendation, the Board of Directors may appoint one to five natural persons selected from among the directors or otherwise to assist 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.

Disclosure of non-conviction

The Chief Executive Officer has not been convicted, directly or indirectly, of fraud, filed for bankruptcy, liquidation, receivership or companies put into administration, convicted and/or punished by the authorities, 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.

2.2.3.4 Executive directors

In accordance with Articles L.511-13 and L.532-2 of the French Monetary and Financial Code, as of February 7, 2024, Natixis had four executive directors: Stéphanie Paix, Chief Executive Officer; Jennifer Baert[(1)], General Counsel in charge of compliance, legal, security, governance & regulatory affairs; Rajâa Meghar[(2)], Chief Risk Officer and Stéphane Morin, Chief Financial Officer[(3)].

As executive directors, Stéphanie Paix, Jennifer Baert, Rajâa Meghar and Stéphane Morin 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 effective determination of the Company's activity;
- the accounting and financial information;
- the internal control;
- the determination of capital requirements.

In this context, the executive directors 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 directors will ensure business continuity until the Board of Directors appoints a new Chief Executive Officer based on a recommendation by the Appointments Committee.

2.2.3.5 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 2023, it was composed of the heads of the following two business lines: Asset & Wealth Management, Corporate & Investment Banking, 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 2023. Representatives from the business lines or different support functions were invited to present to the Senior Management Committee projects or policies falling within their departmental remits.

Work on the 2021-2024 "BPCE 2024" strategic plan, initiated in 2020, continued during 2023. The "BPCE 2024" plan is based on three major areas for Natixis' business lines: diversifying for the benefit of clients 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 2021-2024 strategic plan reflects the ambition to continue to develop the business franchises in all geographic areas.

In 2023, the Senior Management Committee studied and approved all the strategic operations 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 the CIB business line, a decision was made in 2023 to open a branch in Korea. In the Asset & Wealth Management business line, Natixis Investment Managers (Natixis IM) sold 100% of the capital of Alpha Simplex, a US asset management company specializing in liquid alternatives, on April 1, 2023. Ostrum Asset Management, an affiliate of Natixis Investment Managers (Natixis IM), completed the merger of Seeyond on January 1, 2023.

The Senior Management Committee also oversaw the implementation of the CSR strategy through regular monitoring of ESG issues in a dedicated Senior Management Committee body: the Sustainability Senior Management Committee. Chaired by the Chief Executive Officer of Natixis, it meets every two months to oversee the implementation of the CSR strategy for all Natixis business lines and functions.

In 2023, a major transformation program was launched within Natixis. The general principle is as follows: each support department is responsible for integrating and managing ESG issues, in line with the strategy and action principles defined by the Natixis Sustainability & Strategy department, in conjunction with Groupe BPCE.

The members of the Senior Management Committee are sponsors of this transformation program, which aims to integrate ESG issues across the entire value chain: from client to risk management, including the mobilization of Natixis employees for the environment and solidarity, as well as limiting its direct impact on the environment.

The Natixis Senior Management Committee defines an ESG trajectory for its business lines and ensures that it is properly implemented.

The Senior Management Committee oversaw the management and monitoring of the impacts of the crisis linked to the war in Ukraine through the implementation of a strengthened monitoring framework for the situation.

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.

Furthermore, the Senior Management Committee oversaw Natixis' adaptation to changes in the economic and regulatory environment in the banking sector. Specifically, it regularly monitored any regulatory changes and initiatives.

After in-depth discussions with the business lines and support functions involved, the Senior Management Committee approved the main management decisions, and prepared the budget and capital trajectory, the enhanced and 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 senior 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 paid attention to compliance with the code of conduct.

2.2.3.6 Activities of the Senior Leaders

In addition to the members of the Senior Management Committee, the Senior Leaders brings together the heads of certain business lines and support functions essential to the Company's operations.

In 2023, the Senior Leaders met several times during seminars where its members were invited to share their reflections on the orientations proposed by the Senior Management Committee and to integrate managerial information for distribution to the teams.

As of February 7, 2024 there were 59 Senior Leaders.

(1) Jennifer Baert was appointed executive director of Natixis by the Board of Directors' meeting of February 8,2023.
(2) Rajâa Meghar was appointed executive director of Natixis by the Board of Directors' meeting of November 8, 2023.
(3) Stéphane Morin was appointed executive director of Natixis by the Board of Directors' meeting of November 8, 2023.

2.3 Compensation policy for corporate officers

This part presents:

- the principles of the compensation policy (i) for non-executive corporate officers, *i.e.* directors and Chairman of the Board of Directors, and (ii) executive officers, *i.e.* the Chief Executive Officer;
- the elements of compensation paid or allocated in respect of the past fiscal year (i) to the Chairman of the Board of Directors and (ii) to the Chief Executive Officer.

Information relating to the composition and roles and powers of the Compensation Committee are presented in the section of the chapter on corporate governance *(see Section [2.2.2.4])*.

2.3.1 Compensation policy for corporate officers

Natixis' compensation policy is a key element in the implementation of the Company's strategy and its sustainability. The Board of Directors ensures that it is in the social interest. It ensures a balance between the different components of compensation and benefits granted, it is adapted to the functions performed and is structured to encourage commitment of employees over the long term and strengthen the attractiveness of the Company while not encouraging excessive risk-taking.

It reflects the individual and collective performance of the businesses and employees, and incorporates financial performance criteria and qualitative, including in particular criteria relating to the environmental and social responsibility (CSR). It also participates in the alignment over time of the interests of the various stakeholders of Natixis, taking care not to be a vector of conflicts of interest between employees and clients and to promote behaviors in line with Natixis' culture and rules of good conduct, as reflected in the Natixis Code of Conduct. The compensation policy also incorporates the fundamental objectives pursued by Natixis in terms of equality in the workplace and non-discrimination.

In order to guarantee the independence and relevance of the process of determination or revision of the compensation policy, the Compensation Committee (whose role is detailed in the Section [2.2.2.4] of this chapter) conducts an annual review of the principles of the compensation policy and makes proposals to the Board of Directors. Together they make sure the rules are followed: management of conflicts of interest provided for by the provisions applicable laws as well as those provided for by the regulations inside the Board of Directors.

Natixis' compensation policy complies strictly with the regulatory framework specific to countries and sectors of activity in which Natixis operates, including, by way of illustration, CRD, SRAB and Volcker law, AIFMD, UCITS, IFD, MIFID and IDD.

The compensation of Executive corporate officers falls within the framework of the Natixis compensation policy applicable to all employees, which is detailed, in particular for the categories of staff whose professional activities have a significant impact on Natixis' risk profile, in the annual report on remuneration policies and practices published each year before the General Shareholders' Meeting.

The two main principles underlying the fixing of the elements of remuneration of the Executive corporate officers of Natixis by the Board of Directors after consulting the Compensation Committee are the following:

- the competitiveness of the various components, measured on the basis of comparisons with market practices for similar items;
- the link with performance.

COMPETITIVENESS	+	PERFORMANCE
COMPARISON WITH MARKET PRACTICES		INDIVIDUAL AND COLLECTIVE FINANCIAL AND EXTRA-FINANCIAL CRITERIA

In exceptional circumstances, the Board of Directors may adapt certain provisions of the compensation policy, while maintaining an approach that is coherent with the main principles of this policy.

If there is a change in governance or a new corporate officer is appointed, the Board of Directors monitors 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 Natixis Board of Directors of 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 was capped at €780,000 for fiscal year 2023.

On the basis of 13 directorships (the Chairman of the Board and BPCE having waived their compensation) and one non-voting member directorship, the allocation of compensation to members of the Board of Directors is governed by the following rules:

	Compensation	
Governing body	**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 10 meetings)*
Audit Committee		
Chairman	€17,000	€2,000/meeting *(capped at 7 meetings)*
Member	€3,000	€1,000/meeting *(capped at 7 meetings)*
Risk Committee		
Chairman	€17,000	€2,000/meeting *(capped at 8 meetings)*
Member	€3,000	€1,000/meeting *(capped at 8 meetings)*
US Risk Committee		
Chairman	€17,000	€2,000/meeting *(capped at 6 meetings)*
Member	€3,000	€1,000/meeting *(capped at 6 meetings)*
Appointments Committee		
Chairman	€15,000	€2,000/meeting *(capped at 6 meetings)*
Member	€2,000	€1,000/meeting *(capped at 6 meetings)*
Compensation Committee		
Chairman	€15,000	€2,000/meeting *(capped at 5 meetings)*
Member	€2,000	€1,000/meeting *(capped at 5 meetings)*
ESR Committee		
Chairman	€12,000	€2,000/meeting *(capped at 3 meetings)*
Member	€2,000	€1,000/meeting *(capped at 3 meetings)*
Strategic Committee		
Chairman	N/A	€12,000/meeting *(capped at 2 meetings)*
Member	N/A	€2,000/meeting *(capped at 2 meetings)*

Members of the Board receive a fixed portion of €8,000 per year for participating in Board of Directors' 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 10; as a result, the maximum amount paid for Board of Directors' Meetings may not exceed €28,000 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 Specialized 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 the Audit committee, the Risk committee and the US Risk Committee would receive €58,000 over a full year for 100% attendance of all the meetings of the Board of Directors and of those Committees.

Given the workload and responsibilities involved in the tasks of Committee Chairmen, the compensation paid to Specialized Committee Chairmen is greater than that paid to the Committee members.

Given the waiver by the Chairman of the Board of Directors and by BPCE of any compensation due in respect of their office as directors, it is specified, as necessary, that this policy does not apply to the Chairman of the Board of Directors nor to BPCE.

The methods for distributing the fixed and variable compensation of directors were approved by the Board of Directors' meeting of February 7, 2024 for fiscal year 2024, being noted that these may be adapted by the Board of Directors in the event of a change in its composition 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 members of the Board of Directors are referred to in Article L.225-18 of the French Commercial Code. Any director 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

On December 1, 2022, the Natixis Board of Directors appointed Nicolas Namias as Chairman of the Board, replacing Laurent Mignon, with effect from December 3, 2022.

Following the delisting of Natixis and the project to simplify its organization following the transfer of the Insurance and Payments business lines, which led to the greater integration of the Company within Groupe BPCE, the specific compensation formerly awarded to the Chairman of the Board of Directors is no longer justified. The function of Chairman of the Natixis Board of Directors performed by the Chairman of the BPCE Management Board is part of his scope of responsibility and is therefore included in the definition of his compensation as Chairman of the BPCE Management Board. As a result, since December 3, 2022, the Chairman of the Natixis Board of Directors no longer receives compensation for his duties.

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 annual fixed compensation of the Chief Executive Officer, Stéphanie Paix, was set at €800,000 gross for fiscal year 2023.

Annual variable compensation

The managing director is also eligible for variable remuneration, linked to the Company's performance and subject to the achievement of predetermined objectives, whose details and rates of completion at the end of the financial year are assessed by the Board of Directors after consulting the Remuneration Committee. The objectives are based on two types of criteria: (i) quantitative in relation to the financial performance of BPCE and that of the Global Financial Services (GFS) business lines and (ii) strategic covering several dimensions including environmental and social responsibility (CSR) and employer responsibility and employee commitment. In terms of environmental and social responsibility (CSR), the objectives are to strengthen GFS's role as a player with an impact on CSR in its two core activities, *i.e.* Asset & Wealth Management and Corporate and Investment Banking. In terms of employer responsibility and employee commitment, the objectives include diversity and inclusion.

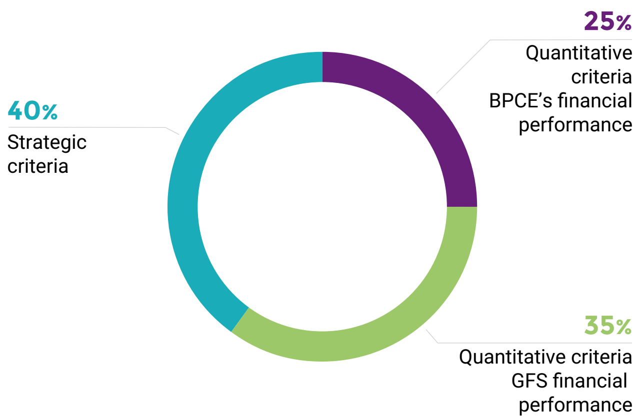
The Chief Executive Officer's annual target variable compensation for 2023 is €800,000 gross, *i.e.* 100% of her fixed compensation.

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 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 average change over three rolling years in Groupe BPCE's underlying 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 2023 were as follows:



Rules for determining variable compensation for 2023

For fiscal year 2023, the criteria for determining the annual variable compensation set by the Board of Directors were as follows:

Range from 0% to 156.25% of the target, *i.e.* a maximum of 200% of the fixed compensation

Quantitative criteria BPCE's financial performance*	25%	4.2% BPCE NBI 8.3% Cost/income ratio BPCE 12.5% Net income (Group share) BPCE
Quantitative criteria GFS financial performance*	35%	8.75% GFS NBI 8.75% Net income (Group share) GFS 8.75% Cost/income ratio GFS 8.75% ROE
Strategic criteria	40%	12.5% Implementation of the Group strategy 10% oversight in terms of risks control 10% environmental and social responsibility 7.5% Employer responsibility and employee engagement

* *Underlying data. For GFS, data calculated at business limits.*

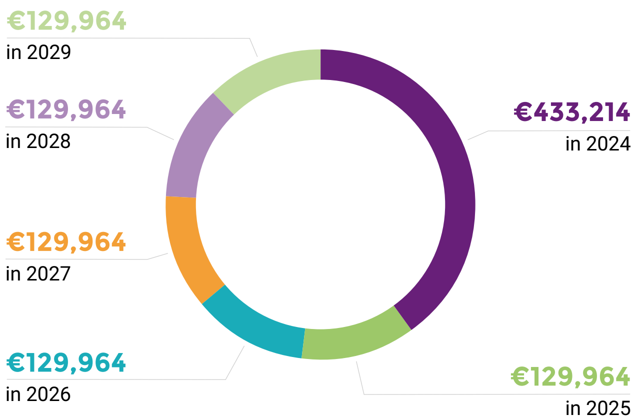
The Board of Directors' meeting of February 5, 2024 assessed the Chief Executive Officer's level of performance with regard to the criteria defined for 2023 and, after receiving the opinion of the Compensation Committee, decided to award the Chief Executive Officer:

- for BPCE quantitative criteria: 117.65% of the annual bonus target;
- for GFS quantitative criteria: 148.48% of the annual bonus target;
- for strategic criteria: 135% of the annual bonus target.

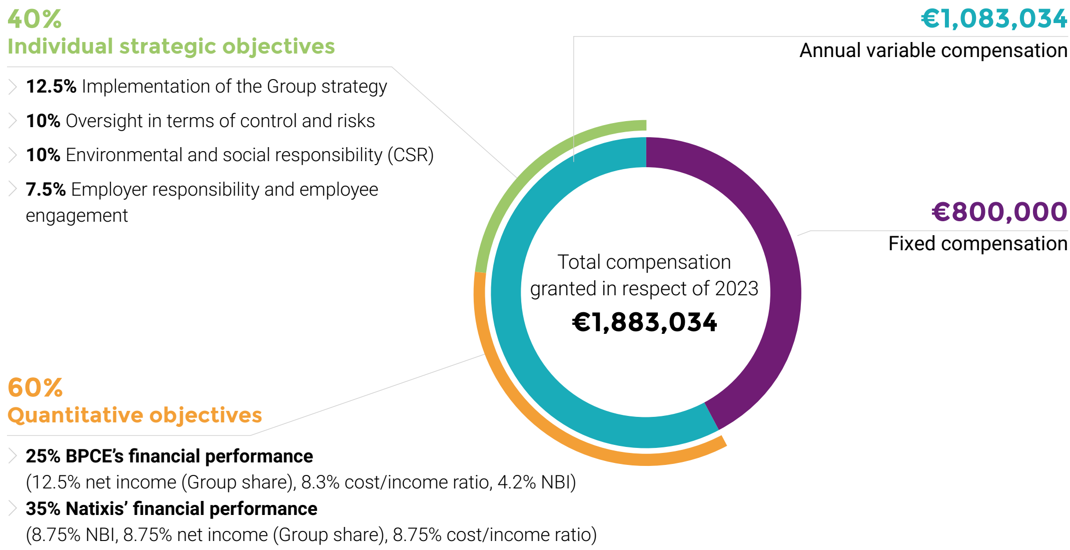
The variable compensation for 2023 is therefore €1,083,034 for the Chief Executive Officer, corresponding to an overall payout rate of 135.38%.

40% of the variable compensation of the Chief Executive Officer will be paid in 2024, the balance, i.e. 60%, being deferred over five years (from 2025 to 2029) and fully indexed to the average change over three years in Groupe BPCE's underlying net income (Group share). This deferred amount will be paid on a pro rata basis in five annual installments, subject to the presence condition and the fulfillment of performance conditions.

Breakdown of the annual variable compensation for fiscal year 2023 by payment schedule for the Chief Executive Officer



Structure of the total compensation awarded for the position of Chief Executive Officer in respect of fiscal year 2023



Fringe benefits

The Chief Executive Officer also has a company car. Stéphanie Paix thus received a benefit in kind related to her vehicle in the amount of €2,919 for 2023.

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 directors.

Stéphanie Paix also received health and personal protection coverage, the terms of which are identical to those applicable to Natixis' employees or implemented by Groupe BPCE for its executive directors. The corresponding employer contribution amount for this protection is €13,375.

Post-employment benefits

Pension Plan

The Chief Executive Officer benefits from mandatory pension plans like all Natixis employees.

The Board of Directors' meeting of December 1, 2022 decided to maintain the benefit of the supplementary defined-benefit pension plan for Groupe BPCE executive officers (referred to as "Article 39" in reference to the French General Tax Code and subject to Article L.137-11 of the French Social Security Code), to which the new Chief Executive Officer, Stéphanie Paix, was eligible for her former duties. The terms of this plan are detailed in Chapter [5], part 13.3 of this universal registration document.

Severance payments

The Chief Executive Officer is eligible for a contract termination payment, the granting of which is subject to the principles and conditions set out below.

The amount of the indemnity is equal to the monthly reference compensation x (12 months + 1 month per year of seniority), the monthly reference compensation being equal to 1/12th of the sum (i) of the fixed compensation paid in respect of the last calendar year of service and (ii) the average of the variable compensation awarded in respect of the last three calendar years of service.

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 Natixis Board of Directors provided the following update on these criteria and conditions:

- 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;
- the data relating to the net income (Group share) and ROE to assess the achievement of the budget will be the underlying data.

On this basis, the performance criteria and conditions are assessed as follows:

1) average Natixis underlying net income (Group share) over the two fiscal years preceding departure greater than or equal to 75% of the average budget forecast for the same 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 same 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 contract termination 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 director 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 contract termination 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.

Stéphanie Paix did not receive any contract termination payment or non-compete benefits in 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 French Financial Markets Authority recommendations

AMF Table No. 1

Summary of the compensation, stock options and shares granted to each Executive corporate officer

	Fiscal year 2023	Fiscal year 2022
Nicolas Namias, Chairman of the Board of Directors		
Compensation due or granted for the fiscal year	€0	€0
Value of options granted during the fiscal year	€0	€0
Value of performance shares granted during the fiscal year	€0	€0
TOTAL	**€0**	**€0**
Nicolas Namias' other compensation for his duties as Chief Executive Officer of Natixis [(a)]	**€0 [(a)]**	**€2,269,320 [(a)]**
Nicolas Namias' other compensation for his duties at BPCE	**€2,525,500**	**€200,822**
Stéphanie Paix, Chief Executive Officer		
Compensation due or granted for the fiscal year	€1,885,953[(b)]	€137,884 [(b)]
Value of options granted during the fiscal year	€0	€0
Value of performance shares granted during the fiscal year	€0	€0
TOTAL	**€1,885,953**	**€137,884**
Other compensation granted to Stéphanie Paix for her duties at BPCE	**€0**	**€985,237 [(c)]**

(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. Including €2,925 family allowance and €9,279 vehicle benefit in 2022.

(b) Including €2,919 in vehicle benefits in 2023 and €390 in 2022.

(c) This amount includes payment of deferred variable compensation and securities delivery in respect of previous years and granted for her duties within BPCE.

French Financial Markets Authority 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.

	Fiscal year 2023		Fiscal year 2022	
	Amount due or allocated	Amount paid	Amount due or allocated	Amount paid
Nicolas Namias, Chairman of the Board of Directors				
Fixed compensation for corporate office duties	€0	€0	€0	€0
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	**€0**	**€0**	**€0**	**€0**
Nicolas Namias' other compensation for his duties as Chief Executive Officer of Natixis [(a)]	**€0**	**€787,256**	**€2,269,320**	**€1,689,901**
Nicolas Namias' other compensation for his duties at BPCE	**€2,525,500**	**€1,254,177**	**€200,822**	**€91,731**
Stéphanie Paix, Chief Executive Officer				
Fixed compensation for corporate office duties	€800,000	€800,000	€62,366	€62,366
Annual variable compensation	€1,083,034	€37,564	€75,128	N/A
Extraordinary compensation	€0	€0	€0	€0
Directors' fees	€0	€0	€0	€0
Benefits in kind [(b)]	€2,919	€2,919	€390	€390
TOTAL	**€1,885,953**	**€840,483**	**€137,884**	**€62,756**
Stéphanie Paix's other compensation for her duties at BPCE [(c)]	**€0**	**€450,736**	**€985,237**	**€904,088**

(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.

(b) The deferred amount corresponds to the vehicle benefit.

(c) This amount includes payment of deferred variable compensation and securities delivery in respect of previous years and granted for his or her other duties.

The table below sets out the variable compensation paid in 2023 to Executive corporate officers in their capacity as Chief Executive Officer of Natixis.

The difference between the amounts allocated and the amounts actually paid below is linked to the indexation on the three-year rolling average change in the underlying Group Net Income Share (RNPG).

	Deferred securities or similar instruments portion of variable compensation for iscal year 2021	Deferred cash portion of variable compensation for fiscal year 2021	Deferred cash portion of variable compensation for fiscal year 2022	Cash portion of variable compensation for fiscal year 2022, paid in March 2023	Total
Nicolas Namias					
Paid in 2023	€17,932	€15,340	€220,834	€533,150	€787,256
Granted (initial amount)	€15,340	€15,340	€208,000	€533,150	€771,830
Stéphanie Paix					
Paid in 2023				€37,564	€37,564
Granted (initial amount)				€37,564	€37,564

French Financial Markets Authority 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 23, 2023, the non-executive corporate officers received the compensation detailed in the tables below.

1) Compensation paid by Natixis

Director	Fiscal year 2023				Fiscal year 2022	
	Board of Directors		Committees		Board of Directors	Committees
(in euros)	Amount [a]	o/w variable compensation	Amount [a]	o/w variable compensation	Total amount paid [a]	Total amount paid [a]
BPCE [b] (represented by Catherine Halberstadt)	N/A	N/A	N/A	N/A	22,000	20,000
Nicolas Namias [b]	N/A	N/A	N/A	N/A	N/A	N/A
Dominique Duband	22,000	14,000	6,000	4,000	22,000	6,000
Sylvie Garcelon	22,000	14,000	13,000	8,000	22,000	15,000
Dominique Garnier	22,000	14,000	10,888[d]	8,000	22,000	8,000
Philippe Hourdain	22,000	14,000	8,000	6,000	22,000	7,000
Anne Lalou	22,000	14,000	39,000	23,000	22,000	39,000
Catherine Leblanc	20,000	12,000	7,000	5,000	22,000	6,000
Delphine Maisonneuve *(term of office since April 13, 2023)*	15,764[d]	10,000	15,252[d]	4,000	N/A	N/A
Catherine Pariset	22,000	14,000	48,296[d]	25,000	22,000	44,000
Christophe Pinault	22,000	14,000	24,000	16,000	20,000	18,000
Laurent Roubin	22,000	14,000	26,000	18,000	22,000	20,000
Diane de Saint Victor [c] *(term of office until February 8, 2023 inclusive)*	2,855[d]	2,000	4,816[d]	3,000	22,000 [c]	29,000 [c]
Valérie Savani	18,000	10,000	16,000	11,000	N/A	N/A
Laurent Seyer	22,000	14,000	74,000	35,000	22,000	52,000
Nicolas de Tavernost	22,000	14,000	29,000	12,000	22,000	28,000

(a) Amounts before withholding tax of 30% or 12.8% for non-resident directors in France.
(b) It is specified that the Chairman of the Board of Directors has waived any compensation due in respect of his office as director. BPCE waived any compensation due in respect of his directorship as of fiscal year 2023.
(c) Directors not resident in France (withholding tax of 12.8%).
(d) Figures have been rounded.

2) Compensation paid by companies included in Natixis' scope of consolidation

Director	Fiscal year 2023		Fiscal year 2022 [a]	
(in euros)	Total amount allocated	Total amount paid	Total amount allocated	Total amount paid
BPCE	€7,200	€17,400 [b]	€29,200	€42,000 [c]
Christophe Pinault	N/A	N/A	N/A	N/A
Valérie Savani	N/A	N/A	N/A	N/A

(a) Compensation paid by companies included in Natixis' scope of consolidation in fiscal year 2022 includes those paid by Insurance and Payments, which were transferred to BPCE in March 2022.
(b) Part of which relates to compensation for fiscal year 2022.
(c) Part of which relates to compensation for fiscal year 2021.

French Financial Markets Authority 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 2023.

French Financial Markets Authority 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 2023.

French Financial Markets Authority Table No. 6

Free shares allocated to each Executive corporate officer in fiscal year 2023

No shares were granted in fiscal year 2023.

French Financial Markets Authority Table No. 7

Bonus shares that became transferable during the fiscal year for each Executive corporate officer

No free shares became available during the fiscal year.

French Financial Markets Authority 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.

French Financial Markets Authority Table No. 9

Subscription options or call options granted to the top 10 non-corporate officer employees and options exercised by them

No subscription or call options were granted or exercised by Natixis employees in fiscal year 2023.

French Financial Markets Authority Table No. 10

Allocation of free shares currently vesting or vested in 2023 for each Executive corporate officer

No free shares are currently vesting or have been vested during the fiscal year 2023 for the Executive corporate officers.

French Financial Markets Authority Table No. 11

Situation of Executive corporate officers

Fiscal year 2023	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**
Nicolas Namias, Chairman of the Board of Directors Start date of the term of office: December 3, 2022 End date of the term of office: at the end of the May 2027 General Shareholders' Meeting		X		X		X		X
Stéphanie Paix, Chief Executive Officer Start date of the term of office: December 3, 2022 End date of the term of office: at the end of the May 2026 General Shareholders' Meeting		X	X [(b)]		X		X	

(a) *See Section 2.3.4 "Severance payment" and "Non-compete indemnities".*

(b) *Stéphanie Paix is eligible for the supplementary defined-benefit pension plan for Groupe BPCE executive officers (referred to as "Article 39" in reference to the French General Tax Code and governed by Article L.137-11 of the French Social Security Code).*

3.

Risk Factors, Risk Management and Pillar III

2023 Regulatory ratios

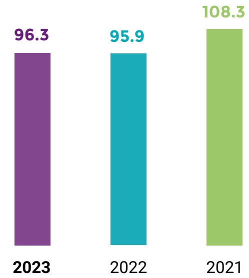
13.6% Tier 1 ratio

11.3% CET1 ratio

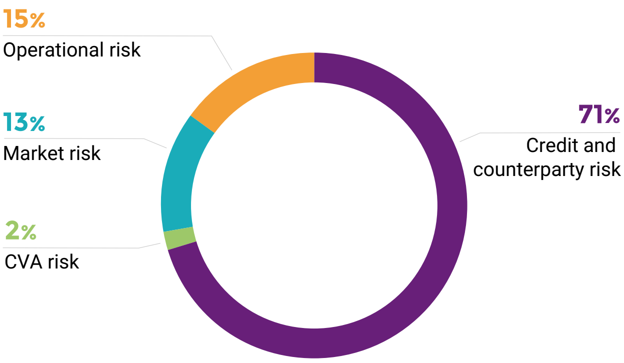
16.5% Total capital ratio

3.4% Leverage ratio

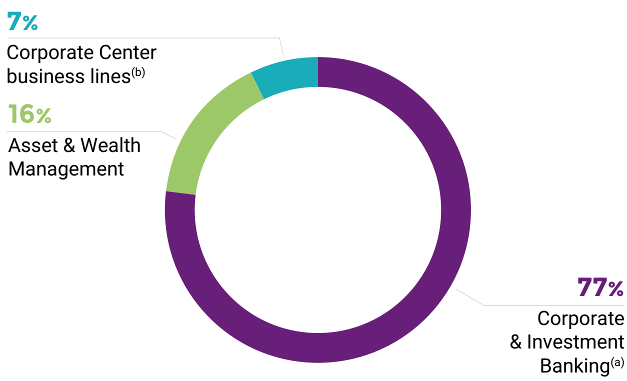
Change in risk-weighted assets *(in €bn)*



Capital requirements by risk type



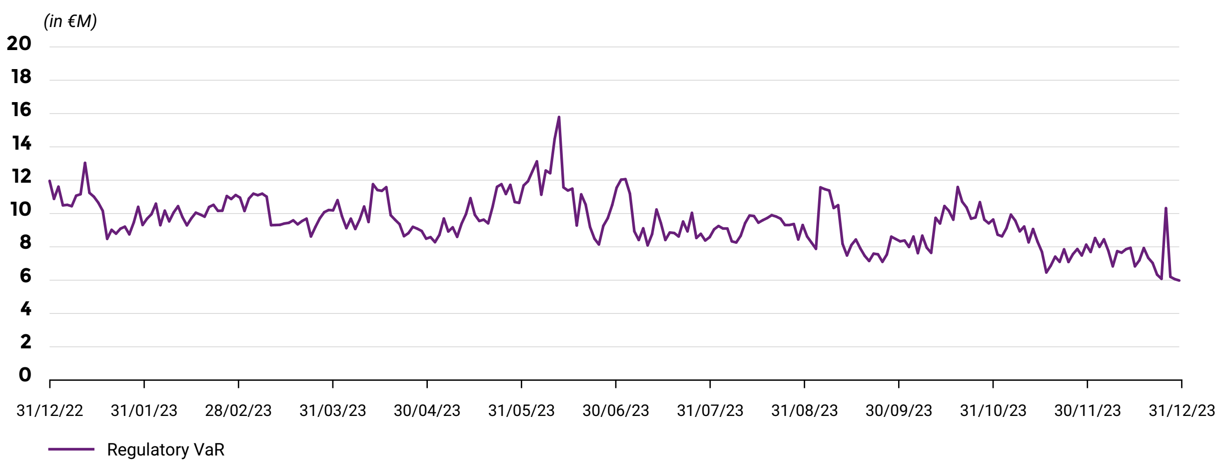
Capital requirement by business line



(a): including Treasury and Collateral Management

(b): including NCIB support

Natixis regulatory VaR for the 2022-2023 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 Natixis' prudential ratios, net worth or net income. The risks to which Natixis is exposed may arise from several risk factors related to, among other things, macro-economic and regulatory changes to its operating environment, or relating to implementing its strategy and conducting its business. Pursuant to the provisions of Article 16 of Regulation (EU) No. 2017/1129, known as "Prospectus 3", of June 14, 2017, the intrinsic risks of Natixis' business are presented as five main categories:

- credit and counterparty risks;
- financial risks;
- non-financial risks;
- strategic and business risks;
- 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 2023 universal registration document. Risk factors are presented on the basis of an assessment of their importance, taking into account their negative impact and the probability of their occurrence, with the major risk being listed first within each category.

Credit and counterparty risks

Natixis is exposed to credit and counterparty risks which may be increased as a result of risk concentrations

Natixis is exposed to credit and counterparty risk through its financing, structuring, trading and settlement activities for financial instruments that are mostly performed by its Corporate & Investment Banking (CIB) division.

Credit and counterparty risk is one of the major risks identified by Natixis and represented 70% of total RWA as at December 31, 2023.

For information, at December 31, 2023, Natixis' exposure to credit and counterparty risk (Exposure at Default excl. CVA) totaled €367.5 billion, split primarily between banks and similar bodies (37%), companies (32%), and sovereigns (25%).

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, if a country's economic situation were to weaken, Natixis' credit risk exposure could be increased. Credit risk could also be increased in the context of leveraged financing transactions.

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 banks and market participants. This is because the banks are closely interconnected, due in large part to their trading, clearing and financing operations.

A default, or the anticipated potential default of one or several participants in the financial industry market, whether or not it is justified, could have repercussions on other banks, causing a chain of defaults by other participants in this market and negatively impacting the market's liquidity, which could have a significant unfavorable impact on Natixis' cost of risk, results and financial position.

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, 2023, Natixis' cost of risk amounted to -€244.3 million (of which -€42.0 million in net provisions for Stages 1 and 2 exposures and -€202.3 million for non-performing loans).

Natixis applies IFRS 9 "Financial instruments", which requires provisions to be created from the initial recognition of a financial instrument. This 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, 2023 in Chapter [5.1] "Consolidated financial statements and notes" of the 2023 universal registration document)*.

As of the date of this 2023 universal registration document, the economic context is still marked by high uncertainty due to geopolitical tensions that have continued to grow in the face of recent conflicts in Europe and the Middle East, and political risks due to the multiple elections, including in the United States, scheduled for 2024. According to the projections of the main government and supranational institutions, the global economy will continue to face two major challenges: weak growth with a risk of recession in some regions (including the euro zone) and high inflation with a moderate slowdown expected in 2024, mainly due to restrictive monetary policies in 2022 and 2023. At the end of 2023, inflation levels fell, compared with the peak seen at the end of 2022, and should see a return to central bank target rates in 2025 in the majority of economies.

It is against this backdrop that the IFRS 9 scenario, comprising three limits: optimistic, central and pessimistic, was updated in July 2023. The pessimistic limit includes an adverse scenario of stagflation (a scenario also used for internal stress tests). Projections of the macro-economic variables underlying this scenario are used to estimate the projected risk parameters. As of December 31, 2023, the weightings used on each geographical area are the following:

- France: 20% for the pessimistic scenario, 50% for the central scenario and 30% for the optimistic scenario;

- Europe excluding France: 18% for the pessimistic scenario, 76% for the central scenario and 6% for the optimistic scenario;
- US area: 15% for the pessimistic scenario, 36% for the central scenario and 49% for the optimistic scenario.

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. Non-performing loans (Stage 2), 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 flat rate based on historical unexpected losses on unprovisioned loans.

As of December 31, 2023, non-performing loans to clients amounted to €2,131 million and were distributed as follows: 40% for France, 12% for the rest of Europe, 17% for North America, 14% for Asia, 8% for Central and Latin America, 6% for Africa and 2% for the Middle East. The ratio of non-performing loans held by Natixis to gross client loan outstandings (excluding repurchase agreements) is 3.0% (compared to 3.1% as of December 31, 2022) and the overall coverage rate of these non-performing loans stood at 45.9% (compared to 43.2% as of December 31, 2022).

The increase in credit risk concerning S1 and S2 loans is measured against the following criteria: changes to counterparty ratings (for individual client, professional client, SME, large corporates, banks and sovereigns loan books) since initial recognition, watchlist status, forborne status, the ratings of the country of the counterparty and the existence of one or more contracts more than 30 days past due.

Geopolitical uncertainties make it difficult to forecast their impact on Natixis' counterparties. This could result in a substantial increase in losses and provisions, adversely affecting Natixis' cost of risk, its net income and financial position.

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 particularly through 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-banking 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 aforementioned 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 clients, 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.

Natixis is exposed to country risk, related to changes in the political, economic, social and financial context in the regions and countries in which it operates

Natixis conducts its business on a global scale and, as such, is exposed to changes in the political, economic, social and financial context in the regions and countries in which it operates. As of December 31, 2023, exposures to credit and counterparty risk are concentrated in France which accounts for 55% of exposures, followed by the rest of Europe (EU and non-EU) accounting for 19%, North America for 15%, and Asia for 6%, 2% for the Middle East, 1% for Latin America, 1% for Africa and 1% for Oceania.

Country risk is specifically monitored and is taken particularly into account in the credit granting and monitoring processes, as well as asset valuation and provisioning. However, a significant deterioration in the political or macro-economic environment in a country or region in which it operates could force Natixis to record additional expenses or recognize losses greater than the amounts already recorded in its financial statements. In particular, Natixis is exposed to increased risks when operating in countries that are not members of the Organization for Economic Co-operation and Development (OECD), which are subject to uncertainties related to political instability, legislative and fiscal unpredictability, expropriation issues and other risks that are less significant in more developed economies.

The armed conflict between Ukraine and the Russian Federation that began in February 2022 as well as the conflict in the Middle East are likely to affect Natixis' activities in these countries. Natixis has ceased all new financing for Russian companies and all commercial activity in the country since the start of hostilities. At December 31, 2023, there were no further exposures to Ukrainian counterparties, compared with €90.7 million (equivalent), provisioned for €35.0 million (equivalent), as of December 31, 2022. At December 31, 2023, Russian counterparties classified as non-performing outstandings amounted to €0.9 million (versus €146.9 million at December 31, 2022), with provisions of €0.9 million (€38.5 million at December 31, 2022). The other Russian counterparties classified as assets under watch (Stage 2) amounted to €609.7 million (versus €785.5 million at December 31, 2022) provisioned for €27.5 million (versus €44.9 million as of December 31, 2022).

Financial risks

A deterioration in the financial markets could generate significant losses in Natixis' capital markets and asset management 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 markets activities.

The year 2023 was marked by the continuation of the armed conflict between Ukraine and the Russian Federation, the armed conflict between Israel and Hamas, the attacks in the Bab el-Mandeb strait, the continuing rise in the cost of commodities and the risk of recession in the euro zone. In the first half of 2023, the financial system was also exposed to tensions arising from regional bank failures in the USA and the difficulties of Credit Suisse which led to its takeover by UBS, but the contagion was ultimately relatively contained. The second half of the year was largely dominated by market expectations as to the duration of the high interest rate monetary policy. Concerns (medium-term global growth in an environment of prolonged high inflation and rates) in Q3 were swept away in Q4 following lower inflation figures in the US and euro zone, and announcements of future cuts in US key rates expected in 2024. The year ended on a favorable note for the markets, leading to a solid positive performance in most asset classes.

In 2023, the impact on the markets has resulted in:

- a continuation of the key rate hike cycle, with the ECB refinancing rate rising from 2.5% at the end of December 2022 to 4.5% on September 20, 2023; Following expectations of a fall in 2024, swap rates fell across the entire curve, following a steepening trend (a 60 bps fall compared with the end of 2022 for EUR 2Y and a 20 bps fall for EUR 30Y);
- interest rate volatility lower than in 2022, but still at a high rate;
- a rise in equity markets, coupled with an easing of volatility, with the Vix volatility index (implied volatility of European equity options on the S&P500 three-month index) at its lowest point since the beginning of 2020 at 12% (spot levels on December 29, 2023 of 4,770 points for the S&P500 and 4,521 points for the Eurostoxx50);
- a decrease in credit spreads (CDS Itraxx CrossOver at 410 points and Itraxx Main at 58 points, approaching the lowest levels since the beginning of 2022);
- a drop in energy prices for both Brent crude (-10% over 2023) and gas, reaching their lowest level since the middle of 2021 at €32 per unit of measurement.

In order to limit these potential impacts, Natixis has adopted a cautious approach in the management of its positions. Strategies for hedging extreme risks in a scenario of falling equity markets have been maintained by Natixis since January 2021, and throughout 2023. Interest-rate and inflation-risk factors are dynamically hedged on the trading desks and are well incorporated into the market risk monitoring framework.

Prolonged market fluctuations that could lead, in an environment of high volatility, to a deterioration of assets, may also weigh on the level of activity or reduce liquidity in the markets concerned. Such situations may expose Natixis to significant losses if it is unable to quickly close out its loss-making positions. This applies in particular to assets held by Natixis that are structurally less liquid. Assets that are not traded on a stock exchange or other regulated markets (for example, certain derivatives traded over-the-counter between banks) are valued by Natixis using models rather than market prices. Given the difficulty in monitoring changes in the prices of these assets in such circumstances, Natixis could incur losses that are difficult to anticipate.

Another deterioration in the equity and bond financial markets, such as that observed in 2022 and the first half of 2023, could also adversely impact asset management activities, in particular through a negative impact on:

- the valuation of Natixis Investment Managers' seed money portfolio, which would be mitigated by the portfolio hedging strategy;
- the valuations of real assets in the Real Estate or Private Equity areas in Natixis Investment Managers' sponsorship portfolio due to impacts on the real economy and macro-economic parameters (inflation, interest rates, etc.);
- levels of assets under management and ultimately on revenues of Natixis Investment Managers and its affiliates, as strategies in their fund offering are sensitive to market fluctuations.

Natixis' access to certain financing could be adversely impacted by the event of a financial crisis and/or a downgrade of its rating and that of Groupe BPCE, and Natixis' liquidity and ability to ensure adequate asset-liability management of its balance sheet could be impacted by unfavorable market conditions

Since 2011, Natixis' financing structure has relied on a joint financing platform between Natixis and BPCE. Natixis secures of its medium- and long-term financing for its vanilla, public and private, senior and subordinate sub fund emissions from Groupe BPCE via the intermediary of BPCE S.A. Natixis remains Groupe BPCE's medium and long-term issuer for structured private financing operations.

In the event of the closure of certain funding sources due to a systemic event (such as the 2008 and 2011 crises) or market disruptions related to the default, or the anticipation, whether justified or not, of the potential default of one or several players in the financial industry, the ability of Groupe BPCE, Natixis and the banking industry to refinance each other or to refinance the real economy could be impaired.

In these circumstances, or 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.

Natixis is exposed to the risk of mismatching the maturities of its cash inflows and outflows, interest rate indices and structural foreign exchange risk. In the case of certain assets and liabilities in particular, the dates of cash inflows and outflows are uncertain and dependent on events and market conditions. If necessary, additional financing and liquidity support from the market may be necessary to meet its obligations.

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

This risk concerns securities held by Natixis recognized in the prudential banking book at fair value with an offsetting entry in other comprehensive income (OCI). Natixis is mainly exposed to this risk through the debt instruments it holds as part of the management of its liquidity 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 purposes, at December 29, 2023, the risk of change in value calculated for the CSRBB (Credit Spread Risk in the Banking Book) on Natixis' liquidity buffer amounted to €189 million compared to €174 million at June 30, 2023. This slight increase was mainly due to growth in outstandings (+400 million), while the maturity and allocation profile of the Natixis asset portfolio remained broadly stable over the period.

The emergence or resurgence of crises could lead to a further deterioration in credit spreads and, consequently, adversely impact Natixis' shareholders' equity.

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 amounts due by the associated counterparty;
- Natixis' own credit spread risk (Debt Value Adjustment or DVA) by including in the liabilities' valuation of non-collateralized or imperfectly collateralized derivatives, the credit risk borne by Natixis' counterparties (*i.e.* potential losses incurred by Natixis' counterparties in the event of a downgrading of Natixis' 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. In addition, these additional adjustments may change significantly and could affect activity and the financial position and consequently could have a significant negative impact on Natixis or on the fair value of its derivatives. For information, as at December 31, 2023, changes in CVA, DVA and FVA amounted to +€49.8 million, €22.3 million and -€25.2 million, respectively.

Non-financial risks

Should Natixis fail to comply with applicable laws and regulations, it could be exposed to significant fines and other judicial, administrative, arbitral and disciplinary (including criminal) sanctions that could have a material adverse impact on its financial condition, business and reputation

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 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 local and supranational authorities.

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 (anti-money laundering and counter terrorist financing, compliance with embargoes, anti-fraud and corruption).

Natixis' Compliance Department oversees compliance risk prevention and mitigation *(see Section [3.2.9] of the 2023 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, arbitral, or criminal legal proceedings that could have a material adverse effect on its financial position, business and reputation.

In the course of its business, Natixis is exposed to unethical or illegal actions or behavior by its employees, service providers, suppliers or third parties, which could damage its reputation, expose it to sanctions and adversely affect its financial position and business outlook

Natixis' reputation is crucial to building relationships and building client loyalty. The use of inappropriate means to promote and market its products and services, inadequate management of potential conflicts of interest, compliance with legal and regulatory requirements, rules of ethics, laws on money laundering, the international decisions on 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 a dedicated Committee (the Global Culture and Conduct Committee) and training program.

However, even with the adoption of a conduct framework, 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 as 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 transactions, some of which are increasingly complex. Although Natixis has made quality in data exchanges 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 client relationship management, the general ledger, deposit and loan processing transactions, 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 Groupe BPCE'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 including those based on artificial intelligence to achieve higher levels of persuasion, in order to access 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 works to implement the guidelines established by these authorities through cooperation between its Information Systems (IS) and Technology Risk Management (TRM) Departments. This has resulted notably 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 2023, 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. To deal with this type of event, Natixis relies on a BCP (Business Continuity Plan) and Global – Technology Risk management framework aimed at guaranteeing the operational and technological resilience of its organization. This framework has demonstrated its effectiveness in managing crises such as the armed conflict between Russia and Ukraine, the armed conflict between Israel and Hamas or previously the COVID-19 pandemic.

Natixis strives to prevent the occurrence of interruptions, failures in communication and information systems, or breaches of its information systems, and implements a control framework, particularly for third-party systems. The exceptional occurrence of the events described above could, however, result in lost business, other losses and additional costs, and damage Natixis' reputation.

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. 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 Groupe BPCE or its affiliates could result in an outflow of funds, a decrease in assets under management and, ultimately, in revenues generated by the business.

Strategic and business risks

Adverse market or economic conditions could adversely impact Natixis' profitability and financial position

The Asset & Wealth Management and Corporate & Investment Banking businesses are sensitive to changes in the financial markets and, in general, to economic conditions in France, Europe and worldwide.

As a result, Natixis faces the following risks:

- the main markets in which Natixis operates could be affected by uncertainties such as those relating to changes in global trade (particularly changes in the price of commodities and energy, global supply chain tensions), the geopolitical context (particularly related to the continuing conflict between Ukraine and the Russian Federation, the armed conflict between Israel and Hamas and the attacks in the Bab el-Mandeb strait), or of any other nature;
- unfavorable economic conditions could affect the business and operations of Natixis' clients, 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;
- in an inflationary macro-economic context, the end of central banks' ultra-accommodating monetary policies led to interest rates rising in 2022 and 2023 and gradually declining from 2024 onwards. In addition to the risk of recession that can potentially arise from a poorly calibrated monetary tightening by central banks and in particular the European Central Bank (ECB), as well as the risks to the economy posed by the ECB's pause in rate hikes, there could also be a risk of arbitrage between the sovereign bonds of different euro zone member states due to an unwanted widening of sovereign spreads. While, in 2022, the ECB put in place an anti-fragmentation instrument, failure to implement it could lead to a repeat of the sovereign debt crisis of 2011;
- a decline in prices on the bond, equity or commodity markets could reduce business volumes on these markets and negatively impact Natixis' revenues;
- 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;
- macro-economic policies adopted in response to actual or anticipated adverse economic conditions could have unintended 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, the COVID-19 crisis in 2020 or the armed conflict between Ukraine and the Russian Federation) could have a severe negative impact on all Natixis' businesses, 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, even to sell them at all;
- increases or decreases in interest rates could have a marginal impact on Natixis' activities, which have a limited sensitivity to interest rate risk. For information, at December 31, 2023, the sensitivities of the economic value of the main entities in the Natixis consolidated scope to a parallel shift (with the regulatory floor) downwards and upwards in rates according to the scenarios and rules defined by the EBA in the new guidelines of October 2022, represent respectively an amount of €35 million and -€79 million, *i.e.* an impact of less than 1% of Natixis' Tier 1 capital (the asymmetry between the two results is linked to the application of the EBA's cross-currency aggregation rule). However, the impact of changes in interest rates on Groupe BPCE's other activities (retail banking and personal insurance in particular) could have unfavorable consequences on the resources allocated to Natixis and impact its activities, revenues, and the management of its ratios.

Some targets of the strategic plan for 2024 may not be achieved, which could potentially significantly affect Natixis' business, financial position and results

Natixis' strategic plan, communicated as part of Groupe BPCE's 2024 plan in July 2021, sets out the development priorities for Natixis' various divisions and 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 clients and our development;
- commitment, to the energy transition and SRI finance;
- transformation, and investment to create sustainable value.

These three priorities should enable Natixis to generate revenue growth for the two Asset & Wealth Management and Corporate & Investment Banking divisions of +3% and +7% respectively over the 2020-2024 period.

Failure to achieve these development priorities could adversely impact Natixis' financial trajectory as defined in its strategic plan.

Natixis could be exposed to unidentified or unanticipated risks that could adversely affect its results and financial position in the event of failures in its risk measurement framework, notably based on the use of models

Natixis' risk measurement framework, which is based on the use of models, may fail and expose Natixis to unidentified or unforeseen risks, and could result in significant losses.

Risk management techniques which often rely on models may prove inadequate for certain types of risks. For instance, some rating or VaR measurement models *(as defined in Section [3.2.6.3] of the 2023 universal registration document)* that Natixis uses to steer its risk management are based on historical market behavior observations. To quantify its risk exposure, Natixis then conducts a primarily statistical analysis of these observations *(see Section [3.2.6.4] of the 2023 universal registration document for a detailed description of the risk management framework)*. The measurement metrics and tools used could produce inaccurate conclusions on future risk exposures, as a result 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.

Moreover, Natixis' quantitative models do not incorporate all risks. Certain risks are subject to a qualitative analysis that could prove inadequate and expose Natixis to unforeseen losses.

Natixis could encounter difficulties in implementing its external growth 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 Natixis conducts 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 a joint venture may prove to be disappointing and the expected synergies may not be achieved in full or in part, or 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 integration of a new entity or joint venture may significantly affect Natixis' profitability.

At the end of December 2023, Natixis' goodwill represented €3,443 million, relating to Corporate & Investment Banking (€144 million) and Asset & Wealth Management (€3,299 million). The recognition of goodwill during these external growth transactions could lead, in the event of a lasting deterioration in profitability, to an impairment in the financial statements (during periodic testing) or to recognition of a loss in the event of disposal. 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 as part of 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.

The physical and transitional components of climate and environmental risks and their consequences for economic players could adversely affect Natixis' activity, results and financial position

Risks associated with climate change and the environment are factors that exacerbate other risks, including credit risk, operational risk and market risk. Natixis is particularly exposed to physical climate risk and transition climate risk. They potentially carry image and/or reputational risk.

Physical risk results in higher economic costs and financial losses due to the increased severity and frequency of extreme weather events linked to climate change (such as heatwaves, landslides, floods, late frosts, fires and storms), as well as progressive long-term changes in climate or the environment (such as changes in precipitation, extreme weather variability, rising sea levels and average temperatures, loss of biodiversity, soil and water pollution, water stress). It may have an impact of considerable scope and magnitude, likely to affect a wide variety of geographic areas and economic sectors where Natixis operates.

Climatic and physical environmental events can cause the destruction or unavailability of buildings, factories and offices, slowing down or even rendering impossible our clients' activities. What's more, physical climate risk can spread along the value chain of Natixis' corporate clients, potentially leading to their failure and thus generating financial losses for Natixis. These physical risks may also have an indirect impact on Natixis' counterparties, *i.e.* through the macro-economic impacts they could have, such as inflationary pressures or the deterioration in the economic attractiveness of certain regions, which could adversely affect the financial health of economic players. These physical climate risks could increase and result in significant losses for Natixis.

Transition risk is linked to the process of adjusting to a low-carbon economy or one with less environmental impact, which may involve changes in regulations, technology or stakeholder expectations (clients, NGOs, investors, etc.). These processes for reducing environmental impact are likely to have a significant impact on all sectors of the economy, affecting the value of financial assets and the profitability of companies. The increased costs of this transition for economic players could lead to an increase in defaults and thus significantly increase Natixis' losses. For example, the European carbon-neutrality regulation banning the sale of new combustion-powered cars in Europe by 2035 or the implementation of the French Green Industry Act (no. 2023-973 of October 23, 2023) could lead to major compliance investments on the part of automotive producers and suppliers and other industries (investments in production lines and geographic reorientation of sales), which could impact the credit quality of these counterparties, and – for counterparties whose risk profile is already low – lead to default, resulting in losses for Natixis.

Legislative and regulatory developments could significantly impact Natixis and the environment in which it operates

Laws and regulations are evolving rapidly and continuously. Changes in these circumstances could force Natixis to adapt its businesses, which could affect its results and financial position (increase in capital or increase in total financing costs, etc.).

Among the measures that have been or may be adopted, without being exhaustive, some could potentially:

- prohibit or limit some kinds of products or businesses, thereby partially impacting the diversity of Natixis' revenue sources;
- strengthen internal control requirements, which would require investing heavily in human and technical resources 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, the revised Basel 3) in Europe could lead to a review of models for calculating Risk-Weighted Assets or liquidity ratios for certain activities. This reform will be implemented in the revised European legislative corpus CRR (Regulation (EU) No. 575/2013) which, with a few exceptions, will become applicable on January 1, 2025;
- amend the benchmark regulation proposed by the Commission (Regulation (EU) No. 2016/1011, June 8, 2016), with possible changes to scope and burdens;
- strengthen regulatory requirements in terms of client protection and information, or concerning the conditions for granting and monitoring credit (in particular through the implementation of Directive (EU) 2023/2225 of October 18, 2023 on consumer credit agreements), but also influence the management of operations for clients in difficulty;
- strengthen personal data protection and cyber-resilience requirements in line with the adoption by the European Council on November 28, 2022 of the European directive and regulation package on the digital operational resilience of the financial sector. Added to this is the transposition of NIS Directive 2 of December 14, 2022 (Network and Information Security Directive on measures to ensure a high common level of cybersecurity throughout the Union), which broadens the scope of application of the initial NIS Directive, and could lead to additional costs linked to additional investments in the bank's information system;
- green industries by implementing the requirements of the French Green Industry law (No. 2023-973 of October 23, 2023);
- 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 (for example, amendments to the regulations on financial products, enhanced information disclosure requirements);
- strengthen requirements in terms of personal data protection and requirements in terms of cyber-resilience, in connection with the adoption by the European Council on November 28, 2022 of the European Directive and Regulation package 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;
- introduce European regulatory systems relating to the duty of care resulting from the proposed "CSDD" directive (Corporate Sustainability Due Diligence) as well as sustainable finance including the new European Green Bonds regulation with the increase in non-financial reporting obligations, resulting in particular from the CSRD Directive (Corporate Sustainability Reporting Directive) and strengthening the inclusion of environmental, social and governance risks in risk management and taking these risks into account in the prudential supervision and evaluation process (Supervisory Review and Evaluation Process – SREP);
- strengthen the banking crisis management and the deposit guarantee framework (CMDI), in particular following the European Commission proposal published on April 18, 2023. This proposal could lead to wider use of the guarantee and resolution funds and increase the Group's contributions to the guarantee and resolution funds;
- adopt new obligations as part of the review of the EMIR regulation (EMIR 3.0) - in particular the information requirements for European financial players vis-à-vis their clients, the equity options regime and the calibration of active account funding requirements in a European Union clearing house;
- implement technical standards (RTS) published by the European Banking Authority to clarify risk retention requirements and contribute to the development of a healthy, safe and sound securitization market in the European Union (published by the European Banking Authority on April 12, 2022);
- strengthen the protection of retail investors, in particular through the strategy for retail investors presented by the European Commission on May 24, 2023 aimed at prioritizing the interests of retail investors and strengthening their confidence in the Capital Markets Union;
- 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 trends, particularly in the context of the retail investment strategy and increased competition related to European "open banking" or "open finance" initiatives such as the "**PSD2**" Payment Services Directive 2;
- 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 directives and regulations from the European Parliament and the European Council published on December 5, 2022 for which a provisional agreement was reached on December 13, 2023 and which aims to strengthen 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 this changing legislative and regulatory environment, it is difficult 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.

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 14,000 people (permanent and fixed-term employment contracts) around the world (excluding financial investments) located as follows: 50.5% in France, 20.4% in the EMEA region, 21.4% in the North and South America and 7.7% in Asia-Pacific. The performance of Natixis' activities is closely linked to its people. Indeed, Natixis' business model is based on business line expertise, which requires the recruitment of qualified employees. Moreover, stricter regulatory requirements 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 employees, 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 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 ("**CRD V**"), 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.

What's more, there is a strong desire on the part of some employees for new, more flexible ways of organizing their work. Since 2021, Natixis has implemented a policy favoring hybrid working with, for example, in France, a remote working system of up to 10 days per month which results in an average of eight working days per month worked remotely by employees. If Natixis were unable to adapt its organization to employee expectations, this could affect its ability to retain its employees, or attract new ones, particularly those with high qualifications, as well as reducing their satisfaction and, consequently, affecting the quality of its services and its performance.

Risk related to holding Natixis securities

Holders of Natixis securities and certain other Natixis creditors may suffer losses if Groupe BPCE 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.

At December 31, 2023, Natixis' CET1 capital stood at €10.9 billion net of the projected distribution, total additional capital at €13.1 billion and Tier 2 capital at 2.9 billion.

As an institution affiliated with BPCE, the central institution of Groupe BPCE within the meaning of Article L.511-31 of the French Monetary and Financial Code, and because of the full legal solidarity binding all Groupe BPCE affiliates and the central institution, Natixis could only be subject to resolution measures in the event of default by BPCE and all affiliates of Groupe BPCE, including Natixis. If the financial position of Groupe BPCE as a whole, including Natixis, were to deteriorate or appear to be deteriorating, the implementation of the resolution measures provided for by BRRD could lead to a more rapid decline in the market value of the financial securities issued by Natixis.

If BPCE and all of its affiliates, including Natixis, were to be subject to resolution measures, the holders of Natixis securities could suffer losses as a result of the exercise of the powers granted by BRRD to the resolution authorities, who can then:

- implement a full or partial impairment of Natixis equity instruments and of eligible financial 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 eligible 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.

In addition, the implementation of resolution measures at the Groupe BPCE level would significantly affect Natixis' ability to make the payment required by such instruments or, more generally, to meet its payment obligations to third parties. Indeed, the debt securities issued by Natixis under its issue 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) by Natixis. These securities could be impacted as a last resort once the subordinated receivables and debt instruments (Common Equity Tier 1 capital instruments, Additional Tier 1 capital instruments and Tier 2 capital instruments) 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 framework

Natixis' internal control framework encompasses all the steps taken by the institution to ensure the measurement, monitoring and management of the risks that are inherent to its various activities in accordance with legal and regulatory requirements. The framework 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 framework

(Data reported to Statutory Auditors in accordance with IFRS 7)

Natixis' internal control framework comprises:

- coordination of permanent control *(see Section [3.2.1.3])*;
- **first-level permanent controls (FLPC)** performed by operational staff on the processing operations for which they are responsible, following internal procedures and legal and regulatory requirements;
- **second-level permanent controls (SLPC)** performed by four functions that are independent of operational staff:
  - **the Compliance Department,** which reports to the General Counsel in charge of compliance, legal, sustainability, governance & regulatory affairs, a member of the Senior Management Committee, is notably responsible for managing compliance risk, performing second-level controls, and organizing the first-level permanent control framework. The Compliance Department includes activities related to personal data,
  - **the Global Technology Risks Management (G-TRM) Department,** reporting to the Compliance Department (until the end of December 2023), 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, a member of the Senior Management Committee, is responsible for measuring, monitoring and managing the risks inherent to the business activities, in particular credit and counterparty risk, market risks, structural balance sheet risks, operational risk and model risk,
  - **the Permanent Financial Control team** which reports to the Chief Financial Officer, a member of the Senior Management Committee, and to the Compliance Department, verifies the quality and accuracy of accounting and regulatory information;
- **periodic control,** assumed by the two Internal Audit Departments Natixis CIB and AWM. It ensures, through inspections, 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 framework. The Natixis CIB and AWM Internal Audit Departments report to the Chief Executive Officer of their respective entity and to the Chairmen of the Board of Directors' Risk Committees. Natixis is also included in the BPCE General Inspection audit plan.

The General Counsel in charge of compliance, legal, sustainability, governance & regulatory affairs, an executive director (appointed by the Board of Directors' meeting of February 8, 2023), is **responsible for permanent controls** and ensures their consistency and effectiveness. A dedicated control coordination function has been created. Its role is to provide a cross-functional view of all FLPC and SLPC controls and their ability to cover identified risk areas.

Natixis organizes its control functions on a **global basis** in order to ensure that the internal control framework 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:

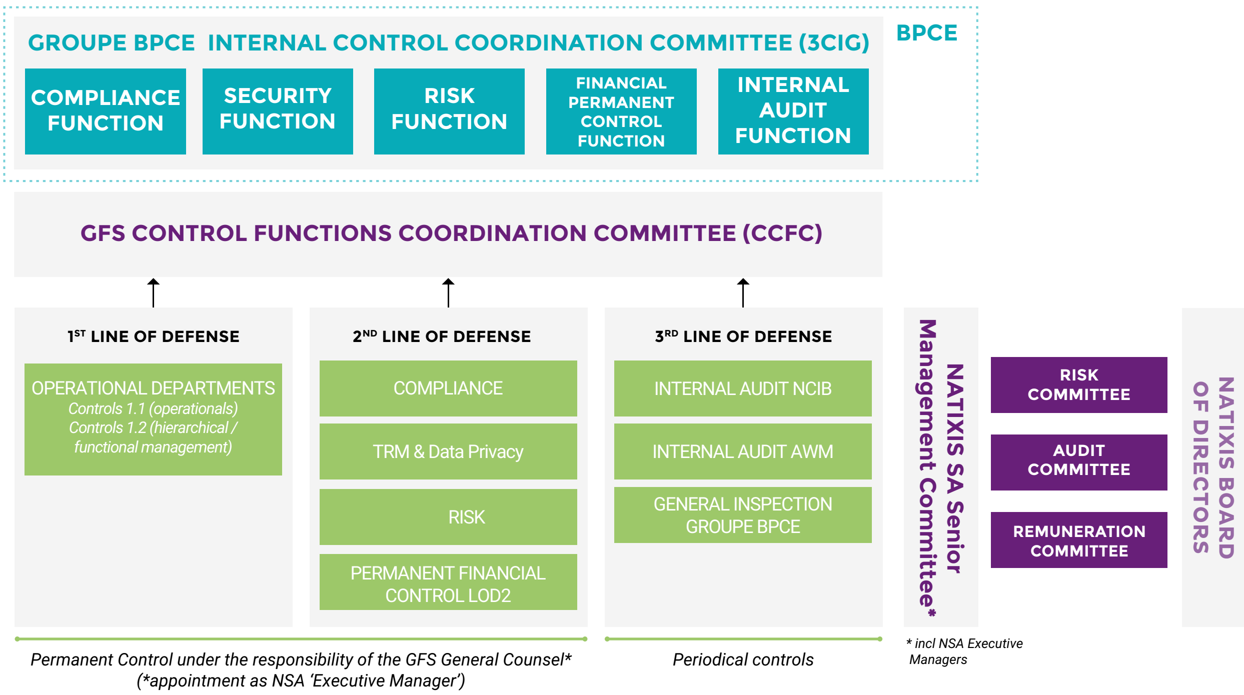
- a strict segregation of duties between units responsible for performing transactions and those that approve them, in particular accounting teams;
- strict independence between the operational and functional units responsible for undertaking and validating transactions, and the units that control them.

The **Control Functions Coordination Committee** coordinates the work as a whole.

The **executive directors**, under the supervision of the Board of Directors, are responsible for implementing Natixis' internal control framework in its entirety.

The **Board of Directors** is kept regularly informed of all significant risks, risk management policies and changes made thereto, directly or via the Board of Directors' Risk Committee.

Organization of Natixis' internal control framework



3.2.1.2 The Control Functions Coordination Committee

The Control Functions Coordination Committee (CFCC) is chaired by the Natixis Chief Executive Officer. It brings together the Chief Risk Officer, the Head of Compliance, the Heads of Internal Audit, the Head of TRM, the Head of the Permanent Financial Control team and the General Secretary of BPCE. The CFCC coordinates the entire internal control framework 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 2023.

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 Coordination of permanent control

A Permanent Control Coordination Department was created within Natixis in 2023. Reporting to Natixis' General Counsel in charge of compliance, legal, sustainability, governance & regulatory affairs, it provides the secretariat for the Control Functions Coordination Committee (CFCC). The purpose of the function is to provide a cross-functional view of all first- and second-level control frameworks, so as to harmonize permanent control practices.

3.2.1.4 First-level permanent control

First-level permanent controls are carried out by the business lines or support functions on their activities, 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.

3.2.1.5 Second-level permanent control

Second-level permanent controls are performed by four functions that are independent of the business lines or support functions.

The **Compliance Department** is responsible for carrying out permanent controls in relation to compliance risk, in particular around the following areas: client protection, professional conduct and ethics, market abuse, client due diligence (KYC) and financial security. In addition to compliance risks, 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 compliance risk, see Section 3.2.9)*. Data protection-specific controls are carried out directly by the DPO (Data Protection Officer).

The main actions of the **Global Technology Risks Management (G-TRM) Department,** concern the proper application, within the Natixis scope, of the policies, rules and controls in terms of technological risks defined by Groupe BPCE at the level of the Groupe BPCE Security division. As such, this department defines policies and rules, carries out second-level control and oversees the assessment and management of associated risks.

The **Risk division** performs controls on credit and counterparty risk, market risks, structural balance sheet risks, operational risk and model risk. Specific risks related to the asset management activities are included in these controls, and its scope of action extends to all the entities within Natixis' consolidation scope.

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 frameworks covering accounting, tax returns and essential reports produced by the Finance division, which cover a number of reports required by the regulator *(see Section 3.2.2 "Internal control procedures relating to accounting and financial information")*.

3.2.1.6 Periodic control

The third level of control – the internal audit function – within the meaning of the revised French Ministerial Order of November 3, 2014 is carried out by the two Internal Audit Departments, Natixis CIB (for CIB activities and Natixis control functions) and AWM.

As such, they are independent of all Natixis' operational and functional entities and are not entrusted with any operational role. Consequently, they can never be in a position of conflict of interest. They report to the Chief Executive Officer of their entity and to the Chairman of the Board of Directors' Risk Committee. The Heads of Internal Audit Natixis CIB and AWM, responsible for the internal audit function, are permanent guests at Natixis' and NIM's Audit and Risk Committees, respectively. They have the opportunity to meet with the Chairman of the Risk Committee one-on-one. They have a strong functional link with BPCE's General Inspection, in accordance with BPCE's Audit Charter. In accordance with these same principles, Natixis' Internal Audit Departments coordinate global audit functions within their scope and are part of Groupe BPCE's Internal Audit function.

The Internal Audit Departments report on all their activities and projects to the Risk Committee, which then presents a summary report to the Board of Directors.

They conduct audits across Natixis' full scope (Natixis S.A., subsidiaries and branches) and cover all classes of risk arising from the various business line operations. They have full and unrestricted access to all information, confidential or otherwise. Their field of investigation encompasses all of operational activities, support functions – including entities in charge of permanent control assignments – and outsourced activities. For all the business lines, their 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. They are 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 audited risk control and management frameworks.

Natixis CIB's internal audit reports are sent to the Chairman of the BPCE Management Board and to the General Inspection and to Natixis' Chairman of the Risk Committee and Senior Management, as well as to the audited units. Likewise, the AWM internal audit reports are sent to the Chief Executive Officer of NIM, to BPCE's General Inspection and to the auditees. A summary is presented to Natixis' Executive Management and Natixis' Risk Committee.

In conjunction with the AWM Internal Audit Department, the Natixis CIB General Inspection regularly monitors the implementation of recommendations and presents its findings to Natixis' Senior Management Committee, the Risk Committee and the Board of Directors. In this respect, the CIB and AWM Internal Audit Departments carry out due diligence and follow-up assignments.

The actions of the Internal Audit Departments are based on their annual audit programs submitted for approval to BPCE's General Inspection, after consultation with the various members of the Senior Management Committee. These annual programs are part of a multi-year plan drawn up over a maximum of five years, defining intervention intervals and calibrating resources adapted to risks as well as regulatory recurrence requirements.

Audit plans 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). The Natixis CIB and AWM Internal Audit Departments also have the resources to carry out, in addition to their traditional audit assignments, ad hoc investigations designed to meet needs that arise during the year and not initially included in the audit plan.

The annual and multi-year audit plans are approved by the Chief Executive Officer. The Annual Audit Plan is examined by the Risk Committee and approved by the Board of Directors.

In 2023, the Natixis CIB Internal Audit Department carried out assignments on all classes of risk generated by the Group's activities, while focusing on compliance with regulatory obligations and supervisory expectations, and maintaining constant vigilance over the control of compliance risks and credit risks potentially generated by the health and economic crises.

In addition, several projects were pursued to increase convergence with the audit teams of international platforms, notably the construction of a common audit framework and an increase in the number of coordinated assignments. Lastly, the monitoring of recommendations was strengthened with the introduction of a whistleblowing system at Natixis CIB, in addition to the Groupe BPCE system.

The consolidation of the third line of defense covering Natixis IM and NWM entities into a single AWM Audit Department has been effective since January 1, 2023.

3.2.2 Internal control procedures relating to accounting and financial information

3.2.2.1 General framework

Natixis is required to prepare and publish individual and consolidated financial statements and to submit all prudential and regulatory disclosures. The group, which it heads, has also been included since July 1, 2009 in the consolidated financial statements of Groupe BPCE.

In this respect, the processes for preparing the consolidated financial statements and regulatory reporting as well as Pillar III, while being operationally autonomous, are in line with those of BPCE.

The reliability of these processes is based on the following core principles:

- the definition, in coordination with BPCE, which monitors changes in accounting regulations, 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 frameworks, 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 across the entire Natixis scope, 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 entities.

Natixis is also continuing its project to streamline and pool data input, via the generalized input of certified accounting quality data for all summary functions (accounting, regulatory, financial oversight, financial and risk management).

Pillar III is included in the publication of the universal registration document. Pillar III contributions 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 their 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 framework for accounting, financial and regulatory information (including Pillar III)

As part of its missions and in accordance with the French Ministerial Order of November 3, 2014 on the internal control of companies in the banking sector and European supervision by the Single Supervisory Mechanism, Natixis' internal audit assesses the internal control procedures, in particular the accounting and financial procedures, of all consolidated entities, whether or not they have credit institution status.

The permanent control framework is structured as follows:

- a first level, where permanent controls localized in the operational business lines are integrated into the processing process and formalized in detailed work programs;
- a second, complementary level of control, independent of the production processes, is exercised by the Finance division, Compliance Department or Risk division of each entity. These controls are designed to guarantee the reliability and compliance of the processes used to prepare the financial statements and regulatory declarations, and to ensure the existence and quality of 1st level control frameworks;
- lastly, a final level of this system entrusted to Internal audit in its periodic control role.

The accounting and prudential reporting control framework is based on the following fundamental principles:

- separation of the accounting production and control functions; and
- a 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 in particular specifies the perimeters subject to a two-level control process and provides for the implementation of a control team leadership approach; In addition, it is requested that the process of evaluating the production and control system be broken down into five assertions in accordance with BCBS 239 principles, which are as follows: Documentation, Organization, Auditability, Control, Accuracy and Clarity;
- two types of missions, thematic 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/support on the other hand, within the framework of the management and supervision of the control function in accordance with the orientations of Groupe BPCE;

- 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 framework;
- control maps showing the nature, frequency of performance and responsibilities by level of control across all scopes (accounting and regulatory);
- management within the Finance division, Risk division or Compliance Department, implemented by a dedicated permanent financial control 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.

A tool for reporting on 1st and 2nd level controls enables all subsidiaries and branches to centralize updated and historical control systems and maps. In addition, inspection work (1st and 2nd level) as well as thematic assignments defined in the annual inspection plan are reported in this tool and evaluated in accordance with BCBS 239. It is also used to monitor action plans defined following the issuance of recommendations.

In addition to the thematic control missions assigned to it, the Permanent Financial Control team carries out the following tasks as part of the management and supervision of the control function within the consolidated Natixis Group:

- definition of the control policy applicable to Natixis and its subsidiaries: organizational and operational principles of permanent internal control in the regulatory, prudential, accounting and tax fields, in accordance with the policy established by Groupe BPCE;
- management of the control framework within the subsidiaries, working with the permanent financial control officers appointed by each of the local Finance division, Compliance Department or Risk division. This takes place through Financial Control Committee Meetings, themed workshops, and bilateral cooperation with international entities and platforms;
- monitoring the deployment of accounting, tax, regulatory and prudential control systems within each entity by collecting and operating a set of periodic reporting dashboards. The results of these dashboards are then sent to each entity, with the introduction of indicators enabling the entities to be assessed. An alert process has been set up for alerting the finance, compliance or risk officers and, if necessary, the central or local Control Functions Coordination Committees;

Scope of accounting and financial information

Permanent and periodic controls apply to the completion and/or monitoring of:

- accuracy and veracity checks for justifying accounts, 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;
- corrective actions implemented following the recommendations issued by the financial control.

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 adopt appropriate audit trail tools. The Finance division oversees, supports and monitors the controls carried out within the subsidiaries.

Scope of regulatory and prudential information (including Pillar III)

The regulatory scope, like the accounting scope, has a permanent and periodic control framework based on the same types of controls. In addition to, and in order to take into account the specificities inherent in the regulatory scope, the control framework is also based on:

- general controls on the quality and updating of documentation relating to the production process;
- a review of the governance and relevance of the organization;
- a review of the 1st level control framework in terms of relevance, efficiency, formalization and documentation;
- 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;
- the follow-up of the corrective actions implemented following the recommendations issued by the financial control.

Pillar III 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.

A specific internal control framework is deployed to provide additional assurance to Senior Management when it comes to signing the certificate (published under Pillar III).

Its review is carried out jointly by Natixis' Risk division and Permanent Financial Control, based on the group's standard assessment grid. It should be noted that Pillar III is fully in line with the internal control framework mentioned above in accordance with the group BCBS 239 methodology as essential reporting.

For the prudential indicators underlying Pillar III, their assessment is fully integrated into Natixis' existing permanent control framework through quarterly closing checks and thematic assignments under reporting requirements.

3.2.2.3 Changes to the framework

The internal control framework was further enhanced in fiscal year 2023. The production teams are gradually adapting their 1st level control framework in line with changes in their environment (products and information systems), while ensuring that they are documented and formalized for both accounting and prudential purposes. Data traceability also benefits from all the measures taken to automate or rationalize production lines.

It should be noted that permanent financial control teams are deployed not only in Paris, but also in Porto, covering the full range of accounting, tax, regulatory and prudential issues, as well as supervisory missions.

Since January 1, 2023, supervision of Natixis Algérie is carried out by BPCE's financial control teams on behalf of Natixis.

As part of the regulatory and prudential control framework, a process of strengthening or broadening controls has been implemented:

- FINREP was initiated to cover all contributors to this reporting system. This will ensure compliance with the requirements of BPCE financial control through its independent reporting reviews. This project was divided into several themes, with the first focusing on information sources. The other topics will be covered in 2024;
- an internal deep dive as a LoD2 player, led by BPCE;
- ALMM (Additional Liquidity Monitoring Metrics): FPC2 (Financial Permanent Control LOD2) takes over certain controls previously carried out by the 2nd level control of the Risk division;
- the pursuit of the BCBS 239 approach to all permanent financial control work (thematic assignments and closing controls) enables us to meet the monitoring requirements of the LoD2 function managed by BPCE and our contribution to the BCBS 239 system as LoD2;
- the implementation of new control frameworks, in particular:
  - prudential backstop of the capital adequacy ratios,
  - ICAAP – Economic Capital Calculation, following a change in the production of this calculation from the Risk division to the Finance division,
  - reporting 13F for the US regulator.

In the accounting scope, following the example of the Regulatory and Prudential scope, a strengthening of the control framework was observed on:

- areas considered by the French Anti-Corruption Agency to be exposed to the risk of corruption (donations and sponsorship, communication expenses);
- the quality of accounting data, with the development of automated controls.

With regard to the steering and supervision of the LoD2 Permanent Financial Control function the work carried out in 2023 made it possible to:

- continue rationalization of the information collected;
- strengthen the monitoring process for local control frameworks, based in particular on the distribution of an annual summary report to the Heads of Finance, Risk and Compliance, including an escalation process in the event of major breaches;
- coordinate the supervision framework through Auditors' Committees, thematic workshops and bilateral relations: AFA (French Anti-Corruption Agency), FINREP (FINancial REPorting) and consolidation package;
- complete the permanent control reporting tool with the module dedicated to monitoring the recommendations issued by FPC2;
- meet the requirements of the CFCC (Control Functions Coordination Committee), whose format has evolved to include LoD1 results in addition to LoD2.

In 2024, the main areas of development will be:

- strengthening the solvency and liquidity system;
- automating accounting controls taking into account new technologies (AI);
- monitoring requirements relating to environmental, social and governance (ESG) risks.

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:

- audits conducted by the Statutory Auditors. This work is carried out by a group of firms working in a uniform manner each quarter on 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;
- the assignments carried out by Natixis and by BPCE's General Inspection teams;
- the on-site reviews carried out by the banking supervisory authorities as well as the thematic surveys initiated by them.

3.2.3 Governance and risk management framework

3.2.3.1 Risk management framework

(Data reported to Statutory Auditors in accordance with IFRS 7)

Natixis' risk governance is based on a structured organization involving all levels of the bank:

- the Board of Directors and its Specialized Committees (Risk Committee, Audit Committee, etc.);
- the executive directors and the Specialized Risk Committees they chair within the bank;
- the three lines of defense: business lines, independent control functions and internal audits of Natixis entities.

The Risk division 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 is supported by a structure of Executive Committees involved in the management and supervision of Natixis' risks, whose umbrella Committee is the Global Risk Committee, which meets at least once a quarter, chaired by the Chief Executive Officer.

The purpose of the Global Risk Committee is to:

- review the general evolution of the risk environment and risk exposures;
- validate the Risk Appetite Framework and its evolutions;
- validate the main risk management standards, procedures and methodologies, and review risk measurement, control and reporting systems in the light of changes in business, the market environment or analytical techniques, and proposed changes to current procedures;
- review changes in the main risk areas and the quality of commitments;
- endorse the systems delegated to the credit decision process (levels, authorized signatures, etc.).

The Risk division regularly reports on its work, submitting its analyses and findings to Natixis' executive directors, to Natixis' supervisory body, and to Groupe BPCE. A summary view is regularly produced and presented in the form of dashboards to report on the various risks incurred (credit, market, liquidity, operational, model, etc.).

This communication to management takes place on the one hand via recurring committees - including the Global Risk Committee, the Board of Directors Risk Committee, as well as the Valuation Committee (*see 3.2.6.2*), the Watch-list Committee and the Provisions Committee, for example - which enable risk indicators to be shared, and on the other hand, when necessary, via escalation procedures.

To fulfill these responsibilities, the Risk division uses an IT system tailored to the operations of Natixis' business lines, applying its modeling and quantification methods for each type of risk.

The Compliance Department is responsible for managing the compliance risk of Natixis S.A., its French and foreign branches and subsidiaries through a network structure.

The Global Technology Risks Management (G-TRM) Department, reporting to the Compliance Department, is responsible for managing IT risks.

For more details on the organization of the Compliance Department and the frameworks for managing compliance and IT risks, please refer to Section [3.2.9].

3.2.3.2 Organization of the Risk division

The Risk division is structured as an independent function and organized in a global matrix that covers all risk scopes under its responsibility and related geographic areas.

The Risk division is organized around four main areas:

- the Enterprise Risk Management Department consolidates a cross-functional view of risks, ensures the overall steering of the risk appetite framework, the definition of risk measures, the coordination of the BCBS 239 supervision framework and regulatory monitoring;
- the Credit Risk, Market & Counterparty Risk, Operational Risk & Risk Function Oversight and Structural Balance Sheet Risk Departments cover the risks of their respective scope in France and internationally and across all business lines;
- the regional departments cover risks on the Asia-Pacific, EMEA (Europe, Middle East, Africa – excluding France) and North and South America/CUSO (Combined US Operations) platforms;
- the Risk divisions of the Asset & Wealth Management division (Natixis Investment Managers and Natixis Wealth Management) are in charge of supervising all risks arising from Asset & Wealth Management activities.

The Risk division also relies on two centers of expertise shared at Groupe BPCE level, located within Groupe BPCE's Risk division and functionally reporting to the Natixis Chief Risk Officer:

- the MRM & Wholesale Banking Validation Department, which performs the independent validation of models as part of the group's model risk management framework;
- the Climate Risk Department, which is in charge of the operational monitoring of climate risks and supports the deployment of the climate risk supervision framework within the group and Natixis' business lines.

Lastly, an IT Department is dedicated to the IT systems involved in the supervision of Corporate & Investment Banking risks. This department is part of the Corporate & Investment Banking IT Systems division and reports functionally to the Risk division.

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 Division 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;
- deployment of a strategy to promote a strong and consistent risk culture throughout the organization, based on three areas:

1) awareness-raising and communication, bringing together digital and physical communication initiatives (newsletter, internal social network, SharePoint, conferences, etc.) addressing topical issues on the risk management framework and the risk environment or case studies,
2) training, with an expanded corpus of mandatory or on-demand training on the entire risk supervision framework, as well as specific training related to changes in the regulatory environment or the risk supervision framework,
3) career paths, including the promotion of internal mobility within and between departments (support and business lines) and a specific on employees on-boarding.

Moreover, Natixis' Code of Conduct actively contributes to the promotion of the risk culture, as it defines the rules of conduct applicable to all employees, and encourages greater involvement and accountability. These rules fall into the following themes:

- being client-centric;
- behaving ethically;
- acting responsibly towards society;
- protecting Natixis' and Groupe BPCE's assets and reputation.

Natixis has established a conduct framework, including a dedicated governance involving the business lines, Human Resources, the Compliance Department and the Risk division. The Code of Conduct is subject to mandatory training for all employees.

In addition, since 2021, Natixis has had a reporting mechanism called I-CARE "Issues Considered As Reportable for Escalation". This framework targets the "issues", 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 employees and reinforces Company's attractiveness, without incentivizing excessive risk taking behaviors.

3.2.3.4 Adequacy of risk management frameworks

During 2023, the Board's Risk Committee was presented with a summary of the main changes in risk policies during the year as well as an assessment of the adequacy of the risk management framework.

These systems cover all risks, as described in the French Ministerial Order of November 3, 2014 on internal control, amended by the French Ministerial Order of February 25, 2021.

3.2.3.5 Risk appetite

(Data reported to 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 framework is based on two elements:

- the Risk Appetite Statement (RAS) is a concise expression of Natixis' willingness to accept certain risks in order to achieve its objectives. It communicates the level of risks that the organization deems acceptable;
- on the other hand, the Risk Appetite Framework (RAF) is a broader structure defining how risk appetite is determined, communicated and monitored within the organization. It includes processes, measures and mechanisms to frame risk-taking activities within the established risk appetite.

The RAS is thus a specific element of the RAF used to communicate overall risk tolerance, while the RAF provides the structure and processes for managing risk appetite throughout the bank.

The 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 accepts 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 markets activities, Asset & Wealth Management), 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 strict monitoring.

Natixis incurs risks that are intrinsic to its Corporate & Investment Banking and Asset & Wealth Management 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 framework allows for the selective management of issue commitments through independent analyses (business lines/risk function) conducted by the various Credit Committees;
- the bank's capital markets activities – which aim to meet the needs of its clients and exclude all forms of proprietary trading – incur **market and counterparty 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 the Buffer, Operations, ALM & Treasury Department 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" financing. Among the 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 Financial Performance & Capital Steering Department, which sets the target levels of capital and capital consumption. This trajectory takes into account changes in the bank's scope and activity, methodological changes, particularly with regard to the calculation of regulatory capital requirements, as well as debt or capital issuances;
- **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 **compliance risk** in respect of banking and financial regulations, which it is committed to controlling through the implementation of a Code of Conduct and 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' **reputation** and its relationship with its clients are its most important asset: 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 capital markets activities and is subject to dedicated governance and monitoring through specific indicators;
- **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 is 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 macro-economic and regulatory changes (unfavorable economic conditions and the strengthening of regulatory requirements), and those related to other external factors. As such, risks related to climate change 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 levels:

- a threshold setting the risk envelope allocated to each business line;
- 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 levels (thresholds and limits) defined in the Risk Appetite Framework is subject to a notification and escalation procedure with executive directors 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 framework 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 data frameworks;
- the pooling of different information systems and the alignment of data between the central (Natixis S.A.) and local (subsidiaries and branches) levels, including vis-à-vis Groupe BPCE;
- the automation of business processes and reporting practices, particularly through the risk and finance data lake;
- 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 architecture principles are applied to the following six main application scopes:

- the calculation chains for credit risk, market risk, counterparty risk, 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 reported to Statutory Auditors in accordance with IFRS 7)

Natixis is exposed to a range of risks inherent in its activities.

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 clients (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 commodities, interest rates 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 between 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 related 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.

Compliance risk

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 directors, 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 clients, 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.

Like most corporate and investment banks, Natixis has few financial assets and liabilities generating structural interest rate positions. The most significant positions concern exposure to the short end of the yield curves, and are linked in particular to the difference in the refix date of IBOR rates. This is therefore a second-order risk at bank level.

Liquidity and refinancing 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 client resources than retail banks, and partly funds its operations on the markets.

Within a liquidity crisis context, the liquidity spread risk is the risk of an increase in the cost of financing, due to long-term assets with fixed rates or the replacement of long-term funds at higher margins than those currently available for use.

Structural foreign exchange risk

Structural foreign exchange risk is defined as the risk of transferable shareholders' 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 the shareholders' 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

Strategic risk is the risk inherent to the strategy chosen or resulting from Natixis' inability to implement its strategy.

Climate and environmental risks are commonly considered to comprise two main risk factors:

- **physical risk** refers to the financial effects of climate change (extreme weather events, gradual changes in climate) and environmental degradation. It can have direct consequences (property damage, loss of productivity, etc.) or indirect ones (disruption of supply chains, etc.);
- **transition risk** refers to the financial loss that an institution may incur, directly or indirectly, as a result of the process of adapting to a low-carbon, more environmentally sustainable economy. It can arise, for example, from the relatively abrupt adoption of climate and environmental policies, technological progress or changes in market sentiment and preferences.

3.2.3.8 Stress tests

Natixis has developed a comprehensive stress test mechanism to dynamically monitor and manage risks.

The tool is an integral part of Natixis' risk management framework, financial performance and capital management systems and contributes to the planning process for capital and regulatory requirements.

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 by Groupe BPCE's Senior Management Committee and presented by Natixis' Senior Management Committee.

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 index 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 global internal stress test exercise carried out in 2023, the context called for one of the stressed scenarios to be adapted to the context of the Russian-Ukrainian crisis and its consequences, while the second was inspired by the banking crisis experienced in the first half of 2023. Thus, the first stressed scenario is based on the risk of persistently high inflation. The second stressed scenario is based on a banking crisis combined with an equity market shock.

The first stressed scenario is characterized by persistently high inflation, which undermines growth potential over the long term (three-year recession in France and the euro zone), and rising unemployment. The recession is shorter in the United States (one year), with high inflation, but less than in Europe, and an unemployment rate that is also rising, but more moderately. This context of high inflation has a direct impact on central bank monetary policy, with ECB and FED key rates continuing to rise, strongly impacting the short end of the yield curve. Long rates are at high levels, but the curve remains inverted over the entire horizon. Corporate spreads widen considerably in this context. Equity markets fall sharply and remain at low levels over the scenario horizon. Equity market volatility rises over 2024-2025 before returning to current levels.

The second stressed scenario is based on the assumption of a banking crisis leading to a shock on equity markets. These events lead to central banks taking action by cutting key interest rates, made possible by the concomitant fall in inflation. This scenario translates into a major recession in 2024, but a return to growth in 2025 in the United States and in 2026 in France and the euro zone. Unemployment rates rise sharply in 2024. Central bank action (the substantial cut in key rates) has repercussions on the short end of the curve, and to a lesser extent on the long end, resulting in a steep yield curve, albeit at low levels overall. After a sharp increase in the first year, corporate spreads are now back to current levels, or even lower. Equity markets fall sharply in 2024, before starting to recover in 2025. Against this backdrop, equity market volatility is high in 2024, before returning to current levels thereafter. 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, risk-weighted assets and Common Equity Tier 1 capital.

In addition to these stress tests, reverse analyses are also carried out. They are designed to determine the plausibility of negative events for Natixis' financial trajectory. They help improve Natixis' knowledge of its risks, and ensure that stress scenarios are well suited to testing its vulnerabilities.

These tests help evaluate the areas where Natixis shows vulnerability or weakness and contribute to the establishment of adaptive or remedial measures.

Regulatory stress tests

Regulatory stress tests correspond to ad hoc requests from the ECB, the EBA, and any other supervisor. The last regulatory exercise (market stress test) was carried out in the first half of 2023, based on the methodologies and scenarios published by the European Banking Authority. 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 [3.2.4.10] "Commitment monitoring framework", as well as the market stress tests detailed in Section [3.2.6.3] "Market risk measurement methodology")*.

3.2.4 Credit and counterparty risks

3.2.4.1 Organization

The framework for managing and controlling credit and counterparty risks 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 Groupe 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 teams 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;
- ownership of internal methodologies and models based on rating experts and LGD;
- implement second-level permanent controls;
- monitor exposures and report to 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, amount and duration of the commitment and compliance with various risk policy criteria defined by sector and/or activity.

In conjunction with BPCE, Natixis has defined the rating methods applicable to the asset classes held jointly.

The credit risk monitoring framework is based on the establishment of a number of Committees whose main objectives are as follows:

- make individual risk decisions on limits, ratings and LGD 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 analyses on topics identified by Senior Management via the Geo-Sectoral Committee.

3.2.4.2 Risk profile

Natixis' risk profile is governed by the risk appetite framework 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 clients in 27 countries:

- financing operations:
  - 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;
- capital markets activities: through interest rate hedging, foreign exchange, commodity, equity or repurchase agreements;
- trade finance activities;
- Specialized Financing operations 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.

Natixis also has seven sectoral CSR policies, which are taken into account when analyzing applications.

The quantitative framework is generally based on:

- commitment limits by business line or sector;
- commitment sub-limits by type of counterparty, type of product, or sometimes by geographic area;
- parameters included in the risk policies (maximum terms, financial ratios, diversification criteria, etc.).

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: clients to be targeted or excluded based on various criteria (size, rating, country of operation, etc.);
- structuring: contractual clauses, guarantee scheme, 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 limits and the number of deviations) and is presented to the Global Risk Committee.

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 framework for monitoring counterparties with a high level of risk;
- information systems that give an overview of outstanding loans and credit limits;
- a framework 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 framework.

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 clients 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" tool, 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 sectors);
- identification and assessment of the environmental, social and governance risks of corporate clients during the KYC system and in-depth analysis for clients 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, Natixis began work in 2020 on the quantitative measurement of its exposure to climate risks (*i.e.* physical and transition risks). As part of this, more specific work to assess the impact of these risks on credit quality was launched in 2023, with the aim of finalizing a normative framework by the end of 2024.

3.2.4.5 Counterparty risk management

(Data reported to 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.

As part of the calculation of own funds for counterparty risk, the ECB granted partial approval to the Natixis S.A. entity for the use of the internal IMM model relating to the calculation of exposure on vanilla derivatives rates, foreign exchange, inflation and commodities. For the other entities, as well as for the scope not authorized under Natixis S.A.'s internal model, exposure is determined according to the standard SA-CCR method for derivatives, and the standard method for loans and borrowings and repos.

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 framework.

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: each transaction generating SWWR is checked to verify that it has been authorized ex ante. This control is carried out by the Risk division through a 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 limit framework 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 reported to Statutory Auditors in accordance with IFRS 7)

The internal rating system is an integral part of Natixis' credit risk assessment, monitoring and control framework. 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 system 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 framework, 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 division (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 (rating);
- 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 other non-financial risks.

Indicative correspondence between PD classes and external agency ratings (S&P)

Groupe BPCE reference scale		
Grade	**Probability of default**	**S&P grade**
1	0.008%	AAA & AA+
2	0.013%	AA
3	0.021%	AA-
4	0.035%	A+
5	0.057%	A
6	0.092%	A-
7	0.149%	BBB+
8	0.242%	BBB
9	0.394%	BBB-
10	0.639%	BB+
11	1.038%	BB
12	1.686%	BB-
13	2.738%	B+
14	4.448%	B
15	7.224%	B-
16	11.733%	CCC
17	19.056%	CC
18	30.950%	C
19	50.268%	

The rating scale varies according to the type of counterparty and includes 19 grades for banks, large corporates and Specialized Financing. Each grade corresponds to a default probability class, the number of which varies between 7 and 8 classes depending on the rating methodology, the grade (1 to 19) and the WatchList level.

External 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 client 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, Groupe BPCE has implemented policies and procedures for validating internal credit and counterparty risk assessment models applicable to Natixis. This independent model validation policy is part of its wider risk model management framework.

The Model Risk Management & Wholesale Banking Validation Department, which reports to Groupe BPCE's Chief Risk Officer, is responsible for the governance surrounding the model 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.

Validation of internal counterparty risk models and the rating system is carried out by the validation teams of the Groupe BPCE Risk division. The model validation process is based on the following seven dimensions:

- data and parameters applied by the model: analysis of data quality and representativeness, integrity of controls, error reports, comprehensiveness of data, etc.;
- methodology and design: analysis of the model's underlying theory, analysis of estimates, sizing methods, risk indicators, aggregation rules, model benchmarking, analysis of precision and convergence;
- permanent monitoring: the validation teams ensure the existence of a monitoring methodology for the model and assess the risk associated with the implementation of this methodology;
- model performance: assessment of the risk related to the performance of the model both during the design phase and periodically;
- IT development: counter-implementation, code analysis, tests;
- documentation: analysis of the quality and comprehensiveness of the methodological documentation received;
- model governance: assessment of the model's compliance with internal standards throughout the model's life cycle.

The design, modification and ongoing management of the model are performed by the model designers on behalf of the model owner. The validation teams of the Groupe BPCE Risk division act independently and are consulted for any new model and for any modification or evolution of an existing model. 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, which annually reviews internal models and compliance with the model risk management framework and the correct application by Model Risk Management of its own policies and procedures.

Model governance revolves around the Model Risk Management Committee (MRMC) and functional model validation Committees, which ensure the implementation of a robust model risk governance framework.

The internal model validation process takes place in two or three stages:

1) a review of the model and its suitability, carried out independently of the entities or departments that worked on the model's development by the validation teams;
2) a review of the validation conclusions by a functional Committee made up of quantitative experts (modelers and validators) and business line experts. Depending on the scope of the models concerned, the reviews are presented to:
   - the Model Oversight Committee (MOC), chaired by the Head of the Model Risk Management and Wholesale Banking Validation Department;
   - the Group Models Committee (GMC), chaired by the group Chief Risk Officer, a member of the Senior Management Committee.
3) validation by the Model Risk Management Committee (MRMC) in the specific case of materiality analysis of certain model changes, which may be subject to prior authorization by the European supervisor.

The role of the Model Risk Management Committee is to supervise the management of the model risk and to ensure the implementation of appropriate actions for the management of the model risk. The MRMC is chaired twice a year by the Chairman of the Management Board of Groupe BPCE and by the Chief Executive Officer in charge of risks of Groupe BPCE via a delegation of authority.

In addition, model risk is the subject of monthly management reports, the aim of which is to monitor changes in model risk through the implementation of indicators, some of which are defined as part of the risk appetite framework, and which aim in particular to track changes in model performance.

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, methodologies for calibrating 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, Low Default Portfolios are sovereigns, banks and large corporates (including Specialized Financing) which are processed by dedicated rating tools. 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 & 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.

The new PD TRR scales, recently approved by the ECB, are based on a combination of three criteria: 1) counterparty rating methodology, 2) rating grades 3) and WatchList status:

1. Financial Institutions;
2. Large Corporate;
3. Real Estate;
4. Project Finance.

A first backtesting of these PD scales will be submitted during 2024 with the aim of assessing the performance and relevance of the PD over time, using the same tests/controls implemented to build the new PD scales during the development phase in accordance with the backtesting procedure. More specifically, the objective of backtesting is to assess and examine:

- stability;
- monotony;
- discriminating power;
- homogeneity;
- prudence; and
- the conservatism of PD TRR scales.

Monitoring and backtesting of internal LGD, EAD (via CCF) and ELBE 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 predictive performance of the models and the robustness of the estimates over time.

Backtesting of LGD, EAD (CCF) and ELBE is carried out by the Risk division teams (Enterprise Risk Management) 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.

Backtesting results are then presented to the Credit Risk Model Monitoring Committee (CRMMC) (1st line of defense Committee), chaired by the Head of Enterprise Risk Management and the Head of Credit Risk. The report is then submitted to the internal validation teams for their input, and the conclusions are subsequently presented to the various Committees (LoD2 Committees) to inform the bank's management.

Backtesting of LGDs and PDs by exposure class

	2023 backtesting figures			
	Observed LGDs	Model LGDs	Observed default rate	Estimated PD
Sovereigns	32.76%	93.56%	0.20%	1.38%
Banks	38.82%	60.96%	0.10%	0.40%
Corporate – excluding Specialized Financing	30.33%	32.57%	0.66%	1.13%
Corporate – Specialized Financing	19.71%	26.02%	1.41%	2.31%

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 clients for default rates and PD, and on all clients 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. The results are then submitted to the internal validation team and then 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 macro-economic criteria and the assessment of legal and political risks
	Banks	5	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	5	Expert analysis-based rating models by type of financed asset
	Retail SMEs	6	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)
LGD	Specialized Financing	3	Models used to assess assets on resale. Asset disposal assumptions are based on adverse scenarios
CCF	Corporate Financing (incl. SMEs), banks 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. At the level of netting and collateralization, exposure is then calculated by price aggregation taking into account the legal framework (master agreements and credit support annex) allowing for price netting and the inclusion of collateral in the exposure. The exposure value for a given counterparty is equal to the sum of the exposure values calculated for all offsetting sets, plus the non-clearing transactions.

The model mainly applies the following elements:

- pricing models for reassessing products on various trajectories;
- the modeling of the close out netting framework and the collateralization arrangements as specified in the credit support appendix;
- 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 reported to 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 (CRM) 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 CRMs 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:

  financial collateral grants a creditor real security right 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 contract pledges.

Collateral eligibility is governed by the following process:

- validation 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 mechanisms.

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 macro-economic 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

For bilateral transactions, Natixis reduces the counterparty risk to which it is exposed using three levers:

- 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 European Market Infrastructures Regulation (“EMIR”) has made collateral agreements (“VM CSA”) mandatory for derivatives that are not subject to mandatory clearing;

- initial margin trading. This initial margin was set up as part of the European Market Infrastructures Regulation ("EMIR") for derivatives that are not subject to mandatory netting. The regulation requires that in addition to variation margin ("VM" as defined above), which covers current credit exposure, initial margin ("IM") must be put in place to cover potential future credit exposure for the period between the last exchange of VM and the liquidation of the positions following counterparty default. Unlike VM, IM must be separated and cannot be reused. This initial margin acts as a guarantee deposit to cover the change in value of transactions during the liquidation period, using an extreme estimate modeled on the basis of historical data with a confidence interval of 99% and for a liquidation period of 10 days;
- for transactions processed via 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.

Netting is used by Natixis as part of the usual counterparty risk mitigation framework for its capital markets 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 management 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 CCP exposures dashboard. 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 reported to 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 framework. 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 Section 3.2.4.2. The operational limits encompass all financing transactions involving counterparties in the corresponding sector.

Measuring and monitoring frameworks

Natixis' commitments are measured and monitored on a daily basis using dedicated consolidation systems. An IT system enables comprehensive consolidation of limits and credit risk exposures across a scope covering all of Natixis' credit risk exposures and most of those 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 Risk division's Credit Risk Department (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);
- 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 analyzes changes in limit breaches using specific indicators (number, notional, duration, business lines concerned, etc.), and examines major breaches and monitors their remediation.

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 BPCE 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 & Workout Department, 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 reported to 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 & Workout 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 or undergoing adjustments due to financial hardship (forbearance). Additional criteria such as country ratings are also used.

The sector and country rating process is centered on a Geo-Sector Committee comprising the Finance division, the Risk division and CIB business line representatives. As part of the implementation of IFRS 9, this Committee is responsible for validating the sector, country and sovereign ratings, as well as the IFRS 9 weightings for the US and ZE zones (which are subsequently approved by the WatchList and group Provision Committees) on a quarterly basis. These data 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 framework covers Natixis scopes subject to the A-IRB, F-IRB and standard 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 framework 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 tests requirements.

New scenarios were reviewed in 2023 and presented to the Global Risk Committee as well as to the Senior Management Committee. These internal credit stress test scenarios are based on macro-economic assumptions prepared in collaboration with economic research, country risk analysts and Groupe BPCE, and comprise three scenarios covering the period between 2024 and 2027:

- a baseline scenario based on the most probable macro-economic and financial context, based on external sources (e.g. consensus forecasts, central banks). This reference scenario is also used in the bank's provisioning policy; and
- two "adverse" credit scenarios corresponding to (i) European sovereign debt crisis, (ii) severe and lasting inflation over the stress horizon, approaching a stagflation scenario, and (iii) a variation of the latter scenario incorporating climate risk (physical via a drought scenario, and transition via the impact of EPD on housing prices).

3.2.4.11 Quantitative information

EAD, RWA and PFE by Basel approach and exposure class (NX01)

	31/12/2023			31/12/2022		
(in millions of euros)	EAD	RWA	PFE	EAD	RWA	PFE
Credit risk						
Internal approach	**181,693**	**49,013**	**3,921**	**160,524**	**45,773**	**3,662**
Equities	2,934	8,070	646	2,655	7,187	575
Governments and central banks	70,079	473	38	56,389	742	59
Other assets	-	-	-	0	0	0
Retail	-	-	-	-	-	-
Corporates	98,687	37,750	3,020	90,751	34,861	2,789
Institutions	6,974	1,590	127	7,329	2,098	168
Securitization	3,019	1,131	90	3,399	885	71
Standard approach	**121,952**	**10,959**	**877**	**107,474**	**12,423**	**994**
Governments and central banks	7,289	2,009	161	5,197	1,429	114
Other assets	4,128	3,852	308	6,248	5,994	479
Retail	299	211	17	256	179	14
Corporates	3,210	2,280	182	2,962	2,120	170
Institutions	93,407	282	23	78,089	316	25
Defaulted exposures	60	81	6	57	72	6
Exposures secured by mortgages on immovable property	258	105	8	328	138	11
Exposures to institutions and corporates with a short-term credit assessment	98	73	6	45	35	3
Securitization	13,203	2,067	165	14,292	2,140	171
Sub-total credit risk	**303,645**	**59,972**	**4,798**	**267,998**	**58,195**	**4,656**
Counterparty risk						
Internal approach	**40,525**	**6,848**	**548**	**40,396**	**6,947**	**556**
Governments and central banks	12,462	153	12	12,019	240	19
Corporates	15,052	3,897	312	14,415	3,826	306
Institutions	12,938	2,774	222	13,843	2,850	228
Securitization	74	24	2	119	31	2
Standard approach	**22,589**	**452**	**36**	**23,746**	**374**	**30**
Governments and central banks	827	44	4	362	27	2
Retail	14	10	1	0	0	0
Corporates	543	11	1	626	38	3
Institutions	21,059	362	29	22,615	243	19
Defaulted exposures	0	0	0	0	0	0
Exposures to institutions and corporates with a short-term credit assessment	57	13	1	97	58	5
Securitization	88	12	1	45	7	1
CCP default fund contribution	**732**	**378**	**30**	**607**	**242**	**19**
Sub-total counterparty risk	**63,846**	**7,678**	**614**	**64,748**	**7,562**	**605**
Market risk						
Internal approach		**5,724**	**458**		**7,170**	**574**
Standard approach		**6,247**	**500**		**6,701**	**536**
Equity risk		533	43		399	32
Foreign exchange risk		3,584	287		3,918	313
Commodity risk		709	57		941	75
Interest rate risk		1,421	114		1,443	115
Sub-total market risk		**11,971**	**958**		**13,871**	**1,110**
CVA	**10,132**	**2,046**	**164**	**12,348**	**2,488**	**199**
Settlement-delivery risk		**4**	**0**		**65**	**5**
Operational risk (standard approach)		**14,170**	**1,134**		**12,857**	**1,029**
Amount of additional risk exposure related to Article 3 of the CRR		**408**	**33**		**896**	**72**
TOTAL		**96,248**	**7,700**		**95,935**	**7,675**

Exposure and EAD by Basel exposure class (NX03)

(Data reported to Statutory Auditors in accordance with IFRS 7)

(in millions of euros)

	Exposure		EAD		
Exposure class	**31/12/2023**	**o/w off-balance sheet**	**31/12/2023**	**o/w off-balance sheet**	**2023 average**
Corporates	**149,346**	**89,469**	**117,492**	**58,455**	**112,137**
Other than SMEs and SF	122,164	77,550	95,117	50,850	91,222
Specialized Financing (SF)	24,149	11,019	20,044	6,914	18,699
SMEs	3,032	900	2,331	691	2,217
Institutions	**146,828**	**50,726**	**135,110**	**39,008**	**131,271**
Governments and central banks	**91,327**	**17,065**	**90,657**	**16,397**	**77,486**
Central governments and central banks	89,401	16,340	88,853	15,792	75,884
Regional governments or local authorities	259	60	257	60	250
Public sector entities	1,667	665	1,547	545	1,353
Retail	**669**	**131**	**312**	**43**	**296**
Other than SMEs	504	81	198	24	183
SMEs	165	51	114	19	113
Securitization	**16,687**	**11,269**	**16,385**	**11,269**	**17,715**
Other assets	**4,128**	**-**	**4,128**	**-**	**5,802**
Equities	**2,934**	**168**	**2,934**	**168**	**2,916**
Mutual funds	**-**	**-**	**-**	**-**	**-**
Exposures secured by mortgages on immovable property	**259**	**2**	**258**	**1**	**301**
Exposures to institutions and corporates with a short-term credit assessment	**183**	**102**	**155**	**75**	**344**
Defaulted exposures	**210**	**10**	**60**	**2**	**103**
TOTAL AS OF 31/12/2023	**412,571**	**168,943**	**367,491**	**125,419**	**348,371**
TOTAL AS OF 31/12/2022	**376,956**	**165,706**	**332,746**	**122,954**	**342,336**

EAD by geographic area and by Basel exposure class (NX05)

(Data reported to Statutory Auditors in accordance with IFRS 7)

(in millions of euros)

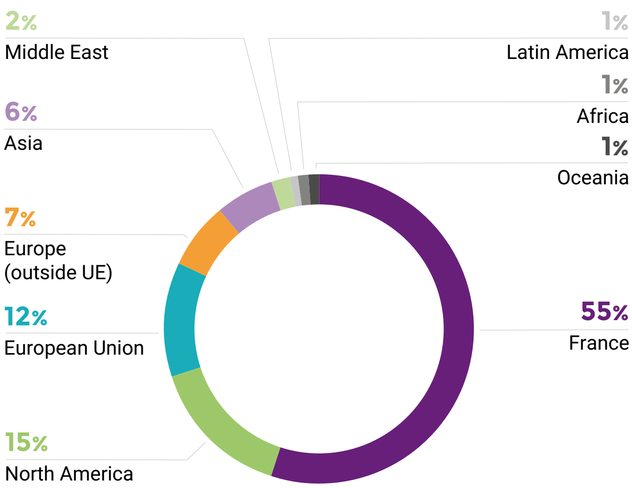
Exposure class	**France**	**Europe***	**North America**	**Other**	**Total**
Corporates	**33,510**	**38,459**	**24,677**	**20,847**	**117,492**
Other than SMEs and SF	29,126	31,186	18,615	16,190	95,117
Specialized Financing (SF)	3,159	6,457	6,025	4,404	20,044
SMEs	1,225	815	37	253	2,331
Institutions	**104,226**	**15,864**	**8,936**	**6,084**	**135,110**
Governments and central banks	**52,021**	**10,731**	**14,158**	**13,746**	**90,657**
Central governments and central banks	51,230	9,816	14,061	13,746	88,853
International organizations	-	-	-	-	-
Multilateral development banks	-	-	-	-	-
Regional governments or local authorities	226	31	-	-	257
Public sector entities	565	884	97	1	1,547
Securitization	**5,844**	**2,046**	**7,710**	**785**	**16,385**
Other assets	**3,741**	**282**	**34**	**71**	**4,128**
Equity	**1,460**	**479**	**931**	**64**	**2,934**
Retail	**217**	**45**	**0**	**50**	**312**
Other than SMEs	147	44	0	7	198
SMEs	70	1	-	44	114
Exposures secured by mortgages on immovable property	**253**	**3**	**-**	**2**	**258**
Exposures to institutions and corporates with a short-term credit assessment	**10**	**38**	**55**	**52**	**155**
Defaulted exposures	**31**	**6**	**-**	**23**	**60**
Collective investment undertakings	**-**	**-**	**-**	**-**	**-**
TOTAL AS OF 31/12/2023	**201,313**	**67,952**	**56,500**	**41,725**	**367,491**
TOTAL AS OF 31/12/2022	**170,605**	**62,183**	**59,300**	**40,659**	**332,746**

* *Europe EU and non-EU.*

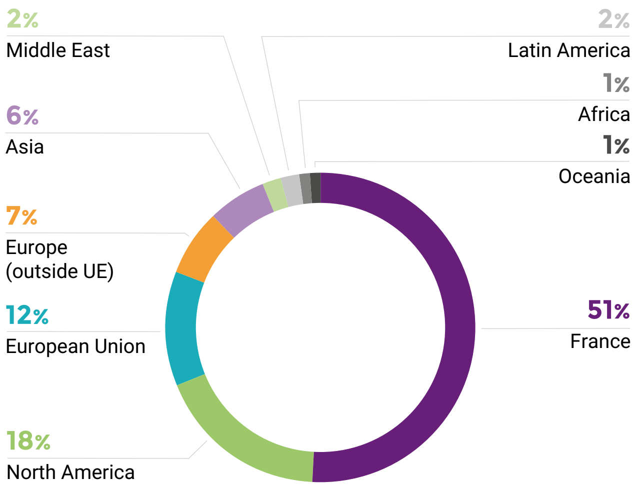
EAD by geographic area (NX06)

(Data reported to Statutory Auditors in accordance with IFRS 7)

As of 31/12/2023



As of 31/12/2022



EAD by internal rating (S&P equivalent) (NX12)

(Data reported to 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.

(in % breakdown)

Grade	Internal rating	31/12/2023	31/12/2022
Investment Grade	AAA	0.1%	0.2%
	AA+	4.8%	5.3%
	AA	22.2%	17.5%
	AA-	14.9%	15.7%
	A+	8.8%	11.5%
	A	8.4%	8.9%
	A-	8.3%	7.8%
	BBB+	6.8%	5.9%
	BBB	5.4%	5.5%
	BBB-	6.6%	6.3%
Sub-total		**86.2%**	**84.5%**
Non-Investment Grade	BB+	4.4%	4.7%
	BB	3.1%	3.0%
	BB-	2.4%	2.6%
	B+	1.1%	1.7%
	B	0.8%	0.8%
	B-	0.5%	0.8%
	CCC+	0.0%	0.0%
	CCC	0.0%	0.0%
	CCC-	-	-
	CC	0.0%	0.0%
	C	0.0%	0.0%
Sub-total		**12.5%**	**13.7%**
Unrated	**Unrated**	**0.3%**	**0.5%**
Default	**D**	**1.1%**	**1.3%**
TOTAL		**100.0%**	**100.0%**

3.2.5 Securitization transactions

3.2.5.1 General policy

(Data reported to 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 clients 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;
- loans to corporates;
- consumer loans or outstanding credit cards.

Natixis also carries out this activity on its own behalf as part of its financing 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-securitizations". All client 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 financing 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) impacting 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 of limited magnitude, 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 reported to 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.

3.2.6 Market risk

3.2.6.1 Objectives and policy

(Data reported to Statutory Auditors in accordance with IFRS 7)

The Risk division, via the Market & Counterparty Risk (MCR) 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 reported to Statutory Auditors in accordance with IFRS 7)

Risk governance, steered by the Risk division, is based on a structured organization involving all Risk Departments. It steers the risk appetite framework and relies on an architecture of Committees to manage and supervise Natixis' risks. Within this framework, the market risk management framework is defined on the basis of a delegation architecture, with the Global Risk Committee acting as the apex Committee. The Market Risk Committee, chaired by the Chief Executive Officer or his delegate, also 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 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.

The Market and Counterparty Risk (MCR) Department ensures compliance with risk appetite and risk mandates for market transactions.

The market risk supervision framework is supported by a number of Committees whose objectives are as follows:

- the Market Risk Committee, attended by the Chief Risk Officer, Senior Management and members of the Executive Committee, including the heads of Global Market, Finance, Compliance and ALM, and representatives of BPCE. The purpose of this Committee is to ensure that the strategy is implemented in accordance with the RAF and regulations;
- the Client Contribution Committee is linked to the business lines;
- the Valuation Committee, co-led with Finance. It deals with all matters relating to market and FairVA parameters;
- the Data Quality Committee in compliance with BCBS 239 Regulations;
- the FBL/Volcker Committee in charge of validating indicators relating to the Volcker/LSB desks monitored by MCR;
- all Committees dealing with model monitoring in conjunction with the Enterprise Risk Management (ERM) teams and the internal independent model validation team.

3.2.6.3 Market risk measurement methodology

(Data reported to Statutory Auditors in accordance with IFRS 7)

Natixis' market risk management is based on a risk measurement methodologies 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 comprehensive monitoring framework and responds to Natixis' risk appetite, which is itself based on a specific risk limit framework.

Allocation of positions in the trading book

The bank's financial assets and liabilities 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 (mainly the Fixed Income scope), 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 (Global Market, ALM, Cash, discontinued activities). 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 appropriate risk monitoring and oversight mechanisms, 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 (one 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 (over the same scope as for VaR). 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.

Monitoring of VaR, SVaR and VaR backtesting

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 year-on-year 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 for the risk of rating migration and issuer default over a one-year horizon for products approved under VaR for specific interest rate risk, on debt instruments (bonds, credit default swaps and related derivatives). This capital expense is in addition to the expenses calculated on the basis of VaR and SVaR for all of Natixis' approved activities. 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 Standard & Poor's, 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.

This internal model is regularly monitored in several areas:

- analysis of IRC levels is carried out by the team in charge of production within Market & Counterparty Risk and allows for the regular certification of this metric. A weekly metric of sensitivities to the main parameters of the model is carried out and an analysis produced monthly ensures the consistency of the model;
- the expense retained at the end of the quarter is the maximum between the average of the last 60 days and the last IRC calculation;
- the model is subjected to stress tests impacting various parameters:
  - within the internal stress test framework for the needs of the normative ICAAP,
  - in order to meet regulatory requirements during EBA stress test exercises;
- the model is subjected to half-yearly model monitoring. This monitoring notably covers:
  - confidence interval taking into account the number of trajectories used,
  - for issuers without a rating, the default rating is estimated based on the Natixis portfolio. This assumption is subject to an impact measurement in accordance with the TRIM guide,
  - representation of the correlation by the model by comparing empirical and implicit correlations;
- a posteriori controls are carried out on the operational production process.

The internal IRC calculation model used by Natixis was approved by the French Prudential Supervisory Authority in 2012. The authorization was renewed in 2019. The same model is used for all portfolios submitted to the IRC.

In accordance with regulatory requirements, Groupe BPCE established an internal model validation policy as well as procedures. This model validation phase is a prerequisite for their use. The IRC model is periodically revalidated by the internal model validation team.

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' framework 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. A set of three scenarios has been defined, taking into account the most significant events since 2008 with the Lehman bankruptcy, the sovereign crisis in 2011 and the last COVID crisis in 2020;
- 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 six 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. liquidity crisis characterized mainly by a sharp widening of European interbank spreads, a widening of the liquidity spread and higher "peripheral" yields,
  6. Corporate Credit: simulates the outcome of a crisis in emerging markets, following an increase in borrowing costs, accompanied by a considerable drop in earnings, generating a rising emerging currency exchange rate and a severe shock to non-financial credit indexes.

  All scenarios are now being calculated exactly by revaluation of all positions.

  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 framework 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.

The stress test framework is 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 bimonthly 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 limit framework also 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 framework 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 framework 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 the Valuation Risk teams within Market & Counterparty Risk, who, 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 (Independent Price Verification) governance is based in particular on:

- a supervision framework built around Committees (Fair Value Level Committee, Valuation Committee, IPV Committee);
- a policy and set of procedures, explaining the validation and escalation framework;
- a set of weekly and monthly reports;
- dedicated tools.

Validation of models

In accordance with regulatory requirements, Groupe BPCE has implemented policies and procedures for validating internal credit and counterparty risk assessment models applicable to Natixis. This independent model validation policy is part of its wider risk model management framework.

The Model Risk Management & Wholesale Banking Validation Department, which reports to Groupe BPCE's Chief Risk Officer, is responsible for the governance surrounding the model 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.

Validation of internal counterparty risk models and the rating system is carried out by the validation teams of the Groupe BPCE Risk division. The model validation process is based on the following seven dimensions:

- data and parameters applied by the model: analysis of data quality and representativeness, integrity of controls, error reports, comprehensiveness of data, etc.;
- methodology and design: analysis of the model's underlying theory, analysis of estimates, sizing methods, risk indicators, aggregation rules, model benchmarking, analysis of precision and convergence;
- permanent monitoring: the validation teams ensure the existence of a monitoring methodology for the model and assess the risk associated with the implementation of this methodology;
- model performance: assessment of the risk related to the performance of the model both during the design phase and periodically;
- IT development: counter-implementation, code analysis, tests;
- documentation: analysis of the quality and comprehensiveness of the methodological documentation received;
- model governance: assessment of the model's compliance with internal standards throughout the model's life cycle.

The design, modification and ongoing management of the model are performed by the model designers on behalf of the model owner. The validation teams of the Groupe BPCE Risk division act independently and are consulted for any new model and for any modification or evolution of an existing model. 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, which annually reviews internal models and compliance with the model risk management framework and the correct application by Model Risk Management of its own policies and procedures.

Model governance revolves around the Model Risk Management Committee (MRMC) and functional Model Validation Committees, which ensure the implementation of a robust model risk governance framework.

The internal model validation process takes place in two or three stages:

1) a review of the model and its suitability, carried out independently of the entities or departments that worked on the model's development by the validation teams;
2) a review of the validation conclusions by a functional Committee made up of quantitative experts (modelers and validators) and business line experts. The reviews are presented to the Model Oversight Committee (MOC), chaired by the Head of the Model Risk Management and Wholesale Banking Validation Department;
3) validation by the Model Risk Management Committee (MRMC) in the specific case of materiality analysis of certain model changes, which may be subject to prior authorization by the European supervisor.

The role of the Model Risk Management Committee is to supervise the management of the model risk and to ensure the implementation of appropriate actions for the management of the model risk. The MRMC is chaired twice a year by the Chairman of the Management Board of Groupe BPCE and by the Chief Executive Officer in charge of risks of Groupe BPCE via a delegation of authority.

In addition, model risk is the subject of monthly management reports, the aim of which is to monitor changes in model risk through the implementation of indicators, some of which are defined as part of the risk appetite framework, and which aim in particular to track changes in model performance.

Natixis' FairVA policy

The Risk division is responsible for defining and implementing the FairVA (Fair Value Adjustments) policy on the management results of capital markets activities.

The objective of this policy is to ensure the reliability of the result announced.

The FairVA policy thus defines the principles for calculating FairVA for market risks to financial instruments measured at fair value.

FairVA for market risks are divided into:

- FairVA for the cost of position reversals/liquidity positions;
- FairVA for input uncertainty;
- FairVA for model uncertainty.

The shocks applied and methodologies used are updated on a continuous basis.

FairVA 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 & Wholesale Banking Validation Department.

3

3.2.6.4 Quantitative market risk measurement data

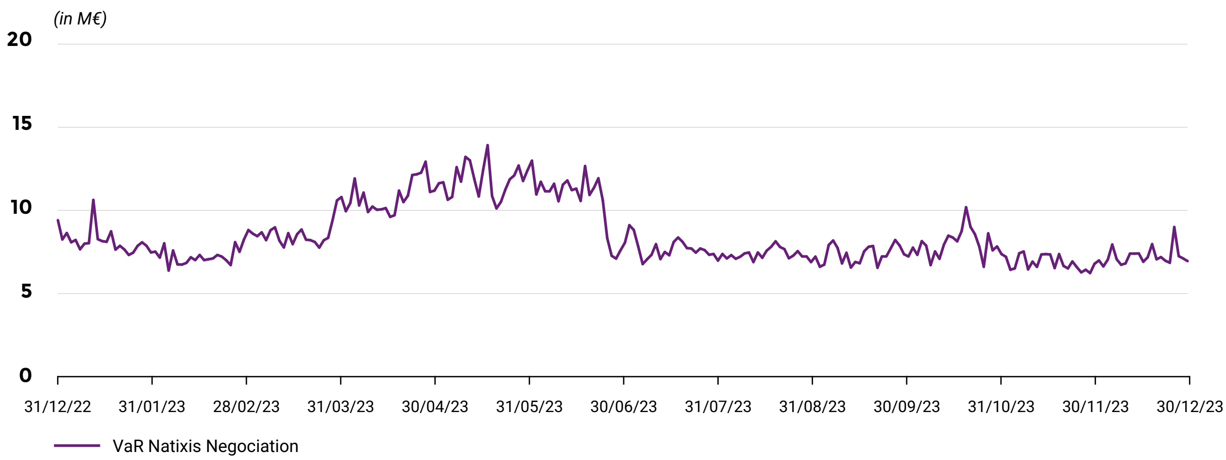
(Data reported to Statutory Auditors in accordance with IFRS 7)

Change in Natixis VaR

The VaR level for Natixis' trading books averaged €8.5 million, bottoming out at €6.2 million on November 27, 2023, with a peak of €13.9 million on May 19, 2022 and standing at €7 million as of December 29, 2023.

The following chart shows the VaR trading history between December 30, 2022 and December 29, 2023 for the entire scope.

Overall Natixis VaR – Trading book (99% VaR 1 day)



Breakdown of overall trading VaR by scope

(Data reported to Statutory Auditors in accordance with IFRS 7)

The following table presents the key VaR figures – (99% VaR, 1 day):

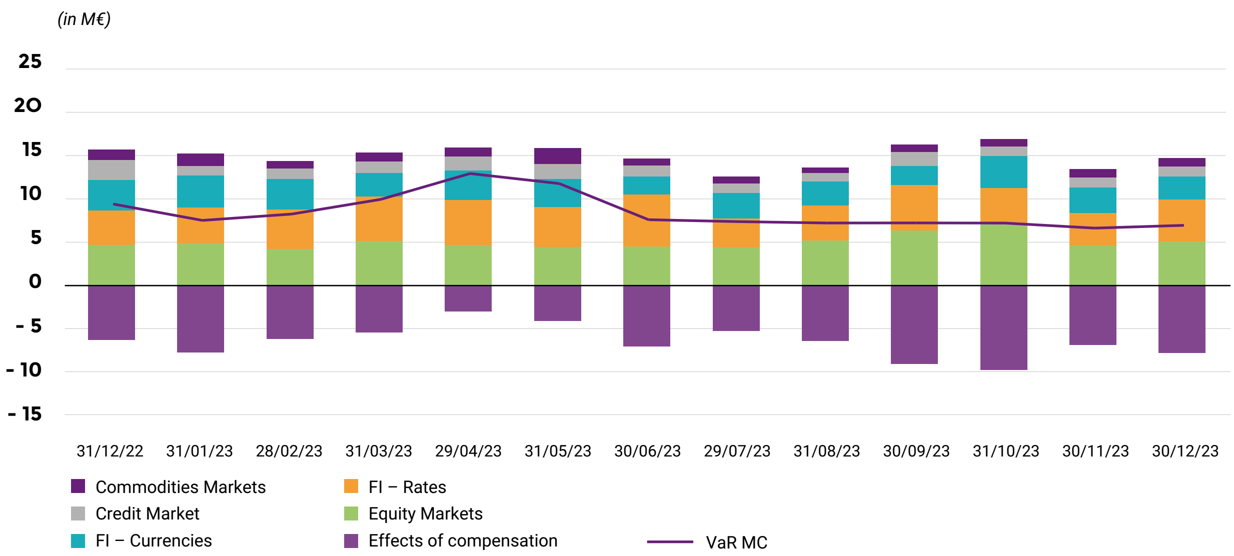
(in millions of euros)

Natixis trading book	VaR as of 29/12/2023
Natixis	**7**
o/w:	
Global Markets	7.0
Equity Markets	*5.1*
Commodities	*1.0*
FI – Credit Platform	*1.1*
FI – Rates & Currencies Markets	*5.1*
Global Securities Financing	*5.0*
Other run-off activities	0.6

As of December 29, 2023, the VaR by business was at a lower level than the previous year (€7 million compared with €9.4 million on December 30, 2022). This fall was mainly due to cautious management of positions, with stable econometrics in the second half of the year, after a first half marked by concerns over high interest rates and tensions linked to the bankruptcy of US regional banks and the difficulties encountered by Crédit Suisse.

Breakdown by business line and netting effect

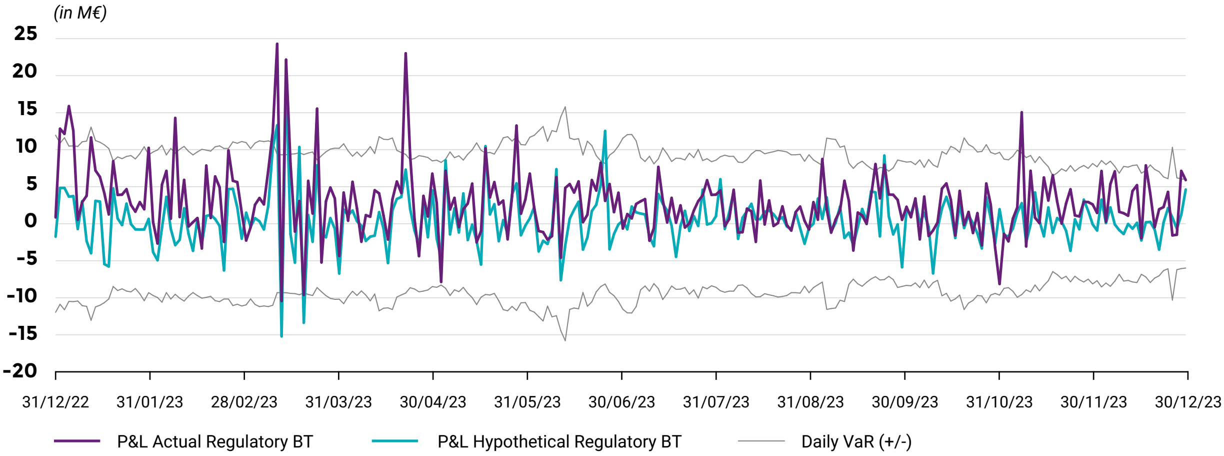
The breakdown of the VaR by business line provides a picture of the monthly contribution of the main risks and the netting effects in terms of VaR.



This fall was mainly due to cautious management of positions, with stable econometrics in the second half of the year.

Natixis backtesting on 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:



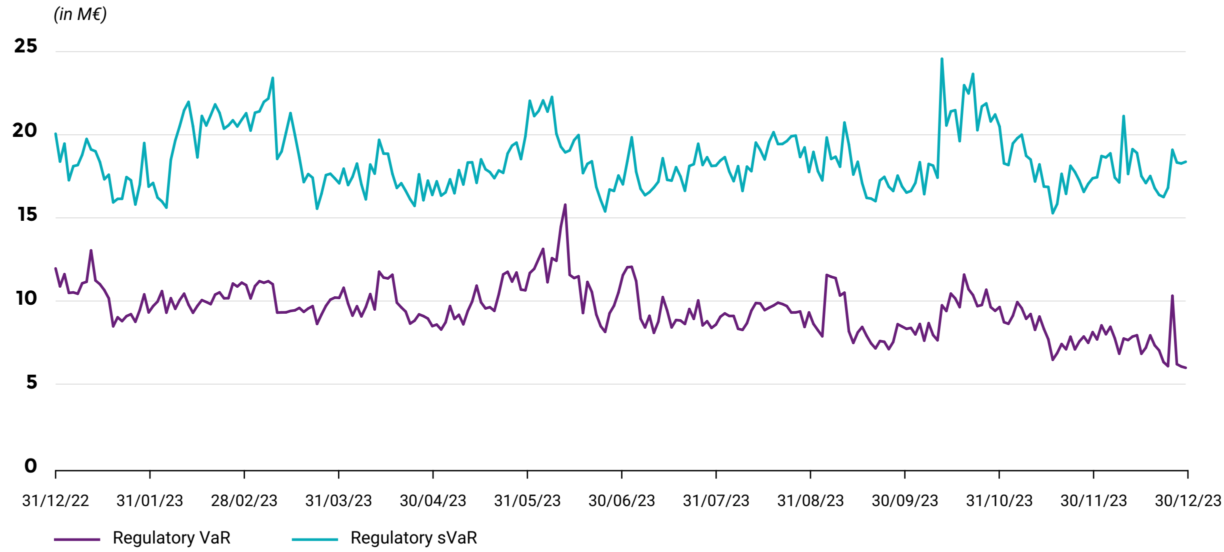
In 2023, Natixis recorded two backtesting exceptions on the current P&L and the hypothetical P&L within the regulatory scope.

They were recorded on March 13 and 20. They follow the disruptions related to the rise in interest rates and the bankruptcy of several American banks. As public institutions intervened quickly, markets returned to normal at the end of the month.

Natixis regulatory stressed VaR

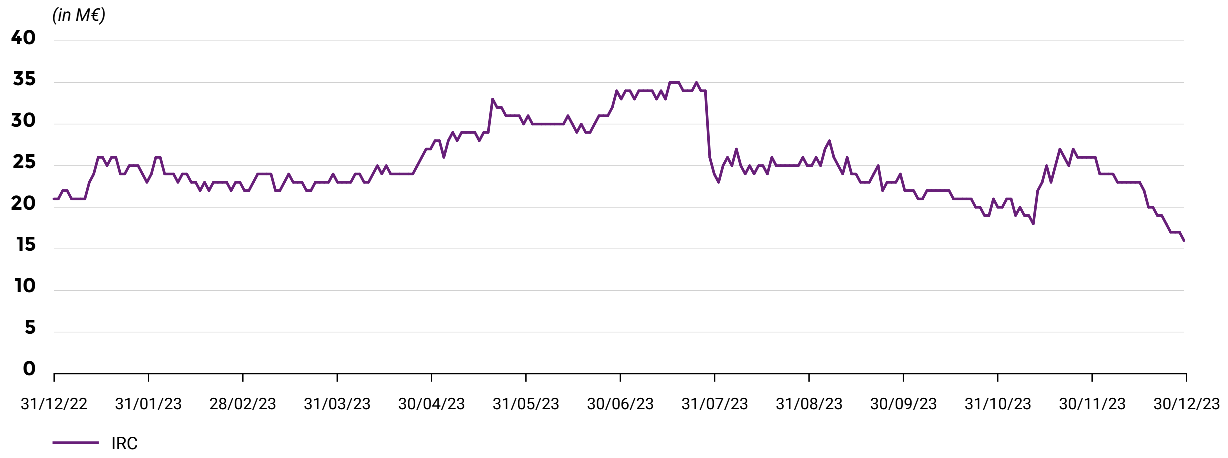
Natixis' regulatory stressed VaR averaged €18.4 million. It bottomed out at €15.3 million on November 15, 2023 and peaked at €24.6 million on October 11, 2023, and stood at €18.4 million as at December 29, 2023.

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 €25.2 million, bottoming out at €15.8 million on December 29, 2023, with a peak of €35.2 million on July 19, 2023, and stood at €15.8 million at December 29, 2023.



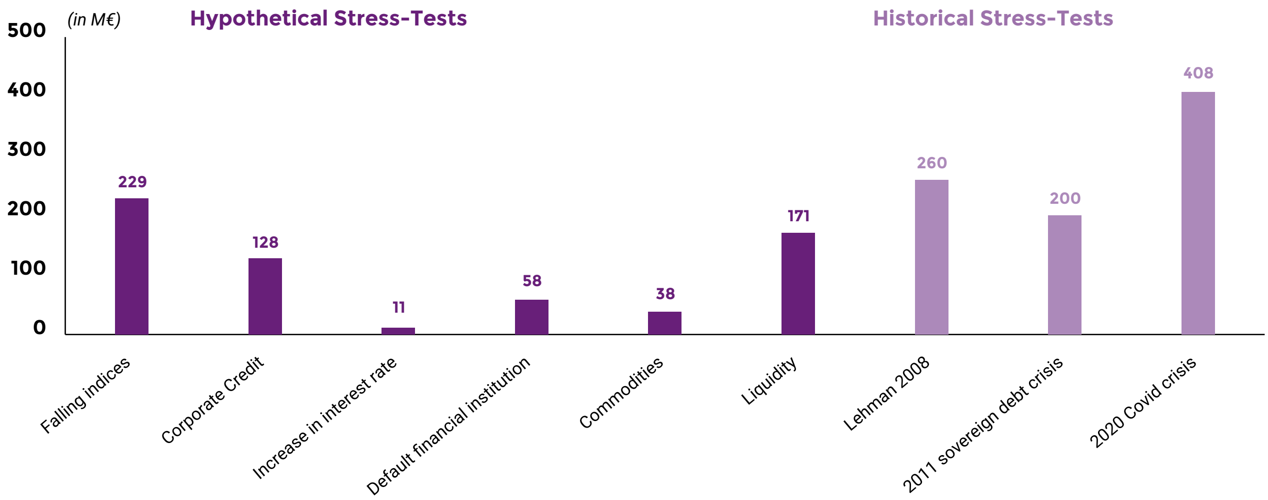
Stress test results for the Natixis scope

(Data reported to Statutory Auditors in accordance with IFRS 7)

Overall stress test levels reached an average level of +€167 million as at December 29, 2023, versus +€63 million as at December 30, 2022.

The hypothetical stress test reproducing rising interest rates was the lowest (+€11 million at December 29, 2023).

Overall stress tests as at December 29, 2023



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:
  - a historical indicator measuring the cost of risk,
  - a unitary indicator identifying the occurrence of major incidents to be notified to the regulator (Article 98 of the French Ministerial Order of November 3, 2014), and also specifically alerting to events of internal fraud, regulatory sanction and/or related to information and communications technologies (ICT);
- a qualitative indicator on the compliance of the framework's governance;
- a specific indicator for managing exposure to cyber risk.

The risk management framework 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 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;
- linking with other control functions;
- establishing key risk indicators and environmental variables of a predictive nature.

The framework is managed by the 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, the Enterprise Risk Management Department, the General Inspection, the Head of CIB activities and the Operational Risk Department of Groupe BPCE take part, is chaired by the Chief Executive Officer, the Chief Risk Officer (or her deputy), with the Head of Operational Risks Department acting as secretary. The standing members of the Operational Risk function, apart from the Head of the department, are the divisions' Heads of Operational Risk and the Standards, Reporting & Projects Officer.

The Operational Risk Committees of the business lines and support functions are a cascading of the 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 Operational Risk Manager acting as Committee secretary. Each Committee is chaired by the Head or manager in charge of the Committee's scope (business line or support function, depending on the entity) with the participation of operational managers, and support function dedicated and compliance managers dedicated to the Committee's scope.

The structure of the function mirrors the organization of:

- the business line divisions under the responsibility of the operational risk managers;
- geographic locations under the responsibility of the operational risk managers of the North and South America, 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.

57 FTEs are dedicated to 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.

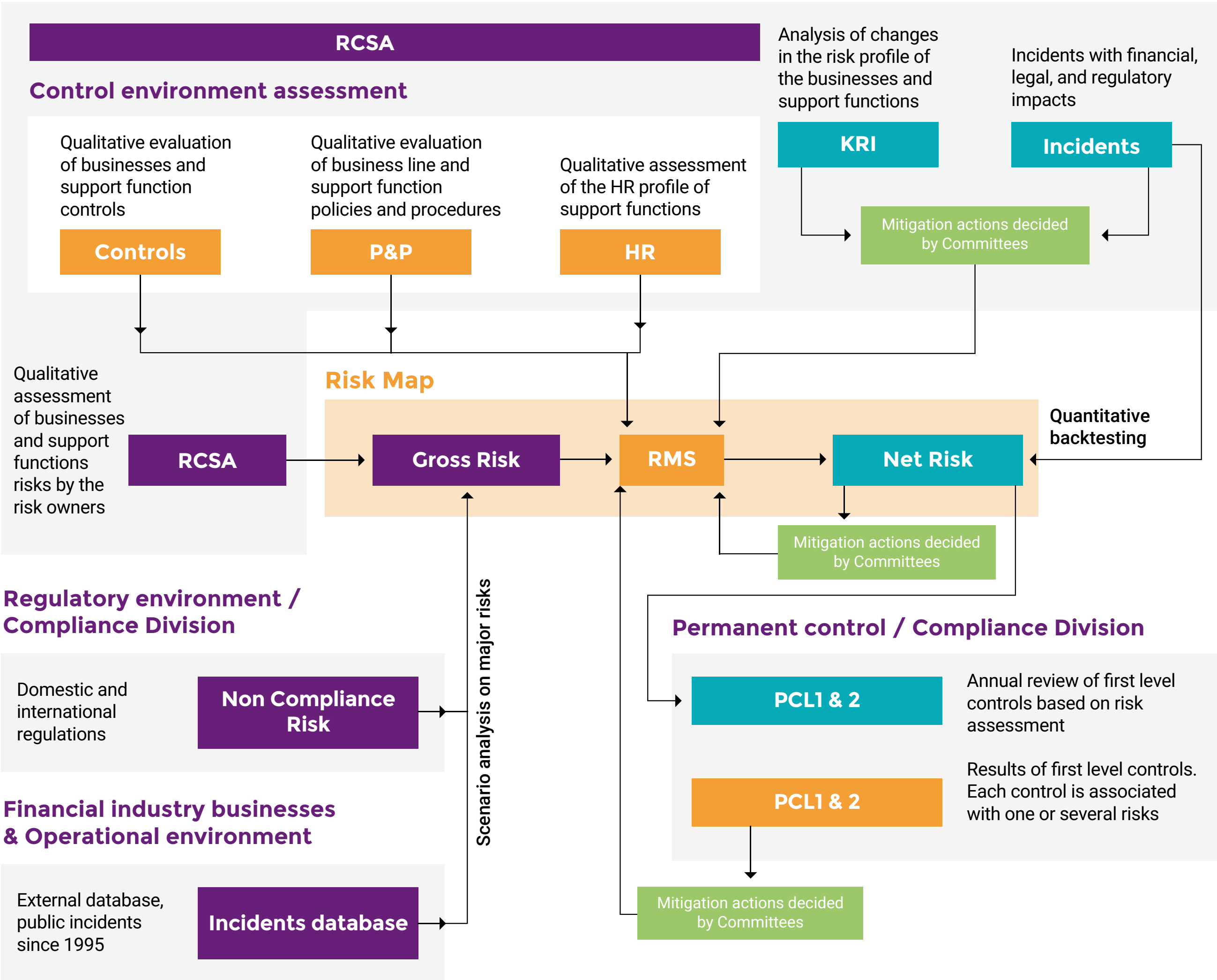
This framework is managed using a single information system that has been deployed across the Company's entities, business lines and support functions in France and internationally. This internal tool is available in French and English and hosts all the components of the operational risk supervision framework (incidents, risk mapping, key risk indicators (KRI), 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 division. 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 framework. 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 350 KRIs are set up, with limits and monitored at regular intervals, aiming to dynamically detect changes in operational risk exposure. They apply either to the Global Financial Services scope (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 an Operational Risk Committee approval.

Identifying losses and incidents

Recording and analyzing incidents

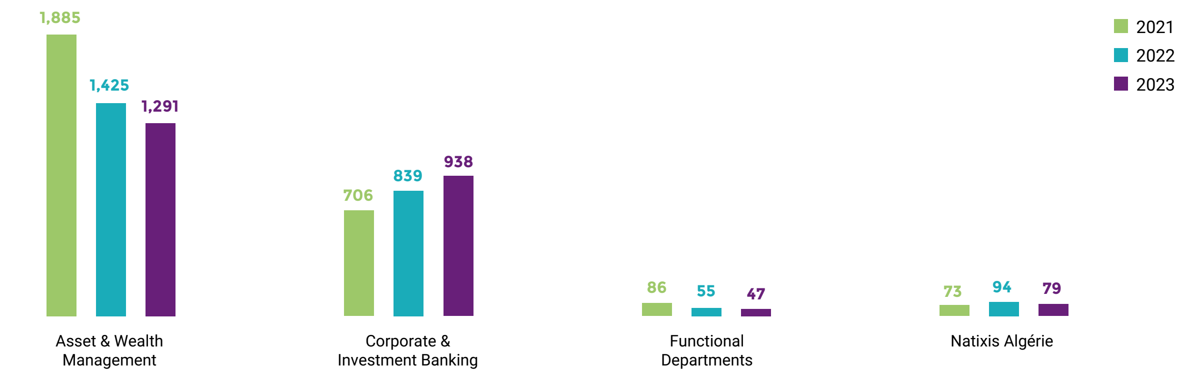
Incidents are recorded throughout the year from a threshold of declaration set at respectively €5,000 for the Corporate & Investment Banking and Asset Management business lines and €1,500 for the Wealth Management business lines. A single definition of "serious incident" is used, in compliance with Groupe 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 the 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.

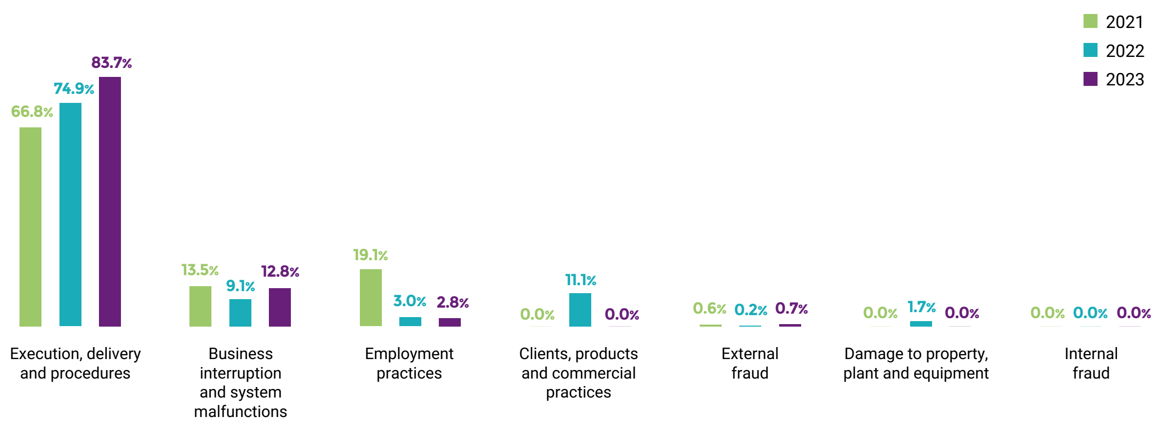
Overall trend of reported incidents

In 2023, more than 2,350 aggregate incidents occurred during the year and were reported by the Natixis business lines in the recording tool.

Breakdown of the volume of incidents by activity and year of occurrence between 2021 and 2023



Percentage breakdown of net incident volume by Basel category and year of occurrence between 2021 and 2023



Measures to reduce risk

Natixis has implemented a monitoring framework in every business line and support function to monitor the corrective and preventive actions to reduce the bank's exposure to operational risks. Of the 738 actions identified in 2023, 90% were directly initiated by the business lines in charge of their implementation, with monitoring 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 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 2023, a risk analysis was performed on all business lines and on the support and control functions.

At December 31, 2023, the mapping risk situations on the GFS scope comprised over 4,100 risk situations, including over 200 for CIB, over 1,700 for Asset & Wealth Management and almost 80 for Natixis Algérie. 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 frameworks 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

In terms of insurance, the networks and subsidiaries are covered for insurable operational risks under group insurance policies taken out with leading insurance companies. This system is supplemented by an in-house reinsurance company, which makes it possible to adjust deductible levels.

Coverage of insurable risks

At January 1, **2023**, BPCE S.A. has subscribed for its account and for that of its subsidiaries, including Natixis, the following main insurance programs cover its insurable operational risks, and protect its balance sheet and income statement:

A- Combined "Global Banking *(Damage to Valuables & Fraud)*" & "Professional Civil Liability" policy with a total maximum payout of **€217 million** per year of insurance including:

1) **€92.5 million** per year, combined "Global Banking/Professional Civil Liability/Cyber-Risks/FIE" and may be mobilized in particular under the guaranteed amounts indicated in 2) and/or 3) and/or 4) and/or F- hereinafter;

2) **€48 million** per year (sub-limited under "Fraud" to **€35 million** per claim), dedicated solely to "Global Banking" risk;

3) **€25 million** per claim and per year, solely reserved for "Professional Civil Liability" risk;

4) **€51.5 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 2) and/or 3) above.

The maximum amount that can be paid out for any one claim under this arrangement is **€100 million** under "Professional Civil Liability" coverage and **€100.5 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 **€75 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 and corporate officers Civil Liability" for up to **€150 million** per claim and per year of insurance.

E- "Material Damage" to Buildings Head Offices & Similar and their contents *(including IT equipment)* & the consecutive "losses in banking activities", up to a total of **€300 million** per claim and per event (sub-limited to consecutive "losses in banking activities" at a rate of **€100 million** per claim and per event and **€200 million** per year).

F- "Protection of Digital Assets against Cyber-Risks" & the consecutive "losses in banking activities", for up to **€100 million** per claim and €**156.5 million** per year of insurance of which **€85 million** per year combined with the guaranteed amount indicated in (i) of A-.

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' United States operations)*.

All the insurance policies mentioned above are purchased with deductibles (accepted retention level) in accordance with Groupe BPCE's retention capacity.

3.2.8 Asset-liability management

3.2.8.1 Governance and organization

(Data reported to 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 represent their affiliated credit institutions and are responsible for overseeing the cohesion of their network and ensuring the proper operation of affiliated institutions and companies. To this end, they take any necessary measures, notably to guarantee the liquidity and solvency of each of these institutions and companies, and of 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 is placed under the authority of the Group Strategic ALM Committee. These policies and strategies apply at the level of each affiliate, including Natixis.

Within Natixis, the Asset Liability Management Committee (the “ALM Committee”) is one of the Senior Management Committee, chaired by the Chief Executive Officer. This bimonthly committee brings together the Chief Financial Officer, the Chief Risk Officer, the Global Head of CIB’s business lines, the Head of BOAT (“Buffer, Financial Operations, ALM and Treasury”) department, the Head of BPCE/Natixis joint refinancing pool (including Natixis Treasury), representatives of SBSR (“Structural Balance Sheet Risks”) department, representatives of CIB’s business lines, as well as representatives of BPCE’s Financial Management and Risk divisions.

The main missions of this Committee are:

- supervision of ALM management policies in coordination with the central body;
- supervision of ALM constraint management;
- ratification of liquidity envelopes (drawn or regulatory, including contingent liquidity needs) allocated to business lines as part of the annual budget procedure;
- ratification of Natixis’ contribution to Groupe BPCE’s annual MLT refinancing plan;
- validation of the strategy for diversifying and attracting resources from non-financial clients;
- validation of internal ALM thresholds and limits, while the allocation of group thresholds and limits to Natixis falls under the responsibility of the group Strategic ALM Committee;
- validation of Fund Transfer Pricing rates (FTP);
- approval of ALM documentation (referential, etc.);
- validation of SBSR risk mandates, thresholds and limits;
- monitoring compliance with SBSR thresholds and limits.

Within the Finance division, the BOAT Department acts as a first line of defense (LoD1), executing the Committee’s decisions or coordinating their implementation under the supervision of SBSR Department – second line of defense (LoD2) – and in compliance with its risk mandates.

The Risk division is responsible for the independent assessment of the framework for managing, measuring and monitoring structural balance sheet risks. This function covers the validation of ALM conventions classified as “models” and second-level controls of indicators produced by Treasury and by MC&R Department (Metrics Calculation & Reporting).

Lastly, the thresholds and limits defined as part of the risk appetite framework are proposed by the Risk division and validated by the Board of Directors.

3.2.8.2 Management of liquidity and refinancing risk

Objectives and policy

(Data reported to Statutory Auditors in accordance with IFRS 7)

Groupe BPCE’s financing policy, strategy and organization in which Natixis participates are overseen by the group Strategic ALM Committee and cover the entire consolidated scope of Groupe BPCE. In particular, they are based on:

- a capital accumulation and preservation strategy to defend, strengthen and promote Groupe BPCE’s credit signature and rating on global liquidity markets;
- a centralization of liquidity management and access to the liquidity markets within a liquidity pool supervised by BPCE and operating from the balance sheets of both BPCE S.A. and Natixis. This organization facilitates the application of a single pricing policy, optimizes the cost of financing and facilitates the liquidity circulation within the group;
- a strategy to diversify the sources of financing by geographic area, currency, counterparty, maturity and instrument aiming to ensure stable and perennial refinancing of activities regardless of their geographic location or the currency used, while containing the market footprint;
- a management 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 clients, 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.

Monitoring framework

(Data reported to Statutory Auditors in accordance with IFRS 7)

The steering, management, measurement and oversight of this risk are based on the following group framework:

- measurement and management of Natixis’ contribution to the group’s market footprint;
- measurement and monitoring each business line’s consumption of unsecured liquidity (drawn and regulatory) from Treasury;
- measurement and management of Natixis’ contribution to Groupe BPCE’s short- and medium-term liquidity transformation;
- measures of Natixis’ contribution to Groupe BPCE’s consolidated liquidity stress;
- measures to monitor the Group’s strategy for raising liquidity and diversifying refinancing sources.

Contingency funding plan under liquidity stress

(Data reported to Statutory Auditors in accordance with IFRS 7)

The Contingency Funding Plan triggered in the event of a liquidity crisis (the “CFP") refers to the documentation describing the governance, organization, strategies and action levers to be used in the event of a liquidity crisis to preserve Groupe BPCE’s liquidity and ensure the continuity of its activities. It consists of:

- an ongoing monitoring framework based on quantitative and qualitative indicators (the “Early Warning Indicators”) associated with alert thresholds to facilitate the decision-making and escalation process;
- 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;

In accordance with the missions of Groupe BPCE's central institution, the Group's CFP is unique, covers the entire Groupe BPCE and its affiliates and is placed under the responsibility of BPCE's Financial Resilience department. The Group's CFP is broken down at Natixis level to facilitate its operational implementation. Natixis CFP, validated by the ALM Committee, is itself broken down into local CFPs within the geographic platforms.

Groupe BPCE's Financial Resilience department carries out regular tests of the Group's CFP, with the participation of Natixis, to ensure its operational readiness, identify any potential weaknesses and propose areas for improvement.

Refinancing principles and structure

(Data reported to Statutory Auditors in accordance with IFRS 7)

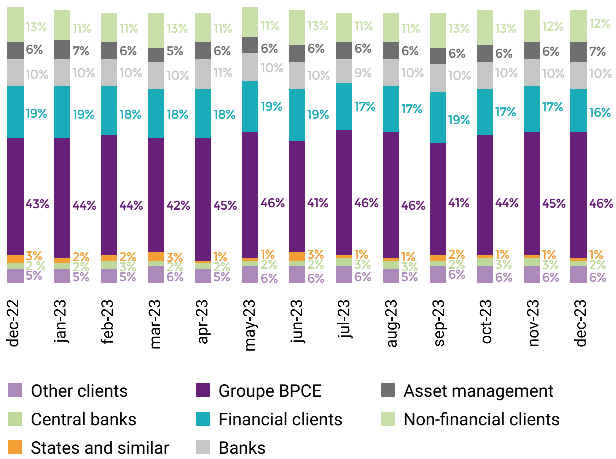
ALM Refinancing strategy

As mentioned in the preceding Section "Objectives and policy", the refinancing 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 oversight of BPCE Financial Management division.

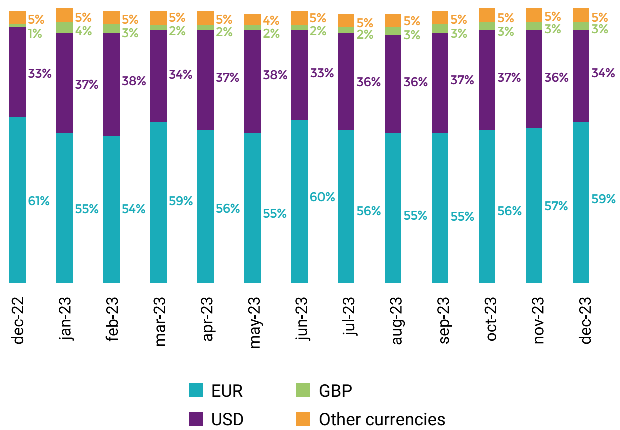
Refinancing structure for 2023

(Data reported to Statutory Auditors in accordance with IFRS 7)

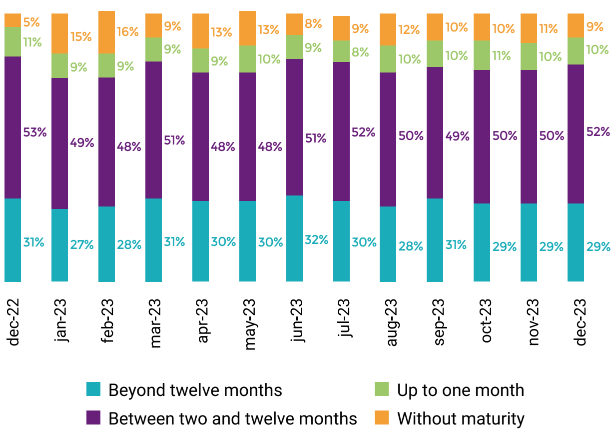
By main counterparty type



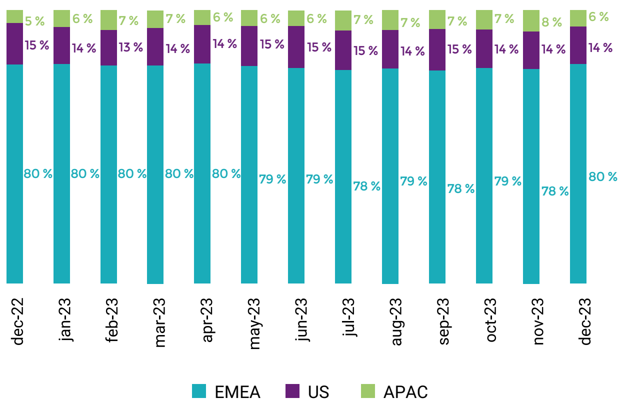
By currency



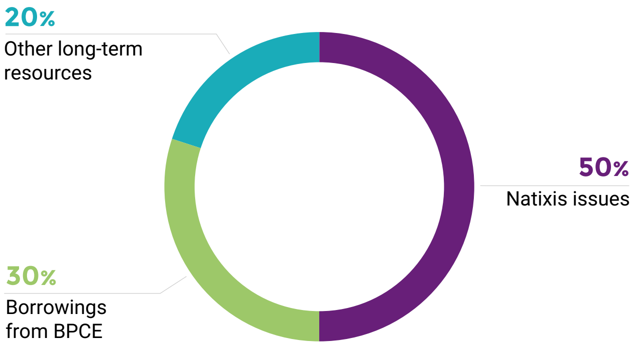
By maturity



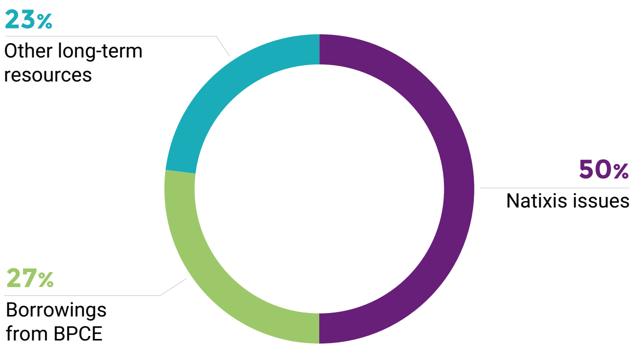
By platform



2023 MLT financing program



2022 MLT financing program



Sources: Management data.

Refinancing

(Data reported to Statutory Auditors in accordance with IFRS 7)

Economic and financial context

In 2023, central banks continued their efforts to fight inflation. Rate hikes were massive, with the ECB raising the rate on its main refinancing operations from 2.50% to 4.50%, a level not seen since July 2001. The Fed delivered four rate hikes of 0.25% during the year to set the upper limit of its federal rate corridor to 5.50%. These tighter monetary policies paid off, with the annual inflation rate in the euro zone falling from 9.20% in December 2022 to 2.90% 12 months later. In the United States, inflation fell from 6.50% at the end of 2022 to 3.10% in November 2023. This trend owes much to the moderation in energy prices. Progress on underlying inflation has been somewhat less remarkable than that in headline inflation.

The inflation target close to 2% shared by the Fed and the ECB has therefore not yet been achieved, but central bankers seem reasonably confident about price trends in the months ahead, and are starting to talk of a change of course in monetary policy in 2024. This is notably the case for Fed members, who in their estimates of key rate trends are assuming a scenario of 3 rate cuts of 0.25% over the course of this year. The European Central Bank does not give such an indication, but the markets are also convinced that a reduction in key rates should be implemented in 2024.

In terms of economic growth, the United States proved dynamic and European countries relatively resilient. This performance is remarkable because, beyond the uncertainties surrounding the evolution of central banks' monetary policies, there was no shortage of risk factors throughout the year: concerns about the health of US regional banks in the first half, sluggish Chinese growth, geopolitical risks, etc.

Interest rates were highly volatile throughout 2023. Their evolution can be divided into two phases. The first corresponds to the first 10 months of the year, during which central bankers were very determined to keep rates high for a long time to come. During this period, the rate on 10-year French government bonds (calculated by the Banque de France using the tec10 method) rose from 3.02% to 3.57% (its peak reached on October 4, 2023). The end of the year was marked by a sharp fall in yields, reflecting expectations of a change in the ECB's monetary policy, and the yield on 10-year French government bonds ended the year at 2.54%.

Volatility dominated the T-bill market this year, with yields fluctuating by 15 to 20 bps (basis points) on some days. The yield on the benchmark USD 10-year index fell as low as 3.30% in early April, peaked at 5% in mid-October and then returned to 3.88%, the level at the start of the year.

In the euro zone, the yield on German 10-year debt finally fell by 42 bps to 2.02% over the year, after peaking at 2.97% in October. The 2-year/10-year curve inversion stood at -38 bps, compared with -25 bps at the start of the year.

Short-term refinancing

The rise in key interest rates made the money market segment very attractive to investors in 2023. Given that money market assets are less sensitive to changes in market interest rates than most bond investments, investors flocked to money market funds during most of the year, attracted by their good risk/return profile. This increase in assets under management was observed in both the United States and Europe, and supported our issuing capacity. Generally speaking, short-term debt markets weathered the turbulence well this year: their liquidity did not suffer from the various crises (SVB, risk of shutdown in the United States, etc.).

Our program outstandings at the end of December 2023 represented an equivalent value of €41.1 billion. The market enabled us to rebalance our issues, which are often denominated in dollars (a currency that accounted for over 68% of our outstandings at the end of 2023), slightly in favor of the euro.

The proportion of issues denominated in variable rates (€STR, SOFR, etc.) tended to be higher at the beginning of the year, when it sometimes represented over 40% of outstandings, than in the second half of the year, when the proportion of fixed-rate securities sometimes exceeded 70% of our stock of issuances. This can be explained by investors' desire to protect themselves against market trends when the peak of the rate hike in the monetary policy cycle still seemed uncertain. As inflation started to ease off, investors preferred fixed-rate securities, which enable them to guarantee a known return to their clients for the length of the targeted maturity.

Natixis' short-term debt issuance program outstandings

(in millions of euros or euro equivalents)	**Certificates of Deposits**	**Commercial papers**
Program size*	45,000	25,576
Outstandings at 31/12/2023	25,481	15,601

* *For certificates of deposit, size of the NEU CP (Negotiable EUropean Commercial Paper) program only.*

Long-term refinancing

2023 was a busy year for primary issues in the financial sector, with €333 billion of issues by European banks *(source: Natixis credit research)*, representing a +7% increase in issues compared with 2022.

Several factors explain this rebound: the end of TLTRO refinancing, the final MREL target (January 2024 deadline) and the prefinancing of 2024 maturities at the end of 2023, as market conditions allowed.

The volatility of long-term rates in 2023 and uncertainty about the high point of rates in the central banks' fight against inflation resulted in fairly high issue premiums in the first half of the year.

On the secondary market, credit spreads widened overall over the year, peaking in mid-March during the US regional bank crisis.

Against this market backdrop, Natixis raised €20.1 billion in unsecured resources in 2023 (including €1.6 billion in self-held securities, €250 million in NPB issues and €1.6 billion on behalf of the BP/CE networks) as part of its medium- and long-term refinancing program.

As the only long-term issuer in the public segment, BPCE provided Natixis with financing for a total euro-equivalent amount of €4.6 billion.

Issues and outstanding of Natixis' medium- and long-term debt issuance programs

(in millions of euros or euro equivalents)	**EMTN**	**NEU MTN**	**US MTN**	**Bonds**
Issues as of 31/12/2023	2,512	0	0	11,056
Outstandings at 31/12/2023	15,713	111*	89	17,534

* *Liquidity Pool's outstandings.*

3.2.8.3 Structural foreign exchange risk

(Data reported to Statutory Auditors in accordance with IFRS 7)

Objectives and policy

The policy for managing structural foreign exchange positions on a consolidated basis is supervised by the Natixis ALM Committee, whose governance and missions are described in Section [3.2.8.1]. This policy aims to hedge the CET1 ratio against exchange rate variations. The positions, whose revaluation is included in the numerator of the ratio under translation adjustments, align the CET1 denominated in foreign currency with RWAs denominated in foreign currency. They are generated either by capital injections or contributions to foreign branches or subsidiaries in the reporting currency, or by accumulating abroad retained earnings denominated in foreign currencies. Conversely, they are reduced by repatriating net income denominated in foreign currency held abroad and exchanged into euro, or by refinancing the net investment denominated in foreign currency through debt in the same currency. Natixis does not use derivative instruments to manage its structural foreign exchange positions or to hedge the sensitivity of its CET1 ratio against exchange rates variations.

Structural foreign exchange position

Currency *(equivalent value in millions of euros at current exchange rates)*	Structural change	
	Opening position (31/12/2022)	Closing position (31/12/2023)
USD	4,970	4,077
DZD	171	189
AUD	127	137
JPY	62	66
CNY	44	41
HKD	38	39
RUB	28	21
TWD	19	22
KRW	19	18
CAD	4	5
GBP	(11)	(31)
Other	8	8

3.2.8.4 Overall interest rate risk

General policy

(Data reported to Statutory Auditors in accordance with IFRS 7)

The Global Financial Services (GFS) activities hosted by Natixis on behalf of Groupe BPCE are mainly operated and refinanced on a variable rate basis. Natixis' prudential banking book is therefore very little sensitive to interest rates variations, and the materiality of this risk is low. 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 certain exceptions, fixed-rate financial assets and liabilities are hedged at variable rates using 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 SBSR (Structural Balance Sheet Risk) department within the Risk division. The accounting treatment of interest rate hedges and their relationship to the hedged instruments is governed by IAS accounting standards.

Overall interest rate risk surveillance framework

(Data reported to Statutory Auditors in accordance with IFRS 7)

Natixis is subject to the interest rate risk measurement and monitoring framework laid down by the group ALM, supplemented by a measurement and monitoring framework calibrated internally according to the specific needs of each entity. These measures are produced on Natixis consolidated prudential banking book perimeter.

Natixis' banking book interest rate risk management is supervised by the ALM Committee, whose governance and missions are described in Section [3.2.8.1]. The overall interest rate positions are managed by the LoD1 functions within the framework of risk and limit mandates, under the control of the Risk division's LoD2 functions, and more specifically of SBSR Department.

Three families of measurements are performed:

- static fixed interest rate gaps by currency and maturity bucket; they represent the schedule of transactions until their next rate reset date;
- measures of the sensitivity of the economic value (ΔEVE) by maturity bucket and currency for all prudential banking book transactions, including those recorded at fair value through profit or loss: this indicator measures the variation of this value under different scenarios of yield curve deformation (including those standardized by the EBA);
- measures of changes in net interest income (ΔNII): this involves calculating the sensitivity of future net interest income for different scenarios under the assumption of a roll-over of maturing operations over the time horizon.

Limits on these indicators were validated by the group Strategic ALM Committee, within the framework of Groupe BPCE's risk appetite.

Quantitative information

(Data reported to Statutory Auditors in accordance with IFRS 7)

The Natixis contribution to the fixed rate gap of Groupe BPCE presented below consolidates all transactions recorded in the prudential banking book.

Interest rate gap by maturity as at December 31, 2023

Maturity *(in millions of euros)*	**1 year**	**3 years**	**5 years**	**7 years**
Interest rate gap (fixed-rate)	(210)	(477)	(495)	(346)

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 for the annual reporting dates:

Sensitivity of economic value and net interest income (IRRBB – Table B)

	ΔEVE		**ΔNII**	
Period *(in millions of euros)*	**31/12/2023**	**31/12/2022**	**31/12/2023**	**31/12/2022**
Parallel up	(79)	0.5	(10)	58
Parallel down	35	(11)	11	(55)
Steepener	(38)	(88)		
Flattener	0.4	32		
Short rates up	(22)	29		
Short rates down	(13)	(86)		
Period	**31/12/2023**			**31/12/2022**
Tier 1 capital	**13,067**			**13,090**

Stress tests are calculated using the progressive regulatory floor approach as well as the multi-currency aggregation method as per the EBA Guidelines of October 2022. The sensitivity presented below relating to the net interest income is that of the first year.

The Natixis banking book has very little exposure to interest-rate risk, with fixed-rate exposure concentrated on very short maturities.

The regulatory stress scenarios set by the European Banking Authority (parallel upward or downward shift in yield curves, steepening, flattening, rise or fall in short rates with a progressive floor) show a change in the worst case of -€79 million in the economic value of the banking book (using the EBA's currency offsetting rules) for the scenario of parallel rate increases on December 31, 2023.

The sensitivity of Natixis' NIM to interest rate variations under various stress scenarios in 2023 was relatively stable. In the event of a parallel downward shift of -200 bps in the yield curves, the sensitivity was positive and represented less than 1% of CET1. These measures attest to the low materiality of the overall interest rate risk borne and managed by Natixis.

3.2.8.5 Breakdown of financial liabilities by contractual maturity

(Data reported to Statutory Auditors in accordance with IFRS 7)

Breakdown of financial liabilities by contractual maturity

(in billions of euros)	31/12/2023									
	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**
Central banks										
Financial liabilities held for trading purposes – excluding trading derivatives	144.6	0.0	82.3	17.0	3.3	8.2	2.5	3.2	5.6	22.5
o/w Repurchase agreements	*103.7*	*0.0*	*81.2*	*16.2*	*1.8*	*3.9*	*0.4*	*0.1*	*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	29.5	0.0	0.8	2.0	2.6	4.7	4.6	9.4	5.4	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	*29.2*	*0.0*	*0.8*	*1.9*	*2.6*	*4.6*	*4.6*	*9.4*	*5.3*	*0.0*
Trading derivatives	52.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	52.3
Hedging derivatives	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.3
Due to banks	135.9	7.4	17.0	19.7	5.2	15.4	56.1	8.5	1.7	4.8
o/w Repurchase agreements	*3.6*	*0.0*	*0.9*	*0.3*	*0.2*	*0.0*	*1.7*	*0.6*	*0.0*	*0.0*
Customer deposits	57.3	20.0	6.5	5.0	3.0	2.4	2.2	8.5	8.4	1.2
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	49.3	0.0	7.2	12.0	13.1	14.5	0.8	0.3	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	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Subordinated debt	3.5	0.0	0.0	0.0	0.1	0.1	0.4	2.0	0.7	0.0
TOTAL	**472.7**	**27.4**	**113.8**	**55.7**	**27.4**	**45.3**	**66.6**	**32.0**	**23.3**	**81.2**

(in billions of euros)	31/12/2022									
	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**
Central banks										
Financial liabilities held for trading purposes – excluding trading derivatives	116.6	0.9	62.1	11.1	2.9	5.6	3.1	4.1	4.7	22.1
o/w Repurchase agreements	*75.9*	*0.9*	*61.8*	*10.9*	*1.0*	*1.0*	*0.2*	*0.1*	*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	25.0	0.0	0.8	1.6	2.3	3.2	4.0	8.8	4.3	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	*24.8*	*0.0*	*0.8*	*1.6*	*2.3*	*3.1*	*4.0*	*8.7*	*4.2*	*0.0*
Trading derivatives	68.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	68.1
Hedging derivatives	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.3
Due to banks	113.7	6.0	6.8	7.1	7.9	14.7	56.7	7.6	2.0	4.8
o/w Repurchase agreements	*1.7*	*0.0*	*0.5*	*0.0*	*0.7*	*0.3*	*0.0*	*0.0*	*0.2*	*0.0*
Customer deposits	*45.8*	*18.3*	*6.4*	*5.5*	*2.4*	*2.8*	*0.8*	*3.6*	*5.0*	*1.0*
o/w Repurchase agreements	*0.1*	*0.0*	*0.1*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*
Debt securities	47.1	0.0	6.2	17.2	13.3	8.1	0.2	0.9	1.3	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	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Subordinated debt	3.6	0.0	0.0	0.3	0.0	0.1	0.2	1.5	1.4	0.0
TOTAL	**420.2**	**25.2**	**82.2**	**42.9**	**28.8**	**34.5**	**65.1**	**26.5**	**18.6**	**96.3**

3.2.9 Compliance risk

For a definition of compliance risk, refer to Section [3.2.3.7] "Risk typology".

3.2.9.1 Organization of the compliance function

The Compliance Department is responsible for supervising and monitoring compliance risk, carrying out second-level controls and coordinating the first-level permanent compliance risk control framework. In 2023, it continued to include supervision of IT risk and business continuity, as well as protection of personal data. Its scope of action encompasses Natixis and its subsidiaries and branches in France and abroad, thanks to its functional structure.

2023 KEY EVENTS

Alignment with Groupe BPCE's compliance framework

2023 was marked by a new governance of the regulatory monitoring system between the various entities and platforms and the implementation of an active contribution to the Group Regulatory Monitoring Committee (GRMC) for regulatory developments with a significant impact for Natixis entities or more broadly for Groupe BPCE.

In addition, a project was carried out in partnership with Groupe BPCE to adapt the whistleblowing system in line with legislative changes (Waserman Act). This project, which was completed in 2023, led to the strengthening of the whistleblowing system. This system enables any employee aware of an inappropriate act or behavior to report it to the appropriate body via the Natixis internal channel. To this end, a whistleblower platform (Whispli) was rolled out in 2023 across the entire Natixis scope. This system is open to Natixis employees as well as to external parties who work with Natixis. It concerns reports of acts or behavior that may constitute, in particular, a crime or misdemeanor, a serious and manifest violation of a duly ratified or approved international commitment, a breach of Natixis' rules of conduct and compliance, or a threat or serious harm to the public interest.

Finally, since December 21, 2023, in order to highlight the stakes involved in technology- and data-related risks, the supervision of IT risk and business continuity, as well as the protection of personal data, have been grouped together within a new Security division, separate from the Compliance Department, which also reports to the Natixis General Counsel in charge of compliance, legal, sustainability, governance & regulatory affairs, following the example of the organization set up within Groupe BPCE.

Strengthening governance and compliance risk management

In 2023, the Compliance Department strengthened its governance and compliance risk management practices notably through:

- the definition of a Risk Appetite Statement, approved by the Senior Management Committee and the Board of Directors of Natixis S.A., which applies to the conduct of activities in all Natixis business sectors;
- the revision and creation of new RAF indicators, with any variations outside tolerance thresholds being reported to the Natixis Risk Committee;
- the establishment of a quarterly Committee, chaired by the Natixis Chief Executive Officer and attended by Groupe BPCE Compliance, to ensure consolidated supervision of compliance risks for Natixis entities, monitor the proper execution of the compliance program, and alert to significant compliance incidents and emerging risks.

In 2023, the Group continued to strengthen its supervision framework of capital markets activities, with a number of structural projects focusing on the security, recording and monitoring of communications.

Finally, the roles and responsibilities of the Compliance Department were defined in terms of competition law compliance, tax compliance and compliance with sustainability requirements.

Responsibilities

The compliance function advises and assists all Natixis employees in preventing potential compliance risks in the course of their various business line activities, as well as identifying and managing new regulatory risks and emerging compliance risks. It positions itself as a key player in the operational implementation of the principles set out in the Natixis Code of Conduct 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 compliance risk identified and assessed in the compliance risk map. 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 function also monitors regulatory developments and provides training and awareness-raising initiatives.

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 framework)*. To this end, the compliance function maps compliance risks. Lastly, it ensures that any malfunctions identified are corrected by the relevant business lines.

Governance

As defined in the French Ministerial Order of November 3, 2014, the Compliance Department, as a second-line-of-defense function, verifies compliance independently of the operational departments *(see Section [3.2.1])*. It reports to the General Counsel in charge of compliance, legal, sustainability, governance & regulatory affairs of Natixis, an executive director and member of the Senior Management Committee, who is responsible for permanent control declared to the French Prudential Supervisory Authority and functionally to the Compliance Department of Groupe BPCE.

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 function are defined in a charter, approved by the Senior Management Committee, the Risk Committee and the Natixis Board of Directors, and sent for information to the members of the Control Functions Coordination Committee. This charter, drawn up in application of the principles and guidelines defined in Groupe BPCE's compliance framework document, constitutes the minimum framework to be applied by the entire sector.

Global oversight

The Natixis Compliance Department is responsible for steering, monitoring and supervising the compliance framework of all Natixis entities, in accordance with the supervisory principles set out in the Groupe BPCE compliance framework document.

The level of compliance monitoring and supervision exercised by the Compliance Department within each Natixis business line and entity may be adapted according to local regulatory requirements, the risks specific to the entity and the level of integration.

Natixis organizes its control functions on a global basis in order to ensure that the internal control framework 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 oversight, guidance and leadership to the compliance managers of the entities as part of its operations.

The compliance function is deployed across all Natixis entities, whether or not the activities or entities are regulated, provided that the entities concerned are exclusively or jointly controlled, directly or indirectly, by Natixis S.A.

At least one Compliance Officer or regulatory contact is appointed for each country in which Natixis operates.

Tools

The compliance function is equipped with a set of tools to cover all the areas within its remit, namely:

- operational surveillance tools used in conjunction with Know Your Client (KYC) tools to detect money laundering and internal fraud and prevent terrorist financing;
- systems allowing the comparison of data to control client 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;
- tools to ensure all permanent second level controls incumbent on the compliance function; and
- tools for missions defined by compliance frameworks, namely whistleblower case management, relations with regulators and incident reporting.

3.2.9.2 Professional ethics

Managing conflicts of interest

In the course of its business, Natixis may be confronted with situations where the interests of one of its clients could conflict with those of another client or with those of Natixis or one of its employees. Natixis has policies to prevent, detect and manage 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 employees; and
- employee 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 using an application tool to help detect potential and actual transactional and personal conflicts; and
- an escalation process for mediating unresolved conflicts of interest if needed.

Whenever the risk of compromising a client's interests becomes unavoidable in spite of the internal procedures in place, Natixis informs the client of the nature of the conflict of interest before taking action on the client's behalf. This allows the client to make an informed decision on whether to proceed with the transaction.

Preventing the circulation of confidential and privileged information

Information barriers are put in place and reviewed each time the organizational structure changes in order to prevent the undue circulation of confidential or even privileged 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 client'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 permanent information barriers between its asset management activities and its other divisions.

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 framework. 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 French Financial Markets Authority (AMF) or to local regulators, in accordance with the regulations in force.

Code of Conduct

Applicable to all Natixis employees, Natixis' Code of Conduct formalizes the general principles of conduct in force within the institution, and establishes guidelines for all employees regarding expected behavior when carrying out their duties and responsibilities.

In order to put the Code of Conduct into practice on a day-to-day basis, Natixis has established a compliance-led conduct framework. This framework includes dedicated global governance, Committees in each of the entities, including abroad, and a specific training program *(see [3.2.3.3] Risk Culture)*.

3.2.9.3 Protection of clients and their interests

The protection of clients' 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 clients with diligence, loyalty, honesty and professionalism, and to offer financial products and services that are appropriate to clients' abilities and needs.

In this context, and in order to maintain a high level of client 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 Know Your Client (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].*

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 Client (KYC)

Natixis implements policies and procedures so that the client due diligence procedures 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 clients through compliance with MiFID, EMIR and the Dodd-Frank Act.

Protection of client financial instruments and funds

When Natixis holds financial instruments or funds belonging to clients, it has a system of accounts and ledgers to preserve the ownership rights of said clients over their financial assets (account segregation).

Natixis does not use financial instruments belonging to its clients on its own behalf.

Product governance

MiFID 2 reinforced 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, and that it takes into account preferences in terms of sustainable finance. 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 client complaints

This framework ensures that:

- clients 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 the Compliance Department and manages the fight against money laundering and terrorist financing (AML-CTF), corruption and fraud prevention framework, and ensures that Natixis and its branches and subsidiaries comply with financial sanctions and embargoes.

2023 KEY EVENTS

2023 was marked by the continuation of work to strengthen financial security frameworks, in particular:

- strengthening the system for identifying and investigating potential clients targeted by "leaks", via the deployment of a new tool, and for automated monitoring of transactions, particularly in the area of CTF;
- updating of transaction filtering and monitoring systems as part of the deployment of the Swift ISO 20022 standard (MX messages);
- updating of the frequency of periodic KYC reviews of client files classified as low and medium risk, and reinforcement of vigilance with regard to the criteria for event-driven reviews of client files;
- ongoing work to converge the financial security framework of Asset Management entities and finalization of work to converge the financial security framework of M&A stores with the Natixis global system;
- initiation of work to overhaul the corruption risk mapping methodology.

Anti-money laundering and counter-terrorist financing

Natixis supplemented and enhanced its AML-CTF framework in 2023 by integrating the new requirements from laws and reports issued by French, European and international authorities and public bodies.

Thus, Natixis' AML-CTF framework comprises the following elements:

- a system adapted to Natixis' structure and activities;
- 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;
- a surveillance and control framework 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.

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 clients 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.

Specific assistance and advice is provided to Natixis business lines and entities by experts dedicated to financial sanctions.

In 2022, this framework made it possible to roll out, and in 2023 to continue monitoring and implementing, the new measures taken against Russia and Belarus in response to the conflict in Ukraine, thanks to the action plan put in place. The Russia policy has been revised to incorporate the new rules concerning this country following the numerous updates of the European and American sanctions programs and Natixis' cautious approach. The tools have been updated to strengthen the monitoring and escalation of Russian cases.

In addition, Natixis also strengthened this framework, notably with the implementation of new changes to its screening tools and lists, which have improved the alignment of the settings of these tools and the quality of the databases processed.

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 II 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 framework 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 the 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 and on the Financial Control Department. Governance is ensured through dedicated Committees.

The anti-corruption framework includes:

- a regularly updated corruption risk map;
- standards and procedures;
- a control framework;
- a whistleblowing system;
- a training system.

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 rules and procedures of the corruption prevention program are reflected in the Natixis anti-corruption policy, available on the website *https://natixis.groupebpce.com/articles/fight-against-corruption/*.

The fight against fraud

Natixis has a system for combating increasingly sophisticated fraud based on four fundamental pillars: prevention, detection, investigation and corrective action.

This global system is managed and coordinated by a dedicated central compliance unit (Anti-Fraud Unit) which coordinates a network of anti-fraud correspondents in Natixis' subsidiaries and branches. In addition, a half-yearly Fraud Oversight Committee chaired by Natixis' General Secretary in charge of compliance, legal, sustainability, governance & regulatory affairs is tasked with overseeing changes to the internal and external fraud risk management framework, and recommending and monitoring the implementation of technical solutions and/or plans to strengthen controls. Fraud risks linked to capital markets activities are monitored by a dedicated RIFCM (Risk of Internal Fraud on Capital Markets) system, which is the subject of a half-yearly supervisory Committee.

3.2.9.5 IT risk

In application of the directives of the European Banking Authority and the French Ministerial Order of February 25, 2021 on IT risk, Natixis has strengthened its IT risk management framework. 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, which reports to Natixis' Compliance Department and is part of Groupe BPCE's Security division, provides the second line of defense for Natixis, its branches and subsidiaries in France and abroad.

Information Systems Security

The G-TRM Department assesses the risks related to the information system. 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 line 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 Group's 2021-2024 strategic plan. This program 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.

Natixis applies the IT risk management policies and methods defined by the Groupe BPCE security division and consolidates the management of IT risks in the Groupe BPCE tool. The Head of G-TRM is a permanent member of Groupe BPCE's IT Security Executive Committee.

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 local scenarios (Seine flood, cyberattack, etc.).

Since COVID, Natixis has been working remotely, which means less exposure to sudden crises and enables an appropriate response in the event of slow-onset crises (flooding of the Seine, strikes, etc.).

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.

Natixis applies Groupe BPCE's business continuity methods and standards and is integrated into the business continuity function managed by Groupe BPCE's Business Continuity.

Control of IT processes

Natixis has extended its technological risk management framework 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.

These policies are now the responsibility of BPCE through the Group Security division.

3.2.9.6 Personal data protection

Reporting to the Compliance Director, the Natixis Data Protection Officer (DPO) leads a community of "Data Privacy Liaisons" (DPLs) spread 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 in the countries in which it operates and, more specifically, to ensure compliance with the European Regulation on the protection of personal data (GDPR). Natixis' Data Privacy Committee monitors the activity of the sector and manages residual compliance actions.

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 risks

Like many banking groups, Natixis and its consolidated subsidiaries are subject to legal and tax proceedings and may be investigated by regulatory authorities.

As assessed as of December 31, 2023, the financial consequences of these proceedings 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 legal and arbitration proceedings 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 proceedings, including those related to tax, 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 outstanding Madoff amount is estimated at €327.9 million in exchange value at December 31, 2023, fully provisioned at that date, compared to €339.7 million in exchange value at December 31, 2022. 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 ruling 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 Court of Cassation in December 2019. The Court of Cassation dismissed the appeal on November 4, 2021, so that the ruling 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 US$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. On August 30, 2021, 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. The BMIS liquidator has initiated proceedings to split into two separate actions the claim for restitution brought initially against Natixis, one against Natixis S.A. (initial action amended to include only the buybacks of Fairfield Sentry shares) and the other against Natixis Financial Products LLC (new action to be brought relating to the buyback of Groupement Financier shares). These two separate actions have been filed and are ongoing. The bankruptcy court issued its rulings in November 2023, denying the motions to dismiss filed by Natixis S.A. and Natixis Financial Products LLC. In December 2023, Natixis S.A. filed an appeal seeking leave to appeal the decision denying its Motion to Dismiss. The case is ongoing.

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. In August 2022, the District Court upheld the bankruptcy court's decision dismissing the actions of the liquidators against all defendants, including Natixis. The liquidators appealed this decision to the Second Circuit. 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 ruling 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.

Following the Paris Court of Appeal hearings held between January 22 and 31, 2024, the case was adjourned until May 7, 2024.

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 including because the claims are time-barred and because the plaintiff does not have standing to act.

Natixis and the plaintiff are engaging in meaningful discussions to resolve the litigation. Whilst such discussions are ongoing, Natixis and the plaintiff have agreed to stay the legal proceedings, which the Supreme Court of the State of New York has authorized.

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 ruling was delivered on June 22, 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.

Formula funds

Following an inspection by the French Financial Markets Authority 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 French Financial Markets Authority '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.

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 ruling 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 ruling 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 ruling. 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.

On April 13, 2022, the Court of Appeal rejected SFF's claims and upheld the ruling rendered at first instance. On May 9, 2022, SFF requested leave to appeal to the Constitutional Court. On January 17, 2023, the Constitutional Court rejected SFF's request for authorization, so that the decision of November 20, 2020 is now final.

French Competition Authority/Natixis

On October 9, 2015, a company operating in the meal voucher industry lodged a complaint with the French Competition Authority to contest industry practices with respect to the issue and acceptance of meal vouchers. This referral concerned several French companies in the meal voucher sector, including Natixis Intertitres, then part of Natixis.

In its decision of December 17, 2019, the French 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 in its own right, along with two other fines totaling €78,962,000, jointly and severally with Natixis.

The Paris Court of Appeal confirmed the decision of the French Competition Authority in a ruling handed down on November 16, 2023.

Natixis filed an appeal against this decision, along with other French companies in the meal voucher sector.

Bucephalus Capital Limited/Darius Capital Conseil

On June 7, 2019, Bucephalus Capital Limited (a company governed by English law) brought an action against Darius Capital Partners (a company governed by French law and renamed Darius Capital Conseil, a 70% held subsidiary of Natixis Investment Managers), jointly and severally with others, 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.

During proceedings, Bucephalus Capital Limited increased the amount of its claims and sought payment of €418,492,588 or, in the alternative, €320,645,136 in addition to €100,000 under Article 700 of the French Code of Civil Procedure.

Darius Capital Conseil consider these claims to be unfounded. In a decision of March 16, 2023, the Commercial Court of Paris rejected all the claims of Bucephalus Capital Limited and ordered it to pay the costs of the proceedings of Darius Capital Conseil in the amount of €150,000. Bucephalus Capital Limited appealed on June 28, 2023 and requested a stay of execution on the payment of the €150,000. In an order dated November 29, 2023, the Paris Court of Appeal rejected this request. 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.

Natixis has reached an agreement to settle with the plaintiffs that has been preliminary approved by the US District Court, SD New York. The settlement is subject to final approval that will not occur before 2024.

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.

The appeal hearing was held on June 6, 2023.

H2O carriers collective "Collectif porteurs H2O"

At the end of December 2023, 6,077 natural persons and legal entities, members of an association known as "Collectif porteurs H_2O", sued Natixis Investment Managers, a company incorporated under French law, before the Paris Commercial Court, along with five defendants, to obtain compensation for damages allegedly suffered by them as investors in seven mutual funds (OPCVM) managed by the English entity H2O AM LLP, then the French entity H2O AM Europe, between 2015 and 2021.

The plaintiffs seek a joint and several ruling against Natixis Investment Managers and its co-defendants, including the managers, custodian and auditor of the seven funds, for a total amount of €723,826,266.

Natixis Investment Managers considers that the claims made against it are unfounded and will vigorously contest them.

3.2.10.2 Other proceedings

Natixis is the subject of preliminary investigations opened by the French National Financial Prosecutor's Office (Parquet National Financier) in France and by the Cologne Prosecutor in Germany.

As part of the investigations conducted in France, particularly the dawn raids carried out on March 28, 2023 on the premises of several banks including Natixis, the French National Financial Prosecutor's Office published a press release stating that five preliminary investigations were opened on December 16 and 17, 2021 on charges of aggravated laundering, of aggravated tax fraud and, for some of them, aggravated tax fraud related to the taxation of dividends received by banks in the context of market transactions.

As part of the investigations conducted by the Cologne Prosecutor, a dawn raid was carried out on June 13, 2023 mainly on the premises of Natixis' Frankfurt branch but also of Natixis Pfandbriefbank AG's head office and Natixis Investment Managers International S.A.'s offices in Frankfurt and Munich.

The investigations are ongoing and covered by the secrecy of the investigation. Natixis intends to cooperate with the authorities in respect of its rights and will assert its position before the courts.

3.2.10.3 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 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' net income, 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] Section [2.2.1.2].

3.2.11.2 Climate and environmental risks

Reference framework

The management of environmental, social and governance risks within Groupe BPCE falls within a three-fold framework:

- The regulatory and legislative framework, which incorporates all the texts in force in the jurisdictions where Groupe BPCE operates. In France, the main texts taken into account include, for example, the European Taxonomy or the French law on duty of care, as well as banking and insurance regulations such as the ECB Guide to Climate and Environmental Risk Management;
- The framework of standards and best market practices that Groupe BPCE applies voluntarily. International references such as the Sustainable Development Goals (UN), the United Nations Global Compact (UN), the Equator Principles (project finance) and the work of the TCFD (Task force for Climate related Financial Disclosure) and the TNFD (Task force for Nature related Financial Disclosure) are integrated;
- The framework of voluntary commitments made by Groupe BPCE, directly at its level through CSR policies in sensitive sectors or within the framework of market initiatives such as the Net-Zero Banking Alliance, which provides a framework for commitments to align greenhouse gas emission trajectories with carbon neutrality in 2050.

Groupe BPCE's environmental, social and governance risk management framework aims to ensure compliance with the methodological standards and constraints set out in this reference framework, while reflecting Groupe BPCE's risk appetite.

ESG risk taxonomy

ESG risks are directly integrated into the main cross-functional processes that enable Groupe BPCE to identify and monitor risks. In this respect, Groupe BPCE's risk reference framework includes an "Ecosystem Risk" category that groups together environmental risks, distinguishing between physical climate risks, transitional climate risks, and environmental risk (excluding climate risk), social risks and governance risks.

Ecosystem risks are addressed as risk factors underlying the other risk categories to which Groupe BPCE is exposed (credit and counterparty risks, financial risks, operational risks, insurance risks, etc.).

These risks may materialize directly, in connection with Groupe BPCE's own activities, or indirectly, through the counterparties to which Groupe BPCE is exposed as part of its financing or investment activities.

ESG data

The acquisition, dissemination and use within Groupe BPCE of data relating to the ESG characteristics of its counterparties and its own activities is a critical issue, particularly for the purposes of identifying, assessing and managing ESG risks.

To meet these challenges, appropriate governance, infrastructure and processes need to be put in place. In addition, the rapid evolution of norms and standards for ESG reference data poses a particular challenge.

In this context, Groupe BPCE launched a project in 2022 to structure and harmonize the acquisition of data from external suppliers, its processing and provision to the various entities, and to define a governance framework specific to ESG data.

Governance and organization

Climate and environmental risk management within Natixis is organized and steered by Groupe BPCE's Climate and Environmental Risk Department, which operates as a shared center of expertise on behalf of the central body and Natixis. This department reports functionally to the Natixis Chief Risk Officer, a member of the Senior Management Committee.

Climate and environmental risk issues are dealt with by the Risk Committee of the Natixis Board of Directors and the Global Risk Committee, chaired by the Chief Executive Officer of Natixis. In 2023, the Global Risk Committee reviewed and validated the materiality assessment of climate risks for Natixis.

This governance structure is structured around Groupe BPCE's Climate Risk Committee, chaired by the Chairman of Groupe BPCE's Management Board (and comprising the heads of Groupe BPCE's business lines, the Risk, Finance, Compliance and CSR functions, the General Inspection and two Groupe BPCE senior executives), which deals with climate and environmental risk issues across the Group and its various business lines.

Climate and environmental risk management framework deployment program

Natixis is fully involved in the climate and environmental risk management program piloted at Groupe BPCE level and rolled out across the group. This program, which is in line with the Group's climate and environmental commitments, has set precise targets for all business lines and functions. The proposed framework is designed to ensure the most comprehensive possible coverage of the 13 pillars proposed by the ECB. It also endeavors to integrate the national and international regulatory perspectives that are now the benchmark.

This program is regularly updated with the points of attention specified by the ECB, initially in its feedback on the self-assessment questionnaire, formalized through exchanges at the end of 2021, then through the thematic review carried out at the beginning of 2022.

In concrete terms, this framework is organized around nine major projects (governance, risk appetite framework, climate risk impact assessment (ICAAP), financial risks, operational risks, credit risks, risk control framework, dashboard and data).

During the last quarter of 2023, additional work was initiated, in particular on the analysis of sector dynamics with regard to climate and environmental risks, and on the materiality assessment of environment-related risks in order to take into account clarified regulatory and prudential requirements on these subjects.

Identification and assessment of risk materiality

As part of an approach defined for Groupe BPCE as a whole, Natixis has set up a framework to identify climate risk factors that could have an impact on the group's risks, and to assess their materiality. Through this framework, the materiality of the risks associated with climate change is assessed by reference to the major Basel 3 Pillar I risk categories: credit risk, market risk and operational risk, including compliance and reputational risk.

After a review of the transmission channels between climate risk factors and the risks identified in Groupe BPCE's risk taxonomy, the assessment of the materiality of climate risk factors is based on quantitative indicators that support the internal experts' assessment of the level of risk materiality.

The assessment exercise made a distinction between physical climate risks and transition climate risks, with an assessment both over a short time horizon, the horizon of the 2021-2024 strategic plan, and over a longer time horizon.

Risk appetite framework

Climate and environmental risks are directly integrated into the main cross-functional processes used to identify and monitor Natixis' risks. In particular, the Natixis risk framework includes the categories "Climate risk/Transition risk", "Climate risk/Physical risk" and "Environmental risk (excluding climate)".

The materiality of these risk categories has been assessed on the basis of the work described in the "Identification and materiality of climate risks" section, and on the basis of expert opinion for environmental risk. In 2023, transition and physical risks are rated material at 3 out of 4, and environmental risk (excluding climate risk) is rated material at 2 out of 4.

A risk appetite indicator for transitional climate risk has been added to the scope of Corporate & Investment Banking. The proportion of Natixis CIB assets classified as "dark brown" according to the Green Weighting Factor method, representing the assets most exposed to transition risk, is monitored as part of the risk appetite framework. A threshold and a limit have been set from 2022, and are regularly reviewed to control the downward trajectory of the share of these assets.

Stress test system

In 2023, a physical climate risk scenario (drought in France and Europe) and a transition scenario (regulation on EPD) were taken into account in one of the adverse scenarios of the internal stress tests using the normative approach defined by Groupe BPCE and applied to the Natixis limits for publication in the March 2024 ICAAP report. Building on this work, an add-on covering both transition and physical risk has been introduced into the ICAAP economic approach.

Through the work carried out by Groupe BPCE, Natixis also participates in climate stress test exercises organized by regulators, notably the one launched by the European Central Bank in 2022 and the one initiated by EBA in 2023 ("Fit for 55").

Integrating climate and environmental risks into the risk management framework

Credit risks

The integration of environmental, social and governance (ESG) criteria into credit risk management processes has been underway for several years, using tools and a framework whose development has been accelerated by the climate risk management program. The main components of the framework are described below.

Credit sector policies

At Natixis CIB, credit policies refer to the exclusion policies issued by CSR on sensitive sectors and in some cases include additional criteria relating to climate, environmental, social or governance risks. The application of these exclusion policies is checked as part of the credit process.

The Equator Principles

In line with the Equator Principles, Natixis CIB also applies a market methodology designed to assess the environmental and social risks of the projects it finances, and how these risks are managed by its clients, whatever their business sector. Since October 2020, Natixis CIB has been applying the amended version of the Principles (EP Amendment IV), which includes more exhaustive criteria for respecting human rights (including the rights of indigenous communities) and requires analysis of physical climate and transition risks.

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 greenhouse gas intensive 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").

Use of the Green Weighting Factor by Corporate & Investment Banking

Natixis CIB's analysis of transitional climate risk issues as part of its credit processes is based on a proprietary model for measuring and monitoring the climate impact of its financing, the Green Weighting Factor (GWF).

A GWF score is systematically assigned to counterparties, and at transaction level in the case of dedicated financing, and is integrated into the files presented in the credit granting process. These scores are updated annually.

Operational risk

Risks related to own activities

Operational risk incidents linked to climate risks (physical and transitional) are specifically identified in Natixis' operational risk monitoring tools.

In addition, to anticipate physical climatic events that could affect its own activities, Natixis has set up a business continuity plan that defines the procedures and resources enabling the bank to cope with natural disasters in order to protect employees, assets and key activities and ensure the continuity of essential services. An internal tool is used to identify sites exposed to climate risks and to track climatic incidents.

Reputational risk

Growing consumer awareness and sensitivity to climate issues is leading to increased exposure to reputational risk for the banking sector, particularly in the event of non-compliance with regulatory expectations or scandals linked to controversial activities.

Groupe BPCE has set up a reputation incident tracking system and an indicator that includes environmental, social and governance issues.

At Natixis CIB, an analysis of reputational risk is carried out when new clients are on-boarded. This analysis includes an assessment of ESG risk-related controversies. A Committee chaired by the Chief Executive Officer of Natixis is responsible for reviewing sensitive cases from a reputational risk point of view.

Legal, compliance and regulatory risk

In order to limit the effects of climate change and pressure on the environment, administrative and legislative authorities must define new regulations. These texts can be international (Paris Agreement), European (Taxonomy) or national (Climate and Resilience Act).

The Legal Department, in conjunction with the CSR Department and the group Risk division, provides information on this risk to the respective functions, and encourages greater vigilance in the use of terminology related to climate and the environment, in order to comply with the European taxonomy.

A regulatory watch Committee dedicated to sustainable finance regulations is also attentive to the identification and operational implementation of the various regulatory obligations.

Financial and market risks

In terms of financial risks, climate risks are assessed, among other things, through the management and monitoring of the liquidity reserve. Climate criteria, and more broadly ESG criteria, are taken into account in two ways: the environmental quality of the security and the ESG rating of issuers.

Further work is being carried out to assess the impact of climate risks on liquidity risk (as part of the ILAAP liquidity adequacy assessment process).

Risks related to asset management activities

Natixis Investment Managers recognizes the importance of climate risks and their potential impact on investment portfolios. Most affiliates have set up systems for measuring the climate risk exposure of their portfolios managed on behalf of their investors, enabling greater transparency of the environmental issues associated with their various management offerings. Natixis Investment Managers also uses data from external suppliers to calculate and monitor climate risk indicators for its portfolios (carbon footprint, coal exposure, temperature rise).

In addition, an ESG risk management policy was implemented by Natixis Investment Managers during 2023, specifically targeting reputational risks related to assets under management. This policy institutes the supervision of these risks by an independent second line of defense, particularly in the context of fund categorization and investment processes, and the definition of escalation processes within affiliates and the Natixis Investment Managers holding company.

3.2.11.3 Social and governance risks

As part of the development of integrated ESG risk management, Natixis is developing tools and methodologies that enable social and governance risks to be taken into account in its risk management framework. The main elements of this framework are described below.

CSR policies

Corporate & Investment Banking's CSR policies in sensitive sectors include criteria for respecting human rights and working conditions. The Mining and Metals policy, for example, excludes forced child labor and small-scale mining.

The Equator Principles

As a signatory of the Equator Principles, Natixis CIB applies a market methodology aimed at ensuring that projects are developed in a socially responsible manner. In this respect, it is particularly attentive to its responsibility to respect human rights in accordance with the United Nations Guiding Principles on Business and Human Rights ("UNGP"), as well as a number of criteria relating to governance risks.

Sector analysis notes

Groupe BPCE's Climate Risk division includes an assessment of the social and governance risks specific to each sector in its sector analysis notes. The analysis of social and governance risks focuses on four criteria: clients, workers, suppliers and civil society for social risks; business ethics, CSR strategy, shareholder democracy and the practices and processes implemented to direct and control client risk management for governance risks.

These sector analysis notes highlight the key areas of analysis relevant to these risks in a given sector. They are shared with all Groupe BPCE entities, in particular for consideration in the granting and client follow-up process.

Controversy analysis

For its Large Corporate clientele, Corporate & Investment Banking takes into account the potential controversies its clients may encounter, both at the outset and throughout the relationship. This approach is an integral part of the due diligence carried out on the client. In the event of significant breaches, Natixis seeks the cause and works with the client to find an acceptable solution as soon as possible. In the absence of an acceptable solution, Natixis may decide on its own initiative not to enter into a relationship or not to renew its commitments with the client.

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) No. 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) No. 2021/637 of the European Commission of March 15, 2021.

Policy, validation and approval

Throughout the fiscal year ended December 31, 2023, 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 of the Council (Capital Requirements Regulation II known as "CRR II") requires reporting institutions to publish quantitative and qualitative information about their activities.

Natixis' risk management framework 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 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 steering framework;
- 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 had been zero since the second quarter of 2020. From the second half of 2022 and especially from 2023, the national macroprudential authorities in many countries have increased their countercyclical buffer rate. In France, the HCSF decided to *raise the rate to 0.5% from April 7, 2023 and then to 1% from January 2, 2024*,
  - 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).

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).

As of 2023, under the SREP process, Natixis must comply with a CET1 capital ratio of 8.50%, of which 2.5% under the capital conservation buffer, 1.41% under Pillar II (excluding P2G) and 0.09% for the countercyclical capital buffer; the latter, recalculated quarterly, was 0.43% as of December 31, 2023. This brings Natixis' regulatory requirements to 8.83%.

3.3.1.2 Prudential consolidation scope

Qualitative information on the scope of consolidation (EU LIB)

In accordance with Article 18 of the CRR, the prudential consolidation scope is established based on the following principles:

Fully consolidated entities or entities accounted for using the equity method in the statutory scope *(see universal registration document 2023 – Note [16] in Chapter [5] "Consolidated financial statements and notes")* are included in the scope of consolidation.

The Versailles conduit is accounted for as an associate in the prudential scope.

As part of the work on step-in risk, Natixis has not identified any structured entities or additional entities to be included in the prudential consolidation scope at December 31, 2023.

In agreement with the supervisor, Natixis uses the exemptions mentioned in Articles 7 and 8 of the CRR for its subsidiaries with credit institution status, located in France and for Natixis S.A. This exemption makes it possible to exempt the entities concerned from compliance with the prudential CRR requirements on an individual basis.

Restrictions on transfers or redemptions within the Group are presented in Note [3.3.2] to 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 LI1)

At December 31, 2023

	a	b	c	d	e	f	g
			Carrying amount of items				
Financial statement description *(in millions of euros)*	**Carrying amounts as reported in published financial statements**	**Carrying amounts 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	61,945	61,945	61,945	0	0	0	0
Financial assets at fair value through profit or loss	226,230	225,979	18,620	153,582	4,701	201,469	0
Hedging derivatives	467	467	0	467	0	0	0
Financial assets at fair value through other comprehensive income	10,689	10,689	10,689	0	0	0	0
Debt instruments at amortized cost	1,752	1,746	1,746	0	432	0	0
Loans and receivables due from banks and similar items at amortized cost	87,481	87,442	83,562	3,880	0	0	0
Loans and receivables due from customers at amortized cost	72,011	68,321	67,140	1,181	1,578	22	0
Revaluation adjustments on portfolios hedged against interest rate risk	0	0	0	0	0	0	0
Insurance business investments	0	0	0	0	0	0	0
Current tax assets	200	200	200	0	0	0	0
Deferred tax assets	1,221	1,221	501	0	0	0	721
Accrual account and miscellaneous assets	5,205	5,241	5,241	0	0	0	0
Non-current assets held for sale	0	0	0	0	0	0	0
Deferred profit-sharing	0	0	0	0	0	0	0
Investments in associates	531	531	531	0	0	0	0
Investment property	0	0	0	0	0	0	0
Property, plant and equipment	829	829	829	0	0	0	0
Intangible assets	504	504	103	0	0	0	401
Goodwill	3,443	3,443	0	0	0	0	3,443
TOTAL ASSETS	**472,509**	**468,559**	**251,108**	**159,110**	**6,711**	**201,491**	**4,565**

Note: Carrying amounts under scope of regulatory consolidation do not equal the sum of risk type breakdown. An exposure can be subject to several risk types.

At December 31, 2023

	a	b	c	d	e	f	g
			Carrying amount of items				
Financial statement description *(in millions of euros)*	**Carrying amounts as reported in published financial statements**	**Carrying amounts 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**
Central banks	0	0	0	0	0	0	0
Financial liabilities at fair value through profit or loss	222,605	222,606	642	156,554	642	176,965	43,112
Hedging derivatives	339	339	0	0	0	0	339
Deposits and loans due to banks and similar items	130,034	130,034	0	3,534	0	166	126,500
Customer deposits and loans	38,476	38,476	0	0	0	314	38,476
Debt securities	47,561	43,620	0	0	0	4	43,616
Revaluation adjustments on portfolios hedged against interest rate risk	14	14	0	0	0	0	14
Current tax liabilities	1,147	1,147	0	0	0	0	1,147
Deferred tax liabilities	427	427	0	0	0	0	427
Accrual account and miscellaneous liabilities	7,974	7,965	0	0	0	0	7,964
Liabilities on assets held for sale	0	0	0	0	0	0	0
Liabilities related to insurance contracts	0	0	0	0	0	0	0
Provisions	1,273	1,273	670	0	0	0	603
Subordinated debt	3,034	3,034	0	0	0	0	3,034
Shareholders' equity (Group share)	19,568	19,568	0	0	0	0	19,568
Share capital & related reserves	10,955	10,955	0	0	0	0	10,955
Consolidated reserves	6,670	6,670	0	0	0	0	6,670
Gains and losses recorded directly in equity	642	642	0	0	0	0	642
Non-recyclable gains and losses recorded directly in equity	306	306	0	0	0	0	306
Net income/(loss)	995	995	0	0	0	0	995
Non-controlling interests	58	57	0	0	0	0	57
TOTAL LIABILITIES	**472,509**	**468,559**	**1,312**	**160,088**	**642**	**177,449**	**284,857**

Note: Carrying amounts under scope of regulatory consolidation do not equal the sum of risk type breakdown. An exposure can be subject to several risk types.

Main sources of differences between regulatory exposure amounts and financial statement carrying amounts (EU LI2)

		a	b	c	d	e
			Items subject to			
(in millions of euros)		**Total**	**Credit risk framework**	**Securitization framework**	**Credit and counterparty risks framework**	**Market risk framework**
1	Carrying amount of assets according to the prudential consolidation scope (according to the EU LI1 model)	463,994	251,108	6,711	159,110	201,491
2	Carrying amount of liabilities according to the prudential scope of consolidation (according to the EU LI1 model)	183,702	1,312	642	160,088	177,449
3	Total net amount according to the prudential scope of consolidation	280,292	249,796	6,069	(979)	24,042
4	Off-balance sheet amounts	168,943	94,723	11,269	62,951	
5	*Differences in valuation*	*(661)*	*(203)*	-	*(457)*	
6	*Differences due to different netting rules, other than those already included in line 2*	*(24,042)*	-	-	-	*(24,042)*
7	*Differences due to the recognition of provisions*	*(268)*	*(150)*	*(117)*	-	
8	*Differences due to the use of credit risk mitigation (CRM) techniques*	*(1,408)*	*(1,223)*	*(185)*	-	
9	*Differences due to credit conversion factors*	*(43,404)*	*(43,404)*	-	-	
10	*Differences due to securitization with risk transfer*	*(192)*	-	*(192)*	-	
11	*Other differences*	*(11,770)*	*(12,116)*	*(459)*	*2,168*	
12	Exposure amounts taken into account for regulatory purposes	367,491	287,422	16,385	63,684	

Summary of the 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.

a	b	c	d	e	f	g	h
		Prudential consolidation method					
Name of entity	**Method of accounting consolidation**	**Full consolidation**	**Proportional consolidation**	**Equity method**	**Neither consolidated nor deducted**	**Deducted**	**Description of the entity**
VERSAILLES	Full consolidation			X			Securitization vehicle

3.3.1.3 Composition of capital

In accordance with the provisions introduced by the CRR and with the national provisions defined by the French Prudential Supervisory Authority, regulatory capital (calculated on the basis of book shareholders' 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 December 31, 2021, prudential capital was subject to the so-called phasing and grandfathering arrangements accompanying the implementation of the CRR.

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 new 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) Capital

CET1 capital is calculated using shareholders' equity (excluding hybrid securities), with the following restatements:

- the estimated dividend;
- goodwill and intangible assets;
- the recyclable unrealized gains and losses on hedging derivatives;
- the own credit risk on debts issued and financial instruments (Debit Value Adjustment);
- prudent valuation adjustments;
- the expected loss on equity positions and shortfall of provisions on expected losses on credit positions;
- revaluation adjustments on defined-benefit plan assets;
- non-bank non-controlling interests;
- bank non-controlling interests exceeding the limits set by regulations;
- Own CET1 instruments and cross-shareholdings;
- the amount exceeding threshold 1 on non-material holdings of capital instruments issued by financial entities;
- the amount exceeding threshold 2 on material holdings of capital instruments issued by financial entities;
- the amount exceeding threshold 2 on deferred tax assets dependent on future earnings and resulting from temporary differences;
- the amount exceeding threshold 3 common to amounts not deducted in respect of threshold 2;
- any surplus deduction of Additional Tier One capital *(see below)*;
- the deferred tax assets dependent on future earnings, but not resulting from temporary differences;
- insufficient coverage for non-performing exposures;
- the guarantee deposits in respect of irrevocable payment commitments paid to the Single Resolution Fund and Deposit Guarantee Fund following an express request from the supervisor received in February 2022.

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, 2023, as required by Commission Implementing Regulation No. 1423/2013 (Annex II) is available on the Natixis website *(www.natixis.groupebpce.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;
- excess deduction of qualifying liabilities over qualifying liabilities.

Detailed information on debt instruments recognized in Tier 2 capital and their characteristics as at December 31, 2023, as required by Commission Implementing Regulation No. 1423/2013 (Annex II) is available on the Natixis website (www.natixis.groupebpce.com).

As at December 31, 2023, 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)

		(a)	(b)
		Amount	Source based on reference numbers/letters, of the balance sheet under the regulatory scope of consolidation
Common Equity Tier 1 capital: instruments and reserves			
1	Capital instruments and the related share premium accounts	9,227	
	o/w ordinary shares	9,227	
	o/w instrument type 2		
	o/w instrument type 3		
2	Retained earnings	4,664	
3	Accumulated other comprehensive income (and other reserves)	2,471	
EU-3a	Fund for general banking risks		
4	Amount of qualifying items referred to in Article 484 (3), of the CRR and the related share premium accounts subject to phase out from CET1		
5	Non-controlling interests (amount allowed in consolidated CET1)		
EU-5a	Independently reviewed interim profits net of any foreseeable charge or dividend	406	
6	**Common Equity Tier 1 (CET1) capital before regulatory adjustments**	**16,768**	
Common Equity Tier 1 capital: regulatory adjustments			
7	Additional value adjustments (negative amount)	(661)	
8	Intangible assets (net of related tax liability) (negative amount)	(3,502)	
9	Not applicable		
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) of the CRR are met) (negative amount)	(771)	1
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	(72)	2
12	Negative amounts resulting from the calculation of expected loss amounts	(51)	
13	Any increase in shareholders' equity that results from securitized assets (negative amount)		
14	Gains or losses on liabilities at fair value resulting from changes in own credit standing	(249)	
15	Defined-benefit pension fund assets (negative amount)	(33)	
16	Direct, indirect and synthetic holdings by an institution of own CET1 instruments (negative amount)	0	
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)		
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)		
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)		
20	Not applicable		
EU-20a	Exposure amount of the following items which qualify for a risk weighting of 1,250%, where the institution opts for deduction alternative		
EU-20b	o/w: qualifying holdings outside the financial sector (negative amount)		
EU-20c	o/w: securitization positions (negative amount)		
EU-20d	o/w: free deliveries (negative amount)		
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liabilities where the conditions of Article 38 (3) of the CRR are met) (negative amount)		
22	Amount exceeding the 17.65% threshold (negative amount)		
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		

		(a) Amount	(b) Source based on reference numbers/letters, of the balance sheet under the regulatory scope of consolidation
24	Not applicable		
25	o/w: deferred tax assets arising from temporary differences		
EU-25a	Losses for the current fiscal year (negative amount)		
EU-25b	Foreseeable tax expenses relating to CET1 items, unless the institution duly adjusts the amount of CET1 items to the extent that these taxes reduce the amount up to which these items can be used to cover risks or losses (negative amount)		
26	Not applicable		
27	Qualifying AT1 deductions that exceed the AT1 capital of the institution (negative amount)		
27a	Other regulatory adjustments	(573)	
28	**Total regulatory adjustments to Common Equity Tier 1 (CET1) capital**	**(5,912)**	
29	**COMMON EQUITY TIER 1 (CET1) CAPITAL**	**10,857**	
Additional Tier 1 (AT1) capital: instruments			
30	Capital instruments and the related share premium accounts	2,211	
31	o/w: classified as shareholders' equity under applicable accounting standards	2,211	
32	o/w: classified as liabilities under applicable accounting standards		
33	Amount of qualifying items referred to in Article 484 (4), of the CRR and the related share premium accounts subject to phase out from AT1 capital		
EU-33a	Amount of eligible items referred to in Article 494a (1) of the CRR subject to phase out from AT1 capital		
EU-33b	Amount of eligible items referred to in Article 494b (1) of the CRR subject to phase out from AT1 capital		
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including non-controlling interests not included in line 5) issued by subsidiaries and held by third parties		
35	of which: instruments issued by subsidiaries subject to phase out		
36	**Additional Tier 1 (AT1) capital before regulatory adjustments**	**2,211**	
Additional Tier 1 (AT1) capital: regulatory adjustments			
37	Direct, indirect and synthetic holdings by an institution of its own AT1 instruments (negative amount)		
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)		
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)		
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)		
41	Not applicable		
42	Qualifying T2 deductions that exceed the T2 capital of the institution (negative amount)		
42a	Other regulatory adjustments to AT1 capital		
43	**Total regulatory adjustments to Additional Tier 1 (AT1) capital**		
44	**Additional Tier 1 (AT1) capital**	**2,211**	
45	**Tier 1 capital (T1 = CET1 + AT1)**	**13,067**	
Tier 2 capital: instruments			
46	Capital instruments and the related share premium accounts	2,760	3
47	Amount of qualifying items referred to in Article 484 (5), of the CRR and the related share premium accounts subject to phase out from T2 in accordance with Article 486 (4) of the CRR		

		(a) Amount	(b) Source based on reference numbers/letters, of the balance sheet under the regulatory scope of consolidation
EU-47a	Amount of qualifying items referred to in Article 494a (2) of the CRR subject to phase out from T2		
EU-47b	Amount of qualifying items referred to in Article 494b (2) of the CRR subject to phase out from T2	96	3
48	Qualifying own funds instruments included in consolidated T2 capital (including non-controlling interests and AT1 instruments not included in lines 5 or 34) issued by subsidiaries and held by third parties		
49	of which: instruments issued by subsidiaries subject to phase out		
50	Credit risk adjustments	0	
51	**Tier 2 (T2) capital before regulatory adjustments**	**2,856**	
Tier 2 (T2) capital: regulatory adjustments			
52	Direct, indirect and synthetic holdings by an institution of own T2 instruments and subordinated loans (negative amount)		
53	Direct, indirect and synthetic 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)		
54	Direct, indirect and synthetic holdings of the T2 instruments and 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)		
54a	Not applicable		
55	Direct, indirect and synthetic holdings by the institution of T2 subordinated instruments and loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)		
56	Not applicable		
EU-56a	Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution (negative amount)		
EU-56b	Other regulatory adjustments to T2 capital		
57	**Total regulatory adjustments to Tier 2 (T2) capital**		
58	**Tier 2 (T2) capital**	**2,856**	
59	**Total capital (TC = T1 + T2)**	**15,923**	
60	**Total risk exposure amount**	**96,248**	
Capital ratios and buffers			
61	Common Equity Tier 1 (CET1) capital (as a percentage of total risk exposure amount)	11.28%	
62	Tier 1 (as a percentage of total risk exposure amount)	13.58%	
63	Total capital (as a percentage of total risk exposure amount)	16.54%	
64	Institution CET1 overall capital requirement (CET1 requirement in accordance with Article 92 (1) CRR, plus additional CET1 requirement which the institution is required to hold in accordance with point (a) of Article 104(1) CRD, plus combined buffer requirement in accordance with Article 128(6) CRD) expressed as a percentage of risk exposure amount)	8.83%	
65	o/w: capital conservation buffer requirement	2.50%	
66	o/w: countercyclical capital buffer requirement	0.43%	
67	o/w: systemic risk buffer requirement	0.00%	
EU-67a	o/w: global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer requirement	0.00%	
EU-67b	o/w: additional capital requirements to address risks other than the risk of excessive leverage	1.41%	
68	**Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements**	**5.37%**	

		(a) Amount	(b) Source based on reference numbers/letters, of the balance sheet under the regulatory scope of consolidation
National minima (if different from Basel 3)			
69	Not applicable		
70	Not applicable		
71	Not applicable		
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; net of eligible short positions)	112	4
73	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 17.65% threshold and net of eligible short positions)	584	5
74	Not applicable		
75	Deferred tax assets arising from temporary differences (amount below 17.65% threshold, net of related tax liability where the conditions in Article 38 (3) of the CRR are met)	501	
Applicable caps on the inclusion of provisions in Tier 2			
76	Credit risk adjustments included in T2 in respect of exposures subject to standard approach (prior to the application of the cap)		
77	Cap on inclusion of credit risk adjustments in T2 under standard approach	143	
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)		
79	Cap on inclusion of credit risk adjustments in T2 under internal ratings-based approach	280	
Capital instruments subject to progressive exclusion			
80	Current cap on CET1 instruments subject to phase-out arrangements		
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)		
82	Current cap on AT1 instruments subject to phase-out arrangements		
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)		
84	Current cap on T2 instruments subject to phase-out arrangements		
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)		

Reconciliation of regulatory own funds to balance sheet in the audited financial statements (EU CC2)

		a		b	c
		Balance sheet as in the published financial statements at December 31, 2023	Other restatements	Balance sheet under regulatory scope of consolidation at December 31, 2023	*Reference*
1	Cash, central banks	61,945		61,945	
2	Financial assets at fair value through profit or loss	226,230	(251)	225,979	
	o/w Holdings of CET1 instruments of financial sector entities in which the institution does not have a significant investment			*85*	*4*
	o/w Holdings of CET1 instruments of financial sector entities in which the institution has a significant investment			*31*	*5*
3	Hedging derivatives	467		467	
4	Financial assets at fair value through other comprehensive income	10,689	0	10,689	
	o/w Holdings of CET1 instruments of financial sector entities in which the institution does not have a significant investment			*10*	*4*
	o/w Holdings of CET1 instruments of financial sector entities in which the institution has a significant investment			*549*	*5*
5	Debt instruments at amortized cost	1,752	(6)	1,746	
6	Loans and receivables due from banks and similar items at amortized cost	87,481	(39)	87,442	
7	Loans and receivables due from customers at amortized cost	72,011	(3,690)	68,321	
	o/w Subordinated loans to clients – when the institution does not hold a significant investment			*17*	*4*
8	Insurance business investments	0		0	
9	Current tax assets	200		200	
10	Deferred tax assets	1,221	0	1,221	
	Loss carryforwards			*776*	1
	Other temporary differences			*445*	
11	Accrual account and miscellaneous assets	5,205	37	5,241	
12	Non-current assets held for sale	0		0	
13	Investments in Associates	531		531	
	o/w Holdings of CET1 instruments of financial sector entities in which the institution has a significant investment			*4*	*5*
14	Investment property	0		0	
15	Property, plant and equipment	829		829	
16	Intangible assets	504		504	
17	Goodwill	3,443		3,443	
	Total assets	**472,509**	**(3,950)**	**468,559**	
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	222,605	1	222,606	
3	Hedging derivatives	339		339	
4	Deposits and loans due to banks and similar items	130,034	0	130,034	
5	Deposits and loans due to clients	38,476		38,476	
6	Debt securities	47,561	(3,940)	43,620	
7	Revaluation adjustments on portfolios hedged against interest rate risk	14		14	
8	Current tax liabilities	1,147		1,147	
9	Deferred tax liabilities	427	0	427	
	o/w Deferred tax liabilities associated with deferred tax assets that depend on future profits and do not result from temporary differences			*5*	*1*
10	Accrual account and miscellaneous liabilities	7,974	(9)	7,964	

		a		b	c
		Balance sheet as in the published financial statements at December 31, 2023	**Other restatements**	**Balance sheet under regulatory scope of consolidation at December 31, 2023**	***Reference***
11	Liabilities on assets held for sale	0		0	
12	Liabilities related to insurance contracts	0		0	
13	Provisions	1,273	0	1,273	
14	Subordinated debt	3,034		3,034	
	o/w Subordinated loans under the regulatory Tier 2 category, net of discount			*2,856*	*3*
	Total liabilities	**452,883**	**(3,949)**	**448,933**	
Shareholders' equity					
1	Shareholders' equity (Group share)	19,568	0	19,568	
	o/w Cash flow hedge reserve			72	2
2	Non-controlling interests	58	0	57	
	Total equity	**19,626**	**0**	**19,626**	

3.3.1.4 Changes in regulatory capital, regulatory own funds requirements and ratios in 2023

Regulatory capital and capital adequacy ratio

The CET1, Tier 1 and overall ratios at the end of 2023 are presented below, by major component. The same ratios at end-2022 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 7.09%, 8.59% and 10.59%, respectively, for 2022, and of 7.43%, 8.93% and 10.93%, respectively, for 2023.

Total capital ratio

(in millions of euros)	31/12/2023	31/12/2022
Shareholders' equity (Group share)	**19,568**	**19,534**
Deeply subordinated notes (DSN)	2,181	2,181
Perpetual subordinated notes (PSN)	0	0
Consolidated shareholders' equity (Group share) net of DSNs and PSNs	**17,387**	**17,353**
Non-controlling interests	57	46
Intangible assets	(400)	(383)
Goodwill	(3,102)	(3,171)
Dividends proposed to the General Shareholders' Meeting	(589)	(442)
Deductions, prudential restatements and phase-in arrangements	(2,496)	(2,583)
Total Common Equity Tier 1 capital	**10,857**	**10,819**
Deeply subordinated notes (DSN)	2,211	2,271
Additional Tier 1 capital	0	0
Tier 1 deductions and phase-in arrangements	0	0
Total Tier 1 capital	**13,067**	**13,090**
Tier 2 instruments	2,856	2,885
Other Tier 2 capital	0	120
Tier 2 deductions and phase-in arrangements	0	0
Overall capital	**15,923**	**16,095**
Total risk-weighted assets	**96,248**	**95,935**
Credit risk-weighted assets	69,763	68,246
Market risk-weighted assets	11,974	13,936
Operational risk-weighted assets	14,170	12,857
Other risk-weighted assets	340	896
Capital adequacy ratios		
Common Equity Tier 1 capital ratio	11.3%	11.3%
Tier 1 ratio	13.6%	13.6%
Total capital ratio	16.5%	16.8%

Geographical distribution of relevant credit exposures used in the countercyclical capital buffer(EU CCyB1)

	a	b	c	d	e	f	g	h	i	j	k	l	m
	General credit exposures		Relevant credit exposures – market risk				Capital requirements						
(in millions of euros)	Exposure at default under the standard approach	Exposure at default under the IRB approach	Sum of long and short exposure positions in the trading book for the standard 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 exposures – market risk	Relevant credit exposures – securitization positions in the non-trading book	Total	Risk-weighted exposure amount	Capital requirement weightings *(in %)*	Countercyclical buffer rate *(in %)*
010 Breakdown by country:													
Germany	0	1,409	165	2,306	765	4,646	51	12	15	78	976	1.59%	0.75%
Australia	-	1,999	16	0	608	2,623	74	0	8	82	1,030	1.68%	1.00%
Bulgaria	-	-	-	-	-	-	-	-	-	-	-	-	2.00%
Cyprus	-	5	-	-	-	5	0	-	-	0	1	0.00%	0.50%
Croatia	-	17	-	-	-	17	1	-	-	1	8	0.01%	1.00%
Denmark	-	142	5	74	-	222	3	1	-	4	48	0.08%	2.50%
Estonia	-	-	-	-	-	-	-	-	-	-	-	-	1.50%
France	6,058	33,381	3,518	6,384	5,094	54,435	1,696	40	109	1,845	23,057	37.53%	0.50%
Ireland	232	3,832	167	3	195	4,428	83	11	4	98	1,227	2.00%	1.00%
Iceland	-	49	-	-	-	49	1	-	-	1	14	0.02%	2.00%
Czech Republic	-	2	0	-	-	2	0	0	-	0	0	0.00%	2.00%
Hong Kong	2	3,130	32	-	177	3,341	83	1	4	87	1,093	1.78%	1.00%
Lithuania	-	-	-	-	-	-	-	-	-	-	-	-	1.00%
Luxembourg	191	6,418	81,226	686	272	88,792	286	4	3	293	3,659	5.96%	0.50%
Norway	-	321	6	1	-	327	12	0	-	13	158	0.26%	2.50%
Netherlands	0	3,590	175	506	510	4,782	85	12	6	103	1,285	2.09%	1.00%
Romania	-	-	-	-	-	-	-	-	-	-	-	-	1.00%
United Kingdom	549	7,415	131	79	784	8,957	244	6	10	261	3,262	5.31%	2.00%
Slovakia	0	45	0	0	-	46	1	0	-	1	19	0.03%	1.50%
Slovenia	-	-	-	-	-	-	-	-	-	-	-	-	0.50%
Sweden	-	270	10	23	-	303	17	1	-	18	223	0.36%	2.00%
Sub-total	**7,032**	**62,026**	**85,452**	**10,062**	**8,405**	**172,976**	**2,638**	**87**	**159**	**2,885**	**36,060**	**58.69%**	
Other countries with a 0% risk weighting	1,634	54,900	4,587	2,686	7,980	71,788	1,872	53	105	2,031	25,382	41.31%	
020 TOTAL	**8,666**	**116,926**	**90,039**	**12,748**	**16,385**	**244,763**	**4,511**	**141**	**264**	**4,915**	**61,442**	**100.00%**	

Amount of institution-specific countercyclical capital buffer (EU CCYB2)

(in millions of euros)		a
1	**TOTAL RISK EXPOSURE AMOUNT**	**96,248**
2	**INSTITUTION-SPECIFIC COUNTERCYCLICAL CAPITAL BUFFER RATE**	**0.43%**
3	**INSTITUTION-SPECIFIC COUNTERCYCLICAL CAPITAL BUFFER REQUIREMENT**	**412**

Value adjustments for conservative valuation purposes (PVA) (EU PV1)

		a	b	c	d	e	EU e1	EU e2	f	g	h
(in millions of euros)		Risk category					Category AVA – Valuation uncertainty		Full category AVA after diversification		
Category AVA		Equities	Interest rates	Foreign exchange	Credit	Commo-dities	AVA relating to prepaid credit spreads	AVA relating to investment and financing costs		o/w: Total main approach in the trading book	o/w: Total main approach in the banking book
1	Market price uncertainty	174	19	4	28	2	35	55	159	62	97
3	Closeout cost	111	23	3	113	1	35		143	82	61
4	Concentrated positions	71	5	2	11				89	71	18
5	Early termination										
6	Model risk	89	7	28	35		57		108	99	9
7	Operational risk	14	3	0	12	0			30	13	18
10	Future administrative costs	28	44	17	39	3			131	130	1
12	**TOTAL ADDITIONAL VALUE ADJUSTMENTS (AVA)**	**487**	**102**	**56**	**237**	**6**	**127**	**55**	**661**	**457**	**203**

Non-deducted participations in insurance undertakings (EU INS1)

		a	b
(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	-	-

The change in regulatory capital under Basel 3/CRR over 2023 is shown below:

Changes in regulatory capital after applying phase-in arrangements for the period

(in millions of euros)	2023
Common Equity Tier 1 (CET1) capital	
Amount at start of period	10,819
New instruments issued (including issue premiums)	0
Instruments redeemed	0
Retained earnings from previous periods	(130)
Net income/(loss) for the period	995
Gross dividend proposed	(589)
Dividend payout in new shares	0
Changes in other comprehensive income	
Translation adjustments	(251)
Available-for-sale assets	0
Cash flow hedging reserve	(34)
Other	(52)
Others	(50)
Non-controlling interests	0
Filters and deductions not subject to the phase-in arrangements	
Goodwill and intangible assets	52
Own credit risk	(6)
Other comprehensive income CFH	34
Prudent valuation adjustment	(17)
Other	(24)
Other, including prudential adjustments and phase-in arrangements	
Deferred tax assets that rely on future earnings (excluding temporary differences)	102
Deductions in respect of breaches of capital thresholds	0
Other	8
Impact of phase-in arrangements	0
o/w impact of changes in phase-in rate	0
o/w impact of changes in base subject to phase-in arrangements	0
Amount of Common Equity Tier 1 (CET1) capital at end of period	**10,857**
Additional Tier 1 (AT1) capital	
Amount at start of period	2,271
New eligible instruments issued	0
Redemptions during the period	0
Other, including prudential adjustments and phase-in arrangements	(60)
o/w impact of changes in phase-in rate	0
o/w other impact of changes in base	(60)
Amount of Additional Tier 1 (AT1) capital at end of period	**2,211**
Tier 1 capital	**13,067**
Tier 2 capital	
Amount at start of period	3,005
New eligible instruments issued	300
Redemptions during the period	(300)
Other, including prudential adjustments and phase-in arrangements	(149)
o/w impact of changes in phase-in rate	0
o/w other impact of changes in base	(149)
Amount of Tier 2 capital at end of period	**2,856**
TOTAL REGULATORY CAPITAL	**15,923**

Common Equity Tier 1 (CET1) capital totaled €10.9 billion as at December 31, 2023, stable over fiscal year 2023. This stability is due to the following items which compensate :

- ordinary income for the period + €1.0 billion;
- change in other comprehensive income (gains and losses recyclable and not recyclable directly recognized in shareholders' equity, including an unfavorable impact of translation adjustments for -€0.2 billion and the impact of the negative revaluation of debt and equity instruments at fair value through other comprehensive income for -€0.1 billion) for -€0.3 billion;
- decrease in prudential deductions for goodwill and intangible assets and to deferred taxes on tax loss carryforwards for +€0.1 billion;
- perpetual deeply subordinated notes (interest and conversion effect) for -€0.1 billion;
- proposed payment of the 2023 annual dividend of 16 cents per share, *i.e.* -€0.6 billion;
- deduction of guarantee deposits in respect of irrevocable payment commitments paid to the Single Resolution Fund and Deposit Guarantee Fund over the period for -€0.1 billion.

Additional Tier 1 capital decreased by -€0.1 billion to €2.2 billion due to the currency effect.

Tier 2 capital amounted to +€2.9 billion. The excess of book provisions over expected losses recognized in this category of equity fell by -€0.1 billion over the fiscal year. They also include a new Tier 2 issue of +€0.3 billion, to replace an issue of the same amount and quality that falls within the period of application of the prudential discount over the five years preceding the maturity of the resource.

At €96.2 billion, risk-weighted assets increased by €0.3 billion during fiscal year 2023.

Risk-weighted assets flow statements (NX07)

	RWA				
(in billions of euros)	**Total**	**Credit**	**Market**	**CVA**	**Operational**
31/12/2022	**95.9**	**66.6**	**14.0**	**2.5**	**12.9**
Foreign exchange movements	(0.6)	(0.6)	-	-	-
Change in business activity	1.5	0.7	-	(0.4)	1.3
Change in risk parameters	(4.2)	(2.3)	(1.9)		-
Acquisitions and disposals of investments	-	-	-	-	-
Impact of guarantees	3.6	3.6	-	-	-
31/12/2023	**96.2**	**67.9**	**12.1**	**2.0**	**14.2**

The +€1.3 billion change in credit risk in 2023 was primarily due to the following factors :

- +€1.3 billion related to the update of operational risk ;
- the impact of risk factors (-€4.2 billion), in particular due to shorter maturities (-€1.4 billion), lower default probabilities (-€1.1 billion) and lower weighted risks linked to non-performing exposures (-€0.3 billion) ;
- the impact of the appreciation of the dollar against the euro (-€0.6 billion) ;
- a "guarantees" impact of +€3.6 billion, in particular due to the reduction in BPCE guarantees.

The -€1.9 billion decrease in market risks, mainly due to changes in risk parameters (-€1.9 billion).

The decrease in CVA risk of -€0.4 billion is mainly explained by the evolution of exposures.

Basel 3 RWA by main Natixis business line (NX02)

	RWA			
Division *(in millions of euros)*	**Total**	**Credit** [(a)]	**Market** [(b)]	**Operational**
Corporate & Investment Banking [(c)]	74,352	55,096	11,348	7,908
Asset & Wealth Management	14,940	10,031	177	4,732
Corporate Center business lines	6,956	2,789	2,637	1,530
Total as of 31/12/2023	**96,248**	**67,916**	**14,162**	**14,170**
TOTAL AS OF 31/12/2022	**95,934**	**66,562**	**16,515**	**12,857**

(a) Including counterparty risk and €266 million in additional risk related to Article 3 of the CRR.
(b) Including €4 million in settlement-delivery risk, €2,046 million in respect of the CVA RWA and €142 million in additional risk related to Article 3 of the CRR.
(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.

The CET1 ratio target has been set in a range between 10.5% and 11.0% since the transfer in 2022 of the Insurance and Payments activities to BPCE. In 2023, Natixis' CET1 ratio was maintained above 10.5%.

The steering framework adapts all processes with the aim of ultimately meeting the requirements of the supervisory authorities and BPCE or 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 (one year) and using internal methodologies. At the 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/forecasting capital requirements specific to business lines, within the framework of Natixis' overall capital adequacy policy;
- anticipating regulatory changes and their impact on Natixis' business lines;
- implementing a mechanism for analyzing the capital consumption of the business lines and their profitability on the basis of Basel 3/CRR 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 business lines.

Outlook

In collaboration with Natixis' two global business lines, the capital planning function is developing a solvency trajectory within the framework of the new Strategic Plan, in line with BPCE guidelines.

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.

Summary of the reconciliation between accounting assets and exposures for leverage ratio purposes (EU LR1 – LRSum)

		a
(in millions of euros)		Applicable amount
1	Total assets according to reported financial statements	472,509
2	Adjustment for entities consolidated from an accounting point of view but which do not fall within the scope of prudential consolidation	(3,950)
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])	
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	Adjustment for derivative financial instruments	(15,556)
9	Adjustment for securities financing transactions (SFTs)	8,345
10	Adjustment for off-balance sheet items (resulting from the translation of off-balance sheet exposures into credit equivalent amounts)	49,623
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)	(108,200)
EU-11b	(Adjustment for exposures excluded from the total exposure measurement under Article 429 a (1) (j) of the CRR)	
12	Other adjustments	(15,189)
13	**MEASUREMENT OF TOTAL EXPOSURE**	**387,581**

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 French Prudential Supervisory Authority, the companies in question are required to set overall limits and establish policies and processes to detect, manage and monitor excessive leverage risk.

Natixis' Senior Management has defined a threshold for steering the leverage ratio above the regulatory minimum of 3% of Tier 1 capital. This ratio is managed under the aegis of the Natixis ALM Committee. The BOAT department coordinates compliance with this constraint in conjunction with the business lines and under the control of the risk function.

Leverage ratio – common disclosure (EU LR2 – LRCom)

		Leverage ratio exposures under the CRR	
		a	b
(in millions of euros)		31/12/2023	31/12/2022
Balance sheet exposures (excluding derivatives and SFTs)			
1	Items recorded on the balance sheet (excluding derivatives and SFTs, but including collateral)	312,254	278,681
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)	(9,278)	(12,578)
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)	(5,912)	(6,002)
7	**TOTAL ON-BALANCE SHEET EXPOSURES (EXCLUDING DERIVATIVES AND SFTS)**	**297,065**	**260,101**
Derivative exposures			
8	Replacement cost of all SA-CCR derivative transactions (*i.e.* net of eligible cash variation margins)	15,474	18,273
EU-8a	Derogation for derivatives: contribution of replacement costs under the simplified standard approach		
9	Mark-up amounts for potential future exposure associated with SA-CCR derivative transactions	26,790	25,676
EU-9a	Derogation for derivatives: Contribution of potential future exposure under the simplified standard approach		
EU-9b	Exposure determined by applying the original exposure method		
10	(CCP leg exempted from exposures to client cleared transactions) (SA-CCR)		
EU-10a	(CCP leg exempted from exposures to client cleared transactions) (simplified standard approach)		
EU-10b	(CCP leg exempted from exposures to client cleared transactions) (original exposure method)		
11	Adjusted effective notional value of written credit derivatives	45,190	37,879
12	(Adjusted actual notional differences and add-on deductions for written credit derivatives)	(42,495)	(34,268)
13	**TOTAL DERIVATIVE EXPOSURES**	**44,959**	**47,559**
Exposure on securities financing transactions (SFTs)			
14	Gross SFT assets (excluding netting) after adjustment for transactions recognized as written	123,633	96,944
15	(Net value of cash payables and receivables of gross SFT assets)	(27,350)	(20,180)
16	Counterparty credit risk exposure for SFT assets	8,345	9,961
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 client cleared SFT exposures)		

(in millions of euros)		Leverage ratio exposures under the CRR a 31/12/2023	b 31/12/2022
18	**TOTAL EXPOSURE TO SECURITIES FINANCING TRANSACTIONS**	**104,629**	**86,725**
Other off-balance sheet exposures			
19	Off-balance sheet exposures at gross notional value	106,761	102,718
20	(Adjustments for conversion into equivalent credit amounts)	(57,633)	(54,925)
21	(General provisions deducted when determining Tier 1 capital and specific provisions associated with off-balance sheet exposures)		
22	**OFF-BALANCE SHEET EXPOSURES**	**49,129**	**47,793**
Excluded exposures			
EU-22a	(Exposures excluded from total exposure measurement under Article 429 a (1) (c) of the CRR)	(108,200)	(98,838)
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-22e	(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-22j	(Reduction of the exposure value of pre-financing or intermediary loans)		
EU-22k	**(TOTAL EXEMPT EXPOSURES)**	**(108,200)**	**(98,838)**
Capital and total exposure measurement			
23	**TIER 1 CAPITAL**	**13,067**	**13,090**
24	**MEASUREMENT OF TOTAL EXPOSURE**	**387,581**	**343,340**
Leverage ratio			
25	Leverage ratio *(in %)*	3.4%	3.8%
EU-25	Leverage ratio (excluding the impact of the exemption of public investments and incentive loans) *(in %)*	3.4%	3.8%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) *(in %)*	3.4%	3.8%
26	Minimum leverage ratio regulatory requirement *(in %)*	3.0%	3.0%
EU-26a	Additional capital requirements to address excessive leverage risk *(in %)*		
EU-26b	o/w to be created with CET1 capital		
27	Leverage ratio buffer requirement *(in %)*		
EU-27a	Overall leverage ratio requirement *(in %)*	3.0%	3.0%
Choice of phase-in arrangements and relevant exposures			
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	126,136	109,671
29	End-of-quarter value of gross SFT assets, after adjustment for transactions recognized as written and net of corresponding cash payables and receivables	96,283	76,764

(in millions of euros)		Leverage ratio exposures under the CRR a 31/12/2023	b 31/12/2022
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)	417,433	376,246
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)	417,433	376,246
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	3.1%	3.5%
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)	3.1%	3.5%

In 2023, the ratio went from 3.8% at December 31, 2022 to 3.4% at December 31, 2023, notably due to the change in "other assets".

Breakdown of on-balance sheet exposures (excluding derivatives, SFT and exempt exposures) (EU LR3 – LRSpl)

(in millions of euros)		a Leverage ratio exposures under the CRR
EU-1	**Total on-balance sheet exposures (excluding derivatives, SFTs and exempt exposures), o/w:**	**220,394**
EU-2	Trading book exposures	60,762
EU-3	Banking book exposures, o/w:	159,631
EU-4	Covered bonds	180
EU-5	Exposures considered as sovereign	73,251
EU-6	Exposures to regional governments, multilateral development banks, international organizations and public sector entities not considered as sovereign borrowers	506
EU-7	Institutions	13,049
EU-8	Exposures secured by mortgages on immovable property	645
EU-9	Retail exposures	538
EU-10	Corporates	57,054
EU-11	Defaulted exposures	2,445
EU-12	Other exposures (including equities, securitizations and other assets not corresponding to credit obligations)	11,963

3.3.2.3 Large exposures ratio

Large exposures ratio

The regulations governing the control of Large Exposures were revised in 2014 when they were incorporated into the CRR. The aim of these regulations is to limit a credit institution's exposure to risks associated with a group of counterparties, grouped together under a "Group Head". Compliance with this regulation is measured on a daily basis, ensuring that the risk-weighted assets (RWA-LE) relating to each "Group Head" systematically remain below the Large Exposure Limit, set by regulation at 25% of Natixis' Tier One capital.

In fiscal year 2023, Natixis was below the "Large Exposure" limit set by regulations, as the weighted risk on a single client or group of clients did not exceed 10% of its capital.

3.3.3 Breakdown and changes in risk-weighted assets

3.3.3.1 Credit and counterparty risk exposures

Overview of total risk-weighted asset exposures (EU OV1)

		Total Risk Exposure Amount (TREA)		Total capital requirements
		a	b	c
(in millions of euros)		31/12/2023	31/12/2022	31/12/2023
1	**Credit risk (excluding CCR)**	**57,182**	**56,066**	**4,575**
2	o/w standard approach	8,892	10,283	711
3	o/w foundation IRB approach (F-IRB)	8	1,234	1
4	o/w referencing approach			
EU 4a	o/w equity under the simple risk-weighted approach	6,609	5,601	529
5	o/w advanced IRB approach (A-IRB)	39,804	36,466	3,184
6	**Counterparty credit risk – CCR**	**9,688**	**10,013**	**775**
7	o/w standard approach	1,806	1,922	144
8	o/w Internal Model Method (IMM)	3,655	3,422	292
EU 8a	o/w exposures on a CCP	640	473	51
EU 8b	o/w credit valuation adjustment – CVA	2,046	2,488	164
9	o/w other CCRs	1,541	1,707	123
15	**Settlement risk**	**4**	**65**	**0**
16	**Securitization exposures in non-trading book (after cap)**	**3,234**	**3,063**	**259**
17	o/w SEC-IRBA approach	454	508	36
18	o/w SEC-ERBA (including IAA)	164	223	13
19	o/w SEC-SA approach	2,043	2,108	163
EU 19a	o/w 1,250%/deduction	573	224	46
20	**Position, currency and commodity risks (Market risk)**	**11,971**	**13,871**	**958**
21	o/w standard approach	6,247	6,701	500
22	o/w Internal Models Approach	5,724	7,170	458
EU 22a	**Major risks**			
23	**Operational risk**	**14,170**	**12,857**	**1,134**
EU 23a	o/w elementary approach			
EU 23b	o/w standard approach	14,170	12,857	1,134
EU 23c	o/w advanced measurement approach			
24	**Amount below the deduction thresholds (subject to a weighting of 250%)**	**2,713**	**2,920**	**217**
29	**TOTAL**	**96,248**	**95,935**	**7,700**

Credit risk (excluding CCR) in line 1 also includes €1,461 million in equities not covered by the simple weighting method (also included in line 24), as well as €408 million in additional risk exposure linked to Article 3 of the CRR.

EAD by rating source – Standard approach (NX11 bis)

Exposure class *(in millions of euros)*	IBCA	MOODY'S	STP	BDF	Total
Corporates	**-**	**14**	**190**	**47**	**251**
Institutions	**1**	**257**	**75**	**-**	**333**
Governments and central banks	**94**	**4,600**	**1,501**	**233**	**6,429**
Central governments and central banks	-	4,475	398	-	4,873
International organizations	-	-	-	-	-
Multilateral development banks	-	-	-	-	-
Regional governments or local authorities	1	15	33	-	49
Public sector entities	93	111	1,070	233	1,507
Retail	**-**	**-**	**-**	**10**	**10**
SMEs included in Retail category	-	-	-	10	10
Other exposures included in Retail category	-	-	-	-	-
Exposures secured by mortgages on immovable property	**-**	**-**	**-**	**-**	**-**
SMEs treated as collateralized exposures by a mortgage on real estate	-	-	-	-	-
Other exposures secured by mortgages on immovable property	-	-	-	-	-
DEFAULTED EXPOSURES	**-**	**-**	**-**	**0**	**0**
Exposures to institutions and corporates with a short-term credit assessment	**23**	**21**	**107**	**4**	**155**
TOTAL AS OF 31/12/2023	**118**	**4,893**	**1,873**	**295**	**7,178**
TOTAL AS OF 31/12/2022	**162**	**3,382**	**1,532**	**161**	**5,236**

Guaranteed exposures by type and internal rating of guarantor (NX17)

	Type of guarantor			
S&P equivalent internal rating	**Institutions**	**Corporates**	**Governments and central banks**	**Retail**
AAA	-	-	-	-
AA+, AA, AA-	14.6%	11.2%	85.5%	3.0%
A+, A, A-	75.0%	83.1%	1.9%	-
BBB+, BBB, BBB-	10.3%	3.6%	12.4%	-
BB+, BB, BB-	-	1.5%	0.1%	76.8%
B+, B, B-	-	0.3%	-	-
CCC+, CCC, CCC-	-	-	-	-
CC	-	-	-	-
C	-	-	-	-
D	-	-	-	-
Unrated	0.1%	0.3%	0.1%	20.2%
TOTAL AS OF 31/12/2023	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Note: Transactions guaranteed by Groupe BPCE affiliates excluded.

Model for key indicators (EU KM1)

		a	b	c	d	e
(in millions of euros)		31/12/2023	30/09/2023	30/06/2023	31/03/2023	31/12/2022
	Available own funds (amounts)					
1	Common Equity Tier 1 (CET1) capital	10,857	10,555	10,608	10,651	10,819
2	Tier 1 capital	13,067	12,841	12,840	12,890	13,090
3	Total own funds	15,923	15,759	15,743	15,868	16,095
	Risk-weighted exposure amount					
4	Total risk exposure amount	96,248	96,108	95,106	94,048	95,935
	Capital ratios *(as a percentage of risk-weighted exposure amount)*					
5	Common Equity Tier 1 capital ratio *(in %)*	11.3%	11.0%	11.2%	11.3%	11.3%
6	Tier 1 capital ratio *(in %)*	13.6%	13.4%	13.5%	13.7%	13.6%
7	Total capital ratio *(in %)*	16.5%	16.4%	16.6%	16.9%	16.8%
	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 *(in %)*	2.5%	2.5%	2.5%	2.5%	2.5%
EU 7b	o/w to be satisfied with CET1 capital *(in percentage points)*	1.4%	1.4%	1.4%	1.4%	1.4%
EU 7c	o/w to be satisfied with Tier 1 capital *(in percentage points)*	1.9%	1.9%	1.9%	1.9%	1.9%
EU 7d	Total SREP capital requirements *(in %)*	10.5%	10.5%	10.5%	10.5%	10.5%
	Total buffer requirement and total capital requirement *(as a percentage of the risk-weighted exposure amount)*					
8	Capital conservation buffer *(in %)*	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 *(in %)*					
9	Institution-specific countercyclical capital buffer *(in %)*	0.4%	0.4%	0.4%	0.1%	0.1%
EU 9a	Systemic risk buffer *(in %)*					
10	Global systemically important institution buffer *(in %)*					
EU 10a	Other systemically important institution buffer *(in %)*					
11	Overall buffer requirement *(in %)*	2.9%	2.9%	2.9%	2.6%	2.6%
EU 11a	Total capital requirements *(in %)*	13.4%	13.4%	13.4%	13.1%	13.1%
12	CET1 capital available after compliance with total SREP capital requirements *(in %)*	5.4%	5.1%	5.2%	5.4%	5.4%
	Leverage ratio					
13	Measurement of total exposure	387,581	382,315	355,037	359,932	343,340
14	Leverage ratio *(in %)*	3.4%	3.4%	3.6%	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 *(in %)*	0%	0%	0%	0%	0%
EU 14b	o/w to be satisfied with CET1 capital *(in percentage points)*	0%	0%	0%	0%	0%
EU 14c	Total SREP leverage ratio requirement *(in %)*	3.0%	3.0%	3.0%	3.0%	3.0%
	Leverage ratio buffer requirement and overall leverage ratio requirement *(as a percentage of total exposure measurement)*					
EU 14d	Leverage ratio buffer requirement *(in %)*	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
EU 14e	Overall leverage ratio requirement *(in %)*	3.0%	3.0%	3.0%	3.0%	3.0%
	Liquidity coverage ratio					
15	Total High Quality Liquid Assets (HQLA) (weighted average)	85,138	69,884	62,410	69,983	68,644
EU 16a	Cash outflows – Total weighted value	126,514	120,039	107,649	105,133	99,119
EU 16b	Cash inflows – Total weighted value	51,370	55,322	60,008	55,657	49,432
16	Total net cash outflows (adjusted value)	75,145	64,718	47,641	49,476	49,687
17	Liquidity requirement coverage ratio *(in %)*	113.3%	106.1%	125.7%	141.4%	138.2%
	Net stable financing requirement					
18	Total available stable financing	161,829	155,763	161,138	154,909	148,328
19	Total required stable financing	155,681	150,544	154,982	150,525	145,408
20	NSFR ratio *(in %)*	103.9%	103.5%	104.0%	102.9%	102.0%

3.3.3.2 Credit risks

Credit risk management methodologies are described in Section [3.2.4] "Credit and counterparty risks" of this universal registration document.

The principles adopted for defaulted outstandings and restructured loans are presented in Notes [5.1] and [5.3] of Chapter [5] "Consolidated financial statements and notes" of this universal registration document.

A – Credit risk mitigation techniques

Credit risk mitigation techniques (CR3)

			Guaranteed carrying amount			
					o/w guaranteed by financial guarantees	
		Carrying amount not guaranteed		o/w guaranteed by collateral		o/w guaranteed by credit derivatives
(in millions of euros)		a	b	c	d	e
1	Loans and advances	183,887	35,292	15,139	20,153	0
2	Debt securities	12,914	0	0	0	
3	**TOTAL**	**196,801**	**35,292**	**15,139**	**20,153**	**0**
4	*o/w non-performing exposures*	*627*	*566*	*226*	*339*	*0*
EU-5	*o/w defaulted*	*627*	*566*	*226*	*339*	*0*

IRB approach – Effect on risk-weighted exposure amounts of credit derivatives used as CRM techniques (EU CR7)

		Risk weighted exposure amount before credit derivatives	Actual risk-weighted exposure amount
(in millions of euros)		a	b
1	**Exposures subject to the foundation IRB approach**	**8**	**8**
2	Central governments and central banks	-	-
3	Institutions	8	8
4	Corporates	-	-
4.1	*o/w Corporates – SMEs*	-	-
4.2	*o/w Corporates – Specialized Financing*	-	-
5	**Exposures subject to the advanced IRB approach**	**39,578**	**39,804**
6	Central governments and central banks	473	473
7	Institutions	1,236	1,581
8	Corporates	37,869	37,750
8.1	*o/w Corporates – SMEs*	*876*	*881*
8.2	*o/w Corporates – Specialized Financing*	*7,539*	*7,148*
9	Retail	-	-
9.1	*o/w Retail – SMEs – Guaranteed by real estate collateral*	-	-
9.2	*o/w Retail – non-SMEs – Guaranteed by real estate collateral*	-	-
9.3	*o/w Retail – qualifying revolving exposures*	-	-
9.4	*o/w Retail – Other SMEs*	-	-
9.5	*o/w Retail – Other non-SMEs*	-	-
10	**TOTAL (INCLUDING FOUNDATION IRB AND ADVANCED EQUITY EXPOSURE APPROACHES)**	**39,587**	**39,812**

IRB approach – Information to be published on the degree of use of CRM techniques (EU CR7-A)

			Credit risk mitigation techniques											Credit risk mitigation methods in the calculation of RWEAs	
			Funded Credit Protection (FCP)								Unfunded Credit Protection (UFCP)				
A-IRB *(in millions of euros)*		Total exposures	Portion of exposures covered by financial collateral *(in %)*	Portion of exposures covered by other eligible collateral *(in %)*	Portion of exposures covered by real estate securities *(in %)*	Portion of exposures covered by receivables to be collected *(in %)*	Portion of exposures covered by other real collateral *(in %)*	Portion of exposures covered by other forms of financed credit protection *(in %)*	Portion of exposures covered by cash deposits *(in %)*	Portion of exposures covered by life insurance policies *(in %)*	Portion of exposures covered by instruments held by a third party *(in %)*	Portion of exposures covered by guarantees *(in %)*	Portion of exposures hedged by credit derivatives *(in %)*	RWEA without substitution effects (reduction effects only)	RWEA with substitution effects (both reduction and substitution effects)
		a	b	c	d	e	f	g	h	i	j	k	l	m	n
1	Central governments and central banks	70,073		0.05%		0.02%	0.03%	0.01%	0.01%						473
2	Institutions	6,910		0.46%			0.46%	2.97%	2.97%						1,581
3	Corporates	98,687	2.48%	27.61%	7.55%	13.69%	6.37%	1.40%	1.40%						37,750
3.1	*o/w Corporates – SMEs*	*1,465*		*28.96%*	*3.77%*	*11.99%*	*13.21%*	*0.00%*	*0.00%*						*881*
3.2	*o/w Corporates – Specialized Financing*	*19,254*	*0.00%*	*113.69%*	*34.01%*	*65.52%*	*14.16%*	*0.67%*	*0.67%*						*7,148*
3.3	*o/w Corporates – Other*	*77,968*	*3.14%*	*6.33%*	*1.09%*	*0.92%*	*4.32%*	*1.60%*	*1.60%*						*29,721*
4	Retail														
4.1	*o/w 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 – Other non-SMEs*														
5	**TOTAL**	**175,670**	**1.39%**	**15.55%**	**4.24%**	**7.70%**	**3.61%**	**0.90%**	**0.90%**						**39,804**

			Credit risk mitigation techniques												Credit risk mitigation methods in the calculation of RWEAs	
			Funded Credit Protection (FCP)									Unfunded Credit Protection (UFCP)			
F-IRB		Total exposures	Portion of exposures covered by financial collateral *(in %)*	Portion of exposures covered by other eligible collateral *(in %)*	Portion of exposures covered by real estate securities *(in %)*	Portion of exposures covered by receivables to be collected *(in %)*	Portion of exposures covered by other real collateral *(in %)*	Portion of exposures covered by other forms of financed credit protection *(in %)*	Portion of exposures covered by cash deposits *(in %)*	Portion of exposures covered by life insurance policies *(in %)*	Portion of exposures covered by instruments held by a third party *(in %)*	Portion of exposures covered by guarantees *(in %)*	Portion of exposures hedged by credit derivatives *(in %)*	RWEA without substitution effects (reduction effects only)	RWEA with substitution effects (both reduction and substitution effects)
(in millions of euros)		a	b	c	d	e	f	g	h	i	j	k	l		
1	Central governments and central banks	6													
2	Institutions	64													8
3	Corporates	(0)													(0)
3.1	*o/w Corporates – SMEs*														
3.2	*o/w Corporates – Specialized Financing*														
3.3	*o/w Corporates – Other*	*(0)*													*(0)*
4	**TOTAL**	**70**													**8**

Sovereign exposures (GOV)

Country *(in millions of euros)*	Banking book				Trading book		
	Assets at amortized cost	**Financial assets at fair value through share-holders' equity**	**Financial assets under the fair value option**	**Financial assets to be valued at fair value through profit or loss**	**Transaction financial assets (excluding derivatives)**	**Derivative financial instruments**	**Total**
Germany	0	788	-	8	6,537	2	7,335
Austria	-	682	-	0	350	179	1,211
Belgium	-	842	-	1	744	(120)	1,467
Croatia	-	-	-	-	583	-	583
Spain	-	345	-	3	499	14	861
Finland	-	340	-	-	26	1,739	2,105
France	47,364	1,625	-	28	8,483	511	58,011
Italy	3	50	-	6	722	(363)	417
Latvia	-	25	-	-	118	(2)	141
Luxembourg	130	1,855	-	3	664	118	2,769
Netherlands	-	-	-	1	344	13	357
Slovakia	-	-	-	-	516	19	534
Other euro zone countries	-	80	-	1	0	2	83
Total euro zone	**47,497**	**6,632**	**-**	**50**	**19,585**	**2,110**	**75,874**
Hungary	-	-	-	-	295	21	316
Other EEA countries	-	30	-	1	-	5	35
Total European Economic Area	**47,497**	**6,662**		**51**	**19,880**	**2,135**	**76,225**
Algeria	606	-	-	-	-	-	606
Benin	111	-	-	-	-	-	111
Canada	0	236	-	1	-	(0)	237
China	41	-	-	-	6,328	4	6,373
South Korea	-	-	-	-	139	-	139
Ivory Coast	87	295	-	-	1	765	1,148
Egypt	119	-	-	-	26	-	146
United Arab Emirates	353	-	-	-	7,407	3	7,764
United States	10,069	2,415	-	149	3,719	3,228	19,580
Hong Kong	0	216	-	-	-	-	216
India	-	-	-	-	1,962	-	1,962
Japan	4,475	117	-	1	0	(0)	4,592
North Macedonia	-	-	-	-	208	-	208
Philippines	-	410	-	-	-	7	417
Qatar	17	-	-	-	1,274	66	1,358
United Kingdom	3	419	-	2	1,851	(66)	2,209
Singapore	247	2,574	-	0	836	(0)	3,658
Switzerland	54	-	-	-	-	148	202
Other countries outside the EEA	321	954	-	3	27	(162)	1,144
TOTAL	**64,002**	**14,298**	**-**	**208**	**43,657**	**6,129**	**128,294**

B – Exposure to credit risks

Maturity of exposures (CR1-A)

		a	b	c	d	e	f
(in millions of euros)		Sight	<= 1 year	>1 year <= 5 years	>5 years	No due date declared	Total
1	Loans and advances	1,554	94,131	34,182	21,465	112,993	264,325
2	Debt securities	5	891	475	9,993	17,113	28,477
3	**TOTAL**	**1,559**	**95,022**	**34,657**	**31,458**	**130,107**	**292,802**

Credit quality of forborne exposures (CQ1)

		a	b	c	d	e	f	g	h
		Gross carrying amount/nominal amount for exposures to which forbearance measures have been extended				Accumulated impairments, accumulated negative fair value variations due to credit risk and provisions		Collateral and financial guarantees received on forborne exposures	
(in millions of euros)		Performing forborne	Non-performing forborne	o/w defaulted	o/w depre-ciated	On performing forborne exposures	On non-performing forborne exposures		o/w collateral and financial guarantees received on non-performing exposures to which forbearance measures have been extended
005	**Cash balances at central banks and other demand deposits**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
010	**Loans and advances**	**851**	**1,144**	**1,144**	**1,141**	**(29)**	**(471)**	**734**	**318**
020	Central banks	-	4	4	4	-	(4)	-	-
030	Government institutions	-	2	2	2	-	(2)	-	-
040	Banks	-	-	-	-	-	-	-	-
050	Other financial companies	-	55	55	55	-	(41)	6	6
060	Non-financial companies	851	1,077	1,077	1,074	(29)	(422)	722	306
070	Households	-	6	6	6	-	(0)	5	5
080	**Debt securities**	**-**	**8**	**8**	**8**	**-**	**(8)**	**-**	**-**
090	**Loan commitments given**	**258**	**69**	**69**	**69**	**3**	**5**	**80**	**24**
100	**TOTAL**	**1,109**	**1,221**	**1,221**	**1,218**	**(32)**	**(484)**	**813**	**342**

The principles and methodology for calculating impairment losses are described in Note [5.3] of Chapter [5] "Consolidated financial statements and notes" of this universal registration document.

Credit quality of performing and non-performing exposures by days past due (CQ3)

	a	b	c	d	e	f	g	h	i	j	k	l
	Gross carrying amount/nominal amount											
(in millions of euros)	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
005 Cash balances at central banks and other demand deposits	**66,717**	**66,717**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
010 Loans and advances	**151,592**	**151,048**	**544**	**2,160**	**1,748**	**64**	**75**	**38**	**125**	**25**	**85**	**2,160**
020 Central banks	29	29	-	19	1	-	-	-	4	0	14	19
030 Government institutions	1,309	1,309	-	38	4	-	-	1	-	3	30	38
040 Banks	82,720	82,719	1	5	5	-	-	-	-	-	0	5
050 Other financial companies	11,123	11,121	2	73	44	-	-	-	1	-	29	73
060 Non-financial companies	55,579	55,051	528	2,009	1,687	64	75	36	114	21	11	2,009
070 o/w SMEs	*4,146*	*4,019*	*127*	*103*	*65*	*4*	*3*	*18*	*3*	-	*10*	*103*
080 Households	832	819	13	15	6	0	0	2	6	0	1	15
090 Debt securities	**12,881**	**12,881**	**-**	**134**	**75**	**-**	**-**	**-**	**-**	**59**	**0**	**134**
100 Central banks	1,435	1,435	-	-	-	-	-	-	-	-	-	-
110 Government institutions	4,162	4,162	-	-	-	-	-	-	-	-	-	-
120 Banks	3,615	3,615	-	-	-	-	-	-	-	-	-	-
130 Other financial companies	2,936	2,936	-	86	28	-	-	-	-	59	-	86
140 Non-financial companies	734	734	-	47	47	-	-	-	-	-	0	47
150 Loan commitments given	**119,163**	**-**	**-**	**141**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**141**
160 Central banks	70	-	-	-	-	-	-	-	-	-	-	-
170 Government institutions	3,066	-	-	-	-	-	-	-	-	-	-	-
180 Banks	16,800	-	-	-	-	-	-	-	-	-	-	-
190 Other financial companies	24,121	-	-	-	-	-	-	-	-	-	-	-
200 Non-financial companies	75,012	-	-	141	-	-	-	-	-	-	-	141
210 Households	94	-	-	1	-	-	-	-	-	-	-	1
220 TOTAL	**350,354**	**230,647**	**544**	**2,435**	**1,823**	**64**	**75**	**38**	**125**	**83**	**85**	**2,435**

The principles concerning overdue exposures are presented in Note [7.7.4] of Chapter [5] "Consolidated financial statements and notes" of this universal registration document.

Performing and non-performing exposures and corresponding provisions (EU CR1)

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
	Gross carrying amount/ nominal amount						Accumulated impairments, accumulated negative fair value variations due to credit risk and provisions						Partial disposal from consolidated balance sheet	Received collaterals and financial guarantees	
(in millions of euros)	Performing exposures	o/w step 1	o/w step 2 [(a)]	Non-performing exposures	o/w step 2 [(a)]	o/w step 3 [(a)]	Performing exposures – accumulated impairments and provisions	o/w step 1	o/w step 2 [(a)]	Non-performing exposures – accumulated impairments, accumulated negative fair value variations due to credit risk and provisions	o/w step 2 [(a)]	o/w step 3 [(a)]		On performing exposures	On non-performing exposures
005 Cash balances at central banks and other demand deposits	**66,717**	**66,664**	**53**	**-**	**-**	**-**	**(43)**	**(1)**	**(42)**	**-**	**-**	**-**	**-**	**32**	**-**
010 Loans and advances	**151,592**	**139,884**	**10,326**	**2,160**	**-**	**1,615**	**(246)**	**(93)**	**(149)**	**(1,002)**	**-**	**(747)**	**(162)**	**34,726**	**566**
020 Central banks	29	0	28	19	-	15	(21)	-	(21)	(19)	-	(15)	-	-	-
030 Government institutions	1,309	1,017	274	38	-	37	(4)	(0)	(4)	(37)	-	(36)	-	503	-
040 Banks	82,721	82,478	173	6	-	1	(4)	(2)	(2)	(6)	-	(1)	-	79	-
050 Other financial companies	11,123	10,220	811	74	-	56	(8)	(6)	(2)	(60)	-	(42)	-	2,589	7
060 Non-financial companies	55,579	45,360	9,017	2,009	-	1,492	(207)	(85)	(119)	(872)	-	(645)	(162)	30,801	553
070 o/w SMEs	*4,146*	*3,466*	*680*	*103*	-	*100*	*(9)*	*(4)*	*(5)*	*(41)*	-	*(40)*	-	*2,776*	*52*
080 Households	832	808	23	15	-	15	(1)	(0)	(1)	(9)	-	(9)	-	753	6
090 Debt securities	**12,881**	**11,025**	**209**	**134**	**-**	**90**	**(2)**	**(1)**	**(0)**	**(99)**	**-**	**(89)**	**-**	**-**	**-**
100 Central banks	1,435	1,435	-	-	-	-	-	-	-	-	-	-	-	-	-
110 Government institutions	4,162	4,088	4	-	-	-	(0)	(0)	-	-	-	-	-	-	-
120 Banks	3,615	3,608	-	-	-	-	(0)	(0)	-	-	-	-	-	-	-
130 Other financial companies	2,936	1,166	205	86	-	86	(1)	(0)	(0)	(85)	-	(85)	-	-	-
140 Non-financial companies	734	728	-	47	-	4	(1)	(1)	-	(15)	-	(4)	-	-	-
150 Off-balance sheet exposures	**119,163**	**111,460**	**7,385**	**142**	**-**	**100**	**239**	**48**	**187**	**31**	**-**	**21**	**-**	**40,900**	**54**
160 Central banks	70	70	-	-	-	-	-	-	-	-	-	-	-	42	-
170 Government institutions	3,066	2,838	228	-	-	-	2	0	2	-	-	-	-	718	-
180 Banks	16,800	16,570	230	-	-	-	1	1	0	-	-	-	-	646	-
190 Other financial companies	24,121	23,025	1,096	-	-	-	4	3	1	-	-	-	-	12,379	-
200 Non-financial companies	75,012	68,864	5,830	141	-	99	232	45	184	30	-	21	-	27,044	54
210 Households	94	93	1	1	-	1	-	-	-	0	-	0	-	71	0
220 TOTAL	**350,354**	**329,033**	**17,972**	**2,435**	**-**	**1,805**	**(530)**	**(144)**	**(378)**	**(1,132)**	**-**	**(857)**	**(162)**	**75,658**	**620**

(a) Excluding depreciated assets upon origination or acquisition.

Change in the stock of non-performing loans and advances (EU CR2)

(in millions of euros)		a Gross carrying amount
010	**Initial stock of non-performing loans and advances**	**2,255**
020	Inflows of non-performing loans and advances	721
030	Outflows of non-performing loans and advances	(800)
040	*Outflows due to write-offs*	*(348)*
050	*Outflows due to other situations*	*(451)*
060	**Final stock of non-performing loans and advances**	**2,160**

Quality of non-performing exposures by geographic area (EU CQ4)

		a	c	e	f	g
		Gross carrying amount/ nominal amount			Provisions for off-balance sheet commitments and financial guarantees given	Cumulative negative changes in fair value due to credit risk on non-performing exposures
(in millions of euros)			o/w default	Accumulated impairment		
010	**On-balance sheet exposures**	**166,767**	**2,293**	**(1,346)**		**(2)**
020	France	103,925	910	(512)		-
030	United States	14,079	369	(146)		-
070	Other countries	48,763	1,015	(688)		(2)
080	**Off-balance sheet exposures**	**119,304**	**141**		**270**	
090	France	50,996	52		181	
100	United States	28,033	40		25	
140	Other countries	40,275	50		64	
150	**TOTAL**	**286,071**	**2,435**	**(1,346)**	**270**	**(2)**

Credit quality of loans and advances granted to non-financial companies by industry (EU CQ5)

		a	c	e	f
		Gross carrying amount			Cumulative negative changes in fair value due to credit risk on non-performing exposures
(in millions of euros)			o/w non-performing	Accumulated impairment	
010	A Agriculture, forestry and fishing	213	0	(1)	0
020	B Extractive industries	2,932	136	(91)	0
030	C Manufacturing industry	4,667	202	(145)	0
040	D Production and distribution of electricity, gas, steam and air conditioning	5,522	234	(58)	0
050	E Water supply	281	0	(1)	0
060	F Building and public works services	953	32	(18)	0
070	G Retail	7,913	287	(197)	0
080	H Transportation and storage	1,697	66	(35)	0
090	I Accommodation and catering	788	19	(18)	0
100	J Information and communication	4,089	73	(32)	0
110	K Financial and insurance activities	13,626	261	(253)	0
120	L Real estate activities	7,686	359	(129)	0
130	M Professional, scientific and technical activities	3,117	83	(40)	0
140	N Administrative and support service activities	2,609	121	(44)	0
150	O Public administration and defense, compulsory social security	0	0	-	0
160	P Education	29	1	(1)	0
170	Q Human health and social action	406	128	(15)	0
180	R Arts, entertainment and recreational activities	61	0	-	0
190	S Other services	999	6	(1)	0
200	**LOANS AND ADVANCES**	**57,588**	**2,009**	**(1,079)**	**0**

Collateral obtained by taking possession and execution processes (EU CQ7)

		a	b
		Collateral obtained by taking possession	
(in millions of euros)		Value at initial recognition	Cumulative negative changes
010	Property, plant and equipment	0.0	-
020	Other than property, plant and equipment	148.2	(16)
030	*Residential real estate*	*0.0*	-
040	*Commercial real estate*	*0.0*	-
050	*Movable assets*	*0.0*	-
060	*Shareholders' equity and debt securities*	*148.2*	*(16)*
070	*Other*	*0.0*	-
080	**TOTAL**	**148.2**	**(16)**

At December 31, 2023, Natixis has assets on its balance sheet obtained by taking possession of guarantees. These are variable-income securities classified as financial assets at fair value through other comprehensive income for €131.9 million at December 31, 2023 (€148.2 million initial value) and corresponding to securities received as part of the exercise of a guarantee (€147 million fair value and €153,4 million initial value at December 31, 2022).

C – Credit risk: standard approach

Credit risk exposure: standard approach

Standard approach – Credit risk exposure and CRM effects (EU CR4)

		Exposures before CCF and before CRM		Exposures after CCF and after CRM		RWA and RWA density	
		On-balance sheet exposures	Off-balance sheet exposures	On-balance sheet exposures	Off-balance sheet exposures	RWA	RWA density *(in %)*
Exposure classes *(in millions of euros)*		a	b	c	d	e	f
1	Central governments or central banks	5,947	-	5,971	-	1,916	32%
2	Regional governments or local authorities	193	-	197	-	33	17%
3	Public sector entities	993	230	1,001	119	60	5%
4	Multilateral development banks	-	-	-	-	-	-
5	International organizations	-	-	-	-	-	-
6	Institutions*	87,488	4,283	89,996	3,411	282	0%
7	Corporates	3,422	1,331	2,905	305	2,280	71%
8	Retail	872	133	269	30	211	71%
9	Exposures secured by mortgages on immovable property	257	2	257	1	105	41%
10	Defaulted exposures	70	10	58	2	81	134%
11	Particularly high-risk exposures	-	-	-	-	-	-
12	Covered bonds	-	-	-	-	-	-
13	Institutions and corporates with a short-term credit assessment	79	43	80	18	73	74%
14	Collective investment undertakings	-	-	-	-	-	-
15	Equities	-	-	-	-	-	-
16	Other items	4,128	-	4,128	-	3,852	93%
17	**TOTAL**	**103,449**	**6,031**	**104,863**	**3,885**	**8,892**	**8%**

* *Mainly exposures with Groupe BPCE institutions.*

Standard approach – Exposures by asset class and RWA (EU 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		
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	Total	o/w unrated
1	Central governments or central banks	4,807	-	-	-	-	-	-	-	-	664	-	501	-	-	-	5,971	828
2	Regional governments or local authorities	31	-	-	-	166	-	-	-	-	-	-	-	-	-	-	197	157
3	Public sector entities	834	-	-	-	280	-	5	-	-	1	-	-	-	-	-	1,120	27
4	Multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	International organizations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Institutions	92,002	878	-	-	322	-	10	-	-	195	0	-	-	-	-	93,407	93,075
7	Corporates	507	-	-	-	11	268	212	166	-	1,984	64	-	-	-	-	3,210	2,964
8	Retail exposures	-	-	-	-	-	-	-	-	299	-	-	-	-	-	-	299	289
9	Exposures secured by mortgages on immovable property	-	-	-	-	-	162	96	-	-	-	-	-	-	-	-	258	258
10	Defaulted exposures	-	-	-	-	-	-	-	-	-	19	41	-	-	-	-	60	60
11	Particularly high-risk exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Covered bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Exposures to institutions and corporates with a short-term credit assessment	-	-	-	-	31	-	14	-	-	40	13	-	-	-	-	98	-
14	Units or shares of collective investment undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Other items	38	-	-	-	-	-	0	-	-	3,006	-	-	-	-	1,083	4,128	4,124
17	**TOTAL**	**98,218**	**878**	**-**	**-**	**811**	**429**	**338**	**166**	**299**	**5,910**	**118**	**501**	**-**	**-**	**1,083**	**108,749**	**101,781**

D – Credit risk: internal ratings-based approach

PD and LGD by geographic area (NX16)

Geographic area	EAD *(in millions of euros)*	PD MP *(in %)*	LGD MP *(in %)*
Africa	2,276	6.1%	37.2%
Other	8,486	1.1%	33.4%
Asia	15,424	1.7%	37.9%
Europe (outside EU)	18,838	1.0%	35.1%
European Union	37,172	1.3%	27.4%
Americas	50,615	2.2%	23.6%
France	89,406	1.3%	16.4%
TOTAL AS OF 31/12/2023	**222,218**	**1.6%**	**23.8%**
TOTAL AS OF 31/12/2022	**200,919**	**1.6%**	**24.7%**

Statements of RWEA flows of credit risk exposures under the IRB approach (EU CR8)

(in millions of euros)		Risk-weighted exposure amount
		a
1	**Risk-weighted exposure amount at the end of the previous reporting period (31/12/2022)**	**37,700**
2	Asset size (+/-)	1,792
3	Asset quality (+/-)	(88)
4	Model updates (+/-)	
5	Methodology and policy (+/-)	
6	Acquisitions and disposals (+/-)	
7	Foreign exchange movements (+/-)	(515)
8	Others (+/-)*	924
9	**RISK-WEIGHTED EXPOSURE AMOUNT AT THE END OF THE REPORTING PERIOD (31/12/2023)**	**39,812**

* *€1,775 million in notes for guarantees included in Others.*

IRB approach – Credit risk exposures by exposures class and PD range (EU CR6)

A-IRB	PD scale	On-balance sheet exposures	Off-balance sheet exposures before CCF	Weighted average CCF	Exposures after CCF and after CRM	Weighted average PD *(in %)*	Number of obligors	Average LGD, weighted *(in %)*	Weighted average maturity *(in years)*	Weighted exposure amount after supplementary factors	Density of weighted exposure amount	Amount of expected losses	Value adjustment and provisions
(in millions of euros)	a	b	c	d	e	f	g	h	i	j	k	l	m
Central governments or central banks	0.00 to <0.15	64,351	1,239	95.47%	66,007		68	8.21%	1	54	0.08%	0	(0)
	0.00 to <0.10	64,351	1,239	95.47%	66,007		68	8.21%	1	54	0.08%	0	(0)
	0.10 to <0.15												
	0.15 to <0.25	87	305	100.00%	446	0.02%	5	12.55%	5	24	5.28%	0	(0)
	0.25 to <0.50	212	210	100.00%	1,456	0.02%	8	11.88%	4	73	5.01%	0	(0)
	0.50 to <0.75				2	3.12%		46.69%	1	3	125.78%	0	(0)
	0.75 to <2.50				690	0.01%		17.20%	4	30	4.41%	0	(0)
	0.75 to <1.75				657	0.01%		17.70%	4	30	4.62%	0	(0)
	1.75 to <2.50				33			7.10%	5				
	2.50 to <10.00	143	163	100.00%	542	0.43%	6	13.38%	4	106	19.56%	1	(1)
	2.50 to <5.00	143	163	100.00%	244	0.96%	6	19.64%	4	106	43.28%	1	(1)
	5.00 to <10.00				297			8.23%	4	0	0.05%	0	(0)
	10.00 to <100.00	146	48	100.00%	701	1.32%	7	15.60%	3	183	26.12%	8	(25)
	10.00 to <20.00				491	0.01%		13.74%	4	21	4.21%	0	(0)
	20.00 to <30.00	146	48	100.00%	194	4.74%	7	20.98%	1	163	83.66%	8	(25)
	30.00 to <100.00				16			7.10%	2				
	100.00 (default)	56			230	23.90%	8	30.14%	3			66	(66)
	Sub-total	**64,996**	**1,965**	**97.14%**	**70,073**	**0.10%**	**102**	**8.59%**	**1**	**473**	**0.67%**	**75**	**(92)**

A-IRB *(in millions of euros)*	PD scale	On-balance sheet exposures	Off-balance sheet exposures before CCF	Weighted average CCF	Exposures after CCF and after CRM	Weighted average PD *(in %)*	Number of obligors	Average LGD, weighted *(in %)*	Weighted average maturity *(in years)*	Weighted exposure amount after supplementary factors	Density of weighted exposure amount	Amount of expected losses	Value adjustment and provisions
	a	b	c	d	e	f	g	h	i	j	k	l	m
Institutions	0.00 to <0.15	4,463	1,347	21.83%	4,663	0.03%	239	40.55%	1	447	9.58%	1	(42)
	0.00 to <0.10	4,463	1,347	21.83%	4,663	0.03%	239	40.55%	1	447	9.58%	1	(42)
	0.10 to <0.15												
	0.15 to <0.25				19	0.04%		31.79%	1	2	8.41%	0	
	0.25 to <0.50	202	1,105	77.55%	736	0.22%	94	44.07%	2	321	43.60%	1	(0)
	0.50 to <0.75	182	414	20.00%	268	0.63%	46	24.00%	1	90	33.60%	0	(1)
	0.75 to <2.50				552	0.06%		35.95%	2	99	17.94%	0	(0)
	0.75 to <1.75				545	0.06%		36.36%	2	99	18.17%	0	(0)
	1.75 to <2.50				8	0.03%		7.10%	2	0	1.73%	0	
	2.50 to <10.00	29	598	20.12%	621	1.00%	81	48.27%	3	596	95.89%	5	(5)
	2.50 to <5.00	12	537	20.13%	498	0.89%	44	47.88%	3	474	95.22%	4	(3)
	5.00 to <10.00	18	61	20.00%	123	1.43%	37	49.85%	2	122	98.60%	2	(2)
	10.00 to <100.00	3	1	20.00%	18	1.83%	5	35.98%	1	19	102.29%	0	(1)
	10.00 to <20.00	3	1	20.00%	16	2.15%	5	41.05%	1	19	119.93%	0	(1)
	20.00 to <30.00												
	30.00 to <100.00				3	0.03%		7.10%	2	0	1.71%	0	
	100.00 (default)	19			32	58.61%	5	57.40%	2	9	27.30%	19	(19)
	Sub-total	**4,898**	**3,465**	**39.09%**	**6,910**	**0.44%**	**470**	**40.65%**	**1**	**1,581**	**22.89%**	**27**	**(68)**
Corporates – SMEs	0.00 to <0.15	103	173	77.71%	141	0.09%	15	35.01%	2	21	14.90%	0	(0)
	0.00 to <0.10	103	172	77.75%	141	0.09%	14	35.01%	2	21	14.90%	0	(0)
	0.10 to <0.15		0	20.00%			1						
	0.15 to <0.25	17	3	78.56%	18	0.24%	9	43.76%	1	6	33.73%	0	(0)
	0.25 to <0.50	36	170	98.95%	204	0.42%	47	26.19%	4	75	36.71%	0	(0)
	0.50 to <0.75	99	88	91.29%	161	0.58%	34	30.26%	3	71	43.85%	0	(0)
	0.75 to <2.50	521	182	90.17%	624	1.44%	150	38.18%	2	420	67.30%	3	(2)
	0.75 to <1.75	457	175	89.80%	562	1.36%	142	39.72%	2	387	68.80%	3	(2)
	1.75 to <2.50	64	7	100.00%	63	2.19%	8	24.37%	1	34	53.76%	0	(0)
	2.50 to <10.00	245	95	82.32%	239	3.83%	194	41.25%	2	223	93.14%	4	(2)
	2.50 to <5.00	193	86	85.35%	200	3.34%	156	40.77%	2	172	85.78%	3	(2)
	5.00 to <10.00	52	9	52.35%	39	6.37%	38	43.74%	2	51	131.17%	1	(1)
	10.00 to <100.00	15	10	34.19%	56	15.53%	49	17.48%	2	41	72.91%	2	(2)
	10.00 to <20.00	8	4	35.52%	5	13.05%	10	43.76%	2	9	163.93%	0	(0)
	20.00 to <30.00												
	30.00 to <100.00	6	6	33.21%	50	15.80%	39	14.61%	2	32	62.97%	1	(1)
	100.00 (default)	26	5	30.58%	21	100.00%	47	43.78%	2	25	118.88%	8	(8)
	Sub-total	**1,061**	**724**	**87.15%**	**1,465**	**3.40%**	**545**	**35.20%**	**2**	**881**	**60.16%**	**17**	**(15)**

A-IRB	PD scale	On-balance sheet exposures	Off-balance sheet exposures before CCF	Weighted average CCF	Exposures after CCF and after CRM	Weighted average PD *(in %)*	Number of obligors	Average LGD, weighted *(in %)*	Weighted average maturity *(in years)*	Weighted exposure amount after supplementary factors	Density of weighted exposure amount	Amount of expected losses	Value adjustment and provisions
(in millions of euros)	a	b	c	d	e	f	g	h	i	j	k	l	m
Corporates – Specialized Financing	0.00 to <0.15	1,337	684	85.67%	1,881	0.03%	77	16.24%	4	131	6.95%	0	(1)
	0.00 to <0.10	1,337	684	85.67%	1,881	0.03%	77	16.24%	4	131	6.95%	0	(1)
	0.10 to <0.15												
	0.15 to <0.25	800	623	47.63%	869	0.25%	48	18.03%	4	199	22.86%	0	(0)
	0.25 to <0.50	6,586	6,186	49.74%	8,175	0.32%	366	18.50%	4	2,057	25.17%	5	(5)
	0.50 to <0.75												
	0.75 to <2.50	4,818	3,558	61.53%	5,500	1.31%	279	17.57%	3	2,364	42.98%	13	(20)
	0.75 to <1.75	4,818	3,558	61.53%	5,500	1.31%	279	17.57%	3	2,364	42.98%	13	(20)
	1.75 to <2.50												
	2.50 to <10.00	1,119	673	63.32%	1,313	5.16%	89	19.07%	3	870	66.32%	13	(23)
	2.50 to <5.00	619	358	85.92%	865	4.63%	31	20.22%	2	575	66.49%	8	(15)
	5.00 to <10.00	500	316	37.70%	448	6.17%	58	16.86%	4	295	65.97%	5	(8)
	10.00 to <100.00	1,063	428	52.74%	890	21.91%	46	20.89%	2	992	111.49%	39	(31)
	10.00 to <20.00	670	386	49.05%	521	14.14%	26	22.30%	2	603	115.75%	17	(16)
	20.00 to <30.00												
	30.00 to <100.00	393	42	86.47%	369	32.87%	20	18.90%	1	390	105.47%	23	(15)
	100.00 (default)	781	58	45.34%	627	100.00%	41	60.78%	3	534	85.24%	232	(232)
	Sub-total	**16,504**	**12,210**	**55.92%**	**19,254**	**5.14%**	**946**	**19.52%**	**4**	**7,148**	**37.12%**	**302**	**(314)**
Corporates – Other	0.00 to <0.15	18,493	34,922	56.11%	34,892	0.05%	681	35.72%	2	4,959	14.21%	6	(24)
	0.00 to <0.10	18,445	34,866	56.09%	34,804	0.05%	678	35.72%	2	4,927	14.16%	6	(24)
	0.10 to <0.15	48	56	71.14%	88	0.14%	3	34.36%	4	33	36.87%	0	(0)
	0.15 to <0.25	320	553	82.95%	934	0.14%	10	26.64%	3	199	21.33%	0	(0)
	0.25 to <0.50	11,362	17,198	53.28%	20,699	0.28%	482	33.31%	2	7,539	36.42%	20	(18)
	0.50 to <0.75	489	1,081	76.22%	1,317	0.55%	48	26.15%	3	587	44.52%	2	(1)
	0.75 to <2.50	6,471	10,825	47.76%	11,661	0.89%	382	32.74%	2	7,229	61.99%	36	(41)
	0.75 to <1.75	6,056	10,602	47.65%	11,160	0.84%	353	32.52%	2	6,717	60.19%	32	(39)
	1.75 to <2.50	415	223	53.04%	501	2.12%	29	37.57%	3	512	102.18%	4	(3)
	2.50 to <10.00	3,067	3,678	58.80%	4,816	4.22%	547	34.07%	3	5,049	104.82%	70	(62)
	2.50 to <5.00	1,522	1,902	61.38%	2,478	2.90%	208	34.63%	3	2,346	94.67%	25	(17)
	5.00 to <10.00	1,546	1,776	56.04%	2,338	5.61%	339	33.48%	2	2,702	115.57%	45	(45)
	10.00 to <100.00	1,743	716	53.40%	1,963	12.95%	309	37.33%	2	2,984	152.03%	99	(36)
	10.00 to <20.00	1,358	674	53.75%	1,559	13.32%	60	37.97%	2	2,666	170.99%	82	(32)
	20.00 to <30.00	9	23	40.98%	18	24.77%	2	30.99%	2	31	173.34%	1	(1)
	30.00 to <100.00	376	19	55.75%	385	10.89%	247	35.04%	1	286	74.33%	15	(3)
	100.00 (default)	1,648	72	56.19%	1,685	93.48%	111	39.82%	3	1,176	69.76%	958	(958)
	Sub-total	**43,594**	**69,044**	**54.74%**	**77,968**	**2.85%**	**2,570**	**34.39%**	**2**	**29,721**	**38.12%**	**1,191**	**(1,140)**

A-IRB *(in millions of euros)*	PD scale	On-balance sheet exposures	Off-balance sheet exposures before CCF	Weighted average CCF	Exposures after CCF and after CRM	Weighted average PD *(in %)*	Number of obligors	Average LGD, weighted *(in %)*	Weighted average maturity *(in years)*	Weighted exposure amount after supplementary factors	Density of weighted exposure amount	Amount of expected losses	Value adjustment and provisions
	a	b	c	d	e	f	g	h	i	j	k	l	m
Retail – Secured by real estate SME	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 – Secured by real estate non-SME	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	PD scale	On-balance sheet exposures	Off-balance sheet exposures before CCF	Weighted average CCF	Exposures after CCF and after CRM	Weighted average PD *(in %)*	Number of obligors	Average LGD, weighted *(in %)*	Weighted average maturity *(in years)*	Weighted exposure amount after supple-mentary factors	Density of weighted exposure amount	Amount of expected losses	Value adjust-ment and provisions
(in millions of euros)	a	b	c	d	e	f	g	h	i	j	k	l	m
Retail – qualifying revolving exposures	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**						

A-IRB *(in millions of euros)*	PD scale	On-balance sheet exposures	Off-balance sheet exposures before CCF	Weighted average CCF	Exposures after CCF and after CRM	Weighted average PD *(in %)*	Number of obligors	Average LGD, weighted *(in %)*	Weighted average maturity *(in years)*	Weighted exposure amount after supplementary factors	Density of weighted exposure amount	Amount of expected losses	Value adjustment and provisions
	a	b	c	d	e	f	g	h	i	j	k	l	m
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	88,747	38,365	56.80%	107,585	0.02%	1,080	18.71%	1	5,612	5.22%	7	(67)
	0.00 to <0.10	88,699	38,309	56.78%	107,496	0.02%	1,076	18.70%	1	5,580	5.19%	7	(67)
	0.10 to <0.15	48	56	71.03%	88	0.14%	4	34.36%	4	33	36.87%	0	(0)
	0.15 to <0.25	1,225	1,484	71.63%	2,287	0.16%	72	20.80%	4	429	18.77%	1	(1)
	0.25 to <0.50	18,398	24,869	54.18%	31,269	0.28%	997	28.65%	3	10,065	32.19%	26	(23)
	0.50 to <0.75	770	1,582	62.35%	1,748	0.57%	128	26.23%	3	750	42.90%	3	(2)
	0.75 to <2.50	11,810	14,565	51.65%	19,027	0.97%	811	28.06%	2	10,142	53.30%	52	(64)
	0.75 to <1.75	11,331	14,335	51.61%	18,424	0.94%	774	27.86%	2	9,597	52.09%	48	(61)
	1.75 to <2.50	479	230	54.40%	604	1.99%	37	34.17%	3	545	90.36%	4	(3)
	2.50 to <10.00	4,604	5,207	56.66%	7,531	3.83%	917	31.37%	3	6,843	90.87%	93	(93)
	2.50 to <5.00	2,488	3,046	59.74%	4,286	2.93%	445	32.69%	3	3,673	85.70%	40	(37)
	5.00 to <10.00	2,115	2,161	52.33%	3,245	5.02%	472	29.62%	2	3,170	97.70%	53	(56)
	10.00 to <100.00	2,969	1,203	54.86%	3,628	12.88%	416	28.79%	2	4,218	116.28%	148	(96)
	10.00 to <20.00	2,040	1,065	51.95%	2,592	10.89%	101	30.26%	2	3,317	127.96%	99	(50)
	20.00 to <30.00	155	71	81.10%	212	6.45%	9	21.83%	1	194	91.30%	10	(26)
	30.00 to <100.00	775	67	73.13%	823	20.81%	306	25.93%	1	708	85.95%	40	(20)
	100.00 (default)	2,529	134	50.60%	2,595	88.52%	213	44.27%	3	1,744	67.20%	1,282	(1,282)
TOTAL AS OF 31/12/2023		**131,052**	**87,409**	**55.50%**	**175,670**	**1.91%**	**4,634**	**22.72%**	**2**	**39,804**	**22.66%**	**1,612**	**(1,629)**

F-IRB	PD scale	On-balance sheet exposures	Off-balance sheet exposures before CCF	Weighted average CCF	Exposures after CCF and after CRM	Weighted average PD *(in %)*	Number of obligors	Average LGD, weighted *(in %)*	Weighted average maturity *(in years)*	Weighted exposure amount after supple-mentary factors	Density of weighted exposure amount	Amount of expected losses	Value adjust-ment and provisions
(in millions of euros)	a	b	c	d	e	f	g	h	i	j	k	l	m
Central govern-ments or central banks	0.00 to <0.15	6			6		1	45.00%	2				
	0.00 to <0.10	6			6		1	45.00%	2				
	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	**6**			**6**		**1**	**45.00%**	**2**				
Institutions	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		86	75.00%	64	0.25%	1	11.25%	2	8	13.22%	0	(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												
	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		**86**	**75.00%**	**64**	**0.25%**	**1**	**11.25%**	**2**	**8**	**13.22%**	**0**	**(0)**

F-IRB (in millions of euros)	PD scale	On-balance sheet exposures	Off-balance sheet exposures before CCF	Weighted average CCF	Exposures after CCF and after CRM	Weighted average PD (in %)	Number of obligors	Average LGD, weighted (in %)	Weighted average maturity (in years)	Weighted exposure amount after supple-mentary factors	Density of weighted exposure amount	Amount of expected losses	Value adjust-ment and provisions
	a	b	c	d	e	f	g	h	i	j	k	l	m
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												
	0.50 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												
Corporates – Specialized Financing	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												

F-IRB *(in millions of euros)*	PD scale	On-balance sheet exposures	Off-balance sheet exposures before CCF	Weighted average CCF	Exposures after CCF and after CRM	Weighted average PD *(in %)*	Number of obligors	Average LGD, weighted *(in %)*	Weighted average maturity *(in years)*	Weighted exposure amount after supplementary factors	Density of weighted exposure amount	Amount of expected losses	Value adjustment and provisions
	a	b	c	d	e	f	g	h	i	j	k	l	m
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												
	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**						
F-IRB	0.00 to <0.15	6			6		1	45.00%	2				
	0.00 to <0.10	6			6		1	45.00%	2				
	0.10 to <0.15												
	0.15 to <0.25												
	0.25 to <0.50		86	75.00%	64	0.25%	1	11.25%	2	8	13.22%	0	(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												
	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						
TOTAL AS OF 31/12/2023		**6**	**86**	**75.00%**	**70**	**0.23%**	**3**	**14.16%**	**2**	**8**	**12.08%**	**0**	**(0)**

IRB approach – Post-exposure control of PD by exposure category (EU CR9)

Advanced IRB

Exposure classes	PD scale	Number of obligors at the end of the previous year		Average default rate observed *(in %)*	Weighted average PD *(in %)*	Average PD *(in %)*	Average annual historic default rate observed *(in %)*
			o/w number of obligors who defaulted during the year				
a	b	c	d	e	f	g	h
Central governments or central banks	0.00 to <0.15	53					
	0.00 to <0.10	53					
	0.10 to <0.15						
	0.15 to <0.25	2			0.0%	0.2%	
	0.25 to <0.50	2			0.0%	0.4%	
	0.50 to <0.75				3.1%		
	0.75 to <2.50				0.0%		
	0.75 to <1.75				0.0%		
	1.75 to <2.5						
	2.50 to <10.00	6			0.4%	3.2%	
	2.5 to <5	6			1.0%	3.2%	
	5 to <10						
	10.00 to <100.00	5			1.3%	26.2%	3.9%
	10 to <20				0.0%		
	20 to <30	5			4.7%	26.2%	3.9%
	30.00 to <100.00						
	100.00 (default)	8			23.9%	100.0%	
Institutions	0.00 to <0.15	199			0.0%	0.1%	
	0.00 to <0.10	199			0.0%	0.1%	
	0.10 to <0.15						
	0.15 to <0.25	30			0.0%	0.2%	
	0.25 to <0.50	26			0.2%	0.3%	
	0.50 to <0.75	19			0.6%	0.6%	0.8%
	0.75 to <2.50	33			0.1%	1.3%	
	0.75 to <1.75	26			0.1%	1.1%	
	1.75 to <2.5	7			0.0%	2.0%	
	2.50 to <10.00	64			1.0%	3.7%	
	2.5 to <5	52			0.9%	3.2%	
	5 to <10	12			1.4%	5.7%	
	10.00 to <100.00	1			1.8%	10.6%	
	10 to <20	1			2.2%	10.6%	
	20 to <30						
	30.00 to <100.00				0.0%		
	100.00 (default)	5			58.6%	100.0%	
Corporates – SMEs	0.00 to <0.15	4			0.1%	0.1%	
	0.00 to <0.10	3			0.1%	0.1%	
	0.10 to <0.15	1				0.2%	
	0.15 to <0.25	22			0.2%	0.2%	
	0.25 to <0.50	15			0.4%	0.4%	0.1%
	0.50 to <0.75	31			0.6%	0.6%	
	0.75 to <2.50	115	2	1.7%	1.4%	1.5%	0.2%
	0.75 to <1.75	108	2	1.9%	1.4%	1.4%	0.2%
	1.75 to <2.5	7			2.2%	2.2%	
	2.50 to <10.00	144	5	3.5%	3.8%	4.1%	0.5%
	2.5 to <5	120	2	1.7%	3.3%	3.6%	0.4%
	5 to <10	24	3	12.5%	6.4%	6.6%	0.9%
	10.00 to <100.00	37	1	2.7%	15.5%	13.1%	0.5%
	10 to <20	35			13.1%	12.0%	0.3%
	20 to <30						
	30.00 to <100.00	2	1	50.0%	15.8%	31.0%	6.5%
	100.00 (default)	38			100.0%	100.0%	

		Number of obligors at the end of the previous year					
Exposure classes	**PD scale**		**o/w number of obligors who defaulted during the year**	**Average default rate observed** *(in %)*	**Weighted average PD** *(in %)*	**Average PD** *(in %)*	**Average annual historic default rate observed** *(in %)*
a	**b**	**c**	**d**	**e**	**f**	**g**	**h**
Corporates – Specialized Financing	0.00 to <0.15	51			0.0%	0.1%	
	0.00 to <0.10	51			0.0%	0.1%	
	0.10 to <0.15						
	0.15 to <0.25	56			0.3%	0.2%	
	0.25 to <0.50	101			0.3%	0.3%	
	0.50 to <0.75	191	1	0.5%		0.5%	0.3%
	0.75 to <2.50	286	5	1.8%	1.3%	1.2%	2.2%
	0.75 to <1.75	225	3	1.3%	1.3%	1.0%	1.5%
	1.75 to <2.5	61	2	3.3%		2.0%	4.0%
	2.50 to <10.00	96	13	13.5%	5.2%	4.0%	9.3%
	2.5 to <5	62	1	1.6%	4.6%	3.0%	6.1%
	5 to <10	34	12	35.3%	6.2%	5.8%	18.7%
	10.00 to <100.00				21.9%		
	10 to <20				14.1%		
	20 to <30						
	30.00 to <100.00				32.9%		
	100.00 (default)	23			100.0%	100.0%	
Corporates – Other	0.00 to <0.15	365			0.1%	0.1%	
	0.00 to <0.10	358			0.1%	0.1%	
	0.10 to <0.15	7			0.1%	0.1%	
	0.15 to <0.25	230			0.1%	0.2%	0.2%
	0.25 to <0.50	180			0.3%	0.3%	
	0.50 to <0.75	180			0.6%	0.6%	0.5%
	0.75 to <2.50	338			0.9%	1.4%	0.8%
	0.75 to <1.75	259			0.8%	1.2%	0.8%
	1.75 to <2.5	79			2.1%	2.2%	0.7%
	2.50 to <10.00	428	9	2.1%	4.2%	4.3%	1.0%
	2.5 to <5	324	3	0.9%	2.9%	3.5%	0.6%
	5 to <10	104	6	5.8%	5.6%	6.8%	4.1%
	10.00 to <100.00	120	2	1.7%	13.0%	12.6%	1.6%
	10 to <20	115	2	1.7%	13.3%	12.0%	1.6%
	20 to <30	3			24.8%	24.8%	1.9%
	30.00 to <100.00	2			10.9%	31.0%	4.8%
	100.00 (default)	103			93.5%	100.0%	
Retail – Secured by real estate SME	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	o/w number of obligors who defaulted during the year	Average default rate observed *(in %)*	Weighted average PD *(in %)*	Average PD *(in %)*	Average annual historic default rate observed *(in %)*
a	b	c	d	e	f	g	h
Retail – Secured by real estate non-SME	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)						
Retail – qualifying revolving exposures	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)						
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 <2.5						
	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	o/w number of obligors who defaulted during the year	Average default rate observed *(in %)*	Weighted average PD *(in %)*	Average PD *(in %)*	Average annual historic default rate observed *(in %)*
a	b	c	d	e	f	g	h
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 <2.5						
	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)						
Advanced IRB	0.00 to <0.15	672			0.0%	0.1%	
	0.00 to <0.10	664			0.0%	0.1%	
	0.10 to <0.15	8			0.1%	0.1%	
	0.15 to <0.25	340			0.2%	0.2%	0.1%
	0.25 to <0.50	324			0.3%	0.3%	0.0%
	0.50 to <0.75	421	1	0.2%	0.6%	0.6%	0.4%
	0.75 to <2.50	772	7	0.9%	1.0%	1.4%	0.4%
	0.75 to <1.75	618	5	0.8%	0.9%	1.2%	0.3%
	1.75 to <2.5	154	2	1.3%	2.0%	2.1%	0.7%
	2.50 to <10.00	738	27	3.7%	3.8%	4.1%	0.7%
	2.5 to <5	564	6	1.1%	2.9%	3.4%	0.6%
	5 to <10	174	21	12.1%	5.0%	6.5%	1.2%
	10.00 to <100.00	163	3	1.8%	12.9%	13.1%	0.4%
	10 to <20	151	2	1.3%	10.9%	12.0%	0.6%
	20 to <30	8			6.4%	25.6%	0.1%
	30.00 to <100.00	4	1	25.0%	20.8%	31.0%	0.4%
	100.00 (default)	177			88.5%	100.0%	

Foundation IRB

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 *(in %)*	Weighted average PD *(in %)*	Average PD *(in %)*	Average annual historic default rate observed *(in %)*
a	b	c	d	e	f	g	h
Central 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						
	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	8				0.1%	
	0.00 to <0.10	8				0.1%	
	0.10 to <0.15						
	0.15 to <0.25	1				0.2%	
	0.25 to <0.50	1			0.3%	0.4%	
	0.50 to <0.75	2				0.6%	
	0.75 to <2.50	3				1.2%	
	0.75 to <1.75	3				1.2%	
	1.75 to <2.5						
	2.50 to <10.00	1				3.1%	
	2.5 to <5	1				3.1%	
	5 to <10						
	10.00 to <100.00						
	10 to <20						
	20 to <30						
	30.00 to <100.00						
	100.00 (default)						
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						
	0.50 to <0.75						
	0.75 to <2.50						1.8%
	0.75 to <1.75						0.4%
	1.75 to <2.5						5.8%
	2.50 to <10.00						5.4%
	2.5 to <5						4.1%
	5 to <10						8.3%
	10.00 to <100.00						5.3%
	10 to <20						3.1%
	20 to <30						
	30.00 to <100.00						20.9%
	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 *(in %)*	Weighted average PD *(in %)*	Average PD *(in %)*	Average annual historic default rate observed *(in %)*
a	b	c	d	e	f	g	h
Corporates – Specialized Financing	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						
	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						0.3%
	0.75 to <1.75						
	1.75 to <2.5						2.3%
	2.50 to <10.00						2.3%
	2.5 to <5						0.7%
	5 to <10						8.1%
	10.00 to <100.00	1				11.7%	2.4%
	10 to <20	1				11.7%	2.5%
	20 to <30						
	30.00 to <100.00						
	100.00 (default)	1				100.0%	
Foundation IRB	0.00 to <0.15	9				0.1%	
	0.00 to <0.10	9				0.1%	
	0.10 to <0.15						
	0.15 to <0.25	2				0.2%	
	0.25 to <0.50	1			0.3%	0.4%	
	0.50 to <0.75	2				0.6%	
	0.75 to <2.50	3				1.2%	1.1%
	0.75 to <1.75	3				1.2%	0.2%
	1.75 to <2.5						4.5%
	2.50 to <10.00	1				3.1%	4.3%
	2.5 to <5	1				3.1%	2.9%
	5 to <10						8.3%
	10.00 to <100.00	1				11.7%	4.5%
	10 to <20	1				11.7%	2.9%
	20 to <30						
	30.00 to <100.00						20.5%
	100.00 (default)	1				100.0%	

IRB approach – Scope of IRB and SA approaches (EU CR6-A)

(in millions of euros)		Exposure at default within the meaning of Article 166 of the CRR for exposures under the IRB approach	Total exposure at default of exposures under the standard and IRB approaches	Percentage of total exposure at default subject to permanent partial use of SA *(in %)*	Percentage of total exposure at default subject to IRB approach *(in %)*	Percentage of total exposure at default subject to deployment plan *(in %)*
		a	b	c	e	e
1	**Central governments or central banks**	**66,911**	**73,128**	**9.91%**	**0.04%**	**90.05%**
1.1	*o/w Regional or local authorities*		*195*	*100.00%*		
1.2	*o/w Public sector entities*		*1,107*	*100.00%*		
2	**Institutions**	**6,317**	**94,844**	**93.20%**	**0.01%**	**6.79%**
3	**Corporates**	**106,416**	**99,675**	**3.81%**	**0.41%**	**95.79%**
3.1	*o/w Corporates – Specialized Financing, excluding referral approach*		*23,054*		*1.23%*	*98.77%*
3.2	*o/w Corporates – Specialized Financing as part of the referencing approach*					
4	**Retail**		**1,177**	**100.00%**		
4.1	*o/w Retail– secured by SMEs real estate*		*143*	*100.00%*		
4.2	*o/w Retail – secured by non-SMEs real estate*		*115*	*100.00%*		
4.3	*o/w Retail – qualifying revolving exposures*					
4.4	*o/w Retail – other SMEs*		*142*	*100.00%*		
4.5	*o/w Retail – other non-SMEs*		*777*	*100.00%*		
5	**Equities**	**2,934**	**2,934**			**100.00%**
6	**Other assets not corresponding to credit obligations**		**4,128**	**98.79%**	**1.21%**	
7	**TOTAL**	**182,577**	**275,885**	**37.95%**	**0.18%**	**61.87%**

Specialized Financing and equities exposures using the simple risk-weighted asset method (EU CR10)

EU CR10.1

	Specialized Financing: Project financing (referencing approach)						
Regulatory classes	**Residual maturity**	**On-balance sheet exposures**	**Off-balance sheet exposures**	**Risk weighting**	**Exposure at default**	**Risk-weighted exposure amount**	**Amount of expected losses**
		a	b	c	d	e	f
	Less than 2.5 years			50%			
Class 1	Equal to or more than 2.5 years			70%			
	Less than 2.5 years			70%			
Class 2	Equal to or more than 2.5 years			90%			
	Less than 2.5 years			115%			
Class 3	Equal to or more than 2.5 years			115%			
	Less than 2.5 years			250%			
Class 4	Equal to or more than 2.5 years			250%			
	Less than 2.5 years			-			
Class 5	Equal to or more than 2.5 years						
	Less than 2.5 years						
TOTAL	**Equal to or more than 2.5 years**						

EU CR10.2

		Specialized Financing: Revenue-generating properties and high-volatility commercial properties (referencing approach)					
Regulatory classes	Residual maturity	On-balance sheet exposures	Off-balance sheet exposures	Risk weighting	Exposure at default	Risk-weighted exposure amount	Amount of expected losses
		a	b	c	d	e	f
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	**Less than 2.5 years**						
	Equal to or more than 2.5 years						

EU CR10.3

		Specialized Financing: Object financing (referencing approach)					
Regulatory classes	Residual maturity	On-balance sheet exposures	Off-balance sheet exposures	Risk weighting	Exposure at default	Risk-weighted exposure amount	Amount of expected losses
		a	b	c	d	e	f
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	**Less than 2.5 years**						
	Equal to or more than 2.5 years						

EU CR10.4

		Specialized Financing: commodities financing (referencing approach)					
Regulatory classes	Residual maturity	On-balance sheet exposures	Off-balance sheet exposures	Risk weighting	Exposure at default	Risk-weighted exposure amount	Amount of
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	**Less than 2.5 years**						
	Equal to or more than 2.5 years						

EU CR10.5

Classes *(in millions of euros)*	Equity exposures subject to the simple weighting method					
	On-balance sheet exposures	Off-balance sheet exposures	Risk weighting	Exposure at default	Risk-weighted exposure amount	Amount of expected losses
	a	b	c	d	e	f
Private Equity exposures	613	168	190%	782	1,485	6
Listed share exposures	846		290%	846	2,453	7
Other equity exposures	722		370%	722	2,670	17
TOTAL	**2,181**	**168**		**2,349**	**6,609**	**30**

Breakdown of equity exposures by main Natixis business line (NX23)

Division *(in millions of euros)*	31/12/2023		31/12/2022	
	Fair value	EAD	Fair value	EAD
Corporate & Investment Banking [(a)]	461	369	317	317
Asset & Wealth Management	2,223	2,391	1,912	2,088
Corporate Center business lines [(b)]	174	174	158	250
TOTAL	**2,858**	**2,934**	**2,387**	**2,655**

(a) Including Treasury and Collateral Management.
(b) Including NCIB support.

EAD by type and nature of exposure (excluding impact of thresholds) (NX24)

Type and nature of exposure *(in millions of euros)*	Equity	Mutual funds	Investments	31/12/2023	31/12/2022
Private Equity held in sufficiently diversified portfolios	782	-	-	782	810
Other equity exposures	431	12	278	722	689
Listed equities	308	533	5	846	521
Equity – standard approach	-	-	-	-	-
TOTAL	**1,521**	**545**	**283**	**2,349**	**2,020**

RWA by weighting (excluding impact of thresholds) (NX25)

Type and nature of exposure *(in millions of euros)*	IRB approach	Standard approach	31/12/2023	31/12/2022
Private Equity held in sufficiently diversified portfolios	1,485	-	1,485	1,539
Other equity exposures	2,670	-	2,670	2,550
Listed equities	2,453	-	2,453	1,512
Equity – standard approach	-	-	-	-
TOTAL	**6,609**	**-**	**6,609**	**5,601**

3.3.3.3 Counterparty risks

Counterparty risk management methodologies are described in Section [3.2.4] "Credit and counterparty risks".

A – Counterparty risk exposure

Analysis of exposure using the CCR approach (EU CCR1)

		a	b	c	d	e	f	g	h
(in millions of euros)		**Repla-cement 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)	1,195	2,335		1.4	20,783	4,980	4,980	1,806
2	IMM (for derivatives and SFTs)			14,586	1.4	543	20,420	20,420	3,655
2a	*o/w securities financing transaction netting sets*								
2b	*o/w derivative & long settlement transaction netting sets*			*14,586*		*543*	*20,420*	*20,420*	*3,655*
2c	*o/w from contractual cross-product netting sets*								
3	Financial collateral simple method (for SFTs)					27,065	24,679	24,679	1,539
4	Financial collateral comprehensive method (for FTs)								
5	VaR for SFTs								
6	**TOTAL**					**48,391**	**50,079**	**50,079**	**7,001**

Standard approach – CCR exposures by regulatory exposure categories and weighting (EU CCR3)

		Risk weighting											
		a	b	c	d	e	f	g	h	i	j	k	l
Exposure classes *(in millions of euros)*		**0%**	**2%**	**4%**	**10%**	**20%**	**50%**	**70%**	**75%**	**100%**	**150%**	**Other**	**Total exposure value**
1	Central governments or central banks	340								1			341
2	Regional governments or local authorities					60							60
3	Public sector entities	316				95	6			9			426
4	Multilateral development banks												
5	International organizations												
6	Institutions	8,831	12,043			81	0			104			21,059
7	Corporates	294	241				4			4			543
8	Retail								14				14
9	Institutions and corporates with a short-term credit assessment					54	2			1			57
10	Other items										0		0
11	**TOTAL EXPOSURE VALUE**	**9,781**	**12,284**			**290**	**12**		**14**	**120**	**0**		**22,500**

IRB approach – Credit risk exposures by exposure class and PD range (EU CCR4)

		a	b	c	d	e	f	g
F-IRB *(in millions of euros)*	**PD scale**	**Exposure at default**	**Weighted average PD** *(in %)*	**Number of obligors**	**Average LGD, weighted** *(in %)*	**Weighted average maturity** *(in years)*	**Risk-weighted exposure amount (RWEA)**	**Density of weighted exposure amounts**
Central governments or central banks	0.00 to <0.15	21	0.01%	7	45%	2		
	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	2	5.92%	12	45%	2		
	10.00 to <100.00							
	100.00 (default)							
	Sub-total	**23**	**0.56%**	**19**	**45%**	**2**		
Institutions	0.00 to <0.15	124	0.04%	26	44%	1	15	12%
	0.15 to <0.25							
	0.25 to <0.50	36	0.25%	4	45%	2	23	64%
	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	**160**	**0.09%**	**30**	**44%**	**1**	**38**	**24%**
Corporates	0.00 to <0.15	86	0.06%	35	41%	1	18	21%
	0.15 to <0.25	2	0.25%	1	45%	2	1	52%
	0.25 to <0.50	5	0.25%	2	45%	2	3	65%
	0.50 to <0.75	63	0.70%	1	45%		37	59%
	0.75 to <2.50	3	1.69%	2	45%	2	4	116%
	2.50 to <10.00	2	2.82%	3	45%	2	2	132%
	10.00 to <100.00	7	15.25%	1	45%	2	17	236%
	100.00 (default)							
	Sub-total	**169**	**1.01%**	**45**	**43%**	**1**	**83**	**49%**
F-IRB	0.00 to <0.15	231	0.04%	68	43%	1	33	14%
	0.15 to <0.25	2	0.25%	1	45%	2	1	52%
	0.25 to <0.50	42	0.25%	6	45%	2	27	64%
	0.50 to <0.75	63	0.70%	1	45%		37	59%
	0.75 to <2.50	3	1.69%	2	45%	2	4	116%
	2.50 to <10.00	4	4.58%	15	45%	2	2	57%
	10.00 to <100.00	7	15.25%	1	45%	2	17	236%
	100.00 (default)							
TOTAL		**352**	**0.56%**	**94**	**44%**	**1**	**121**	**34%**

		a	b	c	d	e	f	g
A-IRB *(in millions of euros)*	**PD scale**	**Exposure at default**	**Weighted average PD** *(in %)*	**Number of obligors**	**Average LGD, weighted** *(in %)*	**Weighted average maturity** *(in years)*	**Risk-weighted exposure amount (RWEA)**	**Density of weighted exposure amounts**
Central governments or central banks	0.00 to <0.15	12,078		111	16%	2	30	0%
	0.15 to <0.25	291	0.21%	7	37%		63	22%
	0.25 to <0.50	45	0.37%	5	46%	1	20	44%
	0.50 to <0.75							
	0.75 to <2.50							
	2.50 to <10.00	11	5.92%	16	104%	5	1	10%
	10.00 to <100.00	13	20.93%	1	57%	1	39	300%
	100.00 (default)							
	Sub-total	**12,438**	**0.03%**	**140**	**16%**	**2**	**153**	**1%**
Institutions	0.00 to <0.15	10,835	0.04%	347	43%	1	1,464	14%
	0.15 to <0.25							
	0.25 to <0.50	1,796	0.25%	202	48%	2	1,144	64%
	0.50 to <0.75	141	0.70%	35	52%		119	84%
	0.75 to <2.50							
	2.50 to <10.00	5	3.80%	19	59%	1	9	165%
	10.00 to <100.00							
	100.00 (default)							
	Sub-total	**12,777**	**0.08%**	**603**	**44%**	**1**	**2,736**	**21%**
Corporates	0.00 to <0.15	9,890	0.05%	803	35%	1	854	9%
	0.15 to <0.25	150	0.25%	64	16%	5	33	22%
	0.25 to <0.50	2,628	0.29%	715	36%	1	1,031	39%
	0.50 to <0.75	713	0.69%	295	35%	1	351	49%
	0.75 to <2.50	738	1.21%	493	33%	2	524	71%
	2.50 to <10.00	615	4.82%	727	38%	1	735	119%
	10.00 to <100.00	143	18.37%	441	37%	0	277	195%
	100.00 (default)	7	100.00%	47	48%	2	9	124%
	Sub-total	**14,883**	**0.60%**	**3,585**	**35%**	**1**	**3,814**	**26%**
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	32,804	0.03%	1,261	31%	1	2,348	7%
	0.15 to <0.25	441	0.22%	71	30%	2	96	22%
	0.25 to <0.50	4,468	0.27%	922	41%	2	2,196	49%
	0.50 to <0.75	854	0.69%	330	38%	1	470	55%
	0.75 to <2.50	738	1.21%	493	33%	2	524	71%
	2.50 to <10.00	632	4.83%	762	39%	1	744	118%
	10.00 to <100.00	156	18.58%	442	38%		317	204%
	100.00 (default)	7	100.00%	47	48%	2	9	124%
TOTAL		**40,099**	**0.26%**	**4,328**	**32%**	**1**	**6,703**	**17%**

		a	b	c	d	e	f	g
IRB approach *(in millions of euros)*	**PD scale**	**Exposure at default**	**Weighted average PD** *(in %)*	**Number of obligors**	**Average LGD, weighted** *(in %)*	**Weighted average maturity** *(in years)*	**Risk-weighted exposure amount (RWEA)**	**Density of weighted exposure amounts**
IRB approach	0.00 to <0.15	33,034	0.03%	1,329	31%	1	2,381	7%
	0.15 to <0.25	443	0.22%	72	30%	2	97	22%
	0.25 to <0.50	4,510	0.27%	928	41%	2	2,222	49%
	0.50 to <0.75	917	0.69%	331	39%	1	508	55%
	0.75 to <2.50	742	1.21%	495	33%	2	527	71%
	2.50 to <10.00	635	4.83%	777	39%	1	747	118%
	10.00 to <100.00	163	18.43%	443	39%	0	334	205%
	100.00 (default)	7	100.00%	47	48%	2	9	124%
TOTAL		**40,451**	**0.26%**	**4,422**	**32%**	**1**	**6,824**	**17%**

Composition of collateral for CCR exposures (EU CCR5)

		a	b	c	d	e	f	g	h
		Collateral used in derivative transactions				Collateral used in SFTs			
		Fair value of collateral received		Fair value of collateral provided		Fair value of collateral received		Fair value of collateral provided	
Type of collateral *(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		13,540		11,838		902		1,573
2	Cash – other currencies		1,735		3,912		6,610		2,829
3	National sovereign debt						55		0
4	Other sovereign debt	1,506	149		4		79,721		101,414
5	General government debt	885	695		55		40,783		36,165
6	Corporate bonds	1,176	87		185		31,570		29,417
7	Equities	934	16				10,048		42,223
8	Other collateral								
9	**TOTAL**	**4,501**	**16,221**		**15,994**		**169,689**		**213,622**

Credit derivatives exposures (CCR6)

		a	b
(in millions of euros)		Protection bought	Protection sold
Notional amounts			
1	Single-name credit default swaps	16,715	16,489
2	Index credit default swaps	32,863	27,850
3	Total swaps	1,852	
4	Credit options		
5	Other credit derivatives		
6	**TOTAL NOTIONAL AMOUNTS**	**51,430**	**44,339**
Fair values			
7	Positive fair value (asset)	235	938
8	Negative fair value (liability)	(1,098)	(90)

Statements of RWEA flows relating to CCR exposures under the Internal Model Method (IMM) (EU CCR7)

		a
(in millions of euros)		Risk-weighted exposure amount (RWEA)
1	**RWEA at the end of the previous reporting period (31/12/2022)**	**3,422**
2	Asset size	328
3	Counterparties' credit quality	41
4	Model updates (IMM only)	79
5	Methodology and policy (IMM only)	112
6	Acquisitions and disposals	
7	Foreign exchange movements	
8	Other	(296)
9	**RWEA at the end of the current reporting period (31/12/2023)**	**3,685**

Exposures on a CCP (EU CCR8)

		a	b
(in millions of euros)		Exposure at default	Risk-weighted exposure amount (RWEA)
1	**Exposure to qualifying central counterparties (total)**		**640**
2	Exposures for transactions at QCCPs (excluding initial margin and default fund contributions); of which	7,178	144
3	(i) OTC derivatives	1,524	30
4	(ii) Exchange-traded derivatives	1,867	37
5	(iii) Securities Financing Transactions	3,787	76
6	(iv) Netting sets for which cross-product netting has been approved		
7	Segregated initial margin	5	
8	Non-segregated initial margin	5,181	118
9	Prefunded default fund contributions	732	378
10	Unfunded default fund contributions		
11	**Exposures to non-qualifying central counterparties (total)**		
12	Exposures for transactions at non-QCCPs (excluding initial margin and default fund contributions); of which		
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	Prefunded default fund contributions		
20	Unfunded default fund contributions		

B – Capital requirements and risk-weighted assets

Transactions subject to capital requirement for CVA risk (EU CCR2)

		Exposure at default	Risk-weighted exposure amount (RWEA)
1	**Total transactions subject to the advanced method**	**6,396**	**998**
2	i) VaR component (including the 3× multiplier)		132
3	ii) Stressed VaR component (including the 3× multiplier)		866
4	**Transactions subject to the standard method**	**3,736**	**1,048**
EU-4	**Transactions subject to the fallback approach (based on the original exposure method)**		
5	**TOTAL TRANSACTIONS SUBJECT TO CAPITAL REQUIREMENT FOR CVA RISK**	**10,132**	**2,046**

3.3.3.4 Securitization

The risk management methodologies for securitization transactions are described in Section [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-IRB 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-IRBA when it is the sole originator and SEC-SA or SEC-ERBA when it is an originator among others;
- to process the exposures of the ABCP programs that the institution sponsors: Natixis uses the applicable SEC-SA or SEC-ERBA approach in an STS or non-STS framework depending on the ABCP transactions concerned after application of the cap in Article 268 of the CRR;
- 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 the SEC-SA or SEC-ERBA approach, depending on the situation. Natixis only uses the weighting of 1,250%. At December 31, 2023:

- the following entities (*i.e.* US trusts ([MBS]) acquired real estate receivables originated by Natixis in the United States: 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, CSMC 2017 TIME, NCMS 2018-285M, NCMS 2018-ALXA, NCMS 2018-OSS, NCMS 2018-20TS, NCMS 2018-FL1, NCMS 2018-FL1 WAN, 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, BBCMS 2019-C5, UBS 2019-C18, NCMS 2019-MILE, NCMS 2020-2PAC, NCMS 2020-2PAC AMZ, BBCMS 2020-C7, BX 2021-MC, BBCMS 2021-C11, NCMS 2021-APPL, BX 2021-21M, BBCMS 2022-C14, NCMS 2022-JERI, NCMS 2022-RRI, BX 2022-IND, BBCMS 2022-C16, BX 2022-FOX2, BMO 2023-C4, COAST 2023-2HTL, NJ 2023-GSP;
- the synthetic securitizations set up in Europe concern corporate receivables originated by Natixis in Europe through the following entities: FCT KIBO PARIS; FCT LHOTSE.

All transactions with these entities have been notified to the European Supervisor (ECB) as part of the SRT process.

Natixis may be required to perform depositary functions in these CMBS, and to retain risk 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 *(see 3.3.1.2)*.

In 2023, no entity owned by Natixis carried commercial papers issued by the Magenta conduit.

In addition, Natixis is also the custodian of securitization undertakings.

Natixis also manages three entities, Purple finance CLO 1, Purple finance CLO 2 and Purple finance CLO3. These entities are prudentially consolidated at December 31, 2023.

In addition, Natixis also prudently consolidates the Bleachers finance entity.

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).

A – 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 "Cost of risk".

Securitization positions classified under "Fair value through shareholders' 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 shareholders' equity. Securitization positions (classified as debt instruments) are tested for impairment at each reporting date and an impairment charge is recorded in the income statement under "Cost of risk".

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 reported to 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)

Rating agencies *(in millions of euros)*	**IRB approach**	**Standard approach**	**31/12/2023**	**31/12/2022**
MOODY'S	87	5,686	5,773	7,009
DBRS	57	1,139	1,195	1,409
IBCA	79	313	392	349
STP	61	387	448	575
Unrated	2,809	5,767	8,576	8,514
Transparency	-	-	-	-
Regulatory method	-	-	-	-
TOTAL	**3,093**	**13,292**	**16,385**	**17,855**

C – Natixis' securitization exposures

Securitization exposures in the non-trading book (EU SEC1)

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
	Bank acting as originator							Bank acting as originator				Bank acting as investor			
	Traditional				Synthetic			Traditional		Synthetic		Traditional		Synthetic	
	STS		Non-STS												
(in millions of euros)		o/w TRS		o/w TRS		o/w TRS	Sub-total	STS	Non-STS		Sub-total	STS	Non-STS		Sub-total
TOTAL EXPOSURES			**307**	**307**	**2,693**	**2,693**	**2,999**	**1,256**	**8,908**		**10,164**	**100**	**3,121**		**3,221**
Retail (total)									**2,117**		**2,117**	**4**	**830**		**834**
Residential mortgages									1,062		1,062	0	680		680
Credit cards									765		765				
Other retail exposures									290		290	4	149		153
Re-securitization															
Wholesale (total)			**307**	**307**	**2,693**	**2,693**	**2,999**	**1,256**	**6,791**		**8,048**	**96**	**2,292**		**2,387**
Loans to corporates			46	46	2,693	2,693	2,738		5,617		5,617	82	1,574		1,655
Commercial mortgages			261	261			261						34		34
Leases and receivables								1,256	686		1,942		16		16
Other wholesale exposures									489		489	14	655		669
Re-securitization													13		13

Securitization exposures in the trading book (EU SEC2)

	a	b	c	d	e	f	g	h	i	j	k	l
	Bank acting as originator				Bank acting as sponsor				Bank acting as investor			
	Traditional		Synthetic		Traditional		Synthetic		Traditional		Synthetic	
(in millions of euros)	STS	Non-STS		Sub-total	STS	Non-STS		Sub-total	STS	Non-STS		Sub-total
TOTAL EXPOSURES									**182**	**292**		**474**
Retail (total)									**138**	**68**		**206**
Residential mortgages									54	54		108
Credit cards												
Other retail exposures									81	14		95
Re-securitization									3			3
Wholesale (total)									**44**	**224**		**268**
Loans to corporates										183		183
Commercial mortgages										2		2
Leases and receivables									44	1		45
Other wholesale exposures										22		22
Re-securitization										15		15

Exposures securitized by the institution – Defaulted exposures and adjustments for specific credit risks (EU SEC5)

		a	b	c
		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	
1	**TOTAL EXPOSURES**	**17,799**	**37**	**3**
2	**Retail (total)**	**1,672**	**14**	
3	Residential mortgages	863	1	
4	Credit cards	635		
5	Other retail exposures	174	13	
6	Re-securitization			
7	**Wholesale (total)**	**16,126**	**23**	**3**
8	Loans to corporates	7,722	11	3
9	Commercial mortgages	6,420		
10	Leases and receivables	1,630	12	
11	Other wholesale exposures	354		
12	Re-securitization			

Re-securitization exposures before and after substitution (NX34)

Guarantor rating *(in millions of euros)*	Exposure	Protection	EAD
Secured	-	-	-
Unsecured	13	-	13
TOTAL AS OF 31/12/2023	**13**	**-**	**13**
Total as of 31/12/2022	**10**	**-**	**10**

D – Capital requirements

Securitization exposures in the non-trading book and associated regulatory capital requirements – institution acting as an originator or as a sponsor (EU SEC3)

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
	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 approach	SEC-ERBA approach	SEC-SA approach	Default approach	SEC-IRBA approach	SEC-ERBA approach	SEC-SA approach	Default approach	SEC-IRBA approach	SEC-ERBA approach	SEC-SA approach	Default approach
TOTAL EXPOSURES	**11,896**	**1,177**	**12**	**34**	**46**	**2,846**	**281**	**9,991**	**46**	**454**	**80**	**1,514**	**573**	**36**	**6**	**121**	**46**
Traditional transactions	**9,203**	**1,177**	**12**	**34**	**46**	**154**	**281**	**9,991**	**46**	**50**	**80**	**1,514**	**573**	**4**	**6**	**121**	**46**
Securitization	9,203	1,177	12	34	46	154	281	9,991	46	50	80	1,514	573	4	6	121	46
Retail underlying	1,276	840						2,117				397				32	
o/w STS																	
Wholesale	7,927	337	12	34	46	154	281	7,874	46	50	80	1,117	573	4	6	89	46
o/w STS	1,256							1,256				123				10	
Re-securitization																	
Synthetic transactions	**2,693**	**0**			**0**	**2,693**		**0**	**0**	**404**		**0**	**0**	**32**		**0**	**0**
Securitization	2,693	0			0	2,693		0	0	404		0	0	32		0	0
Retail underlying																	
Wholesale	2,693	0			0	2,693		0	0	404		0	0	32		0	0
Re-securitization																	

Securitization exposures in the non-trading book and associated regulatory capital requirements – institution acting as an investor (EU SEC4)

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
	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 approach	SEC-ERBA approach	SEC-SA approach	Default approach	SEC-IRBA approach	SEC-ERBA approach	SEC-SA approach	Default approach	SEC-IRBA approach	SEC-ERBA approach	SEC-SA approach	Default approach
TOTAL EXPOSURES	**2,627**	**435**	**139**	**20**	**0**		**178**	**2,976**	**0**		**84**	**529**	**0**		**7**	**42**	**0**
Traditional transactions	**2,627**																
Securitization	2,627	435	126	20	0		178	2,963	0		84	516	0		7	41	0
Retail underlying	527	180	126	0	0		98	668	0		32	153	0		3	12	0
o/w STS	4							4				0				0	
Wholesale	2,100	255		20	0		80	2,294	0		53	363	0		4	29	0
o/w STS	96							96				10				1	
Re-securitization			13		0			13	0			13	0			1	0
Synthetic transactions																	
Securitization																	
Retail underlying																	
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 standard approach (EU MR1)

	(in millions of euros)	a RWEA
	Outright products	
1	Interest rate risk (general and specific)	985
2	Equity risk (general and specific)	465
3	Foreign exchange risk	3,407
4	Commodity risk	695
	Options	
5	Simplified approach	
6	Delta-plus method	71
7	Scenario approach	262
8	**Securitization (specific risk)**	**362**
9	**TOTAL**	**6,247**

VaR, stressed VaR, IRC on the regulatory scope (EU MR3)

(in millions of euros)	2023
VaR (10 day 99%)	
Maximum value	49.9
Average value	29.9
Minimum value	18.9
Value at end of period	18.9
Stressed VaR (10 day 99%)	
Maximum value	77.7
Average value	58.3
Minimum value	48.3
Value at end of period	58.1
Incremental Risk Charge (99.9%)	
Maximum value	35.2
Average value	25.2
Minimum value	15.8
Value at end of period	15.8

Backtesting on the regulatory scope (MR4)

Information on backtesting is presented in Section [3.2.6] "Market risk".

Market risk under the Internal Models Approach (IMA) (EU MR2-A)

		a	b
(in millions of euros)		RWEA	Capital requirements
1	**VaR (highest value between a and b)**	**1,646**	**132**
a)	Previous day's VaR (t-1 VaR)		19
b)	Multiplication factor (mc) x average of the last 60 working days (VaRavg)		132
2	**SVaR (highest value between a and b)**	**3,697**	**296**
a)	Latest SVaR measurement available (SVaR t-1)		58
b)	Multiplication factor (ms) x average of the last 60 working days (SVaRavg)		296
3	**IRC (highest value between a and b)**	**381**	**30**
a)	Most recent IRC measurement		22
b)	Average IRC over 12 weeks		30
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)	Overall risk measurement – Floor		
5	**Other**		
6	**TOTAL**	**5,724**	**458**

Statements of RWEA flows of market risk exposures under Internal Models Approach (IMA) (EU MR2-B)

		a	b	c	d	e	f	g
(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 (31/12/2022)**	**2,608**	**4,135**	**427**			**7,170**	**574**
1a	*Regulatory adjustment*	*(2,136)*	*(3,342)*	*(58)*			*(5,536)*	*(443)*
1b	*RWEA at end of previous quarter (end of day)*	*473*	*793*	*368*			*1,634*	*131*
2	Changes in risk levels	(236)	(67)	(92)			(395)	(32)
3	Model updates/changes							
4	Methodology and policy							
5	Acquisitions and disposals							
6	Foreign exchange movements							
7	Other							
8a	*RWEA at the end of the reporting period (end of day)*	*237*	*726*	*276*			*1,239*	*99*
8b	*Regulatory adjustment*	*1,410*	*2,971*	*105*			*4,485*	*359*
8	**RWEA AT THE END OF THE REPORTING PERIOD (31/12/2023)**	**1,646**	**3,697**	**381**			**5,724**	**458**

Effects are defined as follows:

- *regulatory adjustment: delta between RWA used to calculate regulatory RWA and RWA calculated on the last day of the period;*
- *changes in risk levels: changes linked to market characteristics;*
- *model updates/changes: 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 foreign exchange 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 Overall 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 management framework is presented in Section [3.2.7] "Operational risks".

Operational risk capital requirements and risk weighted exposure amounts (EU OR1)

		a	b	c	d	e
		Relevant indicator				
Banking activities *(in millions of euros)*		Fiscal year n-3	Fiscal year n-2	Previous fiscal year	Capital requirements	Risk exposure amount
1	Basic banking activity (BIA)					
2	Standard approach (TSA)/Alternative standard approach (ASA) banking activities	8,004	7,515	7,601	1,134	14,170
3	*Standard approach (TSA):*	*8,004*	*7,515*	*7,601*		
4	*Alternative standard approach (ASA):*					
5	Banking activity under advanced measurement approach (AMA)					

3.3.4 Encumbered and non-encumbered assets

Descriptive information about the impact of the business model on asset encumbrances and the significance of those encumbrances to the institution's financing model, which provides users with the context for the information required in the EU AE1 and EU AE2 models.

At December 31, 2023, the total assets on the balance sheet and encumbered collateral received amounted to €229,306 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 €214,741 million;
- encumbered receivables securing covered bond vehicles (Natixis Pfandbriefbank), for a total of €1,607 million;
- encumbered receivables in vehicles other than covered bond asset pools, such as central bank refinancing or other market vehicles, for a total of €483 million;
- assets encumbered by the payment of margin calls on derivative positions, for a total of €12,474 million.

Natixis considers that the following assets may not be encumbered in the normal course of its business:

- call loans, 12% of non-encumbered assets (€54 billion);
- derivatives, 15% of non-encumbered assets (€63 billion).

Encumbered and non-encumbered assets (EU AE1)

	Carrying amount of encumbered assets		Fair value of encumbered assets		Carrying amount of non-encumbered assets		Fair value of non-encumbered assets	
		o/w theoretically eligible EHQLA and HQLA		o/w theoretically eligible EHQLA and HQLA		o/w EHQLA and HQLA		o/w EHQLA and HQLA
(in millions of euros)	010	030	040	050	060	080	090	100
010 Assets of the institution publishing the information	**76,489**	**50,658**			**377,258**	**4,275**		
030 Equity instruments	32,849	24,236	32,849	24,236	2,396	1,100	2,396	1,100
040 Debt securities	29,075	26,422	29,075	26,422	3,567	3,174	3,567	3,174
050 o/w: covered bonds	175	98	175	98	0	0	0	0
060 o/w: securitization	518	0	518	0	0	0	0	0
070 o/w: issued by general governments	16,301	16,038	16,301	16,038	1,237	1,237	1,237	1,237
080 o/w: issued by financial corporations	10,378	9,539	10,378	9,539	1,889	1,889	1,889	1,889
090 o/w: issued by non-financial corporations	1,380	133	1,380	133	220	0	220	0
120 Other assets	14,565	0			371,295	0		

Collateral and own debt securities issued (EU AE2)

		Fair value of encumbered collateral and own encumbered debt securities issued		Non-encumbered Fair value of collateral received or own debt securities issued available for encumbrance	
			o/w theoretically eligible EHQLA and HQLA		o/w EHQLA and HQLA
(in millions of euros)		**010**	**030**	**040**	**060**
130	**Collateral received by the institution publishing the information**	**152,817**	**135,006**	**59,602**	**29,500**
140	Call loans	0	0	0	0
150	Equity instruments	20,878	14,314	29,428	9,533
160	Debt securities	131,939	120,692	25,230	19,967
170	o/w: covered bonds	2,401	2,135	0	0
180	o/w: securitization	7,250	3,587	0	0
190	o/w: issued by general governments	105,066	104,216	6,291	6,291
200	o/w: issued by financial corporations	21,539	12,274	13,749	13,749
210	o/w: issued by non-financial corporations	4,998	3,092	5,525	0
220	Loans and receivables other than call loans	0	0	3,438	0
230	Other collateral received	0	0	1,506	0
240	**Own debt securities issued other than own covered bonds or securitizations**	**0**	**0**	**1,514**	**0**
241	**Own covered bonds and securitizations issued and not yet pledged**	**0**	**0**	**0**	**0**
250	**TOTAL SECURITIES RECEIVED AND OWN DEBT SECURITIES ISSUED**	**152,817**	**135,006**	**0**	**0**

Sources of encumbrance 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
(in millions of euros)		**010**	**030**
010	**Carrying amount of selected financial liabilities**	**141,986**	**145,615**

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 financing 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) No. 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 minimum ratios of 100%.

LCR – Liquid asset buffers

Commission Delegated Regulation (EU) No. 2015/61 defines liquid assets and the criteria they must meet to be eligible for the liquidity buffer used to cover financing 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 liquidity 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, 2023

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 12 preceding statements.

LCR (EU LIQ1)

In accordance with the provisions of Implementing Regulation (EU) No. 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 112.8% at December 31, 2023.

The liquidity buffer stood at €79 billion, down by -€1.6 billion between June 30, 2023 and December 2023.

The change in net cash outflows of -€0.8 billion between June 30, 2023 and December 2023 was mainly due to the following factors:

- the -€2.4 billion decrease in cash outflows, notably on guaranteed wholesale financing (-€1.3 billion) and additional requirements (-€0.8 billion);
- cash inflows fell by -€1.6 billion between June 30, 2023 and December 2023, mainly due to lower secured lending transactions (-€0.8 billion) and lower revenues from inflows from fully performing exposures (-€0.9 billion).

Currency and unit *(in millions of euros)*		a	b	c	d	e	f	g	h
		Total non-weighted value (average)				**Total weighted value (average)**			
EU 1a	**Quarter ended (DD/MM/YYYY)**	**31/12/2023**	**30/09/2023**	**30/06/2023**	**31/03/2023**	**31/12/2023**	**30/09/2023**	**30/06/2023**	**31/03/2023**
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)					79,950	79,641	81,240	80,259
Cash outflows									
2	Retail deposits and deposits from small business clients, of which:	2,413	2,323	2,316	2,385	302	286	259	248
3	*Stable deposits*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*
4	*Less stable deposits*	*2,413*	*2,323*	*2,316*	*2,385*	*302*	*286*	*259*	*248*
5	Unsecured wholesale financing	65,619	65,237	66,299	66,143	46,853	46,916	48,166	48,208
6	*Operational deposits (all counterparties) and deposits in cooperative banking networks*	*4,559*	*4,631*	*4,900*	*5,113*	*1,140*	*1,158*	*1,225*	*1,278*
7	*Non-operational deposits (all counterparties)*	*54,542*	*53,992*	*54,941*	*54,511*	*39,196*	*39,145*	*40,482*	*40,411*
8	*Unsecured receivables*	*6,518*	*6,613*	*6,459*	*6,519*	*6,518*	*6,613*	*6,459*	*6,519*
9	Guaranteed wholesale financing					24,886	24,777	25,182	26,633
10	Additional requirements	60,823	61,529	62,013	62,441	23,551	24,212	24,321	24,148
11	*Outflows related to derivative exposures and other collateral*	*9,304*	*9,666*	*9,931*	*10,579*	*8,296*	*8,711*	*8,838*	*8,984*
12	*Outflows related to financing losses on debt products*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*
13	*Credit and liquidity facilities*	*51,519*	*51,864*	*52,082*	*51,862*	*15,256*	*15,502*	*15,483*	*15,165*
14	Other contractual financing obligations	31,616	30,913	31,726	33,259	31,409	30,636	31,319	32,846
15	Other contingent financing obligations	43,718	43,131	44,238	45,824	2,476	2,449	2,612	2,809
16	**TOTAL CASH OUTFLOWS**					**129,479**	**129,276**	**131,859**	**134,893**
Cash inflows									
17	Guaranteed loan transactions (e.g. reverse repurchase agreements)	110,669	110,608	114,027	116,190	13,022	13,292	13,842	13,878
18	Inflows from fully performing exposures	15,312	15,617	16,092	16,894	13,649	14,020	14,534	15,348
19	Other cash inflows	34,780	34,850	35,029	37,026	32,395	32,381	32,273	33,857
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**	**160,762**	**161,075**	**165,147**	**170,111**	**59,065**	**59,693**	**60,649**	**63,082**
EU-20a	***Fully exempt cash inflows***	-	-	-	-	***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***	***131,480***	***130,548***	***133,058***	***138,112***	***59,065***	***59,693***	***60,649***	***63,082***
Total adjusted value									
EU-21	**Liquidity buffer**					**79,406**	**79,097**	**81,030**	**80,259**
22	**Total net cash outflows**					**70,413**	**69,583**	**71,210**	**71,811**
23	**Liquidity coverage ratio**					**112.8%**	**113.7%**	**113.8%**	**111.8%**

Net stable financing ratio (EU LIQ2)

		a	b	c	d	e
		Unweighted value by residual maturity				
(in currency)		No deadline	<6 months	6 months to <1 year	≥1 year	Weighted value
Available stable financing items						
1	Capital items and instruments	18,527	0	0	2,846	21,373
2	*Capital*	*18,527*	*0*	*0*	*2,846*	*21,373*
3	*Other capital instruments*	*0*	*0*	*0*	*0*	*0*
4	*Retail deposits*	*0*	*2,814*	*55*	*82*	*2,664*
5	*Stable deposits*	*0*	*0*	*0*	*0*	*0*
6	*Less stable deposits*	*0*	*2,814*	*55*	*82*	*2,664*
7	*Wholesale financing:*	*0*	*245,761*	*34,077*	*88,822*	*136,321*
8	*Operational deposits*	*0*	*5,431*	*0*	*0*	*480*
9	*Other wholesale financing*	*0*	*240,330*	*34,077*	*88,822*	*135,840*
10	Interdependent liabilities	0	0	0	0	0
11	Other commitments:	0	17,326	15	1,464	1,471
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*	*17,326*	*15*	*1,464*	*1,471*
14	**Total available stable financing**	**0**	**0**	**0**	**0**	**161,829**
Required stable financing items						
15	Total High-Quality Liquid Assets (HQLA)	0	0	0	0	14,074
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	398	0	0	199
17	Performing loans and securities:	0	165,799	18,212	98,576	118,881
18	*Performing securities financing transactions with financial clients secured by high quality Level 1 liquid assets subject to a 0% discount*	*0*	*30,010*	*862*	*1,239*	*1,807*
19	*Performing securities financing transactions with financial clients secured by other assets and loans and advances to financial institutions*	*0*	*106,960*	*11,096*	*35,192*	*49,867*
20	*Performing loans to non-financial companies, performing loans to retail customers and small Corporates, and performing loans to sovereigns and public sector entities, including:*	*0*	*19,001*	*5,916*	*39,620*	*46,354*
21	*With a risk weighting less than or equal to 35% according to the standard Basel 2 approach for credit risk*	*0*	*102*	*186*	*1,451*	*1,595*
22	*Performing residential mortgages, 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*	*9,829*	*339*	*22,525*	*20,853*
25	Interdependent assets	0	0	0	0	0
26	Other assets:	0	35,246	27	14,374	17,089
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*	*0*	*0*	*7,659*	*6,510*
29	*Derivative assets affecting the NSFR*	*0*	*2,662*	*0*	*0*	*2,662*
30	*Derivative commitments affecting the NSFR before deduction of the variation margin provided*	*0*	*23,482*	*0*	*0*	*1,174*
31	*All other assets not falling within the above classes*	*0*	*9,102*	*27*	*6,716*	*6,743*
32	Off-balance sheet items	0	109,568	0	0	5,438
33	**Total required stable financing**	**0**	**0**	**0**	**0**	**155,681**
34	**Net stable funding ratio** *(in %)*	**0**	**0**	**0**	**0**	**103.9%**

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 Euros, Dollars and Yens, 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 "Dodd-Frank Enhanced Prudential Standards" regulation and the "Borrower-in-Custody" program.

HQLA assets reported in the LCR numerator also include non-encumbered 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. Oversight of the LCR ratio is integrated with that of BPCE and its subsidiaries. This oversight is coordinated by the ALM functions and carried out by the Joint Refinancing Pool in the form of leveling between the two balance sheets.

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 policies

The compensation policy items required in respect of Regulation (EU) No. 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	Registration document page
Article 438 (d)	EU OV1 – Overview of total risk-weighted asset exposures	167
Article 447 (a) to (g) Article 438 (b)	EU KM1 – Model for key indicators	169
Article 438 (f)	EU INS1 – Insurance holdings	160
Article 436 (c)	EU LI1 – Differences between the accounting and prudential consolidation scopes and mapping of the financial statements with regulatory risk categories	148
Article 436 (d)	EU LI2 - Main sources of differences between regulatory exposure amounts and carrying values in financial statements	150
Article 436 (b)	EU LI3 – Summary of the differences between consolidation scopes (entity by entity)	150
Article 436 (b) and (d)	EU LIA – Explanation of differences between accounting and regulatory exposure amounts	-
Article 436 (f), (g) and (h)	EU LIB – Other qualitative information on the scope	148
Article 436 (e)	EU PV1 – Value adjustments for conservative valuation purposes (PVA)	160
Article 437 (a), (d), (e) and (f)	EU CC1 – Composition of regulatory capital	152
Article 437 (a)	EU CC2 – Reconciliation between regulatory capital and the balance sheet in the audited financial statements	156
Article 440 (a)	EU CCyB1 – Geographical distribution of relevant credit exposures used in the countercyclical capital buffer	159
Article 440 (b)	EU CCyB2 – Amount of the institution-specific countercyclical capital buffer	159
Article 451(1) (b)	EU LR1 – LRSum – Summary of the reconciliation between accounting assets and exposures for leverage ratio purposes	163
Section 451(1) (a) and (b) Section 451(3)	EU LR2 – LRCom – Leverage ratio – common disclosure	164
Article 451(1) (b)	EU LR3 – LRSpl – Breakdown of on-balance sheet exposures (excluding derivatives, SFTs and exempt exposures)	166
Article 451(1) (d) and (e)	EU LRA – Publication of qualitative information on the leverage ratio	163
Article 435a(4) Article 451(1)	EU LIQA – Management of liquidity risk	211
Article 451a(2)	EU LIQ1 – Quantitative information on the liquidity coverage ratio (LCR)	212
Article 451a(2)	EU LIQIB – Qualitative information on the LCR ratio complementing the EU LIQ1 model	214
Article 451a(3)	EU LIQ2: Net Stable Financing Ratio	213
Article 442 (c) and (f)	EU CR1: Performing and non-performing exposures and corresponding provisions	176
Article 442 (g)	EU CR1-A: Exposure maturity	174
Article 442 CRR (f)	EU CR2: Changes in the stock of non-performing loans and advances	176
Article 442 (c)	EU CQ1: Credit quality of forborne exposures	174
Article 442 (d)	EU CQ3: Credit quality of performing and non-performing exposures by number of days past due	175
Article 442 (c) and (e)	EU CQ4: Quality of non-performing exposures by geography	177
Article 442 (c) and (e)	EU CQ5: Credit quality of loans and advances granted to non-financial companies by industry	177
Article 442 (c)	EU CQ7: Collateral obtained by taking possession and execution processes	178
Article 453 (a) to (e)	EU CRC – Requirements to publish qualitative information on CRM techniques	109
Article 453 (f)	EU CR3 – Overview of CRM Techniques: disclosure of the use of CRM Techniques	170
Article 444 (a) to (d)	EU CRD – Requirements to publish qualitative information on the standard approach	109
Article 453 CRR (g), (h) and (i) Article 444 (e)	EU CR4 – Standard approach – Credit risk exposure and Credit Risk Mitigation (CRM) effects	178
Article 444 (e)	EU CR5 – Standard approach	179
Article 452 (g)(i)-(v)	EU CR6 – IRB approach – Credit risk exposures by exposures class and PD range	180
Article 452 (b)	EU CR6-A – Scope of IRB and SA approaches	195
Article 453 (j)	EU CR7 – IRB approach – Effect on RWEA of credit derivatives used as CRM techniques	170
Article 453 (g)	EU CR7-A – IRB approach – Information to be published on the degree of use of CRM techniques	171
Article 438 (h)	EU CR8 – Statements of RWEA flows of credit risk exposures under the IRB approach	180
Article 452 (h)	EU CR9 – IRB approach – Post-exposure control of PD by exposure category	189
Article 438 (e)	EU CR10 – Specialized Financing and equities exposures using the simple risk-weighted asset method	195
Article 439 (a) to (d)	EU CCRA – Qualitative disclosures related to counterparty credit risk	198
Article 439 (f), (g) and (k)	EU CCR1 – Analysis of exposure using the CCR approach	198
Article 439 (h)	EU CCR2 – Transactions subject to capital requirement for CVA risk	198
Article 439 (l)	EU CCR3 – Standard approach – CCR exposures by regulatory exposure categories and weighting	202
Article 439 (l)	EU CCR4 – IRB approach – Credit risk exposures by exposure class and PD range	198
Article 439 (e)	EU CCR5 – Composition of collateral for CCR exposures	199
Article 439 (j)	EU CCR6 – Credit derivative exposures	201
Article 438 (h)	EU CCR7 – Statements of RWEA flows relating to CCR exposures under the Internal Model Method (IMM)	201
Article 439 (i)	EU CCR8 – Exposures on a CCP	201
Article 449 (a) to (i)	EU-SECA – Qualitative disclosure requirements for securitization exposures	202
Article 449 (j)	EU-SEC1 – Securitization exposures in the non-trading book	203
Article 449 (j)	EU-SEC2 – Securitization exposures in the trading book	204
Article 449 (k)(i)	EU-SEC3 – Securitization exposures in the non-trading book and associated regulatory capital requirements – institution acting as an originator or as a sponsor	204
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Article 449 (1)	EU-SEC5 – Exposures securitized by the institution – Defaulted exposures and specific credit risk adjustments	206
Article 435 (1) (a) to (g)	EU MRA: Requirements to publish qualitative information on market risk	204
Article 445	EU MR1 – Market risk under the standard approach	120
Article 455 (a), (b), (c) and (f)	EU MRB: Qualitative disclosure requirements for institutions using internal market risk models	207
Article 455 (e)	EU MR2-A – Market risk under the Internal Models Approach (IMA)	208

CRR Article	Basel Committee/EBA tables and statements	Registration document page
Article 438 (h)	EU MR2-B – Statements of RWEA flows of market risk exposures under Internal Models Approach (IMA)	208
Article 455 (d)	EU MR3 – IMA values for trading books	207
Article 455 (g)	EU MR4 – Comparison of VaR estimates with gains/losses	207
Article 435(1) Article 446 Article 454	EU ORA – General qualitative data on the operational risk	125
Article 446 Article 454	EU OR1 – Capital requirements for operational risk and weighted exposure amounts	209
Article 443	EU AE1 – Encumbered and non-encumbered assets	209
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Article 444 (a), (b) and (c)	EAD by rating source – Standard approach (NX11 bis)	168
Article 453 (d)	Guaranteed exposures by type and internal rating of guarantor (NX17)	168
Article 99 (5) and Article 415 (3)	Sovereign exposures (GOV)	173
Article 452 (j)	PD and LGD by geographic area (NX16)	179
Article 449 (k)	Banking book EAD by agency (NX33 bis)	203
Article 450(1) (a), (b), (c), (d), (e), (f), (j) and (k) Article 450(2) (a), (b), (c), (d), (e), (f), (j) and (k)	EU REMA – Compensation policy	214
Article 450(1) (h)(i)-(ii)	EU REM1 – Compensation granted for the fiscal year	214
Article 450(1) (h)(v)-(vii)	EU REM2 – Special payments to staff whose professional activities have a significant impact on the institution's risk profile (identified staff)	214
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3.3.8 Table index

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 framework agreed at the level of the management body.

Paris, March 15, 2024

Stéphanie Paix
Chief Executive Officer

Stéphane Morin
Chief Financial Officer

4.

Comments on the fiscal year

4.1 Significant events in 2023

4.1.1 Macro-economic context

4.1.1.1 Growth and monetary policies

In 2023, the macro-economic theme remained focused on inflation and the extent of the slowdown in economic growth. It is these themes that have driven the debate on monetary policy trends in the major developed economies *(see below)*.

In the United States, contrary to the fears that existed at the beginning of 2023, activity remained robust. It even accelerated in the second and third quarters of 2023, to 2.1% and 4.9% annualized respectively. In the fourth quarter, it dipped slightly to 3.3% year-on-year. As a result, GDP growth reached 2.5% in 2023, compared with 1.9% in 2022. US growth was largely sustained by household consumption. Despite inflation, a buoyant labor market in terms of both job creation and wage growth supported consumer spending. Over the course of 2023, the unemployment rate remained relatively stable, rising slightly at the end of the year to 3.7% in the fourth quarter of 2023 from 3.5% in the first quarter. Inflation ended the year at 3.4%, down 3 points from 6.4% in January. Core inflation fell from 5.6% in January to 3.9% in December 2023, a drop of 1.7 points. On average, total inflation reached 4.1% in 2023 after 8% in 2022, and core inflation 4.8% in 2023 compared with 6.2% in 2022.

In Europe, the situation was more mixed. Overall, growth in the euro zone was virtually stagnant for most of the year. Quarterly GDP growth in the euro zone remained virtually flat over the first three quarters, fluctuating between +0.1% and -0.1%. By country, Germany and Italy underperformed. These two countries, particularly exposed to dependence on Russian gas, suffered more than other euro zone countries such as France and Spain. The latter is expected to record the best performance of all euro zone member states in 2023, with GDP growth of 2.3%, compared with a figure of -0.1% for Germany and a euro zone average of 0.5%. French GDP growth is expected to be 0.9% in 2023. Among the growth drivers, household consumption held up relatively well despite the inflationary context. As in the United States, but to a lesser extent, the labor market held up well, enabling households to see their salaried income resist. Despite more restrictive financial and monetary conditions, business investment also performed well. This was not the case for household residential investment, which suffered more from the rise in interest rates. In most Member States, residential investment fell back in 2023. Businesses benefited from a healthier balance sheet, unlike during the 2008 financial crisis, and also benefited from investment support measures, notably European aid plans to promote the energy transition and digitalization of businesses. As in the rest of the major developed economies, inflation in the euro zone fell in the wake of energy prices, reaching 5.5% in 2023 compared to 8.4% in 2022. Meanwhile, core inflation (excluding energy and unprocessed food prices) stood at 6.2% in 2023, compared with 4.8% in 2022. It peaked at the end of the first quarter of 2023 at 7.5% and fell back to 3.9% in December 2023. In 2023, almost all inflation in the euro zone can be explained by changes in the prices of goods and services and processed food. Energy prices did not contribute to the rise in consumer prices. On the contrary, they had a neutral effect, not aggravating inflation, as in 2022, when they accounted for half of the 8.4% inflation.

In China, growth in 2023 is more disappointing than expected, following the complete lifting of the “zero-COVID” policy prohibitions. Growth did accelerate, but at a slower pace than expected. Concerns focused in particular on the consequences of a possible real estate crisis and the sector’s debt. In addition, China’s inflation rate remained close to zero throughout 2023.

Monetary policy

Central banks continued to tighten monetary conditions in 2023, by pursuing rate hike cycles and reducing their balance sheets. The ECB and Fed raised their key rates by 200 bps and 100 bps respectively, to 4.5% and 5.5% for the ECB refinancing rate and the Fed Funds upper limit respectively. With the exception of the Bank of Japan, the majority of central banks in developed countries followed this upward trend, while their counterparts in emerging countries began downward cycles. However, the fall in inflation in the second half of the year put an end to the tightening cycles in developed countries, with the last Fed and ECB hikes taking place in July. On the markets, this led in the second half of the year to a fairly significant strengthening of expectations of key rate cuts in 2024 and 2025.

As indicated above, the balance sheets of the Fed and the ECB plummeted, both via quantitative tightening policies (end of reinvestment of maturities on bond portfolios) and via the maturing of operations such as the TLTROs in Europe (whose total outstanding amount fell from €2.150 billion to €500 billion last year). While excess liquidity remains high on both sides of the Atlantic, available market liquidity fell significantly in 2023 and will continue to decline in 2024.

4.1.1.2 Rates

Interest rate trends in 2023 were driven primarily by two themes: monetary policy expectations and the rebuilding of term premiums. The first factor was in full play until early summer, when central banks were far more aggressive than expected in raising key rates. The second factor took over, particularly in the United States, with the emergence of fears linked to future changes in Japanese monetary policy, China's withdrawal from the US Treasuries market and record issuance volumes on the latter market. The US Treasury 10Y yield, which was relatively stable until July and traded in a range [3.40%-3.90%] until the end of July, rose sharply in September-October to reach the 5% threshold, dragging everyone in its wake. This explains the almost 100 bps rise in the OAT 10Y over the first 10 months of the year, to almost 3.60%.

Over the November-December period, the market's momentum was completely reversed, thanks in particular to the faster-than-expected fall in inflation in Europe and the United States. This led to heightened expectations of interest rate cuts, and mechanically to a fall in interest rates. The 10Y OAT rate rose from 3.60% to 2.50% in two months. However, this phenomenon did not translate into a repositioning of sovereign curves, whose spreads were still inverted at the end of 2023, as in the case of the French 2Y-10y spread, which ended the year at -55 bps (-30 bps for the same segment of the euro swap curve).

Finally, 2023 was marked by a compression of sovereign spreads. The 10Y BTP-Bund spread thus ended the year at around 165bp, compared with a start-of-year level of close to 180 bps and a high of 205-210 bps in October. The 10Y OAT-Bund spread was fairly stable, fluctuating between 45 bps and 65 bps over fiscal year 2023 (closing at close to 55bp).

4.1.1.3 Foreign exchange

The year 2023 was marked by the dollar's decline and a marked reduction in FX volatility. The dollar's correction is due to strong expectations of a Fed rate cut following the sharp fall in inflation and the slowdown in US growth.

The EUR ended the year up 3.5% at 1.11 against the USD, mainly due to the dollar's weakness, but also to the ECB's cautious stance in the face of persistent underlying inflation and high wages. However, EUR/USD appreciation was not linear in 2023. The EUR tested a high of 1.1276 in mid-July before undergoing a sharp correction to 1.0448 in early October, when the dollar was particularly strong. The US dollar was supported in the third quarter by US growth close to 5%.

The JPY continued to depreciate to 152 against USD and 164 against EUR, historically low levels. This is the result of the Bank of Japan's ultra-accommodative monetary policy despite inflation well above 2%. The Bank of Japan raised its 10-year rate cap to 1.0%, but this did not prevent the US/Japan 10-year spread from widening, to the detriment of the JPY. The Bank of Japan's continued negative key interest rates also fueled carry trade strategies, via short yen positions. At the end of the year, these positions were partly unwound in the face of speculation that the BOJ would normalize its monetary policy, allowing the USD/JPY to test the 141 level.

The CHF recorded the best performance in 2023 up to high levels of 0.925 against EUR and 0.84 against USD. This sharp appreciation of the CHF is partly due to the interventions of the Swiss National Bank on the foreign exchange market. In order to reduce inflationary pressures, the Swiss National Bank used its currency leverage to reduce import prices. The CHF is also supported by a structural current account surplus of over 8% of GDP.

The GBP recovered to a low of 0.851 against the EUR in the summer of 2023 in the face of a resilient UK economy and high inflation. This prompted the BOE (Bank of England) to raise its key rates to the high level of 5.25%. With inflation still at a significant level, the BOE also maintained its restrictive rhetoric, which limited expectations of a cut in its key rates.

Despite the sharp rise in US key rates, emerging currencies proved somewhat resilient against an admittedly slightly weaker dollar. Latam currencies, and to a lesser extent CEE currencies, recorded the best performances thanks to their attractive high short-term rates. The TRY (Turkish lira) continued its correction despite the sharp rise in key rates to 42.5% due to persistent inflation in excess of 60%. In Asia, the CNY (Chinese yuan) was still up in December, but ended the year slightly down. The fall in the USD/CNY exchange rate to below 7.10 can be explained in part by the decline in the dollar and long rates.

4.1.1.4 Oil

The average oil price (Brent) was set at $82/b in 2023, down from $100.7/b in 2022. The year was marked by the continued normalization of the market and the strengthening of new oil trading flows that emerged following Russia's invasion of Ukraine. In early 2023, expectations were for high prices, in line with those of 2022, as two EU embargoes on Russian crude and oil products (from December 2022, then February 2023) were expected to lead to shortages. However, the continued rerouting of Russian crude to India and China, and of Russian oil products to the Middle East, North Africa and Latin America, helped to avoid the feared shortages, as oil prices fell in the first half of the year due to better-than-expected market supplies. In the first half of 2023, Brent averaged $80/b.

The drop in prices prompted OPEC+ to react. The fall in oil prices to around $70/b in March 2023 led a group of nine producing countries (Algeria, Gabon, Iraq, Kuwait, Saudi Arabia, United Arab Emirates, Kazakhstan, Oman and Russia) to announce further voluntary cuts in April 2023, representing a total volume of 1.65 Mb/d (1.05 Mb/d for OPEC, 0.5 Mb/d for Russia, 0.1 Mb/d for non-OPEC countries excluding Russia). At the Group's meeting in June 2023, the two agreements (confirmation of the quotas for October 2022 and voluntary reductions announced in April 2023) were extended until the end of 2024. At the end of the meeting, Saudi Arabia (1 Mb/d) and Russia (0.5 Mb/d of exports) announced further cuts beyond the voluntary reductions agreed in April 2023, initially for a period of one month until July. These additional cuts were regularly adjusted, most recently in September 2023, and continued until the end of 2023. The cuts, together with the usual seasonal increase in consumption, supported oil prices throughout the third quarter of 2023, with an average price of $85.9/b, even peaking at $95/b at the end of September.

Due to the seasonal drop in demand, prices fell overall in the fourth quarter. However, Israel's invasion of Gaza in response to Hamas attacks, and the fallout associated with Yemeni Houthi attacks on Red Sea commercial shipping, increased the geopolitical risk premium in prices throughout the fourth quarter. Concerns initially focused on the possible stricter application of US sanctions on Iranian crude exports, although Washington and Teheran appeared to opt for de-escalation in the weeks following the attacks, leading to a market easing. In the fourth quarter of 2023, Brent averaged $82/b, as OPEC decided on a further reduction in November 2023, adding further voluntary cuts in the first quarter of 2024 to those agreed in March 2023.

4.1.1.5 Equities

2023 marked the strong rebound of equity indexes, which began at the end of 2022, with three quarters out of four positive in 2023 and a very strong final quarter. The MSCI World $ rose by 21% over the year, after falling by -19.5% in 2022. In geographical terms, Japan is the best performer among developed markets (+28.2% in the wake of a sharp depreciation of the JPY in 2023), followed by the United States (+24% for the S&P500) and Europe (+15% for the SXXE). China was the major exception, with HSI down 14% over the year and indexes at their lowest level since 2008; the rest of the emerging indexes rose strongly, with European and Latin American countries outperforming; Indian indexes gained 20% on average over the year.

The very good performance of equities over the year was driven by progressively confirmed expectations of an end to rate hikes by central banks, an American soft landing (no recession expected by the consensus) and inflation converging towards its targets; the acceleration of expectations of a dovish pivot by central banks at the end of the year was the trigger for the year-end rally. The overall optimism materialized with a marked outperformance of cyclicals vs. defensives in 2023.

March, with the bankruptcy of SVB (Silicon Valley Bank) in the US, and September/October, with fears of a "higher for longer" policy from the Fed, marked the two periods of equity tension. Markets reacted little to tensions in the Middle East. In the US, dispersion was very high, with a marked concentration of performance on the US megacaps (the magnificent 7) and on the tech sector, driven by the AI (artificial intelligence) wave. However, this was attenuated by the strong rally at the end of the year, and small caps caught up. The NDX (NASDAQ 100) is the best performer of the year, with +53.8% in 2023 and an index at its all-time high at the end of the year. The SPX (S&P500) closed the year close to its highs, as did the Nikkei.

Sector-wise, the best performers in the US were semiconductors and autos, with strong catch-up effects and the AI effect; tech in total advanced by 56% (within the S&P500). US regional banks ended the year slightly down after suffering badly in the first half. In Europe, retail, construction and tech grew by over 30% in 2023, with only healthcare and basic resources declining.

As for volatility, in line with the very good directional performance, the year ended with a return to very low, pre-COVID levels of implied and realized volatility.

4.1.2 Key events for Natixis' business lines

The highlights of the Natixis business lines in 2023 are presented in Chapter [1] of this universal registration document.

4.2 Management report as of December 31, 2023

For comparability, following the gradual and orderly divestment of its partnership with H2O in 2022, the contribution of H2O AM is isolated at the bottom of the income statement in 2022.

Similarly, following the disposal of the Insurance, Payments and Natixis Immobilier Exploitation activities and the transfer of part of the support functions to BPCE S.A., their contributions are isolated at the bottom of the income statement.

Lastly, pro forma management data refers to 2022 data after taking into account the restatements presented in Section 4.7.

4.2.1 Consolidated results

(in millions of euros)	2023	2022 pro-forma	Change 2023 vs. 2022 Current	Change 2023 vs. 2022 Constant
Net banking income	**7,396**	**7,114**	**4.0%**	**5.3%**
o/w business lines	7,230	7,099	1.9%	3.1%
Banking operating expenses	**(5,583)**	**(5,597)**	**(0.2)%**	**0.9%**
Gross operating income	**1,812**	**1,516**	**19.5%**	**21.5%**
Cost of risk	(244)	(287)		
Operating income	**1,568**	**1,229**		
Equity method	14	13		
Gains or losses on other assets	18	15		
Change in the value of goodwill	0	0		
Pre-tax profit	**1,600**	**1,256**		
Income taxes	(550)	(395)		
Non-controlling interests	(56)	(56)		
Contribution of H2O	0	18		
Net contribution from discontinued operations	1	976		
Net income (Group share) (Reported)	**995**	**1,800**		
Cost/income ratio	75.5%	78.7%		

Analysis of changes in the main items comprising the consolidated income statement

Net banking income

Natixis' **net banking income (NBI)** stood at €7,396 million in 2023, up 4.0% compared to 2022 at current exchange rates and 5.3% at constant exchange rates.

Net banking income of business lines was up 1.9% at current exchange rates and 3.1% at constant exchange rates compared with 2022, to €7,230 million. The Asset & Wealth Management and Corporate & Investment Banking divisions reported contrasting trends, with Asset & Wealth Management revenues down 4.0% at current exchange rates and 2.7% at constant exchange rates, mainly due to a drop in performance fees combined with an unfavorable scope effect (Alpha Simplex Group) and a negative price effect (fee rates down by -1.3bp/-3% excluding Ostrum Asset Management and Alpha Simplex Group), while CIB revenues were up 7.1% at current exchange rates (+8.2% at constant exchange rates) compared with 2022.

Corporate Center net banking income, which includes Natixis Algérie and Natixis Private Equity run-off activities, stood at +€165 million versus +€15 million in 2022. It includes -€60 million in respect of the discounting at historical rates of DSN in foreign currencies, compared to +€111 million in 2022 due to the impact of the dollar's appreciation over the periods in question.

Operating expenses and headcount

Operating expenses of €5,583 million were stable compared to 2022 at current exchange rates and up 0.9% at constant exchange rates, including exceptional expenses of €53 million in 2023 and €78.1 million last year for the TEO program and real estate strategy. Excluding exceptional expenses, expenses were stable at current exchange rates and up 1.3% at constant exchange rates.

Asset & Wealth Management expenses were down 1.4% at current exchange rates and stable at constant exchange rates, mainly due to a reduction in variable compensation. Corporate & Investment Banking revenues were up by 5.1% at current exchange rates and by 6.4% at constant exchange rates, reflecting the effects of inflation and the investments made. Corporate Center expenses at €330 million, were down 24.4% at current exchange rates and 24.7% at constant exchange rates, including the contribution to the Single Resolution Fund at €162 million versus €229 million for 2022.

Headcount at the end of the period stood at 14,653 FTEs (Full-Time Equivalents) at the end of December, up 4.4% year-on-year. Headcount increased by 0.1% for the Asset & Wealth Management division, by 5.2% for the Corporate & Investment Banking division and an increase for the Corporate Center (+7.6%), with the strengthening of the control functions and the development of the teams in Porto.

Gross operating income

Gross operating income reached €1,812 million in 2023, up 19.5% at current exchange rates and 21.5% at constant exchange rates compared with 2022.

Pre-tax profit

The **cost of risk** amounted to €244 million in 2023, down €43 million on the 2022 figure of €287 million (impacted by the conflict in Ukraine and the provisioning of direct and indirect Russian exposures). The business lines' cost of risk as a percentage of outstandings was 21.5 basis points in 2023, compared with 36.5 basis points in 2022.

Revenues from the **equity method** totaled €14 million in 2023 versus €13 million in 2022.

The **Gains and losses on other assets** amounted to €18 million in 2023 and are mainly composed of the following items: gains on disposal of Alpha Simplex Group partially offset by impairments.

Income before tax therefore totaled €1,600 million in 2023 versus €1,256 million in 2022.

Net income (group share)

The **tax** expense amounted to €550 million in 2023 compared with €395 million in 2022.

Non-controlling interests reached €56 million in 2023, of which €42 million for the AWM division and €14 million for the CIB division.

The **net contribution from discontinued operations** was +€1.5 million in 2023 (residual contribution from the Payments activities) compared to +€976 million in 2022 (including +€985 million of capital gain on the disposal of the Insurance and Payments activities, effective as of January 1, 2022, and -€8 million of residual contribution from the Insurance and Payment activities, Natixis Immobilier Exploitation and impact of the transfer of part of the support functions to BPCE S.A.).

This resulted in positive **net accounting income** of €995 million in 2023 compared with €1,800 million in 2022.

4.2.2 Analysis of Natixis business lines

4.2.2.1 Asset & Wealth Management

(in millions of euros)	2023	2022 pro-forma	Change 2023 vs. 2022 Current	Change 2023 vs. 2022 Constant
Net banking income	**3,205**	**3,340**	**(4.0)%**	**(2.7)%**
Asset Management	*3,023*	*3,161*	*(4.4)%*	*(2.9)%*
Wealth Management	*182*	*178*	*2.1%*	*2.1%*
Banking operating expenses	**(2,594)**	**(2,630)**	**(1.4)%**	**(0.1)%**
Gross operating income	**610**	**709**	**(14.0)%**	**(12.3)%**
Cost of risk	4	5		
Operating income	**614**	**714**		
Equity method	0	0		
Gains or losses on other assets	35	0		
Change in the value of goodwill	(9)	(11)		
Pre-tax profit	**641**	**704**		
Contribution of H2O	0	18		
Net income (Group share) (Reported)	**419**	**481**		
Cost/income ratio	81.0%	78.8%		

The revenues of the Asset & Wealth Management division fell by -2.7% compared to 2022 at constant exchange rates (-4% at current exchange rates) to €3.2 billion.

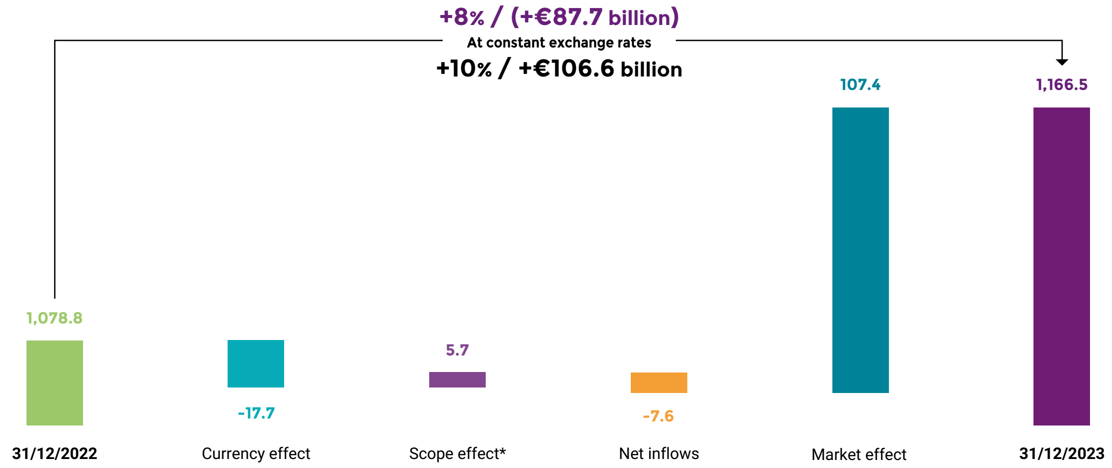
Expenses were stable at constant exchange rates (down -1.4% at current exchange rates) at €2.6 billion.

Gross operating income decreased by -12.3% at constant exchange rates (-14% at current exchange rates) to €610 million.

A – Asset Management

Assets under management at the end of December 2023 amounted to €1,166.5 billion, up by +€87.7 billion or +8.1% at current exchange rates (+10% at constant exchange rates) compared to December 31, 2022, mainly due to a very favorable market effect (+€107.4 billion), partly offset by a negative exchange rate effect (-€17.7 billion) and net outflows of -€7.6 billion.

Change in assets under management over the year *(in billions of euros)*



** Of which AlphaSimplex Group disposal in the first quarter of 2022 (-€6.9 billion).*

The business line recorded net outflows of -€7.6 billion over 2023, of which -€2.5 billion for long-term products.

- Ostrum Asset Management posted net outflows of -€21.7 billion (including -€16.6 billion in long-term net outflows) mainly in equity products (AA Natixis Min Var Euro, etc.), life insurance (FG BPCE Vie, FG Ecureuil Vie and Mandat CNP) and money market products.
- Solutions reported net inflows of +€6.9 billion, mainly in diversified products at Solutions US.
- Long-term net inflows in Active Fundamental were +€4.4 billion. This was mainly due to net inflows at Loomis Sayles (bond products), partially offset by net outflows at Harris (equity products).
- In Private Assets, inflows reached +€2.5 billion, thanks to Vauban (infrastructure funds), real estate products in Europe and other real asset products.
- Net inflows in Quant were +€0.1 billion, mainly at OSSIAM (equity products) offset by outflows at Gateway (alternative products).

Average outstandings at €1,034.2 billion at December 31, 2023 were down (-2%) compared to 2022 in constant euros. Excluding Ostrum Asset Management and Alpha Simplex Group, average outstandings amounted to €645.5 billion, up 2% compared to 2022. The rate of return on outstandings including Ostrum Asset Management and Alpha Simplex Group reached 25.2 basis points, stable compared to December 31, 2022. Excluding Ostrum Asset Management, whose rate of return was lower, and Alpha Simplex Group, which left the scope of consolidation in the first quarter, the rate of return on assets was 37.8 basis points, down -3.3% compared to 2022.

At December 31, 2023, Asset Management NBI totaled €3,022.6 million, down €138.7 million (-4%) on December 31, 2022, including an unfavorable scope effect (-€26.6 million) linked to the period's contributions and creations, as well as the exit of Alpha Simplex Group.

Over the period, the business line's NBI was strongly impacted by a reduction in outperformance fees (mainly AEW Capital Market). In addition to lower dividend revenues than in 2022, the Asset Management division recorded a decline in management and distribution fees, with the unfavorable impact of the scope effect linked to the disposal of Alpha Simplex Group and a drop in fees in the United States. Nevertheless, in Europe, at Ostrum Asset Management and Mirova in particular, fees were up compared to 2022. Lastly, NBI for the Asset Management division was driven by significant growth in financial income, with treasury revenues benefiting from higher interest rates, a favorable currency impact and an increase in the value of the seed money portfolio.

Operating expenses amounted to €2,408.1 million, down €31.4 million (-1%) compared to December 31, 2022, stable at constant exchange rates, with a scope effect of +€2.9 million including contributions and creations during the period as well as the exit of Alpha Simplex Group.

This stability in expenses is attributable to lower variable personnel costs, in line with the decline in revenues, mainly in the United States (notably with lower performance fees at AEW Capital Management and lower management fees at Harris). At the same time, fixed internal personnel costs increased due to the growth in headcount in all regions and the increase in salaries.

Expenses excluding personnel costs were up overall, and related mainly to operating expenses, including consulting fees, documentation and market data costs, premises and logistics costs (higher real estate taxes in the US), travel and entertainment expenses (resumption of client events), and communications and advertising expenses (including marketing campaigns).

B – Wealth Management

In 2023, **Wealth Management NBI, at €181.9 million**, was up 2.1% (+€3.7 million) on last year, with significant growth in fees on assets under management and outperformance fees generated by competitive bond funds.

Operating expenses amounted to €165.7 million, down 1.7% (+€2.8 million) on last year, driven by lower operating expenses and support function costs, partly offset by higher IT and variable personnel costs.

4.2.2.2 Corporate & Investment Banking

(in millions of euros)	2023	2022 pro-forma	Change 2023 vs. 2022	
			Current	Constant
Net banking income	**4,026**	**3,759**	**7.1%**	**8.2%**
Global Markets	1,872	1,837	1.9%	2.4%
Fixed Income	*1,301*	*1,311*	*(0.8)%*	*(0.4)%*
Equity	*539*	*536*	*0.7%*	*1.4%*
XVA desk	*31*	*(10)*		
Global Finance	1,507	1,463	3.0%	4.3%
Investment Banking	525	469	11.9%	13.9%
Other items	123	(9)		
Banking operating expenses	**(2,659)**	**(2,530)**	**5.1%**	**6.4%**
Gross operating income	**1,367**	**1,229**	**11.2%**	**12.0%**
Cost of risk	(158)	(252)	(37.2)%	(36.8)%
Operating income	**1,209**	**977**	**23.7%**	**24.7%**
Equity method	13	12	9.8%	9.8%
Gains or losses on other assets	(17)	0		
Pre-tax profit	**1,205**	**989**		
Net income (Group share) (Restated)	**878**	**729**		
Cost/income ratio	66.0%	67.3%		

In 2023, Corporate & Investment Banking's **net banking income** amounted to €4,026 million, up 8.2% compared to 2022 at constant exchange rates.

Capital market revenues totaled €1,872 million over 2023, up 2.4% compared with 2022 at constant exchange rates.

At €1,301 million in 2023, revenues from **Rates, Foreign Exchange, Credit, Commodities and Treasury activities** remained stable at -0.4% compared to 2022 at constant exchange rates. The following changes were observed in each segment:

- revenues from **Rates and Foreign Exchange** activities were up by 5.2% to €444 million compared to 2022. **Rates** activities were up sharply with revenues up by 39% to €262 million thanks to a good commercial performance while the **Foreign Exchange** activities were down by 21% to €179 million having seen a slowdown in demand in the second and third quarters of 2023 and suffering from an unfavorable basis of comparison, the first three quarters of 2022 having recorded a very high volume of activity in a volatile foreign exchange market context;
- revenues from **GSCS Credit** activities were up by 7% compared to 2022 to €366 million, mainly driven by the US platform;
- **repos** revenues, split 50/50 between Fixed Income and Equity, amounted to €278 million, down 19% compared to 2022 due to market effects and a slowdown in Equity activities;
- with revenues of €539 million, up 1.4% at constant exchange rates compared to 2022, **Equity** activities continued their commercial momentum despite the effects of the fourth-quarter 2023 business reorganization and provisioning.

Revenues from joint ventures (*i.e.* with income shared equally between Global Markets and Investment Banking to ensure team alignment) showed an increase in 2023.

Acquisition and strategic financing revenues were up 48% to €136 million, driven by a dynamic second half in primary activities, notably in the acquisition finance activity. They also benefit from a favorable base effect compared with 2022 impacted by realized and unrealized losses on syndication positions.

Bond market syndication recorded revenues of €129 million, up 5.5% compared to 2022, buoyed by a strong +9% increase in the primary bond issue market, particularly in the Financials segment.

Strategic Equity Capital Markets revenues were down by 8.5% to €146 million, impacted by a slowdown in SECM activity.

At €1,507 million, revenues from **Financing** including **Global Trade** and **film industry financing** (COFICINÉ) were up by 4% compared to 2022 at constant exchange rates.

Revenues from **origination and syndication activities in Real Assets** amounted to €226 million, up 13% compared to 2022, driven by Infrastructure & Energy and Aviation financing activities, despite a slowdown in the real estate sector, particularly in the United States. At €788 million in 2023, revenues from the **financing portfolio** were down by 4% at constant exchange rates due to a fall in the net interest income and the negative impact from early repayment of several SGLs (State-guaranteed loans) in the first half. Revenues from **Global Trade** activity increased by 17% at constant exchange rates to €466 million, benefiting in particular from the rise in interest rates on its client account management activity, a good performance in Trade Finance supported by Corporate US and the dynamic performance of the Structured Export Finance business.

Revenues from **Investment Banking** including **M&A** were up by 14% compared to 2022 at constant exchange rates for cumulative revenues of €525 million. In a global M&A market that has slowed sharply, M&A activity remained resilient, posting a 17% increase at constant exchange rates with revenues of €319 million, with a strong fourth quarter and benefiting from a favorable basis of comparison given the weak first half 2022.

Miscellaneous revenues are up €123 million, including reversals of provisions on discontinued operations and a foreign exchange gain on the repatriation of capital from international entities.

In 2023, Corporate & Investment Banking's operating **expenses** totaled €2,659 million, up 6.4% at constant exchange rates compared with 2022, including a 0.6% reduction in variable compensation compared with 2022. Excluding variable compensation, expenses increased by 7.7% at constant exchange rates, reflecting the investments made.

Gross operating income totaled €1,367 million, up 12% compared with 2022 at constant exchange rates. The **cost/income ratio** stood at 66.0% over 2023, up 1.3 points compared to 2022.

At €158 million, the **cost of risk** was down by 37% compared to 2022.

Pre-tax profit totaled €1,205 million, up 23% compared with 2022 at constant exchange rates.

4.2.2.3 Corporate center

(in millions of euros)	2023	2022 pro-forma	Change 2023 vs. 2022 Current	Change 2023 vs. 2022 Constant
Net banking income	**165**	**15**		
Algeria	69	61	13.3%	11.5%
NPE	(1)	(4)	(77.5)%	(77.5)%
Cross-business functions	97	(42)		
Banking operating expenses	**(330)**	**(437)**	**(24.4)%**	**(24.7)%**
Gross operating income	**(165)**	**(422)**	**(60.9)%**	**(61.2)%**
Cost of risk	(90)	(40)		
Operating income	**(255)**	**(462)**	**(44.8)%**	
Equity method	0	0	(85.2)%	
Gains or losses on other assets	0	14	(99.2)%	
Change in the value of goodwill	9	11	(17.0)%	
Pre-tax profit	**(246)**	**(437)**	**(43.7)%**	

Net banking income from the Corporate Center amounted to +€165 million at the end of 2023, compared with +€15 million at the end of 2022.

A – Natixis Algérie

At constant exchange rates, average outstanding short- and medium- and long-term loans rose significantly over the period, by +5% and +46% respectively. Customer deposits were up +5%, reflecting growth in new business. Lastly, 2023 was marked by a fine performance in outstanding loans in leasing, which rose by almost +18%.

Natixis Algérie showed **net banking income** of +€69 million, up by +13% compared to the end of 2022. Excluding a favorable currency effect of €0.9 million, net banking income rose by +12%, with growth in (i) net interest income (+12%) due to increased demand for short-term loans and equipment loans, (ii) leasing interest (+18%) correlated with the rise in outstandings, and (iii) other income.

The cost of risk amounted to -€1.2 million, for -€2.8 million at the end of 2022 at constant exchange rates.

B – Natixis Private Equity (NPE)

Natixis Private Equity's commitments for the run-off portion amounted to €11.9 million, down 39% compared to 2022.

This decrease is due to the reduction in cash at risk commitments, mainly on venture funds following the liquidation of the NPEI LUX S.A. fund at the end of December 2023, with an impact of -€6.8 million, and also to the reduction in KurmaBiofunds outstandings over 2023 following its impairment of -€0.9 million.

Off-balance sheet commitments have been zero since December 31, 2021.

Net banking income amounted to -€0.8 million, up €2.8 million compared to December 31, 2022. The increase in NBI for fiscal year 2023 is due to the impairment recorded on the KurmaBiofunds fund in 2022.

C – Cross-business functions

Net banking income of Cross-Business Functions mainly includes revenues from treasury and balance sheet management transactions. It stood at +€97 million at the end of 2023 compared to -€42 million at the end of 2022.

- Exchange rate fluctuations on deeply subordinated notes issued in dollars amounted to -€60 million at the end of 2023 compared to +€111 million the previous year.
- The cost of guarantee instruments fell by €19 million to -€68 million, while the cost of managing long-term liquidity was virtually stable at -€60 million.
- NBI increased for the most part due to the rise in interest rates on the replacement of capital.

Corporate Center **expenses** totaled €330 million at the end of 2023 compared to €437 million at the end of 2022.

- The contribution to the Single Resolution Fund amounted to €162 million over the period, compared to €229 million for the end of 2022.
- Excluding this item, expenses fell by €40 million to €168 million between the two periods.

Corporate Center **gross operating income** stood at -€165 million at the end of 2023 compared to -€422 million at the end of 2022.

The **cost of risk** of the Corporate Center amounted to -€90 million over the period.

Pre-tax profit of the Corporate Center was -€246 million at the end of 2023 compared to -€437 million for 2022.

4.2.2.4 Cost of risk

The **cost of risk** was -€244 million at December 31, 2023, of which -€202 million was in respect of non-performing loans and -€42 million in respect of performing loans. The cost of risk was -€287 million at December 31, 2022, of which -€153 million in respect of non-performing loans and -€134 million in respect of performing loans.

Total cost of risk by division

(in millions of euros)	31/12/2023	31/12/2022
Corporate & Investment Banking	(158)	(252)
Asset & Wealth Management	4	5
Other	(90)	(40)
TOTAL COST OF RISK	**(244)**	**(287)**

Total cost of risk by geographic area

(in millions of euros)	31/12/2023	31/12/2022
EMEA	(92)	(236)
Central and Latin America	(21)	(16)
North America	(111)	(15)
Asia and Oceania	(20)	(20)
TOTAL COST OF RISK	**(244)**	**(287)**

Appendix to 4.2.2 – Consolidated results

1 – Reconciliation of management results to consolidated results at December 31, 2023

(in millions of euros)	2023 Management vision excluding exceptional items	Non-recurring items: AWM	CIB	GFS Head Office	NCIB Support functions	Corporate Center	Discontinued operations	2023 Restated (H2O, discontinued operations)	Reclassification Discontinued operations	2023 Reported
Net banking income	**7,456**		**0**	**0**	**0**	**(60)**		**7,396**	**4**	**7,399**
Banking operating expenses	**(5,530)**	**(26)**	**(5)**	**(3)**	**(11)**	**(8)**		**(5,583)**	**(2)**	**(5,585)**
Gross operating income	**1,925**	**(26)**	**(5)**	**(3)**	**(11)**	**(68)**		**1,812**	**2**	**1,814**
Cost of risk	(244)							(244)		(244)
Operating income	**1,681**	**(26)**	**(5)**	**(3)**	**(11)**	**(68)**		**1,568**	**2**	**1,570**
Equity method	14							14		14
Gains or losses on other assets	18					0		18		18
Change in the value of goodwill	0							0		0
Pre-tax profit	**1,713**	**(26)**	**(5)**	**(3)**	**(11)**	**(68)**		**1,600**	**2**	**1,602**
Income taxes	(580)	7	1	1	3	18		(550)	(1)	(551)
Non-controlling interests	(56)	0						(56)		(56)
Net contribution from discontinued operations							1	1	(1)	0
Net income (Group share) (Reported)	**1,077**	**(19)**	**(4)**	**(3)**	**(8)**	**(51)**	**1**	**995**	**0**	**995**
Cost/income ratio	74.2%							75.5%		75.5%

2 – Reconciliation of management results to consolidated results at December 31, 2022

(in millions of euros)	2022 Management vision excluding exceptional items	Non-recurring items: AWM	CIB	GFS Head Office	NCIB Support functions	Corporate Center	Discontinued operations	2022 Restated (H2O, Coface, discontinued operations)	H2O reclassification	Reclassification Discontinued operations	2022 Reported
Net banking income	**7,040**		**0**		**0**	**73**		**7,114**	**13**	**38**	**7,164**
Banking operating expenses	**(5,519)**	**(33)**	**0**	**(10)**	**(17)**	**(17)**		**(5,597)**	**(8)**	**(51)**	**(5,656)**
Gross operating income	**1,521**	**(33)**	**0**	**(10)**	**(18)**	**56**		**1,516**	**4**	**(13)**	**1,508**
Cost of risk	(287)							(287)		0	(287)
Operating income	**1,234**	**(33)**	**0**	**(10)**	**(18)**	**56**		**1,229**	**4**	**(13)**	**1,221**
Equity method	13							13			13
Gains or losses on other assets	1	0				14		15	16		31
Change in the value of goodwill	0							0			0
Pre-tax profit	**1,248**	**(33)**	**0**	**(10)**	**(18)**	**70**		**1,256**	**21**	**(13)**	**1,265**
Income taxes	(396)	9	0	3	5	(15)		(395)	(1)	3	(393)
Non-controlling interests	(58)	1						(56)	(2)		(58)
Contribution of Coface											0
Contribution of H2O		18						18	(18)		0
Net contribution from discontinued operations						985	(9)	976		9	985
Net income (Group share) (Reported)	**794**	**(5)**	**0**	**(7)**	**(13)**	**1,041**	**(9)**	**1,800**		**0**	**1,800**
Cost/income ratio	78.4%							78.7%			78.9%

4.3 Main investments and divestments performed over the period

Business line	Investment description
Full year 2023	
	N/A
Full year 2022	
Asset Management	Acquisition of 100% of SunFunder by Mirova, a private debt management company financing renewable energy projects in Africa and in Asia, in order to accelerate its development to become a global leader in impact investing.
Asset Management	Acquisition by Natixis IM of La Banque Postale's stakes in Ostrum Asset Management (45%) and AEW Europe (40%) and extension of institutional partnerships in asset management until the end of 2030.
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 issue 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.

In addition, a number of targeted disposals were carried out.

Business line	Divestment description
Full year 2023	
Asset Management	Disposal of 100% of the share capital of AlphaSimplex Group, an American asset management company specializing in systematic alternative management, to Virtus Investment Partners.
Full year 2022	
Natixis	Transfer by Natixis S.A. to BPCE S.A. of the Insurance and Payments business lines completed on March 22, 2022 and Natixis Immobilier d'Exploitation on March 1, 2022.
Natixis	Disposal by Natixis of the remaining stake in Coface (10.04%). Following this transaction, Natixis no longer holds any equity stake in Coface.
Asset Management	Finalization of the agreement to unwind the partnership between Natixis Investment Managers and H2O AM: disposal of 26.61% of the shares in H2O AM then, within four years or no later than six years, of the remaining 23.4% of shares and resumption of the distribution activities by H2O AM.
Asset Management	Disposal of Natixis Investment Managers' minority stake in Fiera Capital and continuation of the distribution partnership enabling the two asset management companies to offer their clients a complementary range of investment strategies.

4.4 Post-closing events

For details of these post-closing events, please refer to Chapter [5] note [1.3].

4.5 Information about Natixis S.A.

4.5.1 Natixis S.A.'s income statement

	2023						2022		
(in millions of euros)	Mainland France	Var* *(in %)*	Branches	Var* *(in %)*	Natixis S.A.	Var* *(in %)*	Mainland France	Branches	Natixis S.A.
Net banking income	**1,766**	**(16)**	**1,649**	**2**	**3,415**	**(8)**	**2,093**	**1,612**	**3,705**
Operating expenses	*(1,718)*	*(0.8)*	*(817)*	*4*	*(2,535)*	*0.6*	*(1,732)*	*(788)*	*(2,519)*
Gross operating income	**48**	**(87)**	**831**	**0.9**	**879**	**(26)**	**361**	**824**	**1,186**
Cost of risk	*(15)*	*(84)*	*(150)*	*N/A*	*(165)*	*16*	*(93)*	*(49)*	*(143)*
Operating income	**33**	**(88)**	**681**	**(12)**	**714**	**(32)**	**268**	**775**	**1,043**
Gains or losses on fixed assets	*(354)*	*N/A*	*(0)*	*N/A*	*(353)*	*N/A*	*64*	*1*	*66*
Pre-tax profit	**(321)**	**N/A**	**681**	**(12)**	**361**	**(68)**	**332**	**776**	**1,109**
Income tax	*1*	*N/A*	*(195)*	*N/A*	*(194)*	*(46)*	*(248)*	*(114)*	*(362)*
Provisions/reversal of financing for general banking risks and regulated provisions	*0*	*N/A*	*0*	*N/A*	*0*	*N/A*	*0*	*0*	*0*
Net income/(loss)	**(319)**	**N/A**	**486**	**(27)**	**167**	**(78)**	**85**	**662**	**748**

* *Change 2023 vs. 2022*

As at December 31, 2023, Natixis S.A.'s gross operating income stood at +€879 million, down -€307 million compared with December 31, 2022, as a result of the -€291 million decrease in net banking income and the +€16 million increase in banking operating expenses.

Within the net banking income, the net interest income decreased by -€1,433 million, mainly in France. This decrease is due to the rise in interest rates, in particular on refinancing for trading activities, whose revenues are recorded in the trading book transactions gains aggregate, which increased by +€1,366 million.

Net fee and commission income fell by -€23.5 million to €270 million from €293 million in 2022, including a -€33 million drop in net fee and commission income on securities transactions.

Revenues from variable income securities were down by -€190 million including a decrease in dividends paid by Natixis subsidiaries (-€187 million), including -€214 million in dividends paid by Natixis Investment Managers.

Gains on the investment portfolio fell marginally by -€5 million, as the decline in branch business (-€30 million) was partly offset by growth in mainland France (+€26 million).

Other banking income and operating expenses decreased by -€5 million.

Operating expenses were up +€16 million, of which:

- +€79 million increase in personnel costs, including €20 million for operations in France (impact of variable compensation) and +€59 million for branches (including +€19 million in Portugal in connection with the branch's development);
- -€51 million decrease in other administrative expenses, mainly taxes and duties (-€54 million), including the contribution to the resolution fund (SRF), which fell by -€38 million over the year. Net of rebilling, other external services were relatively stable (up €3 million);
- -€12 million decrease in depreciation and amortization.

The **net cost of risk** rose -€23 million to -€165 million. It comprises the following main items:

- cost of risk for non-performing receivables and provisions for litigation amounted to -€221 million, an increase of -€65 million (of which +€15 million for the French activities and -€80 million for the branches) due to the increased risk in the real estate sector, particularly in the United States;
- cost of risk expense for sector risk of -€106 million, an increase of -€135 million. Provisions for sector risk include the impact of a change in the calculation parameters for taking into account the probability of default on performing loans, as well as the new sectoral provisioning for metals following the downgrading of this sector;
- income from provisions for country risks of +€157 million, representing a year-on-year change of +€186 million. This reversal is mainly due to the new sectoral provisioning for metals. As a result, metal outstandings linked to high-risk countries are no longer provided for under the geographical provision.

Together, these items brought **operating income** to +€714 million, down by -€329 million.

As at December 31, 2023, the **gains or losses on fixed assets** amounted to -€353 million, a decrease of -€419 million.

As at December 31, 2022, 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 occurred during the first quarter of 2022. As of December 31, 2023, provisions for equity investments were recognized in connection with the valuation review carried out during the year.

Net income after tax was +€167 million versus +€748 million in 2022, *i.e.* a variation of -€581 million.

As of December 31, 2023, the **balance sheet totaled** €431,016 million versus €377,701 million at December 31, 2022.

4.5.2 Proposed allocation of earnings

Natixis' parent company financial statements, as at December 31, 2023, showed positive net income of €166,671,132.53 and, taking into account retained earnings of €3,143,784,343.48, showed distributable earnings of €3,310,455,476.01.

The third resolution that will be put before the General Shareholders' Meeting on May 2, 2024, proposes to:

- pay an ordinary dividend of €589,448,555.36;
- allocate the remaining distributable earnings to retained earnings, *i.e.* €2,721,006,920.65.

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.441-6 of the French Commercial Code, the balance of supplier invoices that have been received but remain unpaid at the closing date (for a total amount including tax of €61.6 million, including €48.7 million of internal group invoices) are as follows:

Invoices received and not paid at the 2023 closing date

	Late payment tranches					
	Without delay* (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 including tax *(in millions of euros)*	59.7	0.9	0.2	0.0	0.7	1.8
Percentage of total amount of purchases including tax for the fiscal year	2.75%	0.04%	0.01%	0.00%	0.03%	0.08%
Number of invoices concerned	729					74

* *Mainly invoices issued by Groupe BPCE entities or Natixis subsidiaries and branches.*

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 Chapter [6.1] on assets and liabilities by maturity, which provides information on their residual maturity.

4.6 Outlook

2024 economic outlook

In 2024, the balance of inflationary factors will be shifting downwards. Gas and oil prices should remain relatively stable on average over 2024, compared with average levels in 2023, which will have a neutral effect on inflation.

The appreciation of the euro, weak non-energy commodity prices, the slowdown in wages and the normalization of margins all point to lower inflation. Disinflation should therefore continue at levels well below those of 2023. In the United States, it should reach 2.7% on average in 2024, after 4.1% in 2023. The slowdown is expected to be more marked in the euro zone, with average inflation at 2.6% (5.5% in 2023). In France, inflation is also expected to reach 2.6%.

In terms of growth, 2024 looks set to be a year of transition, with modest growth (before an acceleration expected in 2025), characterized by changing trends.

In the United States, GDP growth is expected to be 1.2% after 2.4% in 2023, mainly due to the slowdown in household consumption. In the euro zone, growth will also be close to 1%, accelerating compared to 2023. Consumer spending, the main driver of the economy, is expected to slow as the excess savings accumulated during and after the pandemic are depleted. Real purchasing power should stagnate as wage growth slows.

A slowdown should also be seen in Latin America in 2024, following a surprisingly strong expansion in 2023 as a result of past monetary policy tightening, slightly lower commodity prices and weaker growth in developed economies, particularly the USA. We forecast growth of 1.5% for the region, compared with 2.1% in 2023.

In Asia, the end of the Fed's hiking cycle and the fall in the dollar will be supportive factors. The slowdown in world trade and investment should affect China, but create opportunities for emerging Asia.

With the continued structural deceleration in China, somewhat mitigated by monetary and fiscal policies, we expect the economy to grow by 4.5% in 2024. India, for its part, will continue its strong growth, supported by favorable structural factors.

Japan is slowing down while South East Asia remains resilient to China's deceleration, thanks in large part to easing financial conditions and reshuffling of supply chains outside China.

The euro zone economy, after having generally stagnated in 2023, will accelerate next year, as the negative effects of the inflationary shock fade. While real household income will recover under the effect of lower inflation, private consumption should return to more solid growth. Wage growth is expected to moderate gradually, while remaining strong enough to support revenue growth. Capital expenditure should continue to grow at a relatively sustained pace. The strength of corporate balance sheets will limit the impact of rising interest rates on business investment (with the exception of the real estate sector). Fiscal policy will be broadly neutral, although the latest developments in Germany imply a stricter budget trajectory than initially planned.

The labor market has been remarkably strong since the onset of the pandemic, leaving little room for further strong employment growth.

Germany is expected to emerge from the recession with GDP growth of 0.6% (after -0.1%) and France should see growth accelerate (moderately), to 1.2% while the pace of growth of activity will remain stable (and low) in Italy at 0.6%. Finally, after a fine performance in 2023 (+2.3%), a slowdown is expected in Spain (1.3% in 2024).

Employment, which has held up particularly well in recent quarters in both the United States and the euro zone, is likely to grow more moderately. This trend will result in a (limited) rise in the unemployment rate.

Natixis strategic plan and outlook

In July 2021, Groupe BPCE presented BPCE 2024, its strategic plan for 2024, which includes the objectives of Natixis' business lines.

Groupe BPCE's plan for 2024

The aim of the **BPCE 2024** strategic plan is to deploy the full potential of our cooperative, multi-brand and entrepreneurial model to become a leader in banking, insurance and asset management at the service of all.

To achieve this objective, the **BPCE 2024** plan is based on the following three strategic priorities:

1) **winning spirit:** because it is built on a model for the future, the Group BPCE intends to accelerate its development and aims to achieve €1.5 billion in additional revenues in five priority areas;
2) **client:** because proximity is part of its DNA, the Group BPCE is committed to offering its clients the highest quality of service over the long term;
3) **climate:** because the climate is the major challenge of our time, the Group BPCE is making it a priority for all its business lines and companies, and is making concrete, measurable commitments to carbon neutrality ("Net-Zero").

The **BPCE 2024** plan is also based on three key principles:

1) **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;
2) **innovative:** strengthen our capacity for innovation, particularly around the use of data and accelerate payments to support the digitization of retail;
3) **secure:** focus on the security of our development model based on economic performance and financial strength, risk management and a strong trusted third party.

As part of its strategic plan, Groupe BPCE has set the following financial objectives for 2024:

- achieve BPCE NBI of €25.5 billion in 2024;
- aim for a BPCE cost/income ratio of less than 65%;
- maintain a high level of solvency with a BPCE CET1 ratio above 15.5%;
- aim for a cost of risk below 25 basis points;
- achieve a net income (Group share) of more than €5 billion.

Natixis' strategic priorities for 2024

At the heart of **BPCE 2024**, Natixis wants to support the three major transitions in our economies, in all our geographies: the environmental and ecological transition, the technological transition, and the societal transition, which is creating profoundly renewed expectations among our clients.

Our 2024 ambition is based on three fundamental areas: diversify, engage and transform.

1. Diversify, for the benefit of our clients and our development

This first pillar aims to:

- selectively enhance our value proposition to better support our clients and target the highest satisfaction rates;
- combine our strengths with the Banque Populaire and Caisse d'Epargne networks to increase our footprint on high-potential segments;
- conquer new clients in EMEA, North and South America and Asia-Pacific.

In 2023, Natixis continued to diversify its activities in order to achieve sustainable growth, with the following strategic achievements:

- the strong contribution of international operations to Natixis revenues, with Natixis CIB's strong development momentum in North & South America, whose average annual growth rate between 2020 and 2023 exceeds the strategic plan target. Natixis CIB also continued its geographic diversification in 2023, with the opening of a new office in Toronto and a branch in Seoul;
- continued development of flow products in Natixis CIB's Capital Markets business line, with sustained growth from 2021;
- strengthening Natixis IM's capacity in private assets;
- client satisfaction at Natixis CIB above the 2024 target.

2. Commit, to energy transition and responsible finance

This second pillar aims at:

- asserting our status as a key financial partner for our clients in their energy transition strategy, drawing on the expertise of our Green & Sustainable Hub;
- placing ESG at the heart of our activities;
- aligning our balance sheet and our investments on a Net-Zero trajectory in line with the Paris Agreement based on our Green Weighting Factor methodology;
- offering our clients SRI finance solutions focused on natural capital and social dimensions;
- operating at the highest level of corporate responsibility, particularly for our direct impacts on the environment.

In 2023, Natixis reaffirmed its positioning as a catalyst for the energy transition, and the strategic plan achievements in this area include:

- green revenue growth at Natixis CIB between 2020 and 2023, close to the target of +70% growth by 2024;
- continued growth in assets under sustainable or impact management for Natixis IM;
- attainment of the 2024 target for assets under sustainable or impact management in open-ended funds for Natixis WM.

3. Transform, and invest to deliver sustainable value

This pillar aims to:

- 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.

Natixis continued its transformation to create sustainable value with a year 2023 marked by:

- improvement in Natixis CIB's cost/income ratio, close to the 2024 target, despite inflation-related impacts;
- launch of generative AI tools to improve employee efficiency;
- deployment of the reskilling/upskilling Step-up academy program, with ~525 employees trained since 2020;
- increase in Tech Hub revenues.

The outlook for Natixis' business lines could also be impacted by the economic context: asset management activities will remain exposed to the market effect on all asset classes, with arbitrages between asset classes as interest rates change and asset valuations adjust. For Corporate & Investment Banking, a low market volatility context (interest rates, currencies, commodities) could continue to generate a reduction in client hedging needs and the uncertain macro-economic and geopolitical environment could expose some companies to increased difficulties.

4.7 Definitions and alternative performance indicators

In 2022, the Insurance, Payments and Natixis Immobilier Exploitation activities as well as the transfer of part of the support functions were sold to BPCE S.A.

The implementation of this transfer of activities resulted in:

- the reorganization of support functions with the transfer on March 1, 2022 to BPCE S.A. of part of Natixis S.A.'s support functions. These are reinvoiced by BPCE to the GFS division's business lines for the services provided by these teams for GFS (Global Financial Services comprising, as a reminder, the Asset & Wealth Management business lines, NIM and NWM, as well as Corporate & Investment Banking, NCIB) in the form of:
  - contribution from the central institution and group functions: representative of the expenses relating to sovereign functions, they are deducted from NBI for the central institution or as management expenses for group functions and reallocated 25% to the Asset & Wealth Management division, 25% to the Corporate & Investment Banking division and 50% to the Natixis Corporate Center, with the exception of expenses relating to the risk function (Model Risk Management function) mainly reallocated to Corporate & Investment Banking,
  - dedicated services: these are reinvoiced as operating expenses according to the Corporate & Investment Banking support function allocation methods,
  - the creation of the "GFS Head Office", reinvoiced/reallocated 25% to the Corporate & Investment Banking division, 25% to the Asset & Wealth Management division and 50% to the Natixis Corporate Center;
- the Corporate Center focuses on Natixis' centralized asset-liability management functions, the functions performed by Porto on behalf of activities outside the scope of consolidation of Natixis, activities relating to the Agency-subsidiaries, and to the Institutional Activity on behalf of the French State and Financial Investments (including mainly Natixis Algérie) and includes, within its expenses, the contribution to the Single Resolution Fund;
- the modeling of new services for Corporate & Investment Banking support functions implemented with the business lines sold following the transaction as well as the elimination of analytical services or reallocations rendered obsolete as a result;
- the classification as Net Banking Income of IT services that Natixis S.A. continues to provide to entities sold and now outside the Natixis consolidation group.

However, the Natixis financial statements show the residual contribution of the Payment business (SEP), which is housed at Natixis S.A., as residual income from discontinued operations.

As a reminder, to comply with the requirements of the French law on the separation of banking activities, the Short-Term Money Market 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, Corporate & Investment Banking or NCIB refers to CIB and the Short-Term Money Market and Collateral Management activities.

In 2023, analytical restatements were supplemented by business line allocations based on prudential deductions (additional valuation adjustment "AVA", IRB shortfall, backstop). The 2022 proforma management data also includes this additional allocation.

In addition, the standards for **assessment of the divisions' performance** are those defined for the "BPCE 2024" strategic plan with a normative capital allocation to the business lines based on 10.5% of the Basel 3 average RWA.

As a reminder, the earnings of the Natixis business divisions are presented in accordance with the Basel 3 regulatory framework.

The **conventions applied to determine the earnings generated by the various business divisions** are as follows:

- business lines receive interest on the normative capital allocated to them;
- the return on the issued share capital of the entities comprising the divisions is eliminated;
- the cost of Tier 2 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' expenses. The uninvoiced portion accounts for less than 3% (excluding the Single Resolution Fund) of Natixis' total expenses. The Single Resolution Fund (SRF) contribution is covered by the Corporate Center and is not reallocated to the divisions.

Deeply subordinated notes (DSN) are classified as shareholders' 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. Shareholders' 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;
- in the denominator, normative capital, calculated on the basis of 10.5% of RWA allocated to the division to which are added goodwill, intangible assets relating to the division, as well as prudential deductions directly attributable to the business lines. **Natixis' ROTE** is calculated by taking as the numerator net income (Group share) excluding DSN interest expenses on preferred shares after tax. Shareholders' 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, and excluding unrealized or deferred gains and losses recognized in shareholders' equity.

5. Consolidated Financial Statements at December 31, 2023

5.1 Consolidated financial statements and notes

5.1.1 Summary reports

Consolidated income statement

(in millions of euros)	Notes	31/12/2023	31/12/2022
Interest and similar income	6.1	11,579	4,398
Interest and similar expenses	6.1	(10,205)	(3,090)
Fee and commission income	6.2	4,696	4,916
Fee and commission expenses	6.2	(1,011)	(1,041)
Net gains or losses on financial instruments at fair value through profit or loss	6.3	2,363	1,987
Net gains or losses on financial instruments at fair value through shareholders' equity	6.4	54	49
Net gains or losses arising from the derecognition of financial assets at amortized cost	6.5	(14)	(52)
Net income from Insurance activities		0	0
Income from other activities	6.6	61	93
Expenses from other activities	6.6	(124)	(95)
Net banking income		**7,399**	**7,164**
Operating expenses	6.7	(5,359)	(5,390)
Depreciation, amortization and provisions for impairment of property, plant and equipment and intangible assets		(226)	(266)
Gross operating income		**1,814**	**1,508**
Cost of risk	6.8	(244)	(287)
Net operating income		**1,570**	**1,221**
Share in income of associates		14	13
Gains or losses on other assets	6.9	18	31
Change in value of goodwill		0	0
Pre-tax profit		**1,602**	**1,265**
Income tax	6.10	(551)	(393)
Net income on discontinued operations [(a)]	6.11	0	985
Net income/(loss) for the period		**1,051**	**1,857**
o/w group share		*995*	*1,800*
o/w attributable to non-controlling interests		*56*	*58*

(a) At December 31, 2022, net income from discontinued operations corresponded to the €985.3 million capital gain on disposal of entities related to the Insurance and Payments business lines.

Statement of net income and other total income

(in millions of euros)	31/12/2023	31/12/2022
Net income	**1,051**	**1,857**
Items recyclable to income	**(313)**	**(144)**
Translation adjustments	**(251)**	**298**
Revaluation adjustments during the period	*(145)*	*314*
Reclassification to profit or loss	*(107)*	*(15)*
Other reclassifications	*0*	*0*
Revaluation of financial assets (debt instruments) at fair value through other comprehensive income	**(36)**	**(50)**
Revaluation adjustments during the period	*(53)*	*(42)*
Reclassification to profit or loss	*17*	*(8)*
Other reclassifications	*0*	*0*
Revaluation of hedging derivatives	**(45)**	**76**
Revaluation adjustments during the period	*(10)*	*80*
Reclassification to profit or loss	*(35)*	*(4)*
Other reclassifications	*0*	*0*
Share of gains and losses recorded directly in the equity of associates recyclable to income	**0**	**7**
Non-current assets held for sale*	**0**	**(461)**
Tax impact on items recyclable to income	**20**	**(14)**
Items not recyclable to income	**(25)**	**255**
Revaluation adjustments on defined-benefit plans	(2)	62
Revaluation of own credit risk of financial liabilities designated at fair value through profit or loss	35	431
Revaluation of shareholders' equity instruments recognized at fair value through other comprehensive income	(69)	(174)
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*	0	28
Tax impact on items not recyclable to income	11	(92)
Gains and losses recorded directly in other comprehensive income (after income tax)	**(338)**	**112**
TOTAL INCOME	**713**	**1,969**
Group share	*657*	*1,916*
Non-controlling interests	*56*	*53*

* *Corresponds to the Insurance and Payments business lines, as well as Natixis Immo Exploitation, which were transferred to BPCE in the first quarter of 2022.*

Breakdown of tax on unrealized or deferred gains or losses

(in millions of euros)	31/12/2023 Gross	31/12/2023 Income tax	31/12/2023 Net	31/12/2022 Gross	31/12/2022 Income tax	31/12/2022 Net
Translation adjustments	(251)	0	(251)	298	0	298
Revaluation of financial assets (debt instruments) at fair value through other comprehensive income recyclable to income	(36)	8	(28)	(50)	12	(37)
Revaluation of available-for-sale financial assets	0	0	0	0	0	0
Revaluation of hedging derivatives	(45)	12	(33)	76	(20)	56
Revaluation of own credit risk on financial liabilities designated at fair value through profit or loss	35	(9)	26	431	(111)	320
Revaluation of shareholders' equity instruments recognized at fair value through other comprehensive income	(69)	20	(49)	(174)	36	(138)
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	(2)	(1)	(2)	62	(17)	45
Shares in unrealized or deferred gains/(losses) of associates	(1)	0	(0)	0	(0)	0
Non-current assets held for sale*	0	0	0	(593)	160	(433)
TOTAL CHANGES IN UNREALIZED OR DEFERRED GAINS OR LOSSES	**(369)**	**31**	**(338)**	**50**	**61**	**112**

* *Corresponds to the Insurance and Payments business lines, as well as Natixis Immo Exploitation, which were transferred to BPCE in the first quarter of 2022.*

Consolidated balance sheet – Assets

(in millions of euros)	Notes	31/12/2023	31/12/2022
Cash, central banks		61,945	44,661
Financial assets at fair value through profit or loss	7.1	226,230	212,586
Hedging derivatives	7.2	467	716
Financial assets at fair value through other comprehensive income	7.4	10,689	9,553
Securities at amortized cost	7.6.3	1,752	1,434
Loans and receivables due from banks and similar at amortized cost	7.6.1	87,481	74,676
Loans and receivables due from customers at amortized cost	7.6.2	72,011	72,676
Revaluation adjustments on portfolios hedged against interest rate risk		0	0
Insurance business investments		0	0
Current tax assets		200	345
Deferred tax assets	7.8	1,221	1,338
Accrual account and miscellaneous assets	7.9	5,205	5,241
Non-current assets held for sale		0	77
Deferred profit-sharing		0	0
Investments in associates		531	525
Investment property		0	0
Property, plant and equipment	7.10	829	1,047
Intangible assets	7.10	504	447
Goodwill	7.12	3,443	3,496
TOTAL ASSETS		**472,509**	**428,821**

Consolidated balance sheet – Liabilities

(in millions of euros)	Notes	31/12/2023	31/12/2022
Central banks		0	0
Financial liabilities at fair value through profit or loss	7.1	222,605	205,394
Hedging derivatives	7.2	339	333
Due to banks and similar items	7.13	130,034	108,249
Customer deposits	7.13	38,476	36,664
Debt securities	7.14	47,561	45,992
Revaluation adjustments on portfolios hedged against interest rate risk		14	10
Current tax liabilities		1,147	979
Deferred tax liabilities	7.8	427	447
Accrual account and miscellaneous liabilities	7.9	7,974	6,776
Liabilities related to non-current assets held for sale		0	41
Liabilities related to Insurance activities		0	0
Subordinated debt	7.15	3,034	3,023
Provisions	7.16	1,273	1,333
Shareholders' equity (Group share)		19,568	19,534
▸ Share capital & related reserves		10,955	10,955
▸ Consolidated reserves		6,670	5,494
▸ Recyclable gains and losses recorded directly in equity		643	955
▸ Non-recyclable gains and losses recorded directly in equity		306	330
▸ Net income/(loss)		995	1,800
Non-controlling interests		58	45
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**472,509**	**428,821**

Statement of changes in shareholders' equity

	Share capital & related reserves		Consolidated reserves		
(in millions of euros)	**Share capital**	**Capital reserves** [(a)]	**Other shareholders' equity instruments issued** [(b)]	**Elimination of treasury stock**	**Other consolidated reserves**
Shareholders' equity as of December 31, 2021 after appropriation of net income	**5,053**	**5,983**	**2,248**	**(8)**	**6,396**
Capital increase	842	859	0	0	0
Elimination of treasury stock	0	0	0	0	0
Equity component of share-based payment plans	0	0	0	0	0
Distribution in 2022 to BPCE in respect of the contribution of the Insurance and Payments business lines	0	(1,782)	0	0	(1,868)
2021 dividend paid in 2022	0	0	0	0	(920)
Total activity related to relations with shareholders	**842**	**(923)**	**0**	**0**	**(2,789)**
Issues and redemption of perpetual deeply subordinated notes	0	0	(67)	0	0
Interest paid on perpetual deeply subordinated notes	0	0	0	0	(133)
Change in gains and losses recorded directly in equity	0	0	0	0	0
Appropriation to own credit risk reserve during the period	0	0	0	0	1
Appropriation to a reserve of income from the sale of shareholders' equity instruments at FV through other comprehensive income that cannot be reclassified completed during the period	0	0	0	0	27
Change in actuarial gains and losses under IAS 19R	0	0	0	0	0
Net income at December 31, 2022	0	0	0	0	0
Impact of acquisitions and disposals [(d)]	0	0	0	0	(93)
Others [(e)]	0	0	0	0	(88)
Shareholders' equity as of December 31, 2022	**5,894**	**5,060**	**2,181**	**(8)**	**3,321**
Appropriation of 2022 net income/(loss)	0	0	0	0	1,800
Shareholders' equity as of December 31, 2022 after appropriation of net income	**5,894**	**5,060**	**2,181**	**(8)**	**5,121**
Capital increase	0	0	0	0	0
Elimination of treasury stock	0	0	0	8	(6)
Equity component of share-based payment plans	0	0	0	0	0
2022 dividend paid in 2023	0	0	0	0	(442)
Total activity related to relations with shareholders	**0**	**0**	**0**	**8**	**(448)**
Issues and redemption of perpetual deeply subordinated notes	0	0	0	0	0
Interest paid on perpetual deeply subordinated notes	0	0	0	0	(205)
Change in gains and losses recorded directly in equity	0	0	0	0	0
Appropriation to own credit risk reserve during the period	0	0	0	0	4
Appropriation to a reserve of income from the sale of shareholders' equity instruments at FV through other comprehensive income that cannot be reclassified completed during the period	0	0	0	0	(4)
Change in actuarial gains and losses under IAS 19R	0	0	0	0	0
Net income at December 31, 2023	0	0	0	0	0
Impact of acquisitions and disposals [(d)]	0	0	0	0	23
Other	0	0	0	0	(1)
SHAREHOLDERS' EQUITY AS OF DECEMBER 31, 2023	**5,894**	**5,060**	**2,181**	**(0)**	**4,489**

(a) Share premiums, legal reserve, statutory reserves, long-term capital gains reserve and other Natixis reserves.
(b) Other shareholders' equity instruments issued: these are perpetual deeply subordinated notes (see Note 11.3.1).
(c) Changes in fair value attributable to the own credit risk of financial liabilities designated at fair value through profit or loss recognized in shareholders' equity (unrealized and realized) are disclosed in Note 7.1.2.1.
(d) The impacts on shareholders' equity (Group share) at December 31, 2022 and December 31, 2023 are presented in Note 3.2.
(e) Other movements mainly include the effects of a repayment line of perpetual subordinated notes at December 31, 2022.

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 of 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 shareholders' equity
532	**466**	**47**	**47**	**278**	**(92)**	**(83)**	**0**	**20,868**	**202**	**21,070**
0	0	0	0	0	0	0	0	1,701	0	1,701
0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	(3,650)	0	(3,650)
0	0	0	0	0	0	0	0	(920)	(67)	(987)
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**(2,869)**	**(67)**	**(2,936)**
0	0	0	0	0	0	0	0	(67)	0	(67)
0	0	0	0	0	0	0	0	(133)	0	(133)
320	(0)	(37)	57	(138)	320	0	0	521	(5)	516
0	0	0	0	0	(1)	0	0	0	0	0
0	0	0	0	(27)	0	0	0	0		0
0	0	0	0	0	0	45	0	45	0	45
0	0	0	0	0	0	0	1,800	1,800	58	1,857
(17)	(462)	0	2	24	0	4	0	(541)	(143)	(683)
	(4)	4	0	0	0	0	0	(88)	(0)	(88)
836	**0**	**14**	**106**	**138**	**227**	**(34)**	**1,800**	**19,534**	**45**	**19,580**
0	0	0	0	0	0	0	(1,800)	0	0	0
836	**0**	**14**	**106**	**138**	**227**	**(34)**	**0**	**19,534**	**45**	**19,580**
0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	2	0	2
0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	(442)	(56)	(498)
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**(440)**	**(56)**	**(496)**
0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	(205)	0	(205)
(145)	0	(27)	(34)	(49)	26	0	0	(229)	(0)	(229)
0	0	0	0	0	(4)	0	0	0	0	0
0	0	0	0	4	0	0	0	0	0	0
0	0	0	0	0	0	(2)	0	(2)	0	(2)
0	0	0	0	0	0	0	995	995	56	1,051
(107)	0	0	0	0	0	0	0	(84)	13	(71)
0	0	0	0	0	0	0	0	(1)	(0)	(1)
584	**0**	**(13)**	**72**	**93**	**249**	**(36)**	**995**	**19,568**	**58**	**19,626**

5

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 and cash equivalents resulting from operating activities include cash flows generated by Natixis' activities.

Changes in cash and cash equivalents related to investing activities result from cash flows related to acquisitions and disposals of consolidated and non-consolidated investments, property, plant and equipment and intangible assets.

(in millions of euros)	31/12/2023	31/12/2022
Pre-tax profit	**1,602**	**1,265**
+/- Net charge to depreciation and amortization of property, plant and equipment and intangible assets	227	266
+/- Impairment of goodwill and other non-current assets	0	0
+/- Net charge to other provisions (including insurance companies' technical reserves)	(96)	(299)
+/- Share in income of associates	(14)	(13)
+/- Net loss/(gain) on investing activities	(84)	(114)
+/- (Income)/expenses from financing operations	136	65
+/- Other activity	1,247	(6,899)
= Total non-cash items included in pre-tax profit and other adjustments	***1,416***	***(6,994)***
+/- Decrease/(increase) in interbank and money market items	7,181	(9,665)
+/- Decrease/(increase) in client items	2,234	2,780
+/- Decrease/(increase) in financial assets or liabilities	1,028	12,353
+/- Decrease/(increase) in non-financial assets or liabilities [e]	2,441	793
- Income taxes paid	(194)	(544)
= Net decrease/(increase) in operating assets and liabilities	***12,689***	***5,716***
Net cash provided/(used) by operating activities	**15,708**	**(13)**
+/- Decrease/(increase) in financial assets and equity interests [a]	111	(2)
+/- Decrease/(increase) in investment property	1	(0)
+/- Decrease/(increase) in property, plant and equipment and intangible assets	(121)	(124)
Net cash provided/(used) by investing operations	**(9)**	**(126)**
+/- Cash received from/(paid to) shareholders [b]	(498)	714
+/- Other net cash provided/(used) by financing operations [c]	(285)	(163)
Net cash provided/(used) by financing operations	**(783)**	**550**
Cash flow on assets and liabilities held for sale [d]	**0**	**2**
Impact of exchange rate fluctuations on cash and cash equivalents	**(727)**	**374**
Net increase/(decrease) in cash and cash equivalents	**14,188**	**788**
Net cash provided/(used) by operating activities	15,708	(13)
Net cash provided/(used) by investing activities	(9)	(126)
Net cash provided/(used) by financing operations	(783)	550
Cash flow on assets and liabilities held for sale	0	2
Impact of exchange rate fluctuations on cash and cash equivalents	(727)	374
Cash and cash equivalents at beginning of period	**42,656**	**41,868**
Cash and balances with central banks (assets & liabilities)	44,661	48,883
Interbank balances	(2,005)	(7,014)
Cash and cash equivalents at end of period	**56,845**	**42,656**
Cash and balances with central banks (assets & liabilities)	61,945	44,661
Interbank balances	(5,101)	(2,005)
CHANGE IN CASH AND CASH EQUIVALENTS	**14,188**	**788**

(a) *Cash flows related to financial assets and equity investments, including:*
- *cash flows related to consolidated equity investments for +€67.6 million;*
- *cash flows related to non-consolidated equity investments for +€43.4 million.*

(b) *Cash flows from or to shareholders include dividends paid to BPCE of -€442 million and those paid to non-controlling interests for -€56 million.*

(c) *Cash flows from financing activities can be broken down as follows:*
- *interest paid on subordinated notes for -€132 million;*
- *interest paid on deeply subordinated notes recorded in shareholders' equity for -€153 million.*

(d) *Corresponds at December 31, 2022 to AlphaSimplex, which was sold in 2023 (see Note 1.2).*

(e) *Including cash flows in relation to lease liabilities, amounting to -€130.5 million at December 31, 2023.*

5.1.2 Notes to the financial statements

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 Natixis

As required by Regulation (EU) No. 1606/2002 of July 19, 2002, Natixis has prepared its consolidated financial statements for the fiscal year ended December 31, 2023 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 for the fiscal year ended December 31, 2023 were approved by the Board of Directors' meeting of February 8, 2024. They will be submitted for approval to the General Shareholders' meeting of May 22, 2024.

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 2022 universal registration document filed with the French Financial Markets Authority (AMF) on March 23, 2023. In accordance with Regulation (EU) No. 2017/1129 relating to the publication of prospectuses and Commission Delegated Regulation (EU) No. 2019/980 relating to the information contained in prospectuses, the financial statements for the fiscal year ended December 31, 2021, which were published in the 2021 Registration Document filed with the French Financial Markets Authority on March 11, 2022, are included for reference in this universal registration document.

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.

The standards and interpretations used and described in the annual financial statements at December 31, 2022 were supplemented by the standards, amendments and interpretations for which application is mandatory for fiscal years beginning on or after January 1, 2023:

- **IFRS 17 "Insurance Contracts"** adopted by the European Union on November 19, 2021 and as amended on September 8, 2022 is applicable from January 1, 2023. As the insurance entities were transferred to BPCE in 2022, this standard has no impact on Natixis' financial statements;
- **the amendments to IAS 1 entitled "Information to be provided on accounting methods"**, adopted by the European Union on March 2, 2022 and applicable from January 1, 2023. The purpose of these amendments is to help entities identify the significant accounting policies to be disclosed in the notes to the financial statements and the usefulness of this information for users of the financial statements. The application of these amendments has no impact on Natixis' financial statements;
- **the amendments to IAS 8 entitled "Definition of accounting estimates and errors"**, adopted by the European Union on March 2, 2022 and applicable from January 1, 2023. The purpose of these amendments is to facilitate the distinction between changes in accounting methods and changes in accounting estimates. The application of these amendments has no impact on Natixis' financial statements;
- **the amendments to IAS 12 entitled "Income taxes"**, adopted by the European Union on August 11, 2022 and applicable from January 1, 2023. The amendments clarify and reduce the scope of application of the exemption offered by IAS 12 not to recognize deferred tax at the time of the initial recognition of an asset and a liability. The application of these amendments has no impact on Natixis' financial statements;
- **the decision of the IFRS IC of March 2023 relating to IFRS 16 "Leases".** The IFRS Interpretations Committee (IFRS IC) has issued a clarification on the definition of a lease and substantive substitution rights. The application of the amendments had no impact on Natixis' financial statements;
- **the amendments to IAS 12 entitled "Income taxes"**, adopted by the European Union on November 8, 2023 and applicable from January 1, 2023. This amendment provides for an exemption from recognition of deferred taxes resulting from Pillar II rules *(see Note 5.19)*, subject to additional disclosure in the notes to the financial statements. In accordance with BPCE decision, Natixis has opted to apply the exemption from recognition of deferred taxes under Pillar II rules at December 31, 2023.

In addition, Natixis did not early apply the following texts, adopted by the European Union but not yet effective at December 31, 2023:

- **amendments to IAS 1 "Presentation of Financial Statements"** adopted by the European Union on December 19, 2023 and applicable from January 1, 2024. These amendments clarify the classification of a loan with restrictive covenants as a current or non-current liability. These amendments would have no impact on Natixis' financial statements;
- **amendments to IFRS 16 "Leases"** adopted by the European Union on November 20, 2023 and applicable from January 1, 2024. These amendments clarify the subsequent measurement of sale and leaseback transactions where the initial sale of the underlying asset meets the criteria set out in IFRS 15 "Revenue from contracts with customers" for recognition as a sale. In particular, these amendments specify how to subsequently measure the lease liability arising from these sale and leaseback transactions in the presence of variable rents that do not depend on an index or rate. These amendments would have no impact on Natixis' financial statements.

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 Closing date

The consolidated financial statements are based on the financial statements at December 31, 2023 of the entities included in the 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) *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.*

1.2 Significant events

AlphaSimplex

During the first half of 2023, Natixis Investment Managers disposed all of the share capital of AlphaSimplex Group, its US asset management company specializing in liquid alternative assets, to Virtus Investment Partners, a US-based group of management companies *(see Note 2.6)*. Virtus took over the two US funds and a fund domiciled in Luxembourg managed by AlphaSimplex.

The net income from the transaction amounted to +€40.7 million at December 31, 2023.

Consequences of the conflict in Ukraine

Natixis continued to closely monitor the consequences of the military action against Ukraine launched in February 2022 by the Russian Federation. For the record, Groupe BPCE declared on April 13, 2022 that it had ceased all new financing activities in Russia. Since then, Natixis has continued to reduce its residual exposure to Russian counterparties, which had been transferred to the books of Natixis Paris at the start of the conflict, through the natural amortization of loans and sales on the market.

1.3 Post-closing events

No subsequent event occurred.

Note 2 Consolidation methods and principles

2.1 Scope of consolidation

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
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.

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 16 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 non-controlling 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 non-controlling interests subject to put options is presented in "Net income/loss for the period – share attributable to non-controlling interests" in the consolidated income statement.

2.5 Business combinations and goodwill

2.5.1 Business combination

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 in accordance with the provisions of IFRS 3;
- revised IFRS 3 (IFRS 3R) if they occur after January 1, 2010. IFRS 3R can be applied in a forward looking 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:
  - non-controlling 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 non-controlling 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.

2.5.2 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:

Differences concerning the contributed entities that make up Natixis in 2006

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.

2.5.3 Goodwill

Excluding translation adjustments (-€54 million), goodwill rose by +€1.0 million in 2023 *(see Note 7.12)*.

2.5.4 Goodwill 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 an uncertain economic environment.

As at December 31, 2023, 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% (unchanged from 2022) for the Asset & Wealth Management CGUs and for the M&A activity of CIB, due to the prospects for sustained growth in their activity;
- discount rate: use of a differentiated rate per CGU: 10.2% for Asset & Wealth Management (9.4% at December 31, 2022), 10.5% for CIB (9.6% at December 31, 2022);
- market data is 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 10-year Treasury bonds (French OAT), averaged over 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.

These tests did not result in the recognition of impairment losses at December 31, 2023.

A 50 bps increase in discount rates (assumption based on the historical annual variability observed over one year using 2012-2020 historical data) combined with a 50 bps reduction in perpetual growth rates would reduce the value in use of CGUs by:

- -8.7% for the Asset & Wealth Management CGU;
- -9.0% 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 -4% negative impact on the CGU's recoverable value and would not lead to the recognition of an impairment loss;
- for the Corporate & Investment 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.

Disposal of AlphaSimplex

In 2022, Natixis Investment Managers reached an agreement to sell all the share capital of AlphaSimplex Group, its American management company specializing in liquid alternative assets, to Virtus Investment Partners, a US group comprising several management companies.

At December 31, 2022, Natixis, through Natixis Investment Managers, had maintained the full consolidation of AlphaSimplex and had 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” and “Liabilities related to non-current assets held for sale”.

As the disposal was completed during fiscal year 2023, AlphaSimplex is no longer included in Natixis’ scope of consolidation at December 31, 2023 *(see Note 1.2)*.

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

Until December 31, 2022

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 Amending Finance law for 2014 (No. 2014-1655 of December 29, 2014) and the agreement signed with the French State on December 24, 2019 and expired on December 31, 2022, Natixis managed 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. This created the Natixis assets allocated to the management of public procedures, over which the State and other creditors of the procedures had a specific right.

As of January 1, 2023

In accordance with Article 151 of the Finance law for 2023 of December 30, 2022 published in the Official Journal on December 31, 2022, the activities carried out by Natixis, as agent of the State, were transferred to Bpifrance Assurance Export on January 1, 2023.

However, forward financial instruments entered into before December 31, 2022 by Natixis in its own name and on behalf of the French State to hedge the latter’s interest rate risk (resulting from the interest rate stabilization procedure for export credits) are not transferred. Natixis remains responsible for managing these contracts until the end of the last contract on September 29, 2036.

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 exchange rate on the closing date, 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 adjustments 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 adjustments 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 adjustments arising after January 1, 2004.

Note 3 Scope of consolidation

3.1 Changes in the scope of consolidation since January 1, 2023

The primary changes in scope that have taken place since January 1, 2023 are as follows:

3.1.1 Corporate & Investment Banking

Changes in percentage of ownership

- Ownership of Solomon Partners, LP and Solomon Partners Securities Company LLC increased from 58.49% to 62.10% following the exercise of put options in the second quarter of 2023, then to 61.10% following the disposal of shares in the third quarter of 2023.
- Ownership of Fenchurch Partners LLP increased from 51% to 60.5% following the exercise of put options in the third quarter of 2023.
- Ownership of Natixis Partners Iberia increased from 89.2% to 99% following the exercise of put options in the third quarter of 2023.
- Ownership of the entities Azure Capital Holdings Pty Ltd, The Azure Capital Trust and Azure Capital Limited increased from 56.09% to 63.70% in the fourth quarter 2023 following the exercise of a put option.
- Ownership of the entities Vermilion (Vermilion (Beijing) Advisory Company Limited, Vermilion Partners (UK) Limited, Vermilion Partners (Holdings) Limited and Vermilion Partners Limited) increased from 71.60% to 82.02% following the acquisition of shares from the founders in the fourth quarter of 2023.

Deconsolidated entities

- Deconsolidation of Vermilion Partners LLP in the first quarter of 2023 following its liquidation.

Other transactions

- Total transfer of the assets and liabilities of Contango Trading S.A. and Natixis Innov to Natixis S.A. in the fourth quarter of 2023.

3.1.2 Asset & Wealth Management

Newly consolidated entities

- Consolidation of Massena Conseil SAS in the first quarter of 2023 to include the life insurance brokerage portfolio acquired from Natixis Corporate and Investment Banking Luxembourg (formerly NATIXIS Wealth Management Luxembourg).
- As part of the development and pooling of Natixis IM's IT infrastructures in North America, a new company was created in Canada in February 2023, NIM-os Technologies Inc. This entity is wholly owned by NIM-os LLC, which is controlled by Loomis Sayles.
- Flexstone Partners Pte Ltd is the historical subsidiary of Flexstone in Asia. This entity, not consolidated in the past for reasons of materiality, is now consolidated from the second quarter of 2023, given Flexstone's development outlook in the Asia-Pacific region.
- As part of the reorganization of AEW Europe operations in the United Kingdom, the activities of AEW Europe LLP were transferred to AEW UK Investment Management LLP in early April 2023. As such, the activities of the Spanish branch of AEW Europe LLP were transferred to a new branch of AEW UK Investment Management LLP, created for this purpose. AEW UK Investment Management LLP Spain branch enters the scope of consolidation in the second quarter of 2023.
- In the second quarter of 2023, four entities involved in the management of AEW Capital Management real estate funds in the United States entered the scope of consolidation: AEW Value Investors US GP, LLC, AEW European Property Securities Absolute Return GP, LLC, AEW Global Property GP, LLC and AEW Global Investment Fund GP, LLC.
- In the third quarter of 2023, two entities involved in the management of AEW Capital Management's real estate funds in the United States entered the scope of consolidation: AEW SHI V GP, LLC and AEW Red Fund GP, LLC.
- In December 2023, MV Credit launched a new securitization fund, MV Credit Euro CLO III. The equity units of this fund are fully owned by Natixis IM, through a newly-created Luxembourg structure, MV Credit CLO Equity SARL, which is intended to become the retention fund for future CLOs launched by MV Credit teams. This entity is wholly owned by Natixis Private Equity.

  Consequently, MV Credit CLO Equity SARL and MV Credit Euro CLO III are both consolidated since the fourth quarter of 2023.
- Natixis IM, via its sub-holding company Natixis IM P1, has acquired from Crédit Coopératif a 24.99% stake in Ecofi Investissements, a Groupe BPCE management company specializing in socially responsible investment. Insofar as Natixis IM only exercises significant influence over Ecofi, this structure is consolidated using the equity method in the fourth quarter of 2023.
- The Loomis Sayles Sakorum Long Short Growth Equity fund managed by Loomis is consolidated in the fourth quarter of 2023, following the crossing of consolidation thresholds.
- In the fourth quarter of 2023, Natixis IM Participations 6, an entity domiciled in France and 100% owned by Natixis IM, was fully consolidated with a view to future development projects.

Deconsolidated entities

- At the end of March 2023, Natixis IM sold its US affiliate AlphaSimplex, a specialist in systematic alternative management, to Virtus Investment Partners (multi-boutique asset manager outside the group).
- The entities AEW Core Property (US) GP LLC (US) and AEW Core Property (US) Lux GP SARL (Luxembourg), which were involved in the management of real estate funds of AEW Capital Management, were sold externally in the first quarter of 2023.
- EPI SLP LLC, involved in setting up AEW Europe's European Property Investment fund, was liquidated in February 2023.
- Harris Alternatives Holdings, which acted as an intermediate holding company for Aurora, was dissolved in January 2023. Aurora is now owned directly by Natixis Investment Managers LLC (former parent of Harris Alternatives Holdings).
- Following successive repayments during the first quarter of 2023, the investment in seed money made by Kennedy Financement Luxembourg in the Loomis Sayles Euro Credit fund reached 18% of net assets at the end of March 2023 (i.e. a holding rate below the consolidation thresholds). The fund is therefore deconsolidated.

- Following the merger of Seeyond with Ostrum, the Seeyond branch in Italy was delisted in January 2023, its activities having been taken over by the new branch of Ostrum in Italy created at the end of 2022.
- Natixis Investment Managers Korea Limited, whose business was transferred to Natixis IM Korea Limited, was liquidated in June 2023.
- To simplify NIM's organization chart in the United States, Caspian Capital Management LLC was liquidated in June 2023.
- The Australian branch of AEW Asia Limited (Hong Kong subsidiary of AEW Capital Management), whose business was transferred to AEW Australia Pty Ltd (Australian subsidiary of AEW Capital Management), was liquidated in June 2023.
- Natixis Investment Managers Participations 5, NIM's subholding company, was dissolved in the third quarter of 2023. Its assets, consisting mainly of the investment in MV Credit, were transferred to Natixis Investment Managers Participation 1 (NIM P1).
- During the fourth quarter of 2023, two international distribution branches were liquidated, namely the Swedish branch Natixis Investment Managers International, Nordics Filial of the French entity Natixis IM International (whose activity was underdeveloped) and the Spanish branch Natixis Investment Managers, Sucursal en España of the Luxembourg entity Natixis IM S.A. (whose activity had been transferred several months ago to a new branch of Natixis IM International in Spain).
- AEW Europe Advisory Ltd, and its subsidiary AEW Europe CC Ltd, were wound up in the fourth quarter of 2023. Their respective activities were transferred to AEW Global Ltd, parent company of AEW Europe Advisory Ltd.

Changes in percentage of ownership

- Massena Partners' percentage of ownership increased from 98% to 98.45% in the first quarter of 2023 following the contribution of the "Wealth Management" business unit and the life insurance brokerage activity of Natixis Wealth Management Luxembourg S.A. to Massena Partners in return for a capital increase; ownership of Massena Partners increased from 98.45% to 100% following the exercise of put options by the partners in the fourth quarter of 2023.
- Following the exercise of put options, NIM's control and interest in IML increased from 68% to 79%.

  In the second quarter of 2023, following the sale of shares, NIM's ownership of IML fell from 79% to 75.9%.
- Natixis IM transferred part of Vauban's capital to the entity's managers in April 2023, but retains control of the entity, holding in particular the majority of the voting rights of the limited partners and the power over the key decisions of the general partner.
- NIM's ownership of Flexstone SAS now stands at 84%, with a cascading effect on Flexstone SAS's wholly-owned subsidiaries, notably Flexstone Partners SARL in Switzerland and Flexstone Partners LLC in the United States.
- NIM's ownership of Dorval moved from 99.4% to 99.1% in the second quarter of 2023.
- During the second quarter, NIM sold 5% of the share capital of AEW Invest GmbH to an external foundation (Stichting), which already held nearly 10% of the shares of the entity. The control rate therefore moved to 85%. NIM retains all of the economic rights related to the entity, taking into account the dividend sharing mechanism agreed between the parties.
- NIM's control and interest in Ossiam increased to 90.1% and 90.6% respectively.

Other transactions

- At January 1, 2023, Seeyond, an affiliate of Natixis IM specializing in quantitative management, was merged into Ostrum.

3.1.3 Corporate Center

Other transactions

- Total transfer of assets and liabilities from SCI Altaïr 1 and SCI Altaïr 2 to Natixis S.A. in the fourth quarter of 2023.

3.1.4 Others

During the first half of 2023, the Wealth Management business lines of both AWM and CIB were reorganized.

With regard to the Wealth Management business, the project should make it possible to strengthen and develop the activity of Massena Partners. In this context, the following transactions were carried out:

- transfer by Natixis Trust Holding to Natixis Wealth Management Paris of its entire stake in Massena Partners;
- contribution by Natixis Wealth Management Luxembourg of its independent Wealth Management business unit to Massena Partners;
- transfer by Natixis Wealth Management Luxembourg of its life insurance brokerage portfolio to Massena Conseil (unconsolidated company at December 31, 2022). Massena Conseil was thus consolidated as from March 31, 2023;
- transfer of Natixis Wealth Management Luxembourg loan portfolio to Natixis Wealth Management Paris.

Natixis Wealth Management Luxembourg's residual portfolios that have not been transferred are managed in run-off. In addition, the entity is maintaining its Corporate Banking activity (financing, deposits, etc.).

At the same time, the Natixis Wealth Management Luxembourg entity has been moved into the CIB division, and renamed Natixis CIB Luxembourg, with the aim of expanding activities in this region.

3.2 Impact of acquisitions and disposals

The effects of acquisitions and disposals are as follows at December 31, 2023:

- the impact of changes in percentage of ownership without loss of control on consolidated entities for +€23.1 million, corresponding to transactions involving the Vauban, Solomon Partner and Ossiam structures;
- the impact of the acquisition under common control of 24.99% of Ecofi Investissement from Crédit Coopératif by Natixis IM, which was charged to shareholders' equity in the amount of -€2.1 million;
- concerning puts on non-controlling interests at the beginning of the fiscal year of +€1.6 million. These effects are related to the change in the fair value of these puts over the period for +€2.1 million, generated by the revaluation of the financial debt for +€7.8 million on the Natixis CIB division, for -€2.4 million on the Natixis IM division, and by the unwinding of the discount on this same financial debt for -€3.3 million on Natixis IM. The transfer of the change in the share of net non-controlling interests of these entities representing these puts was worth -€0.5 million over the period;

- the effects of recycling to profit or loss the translation adjustments arising from the repayment of capital by the New York ($850 million) and Hong Kong ($130 million) branches for -€105.7 million;
- the effects of recycling to profit or loss the translation adjustments arising on the disposal of the AlphaSimplex Group for -€1.0 million.

The effects of acquisitions and disposals are as follows at December 31, 2022:

- concerning puts on non-controlling interests at the beginning of the fiscal year of -€59.9 million. These effects are related to the change in the fair value of these puts over the period for -€44.0 million, generated by the revaluation of the financial debt for -€38.8 million mainly on the Natixis CIB division, for -€3.9 million on the Natixis IM division and by the unwinding of the discount on this same financial debt for -€1.3 million on Natixis IM. The transfer of the change in the share of net non-controlling interests of these entities representing these puts was worth -€15.9 million over the period;
- the effects of changes in the percentage of ownership without loss of control on consolidated entities of -€4.2 million, mainly corresponding to the dilution result following the acquisition of 13% of the non-controlling interests in Ossiam;
- reclassification of actuarial gains and losses as reserves resulting from the application of IAS 19R in connection with the loss of control of the Insurance and Payments business lines for -€4.4 million;
- the effects of the recycling in reserves of the revaluation stock of securities classified as non-recyclable OCI carried by the Insurance, Payments business lines and Natixis Immobilier Exploitation in connection with their loss of control for -€24 million.

3.3 Interests in subsidiaries

3.3.1 Material non-controlling interests

As of December 31, 2023, Natixis held non-controlling interests for €58 million (€45 million as at December 31, 2022). The profit allocated in 2023 to holders of non-controlling interests is €56 million (€58 million in 2022). Dividends paid in 2023 to non-controlling interests amounted to €56 million (€67 million in 2022).

As of December 31, 2022, Natixis held non-controlling interests for €45 million (€202 million as at December 31, 2021, of which €155 million for the 49.99% minority interests in H2O). The profit allocated in 2022 to holders of non-controlling interests is €58 million (€106 million in 2021 of which €25 million concerning H2O). Dividends paid in 2022 to non-controlling interests amounted to €67 million (€50 million in 2021).

3.3.2 Material restrictions

Legal, regulatory or contractual restrictions may restrict Natixis' ability to freely transfer or use assets between Natixis entities.

Significant restrictions on subsidiaries' ability to transfer cash to another Natixis entity

In response to Russia's invasion of Ukraine, many countries introduced financial sanctions against Russia. Faced with the latter, Russia has reacted by imposing certain forms of capital controls. Thus, the repayment of loans contracted by Natixis Moscow with financial institutions in foreign countries (including its parent company Natixis S.A.) is limited to the monthly equivalent of 10 million rubles and must be subject to authorization by the Central Bank of Russia for higher amounts. Similarly, dividend payments cannot be made without the approval of the Central Bank of Russia.

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.

Significant restrictions related to liquidity reserves

Natixis is subject to the liquidity risk surveillance framework, 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 Section [3.2.8] "Balance sheet management" of the universal registration document)*.

Some entities are also subject to local regulations concerning liquidity and solvency.

Significant restrictions on Natixis' ability to use certain assets

The share of encumbered assets that cannot be freely used is presented in Section [3.3] of Chapter [3] "Risk factors, risk management and Pillar III" of this universal registration document.

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.

The main equity investment held by Natixis at December 31, 2023 was EDF Investment Group (EIG).

Table summarizing investments in associates

(in millions of euros)	31/12/2023			31/12/2022		
	Value of the investments in associates	Net income	Gains and losses recorded directly in shareholders' equity	Value of the investments in associates	Net income	Gains and losses recorded directly in shareholders' equity [(a)]
Joint ventures						
Associates	531	13	(1)	525	13	(19)
EDF Investment Group (EIG)	526	13	(1)	524	12	0
Ecofi Investissements [(b)]	4					
Other entities	0	1	0	1	1	(19)
TOTAL	**531**	**14**	**(1)**	**525**	**13**	**(19)**

(a) *Of which -€19 million at December 31, 2022 corresponding to the recycling of the unrealized reserves of BPCE IARD and Adir due to the contribution of the securities of the Insurance division to BPCE in the first quarter of 2022.*

(b) *Corresponds to Natixis IM's acquisition of a 24.99% stake in Ecofi Investissements completed in 2023 (see Note 3.1.2).*

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.

	31/12/2023	31/12/2022
(in millions of euros)	EDF Investment Group (EIG)	EDF Investment Group (EIG)
Valuation method	Associate	Associate
Dividends paid	140	136
Main aggregates		
TOTAL ASSETS	**7,174**	**6,988**
TOTAL DEBT	**202**	**39**
INCOME STATEMENT		
Pre-tax profit	*231*	*195*
Income tax	*(58)*	*(50)*
Net income	*173*	*146*
GAINS OR LOSSES RECORDED DIRECTLY IN SHAREHOLDERS' EQUITY	**(16)**	**(6)**

The data for EIG established on December 31, 2023 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.

	31/12/2023	31/12/2022
(in millions of euros)	EDF Investment Group (EIG)	EDF Investment Group (EIG)
Shareholders' equity of the associate	6,972	6,949
Percentage of ownership	7.54%	7.54%
Natixis' share in the associate's shareholders' equity	526	524
Goodwill		
Impairment		
Value of the investment in the associate	526	524

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 Financing 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 client.

These structures are, for the most part, self-managed. In the case of leasing 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.

5

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 Natixis' entities and business lines:

- as managers, Natixis Investment Managers and Natixis Wealth Management do not invest in the funds and generally own only a few units;
- 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 framework 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, outperformance 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. Information on the risk management of securitization transactions is presented in Section 3.2.5 of Chapter 3 "Risk factors, liquidity and Pillar III".

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 2023, as in 2022, 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 issue 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 outstanding loans due to banks in the pool (drawn outstandings);
- for other activities, to the balance sheet total.

The maximum risk exposure corresponds to the cumulative amount of interest 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.

	31/12/2023					31/12/2022				
(in millions of euros)	Securi-tization	Asset Manage-ment	Structured Financing	Other activities	Total	Securi-tization	Asset Manage-ment	Structured Financing	Other activities	Total
Financial assets at fair value through profit or loss	**610**	**1,618**	**1,925**	**20**	**4,174**	**339**	**1,641**	**1,697**	**393**	**4,071**
Trading derivatives	392	5	593		990	4	28	124	327	484
Trading instruments (excluding derivatives)	31		1,329	13	1,372	108	26	1,565	58	1,757
Financial instruments measured using the fair value option			0		0			0		0
Financial instruments to be valued at fair value through profit or loss	188	1,613	3	8	1,812	228	1,586	9	8	1,830
Financial assets at fair value through other comprehensive income			**0**	**0**	**0**					
Financial assets at amortized cost	**6,525**	**1,079**	**9,835**	**914**	**18,354**	**8,341**	**1,009**	**10,410**	**1,168**	**20,927**
Other assets	**22**	**51**	**182**	**0**	**256**	**18**	**24**	**5**	**2**	**49**
TOTAL ASSETS	**7,157**	**2,749**	**11,942**	**935**	**22,783**	**8,698**	**2,673**	**12,117**	**1,562**	**25,051**
Financial liabilities at fair value through profit or loss (derivatives)	218		1,031	0	1,250	93	38	1,294	346	1,771
Provisions	2		26	3	32	2	0	10	2	14
TOTAL LIABILITIES	**221**		**1,057**	**3**	**1,281**	**95**	**38**	**1,304**	**348**	**1,785**
Financing commitments given	7,074		3,171	204	10,450	8,758	192	2,430	433	11,813
Guarantee commitments given	260	101	2,597	41	3,000	81	109	2,322	180	2,692
Guarantees received	2,259	1	7,286	137	9,683	1,880		7,751	165	9,796
Notional amount of sales of options and CDS	2,334		7,150		9,484	619		7,941	135	8,695
MAXIMUM EXPOSURE TO RISK OF LOSS	**14,564**	**2,849**	**17,549**	**1,041**	**36,002**	**16,276**	**2,974**	**17,049**	**2,143**	**38,441**

	31/12/2023					31/12/2022				
(in millions of euros)	Securi-tization	Asset Manage-ment	Structured Financing	Other activities	Total	Securi-tization	Asset Manage-ment	Structured Financing	Other activities	Total
Size of structured entities	147,871	153,445	48,290	5,734	355,340	95,582	214,589	43,301	1,987	355,460

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.

	31/12/2023			31/12/2022		
(in millions of euros)	Securitization	Asset Management	Total	Securitization	Asset Management	Total
Revenues drawn from the entities	**2**	**1,330**	**1,332**	**1**	**1,190**	**1,191**
Revenues net of interest	0	0	0	1	1	2
Revenues net of fees and commissions	2	1,318	1,320	0	1,170	1,170
Net gains or losses on instruments at fair value through profit or loss	0	13	13	0	19	19
Carrying amount of the assets transferred from the entity during the year*	**116**	**0**	**0**	**679**	**0**	**679**

* *The carrying amount of assets transferred to these vehicles corresponds to the assets sold by Natixis during 2023 and 2022, 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 operations (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 banks and clients 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 hold to collect model whose objective is to collect and hold 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 rate 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 net 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 financial 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 Ministerial Order 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 client 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 and receivables due from customers at amortized cost". The outstanding amounts of State-guaranteed loans are disclosed in Section 7.6.2.

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 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)*.

Specific case of loans restructured due to the financial position of the debtor

"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.

Restructured loan outstandings are disclosed in Note 7.6.2.

For loans restructured by amending the terms of the existing contract, with no derecognition of the initial asset, a discount/premium 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.

This discount/premium is recognized in cost of risk, with a corresponding adjustment to the amortized cost of the balance sheet liability. It is then written back to net interest income in the income statement over the remaining life of the loan.

If the discount/premium 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 cost of risk;
- 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 other recyclable and non-recyclable 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 shareholders' 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 recorded directly in recyclable other comprehensive income".

Interest accrued or received on debt instruments is recorded in net 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 and 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 recorded directly in non-recyclable other comprehensive income".

Realized and unrealized gains or losses continue to be recognized in shareholders' 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 or 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 "Net gains or losses on financial instruments at fair value through profit or 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

These are leases in which Natixis is the lessee.

Leases 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.

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 nine 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 reinvoiced (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 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 shareholders' 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 classified in Stage 3. 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) No. 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.

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 rate method 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 in the balance sheet 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 "Cost of risk".

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 "Cost of risk" (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 "Cost of risk".

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 closing date 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, or recorded as assets on a non-S3 Watch List, i.e. undergoing financial difficulties (forbearance). Additional criteria based on the sector rating and level of country risk;
- Individual Client, Professional Client, 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 a comparison of ratings at origin and at closing. The additional qualitative criteria make it possible to classify as Stage 2 all contracts, whether more than 30 days past due, or recorded as assets on a non-S3 Watch List, i.e. in a situation of redevelopment whilst undergoing financial difficulties (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 Individual Client, Professional Client and SME, the quantitative criteria changed in the second half of 2023, and will now be based on a comparison of ratings at origin and at closing (vs. a comparison of 12-month probability of default previously).

<table>
<tr><th></th><th colspan="3">Asset class</th></tr>
<tr><th>Rating at grant</th><th>Retail</th><th>Professionals</th><th>Excluding Retail</th></tr>
<tr><td>3 to 11 (AAA to B+)</td><td>3 notches</td><td rowspan="3">3 notches</td><td>3 notches</td></tr>
<tr><td>12 (BB)</td><td rowspan="2">2 notches</td><td rowspan="2">2 notches</td></tr>
<tr><td>13 (BB-)</td></tr>
<tr><td>14 to 15 (B+ to B)</td><td rowspan="2">1 notch</td><td>2 notches</td><td rowspan="2">1 notch</td></tr>
<tr><td>16 (B-)</td><td>1 notch</td></tr>
<tr><td>17 to 19 (CCC to C)</td><td colspan="3">By default always in S2</td></tr>
</table>

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.

In addition, a sector adjustment of the probabilities of default is made. This approach makes it possible to account for sector-specific aspects when assessing credit risk while strengthening the discrimination related to counterparty rating.

Climate risk is also taken into account when determining IFRS 9 provisions, as follows: on the one hand, analysts take climate risk into account qualitatively at this stage in the counterparty rating, and on the other hand, climate risk is also taken into account in the assessment of sector ratings, which are used in counterparty ratings and sector coefficients.

It should be noted that the granting or extension of a SGL 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 closing date. 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 & 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 difficulties 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 mechanism. 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, 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 oversight 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 macro-economic 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 mechanism. 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. In 2023, the scenarios were updated several times. The scenarios used at December 31, 2023 were updated and validated by the group's governing bodies in July 2023. They include a pessimistic limit corresponding to the high and persistent inflation scenario used for the 2023 Internal Stress Test. Overall, this new pessimistic limit used since the third quarter is less severe than the previous one used for the second quarter of 2023.

Since fiscal year 2022, a change has been made to the methods used to determine and apply weightings. It consists of determining weightings that take into account the specific geographical features and positioning of a geographic area in the macro-economic environment in relation to the defined scenarios. Separate weightings were established for three geographical areas: France, Europe excluding France, and the United States. The weightings used for the calculations relating to exposures not belonging to the above geographical areas are those used for the United States area, as GDP in these areas are more closely correlated with the United States. It should be noted that these geographical areas represent outstandings for which the share of EAD is less than 10% of Natixis' EAD, an additional criterion beyond which a specific weighting must be defined.

The parameters thus defined are used to assess the credit losses of all rated exposures.

However, certain entities whose own fund requirements are calculated using the standard 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 mechanism for validating IFRS 9 parameters is fully integrated in the validation framework 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.

5.4.1 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, "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.

5.4.2 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 derivatives (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 shareholders' 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 is outside the [80%; 125%] limits, 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 shareholders' equity that can be recycled under "Gains and losses recorded 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 the 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 derivatives (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 the 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 foreign 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 shareholders' 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 the income statement. Unrealized gains and losses recorded directly in equity are transferred to income when all or part of the net investment is sold.

5.4.3 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.

5.4.4 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 recorded 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 recorded 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 shareholders' 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 closing date. 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 other comprehensive income", 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 valuation 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 valuation 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 framework is 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 and intangible assets (excluding goodwill)

Fixed assets recorded in the balance sheet include property, plant and equipment and intangible assets. 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

When IFRS standards were first applied, property, plant and equipment were maintained at their historical cost pursuant to IFRS 1.

Property, plant and equipment are recorded at their purchase price, 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 acquisition, fixed assets are carried at cost less any cumulative impairment, amortization and impairment losses.

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 impairment 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 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 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 five to 10 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 15 years.

Other intangible assets mainly comprise client portfolio values amortized over the life of the contracts (terms generally ranging from five to 10 years).

Depreciation periods must be reviewed annually and, where applicable, the impact of any change in estimate is recognized prospectively, in the income statement, from the date of the change.

Depreciation and amortization of fixed assets are presented under the item "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".

Impairments may be reversed if there has been a change in the conditions that initially resulted in the impairment (for example there is no longer any objective evidence of impairment).

Gains or losses on disposals

Capital gains or losses on the disposal of non-current operating assets are recorded in the income statement under "Gains or losses on other assets".

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 12 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 12 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 net income after tax 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 of financial liabilities designated 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 of financial liabilities designated at fair value through profit or loss” to “Consolidated reserves” under equity.

5.10 Debt

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 “Due to banks”, “Customer deposits”, “Debt securities” or “Subordinated debt”.

Long-term refinancing transactions (TLTRO 3) with the ECB through BPCE are recognized at amortized cost in accordance with the rules of IFRS 9. Interest is recognized in profit or loss using the effective interest rate method estimated on the basis of assumptions about the achievement of the loan production targets set by the ECB.

As this is an adjustable rate of return, the effective interest rate applied varies from one period to another. Groupe BPCE achieved the loan production targets set by the ECB. As a result, the -0.50% bonus was recognized in income over the 12-month period in question.

On October 28, 2022, the ECB announced a change in the remuneration of the TLTRO 3:

- between June 23, 2022 and November 22, 2022, the applicable rate was the ECB’s average deposit facility rate from the TLTRO 3 start date until November 22, 2022;
- from November 23, 2022, the applicable rate is the average ECB deposit facility rate applicable until the maturity date or the early redemption date of each TLTRO 3 transaction in progress. In the consolidated financial statements at December 31, 2023, the effective interest rate is the last known deposit facility rate (4% since September 20, 2023).

As a reminder, the effect of this change was recognized as an adjustment to net income for the period from June 23, 2022 to November 22, 2022 and prospectively for the new period from November 23, 2022.

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 lost, the asset is derecognized. While Natixis retains control, the asset remains on the balance sheet up to the level of “continuing involvement”.

A financial liability is derecognized when it is settled, canceled or expires.

5.11.1 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.

5.11.2 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 closing date. This amount is discounted when the effect of discounting is material. Provisions are reviewed at each closing 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, and
  - 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, procedures and litigation

A description of the main risks and procedures 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, 2023 and at December 31, 2022 are presented in Note 7.16 "Provisions and impairment" and any allowances are specified in Note 6.6 "Other income and expenses", in Note 6.7 "Operating expenses and depreciation, amortization, and impairments" 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 pension plans, 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 commitment 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. These valuations are carried out regularly 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 "Accrual account 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 recyclable to income among "Gains and losses recorded 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.

Natixis has taken into account the French Supreme Court's ruling of September 13, 2023 allowing employees to acquire paid leave entitlements while on sick leave. The impact of this decision has been provisioned in the financial statements for December 31, 2023. The amount of the provision is not material and may be adjusted in subsequent years in line with future legislative developments.

5.15 Distinction between debt and shareholders' 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 shareholders' equity in light of the 2009 renegotiation of a clause making the payment of interest non-optional in the event of positive consolidated results and which has since become discretionary.

  The change in outstandings during the year is presented in Note 7.15 "Changes in subordinated debt during the fiscal year" and in Note 11.2 "Capital management and capital adequacy";
- however, if an instrument is classified as shareholders' 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 and 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 in shareholders' 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 account and miscellaneous 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 2023 (thus including the Natixis 2023 deferred variable compensation plan which will be awarded in March 2024 in respect of services rendered in 2023) and to 2021 and 2022. The European CRD IV Regulation is applicable to the previous plans. The variable compensation policy also meets transparency requirements with regard to the French Prudential Supervisory Authority (ACPR), the European Central Bank (ECB) and the French Financial Markets Authority (AMF).

The plans awarded in this context and whose payment is based on shares, are settled 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 free 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 shareholders' 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 closing 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 condition 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 closing date taking into account the performance condition 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 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 shareholders' equity and 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 10.2.3.

5.17 Treasury shares

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 shareholders' 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 clients. Revenue is recognized in five stages:

- identification of contracts with clients;
- 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 clients except for leases (covered by IFRS 16) 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 25.83%, 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.

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".

In terms of the value-added contribution, or "Cotisation sur la Valeur Ajoutée des Entreprises" (CVAE), it is recorded in the accounts as "Operating expenses," since Natixis considers that its calculation is not based on net income.

Pillar II: Tax reform – Global minimum tax rate

Directive 2022/2523 was adopted by the European Union on December 14, 2022. This directive transposes into European law the recommendations of the Organization for Economic Co-operation and Development ("OECD") on international tax reform (known as "Pillar II"). It will be transposed into French law when the Finance law for 2024 is adopted.

This reform aims to introduce a minimum corporate income tax rate of 15% for certain international groups from January 1, 2024.

The accounting impacts of this reform have been taken into account by the International Accounting Standards Board (IASB) via the amendment to IAS 12 adopted on November 8, 2023 *(see Note 1.1)*. This amendment deals specifically with the expected accounting impact of the introduction of the so-called "Pillar II" tax rules, and provides an exemption from recognition of the deferred taxes associated with this additional taxation, with corresponding disclosures in the notes to the financial statements.

Natixis participates in Groupe BPCE's project (group-wide reporting entity), the aim of which is to monitor the various associated regulations as well as compliance with Pillar II rules and the additional information requirements introduced by these amendments to IAS 12.

Analyses carried out on the scope of consolidation show that the number of jurisdictions concerned by the application of a top-up tax is limited, and the financial implications insignificant. Work to identify impacts across the entire scope is underway.

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 7.16 "Provisions and impairment".

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

No IFRS standard addresses financial guarantees received. 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 7.16 “Provisions and impairment”.

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) 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 measures.

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 2023. The amount of contributions paid by Natixis represented €211.4 million for the fiscal year, of which €161.7 million was expensed and €49.7 million in the form of irrevocable payment undertakings (IPU) guaranteed by cash deposits recorded on the assets side of the balance sheet (the share of IPU corresponds to 15% of calls for funds guaranteed by cash deposits up to 2022 and 22.5% for the 2023 contribution). These deposits bear interest at €ster -20bp. Cumulative collateral recorded as assets on the balance sheet amounted to €256.3 million at December 31, 2023. The conditions governing the use of SRF resources, and therefore the calling of irrevocable payment commitments, are strictly regulated. These resources can only be called up in the event of an institution’s resolution proceedings, and after shareholders and holders of relevant equity instruments and other commitments usable for bail-in have contributed a minimum of 8% of total liabilities. In addition, the contribution from the SRF must not exceed 5% of the total liabilities of the institution subject to a resolution proceeding.

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.

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, future results of certain transactions could prove to be significantly different from the estimates used for the closing of the financial statements at December 31, 2023, particularly in the current extremely uncertain environment.

Accounting estimates requiring assumptions to be made are mainly used to measure the items set out below:

5.22.1 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 financing 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.

5.22.2 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 IFRS 9 framework is based on expected losses calculated according to three macro-economic scenarios (optimistic, central, pessimistic). The expected losses used in the financial statements are assessed in light of their expected positioning in the macro-economic environment and outlined in these three scenarios by attributing to each a probability of occurrence (where the sum of the weightings attributed to all three scenarios is equal to 1).

With regard to the economic projections used, new scenarios were updated and validated by the authorities in July 2023, incorporating a pessimistic limit corresponding to the scenario of high and persistent inflation used for the 2023 Internal Stress Test exercise.

These scenarios are defined and reviewed in the same manner and with the same governance as those defined for the budget process, with a quarterly review of relevance that could lead to macro-economic projections being revised in the event of a significant deviation in the situation observed, based on proposals from economic research and validation by the Senior Management Committee.

The variables defined in the central scenario and its limits 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. 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.

In addition, as mentioned in Note 5.3 to Chapter 5 “Consolidated financial statements at December 31, 2022” of the 2022 universal registration document, a change in the methods for determining and applying the weightings was adopted as from September 30, 2022. It consists of determining weightings that take into account the specific geographical features and positioning of a geographic area in the macro-economic environment in relation to the defined scenarios.

Given this context, the following weightings were validated:

	France	Europe excl. France	US zone
Optimistic	30%	6%	49%
Central	50%	76%	36%
Pessimistic	20%	18%	15%

The average of the December consensus forecasts leads to more optimistic weightings for the US zone on the optimistic scenario due to the upward trend in US GDP forecasts for 2024. For the euro zone, a significant increase in the central weighting is observed.

At December 31, 2022, the weightings used were as follows:

	France	Europe excl. France	US zone
Optimistic	20%	22%	23%
Central	45%	56%	48%
Pessimistic	35%	21%	29%

In addition, calculation also includes a sectoral dimension via a sectoral adjustment to the Probabilities of Default (PD) based on assessment of the economic sectoral ratings over a 6-12 month horizon. The average sector-weighted forward-looking PD, produced from the transition matrices, is compared and adjusted to converge toward the equivalent PD of the sector’s rating outlook.

The three-year projections of the main macro-economic variables used on the basis of the Natixis economists’ scenario for the central limit are presented below:

Central scenario used at December 31, 2023

	2024	2025	2026
S&P 500	4,598	4,598	4,598
SLS	19	9	8
VIX	17	15	15
Fed ref rate	3.8	3.3	3.0
Spread Libor 6-12M/Sonia 6-12M	0.1	0.1	0.0

Reminder: central scenario used at December 31, 2022

	2023	2024	2025
S&P 500	3,500	3,500	3,500
SLS	27.2	19.4	13.1
VIX	28	24	20
Fed ref rate	4.5	3.8	3.5
Spread Libor 6-12M	0.1	0.1	0.0

Finally, it should be noted that the various models for estimating expected credit losses may be supplemented by expert adjustments that increase the amount of expected losses in an economic context of high uncertainties. In this respect, Natixis has recognized additional provisions of €137.7 million at December 31, 2023 (versus €62.0 million at December 31, 2022), to take into account the risks and uncertainties arising from the current macro-economic and financial environment. This amount includes, in particular, the estimated impact of a downgrade on the real estate sector (scenario involving a deterioration in ratings and collateral values) and the impact of a downgrade on the financing of infrastructure projects carrying technological risks (particularly in the renewable energies sector).

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 led to the recognition at December 31, 2023, of a 72.5% increase in expected credit losses (before taking into account the additional provisions indicated above). Conversely, a 100% weighting for the probability of occurrence of the optimistic scenario would have led a reduction of 34.6% in the amount of expected credit losses.

5.22.3 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 lines' 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.

5.22.4 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.

5.22.5 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.

Law No. 2023-270 of rectifying financing of social security for 2023, promulgated on April 14, 2023 is applicable from September 1, 2023. The application of this law provides, in particular, for the gradual increase of the retirement age from 62 to 64 years and the extension of the contribution period to 43 years.

This reform has no significant impact on the actuarial valuation of Natixis' commitments as of December 31, 2023.

5.22.6 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 longer 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.

5.22.7 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.

When it is likely that the competent tax authorities will question the treatment adopted, these uncertainties are reflected in tax income and expenses by a provision for tax risks presented under tax liabilities.

Natixis is subject to accounting for prior years. The points proposed for correction about which Natixis disagrees are contested in a reasoned manner and, in application of the above, a provision is recorded for the estimated risk.

The description of the main risks and litigation, including in fiscal matters, to which Natixis is exposed is given in Section 3.2.10 of Chapter 3 "Risk factors, risk management and Pillar III".

5.22.8 Other provisions

Provisions recognized as liabilities in the consolidated balance sheet, other than those relating to financial instruments and employee benefits, 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.

A description of the main risks and procedures to which Natixis is exposed is given in Section 3.2.10 of Chapter 3 "Risk factors, risk management and Pillar III" of the 2023 universal registration document.

5.22.9 Climate and environmental risks

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[1] Disclosures): "transition risk" and "physical risk".

(1) The TCFD 2022 climate report, published by Groupe BPCE, in accordance with the recommendations of the TCFD, is available on the BPCE website (https://groupebpce.com/content/download/33295/file/230324-TCFD-FR-DEF.pdf).

As part of the risk identification process, the assessment of the materiality of these risks is reviewed annually and may, if necessary, be refined using new measurement methodologies. The materiality of the risks associated with climate change (acute physical risks, chronic risks and transition risks) is assessed over the short and long term with reference to the major Basel 3 Pillar I risk categories of credit risk, market risk and operational risk, including compliance and reputational risk. This work feeds into Natixis' annual review of macro-risk mapping.

A threshold and a limit are defined in the Global Financial Services division's Risk Appetite Framework, expressed in terms of the proportion of gross exposure to Dark Brown assets (internal Green Weighting Factor methodology) within the scope of Natixis CIB's financing activities.

The physical risk of drought in France and the euro zone, as well as the transitional risk arising from the impact of regulations on EPD (Energy Performance Diagnostics) on residential property prices, have been introduced at Groupe BPCE level (including Natixis) in the 2024 internal stress tests – normative approach, published in the March 2024 Natixis ICAAP report (adverse scenario of sustainable inflation including a climate risk component via the transmission channels of EPD and drought on the economy).

In addition, an add-on covering both transition risk and physical risk has been introduced into the ICAAP economic approach. It is based on the increase in the cost of risk (over a one-year horizon) in the sustainable inflation scenario including a climate component, compared with the same scenario ignoring the climate component. This additional cost of risk deriving from the introduction of the climate component in the stressed environment is added to the expected credit losses in the 99.9% quantile scenario (Monte Carlo approach) of value at credit risk (VaR credit).

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 traditional financing. It should be noted that environmental, social and governance (ESG) criteria are not explicitly integrated into rating methodologies at the end of 2023, although credit analysts have the option of adjusting the results of rating models to reflect any credit deterioration linked to climate concerns over a short-to-medium-term scenario (1-3 years) for a counterparty. Credit risk policies may also incorporate elements relating to CSR policies or certain criteria relating to climate and environmental risks, where applicable.

The process of identifying, quantifying and managing climate-related risks is being strengthened in line with BPCE's work, as and when data becomes available or is collected, in particular by supplementing the framework for quantifying risks and monitoring physical risk.

With regard to the preparation of its consolidated financial statements, Natixis is continuing its work to gradually integrate climate risks.

5.22.10 Uncertainties related to benchmark interest rate reform

At December 31, 2023, Natixis had almost completed its legal migration of contracts on interest-rate indexes that had ceased or were no longer representative. The balance of contracts not migrated to the new indexes corresponds mainly to contracts initially indexed on USD LIBOR, which were in the process of being renegotiated at December 31 and to which the synthetic LIBOR published by the ICE Benchmark Administration has applied since July 3, 2023. The latter will be used until completion of the remediation of the contracts, and no later than September 30, 2024, when the index will cease to exist. More specifically:

- the issue remediation process has been fully finalized;
- the financing contracts not yet remediated (around 7% of contracts due for remediation) are mainly syndicated financing contracts;
- the bulk of derivatives contracts indexed to USD LIBOR and traded with clearing houses migrated to SOFR in the first half of 2023 through the conversion processes deployed by the clearing houses. The majority of the other derivative contracts were remediated on July 3, 2023 thanks to the fallback clause resulting from the ISDA protocol to which Natixis and some of its counterparties have subscribed;
- residual derivative contracts, which have not yet been remediated, represent around thirty transactions at December 31, 2023.

The risks associated with the interest rate reform mainly include:

- the risk associated with change management which, in the event of asymmetry in the information and treatment of Natixis' clients, could lead to disputes with them;
- regulatory risk related to non-compliant use of benchmark rates, excluding exceptions authorized by the authorities;
- legal risk involved in negotiating and documenting the transition to the new indexes for the stock of existing transactions;
- operational risks related to the ability to execute new transactions referencing the new rates and to the remediation of the stock of transactions;
- the potential financial risk, which would be reflected in a financial loss resulting from stock remediation;
- valuation risks related to price volatility and basis risk resulting from the transition to alternative benchmark rates.

At December 31, 2023, with the transition to the new reference rates almost complete, Natixis' exposure to the associated risks has been considerably reduced.

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 periods preceding the transition to alternative benchmark rates. The counterparty of the hedging derivatives entered into by Natixis, initially exposed to the USD LIBOR rate, is mainly the clearing house LCH Clearnet Ltd, which converted all contracts indexed to USD LIBOR to SOFR in April and May 2023. Since these conversions, Natixis considers that the uncertainty concerning these contracts has been resolved and that these amendments are no longer applicable;
- 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 benchmark rates. This text, adopted by the European Commission on January 13, 2021 and applied by Natixis in advance in the December 31, 2020 financial statements, makes it possible to process changes in the contractual cash flows of financial assets and financial liabilities measured at amortized cost, as well as lease liabilities, in accordance with the provisions of IFRS 9 and IFRS 16, to re-estimate the cash flows of financial instruments indexed to a variable rate, provided that these changes are directly induced by the reform and that the basis for calculating contractual cash flows is economically equivalent to the calculation basis used immediately before the change; This means, for financial assets and liabilities (excluding lease debts), a forward-looking revision of the effective interest rate, and for financial liabilities related to leases, a forward-looking revision of the rental debt including a modification of the discount rate to take into account the switch to the alternative benchmark. The application of these amendments has thus enabled Natixis, for the changes in question, not to recognize any effect on the income statement, on the date of transition to an alternative benchmark rate. 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. The hedging derivatives, initially exposed to USD LIBOR recorded in Natixis' financial statements, intended to hedge the interest rate risk associated with financial assets or financial liabilities indexed to a fixed rate, are mainly entered into with LCH Clearnet Ltd *(see above)*, these amendments were therefore applied from the conversions made by the latter. No hedging relationships have been de-qualified as a result of these amendments and the transitional arrangements adopted by the clearing house.

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 due from banks and clients.

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".

	31/12/2023			31/12/2022		
(in millions of euros)	Income	Expense	Net	Income	Expense	Net
Financial assets and liabilities at amortized cost	**10,528**	**(9,638)**	**890**	**4,058**	**(2,857)**	**1,201**
Central banks	2,492	(2)	2,490	586	(101)	485
Interest on securities	169	(59)	109	99	(68)	30
Receivables, loans and borrowings	7,867	(7,082)	785	3,374	(1,965)	1,409
Banks	*3,252*	*(5,337)*	*(2,085)*	*786*	*(1,498)*	*(713)*
Clients [(a)]	*4,611*	*(1,745)*	*2,867*	*2,582*	*(466)*	*2,116*
Finance leases	*3*		*3*	*5*		*5*
Debt securities and subordinated debt		(2,477)	(2,477)		(711)	(711)
Lease liabilities		(17)	(17)		(12)	(12)
Financial assets at fair value through other comprehensive income	**182**		**182**	**118**		**118**
Interest on securities	177		177	118		118
Loans and receivables	5		5	0		0
Financial assets to be valued at fair value through profit or loss	**47**		**47**	**36**		**36**
Loans and receivables	39		39	23		23
Interest on securities	8		8	13		13
Hedging derivatives	**822**	**(567)**	**255**	**187**	**(233)**	**(46)**
TOTAL [(b)]	**11,579**	**(10,205)**	**1,374**	**4,398**	**(3,090)**	**1,308**

(a) Including an expense of -€23.3 million compared to an income of €10.2 million at December 31, 2022 concerning the impact of the extension of the SGLs ("catch up": re-estimation of future cash flows).

(b) At December 31, 2023, the negative interest on financial assets and liabilities amounted to -€48.1 million (-€176 million at December 31, 2022) and €27 million (€244.5 million at December 31, 2022) 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 clients, 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.

	31/12/2023			31/12/2022		
(in millions of euros)	Income	Expense	Total	Income	Expense	Total
Interbank transactions	17	(3)	14	19	(4)	16
Client transactions	616	0	616	593	(1)	592
Securities transactions	54	(168)	(115)	60	(135)	(75)
Payment services	36	(40)	(5)	31	(40)	(9)
Financial services	145	(555)	(410)	149	(586)	(437)
Fiduciary transactions [a]	3,462		3,462	3,689		3,689
Financing, guarantee, securities and derivative commitments	200	(234)	(33)	233	(259)	(27)
Other	165	(10)	155	142	(16)	126
TOTAL	**4,696**	**(1,011)**	**3,685**	**4,916**	**(1,041)**	**3,875**

(a) *Of which performance fees in the amount of €82 million (of which €58 million for Europe) at December 31, 2023, versus €193 million (of which €97 million for Europe) at December 31, 2022.*

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 of 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)	31/12/2023	31/12/2022
Net gains/(losses) on financial assets and liabilities excluding hedging derivatives	**2,341**	**1,965**
Net gains/(losses) on financial assets and liabilities held for trading [b]	4,413	(2,106)
o/w derivatives not eligible for hedge accounting	*(65)*	*1,205*
Net gains/(losses) on financial assets to be valued at fair value through profit or loss	178	(165)
Net gains/(losses) on financial assets and liabilities under the fair value option	(2,660)	4,047
Other	410	190
Hedging derivatives and revaluation of hedged items	**22**	**22**
Ineffective portion of cash flow hedges (CFH)	(3)	(5)
Ineffective portion of fair value hedges (FVH)	25	26
Changes in fair value hedges	*(446)*	*599*
Changes in hedged items	*471*	*(573)*
TOTAL [a]	**2,363**	**1,987**

(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 or 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:*
- *as of December 31, 2023, a valuation adjustment recorded on the liability valuation of derivatives for own credit risk (DVA) of -€22.2 million (expense) compared to income of +€22.4 million;*
- *in addition, the value adjustment concerning the valuation of the counterparty risk (CVA) of financial assets is +€49.9 million (income) at December 31, 2023 compared with an income of +€4.7 million at December 31, 2022;*
- *the Funding Valuation Adjustment (FVA) used on uncollateralized derivatives or imperfectly collateralized derivatives is also recognized on this line in the amount of -€25.2 million (expense) at December 31, 2023 versus +€4.7 million (income) at December 31, 2022.*

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)	31/12/2023	31/12/2022
Net gains on debt instruments	(9)	(19)
Net gains on loans and receivables	2	
Net gains on equity instruments (dividends)	61	68
TOTAL	**54**	**49**

Unrealized gains and losses recorded 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.

(in millions of euros)	31/12/2023	31/12/2022
Gains or losses on derecognition of financial assets at amortized cost [(a)]	(12)	(45)
Gains or losses on derecognition of financial liabilities at amortized cost	(2)	(8)
TOTAL	**(14)**	**(52)**

(a) Including -€37.9 million at December 31, 2023 for the novation with BPCE of subordinated loans issued by entities of the Insurance division.

6.6 Other income and expenses

Income and expenses from other activities include incidental income and expenses.

	31/12/2023			31/12/2022		
(in millions of euros)	Income	Expense	Net	Income	Expense	Net
Operating leases	3		3	3		3
Other related income and expenses	57	(124)	(67)	90	(95)	(6)
TOTAL	**61**	**(124)**	**(63)**	**93**	**(95)**	**(3)**

6.7 Operating expenses and depreciation, amortization, and impairments

Operating expenses mainly comprise payroll costs, including wages and salaries net of reinvoiced 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 10.

This item also includes all administrative expenses and external services.

(in millions of euros)	Notes	31/12/2023	31/12/2022
Payroll costs			
Wages and salaries	10.2	(2,566)	(2,626)
o/w share-based payments [(a)]		20	(59)
Pension benefits and other long-term employee benefits		(193)	(207)
Social security expenses		(595)	(540)
Incentive and profit-sharing plans		(121)	(126)
Payroll-based taxes		(70)	(63)
Other		(9)	(9)
Total Personnel costs		**(3,554)**	**(3,570)**
Other operating expenses			
Taxes and duties		(253)	(307)
External services		(1,531)	(1,499)
Other		(21)	(14)
Total other operating expenses		**(1,805)**	**(1,820)**
Total operating expenses		**(5,359)**	**(5,390)**
TOTAL DEPRECIATION, AMORTIZATION AND PROVISIONS FOR IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS		**(226)**	**(266)**

(a) The deferral recognized in 2023, concerning the cash-settled employee retention and performance Plan (ERPP) indexed to the value of the share, represents an income of €20.4 million (compared to an expense of -€58.4 million at December 31, 2022).

6.8 Cost of risk

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.

	31/12/2023						
(in millions of euros)	Charges	Net reversals	Write-offs not covered by provisions	Recoveries of bad debts written off	Net	Discounts/ surcharges on restructured loans	Net
Provisions for impairment of financial assets	**(1,430)**	**1,288**	**(14)**	**25**	**(131)**	**(15)**	**(145)**
Unimpaired financial assets – 12-month expected credit losses	(322)	315			(8)		(8)
Unimpaired financial assets – Lifetime expected credit losses	(588)	615			27		27
Impaired financial assets – Lifetime expected credit losses	(520)	358	(14)	25	(150)	(15)	(165)
Other							
Contingency reserves	**(441)**	**343**	**(1)**		**(99)**		**(99)**
Financing commitments – 12-month expected credit losses	(112)	109			(3)		(3)
Financing commitments – Lifetime expected credit losses	(259)	200			(58)		(58)
Impaired financing commitments – Lifetime expected credit losses	(55)	43			(12)		(12)
Other	(16)	(9)	(1)		(25)		(25)
TOTAL	**(1,871)**	**1,631**	**(15)**	**25**	**(229)**	**(15)**	**(244)**
o/w:							
Reversals of surplus impairment provisions		*1,631*					
Reversals of utilized impairment provisions		*299*					
Sub-total reversals		*1,930*					
Write-offs covered by provisions		*(299)*					
Total Net Reversals		1,631					

	31/12/2022				
(in millions of euros)	Charges	Net reversals	Write-offs not covered by provisions	Recoveries of bad debts written off	Net
Provisions for impairment of financial assets	**(1,318)**	**1,017**	**(13)**	**13**	**(301)**
Unimpaired financial assets – 12-month expected credit losses	(299)	283			(16)
Unimpaired financial assets – Lifetime expected credit losses	(637)	532			(105)
Impaired financial assets – Lifetime expected credit losses	(382)	203	(13)	13	(179)
Contingency reserves	**(429)**	**443**	**0**		**14**
Financing commitments – 12-month expected credit losses	(113)	107			(6)
Financing commitments – Lifetime expected credit losses	(249)	243			(6)
Impaired financing commitments – Lifetime expected credit losses	(60)	83			23
Other	(7)	10	0		3
TOTAL	**(1,747)**	**1,460**	**(14)**	**13**	**(287)**
o/w:					
Reversals of surplus impairment provisions		*1,460*			
Reversals of utilized impairment provisions		*334*			
Sub-total reversals:		*1,794*			
Write-offs covered by provisions		*(334)*			
Total net reversals:		*1,460*			

This item also includes impairment on non-performing receivables, resulting from the derecognition, following counterparty default, of financial instruments recorded as financial assets at fair value through profit or loss, amounting to -€16.2 million at December 31, 2023, compared with -€20.5 million at December 31, 2022.

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)	31/12/2023			31/12/2022		
	Investments in consolidated companies	Property, plant and equipment and intangible assets	Total [(a)(b)]	Investments in consolidated companies	Property, plant and equipment and intangible assets	Total [(c)]
Net capital gains/(losses) on disposals	35	(17)	18	17	14	31
TOTAL	**35**	**(17)**	**18**	**17**	**14**	**31**

(a) Including +€40.7 million for the disposal of AlphaSimplex (see Note 1.2).

(b) Including -€17.4 million relating to the write-off of IT projects under development.

(c) Including, at December 31, 2022, +€16.4 million for the disposal of H2O and +€13.7 million for the disposal of properties held by the Altaïr I and Altaïr II real estate entities.

6.10 Reconciliation of the tax expense in the financial statements and the theoretical tax expense

(in millions of euros)	31/12/2023	31/12/2022
+ Net income (Group share)	995	1,800
+ Net income - Non-controlling interests	56	58
+ Income tax expense	551	393
+ Income from discontinued operations	0	(985)
+ Impairment of goodwill	0	0
- Share in net income of associates	(14)	(13)
= Consolidated net income/(loss) before tax, goodwill amortization and share in income of associates	1,588	1,253
+/- Permanent differences [(a)]	372	186
= Consolidated taxable income/(loss)	1,961	1,439
x Theoretical tax rate	25.83%	25.83%
= Theoretical tax charge	(506)	(372)
+ Income taxed at reduced rates	0	0
+ Losses for the period not recognized for deferred tax purposes	4	8
+ Impact of tax consolidation	7	14
+ Difference in tax rates for foreign subsidiaries	36	13
+ Tax on prior periods and other tax items [(b)]	(92)	(56)
= Tax charge for the period	**(551)**	**(393)**
o/w: taxes payable	*(427)*	*(609)*
deferred tax	*(123)*	*216*

(a) Permanent differences include in particular the effect of non-tax-deductible regulatory contributions (+€130.2 million at December 31, 2023 vs. +€174.0 million at December 31, 2022).

(b) Including in 2022 the effects of changes in deferred tax assets recognized on Natixis' losses in France. These effects are mainly due to the 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 is 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 improves the future capacity to allocate the deficit and the tax savings related to this allocation are fully reallocated to Natixis.

6.11 Net income from discontinued operations

At December 31, 2022, the "net income from discontinued operations" item presented the €985.3 million capital gain on disposal of entities related to the Insurance and Payments business lines.

Note 7 Notes to the balance sheet

7.1 Financial assets and liabilities at fair value through profit or 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 or 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 of financial liabilities designated 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 or 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.

	31/12/2023				31/12/2022			
(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	**50,869**	**2,460**		**53,330**	**44,239**	**2,445**		**46,684**
Debt instruments	15,821	1,648		17,469	14,205	1,637		15,843
Equity instruments	35,048	813		35,861	30,033	808		30,841
Financing against reverse repos [(c)]	**91,279**			**91,279**	**73,655**			**73,655**
Loans and receivables	**4,506**	**1,038**		**5,545**	**4,490**	**881**		**5,371**
Banks	0			0	0			0
Clients	4,506	1,038		5,545	4,490	881		5,371
Derivative instruments not eligible for hedge accounting [(c)]	**60,042**			**60,042**	**68,795**			**68,795**
Security deposits paid	**16,035**			**16,035**	**18,081**			**18,081**
TOTAL	**222,732**	**3,499**		**226,230**	**209,260**	**3,326**		**212,586**

(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).

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 or loss by instrument type.

	31/12/2023			31/12/2022		
(in millions of euros)	Financial liabilities issued for trading	Financial liabilities designated under the fair value option	Total	Financial liabilities issued for trading	Financial liabilities designated under the fair value option	Total
Note		*7.1.2.1*			*7.1.2.1*	
Securities	**22,482**	**27,635**	**50,118**	**22,086**	**23,272**	**45,357**
Debt securities	2	27,635	27,637	2	23,272	23,274
Subordinated debt						
Short sales	22,480		22,480	22,084		22,084
Securities under repurchase agreements [(a)]	**103,060**		**103,060**	**74,751**		**74,751**
Liabilities	**3**	**225**	**228**	**8**	**232**	**240**
Due to banks	0	146	146	0	124	124
Customer deposits	3	56	59	8	42	50
Other liabilities		23	23		67	67
Derivative instruments not eligible for hedge accounting [(a)]	**52,318**		**52,318**	**68,077**		**68,077**
Security deposits received	**16,881**		**16,881**	**16,968**		**16,968**
TOTAL	**194,745**	**27,860**	**222,605**	**181,891**	**23,504**	**205,394**

(a) The information presented takes into account the impact of offsetting carried out in accordance with IAS 32 (see Note 7.3).

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 or loss mainly comprise issues originated and structured on behalf of clients 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.

	31/12/2023				31/12/2022			
(in millions of euros)	Carrying amount	Accounting mismatch	Managed on a fair value basis	Embedded derivatives	Carrying amount	Accounting mismatch	Managed on a fair value basis	Embedded derivatives
Due to banks	146	2		144	124	3		121
Customer deposits	56	0		56	42	0		42
Debt securities	27,635	22,733		4,902	23,272	19,567		3,704
Subordinated debt					0			
Other liabilities	23	23		0	67	67		0
TOTAL	**27,860**	**22,758**		**5,102**	**23,504**	**19,637**		**3,867**

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 designated under the fair value option for which related credit risk is presented in "other comprehensive income"

	31/12/2023				31/12/2022			
(in millions of euros)	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)]	27,635	31,184	(3,548)	(336)	23,272	28,539	(5,267)	(306)
Subordinated debt								
Total [(b)]	**27,635**	**31,184**	**(3,548)**	**(336)**	**23,272**	**28,539**	**(5,267)**	**(306)**

(a) *Balancing payments relating to the early redemption of Natixis issues recognized in shareholders' equity over fiscal year 2023 totaled -€3.6 million versus -€1 million over fiscal year 2022.*

(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 +€336.1 million at December 31, 2023 versus +€305.8 million at December 31, 2022.*

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

	31/12/2023			31/12/2022		
(in millions of euros)	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	146	177	(31)	124	173	(49)
Customer deposits	56	56	(1)	42	43	(1)
Other debts	23	23		67	67	
TOTAL	**225**	**256**	**(32)**	**232**	**282**	**(50)**

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.

	31/12/2023			31/12/2022		
(in millions of euros)	Notional	Assets	Liabilities	Notional	Assets	Liabilities
Organized market	**296,043**	**916**	**591**	**332,572**	**1,238**	**785**
Interest rate derivatives	223,611	0		260,816	0	
Currency derivatives	129			5		
Equity derivatives	72,161	916	591	70,977	1,238	785
Credit derivatives		0	0			
Other contracts	142			775		
Over-the-counter	**13,316,272**	**59,126**	**51,727**	**10,684,099**	**67,556**	**67,292**
Interest rate derivatives	11,710,295	31,275	26,620	9,184,449	34,841	34,788
Currency derivatives	1,310,877	23,305	20,722	1,240,798	28,436	28,045
Equity derivatives	100,632	2,082	2,088	87,666	1,972	2,116
Credit derivatives	112,323	1,540	1,449	77,735	932	821
Other contracts	82,146	924	848	93,451	1,375	1,522
TOTAL	**13,612,315**	**60,042**	**52,318**	**11,016,672**	**68,795**	**68,077**
o/w banks	***2,060,504***	***41,665***	***33,813***	***1,901,266***	***49,030***	***43,322***
o/w other financial companies	***10,957,036***	***10,210***	***11,241***	***8,466,760***	***10,990***	***13,053***

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.

	31/12/2023		31/12/2022	
(in millions of euros)	Fair value assets	Fair value liabilities	Fair value assets	Fair value liabilities
Cash flow hedges	**110**	**34**	**164**	**48**
Over-the-counter	**110**	**34**	**164**	**48**
Interest rate derivatives	109	33	164	48
Currency derivatives	1	1		
Fair value hedges	**356**	**304**	**552**	**285**
Over-the-counter	**356**	**304**	**552**	**285**
Interest rate derivatives	356	304	552	285
Currency derivatives				
TOTAL	**467**	**339**	**716**	**333**

7.2.1 Fair value hedging of assets and liabilities

	Hedging of interest rate risk			Hedging of interest rate risk		
	31/12/2023			31/12/2022		
(in millions of euros)	Carrying amount	of which revaluation of the hedged portion	Hedged portion still to be deferred	Carrying amount	of which revaluation of the hedged portion	Hedged portion still to be deferred
Assets	**14,284**	**(360)**	**(0)**	**14,467**	**(958)**	**(1)**
Financial assets at fair value through other comprehensive income	**8,742**	**(272)**		**7,699**	**(680)**	
Fixed-income securities	8,742	(272)		7,699	(680)	
Equities and other variable-income securities						
Financial assets at amortized cost	**5,542**	**(88)**	**(0)**	**6,768**	**(278)**	**(1)**
Loans and receivables due from banks	4,163	(28)		5,322	(164)	
Loans and receivables due from customers	1,337	(61)	(0)	1,427	(114)	(1)
Fixed-income securities	43			20		
Liabilities	**3,556**	**(109)**	**2**	**2,867**	**(191)**	**0**
Financial liabilities at amortized cost	**3,556**	**(109)**	**2**	**2,867**	**(191)**	**0**
Due to banks	1,543	(53)		1,303	(86)	0
Customer deposits	613	(3)		149	(5)	
Debt securities	1,291	(69)	2	1,306	(112)	
Subordinated debt	110	16		110	13	

7.2.2 Cash flow hedging of assets and liabilities

	31/12/2023			31/12/2022		
(in millions of euros)	Fair value of hedging derivative [(a)]	o/w effective portion	o/w ineffective portion	Fair value of hedging derivative [(a)]	o/w effective portion	o/w ineffective portion
Hedging of interest rate risk	76	69	7	116	110	6
Currency hedging						
TOTAL	**76**	**69**	**7**	**116**	**110**	**6**

(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)	01/01/2022	Change in effective portion	Reclassi-fication of effective portion in income	Hedged item partially or fully settled	Change in conso-lidation scope [(a)]	31/12/2022	Change in effective portion	Reclassi-fication of effective portion in income	Hedged item partially or fully settled	31/12/2023
Amount of OCI for CFH transactions	46	81	(5)	1	20	143	(11)	(34)	(1)	97
TOTAL	**46**	**81**	**(5)**	**1**	**20**	**143**	**(11)**	**(34)**	**(1)**	**97**

(a) Corresponds to the recycling of unrealized reserves from the Insurance business line due to the contribution to BPCE.

The hedged portion still to be deferred came to €30 million at December 31, 2023 and €34 million as at December 31, 2022.

7.3 Offsetting of financial assets and liabilities

The tables below present the amounts offset on the 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 agreement 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 agreements or similar agreements), after deducting the gross offset amounts, correspond to the gross balances presented on the balance sheet.

The gross offset amounts in the balance sheet 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 repurchase agreements, Natixis records in its balance sheet the net amount of repurchase and reverse repurchase agreements entered into with the same counterparty, and which:
  - have the same maturity date,
  - are operated via the same custodian or settlement platform,
  - are made in the same currency.

OTC derivatives handled with the clearing houses LCH Clearnet Ltd, Eurex Clearing AG and CME Clearing are 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 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.

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7.3.1 Financial assets

	31/12/2023			31/12/2022		
	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	**180,462**	**29,141**	**151,321**	**164,559**	**22,109**	**142,450**
Derivatives	*62,540*	*2,498*	*60,042*	*71,156*	*2,361*	*68,795*
Repurchase agreements	*117,923*	*26,643*	*91,279*	*93,403*	*19,748*	*73,655*
Hedging derivatives	**635**	**168**	**467**	**828**	**112**	**716**
Loans and receivables due from credit institutions	**4,913**	**1,034**	**3,880**	**2,532**	**1,000**	**1,533**
Repurchase agreements	*4,913*	*1,034*	*3,880*	*2,532*	*1,000*	*1,533*
Loans and receivables due from customers	**1,125**	**0**	**1,125**	**1,576**	**0**	**1,576**
Repurchase agreements	*1,125*	*0*	*1,125*	*1,576*	*0*	*1,576*
TOTAL	**187,135**	**30,343**	**156,792**	**169,496**	**23,220**	**146,275**

	31/12/2023				31/12/2022			
	Net amount of financial assets recognized in the balance sheet	Impacts of master netting and similar agreements [(a)]	Guarantees received in cash	Net exposure	Net amount of financial assets recognized in the balance sheet	Impacts of master netting and similar agreements [(a)]	Guarantees received in cash	Net exposure
(in millions of euros)	(c)	(d)	(f)	(g) = (c) - (d)	(c)	(d)	(f)	(g) = (c) - (d)
Derivatives	60,509	35,233	12,024	13,252	69,511	43,082	11,411	15,018
Repurchase agreements	96,283	94,622	36	1,625	76,764	75,360	40	1,364
TOTAL	**156,792**	**129,855**	**12,060**	**14,877**	**146,275**	**118,443**	**11,451**	**16,382**

(a) Including guarantees received in the form of securities.

7.3.2 Financial liabilities

(in millions of euros)	31/12/2023 Gross amount of financial liabilities offset in the balance sheet (a)	Gross amount of financial assets offset in the balance sheet (b)	Net amount of financial liabilities recognized in the balance sheet (c) = (a) - (b)	31/12/2022 Gross amount of financial liabilities offset in the balance sheet (a)	Gross amount of financial assets offset in the balance sheet (b)	Net amount of financial liabilities recognized in the balance sheet (c) = (a) - (b)
Financial liabilities at fair value through profit or loss	**184,513**	**29,135**	**155,378**	**164,939**	**22,111**	**142,828**
Derivatives	*54,810*	*2,492*	*52,318*	*70,441*	*2,363*	*68,077*
Repurchase agreements	*129,704*	*26,643*	*103,060*	*94,499*	*19,748*	*74,751*
Hedging derivatives	**513**	**174**	**339**	**442**	**110**	**333**
Due to banks	**4,467**	**1,034**	**3,434**	**2,617**	**1,000**	**1,617**
Repurchase agreements	*4,467*	*1,034*	*3,434*	*2,617*	*1,000*	*1,617*
Customer deposits	**0**	**0**	**0**	**130**	**0**	**130**
Repurchase agreements	*0*	*0*	*0*	*130*	*0*	*130*
TOTAL	**189,494**	**30,343**	**159,151**	**168,128**	**23,220**	**144,908**

(in millions of euros)	31/12/2023 Net amount of financial liabilities recognized in the balance sheet (c)	Impacts of master netting and similar agreements [(a)] (d)	Guarantees received in cash (f)	Net exposure (g) = (c) - (d)	31/12/2022 Net amount of financial liabilities recognized in the balance sheet (c)	Impacts of master netting and similar agreements [(a)] (d)	Guarantees received in cash (f)	Net exposure (g) = (c) - (d)
Derivatives	52,657	36,355	6,652	9,649	68,410	44,868	9,945	13,596
Repurchase agreements	106,494	105,201	11	1,282	76,498	75,967	19	512
TOTAL	**159,151**	**141,556**	**6,663**	**10,931**	**144,908**	**120,835**	**9,964**	**14,109**

(a) *Including guarantees given in the form of securities.*

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.

(in millions of euros)	31/12/2023 Debt instruments: Unimpaired financial assets [(a)]	Debt instruments: Impaired financial assets [(b)]	Equity instruments	Total	31/12/2022 Debt instruments: Unimpaired financial assets [(a)]	Debt instruments: 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	9,520		724	10,244	8,743		810	9,553
Loans and receivables	444	1		445				
TOTAL	**9,964**	**1**	**724**	**10,689**	**8,743**		**810**	**9,553**

(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.*

7.4.1 Reconciliation table for financial assets at fair value through other recyclable comprehensive income

The tables below show, for each class of instrument, changes over fiscal year 2023 in accounting items and impairments and provisions related to financial assets at fair value through recyclable equity.

	Financial assets at fair value through other recyclable 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 OF 01/01/2022	**11,101**	**(0)**							**11,101**	**(0)**
New originated or acquired contracts	6,636	(0)							6,636	(0)
Changes in contractual cash flows not giving rise to derecognition										
Variations linked to changes in credit risk parameters *(excluding transfers)*	(1,433)	(0)							(1,433)	(0)
Financial asset transfers										
Transfers to S1										
Transfers to S2										
Transfers to S3										
Contracts fully repaid or sold during the period	(7,749)	0							(7,749)	0
Impairment in value *(write-off)*										
Variations linked to changes in exchange rates	190	(0)							190	(0)
Changes in the model used										
Other movements	(0)								(0)	
BALANCE AS OF 31/12/2022	**8,744**	**(1)**							**8,744**	**(1)**
New originated or acquired contracts	8,776	(13)							8,776	(13)
Changes in contractual cash flows not giving rise to derecognition	0								0	
Variations linked to changes in credit risk parameters *(excluding transfers)*	171	(0)		(1)		(0)			171	(1)
Financial asset transfers										
Transfers to S1										
Transfers to S2	(12)	0	12	(0)						
Transfers to S3			(2)	0	2	(0)				
Contracts fully repaid or sold during the period	(7,614)	0							(7,614)	0
Impairment in value *(write-off)*										
Variations linked to changes in exchange rates	(97)	0							(97)	0
Changes in the model used										
Other movements		(0)								(0)
BALANCE AS OF 31/12/2023	**9,968**	**(14)**	**10**	**(1)**	**2**	**(0)**			**9,981**	**(15)**

7.4.2 Equity instruments at fair value through other comprehensive income

(in millions of euros)	31/12/2023					31/12/2022				
		Dividends recognized over the period		Derecognition over the period			Dividends recognized over the period		Derecognition over the period	
	Fair value	Equity instruments held as of 31/12/2023	Equity instruments derecognized during the period	Fair value on date of sale	Cumulative profit or loss on date of sale	Fair value	Equity instruments held as of 31/12/2022	Equity instruments derecognized during the period	Fair value on date of sale	Cumulative profit or loss on date of sale
Investments in unconsolidated companies	584	61		2	(4)	657	68		247	27
Other equity instruments	139					152				
TOTAL	**724**	**61**		**2**	**(4)**	**810**	**68**		**247**	**27**

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)*	31/12/2023				31/12/2022			
	Carrying amount	Level 1	Level 2	Level 3	Carrying amount	Level 1	Level 2	Level 3
Financial assets held for trading	**162,689**	**63,385**	**93,206**	**6,099**	**140,465**	**57,830**	**78,098**	**4,537**
o/w debt instruments in the form of securities	*15,821*	*14,291*	*1,364*	*166*	*14,205*	*11,804*	*2,238*	*164*
o/w equity instruments	*35,048*	*33,859*	*1,111*	*78*	*30,033*	*28,363*	*1,665*	*5*
o/w loans and receivables	*95,786*		*89,931*	*5,855*	*78,146*		*73,777*	*4,368*
o/w security deposits paid	*16,035*	*15,235*	*800*		*18,081*	*17,663*	*418*	
Derivative instruments not eligible for hedge accounting (positive fair value)	**60,042**	**63**	**58,027**	**1,953**	**68,795**	**75**	**66,291**	**2,429**
o/w interest rate derivatives	*31,275*		*30,427*	*848*	*34,841*		*33,700*	*1,141*
o/w currency derivatives	*23,305*		*22,884*	*421*	*28,436*	*4*	*27,776*	*655*
o/w credit derivatives	*1,540*		*1,448*	*92*	*932*		*817*	*116*
o/w equity derivatives	*2,998*	*1*	*2,583*	*414*	*3,210*		*2,856*	*355*
o/w other	*924*	*62*	*685*	*177*	*1,375*	*71*	*1,142*	*162*
Financial assets to be valued at fair value through profit or loss	**3,499**	**998**	**352**	**2,150**	**3,326**	**920**	**277**	**2,130**
o/w equity instruments	*813*	*1*	*41*	*772*	*809*	*1*		*808*
o/w debt instruments in the form of securities	*1,648*	*997*	*31*	*619*	*1,637*	*919*	*58*	*660*
o/w loans and receivables	*1,038*		*280*	*758*	*881*		*219*	*662*
Financial assets designated under the fair value option								
o/w debt instruments in the form of securities								
o/w loans and receivables								
Hedging derivatives (assets)	**467**		**467**		**716**		**716**	
o/w interest rate derivatives	*466*		*466*		*716*		*716*	
o/w currency derivatives	*1*		*1*					
Financial assets at fair value through other comprehensive income	**10,689**	**7,860**	**2,204**	**626**	**9,553**	**8,480**	**370**	**703**
o/w equity instruments	*724*	*90*	*8*	*626*	*810*	*101*	*6*	*703*
o/w debt instruments in the form of securities	*9,520*	*7,769*	*1,751*		*8,743*	*8,379*	*365*	
o/w loans and receivables	*445*		*445*					
TOTAL	**237,387**	**72,306**	**154,255**	**10,827**	**222,855**	**67,305**	**145,752**	**9,799**

Liabilities *(in millions of euros)*	31/12/2023 Carrying amount	Level 1	Level 2	Level 3	31/12/2022 Carrying amount	Level 1	Level 2	Level 3
Financial liabilities held for trading	**39,363**	**38,994**	**369**	**1**	**39,054**	**38,640**	**396**	**18**
o/w securities issued for trading purposes	*22,482*	*22,113*	*369*	*1*	*22,086*	*21,672*	*395*	*18*
o/w security deposits received	*16,881*	*16,881*			*16,968*	*16,968*		
Derivative instruments not eligible for hedge accounting (negative fair value)	**52,318**	**82**	**50,728**	**1,508**	**68,077**	**143**	**65,779**	**2,155**
o/w interest rate derivatives	*26,620*		*25,793*	*826*	*34,788*		*33,416*	*1,372*
o/w currency derivatives	*20,722*	*6*	*20,613*	*103*	*28,045*	*2*	*27,817*	*226*
o/w credit derivatives	*1,449*		*1,349*	*100*	*821*		*692*	*129*
o/w equity derivatives	*2,679*	*3*	*2,385*	*291*	*2,901*		*2,507*	*395*
o/w other	*849*	*73*	*588*	*188*	*1,522*	*141*	*1,348*	*33*
Other financial liabilities held for trading	**103,063**	**3**	**102,764**	**296**	**74,759**	**8**	**74,548**	**203**
Financial liabilities designated under the fair value option	**27,860**	**23**	**20,395**	**7,443**	**23,504**	**67**	**14,295**	**9,142**
o/w securities under the fair value option	*27,635*		*20,253*	*7,382*	*23,272*		*14,177*	*9,095*
o/w other financial liabilities under the fair value option	*225*	*23*	*141*	*61*	*232*	*67*	*117*	*48*
Hedging derivatives (liabilities)	**339**		**339**		**333**		**333**	
o/w interest rate derivatives	*338*		*338*		*333*		*333*	
o/w currency derivatives	*1*		*1*					
TOTAL	**222,943**	**39,102**	**174,594**	**9,248**	**205,727**	**38,858**	**155,351**	**11,518**

a) Level 1: 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: 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 have 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;
- 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, 2023, 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: equity products generally have their own characteristics that justify the choice of model.

  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, and may be available in a single or multiple underlying framework.

  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 main models used to value and manage fixed-income products are the one-factor (HW1F) and two-factor (HW2F) Hull & White models, or a one-factor 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 a 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 one-factor Hull & White (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&W1F model consists of combining the local volatility model described above with a one-factor Hull & White rate model, 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 financing 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;
- 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;

- 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 impairments 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 of the ex post control framework (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" of the 2022 universal registration document.

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 the income statement.

At December 31, 2023, 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.

Main types of products	Valuation techniques used	Main unobservable data	Unobservable data ranges min - max (Dec. 2023)
Sticky CMS/Volatility Bond	Valuation models for interest rate options	Mean-reversion parameters	[0.5%; 2.5%]
Callable Spread Options and Corridor Callable Spread Options	Model representing several yield curve factors	Mean-reversion spread	[0%; 30%]
Bermuda Accreting		Accreting Factor	[69%; 94%]
Volatility cap/floor	Valuation models for interest rate options	Interest rate vol.	[41%; 182%]
Plain vanilla derivatives and complex derivatives, equity basket or funds	Different equity option valuation models, equity baskets or funds	Equity volatility	[7%; 87%]
		Fund volatility	[2%; 29%]
		Stock/stock correlations	[4%; 93%]
		Repo for general collateral baskets	[(0.75%); 1.11%]
Forex derivatives	Forex options valuation model	Forex volatility	[0.94%; 19.91%]
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%]
			[0.935%; 19.914%]
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%
Securitization swaps	Discounted cash flow expected based on the underlying portfolio's early redemption assumptions	Prepayment rate	[27.6%; 53.9%]
Hybrid equity/fixed income/forex (FX) derivatives	Hybrid model coupling an equity diffusion, a FX diffusion and a fixed income diffusion	Equity-Forex correlations	[(91%); 63%]
		Equity-Fixed Income correlations	[15%; 22%]
		Fixed Income/Forex correlations	[(19.5%); 44.52%]
Helvetix: Strip of long-term options, Strip of quanto options, Strip of digital options	Black & Scholes model	EURCHF/EURUSD correlation	[23%; 36.5%]
Helvetix: Spread options and digital spread options	Gaussian copula	USDCHF & EURCHF long-term volatility	Volatility USD/CHF: [8.79%; 11.48%] - Volatility EUR/CHF: [7.36%; 8.63%]

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 Steering Committee, which validated, during fiscal year 2023, the transfer to Level 2 of the fair value of certain OTC derivatives and issues, due to the automatic application of the materiality process to valuation models and/or unobservable parameters on an extended scope of Level 3 transactions.

As a reminder, the main reclassifications carried out at December 31, 2022, concerned the transfer of margin calls from Level 2 to Level 1 fair value, due to a methodological refinement.

7.5.1 Financial assets and liabilities at fair value measured using Level 3 of the fair value hierarchy

December 31, 2023

		Gains and losses recorded in the period			Transactions carried out in the period		Reclassifications in the period					
		In income statement										
Financial assets *(in millions of euros)*	**Level 3 opening balance as of 01/01/2023**	**On outstanding transactions at the reporting date**	**On transactions expired or redeemed in the period**	**In gains and losses recorded directly in equity**	**Purchases/ Issues**	**Sales/ Redemptions**	**Outside Level 3**	**To Level 3**	**Other reclassi- fications**	**Change in consolidation scope**	**Translation adjustments**	**Level 3 closing balance as of 31/12/2023**
Financial assets held for trading	**4,537**	**226**	**2**		**12,094**	**(11,354)**	**(257)**	**915**	**9**		**(73)**	**6,099**
o/w debt instruments in the form of securities	*164*	*(48)*	*(37)*		*318*	*(242)*	*(5)*	*17*			*(2)*	*166*
o/w equity instruments	*5*	*(60)*	*(3)*		*2,195*	*(2,706)*		*637*	*9*			*78*
o/w loans and receivables	*4,368*	*333*	*42*		*9,581*	*(8,406)*	*(253)*	*260*			*(71)*	*5,855*
Derivative instruments not eligible for hedge accounting (positive fair value)	**2,429**	**610**	**(495)**		**282**	**(661)**	**(460)**	**280**			**(31)**	**1,953**
o/w interest rate derivatives	*1,141*	*22*	*(189)*		*85*	*(159)*	*(284)*	*236*			*(4)*	*848*
o/w currency derivatives	*654*	*277*	*(203)*		*29*	*(227)*	*(116)*	*34*	*(1)*		*(28)*	*420*
o/w credit derivatives	*116*	*(19)*	*(1)*		*6*	*(9)*	*(4)*	*4*				*92*
o/w equity derivatives	*355*	*182*	*(26)*		*69*	*(133)*	*(38)*	*2*			*3*	*414*
o/w other	*163*	*147*	*(75)*		*94*	*(133)*	*(18)*	*4*	*1*		*(3)*	*178*
Other financial assets held for trading												
Financial assets to be valued at fair value through profit or loss	**2,130**	**141**	**(38)**		**313**	**(403)**	**32**				**(25)**	**2,150**
o/w equity instruments	*808*	*39*			*98*	*(169)*					*(4)*	*772*
o/w debt instruments in the form of securities	*660*	*(3)*	*(40)*		*119*	*(144)*	*32*				*(4)*	*619*
o/w loans and receivables	*662*	*104*	*2*		*95*	*(89)*					*(17)*	*758*
Financial assets designated under the fair value option												
o/w debt instruments in the form of securities												
o/w equity instruments												
o/w loans and receivables												
Financial assets at fair value through other comprehensive income	**703**	**56**		**(58)**	**3**	**(57)**					**(21)**	**626**
o/w equity instruments	*703*	*56*		*(58)*	*3*	*(57)*					*(21)*	*626*
o/w debt instruments in the form of securities												
o/w loans and receivables												
TOTAL FINANCIAL ASSETS RECORDED AT FAIR VALUE	**9,799**	**1,032**	**(530)**	**(58)**	**12,692**	**(12,475)**	**(685)**	**1,195**	**9**		**(151)**	**10,827**

		Gains and losses recorded in the period			Transactions carried out in the period		Reclassifications in the period					
		In income statement										
Financial liabilities *(in millions of euros)*	**Level 3 opening balance as of 01/01/2023**	**On outstanding transactions at the reporting date**	**On transactions expired or redeemed in the period**	**In gains and losses recorded directly in equity**	**Purchases/ Issues**	**Sales/ Redemptions**	**Outside Level 3**	**To Level 3**	**Other reclassi-fications**	**Change in consolidation scope**	**Translation adjustments**	**Level 3 closing balance as of 31/12/2023**
Securities held for trading	**18**	**(16)**	**(3)**		**219**	**(240)**	**(2)**	**25**				**1**
Derivative instruments not eligible for hedge accounting (negative fair value)	**2,155**	**183**	**(235)**		**203**	**(221)**	**(569)**	**88**			**(97)**	**1,508**
o/w interest rate derivatives	*1,372*	*(1)*	*(199)*		*63*	*(101)*	*(381)*	*77*			*(6)*	*826*
o/w currency derivatives	*226*	*33*	*12*		*27*	*(58)*	*(78)*	*8*			*(68)*	*103*
o/w credit derivatives	*129*	*(11)*	*(3)*		*6*	*(7)*	*(17)*	*2*			*1*	*100*
o/w equity derivatives	*395*	*(9)*	*(30)*		*90*	*(48)*	*(83)*				*(23)*	*291*
o/w other	*33*	*170*	*(15)*		*17*	*(6)*	*(10)*				*(1)*	*188*
Other financial liabilities held for trading	**203**	**1**	**13**		**294**	**(100)**	**(115)**	**1**			**(1)**	**296**
Financial liabilities under the fair value option through profit or loss	**9,142**	**501**	**165**		**6,208**	**(6,266)**	**(2,554)**	**373**			**(126)**	**7,443**
o/w securities under the fair value option	*9,095*	*486*	*165*		*6,189*	*(6,263)*	*(2,512)*	*348*			*(126)*	*7,382*
o/w other financial liabilities under the fair value option	*48*	*15*			*19*	*(3)*	*(43)*	*25*				*61*
TOTAL FINANCIAL LIABILITIES RECOGNIZED AT FAIR VALUE	**11,518**	**669**	**(60)**		**6,924**	**(6,827)**	**(3,241)**	**487**			**(224)**	**9,248**

December 31, 2022

		Gains and losses recorded in the period			Transactions carried out in the period		Reclassifications in the period					
		In income statement										
Financial assets *(in millions of euros)*	**Level 3 opening balance as of 01/01/2022**	**On outstanding transactions at the reporting date**	**On transactions expired or redeemed in the period**	**In gains and losses recorded directly in equity**	**Purchases/ Issues**	**Sales/ Redemptions**	**Outside Level 3**	**To Level 3**	**Other reclassi-fications**	**Change in consolidation scope**	**Translation adjustments**	**Level 3 closing balance as of 31/12/2022**
Financial assets held for trading	**3,853**	**130**	**74**		**11,142**	**(10,790)**	**(217)**	**249**			**96**	**4,537**
o/w debt instruments in the form of securities	*235*	*(36)*	*8*		*124*	*(170)*	*(20)*	*9*			*13*	*164*
o/w equity instruments	*6*	*24*			*271*	*(491)*	*(2)*	*198*				*5*
o/w loans and receivables	*3,612*	*142*	*67*		*10,747*	*(10,129)*	*(195)*	*42*			*83*	*4,368*
Derivative instruments not eligible for hedge accounting (positive fair value)	**2,817**	**299**	**(655)**		**1,028**	**(1,372)**	**(595)**	**712**		**2**	**194**	**2,429**
o/w interest rate derivatives	*844*	*(52)*	*(97)*		*211*	*(121)*	*(52)*	*410*			*(2)*	*1,141*
o/w currency derivatives	*686*	*86*	*(199)*		*53*	*(146)*	*(310)*	*273*			*210*	*654*
o/w credit derivatives	*191*	*(49)*	*(24)*		*18*	*(15)*	*(5)*	*6*			*(7)*	*116*
o/w equity derivatives	*1,094*	*142*	*(335)*		*714*	*(1,046)*	*(228)*	*22*			*(8)*	*355*
o/w other	*2*	*172*	*(1)*		*32*	*(45)*		*1*		*2*		*163*
Other financial assets held for trading												
Financial assets to be valued at fair value through profit or loss	**1,934**	**17**	**(15)**		**617**	**(307)**	**(152)**		**1**		**35**	**2,130**
o/w equity instruments	*774*	*84*	*(15)*		*14*	*(60)*			*1*		*11*	*808*
o/w debt instruments in the form of securities	*665*	*(8)*			*228*	*(228)*					*3*	*660*
o/w loans and receivables	*496*	*(59)*			*375*	*(19)*	*(152)*				*21*	*662*
Financial assets designated under the fair value option	**44**					**(48)**					**3**	
o/w debt instruments in the form of securities	*44*					*(48)*					*3*	
o/w equity instruments												
o/w loans and receivables												
Financial assets at fair value through other comprehensive income	**648**	**61**		**(138)**	**155**	**(61)**			**2**		**34**	**703**
o/w equity instruments	*648*	*61*		*(138)*	*155*	*(61)*			*2*		*34*	*703*
o/w debt instruments in the form of securities												
o/w loans and receivables												
TOTAL FINANCIAL ASSETS RECORDED AT FAIR VALUE	**9,298**	**507**	**(596)**	**(138)**	**12,942**	**(12,578)**	**(964)**	**961**	**3**	**2**	**362**	**9,799**

Financial liabilities *(in millions of euros)*	Level 3 opening balance as of 01/01/2022	Gains and losses recorded in the period – In income statement – On outstanding transactions at the reporting date	Gains and losses recorded in the period – In income statement – On transactions expired or redeemed in the period	Gains and losses recorded in the period – In gains and losses recorded directly in equity	Transactions carried out in the period – Purchases/ 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 reclassi- fications	Change in consolidation scope [a]	Translation adjustments	Level 3 closing balance as of 31/12/2022
Securities held for trading	**21**				**26**	**(46)**		**18**				**18**
Derivative instruments not eligible for hedge accounting (negative fair value)	**2,857**	**215**	**(864)**		**1,624**	**(1,675)**	**(631)**	**801**			**(170)**	**2,155**
o/w interest rate derivatives	*690*	*158*	*(39)*		*168*	*(93)*	*(46)*	*531*			*4*	*1,372*
o/w currency derivatives	*556*	*(21)*	*(33)*		*50*	*(124)*	*(451)*	*238*			*11*	*226*
o/w credit derivatives	*216*	*(41)*	*(66)*		*58*	*(12)*	*(21)*	*2*			*(6)*	*129*
o/w equity derivatives	*1,347*	*78*	*(712)*		*1,336*	*(1,431)*	*(64)*	*20*			*(180)*	*395*
o/w other	*48*	*42*	*(14)*		*11*	*(15)*	*(48)*	*9*			*1*	*33*
Other financial liabilities held for trading	**412**	**(23)**	**(10)**		**100**	**(280)**					**4**	**203**
Financial liabilities under the fair value option through profit or loss	**9,668**	**(1,366)**	**185**		**6,453**	**(6,191)**	**(970)**	**201**		**1,015**	**147**	**9,142**
o/w securities under the fair value option	*9,564*	*(1,358)*	*185*		*6,438*	*(6,189)*	*(907)*	*201*		*1,015*	*147*	*9,095*
o/w other financial liabilities under the fair value option	*105*	*(8)*			*16*	*(2)*	*(63)*					*48*
TOTAL FINANCIAL LIABILITIES RECOGNIZED AT FAIR VALUE	**12,959**	**(1,174)**	**(689)**		**8,203**	**(8,192)**	**(1,601)**	**1,020**		**1,015**	**(19)**	**11,518**

a) *Corresponds to the issues issued by Natixis S.A. and subscribed by the Insurance business line transferred to BPCE during the first quarter of 2022 (see Note 1.2.1 and Note 2.3 of the financial statements published at December 31, 2022).*

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, 2023. 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%.

	31/12/2023		31/12/2022	
	Potential impact on the income statement		Potential impact on the income statement	
(in millions of euros)	Negative	Positive	Negative	Positive
Equities	**(8)**	**8**	**(8)**	**8**
Debt securities	**(8)**	**8**	**(10)**	**10**
Equity derivatives	**(17)**	**29**	**(15)**	**30**
Volatility	*(5)*	*8*	*(7)*	*11*
Repo rate	*(3)*	*5*	*(5)*	*9*
Dividends	*(3)*	*6*	*(2)*	*6*
Correlations	*(6)*	*10*	*(2)*	*5*
Fixed income derivatives	**(28)**	**45**	**(20)**	**34**
Exchange rate correlations	*(9)*	*13*	*(10)*	*15*
Interest rate correlations	*(8)*	*14*	*(7)*	*13*
Interest rate volatility	*(6)*	*9*	*(2)*	*2*
Exchange rate volatility	*<1*	*<1*	*<1*	*<1*
CDS spreads	*<1*	*<1*	*<1*	*<1*
"Accreting Factor" of Bermuda swaptions	*<1*	*<1*	*<1*	*<1*
Recovery rate	*<1*	*<1*	*<1*	*2*
Inflation volatility	*<1*	*2*	*<1*	*<1*
Securitization amortization rate (CPR)	*(6)*	*8*	*<1*	*2*
Commodity derivatives	**<1**	**<1**	**<1**	**<1**
Commodity volatility	*<1*	*<1*	*<1*	*<1*
SENSITIVITY OF LEVEL 3 FINANCIAL INSTRUMENTS	**(61)**	**90**	**(54)**	**83**

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 fiscal year.

(in millions of euros)	01/01/2022	Margin on new transactions	Margin recognized during the period	Other changes	31/12/2022	Margin on new transactions	Margin recognized during the period	Other changes	31/12/2023
Interest rate derivative instruments	10	10	(10)	1	11	20	(21)	1	11
Currency derivative instruments	5	31	(29)	0	7	10	(15)	(1)	2
Credit derivative instruments	5	15	(13)	0	7	15	(14)	(1)	7
Equity derivative instruments	210	132	(118)	(1)	223	134	(200)	1	158
Repurchase agreements	13	21	(11)	0	23	17	(19)	0	21
TOTAL	**244**	**209**	**(181)**	**0**	**273**	**196**	**(268)**	**(1)**	**199**

7.5.3 Financial assets and liabilities at fair value: transfers between fair value levels

Financial assets

		31/12/2023					31/12/2022				
	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		**529**	**826**	**1,195**		**685**	**790**	**12,703**	**961**		**964**
Financial assets held for trading		**529**	**826**	**915**		**257**	**786**	**12,703**	**249**		**217**
o/w debt instruments in the form of securities		*33*	*807*	*17*		*5*	*730*	*1,109*	*9*		*20*
o/w equity instruments		*496*	*20*	*637*			*55*	*285*	*198*		*2*
o/w loans and receivables				*260*		*253*		*36*	*42*		*195*
o/w security deposits paid [(a)]								*11,274*			
Derivative instruments not eligible for hedge accounting (positive fair value)				**280**		**460**	**4**		**712**		**595**
o/w interest rate derivatives				*236*		*284*			*410*		*52*
o/w currency derivatives				*34*		*116*			*273*		*310*
o/w credit derivatives				*4*		*4*			*6*		*5*
o/w equity derivatives				*2*		*38*	*4*		*22*		*228*
o/w other				*4*		*18*			*1*		
Financial assets to be valued at fair value through profit or loss						**(32)**					**152**
o/w debt instruments in the form of securities						*(32)*					
o/w other variable-income securities											
o/w loans and receivables											*152*
Financial assets designated under the fair value option											
Financial assets at fair value through other comprehensive income		**56**	**297**				**260**	**435**			
o/w equity instruments											
o/w debt instruments in the form of securities		*56*	*297*				*260*	*435*			
o/w loans and receivables											

(a) See Note 7.5, paragraph d).

Financial liabilities

		31/12/2023					31/12/2022				
	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		**4**	**3**	**114**		**687**	**18**	**14,070**	**818**		**631**
Securities held for trading		**4**	**2**	**25**		**2**	**12**	**53**	**18**		
Derivative instruments not eligible for hedge accounting (negative fair value)			**1**	**88**		**569**	**5**		**801**		**631**
o/w interest rate derivatives				*77*		*381*	*1*		*531*		*46*
o/w currency derivatives				*8*		*78*			*238*		*451*
o/w credit derivatives				*2*		*17*			*2*		*21*
o/w equity derivatives			*1*			*83*	*5*		*20*		*64*
o/w other						*10*			*9*		*48*
Other financial liabilities held for trading				**1**		**115**					
Security deposits received [(a)]								**14,017**			
Financial liabilities designated under the fair value option				**373**		**2,554**			**201**		**970**
o/w securities under the fair value option [(a)]				*348*		*2,512*			*201*		*907*
o/w other financial liabilities under the fair value option				25		43					63

(a) See Note 7.5, paragraph d).

7.5.4 Fair value of financial assets and liabilities at amortized cost

Financial assets

(in millions of euros)	At December 31, 2023 Carrying amount	Fair value	Level 1	Level 2	Level 3	At December 31, 2022 Carrying amount	Fair value	Level 1	Level 2	Level 3
Loans and receivables due from banks at amortized cost	**87,481**	**87,404**		**87,044**	**360**	**74,676**	**74,503**		**74,440**	**63**
Current accounts overdrawn	*4,660*	*4,661*		*4,635*	*26*	*6,198*	*6,197*		*6,197*	
Loans and receivables	*78,898*	*78,810*		*78,791*	*19*	*66,912*	*66,739*		*66,676*	*63*
Reverse repurchase agreements	*3,880*	*3,889*		*3,574*	*315*	*1,533*	*1,533*		*1,533*	
Other	*44*	*44*		*44*		*34*	*34*		*34*	
Loans and receivables due from customers at amortized cost	**72,011**	**75,838**		**48,030**	**27,808**	**72,676**	**75,276**		**52,750**	**22,526**
Current accounts overdrawn	*1,550*	*1,550*		*1,550*		*2,295*	*2,295*		*2,295*	
Other loans and receivables	*69,231*	*73,056*		*45,256*	*27,800*	*68,654*	*71,254*		*48,736*	*22,518*
Reverse repurchase agreements	*1,125*	*1,125*		*1,125*		*1,576*	*1,576*		*1,576*	
Finance leases	*49*	*49*		*41*	*8*	*39*	*39*		*31*	*8*
Security deposits paid	*57*	*57*		*57*		*112*	*112*		*112*	
Other	*1*	*1*		*1*						
Debt instruments in the form of securities at amortized cost	**1,752**	**1,725**	**66**	**1,115**	**544**	**1,434**	**1,435**		**820**	**615**
TOTAL FINANCIAL ASSETS	**161,244**	**164,967**	**66**	**136,189**	**28,712**	**148,787**	**151,215**		**128,011**	**23,204**

Financial liabilities

(in millions of euros)	At December 31, 2023 Carrying amount	Fair value	Level 1	Level 2	Level 3	At December 31, 2022 Carrying amount	Fair value	Level 1	Level 2	Level 3
Due to banks	**130,034**	**130,061**		**125,971**	**4,090**	**108,249**	**108,260**		**107,826**	**434**
o/w accounts and deposits	*121,795*	*121,817*		*117,802*	*4,015*	*101,823*	*101,834*		*101,400*	*434*
o/w repurchase agreements	*3,434*	*3,438*		*3,363*	*75*	*1,617*	*1,617*		*1,617*	
o/w security deposits received	*101*	*101*		*101*		*108*	*108*		*108*	
o/w other	*4,705*	*4,705*		*4,705*		*4,701*	*4,701*		*4,701*	
Customer deposits	**38,476**	**38,478**		**36,829**	**1,649**	**36,664**	**36,657**		**34,762**	**1,895**
o/w accounts and deposits	*37,314*	*37,317*		*35,670*	*1,647*	*35,555*	*35,547*		*33,652*	*1,895*
o/w repurchase agreements						*130*	*130*		*130*	
o/w other	*1,162*	*1,161*		*1,159*	*2*	*980*	*980*		*980*	
Debt securities	**47,561**	**46,885**		**44,940**	**1,945**	**45,992**	**45,888**		**44,282**	**1,607**
Subordinated debt	**3,034**	**3,026**		**4**	**3,022**	**3,023**	**2,975**		**96**	**2,879**
TOTAL FINANCIAL LIABILITIES	**219,104**	**218,450**		**207,744**	**10,706**	**193,928**	**193,781**		**186,966**	**6,815**

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.

These fair values represent an estimate of the fair value of instruments measured at amortized cost at December 31, 2023. They fluctuate from day to day due to variations in a number of parameters, including interest rates and counterparties' credit quality. They may therefore differ significantly from the amounts actually received or paid on maturity of these instruments. In most cases, these fair values are not intended to be realized immediately and do not represent the actual fair value of the instruments from a going concern perspective.

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

	31/12/2023			31/12/2022		
(in millions of euros)	Unimpaired financial assets [(a)]	Impaired financial assets [(b)]	Total	Unimpaired financial assets [(a)]	Impaired financial assets [(b)]	Total
Current accounts overdrawn	4,703		4,703	6,201	0	6,201
Loans and receivables	82,847	24	82,871	68,511	30	68,541
Security deposits paid						
Value adjustments for credit losses	(68)	(24)	(93)	(42)	(24)	(66)
TOTAL	**87,481**	**0**	**87,481**	**74,670**	**6**	**74,676**

(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 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 OF 01/01/2022	**86,562**	**(2)**	**175**	**(2)**	**19**	**(19)**	**5**	**(5)**	**86,761**	**(29)**
New originated or acquired contracts	61,781	(0)	5	(0)			0	0	61,786	(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)*	486	(1)	(14)	(39)	(5)	4	4	(4)	471	(39)
Financial asset transfers	*(40)*	*0*	*34*	*0*	*6*	*(0)*			*(0)*	*(0)*
Transfers to S1	4	(0)	(4)	0	0	0			(0)	(0)
Transfers to S2	(39)	0	39	0	0	0			0	0
Transfers to S3	(6)	0	0	0	6	(0)			0	0
Transfer to non-current assets held for sale [(a)]	(2)	0	0	0	0	0			(2)	0
Contracts fully repaid or sold during the period	(74,334)	0	(2)	0	(0)	0	0	0	(74,336)	0
Impairment in value *(write-off)*					0	0	0	0	0	0
Variations linked to changes in exchange rates	46	(0)	16	2	0	(0)	0	(0)	63	2
Changes in the model used										0
Other movements	(0)	0	(0)	0	0	0	0	0	(0)	0
BALANCE AS OF 31/12/2022	**74,498**	**(3)**	**214**	**(39)**	**21**	**(15)**	**9**	**(9)**	**74,742**	**(66)**
New originated or acquired contracts	81,408	(1)	97	(1)			0	0	81,505	(1)
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)*	(2,872)	(0)	(121)	(36)	(2)	0	0	(0)	(2,995)	(36)
Financial asset transfers	*(99)*	*0*	*103*	*(1)*	*(4)*	*0*			*0*	*(0)*
Transfers to S1	1	(0)	(1)	0	0	0			0	0
Transfers to S2	(100)	0	104	(1)	(4)	0			0	(0)
Transfers to S3	0	0	0	0	0	0			0	0
Transfer to non-current assets held for sale	0	0	0	0	0	0			0	0
Contracts fully repaid or sold during the period	(65,447)	0	(26)	0	0	0	0	0	(65,472)	0
Impairment in value *(write-off)*					0	0	0	0	0	0
Variations linked to changes in exchange rates	(191)	0	(15)	10	(0)	(0)	(0)	0	(206)	10
Changes in the model used										0
Other movements	(0)	0	0	(0)	0	0	0	0	(0)	(0)
BALANCE AS OF 31/12/2023	**87,296**	**(3)**	**253**	**(65)**	**15**	**(15)**	**9**	**(9)**	**87,574**	**(93)**

(a) *Corresponds to the assets of AlphaSimplex, classified as "Non-current assets held for sale" at December 31, 2022.*

7.6.2 Loans and receivables due from customers

(in millions of euros)	31/12/2023 Unimpaired financial assets [(a)]	31/12/2023 Impaired financial assets [(b)]	31/12/2023 Total	31/12/2022 Unimpaired financial assets [(a)]	31/12/2022 Impaired financial assets [(b)]	31/12/2022 Total
Reverse repurchase agreements	1,125		1,125	1,576		1,576
Current accounts overdrawn	1,534	42	1,576	2,286	47	2,333
Finance leases	49	1	50	39	3	41
Other	68,300	2,088	70,388	67,694	2,170	69,864
Security deposits paid	57		57	112		112
Value adjustments for credit losses	(207)	(977)	(1,185)	(290)	(960)	(1,250)
Total [(c) (d) (e)]	**70,857**	**1,154**	**72,011**	**71,416**	**1,260**	**72,676**

(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, 2023, gross outstanding loans guaranteed by the State amounted to €588.9 million (€1,405.4 million at December 31, 2022).*

(d) *At December 31, 2023, there were no further exposures to Ukrainian counterparties, compared with eq. €90.7 million, provisioned for eq. €35.0 million at December 31, 2022.*

(e) *At December 31, 2023, exposures to Russian counterparties classified as non-performing outstanding amounted to €0.9 million (€133.9 million at December 31, 2022), with provisions of €0.9 million (€38.4 million at December 31, 2022). Other outstandings with Russian counterparties classified as assets under watch (Stage 2) amounted to €332.2 million (€533.7 million at December 31, 2022) provisioned for €4.4 million (€8.6 million as of December 31, 2022).*

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 OF 01/01/2022	**55,405**	**(76)**	**12,844**	**(121)**	**2,527**	**(961)**	**657**	**(129)**	**71,433**	**(1,287)**
New originated or acquired contracts	18,073	(36)	652	(25)	0	0	206	0	18,931	(61)
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)*	(3,537)	4	(1,457)	(3)	(404)	5	28	(103)	(5,371)	(97)
Financial asset transfers	*(1,594)*	*1*	*1,596*	*(62)*	*(2)*	*(124)*		*(3)*	*0*	*(187)*
Transfers to S1	728	(3)	(720)	5	(8)	0		0	0	3
Transfers to S2	(2,010)	3	2,569	(72)	(559)	2		(1)	0	(68)
Transfers to S3	(312)	2	(253)	5	565	(126)		(2)	(0)	(122)
Transfer to non-current assets held for sale	0								0	0
Contracts fully repaid or sold during the period	(11,475)	17	(1,207)	19	(234)	57	(56)	3	(12,972)	96
Impairment in value *(write-off)*					(319)	318	(36)	34	(355)	352
Variations linked to changes in exchange rates	1,691	(2)	430	(3)	106	(55)	6	(2)	2,233	(61)
Changes in the model used		0		0		0		0		0
Other movements	53	(0)	(26)	0	(1)	(4)	0	0	26	(4)
BALANCE AS OF 31/12/2022	**58,616**	**(92)**	**12,833**	**(195)**	**1,672**	**(762)**	**806**	**(201)**	**73,926**	**(1,250)**
New originated or acquired contracts	16,090	(28)	521	(12)	0	0	148	0	16,758	(40)
Changes in contractual cash flows not giving rise to derecognition	0	0	0	0	(15)	6	0	0	(15)	6
Variations linked to changes in credit risk parameters *(excluding transfers)*	(3,554)	23	(1,097)	55	(130)	(18)	(61)	(55)	(4,842)	6
Financial asset transfers	*(246)*	*4*	*(270)*	*5*	*516*	*(174)*		*(2)*	*(0)*	*(167)*
Transfers to S1	1,218	(1)	(1,217)	7	(0)	0		0	0	6
Transfers to S2	(1,261)	5	1,284	(9)	(23)	1		(1)	(0)	(4)
Transfers to S3	(203)	0	(336)	7	539	(175)		(1)	0	(169)
Transfer to non-current assets held for sale									0	0
Contracts fully repaid or sold during the period	(9,600)	11	(1,405)	20	(283)	79	(1)	1	(11,289)	112
Impairment in value *(write-off)*					(138)	128	(5)	5	(143)	134
Variations linked to changes in exchange rates	(1,050)	1	(194)	2	(24)	10	(6)	2	(1,275)	15
Changes in the model used		0		0		0		0		0
Other movements	0	0	74	0	(0)	0	0	0	74	1
BALANCE AS OF 31/12/2023	**60,256**	**(80)**	**10,462**	**(124)**	**1,598**	**(731)**	**880**	**(249)**	**73,196**	**(1,185)**

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 difficulties *(see Note 5.1.3)*.

	31/12/2023					31/12/2022				
	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	1,646	356	2,002	508	734	2,037	324	2,362	532	1,109
Off-balance sheet	301	26	327	8	80	335		335	16	110
TOTAL	**1,948**	**382**	**2,329**	**516**	**813**	**2,372**	**324**	**2,696**	**548**	**1,220**

The gross carrying amount before modification of loans restructured in 2023, which gave rise to the recognition of a premium/discount, amounted to €146.6 million. The amount of discount/premium resulting from the change is -€14.8 million.

	31/12/2023					31/12/2022				
	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	**2,329**	**516**	**1,077**	**737**	**1,813**	**2,696**	**548**	**1,502**	**647**	**2,149**
of which: France	*1,014*	*217*	*495*	*303*	*797*	*1,100*	*201*	*645*	*254*	*899*
Other EU	*617*	*131*	*430*	*55*	*486*	*810*	*174*	*553*	*83*	*636*
North America	*151*	*29*		*122*	*122*	*135*	*22*	*6*	*107*	*113*
Other	*547*	*139*	*152*	*257*	*409*	*651*	*151*	*297*	*203*	*500*

7.6.2.2 Other loans and receivables due from customers

	31/12/2023			31/12/2022		
(in millions of euros)	unimpaired financial assets (a)	impaired financial assets (b)	Total	unimpaired financial assets (a)	impaired financial assets (b)	Total
Commercial loans	1,446	79	1,525	804	59	863
Export credit	2,131	28	2,159	2,439	59	2,498
Cash and consumer credit	39,125	1,046	40,171	38,211	1,217	39,428
Equipment loans	7,073	526	7,599	7,601	308	7,909
Home loans	963	14	977	937	11	948
Other client loans	17,562	395	17,957	17,701	517	18,218
Value adjustments for credit losses	(201)	(956)	(1,157)	(283)	(927)	(1,210)
TOTAL	**68,099**	**1,132**	**69,231**	**67,411**	**1,243**	**68,654**

(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.*

7.6.3 Debt securities at amortized cost

	31/12/2023			31/12/2022		
(in millions of euros)	Unimpaired financial assets [(a)]	Impaired financial assets [(b)]	Total	Unimpaired financial assets [(a)]	Impaired financial assets [(b)]	Total
Debt instruments	1,718	131	1,849	1,392	139	1,531
Value adjustments for credit losses	(1)	(97)	(98)	(0)	(96)	(97)
TOTAL	**1,717**	**34**	**1,752**	**1,392**	**42**	**1,434**

(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 OF 01/01/2022	**1,144**	**(4)**	**93**	**(2)**	**81**	**(81)**	**52**	**(7)**	**1,370**	**(94)**
New originated or acquired contracts	346	(0)							346	(0)
Changes in contractual cash flows not giving rise to derecognition										
Variations linked to changes in credit risk parameters *(excluding transfers)*	(158)	0	(24)	2	7	(7)	8	(2)	(167)	(6)
Financial asset transfers	*4*		*(4)*							
Transfers to S1	7		(7)							
Transfers to S2	(3)		3							
Transfers to S3										
Contracts fully repaid or sold during the period	(82)	4	(5)	0	0		(10)		(97)	4
Impairment in value *(write-off)*										
Variations linked to changes in exchange rates	75	(0)	4	(0)	0	(0)	1	0	80	(0)
Changes in the model used										
IFRS 5 – Entities held for sale										
Other movements										
BALANCE AS OF 31/12/2022	**1,329**	**(0)**	**63**	**(0)**	**88**	**(88)**	**51**	**(8)**	**1,531**	**(97)**
New originated or acquired contracts	440	(0)	72						512	(0)
Changes in contractual cash flows not giving rise to derecognition										
Variations linked to changes in credit risk parameters *(excluding transfers)*	291	(0)	63	0	1	(0)	(10)	(0)	345	(1)
Financial asset transfers	*(52)*	*0*	*50*	*(0)*	*2*	*(0)*				*(0)*
Transfers to S1										
Transfers to S2	(52)	0	52	(0)						(0)
Transfers to S3			(2)	0	2	(0)				(0)
Contracts fully repaid or sold during the period	(468)	0	(39)	0					(507)	0
Impairment in value *(write-off)*										
Variations linked to changes in exchange rates	(31)	0	0	0	(0)	0	0	0	(31)	0
Changes in the model used										
Other movements		0								0
BALANCE AS OF 31/12/2023	**1,509**	**0**	**209**	**(0)**	**90**	**(89)**	**41**	**(8)**	**1,849**	**(98)**

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)	31/12/2023	31/12/2022
Debt instruments	2,706	2,796
Loans and advances	1,373	1,355
Other		
TOTAL	**4,079**	**4,151**

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

	31/12/2023		31/12/2022	
(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	4,776	4,281	2,883	3,044
Financial assets at fair value through other comprehensive income				
Loans and receivables at amortized cost				
TOTAL	**4,776**	**4,281**	**2,883**	**3,044**

Securities lending

	31/12/2023	31/12/2022
(in millions of euros)	Carrying amount of assets	Carrying amount of assets
Financial assets at fair value through profit or loss	805	1,886
Financial assets at fair value through other comprehensive income		
TOTAL	**805**	**1,886**

Securitization assets for which the counterparties to the associated debts have recourse only to the transferred assets

(in millions of euros)	31/12/2023					31/12/2022				
	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	4,726	4,674	4,726	4,674	(52)	4,918	4,678	4,918	4,678	(240)
TOTAL	**4,726**	**4,674**	**4,726**	**4,674**	**(52)**	**4,918**	**4,678**	**4,918**	**4,678**	**(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, 2022 (as at December 31, 2021), 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 €240 billion at December 31, 2023, versus €213 billion at December 31, 2022.

The fair value of the financial assets received as security that were resold or reused as security was €178 billion at December 31, 2023, versus €147 billion at December 31, 2022.

7.7.4 Unimpaired forbearance and non-performing financial assets

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.

Forbearance 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 client 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 position, are 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.

Type of assets *(in millions of euros)*	Payment arrears as at 31/12/2023					Payment arrears as at 31/12/2022				
	≤90 days	>90 days ≤ 180 days	>180 days ≤1 year	>1 year	Total	≤90 days	>90 days ≤180 days	>180 days ≤1 year	>1 year	Total
Loans and receivables due from banks	2				2					
Loans and receivables due from customers	2,132				2,132	1,441				1,441
Other financial assets										
TOTAL	**2,134**				**2,134**	**1,441**				**1,441**

7.8 Deferred tax assets and liabilities

(in millions of euros)	31/12/2023 Standard	31/12/2023 Deferred tax assets	31/12/2023 Deferred tax liabilities	31/12/2022 Standard	31/12/2022 Deferred tax assets	31/12/2022 Deferred tax liabilities
Sources of deferred taxes [(a)]						
Tax amortization of goodwill [(b)]	(1,465)			(1,387)		
Provision for employee benefits	179			180		
Other non-deducted provisions	475			738		
Non-deducted accrued expenses (including deferred compensation)	693			674		
Elimination of equalization reserve						
Other sources of deferred tax through profit or loss	714			212		
Ordinary tax losses	5,294			5,647		
Unrecognized sources of deferred tax	(2,393)			(2,418)		
TOTAL SOURCES OF DEFERRED TAX THROUGH PROFIT OR LOSS	**3,497**	**1,321**	**390**	**3,646**	**1,453**	**392**
Sources of deferred tax on recyclable OCI	62	(20)	0	169	(43)	(2)
Sources of deferred tax on non-recyclable OCI	(418)	(79)	37	(455)	(72)	57
TOTAL SOURCES OF DEFERRED TAX	**3,140**	**1,221**	**427**	**3,360**	**1,338**	**447**

(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)	31/12/2023	31/12/2022	Legal carry forward period	Max. period of capitalization
Deferred tax assets on losses by geographic area				
France [(a)]	630	728	Unlimited	10 years
United States	75	71	Unlimited (2)	10 years (3)
United Kingdom	37	27	Unlimited	10 years
Other	34	56		
TOTAL	**776**	**882**		

(a) The basis for the loss recognized in France is €2,461 million out of a total tax loss carryforward of €2,791 million. At December 31, 2023, 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 accrual accounts and liabilities of technical accounts, details of which are given below:

7.9.1 Other assets and miscellaneous uses

(in millions of euros)	31/12/2023	31/12/2022
Accrual accounts	2,217	1,853
Securities settlement accounts	102	12
Other items and miscellaneous assets	249	163
Security deposits paid	276	228
Other miscellaneous debtors	2,097	2,770
Other assets	263	215
TOTAL	**5,205**	**5,241**

7.9.2 Other liabilities

(in millions of euros)	31/12/2023	31/12/2022
Accrual accounts	4,864	3,472
Miscellaneous creditors	429	430
Securities settlement accounts	108	28
Lease liabilities	680	847
Miscellaneous liabilities	1,893	1,998
TOTAL	**7,974**	**6,776**

7.10 Property, plant and equipment and intangible assets

	31/12/2023			31/12/2022		
(in millions of euros)	Gross value	Impairment and amortization	Net value	Gross value	Impairment and amortization	Net value
Property, plant and equipment	**1,928**	**(1,099)**	**829**	**2,199**	**(1,152)**	**1,047**
Land and buildings	152	(101)	51	297	(232)	65
Rights of use in respect of leases (lessees)	948	(333)	615	1,026	(243)	783
o/w immovable assets	*946*	*(332)*	*614*	*1,023*	*(241)*	*782*
o/w movable assets	*2*	*(1)*	*0*	*3*	*(2)*	*1*
Other	827	(664)	163	877	(678)	199
Intangible assets	**1,422**	**(918)**	**504**	**1,319**	**(872)**	**447**
Goodwill	19	(0)	19	20	(1)	19
Software	957	(806)	151	872	(766)	106
Other	445	(111)	333	428	(105)	322
TOTAL	**3,349**	**(2,017)**	**1,332**	**3,519**	**(2,024)**	**1,494**

December 31, 2023

(in millions of euros)	Gross value 01/01/2023	Increase	Decrease	Changes in scope and other items	Gross value 31/12/2023
Property, plant and equipment	**2,199**	**82**	**(213)**	**(141)**	**1,928**
Land and buildings	297	10	(153)	(2)	152
Rights of use in respect of leases (lessees)	1,026	63	(17)	(124)	948
o/w immovable assets	*1,023*	*63*	*(16)*	*(124)*	*946*
o/w movable assets	*3*	*0*	*(1)*	*(0)*	*2*
Other	877	9	(44)	(15)	827
Intangible assets	**1,319**	**133**	**(14)**	**(16)**	**1,422**
Goodwill	20		(0)		19
Software	872	59	(13)	39	957
Other	428	73	(1)	(56)	445
TOTAL	**3,519**	**215**	**(227)**	**(157)**	**3,349**

December 31, 2022

(in millions of euros)	Gross value 01/01/2022	Increase	Decrease	Changes in scope and other items [(a)]	Gross value 31/12/2022
Property, plant and equipment	**2,231**	**207**	**(201)**	**(38)**	**2,200**
Land and buildings	320	6	(32)	2	297
Rights of use in respect of leases (lessees)	1,060	158	(144)	(48)	1,026
o/w immovable assets	*1,056*	*158*	*(143)*	*(48)*	*1,023*
o/w movable assets	*4*	*0*	*(1)*	*0*	*3*
Other	851	43	(25)	8	877
Intangible assets	**1,178**	**152**	**(31)**	**19**	**1,319**
Goodwill	20	0	0	0	20
Software	828	44	(15)	15	872
Other	331	108	(16)	4	428
TOTAL	**3,409**	**359**	**(232)**	**(19)**	**3,519**

(a) Including -€19.9 million for AlphaSimplex Group, classified as "Non-current assets held for sale" at December 31, 2022 (see Note 2.6).

7.11 Assets obtained by taking possession of guarantees

At December 31, 2023, Natixis has assets on its balance sheet obtained by taking possession of guarantees. These are variable-income securities classified as financial assets at fair value through other comprehensive income for €131.9 million at December 31, 2023 (€148.2 million initial value) and corresponding to securities received as part of the exercise of a guarantee (€147 million fair value and €153,4 million initial value at December 31, 2022).

7.12 Goodwill

At December 31, 2023

	01/01/2023	31/12/2023						
(in millions of euros)	Opening balance	Acquisitions during the period	Transfers [(b)]	Impairment	Translation adjustments	Reclassi-fications	Other movements	Closing balance
Asset & Wealth Management [(a)]	3,350		(2)		(52)		3	3,299
Corporate & Investment Banking [(a)]	147				(3)			144
TOTAL	**3,496**		**(2)**		**(54)**		**3**	**3,443**

(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 €341.5 million as of December 31, 2023.
(b) Additional reallocation of goodwill for -€1.6 million in the first half of 2023 following the disposal of AlphaSimplex Group (ASG) of the Asset Management business line, treated under IFRS 5 as of December 31, 2022.

At December 31, 2022

	01/01/2022	31/12/2022							
(in millions of euros)	Opening balance	Acquisitions during the period [(b)]	Transfers	Impairment	Translation adjustments	Transfers to Assets held for sale [(c)]	Reclassi-fications	Other movements	Closing balance
Asset & Wealth Management [(a)]	3,297	27			91	(48)		(18)	3,350
Corporate & Investment Banking [(a)]	143				3				147
TOTAL	**3,440**	**27**		**0**	**95**	**(48)**	**0**	**(18)**	**3,496**

(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 €373.2 million as of December 31, 2022.
(b) Recognition of goodwill of +€27.2 million in the second quarter of 2022 in connection with the acquisition of 100% of SunFunder by Mirova within the Asset Management business line.
(c) Reclassification under "Assets held for sale" of goodwill for the entity AlphaSimplex Group (ASG) in the Asset Management division for an amount of -€47.9 million taking into account the ongoing disposal of this affiliate (see Note 2.6).

7.13 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.

7.13.1 Due to banks

(in millions of euros)	31/12/2023	31/12/2022
Current accounts	4,145	5,713
Deposits and loans	117,650	96,109
Repurchase agreements	3,434	1,617
Security deposits received	101	108
Other debts	4,705	4,701
TOTAL	**130,034**	**108,249**

The fair value of debts due to banks is provided in Note 7.5.4.

7.13.2 Customer deposits

(in millions of euros)	31/12/2023	31/12/2022
Current accounts	30,618	29,454
Deposits and loans	6,501	6,018
Repurchase agreements		130
Special savings accounts	311	254
Other debts	847	726
Accrued interest	198	83
TOTAL	**38,476**	**36,664**

The fair value of customer deposits is presented in Note 7.5.4.

7.14 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)	31/12/2023	31/12/2022
Marketable debt instruments	45,080	43,673
Bonds	1,621	1,642
Other debt securities	859	677
TOTAL	**47,561**	**45,992**

The fair value of debt securities is presented in Note 7.5.4.

7.15 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)	31/12/2023	31/12/2022
Dated subordinated debt [(a)]	2,976	2,968
Perpetual subordinated debt	44	45
Accrued interest	13	10
TOTAL	**3,034**	**3,023**

The main characteristics of the issues of subordinated notes are given on the Natixis website (www.natixis.groupebpce.com).

(a) Subordinated debt issuance 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.

Change in subordinated debt over fiscal year 2023

(in millions of euros)	31/12/2022	Issues	Redemptions	Translation adjustments	Changes in scope	Others (a)	31/12/2023
Other dated subordinated debt	**2,968**	**300**	**(300)**			**8**	**2,976**
Subordinated notes	118					8	126
Subordinated loans	2,850	300	(300)				2,850
Other undated subordinated debt	**45**	**0**	**(1)**				**44**
Deeply subordinated notes							
Subordinated notes	45		(1)				44
Subordinated loans							
TOTAL	**3,013**	**300**	**(301)**			**8**	**3,020**

This table does not include accrued interest.
(a) Other changes mainly concern the revaluation of hedged debts.

Change in subordinated debt over fiscal year 2022

(in millions of euros)	31/12/2021	Issues	Redemptions	Translation adjustments	Changes in scope	Others (a)	31/12/2022
Other dated subordinated debt	**4,018**		**(1,020)**			**(31)**	**2,968**
Subordinated notes	168		(20)			(31)	118
Subordinated loans	3,850		(1,000)				2,850
Other undated subordinated debt	**45**						**45**
Deeply subordinated notes							
Subordinated notes	45						45
Subordinated loans							
TOTAL	**4,063**		**(1,020)**			**(31)**	**3,013**

This table does not include accrued interest.

(a) Other changes mainly concern the revaluation of hedged debts.

7.16 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 shareholders' equity *(see Note 5.1.4)*, as well as financing and guarantee commitments given *(see Note 5.20)*.

At December 31, 2023

(in millions of euros)	01/01/2023	Increase	Reversal (utilized provisions)	Reversal (surplus provisions)	Translation adjustments	Other	31/12/2023
Counterparty risks	**732**	**428**	**(133)**	**(343)**	**(15)**	**0**	**670**
Financing and guarantee commitments	198	413		(339)	(2)	0	270
Litigation (a)	532	11	(133)	(1)	(13)	0	397
Other provisions	2	4	(0)	(4)	(0)	0	3
Impairment risks	**3**	**0**	**(2)**			**0**	**1**
Long-term investments	3	0	(2)			0	1
Real estate developments	0	0				0	0
Other provisions							
Employee benefits	**423**	**112**	**(103)**	**(4)**	**(3)**	**(0)**	**427**
Operational risks	**175**	**38**	**(34)**	**(4)**	**3**	**(1)**	**176**
TOTAL CONTINGENCY RESERVES	**1,333**	**579**	**(272)**	**(351)**	**(15)**	**(1)**	**1,273**

(a) Of which €327.9 million in provisions at December 31, 2023 in respect of the Madoff fraud exposure (see Section 3.2.10 of Chapter 3 "Risk factors, risk management and Pillar III" of the 2023 universal registration document).

At December 31, 2022

(in millions of euros)	01/01/2022	Increase	Reversal (utilized provisions)	Reversal (surplus provisions)	Translation adjustments	Other	31/12/2022
Counterparty risks	**718**	**426**	**(13)**	**(441)**	**37**	**4**	**732**
Financing and guarantee commitments	205	419		(430)	3	0	198
Litigation [(a)]	509		(8)	(2)	34	0	532
Other provisions	3	7	(4)	(9)	0	4	2
Impairment risks	**148**	**0**	**(141)**		**0**	**(4)**	**3**
Long-term investments	148	0	(141)		0	(4)	3
Real estate developments	0					0	0
Other provisions							
Employee benefits	**532**	**126**	**(169)**	**(21)**	**1**	**(45)**	**423**
Operational risks	**182**	**47**	**(52)**	**(4)**	**3**	**(1)**	**175**
TOTAL CONTINGENCY RESERVES	**1,580**	**599**	**(375)**	**(467)**	**42**	**(46)**	**1,333**

(a) Of which €339.7 million in provisions at December 31, 2022 in respect of the Madoff fraud exposure (see Section 3.2.10 of Chapter 3 "Risk factors, risk management and Pillar III" of the 2022 universal registration document).

7.17 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.

	31/12/2023							31/12/2022						
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	Un-dated	Total	Less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	Over 5 years	Un-dated	Total
Cash, central banks	62						62	45						45
Assets at fair value through profit and loss – excluding trading derivatives	0	0	0	0	1	165	166	0	0	0	1	0	143	144
Derivative instruments not eligible for hedge accounting						60	60						69	69
Hedging derivatives						0	0						1	1
Financial assets at fair value through other comprehensive income	0	0	0	0	9	1	11	0	0	0	1	7	1	10
Loans and receivables due from credit institutions	9	2	58	7	11	0	87	9	0	50	6	9	0	75
Loans and receivables due from customers	17	7	10	27	11	1	72	16	7	7	29	12	1	73
Debt instruments at amortized cost	0	0	0	0	1	0	2	0	0	0		1	0	1
Revaluation adjustments on portfolios hedged against interest rate risk														
TOTAL	**88**	**9**	**68**	**35**	**33**	**227**	**461**	**70**	**8**	**58**	**37**	**30**	**214**	**416**

Resources *(in billions of euros)*	31/12/2023							31/12/2022						
	Less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	Over 5 years	Un-dated	Total	Less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	Over 5 years	Un-dated	Total
Central banks														
Financial liabilities at fair value through profit or loss	8	0	0	1	19	142	170	11	0	0	1	12	114	137
o/w repurchase agreements						*103*	*103*						*75*	*75*
Secured debt	*8*	*0*	*0*	*1*	*19*	*39*	*67*	*10*	*0*	*0*	*1*	*12*	*39*	*62*
o/w senior debt														
Unsecured debt	*0*				*0*		*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*
o/w senior debt														
Covered bonds														
Trading derivatives						52	52						68	68
Hedging derivatives						0	0						0	0
Due to banks	30	20	18	61	2	0	130	20	6	19	61	3	0	108
o/w repurchase agreements	*2*	*0*		*1*			*3*	*2*						*2*
Customer deposits	27	4	5	1	1	0	38	25	5	4	1	1	0	37
Debt securities	22	9	15	1	1	0	48	20	10	14	1	1	0	46
o/w secured debt														
Covered bonds														
Subordinated debt	0		0		3	0	3	0		0	0	3	0	3
FINANCIAL LIABILITIES BY MATURITY	**87**	**33**	**38**	**63**	**26**	**195**	**442**	**76**	**20**	**38**	**64**	**19**	**182**	**400**
FINANCING COMMITMENTS GIVEN	**1**	**5**	**16**	**42**	**10**		**75**	**1**	**4**	**10**	**42**	**7**		**64**
GUARANTEE COMMITMENTS GIVEN	**2**	**3**	**7**	**18**	**3**		**33**	**2**	**4**	**10**	**14**	**3**		**32**

Note 8 Segment reporting

Natixis is now organized around the following business lines:

- **Asset & Wealth Management,** which includes the Asset Management business line of Natixis Investment Managers (including employee savings schemes) and the Wealth Management business line;
- **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 client 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.

These two activities form the global business lines of Groupe BPCE, grouped within Global Financial Services.

The activities of Private Equity (a proprietary activity managed in run-off mode, and portion of sponsored funds) and Natixis Algérie, which are considered non-strategic, are part of the Corporate Center, the same as the central financial mechanisms.

Based on this organizational structure, Senior Management monitors businesses' performance over the period, it draws up business plans and manages operations. 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 Asset 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, Mirova, DNCA and Ostrum Asset Management (which joined La Banque Postale Asset Management's fixed income and insurance-related activities at the end-2020).

  Together, these specialized Asset Management companies enable the group to provide a broad range of expertise meeting demand from all client segments. Coverage of the various client 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 beginning of 2014, the Private Equity managed on behalf of third parties has reported to Natixis Investment Managers. The teams have extensive expertise in equity financing for generally unlisted, small and medium-sized enterprises in France and Europe via sponsored equity holdings.
- **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 offers clients who are business owners, senior executives or those holding family capital, Wealth Management and financial solutions to support them over the long term. It offers advisory services, financial planning and expertise, and mutual fund unit management solutions.

8.2 Corporate & Investment Banking

Corporate & Investment Banking (Natixis CIB) serves corporate clients, 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.

Numerous impact financing initiatives have been carried out by Natixis CIB, which has strengthened its position there by being at the forefront of innovation with many French and international clients.

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 real assets, vanilla 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:

- North and South America;
- Asia-Pacific;
- EMEA (Europe, the Middle East and Africa).

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 Corporate Center

In addition to these operational divisions, there are Corporate Center activities, which primarily include central refinancing mechanisms and revenues and costs related to Natixis' asset and liability management.

It also includes the net income of the bank's portfolio of investments that do not fall within a division, the results of proprietary Private Equity activities (managed in run-off mode), the net income of Natixis Algérie, net income related to the IT service provided by Natixis to Bpifrance Assurance Export, following the transfer to the latter on January 1, 2023, institutional activities on behalf of the French State and the subsidiary Agency, expenses relating to the contribution to the Single Resolution Fund as well as the residual net income from discontinued operations.

8.4 Segment reporting

At December 31, 2023

	31/12/2023					
(in millions of euros)	Asset & Wealth Management	Corporate & Investment Banking	Corporate Center	Total	Residual item from discontinued operations	Total reported
Net banking income	**3,205**	**3,860**	**331**	**7,396**	**4**	**7,399**
Change 2022/2023 [(a)]	*(4)%*	*7%*	*81%*	*4%*		*3%*
Expenses	**(2,594)**	**(2,590)**	**(399)**	**(5,583)**	**(2)**	**(5,585)**
Change 2022/2023 [(a)]	*(2)%*	*5%*	*(20)%*	*0%*		*(1)%*
Gross operating income	**610**	**1,269**	**(67)**	**1,812**	**2**	**1,814**
Change 2022/2023 [(a)]	*(14)%*	*13%*	*(79)%*	*19%*		*20%*
Cost of risk	**4**	**(158)**	**(90)**	**(244)**		**(244)**
Change 2022/2023 [(a)]	*(18)%*	*(37)%*	*128%*	*(15)%*		*(15)%*
Net operating income	**614**	**1,111**	**(157)**	**1,568**	**2**	**1,570**
Change 2022/2023 [(a)]	*(14)%*	*27%*	*(56)%*	*27%*		*29%*
Equity method	**0**	**13**	**0**	**14**		**14**
Change 2022/2023 [(a)]	*(7)%*	*10%*	*(243)%*	*10%*		*10%*
Other	**26**	**(17)**	**9**	**18**		**18**
Change 2022/2023 [(a)]	*334%*		*(64)%*	*(42)%*		*(41)%*
Income before tax	**641**	**1,107**	**(148)**	**1,600**	**2**	**1,602**
Change 2022/2023 [(a)]	*(11)%*	*25%*	*(55)%*	*25%*		*27%*
Net income (Group share)	**419**	**806**	**(231)**	**994**	**1**	**995**
Change 2022/2023 [(a)]	*(12)%*	*24%*	*(134)%*	*(45)%*		*(45)%*
TOTAL BALANCE SHEET	**13,165**	**344,435**	**114,909**	**472,509**		**472,509**

This information is determined based on the accounting principles applied in accordance with IFRS as adopted by the European Union at December 31, 2022.
(a) Restated change between December 31, 2023 and December 31, 2022.

Breakdown of Net banking income

(in millions of euros)	Net banking income	Change 2022/2023
Asset & Wealth Management	**3,205**	**(4)%**
Asset Management	*3,023*	*(5)%*
Wealth Management	*182*	*2%*
CIB	**3,860**	**7%**
Capital Markets	*1,705*	*2%*
Global Finance & Investment Banking	*2,032*	*5%*
Other	*123*	
Corporate Center	**331**	**81%**
Residual item from discontinued operations	**4**	
TOTAL	**7,399**	**3%**

At December 31, 2022 – Restated

(in millions of euros)	31/12/2022[a] Asset & Wealth Management	Corporate & Investment Banking	Corporate Center	Total	Residual item from discontinued operations	Total
Net banking income	3,352	3,597	177	7,126	38	7,164
Expenses	(2,638)	(2,469)	(498)	(5,605)	(51)	(5,656)
Gross operating income	714	1,128	(321)	1,521	(13)	1,508
Cost of risk	5	(252)	(40)	(287)		(287)
Net operating income	719	875	(360)	1,234	(13)	1,221
Equity method	0	12	0	13		13
Other	6	0	25	31		31
Income before tax	725	887	(335)	1,277	(13)	1,265
NET INCOME (GROUP SHARE)	**481**	**653**	**675**	**1,809**	**(9)**	**1,800**

(a) This information is presented according to the new organization of the business lines adopted by Natixis at December 31, 2023.

Reported at December 31, 2022

(in millions of euros)	31/12/2022 Asset & Wealth Management	Corporate & Investment Banking	Corporate Center	Total	Residual item from discontinued operations	Total
Net banking income	**3,349**	**3,594**	**183**	**7,126**	**38**	**7,164**
Change 2021/2022 [(a)]	*(12)%*	*1%*	*16%*	*(5)%*		*(4)%*
Expenses	**(2,638)**	**(2,469)**	**(498)**	**(5,605)**	**(51)**	**(5,656)**
Change 2021/2022 [(a)]	*(4)%*	*2%*	*(9)%*	*(2)%*		*(1)%*
Gross operating income	**711**	**1,125**	**(315)**	**1,521**	**(13)**	**1,508**
Change 2021/2022 [(a)]	*(31)%*	*1%*	*(19)%*	*(14)%*		*(14)%*
Cost of risk	**5**	**(252)**	**(40)**	**(287)**		**(287)**
Change 2021/2022 [(a)]	*(232)%*	*51%*	*259%*	*58%*		*58%*
Net operating income	**716**	**872**	**(354)**	**1,234**	**(13)**	**1,221**
Change 2021/2022 [(a)]	*(30)%*	*(8)%*	*(12)%*	*(22)%*		*(23)%*
Equity method	**0**	**12**	**(0)**	**13**		**13**
Change 2021/2022 [(a)]	*(72)%*	*19%*		*8%*		*8%*
Other	**6**	**(0)**	**25**	**31**		**31**
Change 2021/2022 [(a)]		*(115)%*	*36%*	*26%*		
Income before tax	**722**	**884**	**(329)**	**1,277**	**(13)**	**1,265**
Change 2021/2022 [(a)]	*(30)%*	*(8)%*	*(14)%*	*(21)%*		*(22)%*
Net income (Group share)	**479**	**651**	**680**	**1,809**	**(9)**	**1,800**
Change 2021/2022 [(a)]	*(33)%*	*(7)%*				
TOTAL BALANCE SHEET	**6,384**	**325,077**	**97,359**	**428,821**		**428,821**

This information is determined based on the accounting principles applied in accordance with IFRS as adopted by the European Union at December 31, 2022.

(a) Restated change between December 31, 2022 and December 31, 2021.

Breakdown of Net banking income

(in millions of euros)	Net banking income	Change 2021/2022
Asset & Wealth Management	**3,349**	**(12)%**
Asset Management	*3,171*	*(12)%*
Wealth Management	*178*	*(3)%*
Corporate & Investment Banking	**3,594**	**1%**
Capital Markets	**1,671**	**14%**
Global Finance & Investment Banking	*1,932*	*(8)%*
Other	*(10)*	
Corporate Center	**183**	**16%**
Residual item from discontinued operations	**38**	
TOTAL	**7,164**	**(4)%**

8.5 Other information

At December 31, 2023

(in millions of euros)	France	Other EU	North America	Other OECD [(a)]	Countries not broken down	Total
Net banking income	**3,143**	**680**	**2,758**	**216**	**602**	**7,399**
Net income for the period – Group share	8	205	592	56	135	995
TOTAL ASSETS	**359,167**	**16,073**	**55,561**	**24,088**	**17,619**	**472,509**

(a) Including United Kingdom.

At December 31, 2022

(in millions of euros)	France	Other EU	North America	Other OECD [(a)]	Countries not broken down	Total
Net banking income	**2,940**	**516**	**2,927**	**187**	**595**	**7,164**
Net income for the period – Group share	953	85	572	46	143	1,800
TOTAL ASSETS	**335,625**	**13,993**	**40,799**	**22,077**	**16,327**	**428,821**

(a) Including United Kingdom.

Note 9 Risk management

9.1 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”.

9.1.1 Risk profile

This table aims to present 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)*.

At December 31, 2023

	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
Equity instruments at fair value through other comprehensive income	**9,630**	**180**	**57**	**86**	**25**	**2**	**2**	**4**	**2**	**5**	**3**	**0**	**9,965**
S1	9,630	180	57	76	25	0	2	4	2	4	3	0	9,955
S2	0	0	0	10	0	0	0	0	0	1	0	0	9
S3	0	0	0	0	0	2	0	0	0	0	0	0	2
Securities at amortized cost	**1,718**	**0**	**0**	**0**	**0**	**132**	**1**	**0**	**0**	**0**	**0**	**97**	**1,752**
S1	1,509	0	0	0	0	0	0	0	0	0	0	0	1,509
S2	209	0	0	0	0	0	0	0	0	0	0	0	208
S3	0	0	0	0	0	132	0	0	0	0	0	97	35
Loans and receivables due from banks and similar items at amortized cost	**87,502**	**44**	**0**	**4**	**0**	**24**	**48**	**7**	**0**	**13**	**0**	**24**	**87,481**
S1	87,296	0	0	0	0	0	3	0	0	0	0	0	87,293
S2	205	44	0	4	0	0	45	7	0	13	0	0	188
S3	0	0	0	0	0	24	0	0	0	0	0	24	0
Loans and receivables due from customers at amortized cost	**67,560**	**2,173**	**812**	**391**	**130**	**2,131**	**104**	**49**	**22**	**14**	**17**	**977**	**72,011**
S1	59,112	880	229	20	16	0	58	15	4	1	2	0	60,177
S2	8,447	1,293	583	371	115	0	47	34	18	13	16	0	10,680
S3	0	0	0	0	0	2,131	0	0	0	0	0	977	1,153
Financing commitments given	**73,002**	**900**	**387**	**91**	**73**	**110**	**99**	**68**	**42**	**2**	**2**	**19**	
S1	69,758	241	226	45	60	0	33	2	5	0	1	0	
S2	3,243	658	161	46	13	0	66	66	37	2	1	0	
S3	0	0	0	0	0	110	0	0	0	0	0	19	
Guarantee commitments given	**31,772**	**518**	**155**	**24**	**83**	**32**	**14**	**9**	**2**	**0**	**1**	**11**	
S1	28,696	53	1	0	0	0	8	0	0	0	0	0	
S2	3,076	465	154	24	83	0	7	9	2	0	1	0	
S3	0	0	0	0	0	32	0	0	0	0	0	11	
TOTAL AT DECEMBER 31, 2023	**271,182**	**3,814**	**1,411**	**597**	**312**	**2,430**	**268**	**138**	**68**	**35**	**22**	**1,129**	

At December 31, 2022

	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	**8,744**	**0**	**0**	**0**	**0**	**0**	**1**	**0**	**0**	**0**	**0**	**0**	**8,743**
S1	8,744	0	0	0	0	0	1	0	0	0	0	0	8,743
S2													0
S3													0
Securities at amortized cost	**1,392**	**0**	**0**	**0**	**0**	**139**	**0**	**0**	**0**	**0**	**0**	**96**	**1,434**
S1	1,329	0	0	0	0	0	0	0	0	0	0	0	1,329
S2	63	0	0	0	0	0	0	0	0	0	0	0	63
S3	0	0	0	0	0	139	0	0	0	0	0	96	42
Loans and receivables due from banks and similar items at amortized cost	**74,697**	**14**	**0**	**1**	**0**	**30**	**21**	**20**	**0**	**1**	**0**	**24**	**74,676**
S1	74,498	0	0	0	0	0	3	0	0	0	0	0	74,495
S2	200	14	0	1	0	0	18	20	0	1	0	0	176
S3	0	0	0	0	0	30	0	0	0	0	0	24	6
Loans and receivables due from customers at amortized cost	**66,810**	**2,368**	**716**	**1,517**	**296**	**2,220**	**121**	**34**	**30**	**90**	**16**	**960**	**72,676**
S1	56,180	1,388	396	612	40	0	61	10	10	9	2	0	58,525
S2	10,630	980	319	904	257	0	60	24	20	80	14	0	12,892
S3	0	0	0	0	0	2,220	0	0	0	0	0	960	1,260
Financing commitments given	**61,253**	**1,534**	**523**	**325**	**52**	**186**	**55**	**17**	**76**	**6**	**3**	**1**	
S1	57,626	1,185	118	233	1	0	30	5	2	4	0	0	
S2	3,627	349	404	92	51	0	25	12	74	2	3	0	
S3	0	0	0	0	0	186	0	0	0	0	0	1	
Guarantee commitments given	**30,841**	**604**	**295**	**121**	**13**	**249**	**12**	**4**	**4**	**1**	**1**	**18**	
S1	27,754	170	70	7	0	0	9	0	0	0	0	0	
S2	3,087	434	224	114	13	0	3	4	3	1	1	0	
S3	0	0	0	0	0	249	0	0	0	0	0	18	
TOTAL AT DECEMBER 31, 2022	**243,737**	**4,520**	**1,533**	**1,963**	**362**	**2,823**	**211**	**75**	**110**	**98**	**19**	**1,100**	

9.1.2 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 credit risk exposure (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.

	31/12/2023					31/12/2022				
				Guarantees					Guarantees	
Class of financial instruments impaired *(in millions of euros)* [(a)]	Maximum risk exposure [(b)]	Impairment	Maximum exposure net of impairment [(c)]	Personal guarantees	Real collateral	Maximum risk exposure [(b)]	Impairment	Maximum exposure net of impairment [(c)]	Personal guarantees	Real collateral
Debt securities – FVOCI R										
Loans and receivables due from banks – FVOCI R										
Loans and receivables due from customers – FVOCI R	2	(0)	2							
Debt securities at amortized cost	132	(97)	35			139	(96)	42		
Loans and receivables due from banks at amortized cost	24	(24)	0			30	(24)	6		
Loans and receivables due from customers at amortized cost	2,131	(977)	1,154	224	339	2,220	(960)	1,260	267	313
Financing commitments given	101	(19)	82	27	13	182	(1)	180	15	1
Guarantee commitments given	32	(11)	20	1	4	247	(17)	229	209	5
TOTAL	**2,421**	**(1,129)**	**1,292**	**252**	**356**	**2,817**	**(1,099)**	**1,717**	**491**	**320**

(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.

9.2 Market risk, overall interest rate risk, liquidity risk and structural foreign exchange risk

The information required by IFRS 7 on the management of market risks is presented in Note 3.2.6 of Chapter 3 "Risk factors, risk management and Pillar III", and the information on overall interest rate risks, liquidity risks and structural foreign exchange risks is presented in Note 3.2.8 of Chapter 3 "Risk factors, risk management and Pillar III".

Note 10 Headcount, compensation and employee benefits

10.1 Headcount

Number	31/12/2023	31/12/2022
Headcount [(a)]	14,653	14,030

(a) Full-time equivalents working for Natixis at the reporting date (including 43 employees of AlphaSimplex Group restated under IFRS 5 as of December 31, 2022).
The breakdown of the headcount is presented in Note 7.4.1.1 of Chapter 7 "Changes in headcount".

10.2 Compensation and employee benefits

Compensation and employee benefits include wages and salaries net of reinvoiced expenses paid within 12 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.

Payroll costs totaled €3,554 million at December 31, 2023, versus €3,570 million at December 31, 2022.

10.2.1 Short-term employee benefits

This item includes wages and salaries paid within 12 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 Pension benefits and other long-term employee 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 plan and the national pension plans 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 (PERCOL contribution).

Contributions paid under defined-contribution plans are expensed for the period in which the services were provided.

(in millions of euros)	31/12/2023	31/12/2022
Contributions expensed under post-employment defined-contribution plans	91	86

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 are invested in euro-denominated funds made up mainly of bonds.

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 "Accrual account and other assets".

Other long-term employee benefits comprise benefits other than post-employment and termination benefits not wholly due within 12 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 12 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 10.2.3 and not in the tables below.

a) Amounts recognized on the balance sheet as at December 31, 2023

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 value of the assets to hedge these benefit liabilities.

	31/12/2023					31/12/2022				
	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	434	118	29	284	866	421	116	29	269	835
Fair value of plan assets	(365)	(87)	0	0	(452)	(347)	(85)	0	0	(432)
Fair value of separate assets [(a)]	0	(30)	0	0	(30)	0	(29)	0	0	(29)
Effect of ceiling on assets	2	0	0	0	2	6	0	0	0	6
NET AMOUNT RECOGNIZED IN BALANCE SHEET	**71**	**2**	**29**	**284**	**386**	**80**	**2**	**29**	**269**	**380**
Under liabilities	71	32	29	284	416	80	31	29	269	409
Under assets	0	30	0	0	30	0	29	0	0	29

(a) Separate asset components are segregated in the balance sheets of BPCE insurance entities (BPCE Vie), 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)

	31/12/2023					31/12/2022				
	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 at start of period	**421**	**116**	**29**	**269**	**835**	**558**	**173**	**41**	**271**	**1,043**
changes recorded in net income	**(8)**	**4**	**0**	**15**	**10**	**(18)**	**(19)**	**(13)**	**12**	**(38)**
Service cost	2	8	2	76	89	3	11	3	71	88
Past service cost	(3)	(1)	0	0	(3)	(1)	0	(1)	0	(1)
o/w plan liquidation and reduction	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*
Interest cost	18	4	1	0	23	11	1	0	0	12
Benefits paid	(22)	(6)	(2)	(62)	(91)	(28)	(8)	(2)	(46)	(83)
o/w amounts paid out in respect of plan liquidation	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*
Revaluation adjustments on other long-term employee benefits	0	0	0	0	0	0	0	(7)	0	(7)
Other	(4)	(2)	(2)	0	(8)	(4)	(23)	(7)	(14)	(47)
changes recognized directly in shareholders' equity with no recycling	**29**	**(1)**	**0**	**0**	**28**	**(135)**	**(42)**	**0**	**0**	**(177)**
Revaluation adjustments – demographic assumptions	0	(1)	0	0	(1)	8	(7)	0	0	1
Revaluation adjustments – financial assumptions	30	2	0	0	32	(110)	(34)	0	0	(144)
Revaluation adjustments – past-experience effect	(1)	(2)	0	0	(3)	(33)	(1)	0	0	(34)
Translation adjustments	**(8)**	**0**	**0**	**(2)**	**(10)**	**21**	**0**	**0**	**4**	**24**
Changes associated with non-current assets held for sale	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Changes in scope	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Other	**1**	**0**	**0**	**2**	**3**	**(5)**	**4**	**1**	**(17)**	**(17)**
Actuarial liabilities at end of period	**434**	**118**	**29**	**284**	**866**	**421**	**116**	**29**	**269**	**835**

c) Changes in recognized amounts on the balance sheet (Changes in hedging assets)

Plan assets

	31/12/2023			31/12/2022		
	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
Fair value of assets at start of period	**347**	**85**	**432**	**443**	**96**	**538**
Changes recorded in net income	**(2)**	**(1)**	**(3)**	**22**	**(8)**	**14**
Interest income	15	3	19	10	0	11
Plan participant contributions	3	0	3	1	1	1
o/w paid by employer	*3*	*0*	*3*	*1*	*1*	*1*
o/w paid by beneficiaries	*0*	*0*	*0*	*0*	*0*	*0*
Benefits paid	(18)	(5)	(23)	(25)	(9)	(34)
o/w amounts paid out in respect of plan liquidation	*0*	*0*	*0*	*0*	*0*	*0*
Other	(2)	0	(2)	36	0	36
Changes recognized directly in shareholders' equity with no recycling	**23**	**(1)**	**22**	**(123)**	**1**	**(121)**
Revaluation adjustments – Return on assets	23	(1)	22	(123)	1	(121)
Translation adjustments	**(7)**	**0**	**(7)**	**20**	**0**	**20**
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	**4**	**4**	**8**	**(14)**	**(4)**	**(18)**
Fair value of assets at end of period	**365**	**87**	**452**	**347**	**85**	**432**

Separate assets

	31/12/2023			31/12/2022		
	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 [(a)]	End-of-career awards	Total
Fair value of assets at start of period	**0**	**29**	**29**	**36**	**27**	**64**
Changes recorded in net income	**0**	**1**	**1**	**(36)**	**0**	**(36)**
Interest income	0	1	1	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	0	0	0	0	0
o/w amounts paid out in respect of plan liquidation	*0*	*0*	*0*	*0*	*0*	*0*
Other	0	0	0	(36)	0	(36)
Changes recognized directly in shareholders' equity with no recycling	**0**	**0**	**0**	**(12)**	**1**	**(11)**
Revaluation adjustments – Return on assets	0	0	0	(12)	1	(11)
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**	**12**	**0**	**12**
Fair value of assets at end of period	**0**	**30**	**30**	**0**	**29**	**29**

(a) The plan assets of the CAR BP plan are treated for accounting purposes as plan assets from January 1, 2022.

d) Composition of plan assets

	December 31, 2023				December 31, 2022			
		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	5%	26	99%	1%	8%	36	89%	11%
Equities	21%	103	85%	15%	19%	90	84%	16%
Bonds	47%	226	98%	2%	46%	212	100%	0%
Real estate	3%	14	0%	100%	2%	11	0%	100%
Derivatives	0%	-			0%	-		
Investment funds	23%	113	88%	12%	24%	112	89%	11%
Asset-backed security	0%	-			0%	-		
Structured Debt Instruments	0%	-			0%	-		
TOTAL	**100%**	**482**	**90%**	**10%**	**100%**	**461**	**91%**	**9%**

e) Post-retirement plan revaluation differences

Revaluation components of actuarial liabilities

	31/12/2023			31/12/2022		
	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	**181**	**(47)**	**135**	**300**	**(3)**	**296**
Revaluation adjustments over the period	25	(1)	24	(118)	(43)	(162)
Changes associated with non-current assets held for sale						
TOTAL REVALUATION ADJUSTMENTS AT END OF PERIOD	**206**	**(48)**	**159**	**181**	**(47)**	**135**

Plan assets

	31/12/2023			31/12/2022		
	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	**57**	**8**	**65**	**153**	**7**	**159**
o/w effect of ceiling on assets	**(6)**	**0**	**(6)**	**(20)**	**0**	**(20)**
Revaluation adjustments over the period	26	(1)	25	(95)	1	(94)
o/w effect of ceiling on plan assets	*5*	*0*	*5*	*14*	*0*	*14*
Changes associated with non-current assets held for sale						
TOTAL REVALUATION ADJUSTMENTS AT END OF PERIOD	**83**	**7**	**90**	**57**	**8**	**65**
o/w effect of ceiling on assets	(2)	0	(2)	(6)	0	(6)

Separate assets

	31/12/2023			31/12/2022		
	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 [(a)]	End-of-career awards	Total
TOTAL REVALUATION ADJUSTMENTS AT START OF PERIOD		**9**	**9**	**12**	**8**	**20**
o/w effect of ceiling on assets						
Revaluation adjustments over the period		0	0	(12)	1	(11)
o/w effect of ceiling on plan assets						
Changes associated with non-current assets held for sale						
TOTAL REVALUATION ADJUSTMENTS AT END OF PERIOD		**9**	**9**	**-**	**9**	**9**
o/w effect of ceiling on assets						

(a) The plan assets of the CAR BP plan are treated for accounting purposes as plan assets from January 1, 2022.

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 defined post-employment benefit obligations, except for revaluation adjustments, which are immediately recognized in income.

	31/12/2023					31/12/2022
	Post-employment defined-benefit plans		Other long-term employee benefits			
(in millions of euros)	Supplementary pension benefits and other	End-of-career awards	Long-service awards	Other benefits	Total	Total
Service cost	2	8	2	76	89	88
Past service cost	(3)	(1)	0	-	(3)	(1)
Interest cost	18	4	1	-	23	12
Interest income	(15)	(4)	-	-	(20)	(11)
Other	(2)	(2)	(2)	0	(6)	(47)
TOTAL EXPENSE FOR THE FISCAL YEAR	**0**	**5**	**1**	**76**	**83**	**41**

g) Main actuarial assumptions at December 31, 2023

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.

	31/12/2023			31/12/2022		
	France	Europe	United States	France	Europe	United States [(a)]
Discount rate (excluding Time Savings Account)	3.11%	4.11%	4.80%	3.65%	4.22%	4.98%
Inflation rate	2.40%	2.65%	6.05%	2.40%	2.76%	
Rate of increase in salaries	2.69%	2.30%		2.96%	2.41%	
Rate of increase in healthcare costs	3.40%		6.10%	3.40%	0.00%	5.20%
Duration *(in years)*	10	15	11	11	16	12

(a) The two parameters of inflation rate and wage growth rate were not taken into account in 2022 for the valuation of liabilities in the United States.

	31/12/2023				31/12/2022			
	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-of-career awards	Longs-ervice awards	Other benefits
Discount rate (excluding Time Savings Account)	4.20%	3.22%	2.96%	3.50%	4.49%	3.54%	3.62%	4.02%
Inflation rate	2.47%	2.35%	2.40%	2.32%	2.49%	2.40%	2.39%	2.36%
Rate of increase of salaries (including inflation)	2.60%	2.67%	2.69%	2.60%	2.82%	2.95%	2.96%	2.92%
Rate of increase of medical costs (including inflation)	4.35%				4.38%			
Duration *(in years)*	12	6	8	9	12	7	8	10

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 seven-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 seven 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

	31/12/2023				31/12/2022			
	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	(6.45)%	(4.43)%	(3.58)%	(0.48)%	(6.65)%	(4.27)%	(2.87)%	(0.54)%
-0.5% change in discount rate	7.43%	4.80%	3.80%	0.54%	7.17%	4.64%	3.51%	0.60%
+1% change in rate of increase of healthcare costs	0.79%				0.89%			
-1% change in rate of increase of healthcare costs	(0.68)%				(0.75)%			
+1% change in rate of increase of salaries and income (including inflation)	7.70%	10.16%	7.39%		7.49%	9.65%	6.85%	
-1% change in rate of increase of salaries and income (including inflation)	(6.55)%	(8.82)%	(6.75)%		(6)%	(8.31)%	(6.1)%	

i) Schedule of undiscounted payments

	31/12/2023		31/12/2022	
	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	115	41	121	41
n+6 to n+10	106	40	105	45
n+11 to n+15	110	66	109	65
n+16 to n+20	107	70	108	69
> n+20	311	128	323	118
TOTAL	**750**	**345**	**765**	**338**

10.2.3 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.

The deferred variable compensation plans granted since 2022 are settled exclusively in cash indexed to the change in BPCE's net income (Group 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 period for exercising the promise to sell. The liquidity contract has no impact on the consolidated financial statements of Natixis at December 31, 2023, 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 reporting date according to changes in the presence and performance assumptions *(see Note 5.16)*.

Concerning the 2024 plan, as the allocations were not formally carried out at the reporting date of the financial statements, the estimates of expenses are based on the best possible estimate at December 31, 2023. In addition, this plan will be fully liquidated in cash indexed to a valuation formula. It will provide for different payment dates depending on the categories of beneficiaries (regulated or non-regulated categories of employees within the meaning of the CRD; members of senior management or not; employees covered or not by the local regulations in force in the United Kingdom).

Natixis subsidiaries may also implement share-based compensation plans based on their own shares. The impact of these plans at December 31, 2023 is +€20.4 million (income), compared with -€58.4 million (expense) in 2022.

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/Cash indexed *(in euros)*	Acquisition date	Number of units acquired by beneficiaries/ Cash indexed *(in euros)*	Fair value/exercise price of the indexed cash unit at the valuation date *(in euros)*
2020 plan	10/04/2020	5,867,435	March 2022 March 2023	1,640,619 2,891,965	4.40 4.68
2021 plan	18/02/2021	2,638,236	March 2022 March 2023 March 2024	 849,167 879,472	4.40 4.68 4.89
2021 plan	15/04/2021	2,075,079	March 2023 March 2024 March 2025	911,526	4.68 [4.52; 4.89] [4.52; 4.89]
2022 plan	17/03/2022	67,306,358	March 2023 March 2024 March 2025 March 2026 March 2027	20,446,331	4.68
2023 plan	09/03/2023	67,117,206	March 2023 March 2024 March 2025 March 2026 March 2027 March 2028 March 2029 March 2030		
2024 plan [(a)]	07/03/2024		March 2024 March 2025 March 2026 March 2027 March 2028 March 2029 March 2030 March 2030		

The payment of these plans is subject to presence and performance conditions for the categories of staff regulated within the meaning of the CRD.

(a) Concerning the 2024 plan, the allocations were not formally fulfilled as of December 31, 2023.

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	Free share price at grant date *(in euros)*	Fair value/exercise price of the free share at the valuation date *(in euros)*
2018 plan	13/04/2018	446,162	April 2021 April 2023	0 223,081	6.72	4.68
2020 plan	10/04/2020	3,598,382	March 2022 March 2023	1,132,405 2,191,432	2.24	4.40 4.68
2021 plan [a]	13/01/2022	299,059	May 23, 2022 May 28, 2023 May 20, 2024	57,937	4.00	[6.46; 6.96]

The payment of these plans is subject to presence and performance conditions for the categories of staff regulated within the meaning of the CRD.

(a) Under the Long-Term Incentive Plans (LTIP) 2018, 2019 and 2020, free performance shares were granted to the members of the Senior Management Committee, subject to attendance and performance conditions. Given the delisting of Natixis shares in 2021, performance shares currently being acquired were converted into "Phantom Shares" with a unit value of €4 (LTIP 2021, replacing LTIP 2018, 2019 and 2020).

Expense for the fiscal year represented by Natixis' deferred variable compensation plans

	Expense for fiscal year 2023			
Expenses *(in millions of euros)*	Plans settled in shares	Cash-settled plans indexed to a valuation formula	Total	Expense for fiscal year 2022 *(in millions of euros)*
Previous plans	(0.5)	(35.7)	(36.3)	(35.5)
Plans awarded over the period		(31.7)	(31.7)	(30.9)
TOTAL	**(0.5)**	**(67.5)**	**(68.0)**	**(66.4)**

Valuation inputs used to calculate the expense of these plans

	31/12/2023	31/12/2022
Fair value of the indexed cash unit [a]	[4.52; 4.89]	[4.40; 5.49]
Risk-free interest rate	3.65%	1.79%
Rights loss rate	5.37%	5.18%

(a) Corresponds to the range of fair values of indexed cash units, which from 2021 are differentiated by plan and year. 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 employees. 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 2023 fiscal year was as follows:

Year of allocation of the plan	Grant date	Acquisition date	Expense for fiscal year 2023 *(in millions of euros)*	Expense for fiscal year 2022 *(in millions of euros)*
2020 plan	22/01/2020	March 2021 March 2022		(0.3)
2021 plan	20/01/2021	March 2022 March 2023	(1.4)	(6.7)
TOTAL			**(1.4)**	**(7.0)**

Note 11 Capital management

11.1 Share capital

Ordinary shares	Number of shares	Par value	Capital *(in euros)*
Opening balance	3,684,053,471	1.60	5,894,485,554
Capital increase	-	-	-
CLOSING BALANCE	**3,684,053,471**		**5,894,485,554**

At December 31, 2023, there were 47,068 Treasury shares, compared to 2,461,581 shares at December 31, 2022.

Free shares granted to certain Natixis employees were allocated in the first half of 2023 by use of the portfolio of treasury shares.

11.2 Capital management and capital adequacy

Natixis' main objectives in terms of capital management are to ensure compliance with regulatory capital and solvency requirements. The capital steering framework adapts all processes with the aim of meeting the requirements of the supervisory authorities, shareholders and investors, in particular:

- continuously maintaining the targets set in terms of capital adequacy;
- the development of the Natixis internal capital adequacy assessment process (ICAAP);
- projecting/forecasting 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;
- a mechanism for analyzing the capital consumption of the business lines and their profitability;
- allocation of capital to business lines as part of the strategic plan and annual budget.

Regulatory framework

Since January 1, 2014, Natixis has applied the Basel 3 regulations implemented in the European Union through the CRD IV Directive and the CRR Regulation. These regulations are based on 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 steering frameworks;
- 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. Since the second half of 2022 and especially from 2023, the national macroprudential authorities in many countries have increased their countercyclical buffer rate. In France, the rate applied was zero since the second quarter of 2020, but the HCSF decided to raise the rate to 0.5% from April 7, 2023 and then to 1% from January 2, 2024,
  - 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).

Information on capital management and capital adequacy is presented in Note 3.3.1 to the chapter "Capital management and capital adequacy".

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 shareholders' equity given the discretionary nature of their compensation.

Deeply subordinated notes amounted to €2,181.1 million at December 31, 2023 (€2,181.1 million also at December 31, 2022).

Note that the gross amount of exchange rate fluctuations in deeply subordinated notes in foreign currencies recorded in income at December 31, 2023 amounted to -€60.1 million, or -€44.6 million after tax, compared with +€111 million at December 31, 2022, or €82.3 million after tax.

The main characteristics of the perpetual 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 par value of the commitment undertaken:

(in millions of euros)	31/12/2023	31/12/2022
Guarantee commitments given		
To banks	**5,685**	**5,552**
Confirmation of documentary credits	2,023	2,265
Other guarantees	3,661	3,287
To clients	**26,899**	**26,570**
Real estate guarantees	120	161
Administrative and tax bonds	171	1,163
Other bonds and endorsements given	737	488
Other guarantees	25,871	24,757
TOTAL GUARANTEE COMMITMENTS GIVEN[(a)]	**32,584**	**32,122**
Guarantee commitments received from banks	24,578	34,738

(a) At December 31, 2023, exposure to Russian counterparties classified as assets under watch (Stage 2) amounted to €77.7 million (€128.5 million at December 31, 2022), with provisions of €0.1 million (€0.2 million at December 31, 2022). At December 31, 2023, there were no longer any outstandings with Russian counterparties classified as non-performing, compared with €7.2 million at December 31, 2022.

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 OF 31/12/2021	**23,378**	**(6)**	**4,297**	**(10)**	**404**	**(33)**	**78**	**(6)**	**28,157**	**(55)**
New OBS commitments originated or purchased	20,389	(8)	1,006	(4)			1	0	21,396	(12)
Variations linked to changes in credit risk parameters *(excluding transfers)*	(4,006)	0	(781)	1	8	(3)	1	6	(4,778)	4
Transfers of guarantee commitments	*(314)*	*0*	*339*	*(1)*	*(26)*	*0*	*0*	*(2)*	*0*	*(3)*
Transfers to S1	517	0	(500)	2	(17)	0	0		0	1
Transfers to S2	(779)		839	(3)	(61)	0	0	(2)	0	(4)
Transfers to S3	(52)	0	0	0	52		0		0	0
Fully sold, called or matured commitments	(12,432)	3	(1,262)	5	(151)	18	(1)	0	(13,846)	26
Variations linked to changes in exchange rates	973	0	202	(1)	19	0	0	0	1,194	(1)
Changes in the model used										
Other movements	13	1	(9)	0	(5)	1	0	0	(1)	1
BALANCE AS OF 31/12/2022	**28,002**	**(10)**	**3,793**	**(10)**	**249**	**(17)**	**79**	**(2)**	**32,122**	**(39)**
New OBS commitments originated or purchased	17,370	(7)	553	(4)			3	0	17,925	(11)
Variations linked to changes in credit risk parameters *(excluding transfers)*	(2,961)	4	244	4	(210)	11	44	(5)	(2,882)	14
Transfers of guarantee commitments	*(429)*	*2*	*436*	*(10)*	*(7)*	*0*		*0*		*(8)*
Transfers to S1	458	0	(452)	0	(6)	0				0
Transfers to S2	(887)	2	891	(10)	(4)			0		(8)
Transfers to S3	0		(3)		3					
Fully sold, called or matured commitments	(12,818)	3	(1,253)	2	(6)	0	(8)	1	(14,085)	6
Variations linked to changes in exchange rates	(518)	0	(76)	0	(3)	0	0	0	(596)	0
Changes in the model used										
Other movements	105	0	(6)	0	(1)	0			99	0
BALANCE AS OF 31/12/2023	**28,750**	**(8)**	**3,693**	**(18)**	**22**	**(6)**	**118**	**(6)**	**32,584**	**(38)**

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)	31/12/2023	31/12/2022
Financing commitments given		
To banks	**10,406**	**1,812**
To clients	**64,156**	**62,061**
Opening of documentary credits	*2,906*	*2,480*
Other confirmed lines of credit	*60,909*	*58,869*
Other commitments	*341*	*712*
TOTAL FINANCING COMMITMENTS GIVEN[a]	**74,563**	**63,873**
Financing commitments received		
from banks	4,390	2,528
from clients	62	21
TOTAL FINANCING COMMITMENTS RECEIVED	**4,452**	**2,549**

(a) At December 31, 2023, exposure to Russian counterparties classified as assets under watch (Stage 2) amounted to €242.2 million (also €242.2 million at December 31, 2022), with provisions of €1.2 million (€0.8 million at December 31, 2022). At December 31, 2023 and December 31, 2022, there were no longer any outstandings with Russian counterparties classified as non-performing.

Financing commitments reconciliation table

	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	
(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 OF 31/12/2021	**56,754**	**(37)**	**5,746**	**(111)**	**66**	**(2)**	**224**	**0**	**62,790**	**(150)**
New OBS commitments originated or purchased	19,198	(13)	282	(2)			9	0	19,490	(14)
Variations linked to changes in credit risk parameters *(excluding transfers)*	11,962	2	(1,394)	11	196	2	(1)	(3)	10,681	12
Transfers of financing commitments	*(134)*	*0*	*127*	*0*	*(74)*	*(1)*	*0*	*(15)*	*0*	*(15)*
Transfers to S1	1,054	(2)	(1,053)	8	(81)	0			0	7
Transfers to S2	(1,188)	2	1,192	(9)	(5)	0		(15)	0	(22)
Transfers to S3			(12)	1	12	(1)				
Fully sold, called or matured commitments	(30,099)	7	(655)	2	(10)	0	(19)	0	(30,782)	13
Variations linked to changes in exchange rates	1,328	(1)	206	(1)	4	0	0	0	1,537	(2)
Changes in the model used										
Other movements	155	0	1	(1)	0	0	0	0	157	(1)
BALANCE AS OF 31/12/2022	**59,164**	**(41)**	**4,313**	**(101)**	**182**	**(1)**	**214**	**(15)**	**63,873**	**(159)**
New OBS commitments originated or purchased	42,413	(9)	491	0			29		42,934	(9)
Variations linked to changes in credit risk parameters *(excluding transfers)*	(5,545)	1	(436)	(58)	1	(6)	6	8	(5,974)	(55)
Transfers of financing commitments	*(326)*	*4*	*418*	*(10)*	*(93)*	*(9)*			*0*	*(17)*
Transfers to S1	1,106	(1)	(1,106)	6	0				0	4
Transfers to S2	(1,406)	5	1,542	(18)	(136)				0	(14)
Transfers to S3	(26)	0	(18)	2	43	(9)			0	(7)
Fully sold, called or matured commitments	(24,442)	4	(829)	1	(9)	1	(9)		(25,290)	6
Variations linked to changes in exchange rates	(731)	0	(56)	0	(3)	0	0	0	(791)	1
Changes in the model used										
Other movements	(202)	0	12	0	0	0			(190)	0
BALANCE AS OF 31/12/2023	**70,331**	**(41)**	**3,914**	**(169)**	**78**	**(15)**	**241**	**(7)**	**74,563**	**(232)**

Note 13 Other information

13.1 Leases where Natixis is the lessee

13.1.1 Impact on the income statement of leasing transactions as lessee

The net amount of right-of-use assets relating to lessee leases amounts to €615 million at December 31, 2023 (€783 million at December 31, 2022) of which €614 million (€782 million at December 31, 2022) relating to property leases (*see Note 7.10).*

Lease liabilities related to lessee leases represent an amount of €680 million at December 31, 2023 (€847 million at December 31, 2022) which is recorded in "Other liabilities" *(see Note 7.9.2)*.

(in millions of euros)	31/12/2023	31/12/2022
Interest expenses on lease liabilities	(17)	(12)
Amortization of right-of-use assets	(112)	(138)
Variable lease payments not included in the valuation of lease liabilities	(4)	(34)
Impact on the income statement of leases recognized in the balance sheet	**(134)**	**(184)**

(in millions of euros)	31/12/2023	31/12/2022
Lease expenses on short-term leases	(0)	(0)
Lease expenses on low-value assets	(0)	(0)
Impact on the income statement of leases not recognized in the balance sheet	**(0)**	**(0)**

Lease expenses related to low-value contracts and short-term contracts are recorded under "Expenses from other activities" in the consolidated income statement.

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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)	31/12/2023	31/12/2022
Sub-lease revenue – operating leases	3	3
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.

	31/12/2023								31/12/2022							
(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
Non-discounted lease liabilities (before deduction of financial expenses)	12	21	31	62	116	247	255	743	17	19	34	68	130	300	351	919

The following table presents future cash outflows not included in the measurement of lease liabilities as at December 31, 2023 for leases not yet commenced but representing commitments undertaken by Natixis.

	31/12/2023								31/12/2022							
(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
Leases already signed but whose underlying assets have not yet been made available	0	0	0	0	0	0	0	0	0	0	0	0	0	2	2	4

13.2 Leases where Natixis is the lessor

	31/12/2023							31/12/2022						
	Residual term							Residual term						
Leasing lessor *(in millions of euros)*	<1 year	>= 1 year and <2 years	>= 2 years and <3 years	>= 3 years and <4 years	>= 4 years and <5 years	> 5 years	Total	<1 year	>= 1 year and <2 years	>= 2 years and <3 years	>= 3 years and <4 years	>= 4 years and <5 years	>5 years	Total
Finance leases														
Gross investment	17	14	11	8	4	0	55	14	10	6	3	1		35
Present value of minimum lease payments receivable	14	12	10	8	3	0	48	12	9	6	3	1		31
Unearned finance income	3	1	1	1	1		6	2	1	1	0	0		4
Operating Lease														
Minimum payments receivable under irrevocable leases	0						0							

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:

	31/12/2023					31/12/2022				
(in millions of euros)	BPCE [(a)]	Insurance division	Financial Solutions & Expertise division [(b)]	Banques Populaires	Caisses d'Epargne	BPCE [(a)]	Insurance division	Financial Solutions & Expertise division[(b)]	Banques Populaires	Caisses d'Epargne
Assets										
Financial assets at fair value through profit or loss	17,491	110	474	2,670	5,407	14,288	192	486	5,495	6,336
Financial assets at fair value through other comprehensive income										
Debt instruments at amortized cost					0					0
Loans and receivables due from banks and similar items at amortized cost	79,751		2,041	243	12	23,725		2,472	19,111	22,805
Loans and receivables due from customers at amortized cost	185	21	63	213		168	37	11	60	
Insurance business investments										
Non-current assets held for sale										
Liabilities										
Financial liabilities at fair value through profit or loss	8,625	3,563	339	2,482	3,645	8,741	2,847	617	3,819	4,613
Deposits and loans due to banks and similar items	103,754		1,152	21	5	43,526		430	18,918	22,831
Customer deposits and loans	600	248	33	18	1	643	210	71	48	0
Debt securities	273	42				281	70			
Subordinated debt	2,870					2,866				
Liabilities related to insurance contracts										
Liabilities on assets held for sale										
Shareholders' equity	2,181					2,181				
Commitments										
Commitments given	9,664	2			1	1,514	2	0	0	349
Commitments received	20,131	6	7,445	55	1,165	28,127	101	7,986	68	642

Relations with associates and joint ventures are not material.

(a) Corresponds to BPCE S.A. and its subsidiaries with the exception of the Insurance, Factoring, Consumer Financing, Leasing and Financial Surety & Guarantee entities.

(b) Corresponds to Factoring, Consumer Financing, Leasing and Financial Surety & Guarantee entities.

(in millions of euros)	31/12/2023 BPCE [a]	Insurance division	Financial Solutions & Expertise division [b]	Banques Populaires	Caisses d'Epargne	31/12/2022 BPCE [a]	Insurance division	Financial Solutions & Expertise division [b]	Banques Populaires	Caisses d'Epargne
Income										
Interest and similar income	1,931	2	85	387	644	447	1	25	93	141
Interest and similar expenses	(3,093)	(13)	(7)	(385)	(662)	(980)	(3)	(2)	(87)	(157)
Net fee and commission income	(75)	(35)	1	(34)	(59)	(110)	(35)	(18)	(34)	(56)
Net gains or losses on financial instruments at fair value through profit or loss	35	(52)	178	690	1,314	4,699	(4)	(636)	(1,446)	(2,716)
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						(38)				
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	(49)	1	0	0		(21)	21	2	0	0
Operating expenses	(332)	3	5	4	4	(326)	16	7	2	4
Profit from discontinued operations										

Relations with associates and joint ventures are not material.

(a) *Corresponds to BPCE S.A. and its subsidiaries with the exception of the Insurance, Factoring, Consumer Financing, Leasing and Financial Surety & Guarantee entities.*

(b) *Corresponds to Factoring, Consumer Financing, Leasing and Financial Surety & Guarantee entities.*

Management compensation

(in euros)	31/12/2023	31/12/2022
Directors of Natixis [a]	621,871	627,260
Executives [b]	10,383,826	12,232,498

(a) *In 2023 and 2022, 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 French Financial Markets Authority recommendations in Section 2.3 of the Registration Document.

The table below shows the compensation paid in the fiscal year.

	Fiscal year 2023	Fiscal year 2022
Laurent Mignon, Chairman of the Board of Directors		
Compensation for the fiscal year	NA	€276,613
Value of options paid during the fiscal year	NA	€0
Value of performance shares paid during the fiscal year	NA	€0
TOTAL	**NA**	**€276,613**
Nicolas Namias, Chairman of the Board of Directors [(b)]		
Compensation for the fiscal year	€0	NA
Value of options paid during the fiscal year	€0	NA
Value of performance shares paid during the fiscal year	€0	NA
TOTAL	**€0**	**NA**
Nicolas Namias, Chief Executive Officer [(b)]		
Compensation for the fiscal year [(c)]	€787,256	€1,689,901
Value of options paid during the fiscal year	€0	€0
Value of performance shares paid during the fiscal year	€0	€0
TOTAL	**€787,256**	**€1,689,901**
Stéphanie Paix, Chief Executive Officer		
Compensation for the fiscal year [(a)]	€840,483	€62,756
Value of options paid during the fiscal year	€0	0 €
Value of performance shares paid during the fiscal year	€0	0 €
TOTAL	**€840,483**	**€62,756**

(a) Including vehicle benefits of €2,919 in 2023 and €390 in 2022.
(b) Nicolas Namias, Chief Executive Officer of Natixis until December 2, 2022 and currently Chairman of the Natixis Board of Directors.
(c) Including family allowance of €2,925 and a vehicle benefit of €9,279 in 2022. The amount paid in 2023 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.

Executive officer pension plans

Stéphanie Paix, Chief Executive Officer

Natixis' Chief Executive Officer benefits from Natixis' pension plan for non-classified executives:

Social Security contributions in Tranche 1

- AGIRC-ARRCO pension plan in Tranche 1 (13.53%);
- AGIRC-ARRCO supplementary pension plan in Tranche 2 capped at 4x the PASS (3.86%);
- AGIRC-ARRCO pension plan in Tranche 2 (21.59%).

The Chief Executive Officer benefits from mandatory pension plans like all employees.

She also has the defined-benefit supplementary pension plan for Groupe BPCE executive officers.

Closed to new entrants since July 1, 2014, this additive-type plan falls under Article L.137-11 of the French Social Security Code.

It is subject to conditions:

- complete his or her professional career within Groupe BPCE. This condition is met when the beneficiary is a member of the workforce the day before his or her social security pension is drawn following a voluntary retirement;
- provide proof of seniority in an executive officer position at least equal to the required minimum seniority of seven years at the date of payment of their pension under the social security pension scheme.

The beneficiary who meets the above conditions is entitled to an annual pension equal to 15% of a reference compensation equal to the average of the three best annual compensations awarded in respect of the five calendar years preceding the date of the payment of the pension in respect of social security pension scheme and capped at four times the annual social security ceiling.

Annual compensation means the sum of the following compensation awarded in respect of the year in question:

- fixed compensation, excluding benefits in kind or post-employment bonuses;
- variable compensation – retained within the limit of 100% of the fixed compensation – and defined as the total variable compensation, including the portion that could be deferred over several years and subject to conditions of presence and performance in respect of the regulation of variable remuneration in credit institutions.

This supplementary pension is reversible, once liquidated, for the benefit of the spouse and divorced former spouses who have not remarried at the rate of 60%.

This plan, the financing of which is entirely the responsibility of the group, is covered by two insurance contracts with the insurance companies Quatrem and Allianz, with a target coverage rate of 80% for active employees and 100% for retired beneficiaries.

Depending on the option chosen by Groupe BPCE, the expenses borne by the Company consist of the 32% contribution on the annuities paid by the insurer to the beneficiaries. The supplementary pension plan governed by Article L.137-11 of the French Social Security Code, "plan for executive officers", is governed by the provisions of point 25.6.2 of the Afep-Medef code. Indeed, this plan complies with the principles set out in terms of the quality of beneficiaries, the overall setting of basic compensation, seniority conditions, the progressivity of the increase in potential rights according to length of service, reference period taken into account for the calculation of benefits and the prohibition of artificial inflation.

Cessation benefit

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 Natixis Board of Directors defined new methods for determining the contract termination payment of the Chief Executive Officer, under which the achievement of the objectives will be assessed on the basis of the two 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 contract termination 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 contract termination 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 principal Statutory Auditors.

PricewaterhouseCoopers Audit[1] was reappointed by the shareholders at the General Shareholders’ meeting of May 2022, for a term of six years ending as of the General Shareholders’ Meeting to be held in 2028 to approve the previous year’s financial statements.

Mazars[2] was appointed by the shareholders at the General Shareholders’ meeting of May 2022, for a term of six years ending as of the General Shareholders’ Meeting to be held in 2028 to approve the previous year’s financial statements.

Mazars 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.

Deloitte & Associés is the Statutory Auditor of BPCE S.A. and as such, the amounts of certification and non-certification service fees paid to it are presented in the Natixis appendix below.

The Principal Statutory Auditors and their networks, as well as Deloitte & Associés as Group BPCE's Statutory Auditor, were paid the following amounts in return for their duties:

	Deloitte & Associés					PWC					MAZARS					TOTAL				
	2023		2022		Change	2023		2022		Change	2023		2022		Change	2023		2022		Change
(in thousands of euros)	Amount	%	Amount	%	%	Amount	%	Amount	%	%	Amount	%	Amount	%	%	Amount	%	Amount	%	%
Independent audit, certification and examination of the parent company and consolidated financial statements	**443**	**20%**	**1,521**	**68%**	**(71)%**	**10,749**	**82%**	**9,695**	**83%**	**11%**	**4,116**	**77%**	**3,554**	**84%**	**16%**	**15,309**	**74%**	**14,770**	**81%**	**4%**
Issuer	*0*		*512*		*(100)%*	*3,385*		*3,106*		*9%*	*1,807*		*1,543*		*17%*	*5,192*		*5,161*		*1%*
Fully-consolidated subsidiaries	*443*		*1,009*		*(56)%*	*7,365*		*6,589*		*12%*	*2,309*		*2,011*		*15%*	*10,117*		*9,609*		*5%*
Services other than the certification of accounts	**1,811**	**80%**	**703**	**32%**	**157%**	**2,316**	**18%**	**2,036**	**17%**	**14%**	**1,162**	**23%**	**661**	**16%**	**91%**	**5,289**	**26%**	**3,401**	**19%**	**58%**
Issuer	*1,212*		*286*		*323%*	*244*		*1,010*		*(76)%*	*520*		*105*		*486%*	*1,976*		*1,402*		*48%*
Fully-consolidated subsidiaries	*599*		*417*		*44%*	*2,072*		*1,026*		*102%*	*642*		*556*		*16%*	*3,313*		*1,999*		*66%*
TOTAL	**2,254**	**100%**	**2,225**	**100%**	**1%**	**13,065**	**100%**	**11,731**	**100%**	**11%**	**5,278**	**100%**	**4,215**	**100%**	**28%**	**20,597**	**100%**	**18,171**	**100%**	**14%**
of which fees paid to the entity appointed as Statutory Auditor of the consolidating entities for the certification of the financial statements	*386*		*866*			*2,743*		*3,176*			*3,219*		*2,713*			*6,348*		*6,755*		
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	53		142			169		92			125		73			347		307		

Services other than the certification of accounts include:

- assistance with ensuring the compliance of mechanisms implemented amounting to €1.1 million;
- tax audits, primarily performed outside the European Union, amounting to €0.7 million;
- technical assistance assignments amounting to €0.5 million.

(1) PricewaterhouseCoopers Audit – 63 rue de Villiers 92208 Neuilly-sur-Seine, represented by signatory partner Emmanuel Benoist.
(2) Mazars – 61 rue Henri Regnault, 92400 Courbevoie, represented by the signatory partners Emmanuel Dooseman and Olivier Gatard.

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, 2023.

15.1 Entity operations by country at December 31, 2023

Country of operation	Activity
ALGERIA	
NATIXIS ALGÉRIE	Bank
GERMANY	
NATIXIS INVESTMENT MANAGERS INTERNATIONAL, ZWEIGNIEDERLASSUNG DEUTSCHLAND	Distribution
NATIXIS INVESTMENT MANAGERS S.A., ZWEIGNIERDERLASSUNG DEUTSCHLAND	Distribution
NATIXIS ZWEIGNIEDERLASSUNG DEUTSCHLAND	Fin. institution
NATIXIS PFANDBRIEFBANK AG	Banks
AEW INVEST GmbH	Distribution
SAUDI ARABIA	
SAUDI ARABIA INVESTMENT COMPANY	Fin. institution
AUSTRALIA	
AEW AUSTRALIA PTY LTD	Asset Management
AZURE CAPITAL HOLDINGS PTY LTD	M&A advisory services
NATIXIS AUSTRALIA PTY LTD	Fin. institution
NATIXIS INVESTMENT MANAGERS AUSTRALIA PTY LIMITED	Distribution
THE AZURE CAPITAL TRUST	Holding company
AZURE CAPITAL LTD	Holding company
INVESTORS MUTUAL LIMITED	Asset Management
BELGIUM	
NATIXIS BELGIQUE INVESTISSEMENTS	Investment company
NATIXIS INVESTMENT MANAGERS S.A., BELGIAN BRANCH	Distribution
CANADA	
NATIXIS CANADA	Fin. institution
NATIXIS IM CANADA HOLDINGS LTD	Holding company
NIM-OS TECHNOLOGIES INC.	Media and digital
CHINA	
NATIXIS BEIJING	Fin. institution
NATIXIS SHANGHAI	Fin. institution
VERMILION (BEIJING) ADVISORY COMPANY LIMITED	M&A advisory services
SOUTH KOREA	
AEW KOREA LLC	Asset Management
NATIXIS IM KOREA LIMITED (NIMKL)	Distribution
NATIXIS SEOUL	Fin. institution
UNITED ARAB EMIRATES	
NATIXIS DUBAI	Fin. institution
NATIXIS INVESTMENT MANAGERS MIDDLE EAST	Distribution
SPAIN	
AEW EUROPE LLP SPANISH BRANCH	Distribution
NATIXIS INVESTMENT MANAGERS INTERNATIONAL, SUCURSAL EN ESPAÑA	Distribution
NATIXIS MADRID	Fin. institution
NATIXIS PARTNERS IBERIA, S.A.	M&A advisory services
AEW UK INVESTMENT MANAGEMENT LLP SPAIN BRANCH	Distribution
UNITED STATES	
AEW CAPITAL MANAGEMENT, INC.	Asset Management
AEW CAPITAL MANAGEMENT, LP	Asset Management
AEW COLD OPS MM, LLC	Asset Management
AEW EHF GP, LLC	Asset Management
AEW PARTNERS REAL ESTATE FUND IX, LLC	Asset Management
AEW PARTNERS REAL ESTATE FUND VIII LLC	Asset Management
AEW PARTNERS V, INC.	Asset Management
AEW PARTNERS VI, INC.	Asset Management
AEW PARTNERS VII, INC.	Asset Management
AEW SENIOR HOUSING INVESTORS II INC.	Asset Management
AEW SENIOR HOUSING INVESTORS III LLC	Asset Management
AEW SENIOR HOUSING INVESTORS IV LLC	Asset Management
AURORA INVESTMENT MANAGEMENT LLC	Asset Management
CM REO HOLDINGS TRUST	Secondary markets finance
CM REO TRUST	Secondary markets finance
EPI SO SLP LLC	Asset Management
GATEWAY INVESTMENT ADVISERS, LLC	Asset Management
HARRIS ASSOCIATES LP	Asset Management
HARRIS ASSOCIATES SECURITIES, LP	Distribution
HARRIS ASSOCIATES, INC.	Asset Management
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
LOOMIS SAYLES TRUST COMPANY, LLC	Asset Management
MIROVA US HOLDINGS LLC	Holding company
MIROVA US LLC	Asset Management
MSR TRUST	Real-estate finance
NATIXIS ADVISORS, LLC	Distribution
NATIXIS ASG HOLDINGS, INC.	Distribution
NATIXIS DISTRIBUTION, LLC	Distribution
NATIXIS FINANCIAL PRODUCTS LLC	Derivatives transactions
NATIXIS FUNDING CORP	Other financial company
NATIXIS INVESTMENT MANAGERS INTERNATIONAL, LLC	Distribution
NATIXIS INVESTMENT MANAGERS, LLC	Holding company
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 SECURITIES AMERICAS LLC	Brokerage firm
NATIXIS US MTN PROGRAM LLC	Issuing vehicle
NIM-OS, LLC	Media and digital
OSTRUM AM US LLC	Asset Management
SEAPORT STRATEGIC PROPERTY PROGRAM I CO-INVESTORS, LLC	Asset Management
SUNFUNDER INC.	Private debt management company
VAUGHAN NELSON INVESTMENT MANAGEMENT, INC.	Asset Management
VAUGHAN NELSON INVESTMENT MANAGEMENT, LP	Asset Management
VERSAILLES	Securitization vehicle
SOLOMON PARTNERS, LP	M&A advisory services
SOLOMON PARTNERS SECURITIES COMPANY LLC	Brokerage
AEW PARTNERS X GP, LLC	Asset Management
FLEXSTONE PARTNERS LLC	Asset Management
NATIXIS INVESTMENT MANAGERS US HOLDINGS LLC	Holding company
AEW VALUE INVESTORS US GP, LLC	Real-estate management
AEW EUROPEAN PROPERTY SECURITIES ABSOLUTE RETURN GP, LLC	Real-estate management
AEW GLOBAL PROPERTY GP, LLC	Real-estate management
AEW GLOBAL INVESTMENT FUND GP, LLC	Real-estate management

Country of operation	Activity
AEW SHI V GP, LLC	Real-estate management
AEW RED FUND GP, LLC	Real-estate management
FRANCE	
1818 IMMOBILIER	Real estate operations
AEW	Real-estate management
AEW EUROPE S.A.	Asset Management
DARIUS CAPITAL CONSEIL	Investment advisory services
DNCA FINANCE	Asset Management
FONCIÈRE KUPKA	Real estate operations
INVESTIMA 77	Holding company
MIROVA	Management of venture capital mutual funds
MV CREDIT SARL, FRENCH BRANCH	Asset Management
NATIXIS IMMO DÉVELOPPEMENT	Residential real estate development
NATIXIS INTERÉPARGNE	Employee savings scheme account management
NATIXIS INVESTMENT MANAGERS	Holding company
NATIXIS INVESTMENT MANAGERS INTERNATIONAL	Distribution
NATIXIS INVESTMENT MANAGERS PARTICIPATIONS 1	Holding company
NATIXIS INVESTMENT MANAGERS PARTICIPATIONS 3	Holding company
NATIXIS MARCO	Investment company – (extension of activity)
NATIXIS PARTNERS	M&A advisory services
NATIXIS PRIVATE EQUITY	Private Equity
NATIXIS S.A.	Banks
NAXICAP PARTNERS	Management of venture capital mutual funds
OSSIAM	Asset Management
OSTRUM AM (NEW)	Asset Management
SEVENTURE PARTNERS	Asset Management
SPG	SICAV
TEORA	Insurance brokerage firm
THEMATICS ASSET MANAGEMENT	Asset Management
VEGA INVESTMENT MANAGERS	Mutual fund holding company
NATIXIS COFICINE	Financial company (audiovisual)
NATIXIS IM INNOVATION	Asset Management
DORVAL ASSET MANAGEMENT	Asset Management
FLEXSTONE PARTNERS SAS	Asset Management
VAUBAN INFRASTRUCTURE PARTNERS	Asset Management
LOOMIS SAYLES CAPITAL RE	Asset Management
NATIXIS IM PARTICIPATIONS 6	Holding company
NATIXIS WEALTH MANAGEMENT	Banks
MASSENA CONSEIL SAS	Asset Management and investment advisory services
MASSENA PARTNERS – BRANCH	Asset Management and investment advisory services
NATIXIS FONCIÈRE S.A.	Real estate investments
NATIXIS TRADEX SOLUTIONS	Banks
UNITED KINGDOM	
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 UK LTD	Asset Management
AEW UK INVESTMENT MANAGEMENT LLP	Asset Management
LOOMIS SAYLES INVESTMENTS LTD (UK)	Asset Management
MIROVA UK LIMITED	Asset Management
MV CREDIT LIMITED	Asset Management
MV CREDIT LLP	Asset Management
NATIXIS ALTERNATIVE HOLDING LIMITED	Holding company
NATIXIS INVESTMENT MANAGERS UK (FUNDS) LIMITED (UK), LLC	Operational support

Country of operation	Activity
NATIXIS INVESTMENT MANAGERS UK LTD	Distribution
NATIXIS LONDON	Fin. institution
VERMILION PARTNERS (UK) LIMITED	Holding company
FENCHURCH PARTNERS LLP	M&A advisory services
AEW GLOBAL LTD	Asset Management
AEW PROMOTE LP LTD	Asset Management
AEW EVP GP LLP	Asset Management
HONG KONG	
AEW ASIA LIMITED	Asset Management
NATIXIS ASIA LTD	Other financial company
NATIXIS HOLDINGS (HONG KONG) LIMITED	Holding company
NATIXIS HONG KONG	Fin. institution
NATIXIS INVESTMENT MANAGERS HONG KONG LIMITED	Asset Management
NATIXIS INVESTMENT MANAGERS INTERNATIONAL HONG KONG LIMITED	Asset Management
VERMILION PARTNERS (HOLDINGS) LIMITED	Holding company
VERMILION PARTNERS LIMITED	Holding company
CAYMAN ISLANDS	
DF EFG3 LIMITED	Holding company
INDIA	
NATIXIS GLOBAL SERVICES (INDIA) PRIVATE LIMITED	Operational support
IRELAND	
BLEACHERS FINANCE	Securitization vehicle
PURPLE FINANCE CLO 1	Securitization vehicle
PURPLE FINANCE CLO 2	Securitization vehicle
MV CREDIT EURO CLO III [FUNDS]	Securitization vehicle
ITALY	
AEW ITALIAN BRANCH	Distribution
DNCA FINANCE MILAN BRANCH	Asset Management
NATIXIS INVESTMENT MANAGERS INTERNATIONAL, SUCCURSALE ITALIANA	Distribution
NATIXIS MILAN	Fin. institution
OSTRUM ASSET MANAGEMENT ITALIA	Asset Management
JAPAN	
AEW JAPAN CORPORATION	Asset Management
NATIXIS INVESTMENT MANAGERS JAPAN CO., LTD	Asset Management
NATIXIS JAPAN SECURITIES CO, LTD	Fin. institution
NATIXIS TOKYO	Fin. institution
JERSEY	
AEW APREF INVESTORS, LP	Asset Management
AEW VALUE INVESTORS ASIA II GP LIMITED	Asset Management
AEW VALUE INVESTORS ASIA III GP LIMITED	Asset Management
NATIXIS STRUCTURED PRODUCTS LTD	Issuing vehicle
KENYA	
SUNFUNDER EAST AFRICA LTD	Private debt management company
LUXEMBOURG	
AEW APREF GP SARL	Asset Management
AEW EUROPE GLOBAL LUX	Asset Management
AEW EUROPE SARL	Asset Management
AEW VIA IV GP PARTNERS SARL	Asset Management
DNCA FINANCE BRANCH LUXEMBOURG	Asset Management
KENNEDY FINANCEMENT LUXEMBOURG	Investment company – Asset Management
KENNEDY FINANCEMENT LUXEMBOURG 2	Central corporate treasury – Asset Management
LOOMIS SAYLES ALPHA LUXEMBOURG, LLC	Asset Management
MASSENA WEALTH MANAGEMENT SARL	Asset Management and investment advisory services
MV CREDIT SARL	Asset Management
NATIXIS ALTERNATIVE ASSETS	Issuing vehicle
NATIXIS INVESTMENT MANAGERS S.A.	Distribution
NATIXIS REAL ESTATE FEEDER SARL	Issuing vehicle
NATIXIS STRUCTURED ISSUANCE	Issuing vehicle
NATIXIS TRUST	Issuing vehicle
NATIXIS CORPORATE AND INVESTMENT BANKING LUXEMBOURG (FORMERLY NATIXIS WEALTH MANAGEMENT LUXEMBOURG)	Issuing vehicle

Country of operation	Activity
AEW VIA V GP PARTNERS SARL	Asset Management
MV CREDIT CLO EQUITY SARL	Asset Management
LOOMIS SAYLES SAKORUM LONG SHORT GROWTH EQUITY [FUND]	Asset Management
MASSENA PARTNERS S.A.	Asset Management and investment advisory services
MALAYSIA	
NATIXIS LABUAN	Fin. institution
MEXICO	
NATIXIS IM MEXICO, S. DE RL DE CV	Asset Management
NETHERLANDS	
AEW – DUTCH BRANCH	Real-estate management
LOOMIS SAYLES & COMPANY, LP, DUTCH BRANCH	Distribution
LOOMIS SAYLES (NETHERLANDS) B.V.	Distribution
NATIXIS INVESTMENT MANAGERS INTERNATIONAL, NEDERLANDS	Distribution
POLAND	
AEW CENTRAL EUROPE	Asset Management
PORTUGAL	
NATIXIS PORTO	Fin. institution
CZECH REPUBLIC	
AEW CENTRAL EUROPE CZECH	Distribution

Country of operation	Activity
RUSSIA	
NATIXIS BANK JSC, MOSCOW	Bank
SINGAPORE	
AEW ASIA PTE LTD	Asset Management
LOOMIS SAYLES INVESTMENTS ASIA PTE LTD	Asset Management
NATIXIS INVESTMENT MANAGERS SINGAPORE LIMITED	Asset Management
NATIXIS SINGAPORE	Fin. institution
FLEXSTONE PARTNERS PTE LTD	Asset Management
SWEDEN	
MIROVA SWEDEN SUBSIDIARY	Asset Management
SWITZERLAND	
NATIXIS INVESTMENT MANAGERS SWITZERLAND SARL	Asset Management
FLEXSTONE PARTNERS SARL	Asset Management
TAIWAN	
NATIXIS INVESTMENT MANAGERS SECURITIES INVESTMENT CONSULTING CO. LTD	Asset Management
NATIXIS TAIWAN	Fin. institution
URUGUAY	
NATIXIS INVESTMENT MANAGERS URUGUAY S.A.	Distribution

15.2 Net banking income, pre-tax profit, taxes and headcount by country at December 31, 2023

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	69	35	34	(9)	845
GERMANY	95	37	35	(13)	145
SAUDI ARABIA	0	(0)	(0)	(0)	3
AUSTRALIA	67	30	30	(9)	129
BELGIUM	4	3	3	(0)	2
CANADA	4	2	2	(0)	6
CHINA	28	11	10	(6)	67
SOUTH KOREA	11	5	5	(1)	23
UNITED ARAB EMIRATES	46	23	22	0	57
SPAIN	91	61	60	(17)	90
UNITED STATES	2,754	854	823	(226)	2,893
FRANCE	3,143	400	206	(195)	6,822
UNITED KINGDOM	356	113	108	(4)	569
HONG KONG	272	106	103	(14)	400
CAYMAN ISLANDS	5	5	5	0	0
INDIA	(0)	1	1	(0)	136
IRELAND	(4)	(6)	(6)	0	0
ITALY	151	109	108	(33)	98
JAPAN	80	37	35	(5)	110
JERSEY	2	0	0	0	0
KENYA	3	(0)	(0)	(0)	18
LUXEMBOURG	32	(35)	(39)	(7)	132
MALAYSIA	3	2	2	(0)	5
MEXICO	1	0	0	0	2
NETHERLANDS	4	(2)	(2)	(0)	13
POLAND	1	(0)	(0)	0	3
PORTUGAL	(0)	5	5	(1)	1,732
CZECH REPUBLIC	0	0	0	0	3
RUSSIA	2	(1)	(1)	0	19
SINGAPORE	161	53	48	(8)	296
SWEDEN	0	0	0	(0)	1
SWITZERLAND	7	1	1	(0)	16
TAIWAN	11	(7)	(8)	1	17
URUGUAY	1	0	0	0	2
	7,399	**1,841**	**1,588**	**(551)**	**14,653**

Note 16 Comparative consolidation scopes

Business lines Consolidated subsidiaries	Activity	Consolidation method at December 31, 2023	31/12/2023 % Control	31/12/2023 % Ownership	31/12/2022 % Control	31/12/2022 % Ownership	Country
CORPORATE & INVESTMENT BANKING							
NATIXIS PFANDBRIEFBANK AG	Banks	FC	100	100	100	100	Germany
Azure Capital Holdings Pty Ltd [v]	M&A advisory services	FC	64	64	56	56	Australia
The Azure Capital Trust [v]	Holding company	FC	64	64	56	56	Australia
Azure Capital Limited [v]	Holding company	FC	64	64	56	56	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 [w]	M&A advisory services	FC	82	82	72	72	China
Natixis Partners Iberia, S.A. [p]	M&A advisory services	FC	99	99	89	89	Spain
NATIXIS NORTH AMERICA LLC	Holding company	FC	100	100	100	100	United States
Solomon Partners, LP [h]	M&A advisory services	FC	61	61	58	58	United States
Solomon Partners Securities Company LLC [h]	Brokerage	FC	61	61	58	58	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 IMMO DÉVELOPPEMENT	Residential real estate development	FC	100	100	100	100	France
CONTANGO TRADING S.A. [t]	Brokerage company				100	100	France
Natixis Partners	M&A advisory services	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				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 [q]	M&A advisory services	FC	60	60	51	51	United Kingdom
Vermilion Partners (UK) Limited [w]	Holding company	FC	82	82	72	72	United Kingdom
Vermilion Partners LLP [a]	M&A advisory services				72	72	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 [w]	Holding company	FC	82	82	72	72	Hong Kong
Vermilion Partners Limited [w]	Holding company	FC	82	82	72	72	Hong Kong
Natixis Global Services (India) Private Limited	Operational support	FC	100	100	100	100	India
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	Issuing vehicle	FC	100	100	100	100	Luxembourg
NATIXIS REAL ESTATE FEEDER SARL	Issuing vehicle	FC	100	100	100	100	Luxembourg
Natixis Corporate and Investment Banking Luxembourg (formerly NATIXIS Wealth Management Luxembourg)* [c]	Issuing vehicle	FC	100	100	100	100	Luxembourg
NATIXIS ALTERNATIVE ASSETS	Issuing vehicle	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

Business lines Consolidated subsidiaries	Activity	Consolidation method at December 31, 2023	31/12/2023 % Control	31/12/2023 % Ownership	31/12/2022 % Control	31/12/2022 % Ownership	Country
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 SEOUL	Fin. institution	FC	100	100	100	100	South Korea
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 (k)	Distribution	FC	85	100	100	100	Germany
Natixis Investment Managers Australia Pty Limited	Distribution	FC	100	100	100	100	Australia
Investors Mutual Limited (g)	Asset Management	FC	76	76	68	68	Australia
AEW AUSTRALIA PTY LTD	Asset Management	FC	100	100	100	100	Australia
Natixis IM Canada Holdings Ltd	Holding company	FC	100	100	100	100	Canada
NIM-os Technologies Inc. (b)	Media and digital	FC	100	100			Canada
Natixis Investment Managers Korea Limited (i)	Distribution				100	100	South Korea
AEW Korea LLC	Asset Management	FC	100	100	100	100	South Korea
Natixis IM Korea Limited (NIMKL)	Distribution	FC	100	100	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 SENIOR HOUSING INVESTORS II INC.	Asset Management	FC	100	100	100	100	United States
AEW Partners X GP, LLC	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 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	Asset Management	FC	100	100	100	100	United States
AEW EHF GP, LLC	Asset Management	FC	100	100	100	100	United States
AEW Core Property (US) GP, LLC (d)	Asset Management				100	100	United States
Seaport Strategic Property Program I Co-Investors, LLC	Asset Management	FC	100	100	100	100	United States
ALPHASIMPLEX GROUP LLC (d)	Asset Management				100	100	United States
AURORA INVESTMENT MANAGEMENT LLC	Asset Management	FC	100	100	100	100	United States
CASPIAN CAPITAL MANAGEMENT, LLC (i)	Asset Management				100	100	United States
EPI SLP LLC (a)	Asset Management				100	100	United States
EPI SO SLP LLC	Asset Management	FC	100	100	100	100	United States
GATEWAY INVESTMENT ADVISERS, LLC	Asset Management	FC	100	100	100	100	United States

Business lines Consolidated subsidiaries	Activity	Consolidation method at December 31, 2023	31/12/2023		31/12/2022		Country
			%		%		
			Control	Ownership	Control	Ownership	
HARRIS ALTERNATIVES HOLDING INC. [a]	Holding company				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
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 [l]	Asset Management	FC	100	84	100	87	United States
Natixis Investment Managers, LLC	Holding company	FC	100	100	100	100	United States
Natixis Advisors, LLC	Distribution	FC	100	100	100	100	United States
Natixis Distribution, LLC	Distribution	FC	100	100	100	100	United States
NATIXIS INVESTMENT MANAGERS INTERNATIONAL, LLC	Distribution	FC	100	100	100	100	United States
NIM-os, LLC	Media and digital	FC	100	100	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 Investment Managers S.A. Holdings, LLC	Holding company	FC	100	100	100	100	United States
Mirova US Holdings LLC	Holding company	FC	100	100	100	100	United States
SunFunder Inc.	Private debt management company	FC	100	100	100	100	United States
AEW Value Investors US GP, LLC [j]	Real-estate management	FC	100	100			United States
AEW European Property Securities Absolute Return GP, LLC [j]	Real-estate management	FC	100	100			United States
AEW Global Property GP, LLC [j]	Real-estate management	FC	100	100			United States
AEW Global Investment Fund GP, LLC [j]	Real-estate management	FC	100	100			United States
AEW SHI V GP, LLC [r]	Real-estate management	FC	100	100			United States
AEW Red Fund GP, LLC [r]	Real-estate management	FC	100	100			United States
Natixis IM innovation	Asset Management	FC	100	100	100	100	France
AEW Europe S.A.	Asset Management	FC	100	100	100	100	France
AEW	Real-estate management	FC	100	100	100	100	France
DARIUS CAPITAL CONSEIL	Investment advisory services	FC	70	70	70	70	France
DNCA Finance	Asset Management	FC	100	87	100	87	France
Dorval Asset Management [o]	Asset Management	FC	99	99	99	99	France
Flexstone Partners SAS [l]	Asset Management	FC	84	84	87	87	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	100	100	100	100	France
Natixis TradEx Solutions**	Banks	FC	100	100	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 [y]	Asset Management	FC	90	91	82	83	France
SEVENTURE PARTNERS	Asset Management	FC	59	59	59	59	France
SEEYOND [e]	Asset Management				100	100	France
Natixis Investment Managers Participations 5 [s]	Holding company				100	100	France
Thematics Asset Management	Asset Management	FC	50	50	50	50	France
Vauban Infrastructure Partners [m]	Asset Management	FC	51	45	61	59	France
Loomis Sayles Capital Re	Asset Management	FC	100	100	100	100	France

Business lines Consolidated subsidiaries	Activity	Consolidation method at December 31, 2023	31/12/2023 % Control	31/12/2023 % Ownership	31/12/2022 % Control	31/12/2022 % Ownership	Country
Ecofi Investissements [x]	Asset Management	EM	25	25			France
Natixis IM Participations 6 [x]	Holding company	FC	100	100			France
AEW EUROPE ADVISORY LTD [u]	Asset Management				100	100	United Kingdom
AEW EUROPE CC LTD [u]	Asset Management				100	100	United Kingdom
AEW EUROPE HOLDING LTD	Asset Management	FC	100	100	100	100	United Kingdom
AEW EUROPE INVESTMENT LTD	Asset Management	FC	100	100	100	100	United Kingdom
AEW EUROPE LLP	Asset Management	FC	100	100	100	100	United Kingdom
AEW GLOBAL ADVISORS (EUROPE) LTD	Asset Management	FC	100	100	100	100	United Kingdom
AEW GLOBAL LTD	Asset Management	FC	100	100	100	100	United Kingdom
AEW GLOBAL UK LTD	Asset Management	FC	100	100	100	100	United Kingdom
AEW UK INVESTMENT MANAGEMENT LLP	Asset Management	FC	100	100	100	100	United Kingdom
AEW PROMOTE LP LTD	Asset Management	FC	100	100	100	100	United Kingdom
AEW EVP GP LLP	Asset Management	FC	100	100	100	100	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	Operational support	FC	100	100	100	100	United Kingdom
Mirova UK 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
Natixis Investment Managers International Hong Kong Limited	Asset Management	FC	100	100	100	100	Hong Kong
PURPLE FINANCE CLO 1	Securitization vehicle	FC	58	58	58	58	Ireland
PURPLE FINANCE CLO 2	Securitization vehicle	FC	71	71	71	71	Ireland
MV Credit Euro CLO III [Funds] [x]	Securitization vehicle	FC	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 APREF Investors, L.P.	Asset Management	FC	100	100	100	100	Jersey
SUNFUNDER EAST AFRICA LTD	Private debt management company	FC	100	100	100	100	Kenya
AEW EUROPE SARL	Asset Management	FC	100	100	100	100	Luxembourg
AEW EUROPE GLOBAL LUX	Asset Management	FC	100	100	100	100	Luxembourg
AEW VIA IV GP Partners SARL	Asset Management	FC	100	100	100	100	Luxembourg
AEW VIA V GP Partners SARL	Asset Management	FC	100	100	100	100	Luxembourg
AEW APREF GP SARL	Asset Management	FC	100	100	100	100	Luxembourg
AEW Core Property (US) Lux GP, SARL [d]	Asset Management				100	100	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
Loomis Sayles Euro Investment Grade Credit [f]	Asset Management				34	34	Luxembourg
NATIXIS INVESTMENT MANAGERS S.A.	Distribution	FC	100	100	100	100	Luxembourg
MV CREDIT SARL	Asset Management	FC	100	100	100	100	Luxembourg
MV Credit CLO Equity SARL [x]	Asset Management	FC	100	100			Luxembourg
Loomis Sayles Sakorum Long Short Growth Equity [Funds] [x]	Asset Management	FC	70	70			Luxembourg
Natixis IM Mexico, S. de RL de CV	Asset Management	FC	100	100	100	100	Mexico
Loomis Sayles (Netherlands) BV	Distribution	FC	100	100	100	100	Netherlands
AEW CENTRAL EUROPE	Asset Management	FC	100	100	100	100	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

Business lines Consolidated subsidiaries	Activity	Consolidation method at December 31, 2023	31/12/2023 % Control	31/12/2023 % Ownership	31/12/2022 % Control	31/12/2022 % Ownership	Country
LOOMIS SAYLES INVESTMENTS ASIA Pte Ltd	Asset Management	FC	100	100	100	100	Singapore
Flexstone Partners Pte Ltd (l)	Asset Management	FC	100	84			Singapore
Flexstone Partners SARL (l)	Asset Management	FC	100	84	100	87	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
NATIXIS INTERÉPARGNE	Employee savings scheme account management	FC	100	100	100	100	France
Branches							
Natixis Investment Managers S.A., Zweignierderlaasung Deutschland	Distribution	FC	100	100	100	100	Germany
Natixis Investment Managers International, Zweigniederlassung Deutschland	Distribution	FC	100	100	100	100	Germany
AEW Asia Limited, Australian Branch (i)	Asset Management				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, Sucursal en España (u)	Distribution				100	100	Spain
AEW Europe LLP, Spanish Branch	Distribution	FC	100	100	100	100	Spain
Natixis Investment Managers International, Sucursal en España	Distribution	FC	100	100	100	100	Spain
AEW UK Investment Management LLP, Spanish branch (j)	Distribution	FC	100	100			Spain
MV Credit SARL, French Branch	Asset Management	FC	100	100	100	100	France
AEW Italian Branch	Distribution	FC	100	100	100	100	Italy
DNCA Finance, Milan Branch	Asset Management	FC	100	87	100	87	Italy
Natixis Investment Managers International, Succursale Italiana	Distribution	FC	100	100	100	100	Italy
Seeyond, Italian Branch (e)	Asset Management				100	100	Italy
Ostrum Asset Management Italia	Asset Management	FC	100	100	100	100	Italy
DNCA Finance, Luxembourg branch	Asset Management	FC	100	87	100	87	Luxembourg
Loomis Sayles & Company, LP, Dutch Branch	Distribution	FC	100	100	100	100	Netherlands
AEW – Dutch Branch	Real-estate management	FC	100	100	100	100	Netherlands
Natixis Investment Managers International, Nederlands	Distribution	FC	100	100	100	100	Netherlands
AEW Central Europe Czech	Distribution	FC	100	100	100	100	Czech Republic
Mirova Sweden subsidiary	Asset Management	FC	100	100	100	100	Sweden
Natixis Investment Managers, Nordics filial (u)	Distribution				100	100	Sweden
PRIVATE EQUITY – THIRD-PARTY ASSET MANAGEMENT							
NATIXIS Private Equity	Private Equity	FC	100	100	100	100	France
Wealth Management							
Natixis Wealth Management Group							
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 Conseil SAS (b) (n)	Asset Management and investment advisory services	FC	100	100			France
Massena Partners S.A.	Asset Management and investment advisory services	FC	100	100	98	98	Luxembourg
Massena Wealth Management SARL	Asset Management and investment advisory services	FC	100	100	98	98	Luxembourg

Business lines Consolidated subsidiaries	Activity	Consolidation method at December 31, 2023	31/12/2023 % Control	31/12/2023 % Ownership	31/12/2022 % Control	31/12/2022 % Ownership	Country
Branches							
Massena Partners – Branch [n]	Asset Management and investment advisory services	FC	100	100	98	98	France
CORPORATE CENTER							
NATIXIS ALGÉRIE	Bank	FC	100	100	100	100	Algeria
SCI ALTAIR 1 [t]	Real estate operations				100	100	France
SCI ALTAIR 2 [t]	Real estate operations				100	100	France
FONCIERE KUPKA	Real estate operations	FC	100	100	100	100	France
NATIXIS FONCIÈRE S.A.	Real estate investments	FC	100	100	100	100	France

* *Change in registered company name in 2023.*

** *French subsidiaries that are exempted from prudential requirements on an individual basis in accordance with the provisions of Article 7 of Regulation (EU) No. 575/2013 of the European Parliament and of the Council of June 26, 2013 concerning the prudential requirements applicable to credit institutions.*

(a) *Deconsolidation of the entity in the first quarter of 2023 following its liquidation.*

(b) *Consolidation of the entity in the first quarter of 2023.*

(c) *Following the sale of its "Wealth Management" business unit to Massena Partners, Natixis Wealth Management Luxembourg changed its division from Asset & Wealth Management to Corporate & Investment Banking during the first quarter of 2023.*

(d) *External disposal in the first quarter of 2023.*

(e) *At January 1, 2023, Seeyond, an affiliate of Natixis IM specializing in quantitative management, was merged into Ostrum. The Seeyond branch in Italy was delisted in January 2023, its activities having been taken over by the new branch of Ostrum in Italy created at the end of 2022.*

(f) *Deconsolidation of the entity in the first quarter of 2023 after it fell below the thresholds.*

(g) *In the first quarter, following the exercise of put options by the founder of IML, Natixis IM acquired an additional stake of 11% in the entity at the beginning of January 2023. After this transaction, NIM's rate of control and interest in IML increased to 79%. In the second quarter, following the sale of IML shares to the IML sales team transferred to NIM Australia in April 2023, NIM's ownership of IML went from 79% to 75.9%.*

(h) *Ownership of Solomon Partners entities increased from 58.49% to 62.1% following the exercise of the put option in the second quarter of 2023, then fell to 61.1% in the third quarter following the sale of shares to a new partner.*

(i) *Deconsolidation of the entity in the second quarter of 2023 following its liquidation.*

(j) *Consolidation of the entity in the second quarter of 2023.*

(k) *In the second quarter of 2023, in order to meet certain administrative requirements in Germany, NIM sold almost 5% of AEW Invest GmbH's capital to an external foundation (Stichting), which already held almost 10% of the entity's shares. NIM nevertheless retains all of the economic rights related to the entity, taking into account the dividend sharing mechanism agreed between the parties.*

(l) *In the second quarter of 2023, in April NIM sold 3% of the share capital of Flexstone SAS (parent company of the Flexstone Group in France) to its historical managers. Following this transaction, NIM's ownership of Flexstone SAS moved to 84%, with a cascading effect on Flexstone SAS's wholly owned subsidiaries, notably Flexstone Partners SARL in Switzerland and Flexstone Partners LLC in the United States, whose interest in Flexstone SAS moved to 84%.*

(m) *In the second quarter, Natixis IM sold part of the share capital of Vauban to the managers of the entity in April 2023. Following this transaction, NIM's percentage of ownership in Vauban reached 45.4%. NIM retains control of the entity, holding in particular the majority of the voting rights of the limited partners and the power over the key decisions of the general partner.*

(n) *Massena Partners percentage of ownership increased from 98% to 98.45% in the first quarter of 2023 following the contribution of the "Wealth Management" business unit and the life insurance brokerage activity of Natixis Wealth Management Luxembourg S.A. to Massena Partners in return for a capital increase, then to 100% following exercise of the put option in the fourth quarter of 2023.*

(o) *In the second quarter of 2023, following the sale of Dorval shares to its management, ownership of NIM decreased from 99.4% to 99.1%.*

(p) *Ownership of Natixis Partners Iberia, S.A. increased from 89.2% to 99.0% following the exercise of the put option in the third quarter of 2023.*

(q) *Ownership of Fenchurch Partners LLP increased from 51% to 60.5% following the exercise of the put option in the third quarter of 2023.*

(r) *Consolidation of the entity in the third quarter of 2023.*

(s) *Disposal of the entity in the third quarter of 2023.*

(t) *Total transfer of the entity's assets and liabilities to Natixis S.A. in the fourth quarter of 2023.*

(u) *Deconsolidation of the entity in the fourth quarter of 2023 following its liquidation.*

(v) *Ownership of Azure entities increased from 56.1% to 63.7% following the exercise of the put option in the fourth quarter of 2023.*

(w) *Ownership of the Vermilion entities increased from 71.6% to 82% following the exercise of the put option in the fourth quarter of 2023.*

(x) *Closure of the branch in the fourth quarter of 2023.*

(y) *In the fourth quarter of 2023, following several transactions with Ossiam's managers, NIM's control and interest in the entity increased to 90.1% and 90.6% respectively.*

16.1 Non-consolidated entities at December 31, 2023

Information on entities under exclusive control, joint control and significant influence, and on controlled structured entities not included in the scope of consolidation, is available on the Natixis website at the following address: https://natixis.groupebpce.com/nous-connaitre/informations-financières/

16.2 Non-consolidated investments at December 31, 2023

Non-consolidated investments at December 31, 2023 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 net income *(in millions of euros)*
NYBEQ LLC [(b)]	United States	100%	9	(0)
Investima 6 SAS [(b)]	France	100%	7	0
Clipperton Finance [(b)]	France	45%	11	3
BP Dev [(b)]	France	30%	707	110
EURO CAPITAL [(b)]	France	17%	31	1
WCM Investment Management [(b)]	United States	25%	96	249
CE Développement [(b)]	France	15%	149	14
CE Développement 2 [(b)]	France	12%	67	4
EFG – HERMES HOLDING [(b)]	Egypt	12%	97	(9)
BANCO FINANTIA [(b)]	Portugal	11%	423	0
20 TSQ CLASS A MEMBER LLC [(b)]	United States	36%	671	(56)

(a) Directly or indirectly.
(b) Information on shareholders' equity and net income is that for the last fiscal year as approved by the General Shareholders' Meeting (December 31, 2022).

5.2 Statutory Auditors' report on the consolidated financial statements

Fiscal year ended December 31, 2023

To the General Shareholders' Meeting
NATIXIS S.A.
7, PROMENADE GERMAINE SABLON
75013 PARIS

Opinion

In compliance with the assignment entrusted to us by your General Shareholders' Meeting, we carried out the audit of the consolidated financial statements of NATIXIS S.A. for the fiscal year ended December 31, 2023, as appended to this report.

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, 2023 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 for Statutory Auditors.

Justification of assessments – Key audit matters

In accordance with the provisions of Articles L.821-53 and R.821-180 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.

Impairment of loans and receivables due from customers (stages 1, 2 and 3)

Risk identified and main judgments	Our audit approach

As part of its financing operations within the Corporate & Investment Banking division, Natixis is exposed to credit risk in respect of loans and receivables and financing commitments given to clients.
 	
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 2023 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.
 	
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 mechanism.
 	
In 2023, Natixis updated its macroeconomic scenarios several times, most recently in July 2023 to incorporate a pessimistic limit corresponding to a high and persistent inflation scenario used in internal stress testing exercises.
 	
Natixis also supplements its credit risk estimation system with expert adjustments, which increase the amount of expected losses. These adjustments at the end of 2023 relate in particular to a deterioration in the real estate sector and to exposures sensitive to technological risk.
 	
Outstanding loans bearing a known risk of default (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 economic uncertainties, 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 €72,011 million at December 31, 2023. The cost of risk amounted to -€244 million at December 31, 2023.
 	
Please refer to Notes 5.1, 5.3, 5.22, 6.8, 7.6.2 and 9.1 to the consolidated financial statements for more details.
	Our work was adapted to take account of changing risks and economic conditions. We appreciated the relevance of Natixis' internal control framework and in particular its adaptation to the uncertain macro-economic environment.
	
	<u>Impairment of outstanding loans in stages 1 and 2</u>
	Our work mainly consisted in:
	▸ evaluate and test the effectiveness of the key controls of the Natixis internal control framework:
	  ▸ the classification of outstandings in stage 1 or 2 according to the indicators used to define the significant deterioration in credit risk;
	  ▸ validation and use of internal models;
	▸ assessing the appropriateness of:
	  ▸ the parameters used in the calculation of impairments at December 31, 2023;
	  ▸ adjustments to macro-economic scenarios to take into account uncertainties in the macro-economic environment; expert adjustments that supplement the estimates of expected credit losses derived from the models;
	▸ assessing, with the help of our quantitative finance experts, the appropriateness of the methods used to determine and calculate the parameters used to estimate expected credit losses;
	▸ performing counter calculations on a sample of contracts.
	
	<u>Impairment of outstanding loans in stage 3</u>
	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 objective 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 mechanism.
	
	In addition, for a sample of files selected on the basis of materiality and risk criteria, we carried out a credit review consisting of:
	▸ 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.
	
	We also verified the relevance of the information detailed in the notes on the impairment of customer loans and receivables, including those relating to credit risk.

Provisions for legal, tax and compliance risks

Risk identified and main judgments	Our audit approach
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. 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. *Please refer to Notes 5.13, 5.22 and 7.16 to the consolidated financial statements for more details.* *Provisions for litigation, shown in Note 7.16, amounted to €397 million at December 31, 2023.*	We examined the identification, assessment and provisioning arrangements for litigation and compliance risks. We took note of the status of ongoing proceedings, in particular tax audits, 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 Natixis 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	Our audit approach
As part of its capital markets activities within the Corporate & Investment Banking division, Natixis 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 economic uncertainties. *Level 2 financial instruments accounted for an amount of €154,255 million in assets and €174,594 million in liabilities as of December 31, 2023.* *Level 3 financial instruments accounted for an amount of €10,827 million in assets and €9,248 million in liabilities as of December 31, 2023.* *For more details, please refer to Notes 5.6, 5.22 and 7.5 to the consolidated financial statements.*	We examined the internal control procedures and frameworks within Natixis 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, 2023. 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, 2023, including that relating to the impacts of the economic uncertainties on the fair value of financial instruments.

Deferred tax assets related to tax loss carryforwards

Risk identified and main judgments	Our audit approach
Natixis 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 offset against, within a certain time frame (maximum of 10 years). 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, based on medium-term business line plans, to justify the recognition of deferred tax assets. For the record, as Natixis joined the BPCE tax consolidation group from January 1, 2022, the estimate of deferred taxes has been revised to take into account the future ability to offset tax losses and tax savings. As Natixis joined the BPCE tax consolidation group, BPCE opted 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 improves the future capacity to allocate the deficit and the tax savings related to this allocation are fully reallocated to Natixis. We identified this issue as a key audit matter due to the sensitivity of the deferred tax assets thus recognized, to the assumptions and options used by management, as well as the judgment made by management to determine whether the tax losses carried forward can actually be used. *As of December 31, 2023, an amount of €1,221 million is recognized in Natixis' consolidated balance sheet in respect of deferred tax assets, including a portion related to tax loss carryforwards of €776 million.* *Please refer to Notes 5.22 and 7.8 to the consolidated financial statements for more details.*	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 Natixis 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. We examined the documentation prepared annually by the tax department in respect of deferred tax assets. 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. With the help of our specialists, we assessed the correct application of the BPCE tax consolidation agreement. Lastly, we examined the appropriateness of the information on the deferred tax assets provided in the notes to the consolidated financial statements relating to the fiscal year ended on December 31, 2023.

Change in recoverable value of goodwill

Risk identified and main judgments	Our audit approach
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 values of the identifiable assets and liabilities assumed at the date of acquisition. This goodwill is specifically monitored by its allocation to dedicated cash-generating units (CGUs) by comparing its net carrying amount and its recoverable amount, which is determined by discounting the future cash flows when it corresponds to the value in use. We considered that the valuation of recoverable value of goodwill was a key point of our audit because of the judgment by management involved in the determination of this 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 economic uncertainties. *Goodwill recorded on the balance sheet amounted to €3,443 million at December 31, 2023.* *For more details, please refer to Notes 2.5.4, 5.22 and 7.12 to the consolidated financial statements.*	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 with regard to IAS 36 and we assessed the calculation of the recoverable amount of the various CGUs. We appreciated: ▸ 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 and their reasonableness in the context of economic uncertainties; ▸ the consistency of the main assumptions (growth rate, discount rate, etc.) by comparison with external market data. In addition, we verified: ▸ the validity of the calculations made by the Natixis Group by performing our own arithmetical checks. ▸ the validity of the Natixis Group's analyses of the sensitivity of valuations to changes in the main assumptions, by carrying out our own arithmetical checks. 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, 2023 on goodwill.

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.

Due to the technical limitations inherent in the macro-tagging of consolidated financial statements using the single European electronic reporting format, the content of certain tags in the notes to the financial statements may not be reproduced in the same way as the consolidated financial statements attached to this report.

Appointment of the Statutory Auditors

We were appointed as Statutory Auditors of NATIXIS S.A. by your General Shareholders' Meeting on May 24, 2016 for PricewaterhouseCoopers Audit and on May 24, 2022 for Mazars.

As at December 31, 2023, PricewaterhouseCoopers Audit was in its eighth year of appointment without interruption and Mazars in its second year.

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 framework 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 financial statements.

As specified in Article L.821-55 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, the Statutory Auditor:

- 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 framework 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 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.821-27 to L.821-34 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 15, 2024

The Statutory Auditors

PricewaterhouseCoopers Audit	**Mazars**	
Emmanuel Benoist	Emmanuel Dooseman	Olivier Gatard

6.

Individual Financial Statements at December 31, 2023

6.1 Individual financial statements and notes

Natixis comparative separate balance sheets

(in millions of euros)

See Notes No.	Fiscal year ended December 31	2023	2022
	Assets		
4	Cash and balances with central banks, postal cheque accounts	57,315	41,331
6	Government securities and equivalent	13,157	12,095
4	Receivables from credit institutions	127,770	106,178
5	Client transactions	135,636	126,085
23	*o/w institutional operations:*	*0*	*904*
6	Bonds and other fixed-income securities	10,896	8,424
6	Equities and other variable-income securities	38,865	34,149
7	Investments and other securities held long-term	163	161
7	Investments in subsidiaries and affiliates	10,683	11,260
11	Intangible assets	237	191
11	Property, plant and equipment	46	72
	Capital subscribed not paid		
7	Treasury shares	0	10
12	Other assets	22,402	28,426
12	Accrual accounts	13,846	9,318
23	*o/w institutional operations:*	*0*	*0*
	TOTAL ASSETS	**431,016**	**377,701**

See Notes No.	Off-balance sheet items – Commitments received	2023	2022
36	**Financing commitments**	**45,637**	**28,345**
	Commitments received from banks	37,920	20,659
	Commitments received from clients	7,717	7,686
36	**Guarantee commitments**	**24,135**	**33,628**
	Commitments received from banks	24,135	33,628
36	**Commitments on securities**	**7,317**	**6,706**
36	**Other commitments received**	**12,747**	**12,268**

(in millions of euros)

See Notes No.	Fiscal year ended December 31	2023	2022
	Liabilities		
13	Central banks, postal cheque accounts	0	0
13	Debts due to credit institutions	171,730	138,777
23	*o/w institutional operations:*	*0*	*46*
14	Client transactions	117,598	97,772
23	*o/w institutional operations:*	*0*	*994*
15	Debt securities	67,848	64,554
16	Other liabilities	44,091	46,539
16	Accrual accounts	4,799	4,717
23	*o/w institutional operations:*	*0*	*38*
17	Provisions for risks and other expenses	2,278	2,339
19	Subordinated debt	5,231	5,286
	Fund for general banking risks		
	Equity excluding fund for general banking risks	17,441	17,716
21	Subscribed capital	5,894	5,894
21	Issue premium	6,508	6,508
21	Reserves	1,728	1,728
20	Regulated provisions and investment subsidies	0	0
23	*o/w institutional operations:*	*0*	*0*
21	Retained earnings	3,144	2,838
	Net income/(loss)	167	748
	TOTAL LIABILITIES	**431,016**	**377,701**

See Notes No.	Off-balance sheet items – Commitments given	2023	2022
36	**Financing commitments**	**115,228**	**96,805**
	Commitments given to banks	39,193	22,970
	Commitments given to clients	76,035	73,835
36	**Guarantee commitments**	**44,224**	**41,658**
	Commitments given to banks	6,904	6,991
	Commitments given to clients	37,320	34,667
36	**Commitments on securities**	**7,082**	**6,767**
36	**Other commitments given**	**11,493**	**13,474**

Natixis comparative income statements

(in millions of euros)

See Notes No.	Fiscal year ended December 31	2023	2022
24	Interest and similar income	21,434	7,952
24	Interest and similar expenses	(22,389)	(7,473)
25	Income from variable-income securities	434	624
	Fee and commission income	739	757
26	Fee and commission expenses	(469)	(464)
27	Net gains/(losses) on trading book transactions	3,849	2,483
28	Net gains/(losses) on transactions on securities held for sale	(61)	(56)
29	Other banking operating income	75	930
	Other banking operating expenses	(199)	(1,047)
	Net banking income	**3,415**	**3,705**
30	Operating expenses	(2,501)	(2,472)
	▸ Payroll costs	(1,376)	(1,297)
	▸ Other administrative expenses	(1,124)	(1,175)
	Impairment, amortization and impairment of property, plant and equipment and intangible assets	(35)	(47)
	Gross operating income	**879**	**1,186**
31	Cost of risk	(165)	(143)
	Operating income	**714**	**1,043**
32	Gains/(losses) on fixed assets	(353)	66
	Income before tax	**361**	**1,109**
	Non-recurring income		
33	Income taxes	(194)	(361)
20	Provisions/reversal of financing for general banking risks and regulated provisions	0	0
	NET INCOME/(LOSS)	**167**	**748**

CONTENT

Note 1 Significant events

1.1 Transfer of activities to Bpifrance Assurance Export

In accordance with Article 151 of the Finance law for 2023 of December 30, 2022 published in the Official Journal on December 31, 2022, the activities carried out by Natixis, as agent of the State, were transferred to Bpifrance Assurance Export on January 1, 2023.

However, forward financial instruments entered into before December 31, 2022 by Natixis in its own name and on behalf of the French State to hedge the latter's interest rate risk (resulting from the interest rate stabilization procedure for export credits) are not transferred. Natixis remains responsible for managing these contracts until the end of the last contract on September 29, 2036.

1.2 Total transfer of assets and liabilities (Transmission Universelle de Patrimoine)

In 2023, total transfers of assets and liabilities to Natixis S.A. took place of which the most significant are as follows:

- Contango Trading S.A., generating a profit of €48.9 million;
- Natixis Innov, generating a profit of €7.5 million.

1.3 Consequences of the conflict in Ukraine

Natixis continued to closely monitor the consequences of the military action against Ukraine launched in February 2022 by the Russian Federation. For the record, Groupe BPCE declared on April 13, 2022 that it had ceased all new financing activities in Russia. Since then, Natixis has continued to reduce its residual exposure to Russian counterparties, which had been transferred to the books of Natixis Paris at the start of the conflict, through the natural amortization of loans and sales on the market.

Note 2 Accounting principles and valuation methods

Natixis' individual financial statements are prepared and presented in accordance with Regulation No. 2014-07 (amended) of the French Accounting Standards Authority (ANC) 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 branches, 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.

2.1 Receivables due from banks and customers

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.

Receivables due from customers 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 outstanding loans.

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".

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.

A credit risk is recognized when a default event has been identified for these receivables, as defined in Article 178 of Regulation (EU) No. 575/2013 taking into account the EBA guidelines of September 28, 2016 and the provisions of Regulation (EU) No. 2018/1845 of the European Central Bank relating to the threshold for assessing the importance of arrears on credit obligations. The latter have specified the applicable thresholds for delinquencies with the introduction of a relative threshold and an absolute threshold, to be applied to payment arrears to identify default situations as well as the criteria for reverting to performing loans.

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 financial situation of the debtor

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.

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.

This discount is recognized in cost of risk, with a corresponding adjustment to the amortized cost of the balance sheet exposure. It is then 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.

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 impairment 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 impairment 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.

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 impairments.

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 net 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 capital 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 net 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 capital 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 on the reporting date 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 net present value of future cash flows 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:** 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 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 impairment, 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 frameworks: 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 the income statement, 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, marketable debt instruments 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 the income statement 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 net 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 financing 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 net 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

Until December 31, 2022

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 Amending Finance law for 2014 (No. 2014-1655 of December 29, 2014) and the agreement signed with the French State on December 24, 2019 and expired on December 31, 2022, Natixis managed 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.

As of January 1, 2023

In accordance with Article 151 of the Finance law for 2023 of December 30, 2022, and published in the Official Journal on December 31, 2022, these activities carried out by Natixis, as an agent of the French State, were transferred to Bpifrance Assurance Export on January 1, 2023.

However, forward financial instruments entered into before December 31, 2022 by Natixis in its own name and on behalf of the French State to hedge the latter's interest rate risk (resulting from the interest rate stabilization procedure for export credits) are not transferred. Natixis remains responsible for managing these contracts until the end of the last contract on September 29, 2036.

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 Employee Retention and Performance Plans. Other long-term benefits are measured using an actuarial method identical to that used for defined 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 Plans, is recognized over the vesting period.

- Law No. 2023-270 of rectifying financing of social security for 2023, promulgated on April 14, 2023 is applicable from September 1, 2023. The application of this law provides, in particular, for the gradual increase of the retirement age from 62 to 64 years and the extension of the contribution period to 43 years.

  The impact of this reform is considered as a plan amendment recognized in past service cost.

  This reform has no significant impact on the actuarial valuation of Natixis' commitments at December 31, 2023.

- Natixis has taken into account the French Supreme Court's ruling of September 13, 2023 allowing employees to acquire paid leave entitlements while on sick leave. The impact of this decision has been provisioned in the financial statements for December 31, 2023. The amount of the provision is not material and may be adjusted in subsequent years in line with future legislative developments.

2.9 Employee Retention and Performance Plan (ERPP)

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 Retention and Performance Plans (ERPP) 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 reporting 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 closing date taking into account the performance condition 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 Retention and Performance Plan (ERPP) 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 Employee Retention 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). As these plans are not representative of the fair value of the share, they are equivalent to "Other long-term benefits". The principles are similar to those provided for cash-settled plans indexed to share value.

Share-settled Employee Retention and Performance Plans (ERPP)

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 period for exercising the promise to sell. The liquidity contract has no impact on Natixis' individual financial statements.

Share-settled plans are treated in accordance with CRC (Comité de la Réglementation comptable) Regulation No. 2008-15, which provides for the recognition of a liability when the obligation to deliver shares generates a probable or certain outflow of resources without equivalent consideration:

- if the grant results in the issue of new shares, Natixis is not exposed to any outflow of resources; consequently, no expense is recognized;
- if the allocation is made through the allotment of existing shares, the transaction will give rise, on the date of delivery of the shares to the employees, to an outflow of resources without at least equivalent consideration.

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 closing date. This amount is discounted when the effect of discounting is material. Provisions are reviewed at each closing 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.

Natixis is subject to accounting for prior years. Where Natixis does not agree with the rectified points, it gives its reasons and, in application of the above, a provision is booked for the estimated risk.

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 reporting 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 branches

The financial statements of foreign branches, 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 branches' 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 net income.

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 2023. The amount of contributions paid by Natixis represented €215 million for the fiscal year, of which €155 million was expensed and €48.4 million in the form of irrevocable payment undertakings (IPU) guaranteed by cash deposits recorded on the assets side of the balance sheet (the share of IPU corresponds to 15% of calls for funds guaranteed by cash deposits up to 2022 and 22.5% for the 2023 contribution). These deposits bear interest at €ster-20bp. Cumulative collateral recorded as assets on the balance sheet amounted to €252 million at December 31, 2023. The conditions governing the use of SRF resources, and therefore the calling of irrevocable payment commitments, are strictly regulated. These resources can only be called up in the event of an institution's resolution proceedings, and after shareholders and holders of relevant equity instruments and other commitments usable for bail-in have contributed a minimum of 8% of total liabilities. In addition, the contribution from the SRF must not exceed 5% of the total liabilities of the institution subject to a resolution proceeding.

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 fiscal year was 25.83% for France. Applicable local corporate tax rates were used for foreign branches.

Note 3 Post-closing events

No subsequent event occurred.

Note 4 Interbank and similar transactions

(in millions of euros)	2023	2022
Cash, postal cheque accounts and central banks	**57,315**	**41,331**
Receivables from credit institutions*	**127,770**	**106,178**
Sight	3,480	5,020
Term	124,290	101,158
Interbank and similar transactions	**185,085**	**147,509**
** o/w subordinated loans*	*50*	*0*
o/w reverse repurchase agreements	*38,279*	*27,452*
o/w accrued interest	559	244

Non-performing loans amounted to €24 million at December 31, 2023, compared with €30 million as at December 31, 2022. At December 31, 2023, as at December 31, 2022, Natixis had no non-performing loans due from credit institutions.

At December 31, 2023 and December 31, 2022, provisions for non-performing loans amounted to -€24 million.

The change in interbank transactions from 2021 onwards includes the setting up of term loans and borrowings with Groupe BPCE amounting to €47 billion as of December 31, 2023 (€47 billion at December 31, 2022) in order to meet the requirements of the Net Stable Funding Ratio (NSFR), which became mandatory as of June 30, 2021. These Money Market transactions are 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 Client transactions

(in millions of euros)	2023	2022
Current accounts overdrawn	**1,187**	**2,450**
Commercial loans	**1,420**	**769**
Other client loans	**133,029**	**122,866**
Cash and consumer credit	38,940	38,405
Equipment loans	4,625	5,535
Export credit	2,139	2,449
Home loans	2	2
Reverse repurchase agreements	66,057	57,574
Subordinated loans	18	17
Other loans	21,248	18,884
Client transactions	**135,636**	**126,085**
o/w accrued interest	653	401

The amount of perpetual subordinated loans totaled €17 million as at December 31, 2023 (€17 million at December 31, 2022).

Restructured loans as defined in Note 1 amounted to €838 million in performing loans, before impairment, as at December 31, 2023 versus €1,276 million as at December 31, 2022. The amount after impairment amounted to €810 million at December 31, 2023 versus €1,202 million as at December 31, 2022.

Restructured loans as defined in Note 1 recorded as non-performing or irrecoverable loans amounted to €1,008 million before impairment at December 31, 2023 versus €1,016 million as at December 31, 2022. The amount after impairment amounted to €563 million at December 31, 2023 versus €586 million as at December 31, 2022.

Non-performing loans amounted to €2,265 million at December 31, 2023 versus €2,504 million as at December 31, 2022 (of which €176 million at December 31, 2023 relating to irrecoverable loans versus €135 million as at December 31, 2022).

Provisions for non-performing loans totaled -€1,186 million at December 31, 2023 versus -€1,131 million as at December 31, 2022 (of which -€151 million at December 31, 2023 versus -€123 million as at December 31, 2022 relating to provisions for irrecoverable loans).

At December 31, 2023 and December 31, 2022, there were no receivables eligible for refinancing from the Banque de France or the European Central Bank.

Note 6 Bonds, shares and other fixed-income and variable securities

	2023				2022			
(in millions of euros)	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]	8,802	3,184	1,290	13,276	7,978	3,152	1,025	12,155
Premiums/discounts	0	(144)	(4)	(148)	0	(74)	(4)	(78)
Accrued interest	2	24	3	29	2	14	2	18
Impairment	0	0	0	0	0	0	0	0
Net carrying amount	**8,804**	**3,064**	**1,289**	**13,157**	**7,980**	**3,092**	**1,023**	**12,095**
Bonds and other fixed-income securities [b] [c]								
Gross value [a]	4,865	5,679	418	10,962	2,762	5,456	265	8,483
Premiums/discounts	0	(60)	(1)	(61)	0	(42)	0	(42)
Accrued interest	0	46	1	47	0	22	1	23
Impairment	0	(52)	0	(52)	0	(40)	0	(40)
Net carrying amount	**4,865**	**5,613**	**418**	**10,896**	**2,762**	**5,396**	**266**	**8,424**
Equities and other variable-income securities [b] [d]								
Gross value	38,104	762	0	38,866	33,325	861	0	34,186
Accrued interest	0	0	0	0	0	0	0	0
Impairment	0	(1)	0	(1)	0	(37)	0	(37)
Net carrying amount	**38,104**	**761**	**0**	**38,865**	**33,325**	**824**	**0**	**34,149**

(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 €42,056 million at December 31, 2023 versus €42,487 million as at December 31, 2022.
(c) Of which bonds and other listed fixed-income securities for €10,669 million at December 31, 2023 versus €7,808 million as at December 31, 2022.
(d) Of which equities and other listed variable-income securities for €37,656 million at December 31, 2023 versus €32,610 million as at December 31, 2022.

Financial instruments not listed on active markets, recognized in short-term investments, trading securities and investment securities, represented an amount of €14,592 million at December 31, 2023.

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 2023 or 2022.

Unrealized capital gains and losses in the investment portfolio

(in millions of euros)	2023	2022
Government securities and equivalent		
Unrealized capital gains	4	21
Unrealized capital losses	(6)	0
Bonds and other fixed-income securities		
Unrealized capital gains	4	26
Unrealized capital losses	(132)	(54)
Equities and other variable-income securities		
Unrealized capital gains	4	5
Unrealized capital losses	0	(36)

Note 7 Investments in subsidiaries and affiliates, investments, other long-term investments and treasury shares

(in millions of euros)	2023	2022
Investments	**98**	**96**
Outstanding	99	99
Current account advances	0	0
Translation adjustments	1	1
Impairment	(2)	(4)
Securities loaned	0	0
Other long-term investments	**65**	**65**
Outstanding	77	78
Current account advances	0	0
Translation adjustments	0	0
Impairment	(12)	(13)
Securities loaned	0	0
Accrued interest	**0**	**0**
INVESTMENTS AND OTHER SECURITIES HELD LONG-TERM	**163**	**161**
Investments in subsidiaries and affiliates	**10,683**	**11,260**
Outstanding [(a)]	11,253	11,498
Current account advances	0	0
Translation adjustments	35	53
Impairment [(b)]	(605)	(290)
Securities loaned	0	0
Accrued interest	**0**	**0**
INVESTMENTS IN SUBSIDIARIES AND AFFILIATES	**10,683**	**11,260**
Treasury shares	**0**	**10**
Securities held for trading [(c)]	0	10
Securities held for sale	0	0
Securities loaned	0	0
TREASURY SHARES	**0**	**10**

(a) Main changes in 2023 on investments in subsidiaries and affiliates (-€245 million):
- *Natixis Trust capital reduction (-€711 million);*
- *Entry into the portfolio of NCIBL (+€735 million) and NSI (+€5 million);*
- *TUP of Natixis Innov (-€150 million), Contango (-€90 million) and SCI Altair 1 & 2 (-€2.4 million);*
- *change of -€30 million related to translation adjustments on the following entities:*
  - *Natixis Japan Securities: -€13 million,*
  - *Natixis North America: -€7.9 million,*
  - *Natixis Moscow: -€3.3 million,*
  - *Natixis Asia Limited: -€2.9 million,*
  - *DF EFG3 Limited: -€2.7 million.*

(b) Impairment inventories at December 31, 2023 include the following items:
- *Natixis Investment Managers: impairment of -€342 million,*
- *Natixis Wealth Management: impairment of -€138 million,*
- *Natixis Bank JSC: impairment of -€12 million.*

(c) Concerning treasury shares, under the PFP2020 plan, 2,362,187 shares of the liquidity contract and 52,326 shares of the Allocation to employees portfolio were transferred for free allocation to employees on March 1 and April 13, 2023.

Note 8 Information concerning the crossing of thresholds following equity investments in French companies in fiscal year 2023

No shareholdings were acquired in companies headquartered in France during fiscal year 2023.

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 at 12/31/2023 *(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 MENDES FRANCE 75013 PARIS	nl	241,783	EUR	5,432,460	EUR	100.00%
NATIXIS Marco 47 QUAI D'AUSTERLITZ 75013 PARIS	nl	700,119	EUR	(82,996)	EUR	100.00%
NATIXIS CIB Luxembourg	nl	683,543	USD	29,619	EUR	100.00%
NATIXIS WEALTH MANAGEMENT 115 RUE MONTMARTRE 75002 PARIS	nl	166,118	EUR	166,356	EUR	100.00%
NATIXIS NORTH AMERICA LLC 1251 Avenue of the Americas New York, NY 10020	nl	2,526,579	USD	(586,543)	USD	100.00%
NATIXIS JAPAN SECURITIES CO., Ltd. 1-11-1, MARUNOUCHI, CHIYODA-KU TOKYO 100-6226	nl	18,000,000	JPY	5,884,816	JPY	100.00%
NATIXIS ALGERIE IMMEUBLE EL KSAR - ZONE D'AFFAIRES MERCURE - LOT 34/35 BAB EZZOUAR 16311 ALGER	nl	20,000,000	DZD	3,615,797	DZD	100.00%
NATIXIS Pfandbriefbank AG Im Trutz Frankfurt 55 D-60322 Frankfurt am Main	nl	120,000	EUR	16,399	EUR	100.00%
DF EFG3 LIMITED Maples Corporate Services Limited of PO Box 309, Ugland House, Grand Cayman, KY1-1104	nl	105,720	USD	(2,100)	USD	100.00%
NATIXIS ASIA LIMITED LEVEL 72 INTERNATIONAL COMMERCE CENTER 1 AUSTIN ROAD WEST KOWLOON	nl	574,912	HKD	154,938	HKD	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 net income/(loss).*
(a) *Fiscal year 2022.*

Carrying amount of shares held *(in thousands of euros)*		Loans and advances granted and not reimbursed *(in thousands of euros)*	Amounts of guarantees, endorsements and others guarantees *(in thousands of euros)*	NBI or net revenue for the last fiscal year [(a)] *(in thousands of euros)*	Profit or loss for the last fiscal year [(a)] *(in thousands of euros)*	Dividends received in 2023 *(in thousands of euros)*
Gross	Net					
				297,810	248,717	
				1,362	1,348	
				47,581	22,440	
				87,700	16,985	
				(4,879)	(7,713)	
				10,585,188	4,303,653	
				10,487,365	3,150,012	
				26,393	2,843	
				(8,873)	(8,891)	
				38,837	12,611	
230,741	223,167					25,644
209,759	144,929					26,387

Note 10 Treasury shares – Assets

(in euros)	Quantity purchased	Purchase price	Average purchase price	Quantity sold or canceled	Exit price	Average exit price	Final stock	% capital held
As at January 1, 2023	**345,526,070**	**1,556,704,104**	**4.51**	**343,064,489**	**1,447,417,431**	**4.22**	**2,461,581**	**0.07%**
Movements during the year	-	-		2,414,513	-	0.00		
As at December 31, 2023	**345,526,070**	**1,556,704,104**	**4.51**	**345,479,002**	**1,447,417,431**	**4.19**	**47,068**	**0.00%**

Under the PFP2020 plan, 2,414,513 treasury shares were allocated to employees during fiscal year 2023.

Note 11 Fixed assets

(in millions of euros)	2023 Gross	2023 Impairment and amortization	2023 Net	2022 Gross	2022 Impairment and amortization	2022 Net
Operating fixed assets	**2,060**	**(1,777)**	**283**	**2,156**	**(1,894)**	**262**
Intangible assets	1,575	(1,338)	237	1,512	(1,321)	191
Property, plant and equipment	485	(439)	46	644	(573)	71
Non-operating fixed assets	**0**	**0**	**0**	**1**	**0**	**1**
Intangible assets	0	0	0	0	0	0
Property, plant and equipment	0	0	0	1	0	1
INTANGIBLE ASSETS	**1,575**	**(1,338)**	**237**	**1,512**	**(1,321)**	**191**
PROPERTY, PLANT AND EQUIPMENT	**485**	**(439)**	**46**	**645**	**(573)**	**72**

	01/01/2023	Acquisitions	Transfers	Other	31/12/2023
Gross value					
Operating intangible assets	**1,512**	**64**	**(1)**	**0**	**1,575**
Goodwill	864	0	0	0	864
Software	476	3	0	50	529
Other intangible assets	172	60	0	(50)	182
Operating property, plant and equipment	**644**	**13**	**(170)**	**(3)**	**485**
Land and buildings	211	10	(154)	0	66
Other property, plant and equipment	434	2	(15)	(2)	419
Non-operating property, plant and equipment	**1**	**0**	**0**	**(1)**	**0**
Land and buildings	0	0	0	0	0
Other property, plant and equipment	0	0	0	(1)	0
TOTAL	**2,156**	**77**	**(171)**	**(3)**	**2,060**

	01/01/2023	Charges	Reversals	Other	31/12/2023
Depreciation and amortization					
Operating intangible assets	**(1,321)**	**(17)**	**0**	**0**	**(1,338)**
Goodwill	(862)	0	0	0	(862)
Software	(459)	(17)	0	0	(476)
Other intangible assets	0	0	0	0	0
Operating property, plant and equipment	**(573)**	**(18)**	**150**	**1**	**(439)**
Land and buildings	(174)	(7)	136	3	(42)
Other property, plant and equipment	(399)	(10)	14	(2)	(397)
Non-operating property, plant and equipment	**0**	**0**	**0**	**0**	**0**
Land and buildings	0	0	0	0	0
Other property, plant and equipment	0	0	0	0	0
TOTAL	**(1,894)**	**(35)**	**150**	**1**	**(1,777)**

Note 12 Accrual account and miscellaneous assets

(in millions of euros)	2023	2022
Options	4,167	7,313
Settlement accounts	93	6
Miscellaneous debtors	17,533	20,586
Inventory accounts and similar	609	521
OTHER ASSETS	**22,402**	**28,426**
Collection accounts	0	0
Adjustment accounts	11,825	7,013
Gains on financial instruments	163	204
Deferred charges and prepayments	247	310
Accrued income	525	518
Other accrual accounts	1,086	1,273
ACCRUAL ACCOUNTS	**13,846**	**9,318**

Note 13 Interbank and similar transactions

(in millions of euros)	2023	2022
Central banks, postal cheque accounts		
Debts due to credit institutions*	**171,730**	**138,777**
Sight	13,591	13,452
Term	158,139	125,325
Interbank and similar transactions	**171,730**	**138,777**
** o/w repurchase agreements*	*40,839*	*27,219*
** o/w accrued interest*	*801*	*337*

The change in interbank transactions from 2021 onwards includes the setting up of term loans and borrowings with Groupe BPCE amounting to €47 billion as of December 31, 2023 (€47 billion at December 31, 2022) in order to meet the requirements of the Net Stable Funding Ratio (NSFR), which became mandatory as of June 30, 2021. These Money Market transactions are 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 Client transactions

(in millions of euros)	2023	2022
Special savings accounts	**1**	**2**
Sight	0	0
Term	1	2
Other debts*	**117,597**	**97,770**
Sight	32,067	29,932
Term	85,530	67,838
Client transactions	**117,598**	**97,772**
** o/w repurchase agreements*	*73,754*	*59,128*
** o/w accrued interest*	*362*	*143*

Note 15 Debt securities

(in millions of euros)	2023	2022
Interbank market securities and marketable debt instruments	**41,325**	**39,926**
Bonds	**26,523**	**24,628**
DEBT SECURITIES	**67,848**	**64,554**
o/w non-amortizable share premiums	210	273

Note 16 Accrual account and miscellaneous liabilities

(in millions of euros)	2023	2022
Miscellaneous creditors	18,039	17,957
Securities transactions	22,495	22,092
o/w trading securities, other liabilities on securities	22,491	22,084
o/w accrued interest	4	8
Sold options	3,452	6,484
Securities transactions settlement accounts	105	6
OTHER LIABILITIES	**44,091**	**46,539**
Unavailable accounts	2	6
Adjustment and suspense accounts	1,199	1,565
Losses on financial instruments	284	472
Deferred income and prepayments	53	46
Accrued charges	1,202	1,174
Other accrual accounts	2,059	1,454
ACCRUAL ACCOUNTS	**4,799**	**4,717**

Note 17 Provisions and impairment

(in millions of euros)	01/01/2023	Charges	Reversals	Translation adjustments	Other	31/12/2023
Provisions for impairment deducted from assets	**(1,494)**	**(1,076)**	**589**	**54**	**63**	**(1,864)**
Banks	(23)	0	0	(1)	0	(24)
Clients	(1,132)	(608)	560	15	(21)	(1,186)
Investments	(4)	(1)	3	0	0	(2)
Other long-term investments	(13)	0	1	0	0	(12)
Investments in subsidiaries and affiliates [(a)]	(290)	(442)	19	24	84	(605)
Misc. securities and debtors	(32)	(25)	6	16	0	(35)
Provisions recognized in liabilities	**2,339**	**538**	**(582)**	**(17)**	**0**	**2,278**
Employee benefits	311	82	(76)	(1)	0	316
Off-balance sheet commitments	20	53	(44)	0	0	29
Country risk	311	52	(210)	(3)	0	150
Specific credit risk	1	1	(1)	0	0	1
Provisions for litigation	450	4	(114)	(11)	(1)	328
Sector risk	221	133	(27)	(4)	0	323
Forward financial instrument risk	17	(3)	(2)	0	0	12
Other	1,008	216	(108)	2	1	1,119

(a) Other: TUP Contango.

(in millions of euros)	01/01/2022	Charges	Reversals	Translation adjustments	Other	31/12/2022
Provisions for impairment deducted from assets	**(1,909)**	**(493)**	**962**	**(54)**	**0**	**(1,494)**
Banks	(24)	0	1	0	0	(23)
Clients	(1,375)	(463)	759	(53)	0	(1,132)
Investments	(3)	(6)	4	0	1	(4)
Other long-term investments	(12)	(1)	1	0	(1)	(13)
Investments in subsidiaries and affiliates	(473)	(7)	190	0	0	(290)
Misc. securities and debtors	(22)	(16)	7	(1)	0	(32)
Provisions recognized in liabilities	**2,076**	**827**	**(600)**	**38**	**(2)**	**2,339**
Employee benefits	370	85	(141)	2	(5)	311
Off-balance sheet commitments	38	62	(80)	0	0	20
Country risk	283	166	(139)	1	0	311
Specific credit risk	0	1	0	0	0	1
Provisions for litigation	425	7	(10)	28	0	450
Sector risk	244	47	(76)	6	0	221
Forward financial instrument risk	28	(8)	(3)	0	0	17
Other	688	467	(151)	1	3	1,008

Note 18 Headcount and social liabilities (excluding Employee Retention and Performance plans)

Changes in headcount

	31/12/2023	31/12/2022
Technical staff	3,243	2,952
Managers	3,984	3,841
NUMBER OF EMPLOYEES	**7,227**	**6,793**

Post-employment benefits and other long-term benefits

Main actuarial assumptions

	2023				2022			
	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	3.17%	3.10%	2.98%	3.03%	3.72%	3.71%	3.64%	3.66%
Expected return on plan assets	3.17%	2.89%	0	0	3.72%	2.83%	0	0

Salary increase rates are calculated by grade based on a constant population and a three-year average. At December 31, 2023, this average (gross of inflation) was 2.69%, compared with 2.96% as at December 31, 2022.

The remaining average working lives of employees, for all plans, was 10.3 years versus 11.0 years as at December 31, 2022.

Employee benefits, plan assets and separate asset obligations

(in millions of euros)	31/12/2023	31/12/2022
Gross benefit obligation	473	453
Fair value of plan assets	(217)	(212)
Fair value of separate assets	(30)	(28)
NET OBLIGATION	**226**	**213**

Breakdown of net obligation by plan type

	2023					2022				
	Post-employment defined-benefit plans		Other long-term employee benefits			Post-employment defined-benefit plans		Other long-term employee benefits		
(in millions of euros)	Supplementary pension benefits and other	End-of-career awards	Long-service awards	Other benefits	Total	Supplementary pension benefits and other	End-of-career awards	Long-service awards	Other benefits	Total
Benefit obligation as at January 1										
Net obligations recognized	30	8	23	200	261	33	26	33	180	272
Unrecognized actuarial gains and losses	(7)	(40)	(1)	(3)	(51)	(21)	(12)	(2)	1	(34)
Unrecognized past service cost	0	1	2	0	3	0	2	3	0	5
Total net obligation as at January 1	**23**	**(31)**	**24**	**197**	**213**	**12**	**16**	**34**	**181**	**243**
Benefits paid over the period	(2)	1	(1)	(57)	(59)	(2)	3	(1)	(39)	(39)
Benefits vested over the period	0	4	2	71	77	1	6	3	76	86
Interest cost	3	3	1	0	7	1	1	0	0	2
Expected return on plan assets, gross	(1)	(3)	0	0	(4)	(6)	(3)	0	0	(9)
Change in management fees	0	0	0	0	0	0	0	0	0	0
Payments to the fund during the period	(5)	0	0	0	(5)	0	0	0	0	0
Payment fees	0	0	0	0	0	0	0	0	0	0
Plan amendments recognized over the period	0	0	0	0	0	0	0	0	0	0
Actuarial gains and losses recorded over the period	3	(3)	1	0	1	0	(1)	(7)	0	(8)
Other items	(5)	(2)	(3)	(1)	(11)	3	(24)	(6)	(17)	(44)
Change in obligation taken to income	**(7)**	**0**	**0**	**13**	**6**	**(3)**	**(18)**	**(11)**	**20**	**(12)**
Other items (change in consolidation scope, etc.)	0	0	0	0	0	0	0	0	0	0
Other changes recognized	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Actuarial gains and losses on benefit obligations	21	(1)	1	1	22	(29)	(34)	(6)	(3)	(72)
Actuarial gains and losses on return on plan assets	(13)	0	0	0	(13)	44	0	0	0	44
Other actuarial gains and losses	0	0	0	0	0	0	4	0	0	4
Change in actuarial gains and losses not recognized	**8**	**(1)**	**1**	**1**	**9**	**15**	**(30)**	**(6)**	**(3)**	**(24)**
Plan amendments over the period	0	0	0	0	0	(1)	0	0	0	(1)
Other items	0	0	0	0	0	0	(1)	0	0	(1)
Other changes not recognized	**0**	**0**	**0**	**0**	**0**	**(1)**	**(1)**	**0**	**0**	**(2)**
Benefit obligation as at December 31										
Net obligations recognized	23	8	23	213	267	30	8	23	200	261
Unrecognized actuarial gains and losses	(2)	(39)	(1)	(2)	(44)	(7)	(40)	(1)	(3)	(51)
Unrecognized past service cost	0	1	2	0	3	0	1	2	0	3
TOTAL NET OBLIGATION AS AT DECEMBER 31	**21**	**(30)**	**24**	**211**	**226**	**23**	**(31)**	**24**	**197**	**213**

Note 19 Subordinated debt

(in millions of euros)	2023	2022
Dated subordinated debt	**2,956**	**2,956**
Subordinated notes	106	106
Subordinated loans	2,850	2,850
Perpetual subordinated debt	**2,245**	**2,306**
Participating loans	0	0
Subordinated notes	940	972
Subordinated loans	1,305	1,334
Accrued interest	**30**	**24**
	5,231	**5,286**

Debt representing 10% of the total amount of subordinated debt:

Date of issue	Maturity date	Currency	Amount of issue	Frequency of coupon	Rate and duration before first redemption date	Rate after first redemption date	2023	2022	Liabilities convertible into equity	Condition of subordination (next higher rank)
25/02/2016	25/02/2028	EUR	300,000,000	Quarterly	E3M +292 bps	E3M +292 bps	0.00	300,000,000.00	non-convertible	SNP
06/12/2018	06/12/2030	EUR	300,000,000	Quarterly	E3M +223 bps	E3M +223 bps	300,000,000.00	300,000,000.00	non-convertible	SNP
20/10/2020	20/10/2035	EUR	350,000,000	Annually	0.01388	0.01388	350,000,000.00	350,000,000.00	non-convertible	SNP
14/06/2021	14/06/2031	EUR	900,000,000	Quarterly	€STR +133 bps	€STR +133 bps	900,000,000.00	900,000,000.00	non-convertible	SNP
13/12/2021	14/03/2033	EUR	900,000,000	Quarterly	€STR +156 bps	€STR +156 bps	900,000,000.00	900,000,000.00	non-convertible	SNP
22/02/2023	22/02/2034	EUR	300,000,000	Quarterly	€STR +247 bps	€STR +247 bps	300,000,000.00	0.00	non-convertible	SNP

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, 2022	**0**	**0**	**0**	**45**	**45**
Charges	0	0	0	0	0
Reversals	0	0	0	0	0
Other	0	0	0	(45)	(45)
Activity in 2022	**0**	**0**	**0**	**(45)**	**(45)**
BALANCE AS AT DECEMBER 31, 2022	**0**	**0**	**0**	**0**	**0**
As at January 1, 2023	**0**	**0**	**0**	**0**	**0**
Charges	0	0	0	0	0
Reversals	0	0	0	0	0
Other	0	0	0	0	0
Activity in 2023	**0**	**0**	**0**	**0**	**0**
BALANCE AS AT DECEMBER 31, 2023	**0**	**0**	**0**	**0**	**0**

Note 21 Share capital, issue premiums, reserves and retained earnings

(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, 2022	**5,053**	**7,426**	**533**	**1,197**	**0**	**2**	**3,204**	**17,415**
Appropriation of 2021 net income							555	555
Dividend payment							(921)	(921)
Free share allocation	4			(4)				0
Increase in transfer capital for the Insurance and Payments business lines	837							837
Increase in issue premiums and transfers of the Insurance and Payments business lines		864						864
Insurance and Payments business lines transfers		(1,782)						(1,782)
Incorporation of reserves				2		(2)		0
Activity in 2022	**841**	**(918)**	**0**	**(2)**	**0**	**(2)**	**(366)**	**(447)**
BALANCE AS AT DECEMBER 31, 2022	**5,894**	**6,508**	**533**	**1,195**	**0**	**0**	**2,838**	**16,968**
As at January 1, 2023	**5,894**	**6,508**	**533**	**1,195**	**0**	**0**	**2,838**	**16,968**
Appropriation of 2022 net income							748	748
Dividend payment							(442)	(442)
Activity in 2023	**0**	**0**	**0**	**0**	**0**	**0**	**306**	**306**
BALANCE AS AT DECEMBER 31, 2023	**5,894**	**6,508**	**533**	**1,195**	**0**	**0**	**3,144**	**17,274**

At December 31, 2023, the share capital was composed of 3,684,053,471 shares, each with a nominal value of €1.60. All shares confer the same rights on their holders, except for self-held shares, which have no voting rights.

Note 22 Transactions with related companies

(in millions of euros)	2023	2022
Assets		
Advances to banks	96,658	83,835
Receivables due from customers	39,781	36,310
Bonds and other fixed-income securities	3,486	2,709
Equities and other variable-income securities	3,880	3,379
Liabilities		
Due to banks	102,044	92,283
Customer deposits	24,210	18,783
Debt securities	358	375
Subordinated debt	3,782	3,807
Off-balance sheet		
Financing commitments given to:		
▸ banks	9,731	131
▸ clients	11,212	13,026
Guarantees provided on behalf of		
▸ banks	1, 891	1,661
▸ clients	9,550	7,245

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)	2023	2022
Client transactions	0	904
Other asset accounts	0	0
TOTAL ASSETS	**0**	**904**
Interbank and similar transactions	0	46
Client transactions	0	994
Other liabilities	0	38
Public funds assigned	0	0
TOTAL LIABILITIES	**0**	**1,078**

Note 24 Interest and similar income

(in millions of euros)	2023	2022
Interest and similar income	**21,434**	**7,952**
Interbank transactions	13,540	3,431
Client transactions	5,895	2,969
Bonds and other fixed-income securities	250	156
Other interest and similar income	1,749	1,396
Interest and similar expenses	**(22,389)**	**(7,473)**
Interbank transactions	(11,469)	(3,097)
Client transactions	(5,720)	(1,833)
Bonds and other fixed-income securities	(2,891)	(1,275)
Other interest and similar expenses	(2,309)	(1,268)
TOTAL	**(955)**	**479**

Of which -€341 million in interest expense on subordinated debt at December 31, 2023 versus -€198 million as at December 31, 2022.

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, 2023, the negative interest on financial assets and liabilities amounted to -€635 million and €189 million respectively.

Note 25 Income from variable-income securities

(in millions of euros)	2023	2022
Investment in subsidiaries and affiliates	413	600
Investment in associates and other long-term investments	0	0
Equities and other variable-income securities	21	24
TOTAL	**434**	**624**

Note 26 Commissions

(in millions of euros)	2023 Income	2023 Expense	2022 Income	2022 Expense
Client transactions	455	(3)	448	(4)
Securities transactions	1	(167)	2	(134)
Forward financial instruments	16	(48)	18	(50)
From financing and guarantee commitments	112	(119)	123	(108)
From other off-balance sheet commitments	80	(67)	96	(102)
From foreign exchange transactions	0	(14)	0	(15)
From other financial services	12	(11)	14	(11)
From payment services	46	(40)	38	(40)
Ancillary income	0	0	3	0
Other	17	0	15	0
TOTAL	**739**	**(469)**	**757**	**(464)**

Note 27 Trading book

(in millions of euros)	2023	2022
Net gains/(losses) on securities held for trading	5,361	(2,807)
Net gains/(losses) on foreign exchange transactions	671	63
Net gains/(losses) on forward financial instruments	(2,183)	5,227
TOTAL	**3,849**	**2,483**

Note 28 Gains or losses on investment and similar portfolio transactions

(in millions of euros)	2023	2022
Securities held for sale		
Gains on disposal	9	84
Losses on disposal	(97)	(101)
Impairment charges - Gains or losses on marketable securities and similar instruments	(2)	(41)
Reversals of impairment losses - Gains or losses on marketable securities and similar instruments	29	2
TOTAL	**(61)**	**(56)**

Note 29 Other operating banking income and expenses

(in millions of euros)	2023 Income	2023 Expense	2022 Income	2022 Expense
Expenses from income sharing agreements	0	(1)	0	(1)
Transfers of operating banking expenses	0	(198)	0	(1,046)
Taxes and duties allocated to NBI	0	0	0	0
Other banking operating income	61	0	860	0
Ancillary income	12	0	67	0
Share of income from joint banking ventures	5	0	5	0
Transfers of operating banking expenses	9	0	2	0
Other miscellaneous income and other operating banking income	0	0	1	0
Allocation and reversal of provisions for risks and charges, other banking operating expenses	(12)	0	(5)	0
TOTAL	**75**	**(199)**	**930**	**(1,047)**

Note 30 Operating expenses

(in millions of euros)	2023	2022
Payroll costs	**(1,376)**	**(1,297)**
Wages and salaries	(960)	(865)
Social security expenses [(a)]	(325)	(358)
Incentive and profit-sharing plans	(54)	(61)
Taxes on income	(53)	(48)
Rebilled expenses	22	21
Provisions for risks and expenses	(6)	14
Other administrative expenses	**(1,124)**	**(1,175)**
Taxes and duties [(b)]	(214)	(269)
External services	(1,213)	(1,320)
Rebilled expenses	303	414
Depreciation, amortization and impairment of property, plant and equipment and intangible assets	**(35)**	**(47)**
Charges	(35)	(47)
TOTAL	**(2,535)**	**(2,518)**

(a) Including pension expenses of €71 million at December 31, 2023 compared with €125 million as at December 31, 2022.
(b) Including a contribution of €155 million to the Single Resolution Fund (SRF) at December 31, 2023, versus €222 million as at December 31, 2022.

Note 31 Cost of risk

(in millions of euros)	2023	2022
Cost of risk on assets	**(302)**	**(167)**
Non-performing loans:	**(315)**	**(161)**
Impairment charges	(475)	(370)
Reversals of impairment charges	404	542
Losses covered	(244)	(333)
Losses not covered	(10)	(12)
Recoveries of bad debts written off	10	12
Securities:	**13**	**(6)**
Impairment charges	(19)	(6)
Reversals of impairment charges	17	0
Losses covered	0	0
Recoveries of bad debts written off	15	0
Cost of risk on liabilities	**152**	**24**
On country and sector risks:	**52**	**1**
Charges to provisions	(185)	(213)
Reversals of provisions	237	214
Risks and charges:	**100**	**23**
Charges to provisions	(58)	(68)
Reversals of provisions	158	91
Other components of cost of risk:	**(15)**	**0**
Discounts on restructured loans	(15)	0
TOTAL	**(165)**	**(143)**

Note 32 Gains/(losses) on fixed assets

(in millions of euros)	2023	2022
Long-term investments		
Investments and other securities held long-term	**(336)**	**65**
Gains	85	38
Losses	(2)	(155)
Impairment charges	(442)	(14)
Reversals of impairment charges	23	194
Provisions for risks and other expenses	0	0
Reversals of provisions for risks and other expenses	0	2
Property, plant and equipment and intangible assets	**(17)**	**1**
TOTAL	**(353)**	**66**

Note 33 Income taxes

(in millions of euros)	2023	2022
Tax at standard rate	(88)	(44)
Tax at reduced rate	0	0
Tax credits	4	4
Impact of tax consolidation and other items	(110)	(321)
TOTAL	**(194)**	**(361)**

Tax calculation

Since January 1, 2022, Natixis has been included in the tax consolidation scope of BPCE S.A. In this context, a tax consolidation agreement was signed with BPCE, providing for the creation of a sub-group comprising Natixis and its French subsidiaries, which are also included in the BPCE tax consolidation group.

BPCE's entry into the tax consolidation group was also accompanied by the introduction of the "extended base" mechanism, which includes the former entities of the tax consolidation group, and enables profits to be offset against part of the previous deficit of the former Natixis tax consolidation group. As such, the tax savings are returned to Natixis.

Note 34 Geographical information

	2023						2022					
(in millions of euros)	France	Others Europe	Americas	Asia	Other	Total	France	Others Europe	Americas	Asia	Other	Total
Interest and similar income and expenses	(1,532)	462	(337)	444	9	(954)	(351)	255	277	293	5	479
Income from variable-income securities	434	0	0	0	0	435	624	0	0	0	0	624
Fee and commission income and expenses	2	67	151	50	0	270	29	69	142	53	0	293
Net income from investment and trading portfolio transactions	3,581	226	7	(41)	14	3,787	2,405	213	10	(185)	(16)	2,427
Other operating banking income and expenses	(90)	(11)	(17)	(5)	0	(123)	(68)	2	(47)	(5)	0	(118)
TOTAL NET BANKING INCOME	**2,395**	**744**	**(196)**	**448**	**23**	**3,415**	**2,639**	**539**	**382**	**156**	**(11)**	**3,705**

Note 35 Off-balance sheet – Forward financial instruments

(in millions of euros)	Notional 2023	Notional 2022
On organized markets	**223,611**	**260,815**
Forward transactions	223,602	260,806
Options	9	9
Over the counter	**12,278,118**	**9,392,868**
Forward transactions	11,680,132	8,817,410
Options	597,986	575,458
INTEREST RATE INSTRUMENTS	**12,501,729**	**9,653,683**
On organized markets	**129**	**5**
Forward transactions	129	5
Options	0	0
Over the counter	**362,746**	**339,211**
Forward transactions	86,318	65,147
Options	276,428	274,064
EXCHANGE RATE INSTRUMENTS	**362,875**	**339,216**
On organized markets	**127,824**	**128,885**
Forward transactions	81,014	75,989
Options	46,810	52,896
Over the counter	**240,169**	**203,330**
Forward transactions	117,955	109,015
Options	122,214	94,315
Other instruments	**367,993**	**332,215**
o/w hedges		
▸ on interest rate instruments	30,169	28,129
▸ on exchange rate instruments	0	3
▸ on other instruments	1,813	3,850
o/w hedges	624,975	242,510
o/w isolated open positions	0	5

Counterparty risk exposure

	Counterparty risk exposure [a]
Governments and central banks	12,605
Financial institutions	29,547
Other	14,597
TOTAL	**56,749**

(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)	2023	2022
Interest rate instruments		
Positive fair value	31,822	35,652
Negative fair value	27,047	35,249
Exchange rate instruments		
Positive fair value	23,312	28,439
Negative fair value	20,723	28,047
Other instruments		
Positive fair value	5,515	5,561
Negative fair value	5,024	5,284

Note 36 Off-balance sheet items – Commitments

(in millions of euros)	2023	2022
Financing commitments	**115,228**	**96,805**
Banks	39,193	22,970
Clients	76,035	73,835
Guarantee commitments	**44,224**	**41,658**
Banks	6,904	6,991
Clients	37,320	34,667
Commitments on securities	**7,082**	**6,767**
Other commitments	**11,493**	**13,474**
TOTAL COMMITMENTS GIVEN	**178,027**	**158,704**
Financing commitments	**45,637**	**28,345**
Banks	37,920	20,659
Clients	7,717	7,686
Guarantee commitments	**24,135**	**33,628**
Banks	24,135	33,628
Commitments on securities	**7,317**	**6,706**
Other commitments	**12,747**	**12,268**
TOTAL COMMITMENTS RECEIVED	**89,836**	**80,947**

Note 37 Foreign exchange transactions, currency loans and borrowings

(in millions of euros)	2023	2022
Spot transactions		
Currencies purchased and not received	37,353	30,728
Currencies sold and not delivered	37,237	30,809
Foreign currency lending/borrowing		
Currencies loaned and not delivered	0	0
Currencies borrowed and not received	0	0
Forward exchange		
Euros receivable/currencies deliverable	594,568	598,017
Currencies receivable/euros deliverable	630,226	620,129
Currencies receivable/currencies deliverable	348,154	301,842
Currencies deliverable/currencies receivable	359,154	301,489
Premium/discount receivable	6,522	4,518
Premium/discount payable	6,175	4,152

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**
Receivables from credit institutions	46,475	58,975	10,310	12,010	0	127,770
Client transactions	75,579	16,115	35,506	8,419	17	135,636
Bonds and other fixed-income securities	3,794	929	4,768	1,404	0	10,896
Jobs	**125,848**	**76,019**	**50,584**	**21,833**	**17**	**274,301**
Debts due to credit institutions	80,412	24,013	63,825	3,480	0	171,730
Client transactions	100,110	9,283	1,924	6,281	0	117,598
Debt securities	10,158	19,376	19,016	19,298	0	67,848
Resources	**190,680**	**52,672**	**84,765**	**29,059**	**0**	**357,176**

Note 39 Establishments and operations in non-cooperative states or territories within the meaning of Article 238-0A of the French General Tax Code

As of December 31, 2023, Natixis had no direct or indirect operations in non-cooperative countries or territories within the meaning of Article 238-0 A of the French General Tax Code.

Note 40 Company financial results over the last five fiscal years (Art. 133, 135 and 148 of the decree on commercial companies)

Category	**2019**	**2020**	**2021**	**2022**	**2023**
Financial position at year-end					
Share capital	5,044,925,571.20	5,049,522,403.20	5,052,733,329.60	5,894,485,553.60	5,894,485,553.60
Number of shares issued	3,153,078,482	3,155,951,502	3,157,958,331	3,684,053,471	3,684,053,471
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	23,040,275,032.80	26,296,468,149.97	32,895,241,124.13	34,931,041,349.70	44,184,002,629.65
Income before tax, depreciation, amortization and provisions	2,205,278,559.53	369,564,682.90	526,221,628.27	700,317,846.18	700,640,799.07
Income taxes	120,723,077.77	211,515,956.27	(84,376,911.41)	(361,817,090.75)	(194,200,704.22)
Income after tax, depreciation, amortization and provisions	2,242,111,898.15	142,691,880.31	555,173,956.59	747,524,492.42	166,671,132.28
Amount of dividends distributed[(a)]	0.00	189,357,090.12	920,397,972.50	442,080,768.36	589,448,555.36
Operational result per share					
Income after tax, but before depreciation, amortization and provisions	0.74	0.18	0.14	0.09	0.14
Income after tax, depreciation, amortization and provisions	0.71	0.05	0.18	0.20	0.05
Dividend per share	0.00	0.06	0.25	0.12	0.16
Employees					
Number of employees	7,255	7,504	7,442	6,794	7,227
Total payroll costs	916,358,847.83	801,847,788.90	876,012,387.95	865,082,165.03	960,228,414.24
Social security and other employee benefits	523,163,629.26	317,843,440.76	433,842,274.88	419,385,538.01	378,950,775.27

(a) Of which 2023: subject to approval by the General Shareholders' Meeting.

6.2 Statutory Auditors' report on the annual financial statements

Fiscal year ended December 31, 2023

To the General Shareholders' Meeting

NATIXIS S.A.

7, PROMENADE GERMAINE SABLON

75013 PARIS

Opinion

In compliance with the assignment entrusted to us by your General Shareholders' Meeting, we carried out the audit of the annual financial statements of NATIXIS S.A. for the fiscal year ended December 31, 2023, as appended to this report.

In our opinion, the annual 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, 2023 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 for Statutory Auditors.

Justification of assessments – Key audit matters

In application of the provisions of Articles L.821-53 and R.821-180 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 transactions on an individual basis

Risk identified and main judgments	Our audit approach
Customer transactions include loans distributed to economic agents other than banks, with the exception of those represented by a security and securities received under reverse repurchase agreements evidenced by securities or other instruments. When there is a risk of partial or total non-recovery of receivables, impairments are recognized up to the probable loss. These impairments are assessed quarterly on a case-by-case basis taking into account an analysis of the risk and available collateral. 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. 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, particularly in the context of economic uncertainties. *Receivables due from customers amounted to €135,636 million at December 31, 2023, of which €2,265 million in non-performing loans. The cost of risk on non-performing receivables amounted to €315 million at December 31, 2023.* *Please refer to Section 1 of Note 2, and to Notes 5 and 31 to the financial statements for more details.*	Our work was adapted to take account of changes in risk and the increased degree of uncertainty. We appreciated the relevance of Natixis' internal control framework and in particular its adaptation to the uncertain macro-economic environment. 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 mechanism. In addition, for a sample of files selected on the basis of materiality and risk criteria, we carried out a credit review consisting of: ▸ taking note of the latest available information on the situation of sensitive and non-performing counterparties; ▸ performing 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; ▸ verifying that estimated impairment allowances were correctly recognized. We also verified the relevance of the information detailed in the notes to the annual financial statements on impairment of customer loans and receivables.

Provisions for litigation and other risks

Risk identified and main judgments	Our audit approach
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 closing date. Provisions are reviewed at each closing date and adjusted if necessary. 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 non-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 €1,447 million at December 31, 2023.* *For more details, please refer to Section 10 of Note 2 and Note 17 of the notes to the financial statements.*	We examined the identification, assessment and provisioning arrangements for litigation and other risks. We took note of the status of ongoing proceedings, in particular tax audits, and the main risks identified by the Natixis Group, mainly through regular discussions with management (and more specifically the 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 annual financial statements.

Valuation of financial instruments not quoted on an active market

Risk identified and main judgments	Our audit approach
As part of its capital market activities in Corporate & Investment Banking, Natixis holds a significant portion of financial instruments on its balance sheet that are not listed on active markets. 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. 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 the market value. *Financial instruments not listed on active markets, recognized in short-term investments, trading securities and investment securities, represented an amount of €14,592 million at December 31, 2023.* *Please refer to Sections 1 and 2 of Note 2, and to Notes 6, 27 and 28 to the financial statements for more details.*	We examined the internal control procedures and frameworks within Natixis 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, 2023. 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 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 annual financial statements provided to shareholders with the exception of the item below.

We have the following observations to make concerning the fair presentation and consistency with the financial statements of the information on payment terms provided for in Article D.441-6 of the French Commercial Code:

As indicated in the management report, this information does not include banking transactions and related operations, as your Company considers that they do not fall within the scope of the information to be produced.

Information 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 as Statutory Auditors of NATIXIS S.A. by your General Shareholders' Meeting on May 24, 2016 for PricewaterhouseCoopers Audit and on May 24, 2022 for Mazars.

As at December 31, 2023, PricewaterhouseCoopers Audit was in its eighth year of appointment without interruption and Mazars in its second year.

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

Management is responsible for the preparation and fair presentation of the annual financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual 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 framework and, where applicable, the General Inspection of procedures for preparing and processing accounting and financial information.

The annual financial statements have been approved by the Board of Directors.

Statutory Auditors' responsibilities for the audit of the annual 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 financial statements.

As specified in Article L.821-55 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, the Statutory Auditor:

- identifies and assesses the risks of material misstatement of the annual 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 annual 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 annual 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 framework 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 annual 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.821-27 to L.821-34 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 15, 2024

The Statutory Auditors

PricewaterhouseCoopers Audit	Mazars	
Emmanuel Benoist	Emmanuel Dooseman	Olivier Gatard

7.

Accountability Report Environmental and Social Responsibility 2023

Natixis (Natixis CIB, Natixis IM, Natixis WM) intends to play a significant role in the transition to sustainable development and contribute to creating value for all its stakeholders, both internal and external. This approach is part of Groupe BPCE's impact strategy.

This chapter:

- recalls Natixis' strategic CSR priorities (**7.1**);
- presents the framework within which ESG issues are integrated into financing and investment activities (**7.2**);
- highlights the expertise developed for Natixis clients (**7.3**);
- describes Natixis' actions as a responsible company (**7.4**).

7.1 Our strategic CSR priorities

7.1.1 Our strategic pillars of CSR

All Natixis business lines and functions pursue the following objectives:

1. assert our status as the benchmark financial partner of our clients as part of their energy transition strategy;
2. position ESG at the heart of our asset management activities;
3. offer our clients SRI finance solutions focused on "natural and social capital";
4. measure and manage the climate and environmental impact of our financing and investments;
5. operate at the highest level of corporate responsibility, particularly for our direct impacts on the environment;
6. act as a responsible employer.

BUSINESS	RISK	DIRECT IMPACT ON THE ENVIRONMENT	SOCIAL	SOCIETAL
ASSET MANAGEMENT Share of responsible, sustainable and impact investments (1)	Number of transactions analyzed by the CSR Risk team	Energy consumption per occupant in France	Training hours per employee trained (5)	Number of employees involved in solidarity initiatives
40.5%	**614** *vs. 450 in 2022*	**1.4 Mwh** *vs. 3.35 Mwh in 2022*	**17 hours** *vs. 17.3 hours in 2022*	**More than 1,800** *vs. 1,500 in 2022*
FINANCING Green Weighting Factor (2)	Share of assets most exposed to climate risk transition(4)	Share of supply of renewable electricity in France	Percentage of women among Company leaders (6)	
33 % Green *vs. 27% in 2022* **35% Neutral** *vs. 33% in 2022* **32% Brown** *vs. 40% in 2022*	**2%** *vs. 3.9% in 2022*	**100%** *vs. 98% in 2022*	**31%** *same in 2022*	
Share of renewable energies (3)		Carbon footprint Scope: France	Share of employees working remotely(7)	
97% *vs. 80% in 2022*		**5.94 Teq CO_2/FTE** *vs. 5.99 tCO2e/FTE in 2022*	**93%** *vs. 90.1% in 2022*	

(1) Percentage of SFDR Article 8 and 9 assets under management of Natixis Investment Managers (NIM) affiliates. This Natixis indicator was reviewed by an independent third party (ITO) in Groupe BPCE's NFPS, providing a conclusion of moderate assurance.

(2) Environmental impact of the bank balance sheet rated by the Green Weighting Factor methodology excluding the financial sector, sovereigns and Global Markets (Natixis CIB scope). This Natixis indicator was reviewed by an ITO in Groupe BPCE's NFPS, providing a conclusion of moderate assurance.

(3) Share of renewable energies in the financing of electricity projects in the portfolio. Includes project financing and financing of companies dedicated to renewable energies. This Natixis indicator was reviewed by an ITO in Groupe BPCE's NFPS, providing a conclusion of moderate assurance.

(4) Share of assets most exposed to climate transition risk: percentage of bank outstandings rated "dark brown" under the Green Weighting Factor methodology (excluding the financial sector, Global Markets and sovereign).

(5) Employees on permanent and fixed-term contracts in the managed scope in France.

(6) Percentage of women in the "Ambassador Leaders" circle. This Natixis indicator was reviewed by a Statutory Auditor, providing a conclusion of moderate assurance.

(7) Percentage of employees on permanent contracts with a remote working agreement at the end of 2023.

Commitment to energy transition and sustainable finance are at the heart of **Natixis CIB**'s strategic plan, with three ambitions set out in the 2021/2024 strategic plan:

1. be our clients' benchmark strategic partner in sustainable finance and energy transition. Natixis CIB has actively pursued its contribution to Groupe BPCE's "Net-Zero" commitment;
2. align our portfolio with a 2050 carbon-neutral trajectory, supported in particular by the Green Weighting Factor;
3. extend this dynamic beyond the energy sector and its approach beyond climate to address social trends, and those linked to natural resources and biodiversity.

At December 31, 2023, Natixis CIB's growth in green and sustainable revenues is in line with the target of x1.7 between 2021 and 2024.

The assets managed by Natixis IM's management companies cover all geographic areas and all asset classes (equities, bonds, infrastructure, real estate, Private Equity, etc.). The sustainable solutions offered by Natixis IM's management companies are based on three types of strategies:

- **responsible strategies:** invest in companies that have a better ESG profile than their competitors, that are better positioned and well-managed in terms of ESG risks and opportunities, with the aim of protecting value. *For example: best-in-class selection, lower carbon issuance than a benchmark, etc.;*
- **sustainable strategies:** invest in companies that make a positive contribution to a sustainability objective through environmental and/or social solutions. *For example: renewable energy, water infrastructure and pollution control, carbon footprint reduction solutions in the agri-food sector, etc.;*
- **impact strategies:** invest in companies that are leaders in contributing to social and environmental results with a tangible impact. These strategies require intent and measurability. *For example: social impact of new job creation, impact on gender diversity, etc.*

7.1.2 Our 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.

Natixis has identified 13 SDGs – in line with its strategic ambitions – to which its contribution should continue to develop over the coming years. The following table provides some examples:

	IN OUR BUSINESS LINES	IN OUR OPERATIONS AND OUR SOLIDARITY PROGRAMS
1 NO POVERTY	Leader in solidarity investment to promote job creation and access to housing for people in need Ostrum is the main investor in social bonds	Specific wage measures for the lowest salaries Mobilization with associations to support the most disadvantaged (e.g. food distributions to students in precarious situations with Linkee, partnerships with social integration companies such as Rejoué)
3 GOOD HEALTH AND WELL-BEING	Exclusion of financing and investments in the tobacco industry AEW Patrimoine Santé: real estate assets in the healthcare sector, including hospitals, senior housing, offices and logistics occupied by healthcare providers	Employee health monitoring and medical coverage, numerous quality of life at work initiatives (remote working up to 10 days a month, wellness areas, gyms and concierge services on the premises)
4 QUALITY EDUCATION	Partner of the EDHECinfra Research Chair Natixis WM partners with the AlphaOmega Foundation to fight school dropout by supporting high-impact associations	Training programs to support the employability of employees Mentoring and coaching young people with various associations (Unis-Cité, Sport dans la ville, Télémaque), skills transfer as part of the Congé Solidaire® program with the Planète Urgence association
5 GENDER EQUALITY	Sponsorship and participation in the 2023 Assises de la Parité Web & social media communication campaign with Les Eclaireuses Participation of Ostrum and Mirova in the "30% Club Investor Group"	Policies and programs to ensure gender equality within the Company (training of 100% of leaders in inclusive leadership by the end of 2024/support of the WINN women's network by Top Management/ "Women sponsorship Program" for women's visibility) Support of the UN Women association to develop the economic independence of women
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 Mirova, Ossiam: Statement urging governments not to proceed with deep-sea mining (July 2023)	Measures to preserve water resources in our buildings (leak detection, rainwater harvesting for toilets) Partnership with NGO "Action Contre la Faim" to rehabilitate and build water points in Liberia
7 AFFORDABLE AND CLEAN ENERGY	Major player in financing renewable energies in France and worldwide	Supply of "green" electricity and local production of renewable energy in our buildings Partnership with the NGO "Electriciens Sans Frontières", for the installation of solar panels in health centers
8 DECENT WORK AND ECONOMIC GROWTH	Inclusion of criteria related to working conditions in Natixis CIB's financing	Over 14,000 employees, nearly 50% of whom work internationally, the majority employed locally Use of companies in the protected and adapted, as well as the work inclusion sectors, for certain services

	IN OUR BUSINESS LINES	IN OUR OPERATIONS AND OUR SOLIDARITY PROGRAMS
11 SUSTAINABLE CITIES AND COMMUNITIES	Financing of sustainable infrastructure (clean transport, green buildings) Management of the "Smart Cities" fund by DNCA	Environmental certifications of Natixis buildings in France and internationally Infrastructure developed in our buildings for active transport (bicycle parking) and electric vehicles (recharging stations)
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Vauban IP is committed to developing a circular approach framework in response to evolving infrastructure challenges AEW Europe is involved in the CircoLab initiative (Circular economy in real estate and construction)	Waste reduction, reuse of IT equipment and furniture Collection of games, toys, books with the Rejoué association Integration of social and environmental criteria in our purchases
13 CLIMATE ACTION	Alignment of the investment strategy with the Paris Agreements (NZBA), covering Natixis CIB via the commitments made by Groupe BPCE DNCA Finance and Mirova are signatories of the NZAM Exclusion of financing coal, shale oil and gas, and oil deriving from oil sands	Real estate master plan and energy reduction plan to reduce the energy consumption of buildings Mobility plan and travel policy to reduce the impact of transportation
14 LIFE BELOW WATER	*Seventure Blue Forward Fund*	Beach or river clean-up operations by employees Partnership with the Expédition 7e Continent association, which fights against plastic pollution in the oceans
15 LIFE ON LAND	Land Degradation Neutrality Fund, dedicated to neutrality in terms of land degradation Financing integrating 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, Investor Leadership Network	Partnership with Paris Climate Action Biodiversity and member of Les Deux Rives circular district

7.1.3 Dialog with stakeholders

Within the framework of the strategic priorities presented above, Natixis interacts with various types of players, including, but not limited to, the following:

Clients

- Corporates
- Institutions
- Retail
- Banque Populaire and Caisse d'Epargne networks

Completion of questionnaires
Invitations to tender
Product development and management
Contracts

Employees

- Employees of Natixis S.A. and its subsidiaries
- Employee representation and trade unions

In-house information – ESR training
Specific Committees (e.g. employee representative committee, Safety and working conditions)
Regular surveys

Suppliers and subcontractors

- Businesses
- Service providers
- Companies in the protected sectors

Consultations and calls for tenders
Responsible Supplier Relationship Charter
ESR clauses in contracts

Institutional players, regulators

- Financial regulatory authorities

Transmission of information and documents
Contributions to working groups
Participation in the EBA climatic stress test

Humanitarian organizations and NGOs

- Environmental and human rights defense associations
- Partners associations

Regular dialog on sectoral issues
Employee participation via salary or time donation

Academic and research sector

- Business and finance universities and schools

Supporting chairs
Relationships with Schools & Universities
Receiving interns, including co-op students

In addition, Natixis – directly or through its parent company BPCE –, is particularly active in think tanks committed to sustainable finance issues, including the fight against climate change and biodiversity:

- in Europe, Natixis is a member of various professional associations and participates in specific working groups set up by European banking organizations to contribute to the progress of the Sustainable Finance strategy. By way of illustration:
  - Natixis is represented on the AFME Sustainable Finance Committee,
  - through Groupe BPCE, Natixis is represented in the ESBG (European Savings and retail Banks Group). The group is particularly active, chairing the Sustainable Finance Committee,
  - Groupe BPCE is also very active within the European Association of Cooperative Banks – EACB;
- Natixis participates in the review and implementation of new regulations on sustainable finance, in particular through the responses sent by Groupe BPCE to the various consultations issued by the appropriate bodies:
  - response to the consultation on the RTS of the SFDR (Sustainable Finance Disclosure Regulation),
  - response to ESMA's call for evidence on product governance and ESG preference,
  - non-financial reporting: response to EFRAG's consultation on the ESRS standards to be used to implement the Corporate Sustainability Reporting Directive, and to the International Sustainability Standards Board's (ISSB) international consultation,
  - response to the consultation on ESG ratings,

- response to the consultation on the taxonomy regulations,
- incorporating ESG (Environment, Social, Governance) factors into risk management (CCR3: Capital Requirement Regulation),
- CSDDD (European Corporate Sustainability Due Diligence Directive);

- Natixis CIB's Green Sustainable Hub (GSH) is an active contributor to various professional associations and authorities. By way of illustration:
  - ICMA: elected member of the Executive Committee since 2016, co-chairs the Sustainability-Linked Bond (for the third year running and since its creation), Climate Transition Finance and Green enabling activities working groups,
  - ESMA: the Head of Expertise and Innovation is a member of the sustainable development Commission. This Committee advises the European Securities and Markets Authority on the development and supervision of sustainable finance regulation,
  - Australian government: only international bank in the Australian Taxonomy Technical Expert Group (TTEG) dedicated to drafting the Australian taxonomy,
  - Loan Market Association (LMA) where it is an active member of its ESG Committee,
  - HKMA, where Natixis is a founding member of the Green Finance Association.

To capture the connection, similarities, unique features and use cases of taxonomies around the world, GSH updated its report "The new geographies of taxonomies"[1] in July 2023. This publication will continue to be updated annually to reflect the evolution of taxonomic development worldwide;

- Natixis Wealth Management is a member of the Cercle Robeco pour une banque privée durable (Robeco Circle for Sustainable Private Banking), and also communicates externally, notably through its subsidiaries VEGA Investment Managers, which has its own shareholder engagement policy, and Massena Partners[2], which has its own voting rights policy.

2023 KEY EVENT

Natixis CIB co-chairs the Impact Disclosure Taskforce, an initiative that brings together international banks from the public and private sectors, capital markets players and industry stakeholders, working together to establish guidelines to help companies and sovereigns measure and disclose their efforts to help achieve the UN's SDGs. Natixis IM also joined this working group.

7.1.4 Our voluntary commitments

To guide and strengthen its ESG strategy, Natixis relies on a number of international commitments and market discussions, including:

- the Principles for Responsible Investment (UN-PRI) for its asset management activities;
- the Equator Principles for its project financing activities;
- the OECD Guidelines for Multinational Enterprises;
- the Diversity Charter;
- in addition, Natixis is committed through Groupe BPCE's signature of the following commitments:
  - the United Nations Global Compact,
  - the Carbon Disclosure Project (CDP),
  - the Principles for a Responsible Banking Sector (PRB),
  - the GFANZ (Glasgow Financial Alliance for Net-Zero) and its NZBA and NZAM commitments,
  - the Responsible Purchasing Policy.

FOCUS

Commitments

Natixis S.A., via Groupe BPCE, is a signatory of the Principles for Responsible Banking. As such, the group is committed to adopting policies and practices aimed at reducing the negative impact on the environment and ecosystems, promoting respectful investments aligned with the UN Sustainable Development Goals and the Paris Agreement.

As a signatory of the Equator Principles, since 2011, **Natixis CIB** applies a market methodology recognized by member banks and institutions and aimed at assessing the environmental and social risks of financed projects and their risk management by clients, regardless of their business sector.

Natixis CIB integrates certain market principles to improve its own practices and offer a wide range of relevant complementary criteria in the financing offered to its clients, including:

- the Green Bond Principles and the Social Bond Principles (ICMA);
- the Green & Social & Sustainability Linked Loans Principles – LMA;
- the Climate Bonds Initiative.

Natixis Investment Managers (Natixis IM), along with 18 of its affiliated asset management companies[3] worldwide, representing a total of over 1,000 billion in assets under management, are signatories to the UN PRI (United Nations Principles for Responsible Investment). As such, they are committed to respecting the six PRI principles, including the incorporation of environmental, social and governance (ESG) factors into investment analysis and decision-making processes, and to actively engaging with companies by including sustainability issues in their engagement policies and practices. The UN PRI provides a recognized framework for incorporating ESG factors into investment processes, with annual reporting obligations to which affiliates have complied.

(1) https://gsh.cib.natixis.com/our-center-of-expertise/articles/the-new-geography-of-taxonomies
(2) https://www.massenapartners.com/wp-content/uploads/2021/01/Massena-Partners_Voting-rights-Policy_2020.pdf
(3) AEW (AEW Europe, AEW Capital), DNCA Finance, Dorval AM, Flexstone Partners, Harris Associates, IML, Loomis Sayles, Mirova, MV Credit, Naxicap Partners, Ossiam, Ostrum AM, Seventure Partners, Thematics AM, Vauban IP, Vaughan Nelson, Vega IM, WCM

FOCUS

Biodiversity

Since 2018, Natixis has been a signatory to the Act4Nature commitments comprising 10 shared commitments and SMART commitments linked to its activities in investment banking and asset management. For example, Natixis CIB excludes financing for projects that have a significant impact on an area classified as a UNESCO World Heritage Site, or registered under the Ramsar Convention, or covered by categories I-IV of the International Union for Conservation of Nature (IUCN).

Since 2021, Mirova has been an active member of the "Taskforce on Nature-related Financial Disclosure" (TNFD), the first version of which was published in September 2023. This international initiative aims to develop a framework for organizations to report on nature-related risks, with the stated aim of helping to redirect global financial flows towards positive-impact businesses. Mirova has announced its intention to adopt TNFD recommendations on nature-related risks.

Other asset management companies are active in numerous collaborative initiatives and working groups (e.g. FAIRR, Finance for Biodiversity Pledge, Nature Action 100, Sustainable Blue Economy).

In 2023, Groupe BPCE took part with other banks in a pilot phase conducted by UNEP FI aimed at understanding the TNFD framework.

Groupe BPCE also participates in working groups dedicated to biodiversity organized by Institut de la Finance Durable, the French Sustainable Finance Institute, Observatoire de la Responsabilité Sociétale des Entreprises (ORSE), the French Observatory for Corporate social responsibility and Entreprise pour l'Environnement (EpE), the French Think Tank for companies committed to the ecological transition.

Collaborative commitments

Natixis IM is involved in a number of international responsible investment initiatives, and is a founding member of some of them:

- **Investor Leadership Network (ILN) – Natixis IM, is a founding member**(1) and member of the Board of Directors. Initiative launched in 2018 at the G7 summit for a new Global Financial Pact in Paris to promote the collaboration of leading international investors in the sectors of energy transition, sustainable infrastructure and accelerate the cooperation of private and public financial sectors on emerging economies;
- **One Planet Asset Managers – Natixis IM, founding member.** The initiative was launched in 2019 at the Open Planet Summit to support sovereign wealth funds in the transition to more sustainable financial markets;
- **Convergence**, an initiative dedicated to public-private finance in support of sustainable development objectives;
- **Impact Disclosure Task Force** – Natixis IM has joined the Impact Disclosure working group, created in April 2023 and co-chaired by Natixis CIB and JP Morgan. Its aim is to produce a voluntary reference and reporting framework for measuring the impact and contribution of companies and sovereign entities to the sustainability goals (SDGs).

Responsible investment is also promoted at the level of asset management companies, which are active in numerous collaborative initiatives and working groups. For example, in the area of climate change:

- Institutional Investor Group on Climate Change (IIGCC);
- Climate Action 100;
- ShareAction;
- Transition Pathway Initiative.

The promotion of social aspects is also demonstrated through strategies focusing on diversity and women's representation (Mirova), as well as Just Transition (Ostrum).

7.1.5 Governance associated with our strategic priorities

Natixis' CSR strategy and achievements are overseen at Board level by a dedicated CSR Committee.

Until January 2023, these strategic directions were validated at executive level by a CSR Sponsors Committee, which brought together senior executives from Natixis' business lines and functions around the Senior Management Committee.

In February 2023, a new Senior Management Committee dedicated to sustainability issues was set up: the Sustainability Senior Management Committee. Chaired by the CEO of Natixis, it is organized every two months to oversee the implementation of the CSR strategy for all Natixis business lines and functions.

In 2023, a large-scale transformation program was launched within Natixis, embracing all the Company's business lines and functions. Its aim is to ensure that ESG issues are fully integrated – from start to finish – into the Company's processes and organizations. The general principle is as follows: **each department is responsible for integrating ESG issues and managing them, in line with the strategy and action principles defined by the Natixis Sustainability & Strategy Department, in conjunction with Groupe BPCE.**

FOCUS

Sustainability team

In December 2023, the Natixis Sustainability team reported directly to Natixis Senior Management, demonstrating the centrality of ESG issues, both in the construction of the next Natixis strategic plan (publication scheduled for 2024), and in the consideration of these issues in the day-to-day decisions of Senior Management.

The Sustainability team is responsible for the ESG strategy of BPCE's global business lines, working closely with Groupe BPCE. It provides ESG expertise and coordinates ESG actions and objectives for the Natixis CIB, Natixis IM and Natixis WM entities. It implements the group's ESG standards and ensures their consistency across all Natixis business lines.

Natixis' Sustainability team works closely with all the Group's experts, such as:

- Groupe BPCE's Sustainable Finance Center (SFC). Composed of experts in sustainable finance, its missions are to propose initiatives to the group's companies in terms of sustainable finance, to manage their implementation in the various business lines and to define the associated measurement tools, standards, and policies;
- CIB's Green and Sustainable Hub;
- NIM's Sustainability team;
- CSR experts from NIM affiliates;
- the Technologies and Operations Department, which monitors and coordinates its own footprint;
- the ESG Data Acquisition and Expertise unit, a single point of entry for assisting business lines in acquiring ESG data and identifying needs.

(1) *Under the leadership of Caisse des Dépôts du Québec, Natixis Investment Managers and Ninety One have launched a new commitment alongside US Treasury Secretary Janet L. Yellen.*

7.2 Incorporating ESG criteria in financing operations and investments

7.2.1 Financing operations

Environmental, Social and Governance (ESG) risks are factored into financing and investment activities as part of a global approach involving the business lines, the CSR Department, and the control functions. The approach includes drafting and applying CSR policies in the most sensitive sectors, determining excluded sectors, and assessing and monitoring ESG risks on transactions and counterparties using various tools and processes.

CSR 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:

- **thermal coal**

As early as October 2015, Natixis CIB committed to no longer financing any coal-fired power plant or thermal coal mine projects worldwide.

This commitment is being progressively strengthened, with the following exclusions:

  - in 2019, companies deriving more than 25% of their revenues from coal and extending the scope of the exclusion to all port and rail infrastructure projects and all equipment and facilities linked to thermal coal;
  - in 2020, companies developing[1] new capacity for coal-fired power plants or thermal coal mines.

In 2021, Groupe BPCE extended its policy to all its banking activities and, in addition to the above-mentioned objectives, committed to a total phase-out of thermal coal by 2030 for OECD countries and 2040 for the rest of the world.

- With regard to the **oil and gas industries**, since 2017, Natixis has committed to stop providing financing for the exploration and production of oil sands and oil in the Arctic region. In 2023, Groupe BPCE extended its policy to all its banking activities and strengthened its criteria by excluding:
  - projects dedicated solely to bringing a new oil field into production, or related production or export infrastructure (new FPSO – Floating Production Storage and Offloading, platform, or pipeline);
  - exploration and production of oil from ultra-deepwater drilling;
  - new “Greenfield” liquefied natural gas (LNG) production or export projects fueled by 25% or more shale gas;
- in the **defense sector,** Natixis CIB prohibits financing, investment and offering of services to companies involved in manufacturing, storing, or trading anti-personnel mines and cluster bombs. This policy sets specific criteria for carrying out operations, in particular relating to export and import countries;
- concerning the **tobacco sector**, Natixis CIB has ceased all dedicated financing linked to tobacco activities, as well as all non-dedicated financing in favor of a company whose business is 25% or more tobacco-based. In relation to this commitment, Natixis published a detailed sectoral policy in relation to tobacco that applies to the financing and services activities of Natixis;
- Natixis CIB has internal CSR 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 and metals:** compliance with international mining industry standards as well as the IFC (World Bank) environmental & social performance criteria,
  - **palm oil:** traceability and compliance with best practices and applicable standards.

When a new client enters into a relationship, a process for identifying environmental and societal risks is put in place as part of the Know Your Client (KYC) approach, which identifies and assesses environmental, social and governance (ESG) risks. Each client company evaluated is assigned a level of vigilance based on four themes (controversies to which the client may be exposed, sectors in which the client operates, maturity of the risk management system and type of business relationship with Natixis).

In line with the Equator Principles, Natixis CIB also applies a market methodology designed to assess the environmental and social risks of the projects it finances, and how these risks are managed by its clients, whatever their business sector. Since October 2020, Natixis CIB has been applying the amended version of the Principles (EP Amendment IV), which includes more exhaustive criteria for respecting human rights (including the rights of indigenous communities) and requires analysis of physical climate and transition risks.

The Sustainability team produces detailed analyses of Natixis CIB clients for whom ESG risk is considered a major concern. Over the last three years, 1,429 (including 614 in 2023) such transactions have been analyzed in this way.

The operational management of Natixis CIB’s climate trajectory is based on two complementary and interdependent systems: the Green Weighting Factor (GWF), an internal management tool used to guide operational financing decisions, and the monitoring of public sector decarbonization trajectories at Groupe BPCE level within the framework of the NZBA.

(1) *A company is considered a Developer when a decision to develop new coal-fired power generation capacity in excess of 300 MW or thermal coal mining capacity has been taken and publicly announced, or when an application for planning permission has been submitted to the relevant authorities.*

At Natixis CIB, the Green Weighting Factor integrates criteria linked to exposure to the risk of biodiversity loss and its pressure factors for financing clients in sectors where the impact on biodiversity is material. These criteria are also included in the environmental rating of dedicated financing (project or asset financing) by taking into account their location in Key Biodiversity Areas.

Internal control framework

Natixis CIB has an internal control framework that incorporates all risks, including environmental and social risks. It is built around three lines of defense:

- **1st line of defense:** the sales, origination, and distribution teams. They are supported by the Natixis Sustainability team;
- **2nd line of defense:** it is embodied by the Risk and Compliance Departments of Natixis. Risk acts as a second line of defense for transactions, counterparties, portfolios, and companies in all activities;
- **3rd line of defense:** Natixis CIB's Internal Audit Department is in charge of periodic control and has integrated ESG-specific risks into its scope of activity, as well as carrying out thematic controls on CIB activities.

7.2.2 Asset management activities

For NIM, incorporating ESG factors into the investment process leads to more informed decisions, a better understanding of corporate risks, the identification of sustainable investment trends and the selection of companies that contribute to these trends. This approach aims to create long-term value for clients.

Several affiliates have developed dedicated non-financial research capabilities and integrated sustainability criteria into their investment decision support models. They rely on proprietary systems and raw data to establish their own scoring models and methodologies, which they can then transparently explain to clients.

By way of illustration, DNCA Finance relies on a proprietary ABA (Above and Beyond Analysis) assessment tool, which is built around five pillars: analysis of corporate responsibility risk, contribution to sustainable transition, monitoring of controversies, monitoring of engagement activities and finally impact on the UN's sustainable development Goals (SDGs). This analysis does not include external agency assessments.

For fund-of-funds management, NIM Solutions complements its quantitative sustainability analysis with a proprietary qualitative "Conviction & Narrative" approach that includes, but is not limited to, the following criteria: the ESG experience of the investment team, the incorporation of ESG factors into the underlying funds' investment processes, the transparency of ESG reporting and voting practices. The objective of the analysis model thus implemented is to:

- measure the degree of importance that environmental, social and governance factors play in the investment strategy of each fund in which they invest as part of the range of responsible investment products offered by Natixis IM affiliates;
- ensure that the convictions and objectives underpinning investments are clear, while providing a concrete measure of the level of ESG integration in the various operational stages of the investment process;
- provide an independent, impartial, and complementary analysis of the credibility of the responsible investment approaches selected for ESG funds of funds.

Responsible investment policies

Each Natixis Investment Managers management company is responsible for its own investment process, and ultimately for integrating environmental, social and governance factors in line with their fiduciary duty.

European asset management companies have developed responsible investment policies that explain their overall ESG approach, provide detailed guidance on the integration of environmental factors, and explain their sector and/or exclusion policies. All European direct management companies ban controversial weapons from their investments, and have exclusion policies in the coal, non-conventional oil and gas, and tobacco sectors.

Some affiliates have developed more restrictive exclusion policies, based on recognized frameworks for fossil fuels. The majority of asset management companies offering investment products in non-listed assets completely exclude fossil fuels in favor of transition and renewable energies.

For example, **Ostrum Asset Management**, which accounts for more than a third of Natixis IM's assets under management, has been committed to sustainable development and responsible financing for over 35 years[(1)]. Over time, it has developed its approach, which today combines three pillars: the incorporation of material ESG factors into the analysis of all asset classes, the exclusion of sectors or issuers that are not acceptable in portfolios, and the financing of transition for sectors or issuers that are ready to follow the path of transition and commit to themes that encourage just transition.

In addition, **AEW Europe**, which manages real estate assets, has implemented a specific exclusion policy tailored to its business sector.

The majority of non-European affiliates have developed a global responsible investment approach that formalizes their commitment to incorporating material environmental, societal and governance factors into their investment processes. They implement specific restrictions at the request of clients.

Engagement policy with portfolio companies

Beyond exclusion, Natixis Investment Managers sees engagement and dialog with companies and issuers as significant levers for positively influencing corporate governance. Natixis IM's European asset management companies have developed engagement and voting policies that encourage companies to transform their strategy and reduce their ESG risks, while contributing to environmental and social issues.

(1) The Nord Sud Développement Fund was launched in 1985. A bond fund that aims to combine performance and solidarity investments by investing in a combination of supranational debt and microcredit companies, it was merged into Mirova Luxembourg's range of sub-funds in 2017.

Engagement and dialog have also enabled affiliates to develop in-depth knowledge of the companies in which they invest and their ESG challenges. As shareholders, the funds managed by Natixis IM affiliates are committed to contributing to the improved performance of companies by taking into account their stakeholders and the environment.

Affiliates such as Mirova, Ostrum AM, DNCA Finance and Ossiam explicitly incorporate climate risk considerations into their voting policies. Dorval AM and AEW Europe actively monitor the greenhouse gas emissions of companies and assets in their portfolios.

Environmental themes such as biodiversity (Mirova, Ostrum AM, Thematics AM, DNCA Finance), energy consumption (AEW), waste management (Thematics AM, DNCA Finance) and water management (DNCA Finance, Thematics AM) are also taken into account by affiliates.

On the social front, several affiliates, including Mirova, Ossiam, AEW Europe, MV Credit, Seventure Partners, Flexstone Partners and Vauban IP, are committed to promoting diversity.

KEY EVENT

In 2023, Ossiam, a member of the Farm Animal Investment Risk and Return (FAIRR) initiative, proposed a commitment to working conditions in meat supply chains and against the use of antibiotics in fast-food products.

Internal control framework and organization

Natixis Investment Managers has an internal control framework that incorporates all risks, including environmental and social risks. It is built around three lines of defense and is organized operationally on two levels: a holding company in charge of supervising and coordinating the framework, and affiliates responsible for risks and implementing policies and controls.

- **1st line of defense:** it is represented by the operational teams of the various management activities within the affiliates, and the distribution teams (Product, Sales, and Marketing). They are supported by teams of ESG experts at the level of each asset management company, and the Sustainability team at the level of the holding company;
- **2nd line of defense:** it is embodied by the Risk and Compliance Departments of each asset management company. Dedicated ESG compliance and risk policies have also been produced by Natixis IM for deployment at affiliate level;
- **3rd line of defense:** Natixis IM's Internal Audit Department, based at holding company level, is responsible for periodic control and has integrated ESG-specific risks into its scope of activity by carrying out thematic controls on affiliates.

7.3 Our expertise at the service of our clients

7.3.1 Main indicators for managing the development of sustainable finance and transition activities

Natixis' business lines develop financial products and services that serve the environmental and social objectives of their clients, as well as their own CSR ambitions.

	2023	2022	2021	2020
Asset Management [(a)]				
Share of assets under management classified in Articles 8 and 9 [(b)]	40.5%	36.7%	33.4%	nc
Amounts invested in sustainable bonds [(c)]	€41.4bn	€30.5bn	€24.3bn	€18.5bn
Amounts invested in natural capital strategies [(d)]	€690m	€534m	€458m	€467m
Natixis CIB				
Sustainable loans *(part subscribed by Natixis)* [(e)]	€13.0bn	€12.8bn	€6.24bn	€3.40bn
Sustainable bond issues *(Natixis arranged portion)*	€11.3bn	€12.1bn	€18.57bn	€11.95bn
Financing of the renewable electricity sector				
Renewable energy production financed *(in %)*	97%	80%	89%	87%
Installed capacity of projects financed during the year	10.9 GW	6.8 GW	6.8 GW	6.5 GW

(a) % of total assets under management (2023: €1,166 billion; 2022: €1,078 billion; 2021: €1,245 billion).
(b) Percentage of SFDR Article 8 and 9 assets under management of Natixis Investment Managers (NIM) affiliates. This Natixis indicator was reviewed by an independent third party (ITO) in Groupe BPCE's NFPS, providing a conclusion of moderate assurance.
(c) Including sustainable bonds of Ostrum AM, Mirova and DNCA Finance.
(d) Mirova Natural Capital Strategies.
(e) Annual production excluding securitization.

7.3.2 The expertise and strategy of our Financing and Asset & Wealth Management business lines

Natixis CIB's business strategy is focused on supporting its borrower, issuer, and investor clients through the various stages of their ecological and energy transition. It acts both as an advisor and as a preferred financial partner.

Natixis CIB's objective is twofold: on the one hand, to increase the financing of "green" assets and players (i.e. those with low greenhouse gas issuances or which contribute to the decarbonization of the economy) and, on the other, to support its clients' most voluntary transition paths, particularly in the most emissive sectors (fossil fuels, construction, mining).

Natixis CIB is committed to supporting all its clients in their transition, including those from emission-intensive sectors. To achieve this, the transition plans defined must demonstrate real commitment, a regular pace and strong ambition. To this end, Natixis CIB is developing tools to assess and manage its clients' transition plans.

To achieve its ambitions, Natixis CIB relies on:

- **the Green & Sustainable Hub (GSH)**:
  - the GSH employs 40 people worldwide, with offices in Paris, Hong Kong, Singapore, New York, Toronto, and Dubai. The GSH performs the following actions:
    - steering CIB's climate trajectory (with the help of the GWF),
    - structuring green and sustainable financial transactions,
    - specialized contribution to the Originate to Distribute strategy with its Green Syndicate,
    - supporting clients in their CSR and transition strategies through specialized consulting services,
    - disseminating expert content and creating methods and tools, such as the work on measuring and monitoring alignment with the UN's sustainable development Goals (SDGs),
    - the inherent organizational structure of the hub allows for dedicated, asset class and product agnostic expertise, as well as cross-functional coherence within Natixis CIB's activities,

- GSH's Center of Expertise and Innovation (COEI) keeps a close watch on issues relating to sustainable finance and ESG in general. The COEI publishes expert, analytical, critical, and innovative thematic content, mainly in open-source format[1],
- the GSH's priority topics (for investigation and publication, but also through its transaction flow) in 2023 were the following:
  - just transition,
  - support for transition plans,
  - regulatory analytical watch,
  - biodiversity,
  - critical transition metals,
  - analysis of Greenwashing and Greenhushing phenomena,
  - the integrity of the Sustainability Linked Bonds market,
- a dedicated distribution team: in 2022, the GSH and the Global Credit Syndicate (GCS) joined forces to create the Green Syndicate, a market-oriented team at the heart of Natixis CIB's Green Originate-to-Distribute (or Green OTD) distribution model. This team has three main missions:
  - to inform the bank's business lines and clients about the dynamics of the responsible investment market, through:
    - conducting regular surveys,
    - conducting investor surveys in collaboration with the COEI[2],
    - writing articles on major market trends,
    - the evolution of sustainable investment strategies and themes,
  - analysis of supply and demand for green and sustainable finance products (Green, Social, Sustainability, and Sustainability-Linked (GSSS) bonds and loans),
  - highlighting the key features of a green or sustainable issue, to ensure that investors have all the information they need to make informed investment decisions, and a posteriori analysis of issuers' order books.

2023 KEY EVENT

GSH Networks

Within the GSH origination and advisory team, a team of experts was created in 2023 and is dedicated to the sustainable finance offering serving the French public sector and ISE clients of the Banque Populaire and Caisse d'Epargne networks, the "GSH Networks".

- They include the business lines, and, in particular, for the "**ETNR**" (Energy Transition & Natural Resources) teams:
  - Natixis CIB's Industry Group, Energy Transition & Natural Resources (ETNR) has developed strong, cross-functional sectoral convictions, thanks to a team of experts with complementary functions: in-house engineers, industry bankers and research specialists,
  - this team aims to help clients and the group's business lines appreciate the challenges of transition in the energy sector;

Electricity and renewable energies

CONVENTIONAL
- Gas plant
- Hydroelectric projects
- Cogeneration (CHP)[1]

RENEWABLES
- Onshore & offshore wind farm projects
- Thermo-solar
- Photovoltaic plants
- Biomass plants
- Renewable IPPs[2]

New energies

HYDROGEN
- Electrolyzer/Fuel cells
- Fuel cell vehicles
- Infrastructure

BIOENERGIES
- Biomass
- Biofuels
- Biomethane

CARBON INITIATIVE
- CO_2 capture
- Carbon credits

E-FUELS & SUSTAINABLE AVIATION FUEL (SAF)

Metals and mining

UPSTREAM
- Exploration
- Project development
- Metal extraction

DOWNSTREAM
- Mineral processing
- Refining/melting
- Metal production and processing
- Battery plants (gigafactories)

Oil and gas

UPSTREAM
- Onshore & offshore exploration and production

TRANSPORTATION AND STORAGE
- Pipeline
- Storage capacity
- Liquefied natural gas: liquefaction, transport and regasification

DOWNSTREAM
- Petrochemical plants, refineries and distribution

Traders and distribution

OIL & GAS

METALS & MINING

1 *Combined Heat and Power.*
2 *Independent Power Producers.*

(1) *https://gsh.cib.natixis.com/our-center-of-expertise*
(2) *https://gsh.cib.natixis.com/our-center-of-expertise/categories/investors-voice*

- the **extensive** network of "**Green Captains**" are business line ambassadors for the approach:
  - this network of a hundred or so employees spread across Natixis CIB's business lines is tasked with disseminating and sharing ESG information and expertise with as many employees as possible;
- the bank's **Tech Hub** on topics linked to the digitization of the economy, technological breakthroughs linked to the low-carbon transition, and access to financial services.

The expertise of Natixis CIB's teams has long been recognized, with new awards(1) for the "Green and Sustainable Hub" in 2023, such as:

- **ESG Infrastructure & Energy Bank of the Year** at the IJGlobal ESG Awards 2023, for the second year running. The award recognizes the transformative role Natixis Corporate & Investment Banking is playing in the energy transition, identifying in particular the Green Weighting Factor as a "distinctive approach";
- **Investment Bank of the Year** for the "Impact Award 2023" presented by Environmental Finance, for the second year running;
- **Investment Bank of the Year for Sustainability Linked Loans** at The Banker's Investment Banking Awards 2023.

Natixis Investment Managers

Faced with the major challenges of climate change, loss of biodiversity and social inequality, Natixis IM and its management companies are convinced that there is no single answer to these complex issues but rather multiple ones. Natixis IM's multi-boutique model, encompassing a variety of management companies with different convictions, diversified management styles, tailored ESG approaches and innovative capabilities, makes it possible to provide diverse responses to the challenges of sustainable finance.

Natixis IM's asset management companies, combined with the multi-asset expertise of Natixis IM Solutions and distribution teams, offer a wide range of leading sustainable investment solutions designed to meet clients' needs and accompany them on their sustainable transition journey.

The European financial products managed by Natixis IM affiliates are compliant with regulations and aligned with the European SFDR classification, which aims to enhance transparency regarding the sustainable investment approach.

The SFDR Regulation classifies investments into Article 9 (sustainable investment objective), Article 8 (promotion of environmental and/or social characteristics) and Article 6 (products meeting neither the definition of an Article 8 nor that of an Article 9).

At December 31, 2023, Natixis IM's asset management companies managed more than €472 billion in Art 8 and Art 9 funds (SFDR), representing 40.5% of outstandings, compared with 37% in 2022.

The majority of Natixis IM's asset management companies are signatories to the Principles for Responsible Investment (PRI) and have incorporated ESG criteria into their investment analysis and decision-making processes. Some affiliates offer social or sustainable impact investment funds targeting themes focused on specific ESG issues, such as water management, job creation, smart cities, or climate change *(see below)*.

(1) Complete list on the website https://gsh.cib.natixis.com/

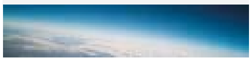
Natixis IM management companies’ expertise in listed assets

Sustainability
Mirova

Companies positively exposed to the challenges of sustainable development

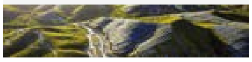
Carbon footprint
Ossiam

Quantitative approach with normative exclusion filters and reduction of the carbon footprint



Environment
Mirova

Companies providing solutions to take into account environmental issues

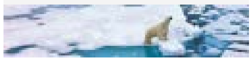


Water
Thematics

Companies involved in water management, pollution control and water-related infrastructure

Climate
DNCA

Companies aiming to decarbonize their activities in accordance with the objectives of the Paris Agreement (<2°C)



Biodiversity
Ossiam

Companies contributing to reducing the impact of the food sector on biodiversity

Green Bonds
Mirova

Projects providing environmental benefits, favoring the energy and ecological transition

Impact
DNCA

Ecological transition by investing in companies with a positive social and environmental impact

Gender diversity
Mirova

Companies supporting gender diversity and women empowerment

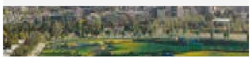
Social
Mirova

Companies involved in job creation and consolidation (integration difficulties)

Natixis IM management companies’ expertise in unlisted assets

Private Equity Impact
Mirova

Growth phase companies with a positive impact directly targeting nine SDGs and indirectly three SDGs



Blue economy
Seventure

Innovations in the blue economy (water and ocean-related industries)

Sustainable development of the oceans
Mirova

Innovative approach to sustainable ocean development (seafood – sustainable sector, circular economy and ocean conservation)

Sustainable land use
Mirova

Innovative approach to sustainable land use focused on direct debt investment in large-scale projects

Core Real Estate
AEW Eurocore

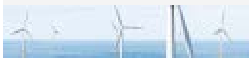
Established and sustainable micro-sites in mature European markets

Private Equity
Naxicap

Majority stake in Mid-Market buybacks and growth transactions in France and Western Europe

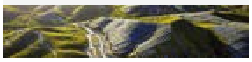
Energy transition infrastructure
Mirova

European greenfield and brownfield projects using mature technologies



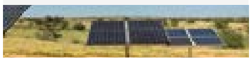
Infrastructure-related debt
Natixis IM PD

Tailor-made investment solutions: from a “niche” approach to a global market approach



Infrastructure financing - emerging countries
Mirova SunFunder

Medium- and long-term financing of clean energy projects in emerging markets



Core infrastructures
Vauban

Investments in European greenfield and brownfield infrastructure projects

NIM Sustainable Investments

Since 2022, Natixis IM has set up a CSR and Sustainable Investment Committee. The Committee is chaired by Natixis IM's Head of Sustainable Investment. Its role is to review and approve sustainable investment policies and procedures at Natixis IM level, to ensure that they are consistent with the group's approach and to ensure the implementation of the Natixis CSR and Sustainable Investment framework.

The Global Head of Sustainable Investment at Natixis IM is responsible for monitoring the Company's strategic sustainable investment objectives and coordinating their deployment with affiliated asset management companies and distribution platforms.

Responsible, sustainable and impact investing has evolved significantly in recent years, but the cardinal principle has remained constant: a client-focused approach, to help them achieve their goals, whatever their degree of involvement in their sustainability journey. Within this framework, in November 2023, a Sustainable Client Investment Manager role was created to support the sales forces and thus bring greater proximity to clients on sustainability expertise.

The Sustainability team acts as an internal advisory function for asset management companies, helping them, for example, to develop their products and investment strategies, and to operationalize regulatory requirements and industry standards. Ultimate responsibility for product classification and consistency of marketing materials rests with each management company.

In addition, the Sustainability team collaborates with other functions within the organization (Compliance, Risk, Legal, Strategy, Sales, Marketing, Finance, etc.) to share expertise. It also collaborates with external stakeholders such as industry experts, regulators, consultants.

In a demanding market and regulatory environment, we are further strengthening our organization to improve client support and provide additional resources for our teams.

Awards and distinctions

During the year, Natixis IM affiliates received various awards in the field of sustainable finance, including:

IJGlobal ESG Awards 2023

Vauban Infrastructure Partners was recognized by *IJGlobal* magazine for its role in the energy transition. Vauban Infrastructure Partners received the environmental award.

Environmental Finance IMPACT Awards 2023

Two Mirova funds were voted fund of the year:

- Mirova Global Sustainable Equity Fund (listed equities);
- Mirova Environment Acceleration Capital (Private Equity).

"Environmental Impact Equities" category at the Investissement Conseils Sustainable Finance Awards

Dorval Asset Management was awarded first prize for its "Dorval European Climate Initiative" fund.

Natixis Wealth Management

Natixis Wealth Management's CSR approach is an integral part of its corporate strategy:

- our role: to understand, enlighten and enhance the value that each individual places on his or her wealth;
- our ambition: to become the benchmark in responsible wealth management
- our values: Audacity, Humility, Commitment, Enthusiasm.

All of Natixis Wealth Management's expertise (financial management, real estate, Private Equity) includes ESG strategies according to the SFDR classification, Article 8 or 9. These represent more than 80% of the product and service offerings recommended by Natixis Wealth Management. For its delegated management, Natixis WM relies on the expertise of:

- **VEGA Investment Managers**, which has been a UN PRI signatory since 2019 and has 10 SRI-labelled funds and 1 ESG fund of funds;
- **Massena Partners subject to SFDR regulations.**

7.3.3 Helping our clients achieve carbon neutrality

Aligning Natixis CIB's portfolios

The operational management of Natixis CIB's climate trajectory is based on two complementary and interdependent systems: the Green Weighting Factor (GWF), an internal management tool used to guide operational financing decisions, and the monitoring of public sector decarbonization trajectories at Groupe BPCE level within the framework of the NZBA.

The GWF is a steering tool used at several levels:

- for credit decisions at the transactional level;
- for strategic dialog with clients;
- for strategic planning: definition of annual color targets for each business line and sub-business line;
- for commercial planning: definition of systems for assessing the individual performance of the financing origination teams;
- for capital allocation and active portfolio management;
- for risk appetite management.

The Green Weighting Factor in a nutshell

Since its development in 2018, the GWF has been at the origin of a cultural transformation within Natixis CIB, making the steering of the climate trajectory of our bank financing a challenge for all. Natixis CIB's climate impact measurement and management tool continues to be deployed and strengthened, particularly in terms of the methods used to color its portfolio. At the end of 2023, the coverage ratio of the GWF scope was 92% (vs. 77% in 2020), representing €125.7 billion in balance sheet exposures.

Methodology

Using a seven-color rating scale ranging from dark brown to dark green, the GWF assesses the climate impact of transactions, while taking into account the risk of the most material non-climate-related environmental externalities (water, waste, biodiversity, pollution). GWF covers all bank financing[1]. This assessment is carried out on a granular basis for each of the financing exposures on the balance sheet for all banking products (loans, guarantees, sureties, documentary credits) regardless of their maturity, in all geographies and all business sectors with the exception of the financial sector and administrations. The GWF's methodology is also adapted to corporate[2] and dedicated[3] financing.

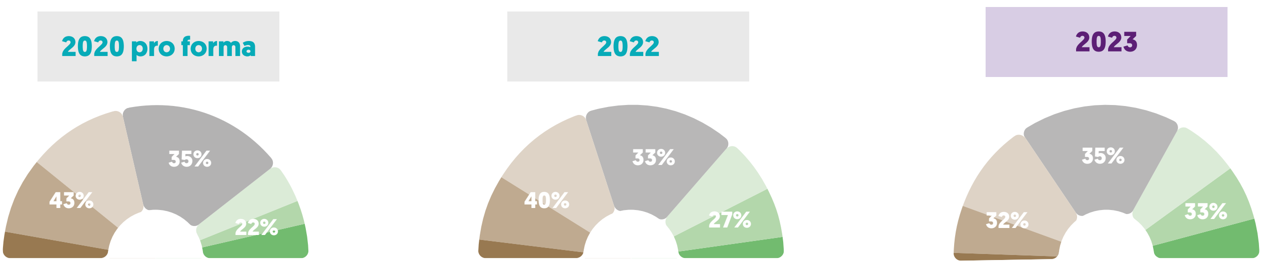
The GWF methodology offers a vision of the challenges of transition. The GWF integrates:

- induced decarbonization (CO_2 scope 1,2,3);
- the contribution to the transition made by certain clients or active projects, with the notion of avoided emissions;
- exposure to the most material environmental risks; and
- a forward-looking view of our clients' performance to assess their transition potential.

In 2023, Natixis CIB carried out a major overhaul of its dedicated financing decision trees, which will be rolled out in 2024 via a new tool. This overhaul should make it possible to:

- increase the scope of financing analyzed;
- improve the relevance of each transaction's valuation (based on user feedback since 2020);
- extract a set of new indicators useful for steering the decarbonization strategy and for regulatory reporting;
- take into account and integrate the non-financial reporting needs of investor clients.

Change in the Natixis CIB color mix between 2020 and 2023 (base 100)



92% of the GWF scope is colored at the end of 2023 (vs. 91% at the end of 2022).

For the period 2020-2023, the active steering initiated in 2019 is showing tangible results, with a significant change in Natixis CIB's color mix.

In 2023, the share of brown in the colorized scope has been reduced (-8 basis points compared with 2022) in favor of green and neutral.

To achieve this performance, various levers were mobilized:

- refinancing existing "green" clients;
- financing clients in transition in EMEA and APAC;
- high selectivity on new brown financing (reduction of outstandings on the most carbon-intensive oil activities or those least likely to transition);
- reduced financing for clients with very limited transition potential;
- active portfolio management on secondary sales largely composed of brown colored exposures.

(1) Scope: non-financial counterparties and excluding sovereigns/administrations/local authorities.

(2) For non-dedicated financing, or corporate financing: a dynamic analysis of each client is carried out according to its emissions (induced, reduced, and avoided), its decarbonization strategy, its future trajectory and its exposure to negative non-climate-related environmental externalities. These assessments are carried out by Carbon4 Finance on the basis of public and non-public data.

(3) For dedicated financing (projects, assets, products, or commodities): the rating is determined by a decision tree specific to each sector/technology, drawn up in collaboration with external consultants I care by BearingPoint and Quantis.

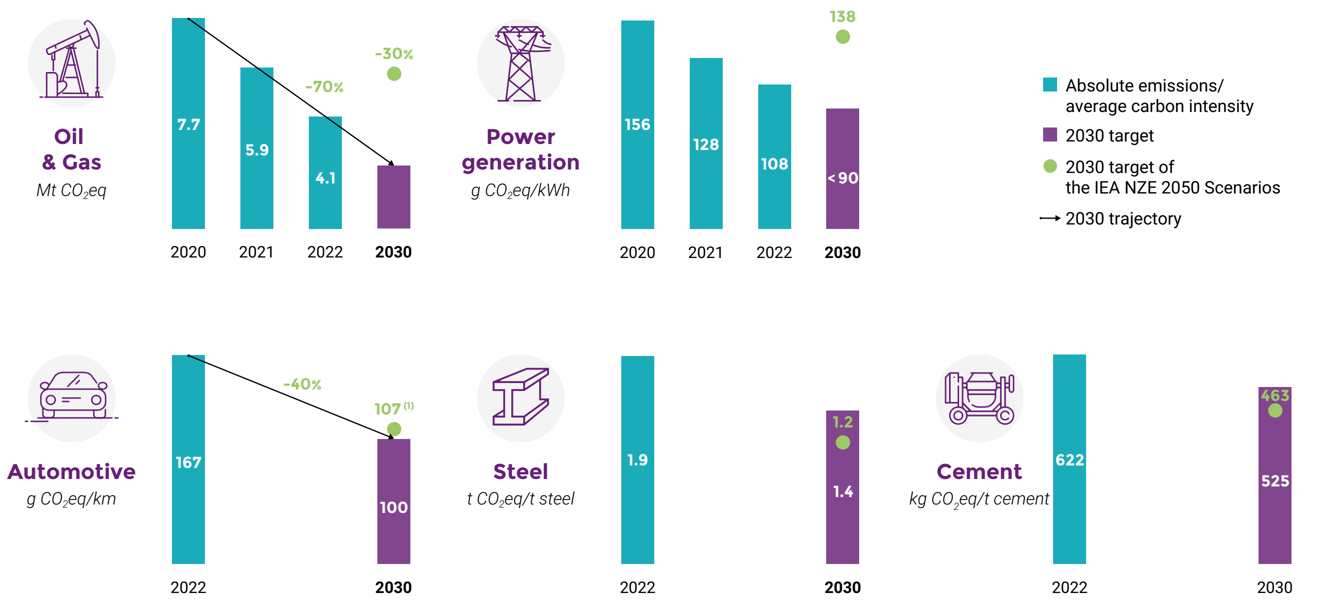
Monitoring of public sector decarbonization trajectories at Groupe BPCE level within the framework of the NZBA

The GWF feeds into the measurement of decarbonization targets and sectoral objectives defined by Groupe BPCE as part of the NZBA. The baseline measurement of emissions for NZBA target setting is assessed by:

- answers to our decision trees for dedicated financing;
- Carbon4 Finance assessment for corporate financing.

			NZBA methodology				Baseline year			Carbon targets
		2022	Client scopes covered	Metrics	Calculation methodology	Scenario	Year	Absolute emissions	Carbon intensity	2030 target
ENERGY	Oil & Gas	€2 bn[1]	3[2]	Mt CO_2eq	PCAF	IEA NZE 2050[3]	2020	7.7	-	-70%
ENERGY	Power generation	€21.6 bn	1 & 2	g CO_2eq/kWh	PACTA	IEA NZE 2050	2020	-	156	< 90 g CO_2eq/kWh
MOBILITY	Automotive[4]	€1.6 bn	3	g CO_2eq/km	PCAF	IEA NZE 2050	2022	-	167	-40%
HEAVY INDUSTRY	Steel[4]	€0.4 bn	1 & 2	t CO_2eq/t steel	PCAF	IEA NZE 2050	2022	-	1.9	1.4 t CO_2eq/ metric ton
HEAVY INDUSTRY	Cement[4]	€0.2 bn	1 & 2	kg CO_2eq/t cement	PCAF	IEA NZE 2050	2022	-	622	< 525 kg CO_2eq/ metric ton

(1) Scope of the balance sheet.
(2) Category 11 of the GHG Protocol.
(3) Net Zero Emissions by 2050 scenarios (NZE 2050) of the International Energy Agency (IEA), WEO 2021.
(4) Scope: Natixis CIB.



(1) See the assumptions and limits in the section devoted to the Automotive sector.

Examples of financing transactions carried out by Natixis CIB

Natixis CIB is convinced that the transition must be accompanied and supported, including in emissive sectors and technologies with no decarbonized substitutes ("hard to abate"). Natixis CIB is committed to supporting its clients as long as their trajectories and transition plans are committed, well-paced and sufficiently ambitious. To this end, CIB is developing tools to assess, dialog and monitor its clients' transition plans. Natixis CIB's strategy is based on:

- control of its direct emissions;
- control of induced (financed) emissions;
- the ability to support the technologies and players contributing to the transition;
- in order to play an active role in decarbonization, Natixis CIB took part in the following financing transactions:

AIR FRANCE RCF

In April 2023, for example, Natixis CIB financed a sustainability-linked loan issued by Air-France-KLM. Natixis acted as joint ESG coordinator, global coordinator, and documentation agent.

The Air France-KLM Group's decarbonization strategy is based on four levers:

1. fleet renewal;
2. increased use of certified sustainable aviation fuels;
3. improved operations;
4. combining different modes of transport.

The group Air-France-KLM aims to reduce its greenhouse gas emissions by 30% by 2030 compared with 2019.

ENGIE SLL

ENGIE, a global benchmark in low-carbon energy and services. Natixis CIB participated in this financing as active Bookrunner and Sustainability coordinator. The key indicators selected reflect Engie's Net-Zero strategy for 2045 and a trajectory "well below 2°C" certified by SBTi.

NEXITY

Nexity, a French real estate group for which Natixis CIB acted as mandated lead arranger and Sustainability coordinator.

In line with Nexity's historic commitment to a low-carbon city, the loan is linked to three environmental indicators:

1. greenhouse gas emissions in scopes 1 and 2 for the group;
2. scope 3 for real estate development activities;
3. the volume of energy renovation work carried out in the condominium management business.

Initiating transition and alignment of Natixis IM portfolios

KEY EVENT

Mirova and 12 financial players launch a call for expressions of interest

Mirova, in collaboration with a group of 12 financial players, recently launched a call for expressions of interest aimed at creating a global database of carbon emission avoidance factors and a tool for measuring portfolio carbon emissions (including avoided emissions). As part of the energy transition, it is essential not only to reduce carbon emissions, but also to offer low-carbon alternatives. Although these alternatives are generally known, there is no quantifiable data to compare them and help direct financial flows towards companies that contribute to decarbonization.

As a holding company for 18 asset managers, Natixis Investment Managers' role is to support its affiliates in their Responsible Investment approach.

Our affiliated asset management companies, combined with the expertise of Natixis IM Solutions and distribution teams, offer a broad and diversified range of leading sustainable investment solutions designed to meet our clients' needs.

Natixis IM supports its clients in their transition to carbon neutrality through three strategic pillars:

- **evaluate:** Natixis IM Solutions offers an analysis platform called ESG and Climate Portfolio Clarity, which evaluates investments in clients' portfolios that may be impacted by climate change and exposed to climate risks, both physical and transitional. It enables clients to:
  - calculate their carbon and environmental footprints,
  - analyze and compare the results of the different climate scenarios in terms of transition risks and physical risks,
  - assess exposure to the assets most exposed to climate risks,
  - identify solutions to support the energy transition and promote alignment with the green taxonomy;
- **design** an asset allocation in line with the Net-Zero trajectory: the strategy to contribute to achieving carbon neutrality depends on the initial asset allocation of the portfolio as well as the investor's risk and return objectives and constraints.

  A tailored approach is therefore necessary to meet the specific objectives and targets defined by each client. Each year, Natixis IM helps its clients to readjust their asset allocation according to new information and the progress made by the portfolio companies as well as emerging regulations and technologies;
- **invest:** Natixis IM's ambition is to manage half of its eligible assets in accordance with SFDR Articles 8 and 9 and equivalent by the end of 2024. Natixis IM affiliates offer a range of funds and dedicated mandates whose strategy is to invest to combat climate change:
  - design and implementation of decarbonization strategies for all portfolios while maintaining financial performance objectives;
  - investment in green investment products;
  - carbon offsetting where possible and necessary.

		Funds classified under the Sustainable Finance Disclosure Regulation (SFDR) 31/12/2023					Labeled funds [a]	
List of NIM affiliates [b]	**Total outstandings** *(in billions of euros)*	**Article 6 [c]**	**Article 8 [d]**	**Article 9 [e]**	**Amount of assets under management in Art. 8 and 9** *(in billions of euros)*	**% of assets under management in Art. 8 and 9/total outstandings**	**Amount of assets under management** *(in billions of euros)*	**% of assets under management**
Harris Associates	94.4	4.1						
Loomis Sayles	303.5	7.9	9.1		9.1	3%	0.9	0.3%
AEW	27.1							
Vaughan	14.7	1.0						
Gateway	8.0							
NIM Solutions US	45.6							
WCM	75.0		1.9		1.9	2.5%		
Ostrum AM	391.6	51.5	337.7	0.0	337.7	86.2%	70.6	18.0%
Mirova	29.7		0.7	25.1	25.7	86.6%	17.0	57.2%
Dorval	1.2	0.2	0.9	0.1	1.0	84.8%	1.0	84.8%
Ossiam	9.8	5.6	3.5	0.7	4.2	42.8%	1.1	11.8%
DNCA Finance	31.2	2.5	27.4	1.3	28.7	92%	18.1	57.9%
Vega IM	12.9	1	11		11	85.5%	3.9	29.9%
AEW Europe	36.2	16.8	17.3		17.3	47.8%	4.7	13.1%
Thematics	3.3		2.2	1.1	3.3	99.3%	3.3	99.3%
IML	2.6							
Ecofi	6.8	0.9	5.4	0.5	5.9	85.7%	4.6	67.3%
Natixis IM Singapore Limited	0.2	0.1	0.1		0.1	56.9%		
Seventure Partners	0.8	0.6	0.1	0.1	0.1	16.9%		
Naxicap Partners	6.5	6.0	0.5		0.5	7.4%		
Flexstone Partners	5.8	1.8	0.4		0.4	7.2%		
Vauban	8.9		8.9		8.9	100.0%		
MV Credit	4.2	3	1.2		1.2	29.3%		
Solutions International	45.4	30.0	10.6	4.0	14.6	32.1%	6.2	13.6%
TOTAL	**1,166.5**	**133.2**	**439.4**	**33.0**	**472.3**	**40.5%**	**131.3**	**11.3%**

(a) Examples of labels in Europe: SRI and GreenFin label (France), FNG-Siegel (Switzerland, Austria, and Germany), LuxFLAG (Luxembourg), Febelfin QS.
(b) For all affiliates, the assets reported in the SFDR classification are only the assets distributed in the European Union.
(c) Concerns financial products that do not promote environmental and/or social characteristics and that do not have a sustainable investment objective and that do not meet the definition of Articles 8 and 9.
(d) Concerns products that promote, among other characteristics, environmental and/or social characteristics, or a combination of these characteristics, provided that the companies in which the investments are made apply good governance practices, i.e. the integration of ESG criteria in investment decisions.
(e) Concerns financial products that pursue a sustainable investment objective assessed through indicators.

KEY EVENT

Net-Zero Asset Management Alliance

Some of Natixis IM's affiliated asset management companies have signed up to market initiatives such as Net-Zero Asset Managers (NZAM) to reinforce their approach to portfolio transition and alignment. Mirova became a member of NZAM in 2020, DNCA Finance joined in 2023.

- **Mirova** has been a member of the Net-Zero Asset Managers initiative since 2020. With a group of 12 financial players, Mirova launched a call for expressions of interest to develop a global database of avoided emissions factors and associated avoided emissions at company level.
- For example, **DNCA Finance** has been analyzing the climate trajectory of its investments since 2020 and is committed to making its investments compatible with the Paris Agreement. To position itself as a player in the fight against climate change, DNCA Finance joined the Net-Zero Asset Managers initiative in January 2023. It is committed to pursuing mobilization campaigns to encourage companies to share their climate data and reduce their GHG emissions.

Financing and investing in low-carbon energies

According to the latest report from the International Energy Agency (IEA)[1], the energy world remains fragile, but has effective means of improving energy security and combating greenhouse gas emissions.

The emergence of a new clean energy economy, led by solar photovoltaics and electric vehicles (EVs), provides hope for the way ahead. Investment in clean energy has increased by 40% since 2020. Some supply chains, notably wind power, are under pressure, but more than 500 gigawatts (GW) of renewable energy capacity should be added in 2023 to set a new record. More than a billion dollars a day is being spent on deploying solar power. Manufacturing capacity for key components of a clean energy system, including solar photovoltaic modules and batteries for electric vehicles, is increasing rapidly. This is why the IEA concluded, in its updated carbon neutrality roadmap, that it is very difficult to limit global warming to 1.5°C, but according to them, this scenario remains achievable.

Natixis CIB has positioned itself as a leader in renewable energy financing (+117% in annual amount arranged since 2020 at Natixis CIB, No. 5 worldwide in the IJ Global 2023 ranking[2]).

In the Oil & Gas sector, the Energy Transition & Natural Resources (ETNR) team has continued to reduce its exposure to hydrocarbons since 2019, in line with the NZBA target set for 2030.

At the same time, the team supports the development of companies in new sectors essential to the energy transition, such as hydrogen, bioenergies, sustainable fuels for aviation and carbon capture technologies. In these fast-growing but still developing segments, ETNR, alongside CIB's business teams (advisory, M&A, financing, capital markets, hedging), supports its clients in their development by helping them to raise capital on the markets and finance projects to help decarbonization.

In addition, the team has deployed dedicated strategies for batteries and critical metals, essential for renewable energy production and carbon-free transport.

For example, Natixis CIB supports the development of the midstream value chain and industry in Europe by financing gigafactories.

SYMBIO

Natixis CIB supported the financing of the hydrogen-powered **fuel cell gigafactory** developed by **Symbio** (a Lyon-based company co-owned by Michelin, Stellantis and Forvia).

ENVISION AESC

Natixis CIB supported **Envision AESC** by participating in the financing of the €819 million **battery gigafactory** project in Douai, France. The gigafactory will be part of "Electricity", one of Europe's largest production sites for electric vehicles. First cell production is scheduled for the second quarter of 2025.

Natixis CIB financed 25 new projects in 2023 representing an installed capacity of 10,926 MW for a total amount arranged by Natixis of €3.3 billion:

- eight onshore wind farms with a total capacity of 5,790 MW;
- seventeen PV and concentrated solar power projects with a capacity of 5,136 MW.

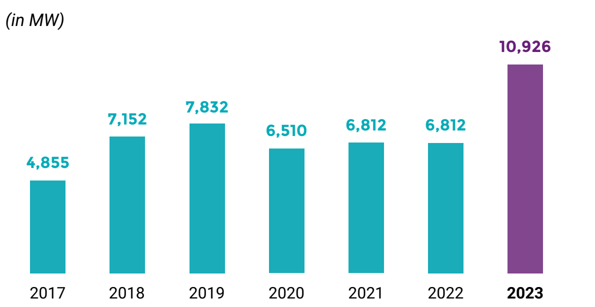
In addition Natixis financed a green hydrogen project.

KEY EVENT

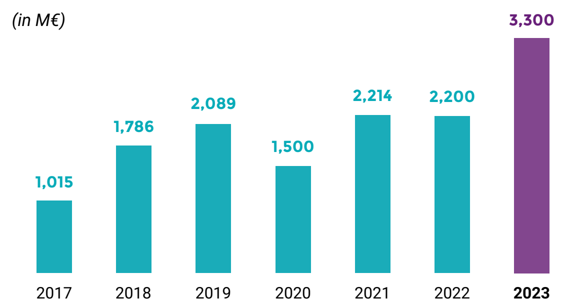
In 2023, renewable energies accounted for **97% of Natixis CIB's new infrastructure financing** in the power generation sector.

(1) *https://www.iea.org/reports/world-energy-outlook-2023?language=fr*
(2) *https://www.ijglobal.com/league-tables – These League tables are dynamic, based on real-time information.*

Total installed capacity of renewable energy projects financed by Natixis per year

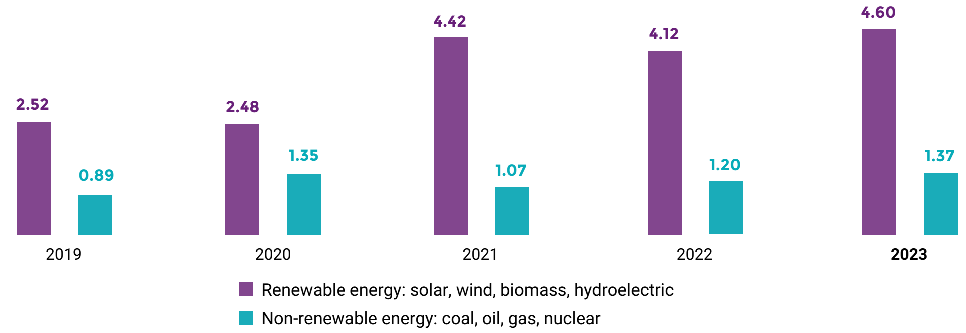


Amount arranged by Natixis for renewable energy projects per year

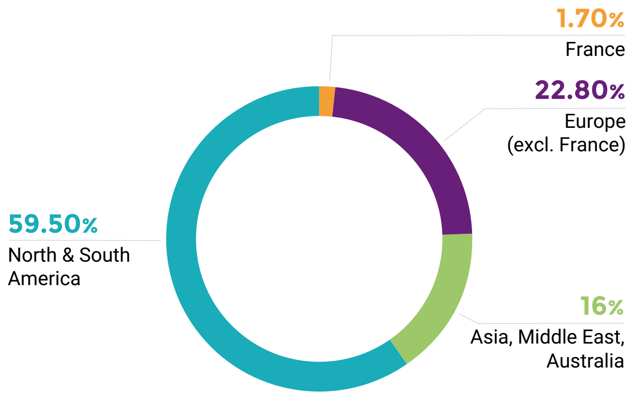


Portfolio exposure to renewable and non-renewable energies per year

(in billions of euros)

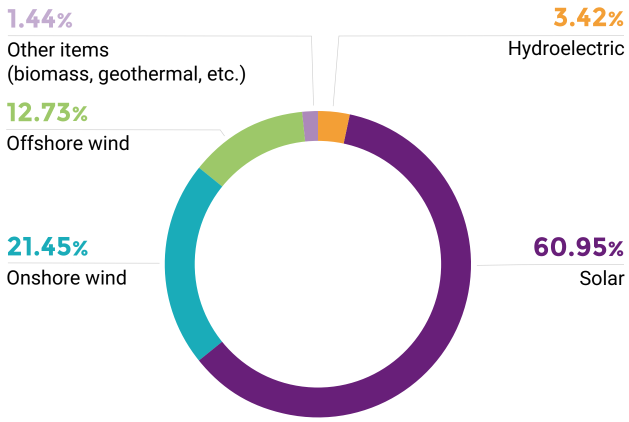


Regional breakdown of the renewable energy portfolio *(% of outstandings)*



Sector breakdown of the renewable energy portfolio

(% of outstandings)



Hydro Rein

Natixis CIB was involved for the first time in a renewable energy project in Brazil: **Hydro Rein and Macquarie Asset Management's Green Investment Group** (GIG) signed agreements to form a joint venture to build and operate **Feijão**, a 586 MW wind and solar project in north-east Brazil.

Natixis CIB was appointed Global coordinator and bookrunner of the transaction.

ReNew Energy

Natixis CIB also supports clients in green energy transactions in Asia-Pacific.

In April 2023, for **ReNew Energy Global**, India's leading green energy company, which raised $400 million through the issuance of green bonds.

The transaction underscores ReNew Energy's role in India's energy transition and strengthens its position as a major player in renewable energies in the country.

Natixis took part in the transaction as joint lead arranger.

Cosmos Cobra

Natixis CIB backed the largest financing of solar photovoltaic panels in Spain in 2023: the **Cosmos Cobra** project. This transaction financed the construction, operation, and maintenance of 21 solar photovoltaic power plants with a combined installed capacity of 1.2 GW, 100% owned by Cobra, Vinci's renewable energy platform. Natixis CIB was mandated for the financing as initial lender, lead arranger, security agent, joint bookrunner and ESG coordinator of the loan.

In addition, Natixis accelerated its development in the **innovative and fast-growing new energies sector** (low-carbon hydrogen, bioenergies, carbon capture, e-fuels/SAF) through several transactions.

In France, in 2023, Natixis distinguished itself within the new energies ecosystem, with several operations reflecting its strong support for the sector.

EODev

In October 2023, Natixis supported French company **EODev**, which designs, assembles, and sells integrated hydrogen-based power generation solutions, in its equity fundraising to accelerate its international development.

Natixis IM

Natixis IM affiliates have developed investment strategies to support the development of renewable energies via investment funds in line with their clients' appetites.

Since 2002, **Mirova** has been involved in the energy transition by financing new renewable energy production capacity and investing in operating projects using mature technologies (solar photovoltaic, wind power, hydroelectric). As of December 31, 2023, **Mirova** has financed:

- the launch of six energy transition infrastructure funds;
- +1,000 energy transition projects in 48 countries worldwide;
- 7.3 GW of installed clean energy capacity.

In 2023, **Mirova** launched Mirova Energy Transition 6 (MET6), the sixth strategy dedicated to energy transition infrastructure, aiming to raise up to €2 billion. This new edition will continue to support decarbonization, especially in Europe, where the need for diversified renewable energy sources has never been greater.

Some of the projects financed in 2023:

- **Mirova** is investing to accelerate the development of Elyse Energy's most advanced projects in France and Spain, with industrial commissioning scheduled for 2027 and 2028. Thanks to its diversified portfolio of projects under development, Elyse Energy will deploy nearly 2.5 GW of installed capacity, producing over a million tons of electronic methanol and 200,000 tons of sustainable aviation fuels[(1)] a year;
- Nuventura, a leading supplier of gas insulated switchgear (GIS) technologies, completed a €25 million investment round led by Mirova, through its impact investment fund Mirova Environment Acceleration Capital Fund;
- Mirova Gigaton Fund, the vehicle advised by Mirova SunFunder East Africa, raised $282 million for its first closing. This mixed debt fund aims to accelerate the energy transition in emerging countries, mainly in Africa and the Asia-Pacific region, as well as in Latin America and the Middle East.

2023 KEY EVENT

Hyperion Renewables, a leading Portuguese renewable energy developer with operations in Spain and a growing presence in Europe, has raised €140 million from **Mirova** to boost its growth.

The capital injection will drive the initial deployment of 3.4 GW of Hyperion's current pipeline of photovoltaic (PV), wind, storage, and green hydrogen projects, mainly in Portugal.

Financing and investment in sustainable mobility and cities

Natixis CIB is a benchmark bank in the financing of sustainable infrastructure, such as real estate projects recognized for their environmental performance, or the development of low-carbon modes of transport.

1. Sustainable real estate

In 2023, Natixis CIB's teams confirmed their positioning on the financing of sustainable transactions, with a total of 26 operations completed.

EGIS SLL

In July 2023, **Egis**, a French consulting and engineering company for the construction, operation, development, transport infrastructure, water, and environmental sectors, took another step forward in its sustainable development approach with its first Sustainability-Linked Loan.

Natixis took part in the transaction as joint lead arranger, bookrunner and sole ESG coordinator.

In **real estate asset management**, AEW Europe continued its efforts to certify its portfolio assets. As a result, new buildings were certified during the construction and operating phases[(2)], with a total of 220 environmentally-certified buildings (31% of assets under management). In addition, AEW Europe uses an ESG data collection tool to track energy consumption and greenhouse gas emissions, covering 1,100 assets under management in France and Europe.

FOCUS

AEW Europe manages 21 funds classified under Article 8 (SFDR), representing 47.8% of assets under management.

7

(1) Source: Elyse Energy.
(2) BREEAM, LEED existing building, HQE exploitation or BREEM In-Use, BBCA (low-carbon building) or BEPOS (positive energy building).

2. Sustainable city

Massive urbanization of the planet is underway. Seven out of ten people will live in cities by 2050. Today's cities face major challenges: aging and inadequate infrastructures, saturated transport systems and exponential connectivity needs. Cities also face challenges in terms of public health and the environment: according to the WHO, nine out of ten city dwellers breathe too much polluted air.

The DNCA Invest Euro Smart cities fund, managed by **DNCA Finance**, aims to invest in euro zone companies that provide concrete solutions to the challenges facing cities, such as:

- pollution;
- aging and inadequate infrastructure;
- saturated transport systems;
- exponential connectivity needs.

3. 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 2 billion vehicles in circulation by 2050.

Natixis is committed, through its financing and investment activities, to supporting sustainable, low carbon transport solutions.

Toulouse-Blagnac Airport SLL

In October 2023, Toulouse-Blagnac airport signed a €145 million loan indexed to sustainability targets. Natixis took part in the transaction as Mandated Lead Arranger and ESG Coordinator.

In line with its CARE 2021-2025 strategic plan and its CSR commitments, Toulouse-Blagnac Airport has established three key performance indicators:

1. reduce its absolute greenhouse gas emissions (scopes 1 and 2) in line with its commitment to achieve zero net carbon emissions in the medium term;
2. gradually improve its certification according to the Airport Carbon Accreditation standard, which evaluates and recognizes the overall low-carbon approach adopted by airports;
3. reduce the frequency of workplace accidents on a regular basis.

Supporting the development of a circular economy

The concept of a "circular" economy, based on maintaining the usefulness and value of materials and products over time, appears to be an increasingly attractive alternative to the current linear economic model of "manufacture, produce, consume, throw away".

In 2023, Natixis supported innovative projects to promote the circular economy.

For example, Natixis CIB took part in:

PAPREC Green Bond

In November 2023, Paprec, a French company specializing in the management and recycling of industrial and household waste, issued a €600 million dual-tranche green bond to finance its investments to increase recycling capacity (organic growth) and possible acquisitions of recycling companies. Natixis acted as Joint Global Coordinator.

SES imagotag SLL

In December 2023, Natixis supported **SES-imagotag** in its refinancing of €190 million, including €150 million in syndicated facilities and a €40 million EuroPP, relating in particular to the reduction of greenhouse gas emissions and the recycling of electronic labels.

Suez Green Bond

Natixis participated in the transaction as active bookrunner of a €500 million Green Bond for Suez. This is Suez's fourth green bond issue since its first issue in May 2022, targeting mainly the partial refinancing of its UK waste assets and IWS (Industrial Waste Specialties) dedicated to hazardous waste treatment.

KEY EVENT

Vauban IP is committed to developing a circular approach framework in response to evolving infrastructure challenges. This framework, currently under development, is aligned with the principles of the circular economy, offering guidance anchored in best practice and associated KPIs.

In the pre-investment phase, Vauban IP will initiate this journey by identifying projects that align with circular economy principles, focusing on waste and water management activities, as well as the transformation of waste into energy. This phase would assess eco-labelled certifications, zero waste commitments and other potential circularity-related KPIs.

Post-investment, **Vauban IP** aims to:

- establish suitable indicators to monitor the proper management of resources and waste, as well as their economic impact;
- support the participation of portfolio assets in the circular economy;
- facilitate peer-to-peer collaboration among holding companies and mobilize circular industry associations.

In 2023, **Vauban IP** began supporting Circle Economy, a global impact organization with an international team of passionate experts based in Amsterdam. The practical, scalable approach to the circular economy aims to enable decision-makers in the public and private sectors to develop and implement circular economy strategies and business models, combining research, data, and digital tools for the common good.

In 2023, **Mirova** invested in Bureo Inc. a company that recycles used fishing nets in Latin America, and helped raise C$10 million for Waste Robotics, a company that uses artificial intelligence to sort waste and optimize its recovery.

AEW Europe is also involved in the CircoLab initiative (Circular economy in real estate and construction) in the real estate sector, where **AEW** is a founding member and Chairman.

7.3.4 Committed to preserving biodiversity

In addition to the climate challenge, the planet is facing another equally important crisis: the sharp deterioration in biodiversity and the loss of nature. Yet, compared to the climate, biodiversity issues are not being taken into account until later. Biodiversity loss is more complex to understand, multifactorial (water pollution, overexploitation of species, soil impoverishment, etc.) and more local than the effects of climate disruption.

Nevertheless, the figures are clear: in a report[(1)] published in 2019, experts from the Intergovernmental Platform for Science and Policy (IPBES) drew a clear conclusion: nature is in decline, and this decline is taking place at an unprecedented rate. Ecosystems are severely degraded (around 75% of land areas; 66% of the marine environment) and 1 million animal and plant species are threatened with extinction (out of a total of 8 million known to date).

Scientists have highlighted five major causes of nature's decline (in descending order):

1. changes in land and sea use;
2. over-exploitation of resources;
3. climate change;
4. pollution;
5. invasive alien species.

The World Economic Forum, for its part, has established that more than 50% of the world's GDP depends on the proper functioning of ecosystems[(2)]. The risks induced by its impoverishment are major and material: so-called "physical" risks, "transition" risks, but also regulatory or reputation risks for companies with the most impacting practices.

For Groupe BPCE, biodiversity[(3)] is an essential component of its environmental strategy. The Group is committed to taking action in favor of biodiversity, working to reduce the pressures on nature and gradually integrating this dimension into its strategy as part of a continuous improvement approach.

Integrating biodiversity into group governance

To better respond to and monitor biodiversity-related issues, the governance structure dedicated to climate risks has been extended to include nature and biodiversity preservation issues.

In the spring of 2023, the "Biodiversity" group approach, led by the Impact and Climate Risks teams, was initiated in order to understand the issues related to nature and lay the foundations for a future biodiversity action plan.

A cross-functional dynamic was set in motion, involving the Group's various business lines, entities, and affiliates.

Dedicated workshops deployed in 2023 made it possible to establish an active dialog within the organization on biodiversity-related issues, and to converge on a biodiversity approach based on pressure factors. Experts from Natixis CIB and various Natixis IM affiliates actively contributed to this approach.

This approach is integrated and monitored as part of the group's ESG program, the work of which is monitored by the Senior Management Committee and shared within the group's CSR bodies (Environmental Transition Strategy Committee). The aim is to anchor the group's commitment to the environment in its business lines and decision-making processes.

Through its actions to combat climate change, Natixis is committed to reducing the pressures on nature and gradually integrating this dimension into its strategy.

Offering innovative products and developing business line initiatives in favor of biodiversity

At Natixis CIB

By joining the Act4Nature international initiative in 2020, Natixis has set itself concrete, measurable, and time-bound objectives (or SMART targets) to preserve biodiversity and natural capital.

Aware that reducing its indirect impact is an important lever for helping to preserve natural capital, Natixis includes biodiversity in its client dialog whenever the subject is material. This approach is part of a more global action to support clients in their environmental transition.

Natixis supports its clients in their efforts to preserve biodiversity by promoting its integration into sustainable finance products. Initial efforts are focused on integrating indicators linked to biodiversity pressure factors into the Sustainability-linked loans and Sustainability-linked bonds structured by the Group. Notably, in September the Green Sustainable Hub (GSH) launched an investor survey entitled "Investing in biodiversity: challenges and opportunities", underlining their commitment to exploring this crucial facet of sustainable investment.

KEY EVENT

Natixis financed a Sustainability-Linked Loan for Touton, specialized in the marketing and processing of agricultural commodities (cocoa, coffee and spices). Sustainability objectives have been integrated to support the implementation of a responsible supply chain.

(1) Report of the global assessment of biodiversity and ecosystem services published in 2019 (https://files.ipbes.net/ipbes-web-prod-public-files/2020-02/ipbes_global_assessment_report_summary_for_policymakers_fr.pdf).

(2) Nature Risk Rising: Why the Crisis Engulfing Nature Matters for Business and the Economy, World Economic Forum, 2020 (https://www3.weforum.org/docs/WEF_New_Nature_Economy_Report_2020.pdf).

(3) The Group has adopted a broad approach to "biodiversity", which includes both living and non-living elements of the physical world, such as water, soil, minerals and air

Within Asset Management

The conservation and preservation of biodiversity is a key aspect of sustainable finance. At Natixis IM, several affiliates recognize the innovative economic ecosystem and emerging models for responding to environmental challenges, viewing them as investment opportunities.

For example, Natixis IM offers dedicated nature products and thematic funds through its various affiliates. These include Mirova's The Land Degradation Neutrality and Athelia Sustainable Ocean Funds, Thematics AM's Water Fund, Ossiam's Food for Biodiversity Fund and Seventure Partners' Blue Forward Fund.

In addition, Ostrum AM has set up a specific biodiversity strategy as part of its overall long-term program to support nature and reverse the deterioration of our ecosystems. This is achieved through several initiatives:

- financing a project in the Congo Basin, the world's second largest tropical forest, home to 60% of Africa's biodiversity and playing an active role in preserving the region's ecosystem;
- financing a project to renaturalize a river in North Rhine-Westphalia by converting the river and its tributaries into near-natural hydrographic systems. The project was designed to create a sustainable, ecological landscape in an area previously characterized by mining and heavy industry. The project includes the restoration of natural habitats with the aim of re-establishing biodiversity (278 different species identified).

In addition, Ossiam is participating in Nature Action 100, a global investor engagement initiative launched in September 2023 to drive the corporate actions needed to reverse nature's decline and is thus engaging directly with companies.

In addition, Dorval AM is in partnership with the Epic Foundation, where 10% of the management fees of the Dorval European Climate Initiative fund are redistributed to the Epic Foundation. In 2023, Dorval chose the Blue Ventures association to receive their donation. Blue Ventures is an NGO working to preserve blue carbon, the natural carbon sink, and mangroves in particular.

KEY EVENT

Mirova announced the final deployment of the Land Degradation Neutrality (LDN) fund and the launch of Mirova Sustainable Land Fund 2 (MSLF2), its second strategy dedicated to sustainable land management, which aims to raise €350 million from public bodies and institutional investors. The new fund will support agroforestry, sustainable forestry and regenerative agriculture projects in developing countries, while preserving and restoring nature and the climate.

7.3.5 Contributing to responsible growth through our business lines

Social impact finance and just transition

At Natixis CIB

So-called sustainable bonds raise funds that may only be used to finance or refinance a series of green or social projects (only social projects for so-called social bonds).

The projects financed by social bonds and sustainable bonds include vital infrastructures 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 2023 represents an amount of US$194.5 billion[(1)].

The market is stable compared to 2022 and remains modest in size compared to the sustainable bond market, representing only around 18%.

This decrease in the social bonds compartment (around -31% compared to 2021) is mainly due to the decrease in financing requirements post-COVID-19.

In 2023, Natixis took part in the arrangement for the issue of 13 "social bonds" transactions with a total size of €12.85 billion. The portion arranged by Natixis CIB amounted to €3.53 billion, thanks to the joint work of the DCM (Debt Capital Market) and the "Green Hub" origination teams in 2023. The following projects were financed:

IBK – UoP social bond

In September 2023, the Industrial Bank of Korea issued a five-year, $600 million social bond to promote gender equality. Natixis acted as active bookrunner and lead manager. This collaboration represents Natixis' first social bond transaction in Korea and marks our first partnership with IBK.

Groupe BPCE Social Bond

Groupe BPCE successfully issued a new €500 million social bond dedicated to sports and health on June 29, 2023. The funds raised will support BPCE's loans to finance (or refinance) activities eligible for the sports economy and public healthcare. The aim of this social bond is to promote health and well-being by supporting sporting activities and the French public hospital service. Natixis participated in the transaction as Joint Bookrunner and Sustainability Coordinator.

JC Leasing

In March 2023, Natixis participated in a syndicated ESG loan issued by JC International Finance & Leasing CO. Ltd as sole ESG coordinator. This social loan will be used to support micro-enterprises in the field of inclusive finance, helping to create employment opportunities and provide equal employment opportunities for women-led businesses.

(1) Source: Bloomberg, Dealogic, Bond Radar.

At Natixis IM

The Ostrum Climate And Social Impact Bond fund invests exclusively in international sustainable bonds, with the aim of integrating just transition into both the issuers and the instruments in which it is invested. Its three main focuses are: reducing the carbon footprint (by financing renewable energies, green buildings, etc.), promoting social impact (by facilitating access to basic infrastructure, healthcare, etc.) and preserving ecosystems and local economies. The investment process is based on a proprietary methodology that evaluates securities and issuers, with a new indicator called the "Just Transition Indicator" focusing on good social practices and regional development.

Dedicated investment funds also target positive social impact.

Mirova's Insertion Emplois Dynamique fund, launched in 1994, was one of the first "90/10" solidarity funds dedicated to job creation in France. The solidarity allocation (10% of assets) finances structures with a positive social impact throughout France in conjunction with France Active, while the equity allocation (90% of assets) has been investing since 2014 in listed companies planning to create jobs in France over three years, based on an analysis carried out by Mirova. This fund received 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 June 2023, the fund represented €1.1 billion in assets under management.

Mirova is France's leader in solidarity investment. The aim is to finance players in the social and solidarity-based economy and, more broadly, entrepreneurs developing solutions with an environmental and social impact. At the end of December 2023, Mirova's solidarity investment represented €347 million in assets under management.

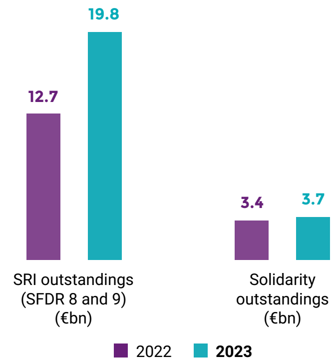
Solidarity investment offered by Natixis Interépargne (NIE)

In the Asset Management business line, dedicated funds also aim to have a positive social impact.

Natixis offers a range of SRI and solidarity-based employee savings schemes via Natixis Interépargne, a pioneer in responsible, solidarity-based employee savings. Natixis Interépargne was the first company to offer its clients responsible and solidarity employee share ownership plans (FCPE).

Natixis Interépargne is committed to a sustainable approach as a leading player in employee and pensions savings schemes in France, with over €15 billion in SRI assets and over €3.5 billion in solidarity funds. The SRI assets held by Natixis Interépargne represent 22.6% of this market in France, valued at €66.6 billion by the Association Française de la Gestion Financière (AFG) on June 30, 2023. In terms of assets invested in solidarity funds, Natixis Interépargne has a market share of 20.9%, for a market estimated at €16.9 billion by the AFG.

Natixis Interépargne has positioned itself as a leading player in responsible and solidarity savings, enabling it to offer the more than 3.3 million savers who place their trust in it the possibility of investing in SRI and Solidarity funds managed by Natixis Investment Managers International.



The amount of solidarity-based employee savings schemes outstandings has grown rapidly, more than doubling from €7.4 billion to more than €16.9 billion[(1)] between the end of 2017 and June 2023. Employee savings schemes remain the leading contributor to solidarity-based finance with 58.2% of solidarity-based loans[(2)] contributed via this method of savings. At Natixis Interépargne, the Impact SRI "Rendement Solidaire" fund has accumulated more than €1 billion in outstandings, a sign of the attractiveness of this type of fund.

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.

Natixis Interépargne is the only company in the employee and pensions savings scheme market to offer a wide range of sustainable funds[(3)], enabling it to retain more than 95% of employee and pensions savings deposits with a sustainable investment objective. As a sign of its commitment to responsible and solidarity investment, Natixis Interépargne launched two new SRI and solidarity funds this year: Ecofi Choix Responsable Climat and Impact ISR Mixte Solidaire.

At the same time, Natixis Interépargne upgraded its long-standing Avenir range, managed by Natixis Investment Managers International, which has been in existence for almost 30 years and whose allocation is mainly built around the best funds from Natixis Investment Managers' affiliated management companies. The selection criteria for the FCPE Avenir[(4)] range have been tightened. Since November 6, 2023, the funds in this range have been classified as Article 8 under SFDR[(5)] Regulations. The Avenir Retraite range, created by Natixis Interépargne in 2006, also managed by Natixis Investment Managers International and reserved for retirement savings plans, also comes under the same SFDR classification.

The integration of two new solidarity funds and the upgrading of two historical ranges to SFDR Article 8 classification has enabled Natixis Interépargne to further strengthen its position in solidarity and socially responsible investment.

Source: Natixis Investment Managers International as of June 30, 2023.

(1) Source: AFG figures.

(2) Source: Barometer of solidarity-based finance FAIR – La Croix – 2023-2024 edition.

(3) Article 9 according to European Regulation (EU) 2019/2088 of November 27, 2019 known as the Sustainable Finance Disclosure Regulation (SFDR) on the publication of sustainability information in the Financial Services sector.

(4) FCPE Avenir subfunds (Avenir Monétaire, Avenir Rendement, Avenir Mixte Solidaire, Avenir Équilibre, Avenir Dynamique, Avenir Actions Monde subfunds), FCPE Avenir Obligataire, FCPE Avenir Patrimonial, FCPE Avenir Actions Europe and FCPE Avenir Actions Long Terme.

(5) European Regulation (EU) 2019/2088 of November 27, 2019 known as the Sustainable Finance Disclosure Regulation (SFDR) on the publication of sustainability information in the Financial Services sector. So-called "Article 8" funds are funds that promote environmental or social and governance (ESG) criteria, but do not aim for sustainable investment. They may invest partially in assets with a sustainable objective, for example as defined by the European Union classification.

7.4 Acting as a responsible company

7.4.1 Human resources management

With over 14,000 employees worldwide, a presence in close to 40 countries, and half of its headcount abroad, Natixis is pursuing its ambition to be an employer of reference, inclusive and responsible, everywhere in the world.

Against a backdrop of multi-factorial crises and major technological, environmental and societal transformations, Natixis is maintaining its strategy to attract, retain and develop talent, support its business lines in their quest for excellence in serving clients and sustain its international growth ambitions.

To meet these challenges, Natixis is acting on three major HR levers:

- **develop the attractiveness of its business lines** by highlighting its uniqueness and the four pillars of its value proposition as an employer (Excellence, global and multicultural playing field, human factor and sustainable impact);
- **offer career and development opportunities** to all employees. Indeed, acquiring new skills and gaining new experience remains one of the primary expectations of employees and candidates, and it is also part of a company's social and economic responsibility to invest in the long-term employability of its employees;
- **strengthen the commitment and pride of belonging** of talented employees, whose expectations continue to evolve dramatically in terms of flexibility, well-being and health, work-life balance and inclusion.

7.4.1.1 Changes in headcount

Natixis Worldwide scope

Natixis Worldwide covers the entire scope of consolidation of Natixis and its subsidiaries (companies at least 50% owned directly or indirectly) worldwide, including Financial investments (Natixis Algérie). (See Chapter 7.6 "Reporting frameworks and methodology").

The Natixis headcount changed following the disposal of Insurance and Payments activities on March 22, 2022 and the transfer of some support functions to BPCE S.A. on March 1, 2022. The "GFS Head Office & others" headcount line thus includes, in 2021, the support function headcount of Corporate Investment banking, Natixis Porto and the populations transferred to BPCE S.A. The divestments and reorganizations by divisions influenced all the 2022 indicators presented in this document and the year 2021 was not subjected to a review.

Change in headcount by division

	Natixis Worldwide		
(in number of contracts)	**2023**	**2022**	**2021 [(a)]**
Corporate & Investment Banking	6,775	6,520	3,525
Asset & Wealth Management	5,502	5,496	5,244
Insurance			2,193
Payments			1,256
GFS Head Office & others	171	158	5,024
Natixis Porto	1,731	1,416	
Total, excluding Financial investments	**14,179**	**13,590**	**17,242**
Financial investments [(b)]	860	827	801
TOTAL NATIXIS WORLDWIDE	**15,039**	**14,417**	**18,043**

(a) In 2021, the figures presented include headcount transferred to BPCE in 2022 (please refer to the methodological note for further details).

(b) Natixis Algérie.

The 15,039 contracts in the Natixis Worldwide scope correspond to 14,653.2 FTE(*) (financial management figures).

The breakdown by division of these 14,653.2 FTEs is as follows: Corporate & Investment Banking: 6,571.6; Asset & Wealth Management: 5,376.5; Head Office and others: 128.1; Natixis Porto: 1,732; Financial investments (Natixis Algérie): 845.

** Compared with the number of employees on contract, the FTE headcount takes into account activity rates and the consolidation rates of subsidiaries, and excludes employees on long-term absences: sickness/workplace accident lasting more than 90 calendar days, leave of several months (maternity, sabbatical, etc.), balance of CET in the case of retirement or early retirement.*

Change in headcount by geographic area

(in %) **(Excluding financial investments)**	**2023**	**2022**	**2021**
France [(a)]	50.5%	51.5%	57.2%
EMEA	20.4%	19.0%	15.8%
Americas	21.4%	22.0%	20.4%
APAC	7.7%	7.4%	6.5%

(a) Including French Overseas Departments and Territories.

Managed scope

Managed scope refers to all Natixis and its subsidiaries (companies held at least 50% directly or indirectly) worldwide for which nominative data are available in the HR Information Systems. This headcount forms the basis of the HR indicators for CSR. This managed scope represents 81% of Natixis Worldwide headcount (excluding Financial Investments).

The Natixis headcount changed following the disposal of Insurance and Payments activities on March 22, 2022 and the transfer of some support functions to BPCE S.A. on March 1, 2022. The headcount line "Head Office GFS & others" thus includes in 2021 the support functions headcount of Corporate Investment Banking, Natixis Porto, and the population transferred to BPCE S.A. The divestments and reorganizations by divisions influenced all the indicators presented in this document in 2022 and 2021 was not subjected to a review.

Change in headcount by division

	Management scope					
	2023		2022		2021	
(in number of contracts)	France	International	France	International	France [a]	International
Corporate & Investment Banking	4,064	2,222	3,992	2,093	1,222	1,935
Asset & Wealth Management	2,381	939	2,448	648	2,401	633
Insurance					2,129	64
Payments					747	
GFS Head Office & others	171		158		3,957	1,067
Natixis Porto		1,731		1,416		
	6,616	**4,891**	**6,598**	**4,157**	**10,456**	**3,699**
	11,508		**10,755**		**14,155**	

(a) In 2021, the figures presented include headcount transferred to BPCE in 2022 (please refer to the methodological note for further details).

Change in headcount by geographic area

(in %)	2023	2022	2021
France [a]	57.5%	61.3%	67.6%
EMEA	23.3%	22.6%	18.2%
Americas	10.6%	7.7%	7.1%
APAC	8.6%	8.4%	7.1%

(a) Including French Overseas Departments and Territories.

Headcount breakdown (permanent & fixed-term contracts)

	France			EMEA			Americas			Asia-Pacific			Total Worldwide		
(in number of contracts)	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021
Headcount under contract	6,616	6,598	7,580	2,682	2,429	2,040	1,222	823	798	987	905	797	11,507	10,755	11,215
o/w permanent employment contracts *(as a %)*	99	98	97	99	99	98	100	100	100	99	98	97	99	98	98
Men *(as a %)*	54	54	54	61	62	63	65	66	66	57	55	55	57	57	44
Women *(as a %)*	46	46	46	39	38	37	35	35	34	43	45	46	43	43	57

Hires/departures (a)

	France			EMEA			Americas			Asia-Pacific			Total World&wide		
	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021
Total new hires	725	893	1,305	705	821	687	122	153	118	211	298	189	1,763	2,165	2,299
% Permanent employment contract	79.0	77.4	63.5	96.2	95.7	91.3	100	100	100	96.2	96.6	88.9	89.5	88.4	75.8
Total departures *(permanent and fixed-term employment contracts, transfers to BPCE *)*	731	1,848	1,395	437	452	378	107	136	127	130	185	156	1,405	2,621	2,056
o/w resignations	182	242	209	306	367	265	71	102	106	83	107	130	642	818	710
o/w layoffs	80	91	121	57	21	58	7	15	14	24	37	13	168	164	206

(a) Including transfers of activities outside the managed scope, excluding internal reorganizations and mobility.

** The conversion of fixed-term employment contracts to permanent employment contracts are included under both new hires (permanent employment contracts) and departures (fixed-term employment contracts).*

Transfers to BPCE of part of the support functions held by BPCE S.A. on March 1, 2022 represent nearly 900 employees.

Part-time

	France			EMEA			Americas			Asia-Pacific			Total Worldwide		
	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021
Part-time workers as a % of headcount [(a)]	7.4	7.5	9.0	1.6	2.4	2.9	0.2	0.2	0.4	0.1	0.1	0.1	4.7	5.2	7.1
o/w women *(in %)*	86.8	88.3	87.5	77.3	79.3	83.9	100	100	100	100	100	100	86.1	87.4	87.4

(a) Excluding pre-retirees.

7.4.1.2 Attracting talent and positioning itself as an employer of reference

In line with its ambition to be a leader in sustainable finance and to provide the best financial solutions to its clients, Natixis must be able to attract the best talent and meet their expectations in a competitive environment. This means offering an ever more positive experience to candidates, challenging its recruitment practices and developing its visibility among specific populations.

Making a commitment through a strong Employee Value Proposition

Natixis is continuing to roll out its new employer brand strategy based on a value proposition centered on the transformative power of finance, its role in financing a high-performance, sustainable economy, and on the values of excellence, collective intelligence and sustainable impact in which everyone can play a part: "#transformativefinance, join us to make a difference".

Various media have been created to promote this employer promise, such as the new career site, presentation brochures, new stands for school forums… Natixis has also encouraged its employees to become ambassadors through its I-COOPT co-optation recruitment platform. Available to all Natixis employees in France, a bonus of between €1,000 and €2,000 is awarded to the co-optor when the proposed candidate is recruited. This solution generated nearly 700 applications in 2023.

To reinforce this employer promise, Natixis capitalizes on the various labels it has been awarded:

- **Top Employer France** for the seventh year running. This label certifies the excellence of the Company's HR and management policies and its commitment to its employees;
- **Happy Trainees,** awarded by ChooseMyCompany, with a recommendation rate of 92%, based on the opinions of students who have completed an internship or work-study program at Natixis.

Dedicated initiatives to recruit young talent

Natixis is very active with students, having recruited nearly 440 work-study students, 647 interns and 50 international volunteer students as of December 31, 2023, in its various business lines, and for many years has been developing special relationships with partner schools. In 2023, Natixis employee ambassadors took part in over 70 recruitment forums and events, both virtual and face-to-face, to promote the diversity of our business lines and the many opportunities available. Natixis has also set up a pool of some 50 in-house experts to carry out dedicated initiatives (business presentations at plenary sessions, presentations by experts to students, afterworks, etc.) directly with the target schools and universities.

Natixis is also involved in more specific initiatives, such as the financing of a Chair with the École Polytechnique and HEC "Analytics for future Banking", which enables students to confront real-life data use cases and exchange ideas with experts from its business lines.

This close relationship with students enables Natixis to offer programs that are tailored to their needs and provide them with a rewarding experience:

- **Natixis Corporate & Investment Banking Graduate Program:** the program enables young recruits to discover the corporate and investment bank's flagship activities by working successively in several business lines, teams and countries over a period of four to five years. This program offers a personalized training course ("Banking School"), including skills and expertise development and support from a mentor;
- **Natixis Investment Managers Graduate Challenge:** the fourth round took place in 2023 with students from French and international schools. Mentored by Natixis Investment Managers employees and its affiliated asset management companies, 12 teams of students virtually managed, under real conditions, an ESG multi-asset investment portfolio simulated over a period of three months. The winning team was composed of London Business School students from Taiwan and Singapore;
- **"Bring a friend":** to accompany the launch of its new work-study campaign, Natixis gave IT students the opportunity to spend a day on the Company's premises with other students from their networks. Around 20 young people were able to discover the tech business lines and exchange views with managers.

7.4.1.3 Developing the employability of employees and supporting the acquisition of new skills

Supporting transformation and designing the best solutions for its clients requires being able to maintain its teams at the highest level of expertise and allocate the right skills at the right time and in the right place. At Natixis, everyone must be able to strengthen their know-how, broaden their scope of action and develop new skills, particularly in forward-looking business lines such as Tech and CSR. That's why Natixis is investing to anticipate needs in terms of skills and to train its employees in the professions of the future.

Innovating to facilitate internal mobility

To support its employees' professional development through internal mobility, Natixis has invested in the development of the Jimmy platform. Based on artificial intelligence, it enables all employees to self-assess their skills, so that they can obtain job offers or training courses tailored to their profile. For HR teams and internal recruiters, Jimmy is a powerful match-making tool, making it possible to bring together open positions and internal skills pool more effectively.

To ensure that employees are aware of the wide range of internal career opportunities available, a number of support programs are put in place throughout the year, including "speed job meetings" to promote available positions directly with recruiting managers, mapping of jobs of the future, and workshops to help employees prepare their CVs and prepare for interviews. Over 2,000 employees have taken part in these events since they were introduced in 2021.

"*Career Days*" events were also organized in France and abroad, with the aim of raising awareness of the Company's jobs. Several meetings were organized to give employees the opportunity to present their jobs and promote them beyond their own departments or divisions. Workshops were also organized with recruitment teams to give greater visibility to internal mobility processes.

	France			EMEA			Americas			Asia-Pacific			Total Worldwide		
	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021
Number of internal mobilities [(a)]	534	754	1,053	144	179	75	54	66	54	17	12	34	749	1,011	1,216
Rate of job openings filled [(b)] through internal mobilities *(in %)*	48.2	52.4	56.0	17.6	18.5	10.7	31.4	30.4	31.4	7.8	4.0	16.9	32.3	34.6	41.1
Internal mobility rate *(in %)* [(c)]	7.5	11.3	11.4	6.2	8.3	4.9	4.9	6.1	7.0	1.8	1.8	5.7	6.4	9.4	9.8
Mobility rates between geographic areas *(in %)*	24.2	13.2	11.0	26.4	15.2	58.6	53.6	46.8	36.4	78.6	96.3	55.8	28.9	18.0	18.1

(a) Mobilities in the incoming geographic area.
(b) Incoming mobilities in the geographic area with regard to all recruitment and inward mobilities in the geographic area.
(c) Employee mobility rate for the geographic area.

Developing talents

To meet the expectations of employees in terms of professional development, Natixis endeavors to design and offer rewarding career paths. To achieve this, Natixis relies on a comprehensive talent management program, which enables it to identify its talents and potential and empower them to play an active role in their own development. As a real performance lever, it also ensures succession for key Company positions and the steering of its commitments achievements, particularly in terms of diversity and inclusion.

Employees benefit from the support of the HR teams and their managers in managing their careers. They have at least two opportunities to discuss their professional development with their manager during the year:

- *career conversation* to discuss their career development wishes and training needs. In 2023, 78% of Natixis employees worldwide were able to discuss these topics with their managers (87.9% in France);
- *annual performance review* to take stock of their annual performance and set their objectives for the following year. Managers are encouraged to collect cross-feedback to feed their vision of their employees' individual performance.

Through Talent Reviews and Career Committees, managers and HR teams also anticipate succession, prepare future career steps and contribute to each employee's individual development plan.

Supporting the development of leaders

Supporting the development of potential and leaders is vital to Natixis' long-term success in a constantly changing environment.

This is why Natixis deploys several development programs each year: the Natixis Leadership Program, which brings together high-potential individuals from all over the world, and the Development Journey Program. The aim is to promote and develop the talents of the Company and encourage them to take on greater responsibilities.

Natixis has an in-house university dedicated to the development of leadership and management practices, the Purple Academy, which offers programs to support leaders in their role as catalysts of transformation and encourage the sharing of a common leadership model. Dedicated training programs, inspirational conferences, workshops and collective or individual coaching sessions are offered to help them develop their own practices, as well as the performance and commitment of their employees.

Organization of a week dedicated to management, "*Management Week*"

The Purple Academy organized a week of events dedicated to management, with conferences and practical workshops to support its managers in France and abroad on key themes: individual performance, collective efficiency, innovation and commitment. A total of 1,660 managers attended the conferences and 500 took part in the workshops.

The aim of this event is to reaffirm their role in supporting transformations through empowering leadership that is both caring and demanding, while also supporting them in their own need for regeneration.

Promoting continuous learning

Today, it's no longer a profession that determines a career path, but the choices each individual makes along the way.

To keep pace with these changes, and to enable our employees to develop and remain at the highest level of expertise, Natixis implements an active training policy that encourages continuous learning. In 2023, 93.5% of employees in France completed at least one training course, i.e. around 17 hours of training per person per year.

The overall approach to training, built in line with the ambitions of the 2024 strategic plan, is based on four key objectives:

- ensure the development of the skills needed to support the transformation of our business lines and the employability of our employees;
- develop empowering leadership;
- enhance English language skills to further the Company's international growth;
- facilitate internal mobilities and support individual career plans.

Numerous resources are available to help employees acquire the new skills of their choice, such as *LinkedIn Learning*, which offers over 16,000 online courses.

2023 Training in France	Ratio
Number of employees trained	6,862
Number of training hours	112,688
% Hour of E-learning training	27.2%
Percentage of employees trained [(a)]	93.5%
Average number of training hours per employees trained	16.4
Number of employees having taken one or more training courses leading to a qualification	266

(a) Number of employees trained/headcount present or leavers during the period in question. The number of employees present for the period 2023 is 7,339. Consolided figures as at 01/24/2024 representing at least 90% of hours training received during the year.

Breakdown of training hours by area	Ratio
Office and IT	4.5%
Languages	7.2%
General training	19.7%
Personal and professional efficiency, Human Resources	*13.0%*
Management	*6.7%*
Risks and regulations	33.4%
Business line	18.2%
Training leading to a diploma/certificate	4.3%
Other training	12.8%
TOTAL	**100%**

Helping employees acquire strategic skills

Specific training courses have been launched on themes central to the Company's strategic challenges, such as Tech and Data, CSR and soft skills.

In 2023, approximately 150 employees were enrolled in an French Financial Markets Authority certification program that includes the theme of "sustainable finance":

- **AMF Sustainable Finance certification**, which ensures that employees in certain key positions have a minimum level of knowledge in areas relating to the regulatory and ethical environment, and to financial techniques;
- **AMF Regulatory certification**, which enables professionals to conduct their business in compliance with established standards and offer a high level of service to investors. This certification now includes a Sustainable Finance component.

60 employees have obtained the CFA ESG. This internationally recognized certificate, awarded by the CFA Institute, provides technical knowledge and practical experience in the fast-growing field of ESG investment.

To keep pace with the transformation of skills, Natixis has also embarked on a proactive training program for the professions of the future.

With the Step Up Academy, employees have the opportunity to move into a profession that is different from their own and to benefit from a tailor-made training course. Each training course is designed in conjunction with the manager, and begins when the new employee takes up his or her post. Training is provided on a work-study basis. Through the implementation of 70 different types of courses, over 500 employees were trained in the fields of the future: Tech, Data, project management, ESG and process management.

Finally, Natixis has designed innovative, collaborative spaces for its employees called "Learning Villages", designed to enable and encourage a variety of training experiences. They offer recording studios for filming and creating digital training courses, auditoriums, a virtual reality lab, as well as modular spaces to facilitate workshops. Following the success of the first two Learning Villages, a third space was opened in 2023.

7.4.1.4 Engaging employees in a changing world

Taking the pulse of employees on a regular basis and measuring their commitment

Natixis regularly measures the commitment of its employees through surveys conducted globally, in France and internationally, or more locally according to the needs of its business lines.

In 2023, Natixis launched a survey for all its employees with the aim of measuring their alignment and level of satisfaction on a range of issues: strategy and management decisions, pride in working for Natixis and confidence in their future, training and managerial support, motivation in their jobs, recognition and hybrid working.

The participation rate was 71%, and the engagement rate, measured by an 11 questions indicator, was 75%.

The survey revealed several points of satisfaction on the part of employees, including:

- adherence to the corporate culture (80%);
- job satisfaction (81%);
- managerial practices (communication 81%, feedback 77%, skills development 76%);
- training (77%).

Detailed analysis of the survey results enabled us to involve all the business line departments and deploy specific action plans.

Providing a fulfilling work environment

In a changing world, with new employee expectations (flexibility, autonomy, mobility), Natixis encourages work-life balance through the development of remote working, tools that promote collaborative working and modern, functional workspaces. Everything is designed to promote quality of life at work, encourage collaboration and make it a positive lever for attraction and retention.

In France, employees can work remotely for up to 10 days a month, and a number of benefits have been negotiated: compensation for remote working expenses, luncheon vouchers for each day worked remotely, and full or partial payment for equipment.

Natixis also offers a number of services to employees at their work sites:

- access to a concierge service providing services to facilitate the tasks of daily life;
- access to wellness areas in buildings, offering events and conferences on a variety of wellness topics;
- access to several in-building gyms.

Similar or equivalent facilities and services may also be offered at Natixis locations around the world.

	France		
	2023	2022	2021
Employees on permanent employment contract working remotely at Natixis France *(in %) – Rounded figures*	93	90	87

Putting employee health and well-being at the heart of concerns

As an extension of its actions to guarantee employability and an optimal quality of life at work for all its employees, Natixis has been involved from the outset in developing commitments that take into account the health of its employees.

As part of its policy in favor of health in the workplace, Natixis promotes awareness-raising and prevention initiatives for the physical and mental health of its employees, based on a variety of measures.

In 2023, Natixis organized a number of conferences and workshops, in conjunction with its prevention and occupational health departments, on topics such as female cancers (Pink October), male cancers (Movember) and visual fatigue.

If employees need more individualized support, they can benefit from:

- a remote medical teleconsultation service, available in France and abroad, 24/7;
- a free, anonymous psychological helpline;
- an in-house social assistance service, offering help and advice to employees facing illness or disability for themselves or a relative;
- information and practical guides on the theme of health in the workplace, or on schemes available to family carers (e.g. caregiver leave, day donations, etc.).

Capitalizing on the Paris 2024 partnership to engage employees

Groupe BPCE's premium partnership of the Paris 2024 Olympic and Paralympic Games is a unique opportunity to reinforce Natixis' efforts to combat sedentary lifestyles, promote physical activity and sports for all and thus contribute to the well-being of its companies' employees. It is also a strong lever for internal commitment and attractiveness, notably through the development of pride in belonging and the promotion of inclusion.

As such, Natixis enables its employees to take part in a wide range of actions around the Paris 2024 Games: meetings with athletes and para-athletes supported by Groupe BPCE companies, the Olympic torch relay route, marathon for all, Paris 2024 volunteer programs, a lottery to win tickets, as well as the promotion of physical activity and sport through the Sport, Health and Commitment program.

7.4.1.5 Building a respectful and inclusive work environment

True to its values of collective intelligence, Natixis has set itself the goal of developing an ever more respectful and inclusive working environment, which capitalizes on the diversity of its employees and enables everyone to be heard, valued and have an impact. This ambition is supported by global initiatives (training for the inclusion of all leaders, feminization and internationalization of leadership circles, support for employee networks) and local initiatives (disability awareness in France, support for access to higher education for young people from modest social backgrounds in the United States, etc.), and is managed by a dedicated governance structure.

Targets were set as part of the latest 2024 strategic plan:

- have at least 35% of women in leadership circles;
- train 100% of leaders in inclusive leadership by the end of 2024 (75% by the end of 2023).

In 2023, Natixis ranked 46th out of 850 in the Financial Times' rating of leading European companies in diversity and inclusion. This new position represents a significant improvement on 2022, when Natixis was ranked 733rd out of 850.

https://www.ft.com/content/cea8b0f2-fac0-4b80-8aa0-8488e232040e

Specific surveys on diversity and inclusion are regularly carried out in the various countries and business lines to measure the effectiveness of actions and employee perceptions. In the latest internal poll, 71% of respondents stated that their company offers equal/similar opportunities to all its employees, regardless of gender, origin, age, disability, etc.

"Let's be the change" awareness campaign

For the second year running, a global action to make all employees aware of biases and stereotypes has been deployed at Natixis to raise awareness of their impact on decision-making and relationships at work.

By understanding how these unconscious prejudices can influence their judgments, employees, managers and HR teams at Natixis, in France and abroad, are better equipped to make objective decisions.

Promoting gender equality in the workplace

For several years now, Natixis has been implementing a policy of gender diversity and professional equality, focusing on three main areas:

- the representation of women in less mixed business lines;
- access to positions of responsibility;
- equal pay.

In France, gender equality in the workplace also means preventing sexist behavior and sexual harassment. In particular, Natixis has included the principle of non-discrimination on the grounds of sex or gender in its Code of Conduct, and has set up a network of prevention officers dedicated to sexism and sexual harassment, whose contact details are accessible to all on a specific Intranet page.

A number of specific actions are designed to contribute to respect for professional equality:

- to help high-potential women develop their careers and raise their profile, Natixis offers a dedicated 12-month "Women Sponsorship Program". In 2023, 15 female employees were mentored by Natixis managers to help them assert their ambitions and move into strategic positions;
- in addition to the fact that Natixis ensures that its talent development programs are gender-balanced, specific support programs for women have also been implemented in the United States and the United Kingdom as part of pilot operations that will be rolled out more widely;
- in 2023, Natixis launched a new edition of "Women in Finance", an event that enables more than 80 female Master 2 students to exchange ideas with female employees working in jobs considered masculine, in France and abroad, in order to obtain advice for their careers and discover finance jobs in which women are successful;
- Natixis top management supports the WINN network ("Women in Natixis Network"), an association open to women and men, whose aim is to promote gender diversity in Natixis management in France and abroad. Conferences, mentoring and networking events are regularly organized for employees.

Fourth gender equality agreement signed for Natixis Corporate & Investment Banking in France

In addition to setting a recruitment target of 25% for women on permanent employment contracts in four strategic business lines, Natixis is also working to promote parenthood, a powerful lever for gender equality in the workplace:

- a coaching service for employees and their managers to prepare for departure, organize the absence and anticipate the return from maternity leave;
- post-leave support for all new parents, regardless of the type of leave, via webinars led by parenting specialists and parent exchange groups;
- paternity and childcare leave to be extended to all forms of parenthood, with 100% of pay maintained.

Representation of women (permanent & fixed-term employment contracts)

	France			EMEA			Americas			Asia-Pacific			Total Worldwide		
(in number of contracts)	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021
% of women in the headcount	46.2	46.2	50.9	38.7	38.3	36.9	35.1	34.5	34.3	43.0	45.1	45.5	43.0	43.4	47.6
% of women in the leadership circle (Senior Leaders)													33.3	37.0	
% of women in the leadership circle (Ambassador Leaders)													31.1	31.0	
% of women in SMC (Senior Management Committee)													56.0	67.0	33.3

The indicators related to the Leadership circles are only monitored on a worldwide basis.

	France		
	2023	2022	2021
Percentage of women among management level staff	44.1	43.7	45.1
Percentage of women among employees receiving promotions	58.4	50.9	54.3
Percentage of women among employees granted individual pay increases	52	52.7	57.2
Percentage of women among employees who received training	45.9	45.5	50.6

Preventing discrimination based on sexual orientation and gender identity

Committed since 2021 to the inclusion of LGBT+ people with the signing of l’Autre Cercle (the French leading non-profit organization for LGBTQIA+ inclusion in the workplace) Charter in France and the support of the LGBT+ All Equals network, Natixis is committed to ensuring equal rights and treatment for LGBT+ employees and to fighting against any form of discrimination contrary to its values.

This commitment was reflected in 2023 by the distribution of a guide to raising awareness of the inclusion of LGBT+ people distributed to all employees during Pride Month.

Nominated for l’Autre Cercle’s “Role Models”

Natixis takes part in the nomination of the LGBT+ Role Models and Allies of l’Autre Cercle. The aim of the role models is to contribute, through their commitment, to the inclusion of LGBT+ people in the world of work by taking responsibility for setting an example, inspiring and creating a space for dialog.

In 2023, two executives stood out in the “Role Models LGBT+ Leaders” and “Role Models Allied Leaders” categories.

Committed to the over-50s

At Natixis, talent knows no age, which is why the Company is committed to promoting the role of people over 50 and combating age-related stereotypes. The aim is for everyone to be able to develop and flourish, whatever their age or experience.

In June 2023, alongside 46 other companies, Natixis signed the charter of commitment in favor of employment for the over-50s, created at the initiative of the Landoy Club, a think-tank dedicated to demographic transition.

Through the signature of this charter, Natixis is concretizing its action around four objectives:

- support employees in the second half of their careers;
- promote the expertise of older employees and ensure skills transfer;
- raise awareness and combat age-related stereotypes;
- develop intergenerational cohesion.

Creation of the “GenConnect” intergenerational exchange network

In 2023, the GenConnect intergenerational exchange network was created on the initiative of 20 employees, founding members. By connecting the different generations within the company, “GenConnect” aims to enable everyone, whatever their age, to flourish and develop internally. In particular, this involves setting up Junior/Senior pairs to encourage mutual contribution between generations, and to stimulate innovation and team cohesion. GenConnect has 80 members, is open to all and is supported by Natixis management.

Committed to the integration and job retention of people with disabilities

Natixis has been committed for over 10 years to the employment of people with disabilities. Job retention programs, recruitment objectives and actions, awareness-raising programs and dedicated training courses are all offered by the "*Mission Handicap*" in France, which relies on a network of 11 disability officers. At the end of 2022, Natixis in France achieved a direct employment rate of 4.52% for people with disabilities.

Natixis has signed its fifth disability agreement, covering the period 2023-2025 for France. With this agreement, Natixis reaffirms its commitment to the professional integration and continued employment of people with disabilities. Natixis is also strengthening its commitment to reconciling health and disability in the workplace, by now allowing people suffering from a chronic and/or disabling disease (diabetes, multiple sclerosis, cancer, etc.) to benefit from the agreement’s support measures, such as the reorganization of work, or paid leave to attend medical appointments. What’s more, Natixis is committed to systematically training new managers to help them better apprehend situations of disability in the workplace.

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To promote the recruitment of people with disabilities, Natixis is taking a number of differentiating actions:

- Natixis is a signatory of the Agefiph charter "I act for the inclusion of people with disabilities in digital professions", enabling us in particular to highlight the success of the Tremplin Program launched in 2022 with Simplon and the DSI Adapted Company, which has enabled 10 people with disabilities to be trained in Development professions;
- Natixis also took part in six specialized job forums, including Hello Handicap, the ESSEC Open Forum, the Hand'INP Forum, the Rencontres de l'Emploi Accessible de Dauphine, and Paris pour l'Emploi.

Rollout of two flagship actions to promote the inclusion of people with disabilities and raise employee awareness

During the European Week for the Employment of People with Disabilities 2023, Natixis co-hosted a morning show on Vivre FM, featuring interviews with Paralympic athletes, partners and Natixis employees on a variety of subjects, including cancer and work, endometriosis, Autism Spectrum Disorders (ASD) and hearing impairment.

For the second year running, Natixis also took part in "Duo Day", a worldwide initiative designed to promote the inclusion of people with disabilities in the job market, by giving them the opportunity to discover, through mentoring, the day-to-day and behind-the-scenes aspects of corporate jobs.

7.4.1.6 Adapting our compensation policy to the challenges ahead

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 V and MiFID II.

It also meets transparency requirements vis-à-vis its external stakeholders, such as the French Prudential Supervisory Authority (ACPR), the European Central Bank (ECB) and the French Financial Markets Authority (AMF), as well as 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 schemes 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, the acquisition and payment of a significant portion of variable compensation granted to employees identified as risk-takers in the meaning of CRD may be deferred and subject to conditions (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 schemes 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. In this respect, Natixis ensures equal treatment in terms of compensation by allocating a specific annual budget of 0.2% of fixed salaries in order to eliminate identified and unjustified gaps in fixed compensation between women and men. Natixis has also strengthened its mechanism for steering, analyzing and reducing, where applicable, the overall compensation gap between women and men during the annual compensation review campaign.

Natixis also places great importance on the compensation of junior and senior 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.

CSR criteria are factored into Natixis' compensation policy through:

- the inclusion of Natixis' CSR strategy when determining the variable annual compensation of the Chief Executive Officer and the members of the Senior Management Committee;
- a profit-sharing agreement that takes CSR criteria into account when calculating the special profit-sharing reserve (proportion of sustainable and impact assets under management for all Natixis Investment Managers affiliates and amount of Natixis CIB's Green revenues);
- specific CSR objectives embedded in some collective incentive "intéressement" agreement of Natixis' subsidiaries;
- a systematic selection of SRI-labeled funds or embedding ESG criteria in our Company savings plans "Plan d'Épargne Salariale" and "Plan d'Épargne retraite collectif".

Management scope France	France 2023	2022	2021
Average gross annual compensation of employees on permanent employment contracts [(a)] (excluding profit-sharing, profit-sharing and contribution to the Company savings plan) *(in thousands of euros)*	117.3	125.8	88.5
Average profit-sharing bonus *(in thousands of euros)*	3.6	4	2
Average incentive bonus *(in thousands of euros)*	6.6	6.8 [(b)]	4.9
Average gross employer contribution paid in respect of the Company savings plan (PEE) and the collective pension plan (PERCO) *(in thousands of euros)*	3.4	3.3 [(b)]	3.3

Note: The overall contribution amount paid in 2023 totaled €24.2 million (€27.49 million in 2022 (excluding the Payments and Insurance divisions sold on 01/03/2022) and €36.64 million in 2021).

(a) Average gross annual compensation is calculated based on full-time permanent headcount.

(b) Excluding Payments and Insurance divisions sold on March 1, 2022.

Natixis scope as stipulated in the profit-sharing agreements	France 2023	2022	2021
Profit-sharing bonuses *(in millions of euros)*	31.8	46.8	23.6
Incentive bonuses *(in millions of euros)*	57.2	59.3	59

Note: The profit-sharing amounts (€121.2 million in 2023, €126 million in 2022) indicated in Chapter [5], Note [6.7] "Operating expenses and depreciation, amortization, and impairments" are calculated for the statutory scope.

7.4.1.7 Developing sustainable employer-employee communications

At a time when the Company and its business lines must support major transformation, Natixis is committed to developing quality employer-employee communications with its employee representatives on strategic and economic issues, as well as those relating to work organization, working conditions and health.

Fruitful, high-quality employer-employee communications are a key issue for our employees and to support the development of our Company.

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 talent and skills management, an agreement on Job and Career Management (GEPP) applicable to Groupe BPCE companies, and applicable within Natixis, defines measures to promote generational balance, a skills development policy, support for professional mobility, the application of mobility leave, and the positioning of GEPP as a dimension of employer-employee communications and consultation. In addition, an agreement on the career path of employee representatives was signed this year, providing for specific measures relating to the career paths of employee representatives and their career development.

In 2023, new agreements were signed, in line with this approach and relating in particular to the following topics:

- the framework for employer-employee communications and the applicable terms and conditions in terms of trade union rights;
- Group profit-sharing for fiscal year 2023;
- additional guarantees in relation to the "reimbursement of healthcare expenses".

In addition, several agreements were signed in 2023 within Natixis' French companies on subjects negotiated within each of the business lines and which take into account their specificities.

Furthermore, 2023 was a year marked by professional elections in most Natixis companies in France. This is a high point in terms of employer-employee communications, as it provides an opportunity:

- to elect the representatives of the delegation to the CSE;
- to determine the representative status of trade unions and thus identify the management contacts for negotiating and signing agreements.

7.4.2 Mobilizing employees for the environment and solidarity

Many Natixis employees are mobilizing around major CSR issues, such as the fight against climate change, the protection of biodiversity and the development of solidarity projects. Numerous awareness-raising and training initiatives are proposed to support this growing demand for commitment, to enable a better understanding of ecological issues and the Company's CSR strategy, to encourage support for projects and to have a greater impact.

7.4.2.1 CSR training and awareness-raising actions

For many years now, Natixis has been offering its employees a wide range of training courses in the various fields of CSR and sustainable finance, with the aim of enhancing the skills of both interested parties and those whose job it is. The Company has set up a dedicated CSR training page accessible to all Natixis staff, bringing together the Company's existing resources for understanding the concepts and challenges of sustainability and mastering the tools in place internally face-to-face training, e-learnings, tutorials, etc.

Built with Natixis business lines and functions in mind, this page helps to direct training requests in these areas and to reinforce the deployment of knowledge internally, with a regularly updated offer. Some training courses are open to all employees, while others are geared to business lines to meet more specific needs or requests.

Specific training pathways within the business lines

In the business lines, employees of the **AWM** (Asset & Wealth Management) **division** benefited from a wide range of training programs tailored to their needs and skills.

Mirova, Ostrum AM and NIMI (Natixis Investment Managers International) have set up CFA ESG promotions. AEW launched a CSR training program specifically for the real estate sector, while Ostrum AM offered face-to-face workshops on diversity, equity and inclusion to over 200 employees. Finally, the sector benefits from online modules on sustainability and CSR issues, open to all via various platforms and in-house resources.

For **Natixis CIB**, the Green and Sustainable Hub organizes annual awareness-raising and training workshops for all, with in-house speakers who are experts in their field. In 2023, 13 webinars on 17 themes were carried out, Natixis CIB also trained employees in CFA ESG and deployed the Climate Fresk and the Climate School.

Theme-based Fresks

In 2023, Natixis developed awareness-raising workshops via thematic fresks in France and abroad, open to all. The development of knowledge about climate change is based on the **Climate Fresk** workshop, which has been running at Natixis for several years.

In 2023, this offer was expanded as part of Groupe BPCE's deployment plan. In response to demand from employees and managers, the CSR and HR Departments have mobilized fully to offer more sessions open to all, as well as sessions dedicated to specific business lines or requests.

Some entities have decided to train all their employees by organizing large-scale events. In 2019, Global Trade (GT) presented the Climate Fresk to all its employees based in France. In 2023, on a single day, all GT teams in France were trained in the Ocean Fresk and international platform teams in the Climate Fresk.

At AEW, more than 60 people were trained in one session in the Climate Fresk. Other entities like Mirova offer a wide range of Fresks to meet the different needs of their employees: Ocean Fresk, Biodiversity Fresk, Forest Fresk both in France and internationally.

The Company also promotes this awareness among managers and leadership circles, by organizing fresks within the management committees of certain entities, such as NIM International.

Finally, almost 500 people attended the 2023 workshop at Natixis in France and abroad.

2023 KEY EVENT

Creation of an in-house fresk community

To speed up the deployment of the Climate Fresk and meet growing demand, Natixis has trained in-house staff in its animation and now has around 30 freskers in France, the United States and Asia. These employees themselves organize workshops in their entities, or sign up for sessions offered by CSR Departments on a voluntary basis. They are a real vector for internal dissemination.

The Climate School

The Climate School launched in 2022 within Groupe BPCE and open to all employees enables to acquire and share a common base of knowledge on climate and ecological transition.

2023 marks the broadcast of season 2 dedicated specifically to the theme of biodiversity and the impacts that climate disruption is having on natural capital. At the end of 2023, almost 1,500 people had completed season 1 (i.e. 14% of the headcount) and 1,200 people had completed season 2 of the Climate School at Natixis. A Season 3 is scheduled for publication in early 2024.

Weeks dedicated to CSR

For many years, Natixis has been participating in the various flagship CSR events: European sustainable development Week, European Mobility Week and European Week for Waste Reduction. These actions are deployed in France and internationally.

In 2023, more than 20 events were offered to employees during these thematic weeks, in several formats such as webinars on payroll donations or solidarity days, climate training sessions, vegetarian meals, bike repair workshops or open houses to discover the Company's collaborative vegetable gardens.

2023 KEY EVENT

Sustainable development week under the banner of sport

With less than a year to go before the Paris 2024 Olympic and Paralympic Games, of which Groupe BPCE is a premium partner, Natixis has raised its employees' awareness of the links between sports and CSR with a number of events:

- a conference by Georgina Grenon, Director of Environmental Excellence at Paris 2024, to address the question: *"How can we align sporting ambitions with the SDGs (sustainable development Goals)?"*;
- a round-table discussion on the theme of *"Committing to zero waste sport"*, with Marc Bultez, co-founder of the Recyclerie sportive;
- a conference on *"The adventure towards sobriety"* with Benjamin de Molliens, aka Ben expedition zero;
- ecoboxes set up for a month to collect employees' sports equipment and clothing;
- a *"CSR gets into sport!"* quiz designed as a fun way to find out more and win accessories for responsible sport.

Networks of committed employees

The CSR 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. Several internal networks help to disseminate information and support the sector's business lines.

In 2023, Natixis relied on the ESR Runners network to reflect on the various actions to be implemented and developed on the subjects of sustainable food, sustainable mobility, quality of life at work, energy, zero waste and training. The actions of this network complement other communities created in the various entities, such as the LEAFS (Employee Resources group focus on Environment) network developed by Natixis IM, which has around 30 members spread across the United States, the United Kingdom and France.

7.4.2.2 Employee engagement in solidarity projects

Natixis is involved in multiple solidarity projects by supporting the mobilization of its employees, who are increasingly willing to get involved in meaningful and useful projects for society.

In conjunction with the Natixis Foundation, the Company offers a number of programs 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.

Humanitarian leave (Congé Solidaire®)

Since 2013, Natixis has allowed its employees to take humanitarian leave (Congé Solidaire®) to support the non-profit association Planète Urgence. The two-week missions carried out in various African and Asian countries focus on protecting biodiversity and strengthening adults' skills in different areas. Twelve Natixis employees volunteered in 2023, and more than 160 missions have been supported since the beginning.

Salary donation

Since 2019, Natixis has offered its employees in France a simple and participative generosity scheme: payroll rounding. They can support one of five associations: Action Against Hunger, Terre de Liens, France Alzheimer, UN Women and Sports in the City. The monthly micro-donation is deducted directly from the pay slip and Natixis doubles the amount of employee donations. Four years after its launch, 493 Natixis employees in France are taking part in the salary donation scheme. Over €300,000, including the Company's contribution, were paid to the five beneficiary associations. In the United States, the donation campaign organized by Natixis IM raised nearly $400,000 from 309 employees in 2023 alone.

Natixis Foundation

In 2020, Natixis Foundation – a corporate foundation – was set up, with the aim of supporting public-interest projects and initiatives in the fields of environmental protection and solidarity, with a view to making a lasting impact. Its raison d'être is to facilitate the commitment of all Natixis employees to a fair transition.

Since its creation, Natixis Foundation has been committed to selecting and implementing actions and projects that meet local needs as closely as possible, in France and abroad, with the help of Natixis employees. They get involved by co-constructing projects, evaluating them, proposing them as part of the foundation's first three Calls for Collaborator Projects, voting for their preferred projects, and taking part in actions proposed by associations in conjunction with beneficiaries.

Natixis Foundation has defined three priority areas of action: the professional integration of young people and education, the circular economy and biodiversity.

Several mentoring or sponsorship schemes are offered to employees to support the education and integration of young people. In this way, Natixis Foundation supports the professional integration of young people through biodiversity protection missions, in partnership with the Unis-Cité association, and environmental protection awareness actions in partnership with the Télémaque, Sport Dans la Ville and Pour un Sourire d'Enfant associations.

Natixis Foundation supports aid to the most disadvantaged by combating food waste, in partnership with the Linkee and Banco Alimentare associations and aid to people in professional reintegration through the renovation of toys, in partnership with the Rejoué association. It also supports the improvement of the quality of biodiversity, in partnership with the Terre de Liens Foundation, and in partnership with the association Expédition 7e Continent through research projects on water and plastic pollution, coupled with awareness-raising among young people.

Last but not least, Natixis Foundation is committed to supporting its partners over the long term. In 2023, its partnerships were enriched by a project to support people in professional reintegration through a sewing activity, in partnership with the ACIADES association (Association for the Development of Sustainable Economic and Social Cooperatives, Initiatives and Activities) in Caen.

Solidarity Days

In association with the Natixis Foundation, Natixis offers its employees the opportunity to devote one day a year to a charitable project in support of an association, to help combat social exclusion, support education and youth, promote health and the disabled, or protect the environment.

2023 KEY EVENT

Mobilization for solidarity days

Following the success of the operations carried out in 2021 and 2022, Natixis has extended its system of solidarity days offered by the Company. In 2023, almost 300 people volunteered to help a dozen associations in the Ile-de-France region.

At the same time, a number of solidarity initiatives were organized at our international sites, including support for Pour un Sourire d'Enfant (PSE) in Asia.

Solidarity team building

In 2022, Natixis launched a solidarity team building pilot scheme, enabling employees to come together as a team within an association financially supported by the Natixis Foundation and to carry out useful activities in connection with disadvantaged people. Teams are hosted by the Rejoué association, which gives a second life to toys thanks to the work of people on integration schemes, and Parti Poétique, which develops activities around the themes of Nature-Culture-Food at an urban farm in Saint-Denis, and provides food aid to the most disadvantaged residents. Since 2023, solidarity team-building has also been possible with the Mamama association, which prepares food parcels and hygiene products for single, isolated mothers. Nearly 200 Natixis employees have taken part in these solidarity team-building activities in one of these three associations since 2022.

International humanitarian aid

In response to the earthquakes in Turkey, Syria and Morocco in 2023 and their severe human consequences, an appeal for donations was launched among Natixis employees, in support of the local populations affected. The amounts collected were matched by the Natixis Foundation. Thanks to this joint effort, a total of nearly €180,000 was donated to the French Red Cross.

Other international solidarity initiatives

In all its international offices, Natixis establishes partnerships with general-interest associations and mobilizes employees support for solidarity-based projects. In 2023, a number of initiatives were carried out, and once again, commitment was the order of the day.

In addition to supporting young people from disadvantaged neighborhoods with the Sport dans la ville association, Natixis IM is developing its "Together for Better" equal opportunities program in France, the United States and the United Kingdom. Scholarships are awarded and mentoring programs are organized with Science Po in France (nine pairs in 2022-2023). Scholarship students are also supported in the United States and the United Kingdom. 80% of Natixis IM employees in the United States are involved in this program.

In Boston and San Francisco, 187 Natixis IM volunteers contributed 1,410 hours of voluntary work.

In New York, Natixis CIB has supported a number of local and international associations through financial donations and employee mobilization initiatives.

In the EMEA region

In **Milan**, the branch continued to support the Dynamo Camp association, which helps sick children in therapy or post-hospitalization, by transforming client gifts into donations to the association. It also continued its support for Banco Alimentare, for which some 15 volunteer employees were able to devote a whole day to sorting food and preparing and distributing parcels to people in need. Other actions included donations of IT equipment for the FENIXS association, first-aid training for around 30 employees with the local Red Cross, and finally a partnership with the Art4Sport association to support athletes who will be present at the Paris 2024 Paralympic Games.

In **Porto**, a multitude of actions were organized in 2023 alongside several local charities and international NGOs. Employees are involved in the Champion For Change youth support and Stand4Good mentoring programs, with 200 hours donated by some 20 employees in 2023. Finally, several blood donation and bone marrow donation campaigns took place, with over 200 contributions.

In **Dubai**, a donation campaign was carried out at the beginning of 2023 for the United Arab Emirates Red Crescent in support of the populations affected by the earthquake on the Turkish-Syrian border, with matching funds from the Company.

In the Asia-Pacific region

For many years, the APAC platform has supported the **Pour un Sourire d'Enfant (PSE)** association. In 2022, a new joint partnership between Natixis APAC and Natixis Foundation was signed for three years.

2023 KEY EVENT

Strengthening of joint regional partnership with the Pour un Sourire d'Enfant (PSE) association

In 2023, an exchange took place between Natixis employees from the APAC platform and PSE students.

In June, 15 volunteers from Natixis Hong Kong, Bangalore and Singapore spent a few days on the PSE Campus, running training sessions, interviews and presentations (including Climate Fresk workshops) for young people and employees. They brought 250 kg of toys and school supplies with them.

In November, nine students from PSE Business School were welcomed into the Natixis Hong Kong offices for a month-long internship to discover the world of business.

In **Japan**, the partnership with the Hands On Tokyo organization continued for the second year, enabling Natixis employees to volunteer in children's homes, homes for the elderly and schools for disabled young people.

In **Australia**, charity work continued with fund-raising projects for the Sydney Children's Hospitals Foundation, SOLAS and other Rotary Club of Sydney Cove charities.

In **Singapore**, Natixis employees were able to take part in the local OneMillionTrees movement with the National Parks Board and help plant 26 trees.

Finally, in **India**, Natixis Services launched its cafeteria in partnership with the NGO Mitti Café, committed to employing people in difficulty.

7.4.3 Limiting our direct impact on the environment

	2023	2022	2021
Energy consumption *(in mwh per person)* [(a)]	1.4	3.35	2.43
Renewable energy as a percentage of electricity consumption in France *(in %)*	100	98	93
Paper consumption per workstation *(in kg per workstation)*	2.4	3.4	2.9
Distance traveled by plane *(in km per fte)*	2,230	1,962	483
Share of electric and hybrid vehicles in the fleet *(in %)*	51	33	32
Carbon footprint France *(in tco_2e/fte)*	5.94	5.99	6.84

(a) Change in energy consumption (see section 7.4.3.2).

In line with its policy of recognizing CSR in its business lines, for over 10 years, Natixis has implemented a continuous improvement approach for its direct impact on the environment related to its internal operations. These impacts are very significant, given that Natixis employs over 14,000 people in almost 40 countries.

Reducing direct impacts on the environment is one of the levers of Natixis' strategic plan to protect biodiversity and combat climate change, with the **aim of reducing its carbon footprint per full-time equivalent by 20% between 2019 and 2024**. This ambition is based on a target of a 40% reduction in energy consumption and a 10% reduction in the impact of digital technology.

This policy is broken down into **seven themes**: sustainable real estate, resource management (energy and paper), responsible digital technology, the promotion of sustainable mobility, waste management, revegetation and responsible purchasing.

7.4.3.1 Sustainable real estate

Particular attention is paid to Groupe BPCE buildings, with implementation and monitoring of environmental certifications, reducing consumption and energy supply to buildings.

Natixis and its subsidiaries in France account for **94,395 m²** of operating premises and **6,294 workstations** installed for **9,079 occupants**.

Real estate master plan

The real estate master plan (SDI) contributes to the rationalization of our real estate assets and helps optimize our environmental impact by reducing the m² occupied and choosing the most environmentally efficient buildings. This rationalization has been made possible by the gradual introduction of the Flex Office and the deployment of remote working.

2023 KEY EVENT

Assessment of the Real Estate Master Plan for Groupe BPCE buildings in France

The program has freed up 20 buildings in Île-de-France and 22 in the regions, with numerous environmental benefits:

- in Île-de-France, a reduction of 150,000 m², or 38% in surface area;
- in the regions, a decrease of 60,000 m², or 40% in surface area;
- a 37% reduction in energy consumption;
- an estimated reduction in the carbon footprint of 11,000 tons of CO_2e per year.

Creation and monitoring of certifications

As part of the implementation of the Real Estate Master Plan, one of the objectives is to occupy buildings with the highest environmental standards and quality of life as certified by reference labels (HQE[(1)], BBC[(2)], HPE[(3)] or BREEAM[(4)], LEED[(5)] or WELL[(6)]), in terms of both their construction and their operation.

In France, at the end of 2023, Natixis had **nine buildings with a label**, representing a total surface area of 66,416 m², or over 70% of occupied space.

The BPCE towers, the new headquarters of Groupe BPCE, is the largest project registered in France whose construction has **WELL Platinum** certification for 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, in 2023, the BPCE towers were awarded the **OsmoZ** Quality of Life **label** for their facilities.

(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: Leadership in Energy and Environmental Design.
(6) WELL: Building Standard framework for well-being in the workplace.

2023 KEY EVENT

BPCE towers awarded the OsmoZ label

Following an audit carried out this summer, the BPCE Towers in Paris received OsmoZ certification for their facilities.

An innovative label launched in 2018, OsmoZ focuses on six societal issues that contribute to quality of life at work: health and environment, functionality, life balance, communication, collaborative approach.

The methodology proposed by the OsmoZ label made it possible to assess the comfort, ergonomics and quality of use of the towers' various layouts (work or convivial spaces, decoration, furniture, signage, etc.). Employee ownership, consultation and the coherence of the approach were also assessed.

Many of the WELL program's initiatives were also highlighted, in particular the care given to the spaces, their diversity and the possibility of mixing uses, the numerous services and functionalities, and the support for employees.

The inclusion of a Quality of Life recognition is a new initiative for the group, and is intended for global deployment.

Internationally, Natixis also has numerous offices with environmental certifications (BREEAM[1], LEED[2], WELL[3], both in terms of construction and operation.

Natixis' head offices in Boston, New York and Frankfurt have the LEED [2] Gold environmental label. In Madrid, Natixis occupies a BREEAM certified building.

Natixis' offices in Dubai and Hong Kong have LEED Platinum certification for their construction and have obtained Gold LEED & WELL[3] operating certificates.

7.4.3.2 Management of resources

BPCE's 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**.

Measures to reduce energy consumption

Energy consumption comes from lighting, IT equipment operation, and space heating and cooling systems.

Reducing energy consumption is part of Natixis' strategic plan with a target **of -40% in consumption per workstation between 2019 and 2024**. It involves implementing the real estate master plan and reducing the volume of space occupied, and rolling out various measures to reduce our energy consumption:

- **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);
- **relamping policy** with the deployment of light bulbs equipped with light-emitting diodes (LEDs); installation of **automatic** presence **detection** lighting systems in common areas (France, Italy, Germany); automatic extinction of lighting (France, Italy, Germany);
- **measures to optimize energy consumption at** international **data centers**: higher maximum temperatures in Germany, Italy, the United Arab Emirates and New York; use of a free cooling system at the Porto data center.

In addition, Natixis has signed up to Groupe BPCE's 2022 energy sobriety plan, in the context of the efforts required of public and private players in France to avoid supply disruptions.

2023 KEY EVENT

Deployment of the energy reduction plan

The main measures initiated in 2022 were renewed in 2023 in the Group's companies, including Natixis:

- **room temperature control** with heating set to 19°C in winter, and a threshold of 26°C for air conditioning in summer for France, Italy and Portugal, and 23°C instead of 22°C for air conditioning in summer in New York;
- **temporary closure of certain buildings** during winter and summer vacation periods in France, Italy, Portugal and the Middle East.

These measures are accompanied by employee awareness-raising through communication and information campaigns, reminding them individually of the eco-actions they can take on a daily basis to consume less and better.

(1) *BREEAM: Building Research Establishment Environmental Assessment Method.*
(2) *LEED: Leadership in Energy and Environmental Design.*
(3) *WELL: Building Standard framework for well-being in the workplace.*

Managing energy consumption

Scope: Natixis France

Energy	2023	2022	2021
Energy consumption: electricity, heating and cooling of office buildings *(in mwh)*	12,713	26,155	34,512
Energy consumption per m^2 of usable rented office space *(in mwh)*	0.13	0.20	0.16
Energy consumption per person *(in mwh)*	1.4	3.35	2.43

In France, energy consumption fell sharply in 2023 as a result of the reduction in floor space and the implementation of energy sobriety measures.

Scope: Natixis international

Electricity consumption *(in mwh)*	2023	2022	2021
EMEA	3,016	3,364	3,078
Americas	2,500	2,676	4,011
APAC	1,705	1,418	1,789

Electricity consumption outside France was stable between 2022 and 2023. An increase in electricity consumption was noted for the APAC zone (due to the creation of a new entity in South Korea), offset by a decrease in the EMEA and North and South America scopes.

Renewable energy supply

In addition to its ambition to reduce energy consumption, Natixis has set the objective of a **100% renewable electricity supply**, both in France and internationally.

In France, 100% of the electricity in the buildings occupied by Natixis comes from renewable energy sources.

Internationally, Natixis buildings in Boston, London, Porto, Milan, Frankfurt (and its back-up site), Singapore and Tokyo are powered by 100% renewable electricity. The other platforms are gradually mobilizing around the same objective.

In France, heating and air conditioning are largely provided by district heating and cooling networks. The energy mix of the Paris district heating network is made up of over 50% renewable or recovered energies.

Local renewable energy production

In France, several actions enable self-consumption energy for some buildings.

In Paris, 1,500 m^2 of photovoltaic panels installed on the roofs of the BPCE towers, the new head office of Groupe BPCE, contribute to the building's electricity consumption.

In Charenton, solar carpets installed in the Freedom 2 building are used to heat the building's domestic water.

Paper consumption

Paper consumption corresponds to internal (reams) or external uses (envelopes, desktop publishing, external communication printing, etc.). The trend is downwards, with the development of digital solutions, the reduction in the number of printers, the widespread use of remote working and increased employee awareness.

Scope: Natixis France

Paper reams	2023	2022	2021
Total paper consumption *(in tons)*	22	27	42
Consumption per occupant *(in kg)*	2.4	3.4	2.9

The number of multifunction printers continues to decline every year. For example, at the end of 2023, there were only 179 printers left in France and four in Portugal (for 2,200 employees).

Measures have also been taken on the quality of the paper used and its environmental and social impact. In France, almost **100% of paper used is sustainable forest management-certified** (FSC[1] certification). Internationally, the offices in New York, Madrid, Milan and Porto exclusively use paper deriving from 100% recycled paper.

(1) FSC: Forest Stewardship Council.

Water consumption

Water consumption at a company like Natixis is mainly for sanitary purposes, with some for beverages. Water being a scarce resource, measures have been put in place to moderate consumption, notably with leak alert systems, and the recovery of rainwater in the sanitary facilities of the BPCE towers. More symbolically, the Porto and Charenton gardens have installed rainwater recovery systems.

Natixis advocates the elimination of disposable water bottles and favors the use of local water whenever possible. All offices in France are equipped with still and sparkling water fountains.

The promotion and distribution of water bottles in numerous hubs (Paris, Milan, New York) encourages responsible consumption.

Scope: Natixis France

Drinking water	2023	2022	2021
Consumption *(in m^3)*	28,573	39,914	47,673
Water consumption per person *(in m^3)*	3.15	5.11	3.36

7.4.3.3 Digital sustainability

Groupe BPCE and Natixis have taken account of the environmental and social impacts of digital technology by including a Responsible Digital component in their strategic plan for 2024. For Natixis, responsible digital technology is one of the major challenges of the internal CSR component, with an objective to reduce its carbon footprint by 10% by 2024.

Relying on Groupe BPCE's Digital Sustainability division, set up in 2020, Natixis contributes to this objective through control of its IT equipment, digital eco-design and employee awareness.

Measuring the impact of equipment

The **BPCE-IT teams** implement carbon measurement systems to share the carbon footprint of equipment with the group's IT communities. Several tools are available in 2023, including a questionnaire to collect the carbon footprints of equipment from suppliers. In 2023, 92% of the group's equipment had a carbon footprint referenced in the equipment inventory database.

Optimizing equipment fleets

Reducing the impact of digital technology means first and foremost **reducing the number of items of equipment** used or stored, using various levers:

- **extending equipment life:** In France, but also in Porto, Dubai and New York, the lifespan of laptops has been extended from three to four years. In France, the lifespan of smartphones has been extended from two to three years. Monitors are kept as long as they are functional;
- **reusing available equipment:** This was notably the case during our moves in Île-de-France, where we reused 70% of screens, keyboards and mice for over 11,200 workstations. The same approach has been adopted by the hubs: Porto has reused 120 screens and 30 security boxes that Paris no longer needed;
- **reusing equipment at the end of its life cycle**, by passing it on to reuse channels or making one-off donations to local associations. This is the practice observed in France, Boston and all EMEA platforms. Collection boxes for personal electrical and electronic equipment are also available to employees in Natixis buildings in Paris;
- **rationalizing the number of printers:** The reduction in the number of printers is a trend that is being confirmed both in France and internationally *(see Paper section)*. The new workstations in Porto have adopted an eco-responsible single-screen design.

To support the rollout of remote working, IT equipment (mainly monitors) has been subsidized by Natixis since 2021 for employees working from home.

The second lever for optimizing equipment fleets is the purchase of **lower impact IT equipment**. In 2023, for example, Porto opted for non-touchscreen laptops: on 100 computers, this represents a saving of 1.6 tons of CO_2e compared with touchscreen computers.

Designing sustainable digital services

Priority is given to integrating Digital Sustainability best practices into the development methodologies of the group's software factories.

Training sessions in the eco-design of web solutions are offered to employees with technical backgrounds, who also have access to measurement tools for better integration of Digital Sustainability issues throughout the IT project lifecycle.

A concrete application of eco-design was carried out with the digital sobriety audit on one of the Natixis solutions (Natixis Interépargne website and mobile application).

The "Green Project Scoring", a methodology for calculating the GHG emissions of IT projects that can be used as early as the scoping phase of a product or service, was also launched at Natixis.

Raising employee awareness of digital eco-actions

The success of the Digital Sustainability transformation depends on raising awareness of Digital Sustainability among as many employees as possible, and on training IT professionals to implement best practices on a daily basis:

Digital Fresk – an awareness-raising tool in the form of a participatory workshop on the impacts of digital technology – is offered to all employees, as well as a digital MOOC officer to go further in understanding the issues.

Lastly, Natixis takes part in the Cyber World Clean Up Day, a worldwide campaign to raise awareness of the issue of digital waste. Employees at various locations in France and abroad were invited to clean up their files, messaging systems and applications on their computers, and to take part in collections of unused electrical and electronic equipment.

7.4.3.4 Promoting sustainable mobility

CO_2 emissions linked to Natixis' employee travel represent a significant proportion of its carbon footprint. In detail:

- business travel accounts for 8% of carbon emissions (of which 79% is by car and 20% by air);
- commuting to work 15% (of which 94% by car).

To reduce these impacts, Natixis implements mobility plans that aim to reduce or optimize employees' commuting and inter-site travel. New infrastructures and financial measures are proposed to encourage active transport (walking, cycling) and shared transport (public transport, car-sharing), which are less harmful in terms of greenhouse gas emissions, air quality and noise pollution.

The latest surveys carried out in several group entities show that employees are increasingly using these sustainable modes of transport.

2023 KEY EVENT

New mobility survey

The aim of the survey, which was distributed in July 2023 to all GFS employees and the BPCE community in France, was to find out more about their commuting or inter-site travel practices.

More than 8,800 responses were received, representing a participation rate of over 40%. The results show some interesting developments compared with the previous survey carried out in 2020:

- the use of bicycles is increasing both in Ile-de-France and in the regions (9% in 2023 compared with 7% in 2020);
- car use in the regions is still dominant, but declining (70% in 2023, 75% in 2020);
- the share of electric or hybrid vehicles is increasing (6% in 2023 versus 2% in 2020).

Support for cycling

The buildings in the Paris region are accessible by bicycle with cycle paths being developed and Natixis France subsidizes up to 60% of subscriptions to public bicycle rental offers.

Internationally, Natixis employees who commute by bicycle also benefit from subsidies: NIM in Boston and San Francisco reimburse bicycle passes up to 20%. In Italy, Natixis offers a subscription to the city of Milan's shared bikes.

To support the growing use of bicycles confirmed in the latest survey, Natixis and BPCE are deploying secure parking spaces for bicycles in the Paris region. Nearly 1,000 parking spaces were available at the end of 2023. These bicycle parking facilities also have showers and changing rooms. Internationally, the Frankfurt, New York and Porto platforms also provide secure bike parks for employees.

A shared fleet of 24 self-service electric bikes is available to help employees get around in an environmentally-friendly way between different sites in the Paris region.

Since the end of 2023, Natixis Porto has been providing its employees with five bikes (two of them electric) free of charge for commuting to and from work.

Finally, to support bicycle users, Natixis regularly offers bike overhaul workshops organized by integration companies, activities to get back in the saddle and road safety conferences.

2023 KEY EVENT

May by bike!

Initiated in 2020 by the Ministry of Ecological Transition and Regional Cohesion and the Ministry of Sport and the Olympic and Paralympic Games, "May by bike" is designed to encourage cycling in all its forms.

From May 1 to 31, in France, Groupe BPCE and Natixis, partners of the 2023 event, organized a wide range of activities for their employees: from introductions to cycling and safety, to connected challenges, repair workshops and exchanges for reconditioned bikes.

This event, much appreciated by our employees, should be repeated in future years.

Internationally, in May 2023, Natixis in Frankfurt took part for the second time in a row in a third-week challenge to promote the use of bicycles among its employees, totaling 4,009 km covered, and finishing 20th out of 115 competitors.

NIM conducted an active bicycle awareness campaign in France during the European Mobility Week. Bicycle maintenance workshops run by a zero-unemployment integration association, a conference on road safety and the discovery of inter-site bicycle routes were also offered to employees.

Development of remote working

Remote working reduces the need for employees to travel, while improving their quality of life and efficiency at work. Already in place for the majority of Natixis employees in France since 2021, it has since accelerated: 92.8% of employees on permanent employment contracts had signed an amendment to remote working at the end of 2023 (compared to 90.1% at the end of 2022). On average, these employees worked remotely for 8.16 days per month.

Internationally, remote working is also in place, with two days a week in Frankfurt for those eligible (around 50%), three days a week in Porto and 10 days a month in Milan.

Support for 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 has increased significantly since the opening of the new, very well-equipped BPCE Towers site: at the end of 2023 there were 138 spaces. Natixis employees in Frankfurt have five charging sockets for electric cars.

Promoting public transport and carpooling

Natixis encourages its employees to use public transport, which is well established near its Paris region sites, and reimburses up to 60% of transport costs. In the Paris region, 71% of employees use public transport.

Internationally, GFS employees in Milan benefit from a subsidy of 50% of their urban public transport season ticket, while employees in Porto receive a subsidy of €30 per month for less carbon-intensive travel.

Finally, NIM reimburses 2/3 of the monthly public transport pass for employees in Boston and San Francisco.

In 2021, Natixis Interépargne, whose offices are located in Caen, initiated a partnership with the national carpooling platform BlablaCarDaily. This initiative was carried out in consultation with two other companies in the region. Natixis Interépargne now has 27 regular users of the platform.

Adapting the vehicle fleet

Under its Car Policy, Natixis selects more eco-friendly vehicles in terms of both CO_2 and particulate emissions.

At the end of 2023, Natixis had 200 company and service vehicles, more than half of which are electric and plug-in hybrid vehicles. As a result, their share of the vehicle fleet rose to 51% in 2023, compared with 33% in 2022.

The average CO_2 emissions rate for the Natixis vehicle fleet was 98 g/km in 2023 (105 in 2022).

Internationally, fleet renewal also incorporates these new environmental constraints: since 2021, Porto has had a fleet composed exclusively of electric vehicles.

Finally, Frankfurt has opted to eliminate its fleet of vehicles, providing its 95 employees with a hybrid car on a shared-use basis.

New rules for business travel

Natixis' business travel policy lays down rules designed to ensure the safety and comfort of employees, while helping to optimize costs and reduce environmental impact. This policy applies to Natixis and its subsidiaries, in France and internationally (for Natixis CIB).

- Conference calls and videoconferences are the norm; travel is the exception.
- Meetings that do not involve clients should be held by conference call.
- Appointments must be grouped together to avoid multiple trips to the same destination.
- 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.

The rules were tightened for 2023: Flying is only allowed if the one-way train journey takes more than four hours (compared with three hours 30 minutes under the previous policy), or more than three hours if a return journey is made on the same day. This rule applies regardless of the cost differential between rail and air.

For air travel, economy class is mandatory for domestic flights, flights between European countries, and other continental 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.

Business travel data *(in km)*	**2023**	**2022**	**2021**
Train *(total in km)*	3,134,191	3,847,648	2,665,983
Train *(in km per FTE)*	480	584	264
Travel by air *(total in vkm)*	14,555,602	12,918,536	4,873,865
Plane *(in km per FTE)*	2,230	1,962	483

In 2023, business travel by air picked up sharply (+13% on 2022), reaching a level virtually equivalent to the 2019 reference year (2,630 km/FTE).

Strict management of air travel has been initiated, including internationally, in order to optimize these trips, which have a particularly significant impact on Natixis' carbon footprint.

7.4.3.5 Developing green spaces

As a signatory of the Paris Climate Action Biodiversity Pact and the Act4Nature Charter, Natixis is committed to preserving and promoting biodiversity in its business lines and operations, and to raising employee awareness of this issue.

There are **four collaborative vegetable gardens** in the Natixis buildings in Paris, Charenton-le-Pont and Porto, 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. Over 50 events were organized by external experts in agriculture and urban biodiversity. Open houses and the distribution of harvests made it possible to raise the awareness of employees other than the gardeners. The harvests from Porto's urban garden – 300 kg in 2023 – were donated by the gardener-employees to associations for the benefit of the underprivileged.

In the garden of the *Freedom 2* building in Charenton, a **biodiversity assessment** is carried out every two years to measure the biodiversity gains made possible by the creation of a pond, wild meadows, nesting boxes, insect hotels, diversified plantations, and a wildlife passage. The diagnosis establishes a non-exhaustive list of the main species observed on site (flora, fauna and soil) and formulates ecological issues for each type of space, proposing pro-biodiversity measures in the landscaping of the garden.

In addition to these gardens, Natixis has **four beehives** located on one of the terraces of its Parisian buildings. In 2023, these beehives produced 71 kg of local honey (i.e. 630 jars distributed to Natixis employees and clients as well as to charities). These beehives offer the opportunity to raise employee awareness of biodiversity loss issues and the issue of pollination. Employees took part in the honey harvest.

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 and promotion of biodiversity in the region. In this orchard, biodiversity awareness courses are offered to children.

Natixis Milan regularly raises awareness of biodiversity issues among its employees and their families: a tree planted via Treedom for each birth, a symbolic adoption of an endangered animal from WWF as a Christmas gift for employees' children, a tree planted in southern Italy for each employee's birthday. Finally, to celebrate World Nature Day, Natixis Milan joined the CREDA initiative, helping volunteers to build a sensory garden that will be used to teach children about biodiversity.

7.4.3.6 Waste reduction and sorting

Natixis has been taking action for several years to reduce the waste it generates. This waste reduction policy is based on the principle of the five Rs: refuse, reduce, reuse, return to the earth, recycle. Its objective is to remove the main single-use items, an objective included in Natixis' new Strategic Plan for the end of 2024.

Waste reduction and reuse

Since 2019, all plastic and disposable cups for water fountains have been removed from buildings in France and internationally, saving 3.5 million cups per year.

The process has continued since 2020 with the elimination of disposable water bottles, already widespread internationally but still ongoing in France and New York.

Finally, since 2021, Natixis has been gradually replacing disposable capsule coffee machines with bean-to-cup machines. The approach initiated in France has already been successfully implemented in Natixis offices in Frankfurt, Madrid, Porto, London, Moscow and Dubai, and in Milan since 2023.

2023 KEY EVENT

Events around the circular economy

As part of sustainable development Week, dedicated to the links between sport and CSR, a round table was organized on zero waste sport, in the presence of Marc Bultez, co-founder of the Recyclerie sportive sport recycling center, Gaëlle Mothet, co-founder of Ose ZD (Zero Waste), and Pauline Villard, Head of Animation & Coordination Circular Economy at eco-organization Ecologic. An opportunity to point out that structures such as the Recyclerie Sportive are working in the field of solidarity-based reuse to make sport more respectful of the environment and promote access to sport for all.

During Waste Reduction Week, numerous collections were organized in France and abroad: mugs to avoid the use of disposable tableware, toys for local associations including Rejoué, office clothes for La Cravate Solidaire, food for students, socks for Chaussettes Solidaires. The Company's restaurants have also made a commitment to Natixis, conducting audits on food waste or involving employees in making anti-waste cookies.

Finally, waste collection operations were carried out simultaneously by employees in Paris and Milan on World Clean Up Day, and in the Middle East to clean up a beach.

As part of the management of the Natixis and BPCE 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. In all, over 70% of the furniture was reused internally, sold externally to employees or donated to associations.

Waste sorting

For residual waste, sorting measures are in place:

- sorting and recycling of paper, cardboard, plastic (bottles), metal (cans) and glass 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;
- recovery and recycling of cigarette butts through specialized channels for several buildings in the Paris region, under a contract with Cy-clope;
- collection and reuse or recycling of personal mobile phones or other personal WEEE (waste electrical and electronic equipment) in four buildings in France;
- collection of unused plastic cards for recycling in Porto: for every kilogram of cards collected, a tree is planted.

Scope: Natixis France

Volume of waste *(in tons)*	2023	2022	2021
Sorted waste (paper, plastic, aluminum, glass, etc.) sorted	73	140	198
Unsorted waste	93	133	195
Waste electrical and electronic equipment (WEEE)	12	4	14
TOTAL	**178**	**277**	**407**

Waste production continued to fall in 2023 compared with previous years, in line with the waste reduction policy, with the exception of WEEE, which increased in 2023 due to the emptying of buildings as part of the rationalization of the building stock.

7.4.3.7 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 tons of co_2 equivalent)*	2023	2022	2021
Energy	938	1,672	2,550
Procurement	28,067	27,007	45,971
Travel	5,146	5,401	6,057
Fixed assets	4,053	4,781	8,802
Other items	541	547	5,630
TOTAL	**38,745**	**39,408**	**69,009**
Tons of CO_2 equivalent per person (FTE)	5.94	5.99	6.84

The carbon footprint decreased slightly in 2023 thanks to a reduction in floor space and energy consumption, and better day-to-day mobility practices. This decline is limited given the resumption of air travel and the increased impact of purchases. It is 25% compared with the 2019 reference year (7.92 tCO_2e).

Using the same method as Natixis in France (ADEME methodology), Porto carried out an initial carbon audit in 2023.

Each year, Natixis Investment Managers and its distribution platforms measure their carbon footprint using the Greenhouse Gas Protocol method (GHG).

Carbon emission reduction plans

Based on calculated carbon emissions, a carbon action plan has been implemented in four main areas:

- **buildings:** rationalization of the real estate portfolio, implemented as part of the real estate master plan and sobriety plan to reduce energy consumption (electricity, heating and cooling);
- **travel:** supporting the use of public transport and active mobility for commuting and integrating environmental criteria into business travel policy;
- **IT:** managing the impact of digital technology through a Digital Sustainability policy and actions;
- **food:** vegetarian dishes offered to employees on the menu of the various company restaurants, both in France and in Portugal.

2023 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 and internationally **measuring their environmental footprint at work**: My Green Footprint.

Thanks to My Green Footprint, employees can quickly check the carbon impact of their practices in relation to work: commuting, lunch, energy consumption, IT equipment, printing, business trips by train and plane on the basis of reported or automatically retrieved data. Through simulation games and tips, they have concrete courses of action to reduce their impact.

This tool was also rolled out at BPCE IT in 2023. In all, more than 7,000 employees were able to calculate their carbon footprint at work. In Porto, 40% of employees have calculated their carbon footprint at work.

In 2024, a new version of this tool will be available for all BPCE entities as well as for entities of the BPA network.

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 Madagascar. The "Tapia" project combines the reforestation of the tapia forest, the training of local communities in income-generating activities (silkworms – honey – agroforestry) and the environmental awareness of students and teachers.

Similarly, in Porto, awareness-raising actions on reforestation were carried out with donations to employees of 54 native trees planted locally in Portuguese forests.

7.4.3.8 Responsible purchasing

Natixis is part of Groupe BPCE's Responsible Purchasing policy, overseen by BPCE Achats. This approach lies at the heart of the group's CSR ambitions and commitments, in which the Purchasing function has an essential role to play.

In 2023, as part of its continuous improvement approach, BPCE Achats actively pursued the implementation of action principles to integrate CSR into its purchasing acts, by updating its Purchasing process, tools, methods and steering indicators with the following objectives:

- integrate CSR criteria into every stage of purchasing, by identifying and using criteria (sourcing suppliers, eco-design, life-cycle analysis, measuring the environmental impact of goods and services purchased, etc.);
- evaluate the CSR performance of suppliers during consultations, according to the appropriate CSR criteria for the products and/or services covered by the consultations (including the duty of care);
- measure the environmental impact of purchasing projects, including their carbon footprint;
- improve measurement of the carbon impact of expenditure; to this end, a Carbon Clause has been added to all contracts, in order to implement a continuous improvement approach to reducing the carbon footprint of products and services covered by contracts;
- work with all Groupe BPCE companies to promote the economic and social development of the local economic fabric;
- develop the use of inclusive suppliers via structures for integration through economic activity and structures in the protected and adapted work sector: support in 2023 from the Agence des Économies Solidaires, which has helped to identify purchasing categories with the potential to use service providers from the Inclusion Market.

The Responsible Purchasing Charter, a joint initiative of BPCE Achats and the main French players in the banking and insurance sector, is one of the reference documents in the tender documents sent to suppliers. Its purpose is to involve suppliers in the implementation of vigilance measures.

CSR is integrated:

- in Groupe BPCE's Responsible Purchasing policy;
- in the purchasing process, which specifies how to implement responsible purchasing;
- in purchasing files, by including appropriate CSR criteria in decision-making processes, indicating the CSR performance of products and services in specifications, and increasing the weight of CSR assessments of suppliers in decision-making bodies. In 2023, CSR evaluation questionnaires specific to purchasing categories were made available to the Purchasing function, and a method for taking into account the cost of ownership was developed and presented to the function for implementation;
- in the tool for identifying the CSR issues and risks intrinsic to each purchasing category, upstream of purchasing projects, for each of the 142 purchasing categories;
- in the professionalization of the Purchasing function:
  - in addition to the 2021 training courses on Responsible Purchasing, and in order to contribute to the transformation of the Purchasing sector, a training course on ISO 20400 has been developed and deployed for the Purchasing sector with Afnor.

The group's ambition is to continue to roll out the inclusion of CSR in purchasing decision-making, with a target of 100% of files incorporating CSR criteria by 2024, and to share best practices for monitoring these CSR criteria.

2023 KEY EVENT

Responsible purchasing as part of the WELL program

The WELL program has redefined our working environment with a set of new equipment and services. CSR criteria were included in all calls for tenders related to the program, with a weighting of 20% in the score awarded to suppliers. Specific criteria by category of purchase were applied, for example:

- IT equipment: obligation for suppliers to specify the carbon footprint of their equipment, choice of eco-labeled products;
- furniture: obligation to provide the origin of the wood, limit pollutant emissions and choice of certified products;
- catering: developing a range of vegetarian/organic/local/seasonal products, combating food waste and single-use items;
- maintenance of work areas: no use of toxic products, daytime working;
- revegetation: no artificial plants, maintenance with zero phytosanitary products and low water consumption.

In addition, local manufacturing, suppliers' good practices on their production sites (actions to limit energy consumption, reduce waste), as well as good social practices (working conditions and employee safety, diversity management and use of disabled people) are highlighted.

7.5 Duty of care

BPCE, which controls 100% of Natixis S.A., establishes and implements a vigilance plan that applies to Natixis S.A.'s activity as well as to that of its subsidiaries or companies that it controls. This vigilance plan is presented in BPCE's universal registration document (Chapter 2.6). In accordance with the provisions of Article L.225-102-4, paragraph 2 of the French Commercial Code, Natixis S.A. is deemed to meet the obligations set out in this article.

7.6 Reporting frameworks and methodology

The information in this document covers fiscal year 2023. 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 Natixis Worldwide headcount, which is presented in the accounting consolidation scope. This managed headcount represents 81% of the Global headcount, excluding financial investments (i.e. 11,508 contracts compared with 14,179).

The managed scope is defined as all Natixis and its subsidiaries worldwide for which nominative data are available in the HR Information Systems. The proportion of employees for whom detailed data are not available represents 19% of the Global headcount, excluding financial investments.

This headcount forms the basis of the HR indicators for CSR. This scope excludes Financial investments. The list of managed entities 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 around the world, including Financial investments and entities within the accounting consolidation scope (Natixis Algérie).

The **Natixis headcount** changed following the disposal of Insurance and Payments activities on March 22, 2022 and the transfer of some support functions to BPCE S.A. on March 1, 2022. In this context, the "Support departments and others" presented in previous years were thus divided between Corporate & Investment Banking and Head Office. Finally, Natixis Porto has been created as a separate division. The "GFS Head Office & others" headcount line thus includes, in 2021, the support function headcount of Corporate Investment banking, Natixis Porto and the populations transferred to BPCE S.A. The divestments and reorganizations by divisions influenced all the 2022 indicators presented in this document (the year 2021 was not subjected to a review).

The following changes in scope took place in 2023:

Newly consolidated entities:

- Corporate & Investment Banking division:
  - Natixis Corporate & Investment Banking Luxembourg (formerly Natixis Wealth Management Luxembourg): transfer of activity from the Asset & Wealth Management division;
- Asset & Wealth Management division:
  - Natixis Advisors, LLC: consolidation into the managed scope on October 1, 2023.

Exit from the scope of the following entities:

- Corporate & Investment Banking division: not applicable;
- Asset & Wealth Management division:
  - AEW Europe LLP: transfer of activity to AEW UK Investment Management LLP on April 1, 2023;
  - Mirova SunFunder East Asia Limited;
  - Natixis Investment Managers International, Nordics Filial;
  - Seeyond: transfer of activity and merger with Ostrum Asset Management at January 1, 2023;
  - Natixis Wealth Management Luxembourg: transfer of activity to the Corporate & Investment Banking division;
  - Naxicap Partners and Seventure Partners: exit of information systems from the managed scope on May 12, 2023;
  - MV Credit SARL: exit of information systems from the managed scope on November 14, 2023.

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.

In general, headcount is expressed in number of contracts, unless otherwise indicated in the case of FTE (in which case this indication would be specified).

Hires include external recruitment to positions with permanent employment contracts or fixed-term employment contracts, 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 conversions from fixed-term employment contracts to permanent employment contracts.

The following changes were made to the calculation methods in order to align the indicators published in this document with those used to monitor Natixis' Human Resources policies: departures to Groupe BPCE or new arrivals from Groupe BPCE are no more recognized as external recruitments or departures, but as mobility.

Contractual terminations under are taken into account and recognized in redundancies. Mobility includes changes of functions, changes of assignment, changes of assignment and function, to which have been added expatriations and made available, and transfers to or from the rest of Groupe BPCE.

The Leadership circles have been redefined to take into account the new organization. This was the subject of a decision by the Senior Management Committee on March 10, 2022. These positions meet a number of decision-support criteria (hierarchical, for example) and only concern employees on permanent contracts within a Natixis Worldwide scope. The ratio is calculated as the number of women in a Leadership circle divided by the number of Ambassadors Leaders positions, excluding vacant positions. The Senior Management Committee remains the sole decision-maker on the constitution of these circles.

List of subsidiaries included in the CSR reporting framework

Natixis France (managed scope)

Division	Business line	Company
Asset & Wealth Management	Capital investissement	Flexstone Partners SAS
	Asset Management	Mirova
		Natixis Investment Managers
		Natixis Investment Managers International
		Natixis Investment Managers P1
		Natixis TradEx Solutions
		Ostrum Asset Management
		Thematics Asset Management
	Asset Management Immobilier	AEW
	Wealth Management	Natixis Wealth Management
		Teora
		VEGA Investment Managers
	Social Engineering	Natixis Interépargne
	MAD NSA employees – AWM division subsidiaries	Natixis S.A.
Corporate & Investment Banking		Natixis S.A. Natixis Coficiné Mediastone Partners
Head Office GFS & autres		Natixis S.A.

Natixis International (managed scope)

Division	Business line	Company
Asset & Wealth Management	Capital investissement	Flexstone Partners SARL
	Asset Management	Mirova Luxembourg SAS
		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 RL de CV
		Natixis IM Middle East, a branch of Natixis IM UK Limited
		Natixis IM S.A., Korea Representative Office
		Natixis IM S.A., Zweigniederlassung Deutschland
		Natixis IM Securities Investment Consulting (Taipei) Co., Lt
		Natixis IM UK Limited
		Natixis IM Uruguay S.A.
		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
		Mirova SunFunder East Africa Limited
		Mirova SunFunder Inc
		Mirova UK
		Natixis Advisors, LLC
		Natixis IM International Oficina de Representación Colombia

Division	Business line	Company
Asset & Wealth Management	Asset Management	Natixis Investment Managers International, Dutch branch
		Natixis Investment Managers International, Succ en España
		Natixis Investment Managers International, succ Italiana
	Asset Management Immobilier	AEW Central Europe/Czech Republic
		AEW Central Europe Sp z o o
		AEW Europe Global LUX
		AEW Europe Italian Branch
		AEW Invest GmbH
		AEW Dutch Branch
		AEW Investment UK IM LLP Spanish
		AEW Sàrl
		AEW UK Investment Management LLP
Corporate & Investment Banking		Natixis – Singapore – DBU
		Natixis Australia Proprietary Limited
		Natixis Bangkok Representative Office
		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

Division	Business line	Company
Corporate & Investment Banking		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 Pfandbriefbank AG
		Natixis Saudi Arabia Invest Co.
		Natixis Shanghai Branch
		Natixis Taipei Branch
		Chamonix Partners Capital Management LLC
		Natixis Asia Limited Seoul Branch
		Natixis Beijing
		Natixis Chile Rep Office
		Natixis Corporate and Investment Banking Luxembourg
		Natixis Global Services (India) Private Limited
		Natixis North America LLC
		NATIXIS STRUCTURED ISSUANCE S.A.
Natixis Porto		NATIXIS – SUCURSAL EM PORTUGAL

7.7 Moderate assurance report by the independent auditor on the verification of selected environmental and social information at December 31, 2023

Fiscal year ended December 31, 2023

To the shareholders,

In our capacity as independent auditor and member of the network of one of the statutory auditors of the group to which your company Natixis belongs and following the request made to us by Natixis (hereinafter the "Company") in connection with the publication of a Social and Environmental Responsibility Report, we have performed a review designed to enable us to express moderate assurance on the environmental and social information (hereinafter "the Information") prepared in respect of the fiscal year ended December 31, 2023.

Conclusion

Based on the procedures we performed, as described in the "Nature and scope of the work" section, and on the information we have obtained, nothing has come to our attention that causes us to believe that the information has not been prepared, in all material respects, in accordance with the group's Guidelines (hereinafter the "Guidelines").

Comments

Without calling into question the conclusion expressed above, we make the following comments:

- The reporting scope consists of "managed" data (81% of scope) and "aggregate" data (19% of scope). Aggregated data are not subject to controls and are reported only by means of declarations;
- The entry/exit process for the "Percentage of women in the Ambassador Leaders circle" indicator is based on indicative criteria.

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 should be read and understood with reference to the Guidelines, which are available on request from the management responsible for preparing the information.

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. Certain information is sensitive to the methodological choices, assumptions and estimates used in its preparation.

Company's responsibility

The Company is responsible for:

- selecting or establishing appropriate criteria and procedures to prepare the Guidelines;
- preparing the Information in accordance with the Guidelines;
- implementing the internal control procedures it considers necessary to ensure that the information it produces is free from material misstatement, whether due to fraud or error.

Independent Auditor's responsibility

The conclusion reached in this report relates solely to the Information.

Based on our work, we are responsible for:

- expressing a moderate level of assurance that the information has been prepared in accordance with the Guidelines and is free from material misstatement, whether due to fraud or error;
- forming an independent conclusion, based on the audit evidence we have obtained; and
- sharing 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.

Regulatory provisions and applicable professional doctrine

The work described below was performed in accordance with the professional standards issued by the Compagnie Nationale des Commissaires aux Comptes (CNCC) and with the International Standard on Assurance Engagements other than Audits and Reviews of Historical Financial Information (ISAE 3000 [revised]) issued by the International Auditing and Assurance Standards Board (IAASB).

Means and resources

Our work mobilized the skills of three people and took place between January 2024 and March 2024, over a total intervention period of six weeks. To assist us in our work, we called on our specialists in sustainable development and corporate social responsibility. We conducted some ten interviews with the people responsible for preparing the Information.

Our work involved the use of information and communication technologies, enabling us to carry out our work and interviews remotely without hindering their execution.

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 set up a quality control system comprising documented policies and procedures designed to ensure compliance with applicable laws and regulations, ethical rules and the professional doctrine of the Compagnie Nationale des Commissaires aux Comptes (CNCC).

Nature and scope of the work

We planned and performed our work to enable us to form a conclusion of moderate assurance on the following information (the “Information”):

- Headcount;
- Percentage of women in the “Ambassador Leaders” circle;
- Color Mix Green Weighting Factor (GWF);
- Green Weighting Factor coverage;
- Renewable energy financing - arranged amounts;
- Percentage of assets under management in Articles 8 and 9 of Natixis Investment Managers (NIM) affiliates;
- Percentage of Natixis Investment Managers (NIM) affiliates’ labeled assets under management (AUM).

The nature, timing and extent of the procedures applied to this information depend on our professional judgment, including the assessment of the risks of material misstatement, whether due to fraud or error.

We 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;
- carried out detailed tests on the basis of surveys consisting of verifying the correct application of definitions and procedures and reconciling the data with the supporting documents.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. The procedures applied in the context of a moderate level of assurance are less extensive than those required for a reasonable level of assurance performed in accordance with the professional standards of the Compagnie Nationale des Commissaires aux Comptes; a higher level of assurance would have required more extensive verification work.

Applicable law

Our liability towards Natixis and its shareholders is defined by French law and we do not accept any extension of our liability beyond that provided for by French law. We neither owe nor accept any liability to any third party. We shall not be liable for any damages, losses, costs or expenses resulting from any fraudulent or deceitful conduct by the directors, officers or employees of Natixis.

This report is governed by French law. The French courts have exclusive jurisdiction over any dispute, claim or difference that may arise from our engagement letter or this report, or any matter relating thereto.

Paris-La Défense, March 15, 2024

Deloitte & Associés

Julien Rivals

Partner, Sustainable Development

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: 7 promenade Germaine Sablon – 75013 PARIS – FRANCE

Registration No. (first page of the Articles of Association): 542 044 524 RCS PARIS, FRANCE

Legal form: Joint stock 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 Articles of Association): 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, within the framework of special agreements;
- the performance of all brokerage transactions;
- 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: *https://natixis.groupebpce.com*

Parent company: BPCE

8.2 Natixis' Articles of Association

These Articles of Association are up to date as of March 1, 2024.

Natixis

A joint stock company with a Board of Directors with share capital of €5,894,485,553.60.

Registered office: 7 promenade Germaine Sablon – 75013 PARIS 542 044 524 RCS PARIS.

Chapter I: Form of the Company – Name – Registered office – Duration – Object

Article 1 – Legal form – Name, Registered office and duration

The Company is a joint stock company (société anonyme) with a Board of Directors. It is governed by the regulations governing commercial companies, by the provisions of the French Monetary and Financial Code (Code monétaire et financier) and by these Articles of Association.

The name of the Company is "Natixis".

The Company's registered office is in Paris (13th), 7 promenade Germaine Sablon. It may be transferred on French territory upon the simple decision of the Board of Directors, that must be ratified by the next Ordinary General Shareholders' Meeting, and to any other place pursuant to a decision of the Extraordinary General Shareholders' Meeting. In the event of a transfer decided upon by the Board of Directors, the Board is authorized to subsequently amend the Articles of Association.

The duration of the Company, created on November 20, 1919 was raised to ninety-nine years beginning on November 9, 1994 unless it is extended or dissolved early.

Article 2 – Purpose

The Company's purpose, in France and elsewhere, comprises:

- the performance of all banking operations and related operations as per the banking law;
- the supply of all investment services, such as they are set forth in the French Monetary and Financial Code;
- the performance of the specific missions entrusted by the French State in the economic and financial domain, in the framework of particular agreements;
- the carrying out of all brokerage operations;
- the acquisition of interests in companies, groups, or associations pertaining directly or indirectly to the activities enumerated above;
- as well as the carrying out of civil or commercial operations.

Chapter II: Share capital – Shares – Payments

Article 3 – Share capital

The share capital has been set at €5,894,485,553.60, divided into 3,684,053,471 fully paid-up shares of €1.60 each.

Article 4 – Form and conveyance of the shares

The Company's shares are mandatorily held in the registered form.

The shares are freely negotiable. They are registered in account and are conveyed by transfer account to account, under the conditions and according to the procedures set forth by the texts in force.

The assignment of shares, with regard to third parties and the Company, is carried out by a signed transfer order from the assignor or their agent. The transfer is mentioned on these registers.

Article 5 – Indivisibility of the shares

The shares are indivisible in the eyes of the Company.

Joint holders are required to be represented with the Company by a single person chosen among them or by a sole representative.

Article 6 – Rights and obligations attached to the shares

Except for the rights which may be granted to preference shares, if any, each share entitles its holder to a share in the ownership of the Company's assets which is proportional to the number of shares issued.

Shareholders bear losses only up to the amount they have brought into the Company.

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 Articles of Association and of the resolutions voted by the General Shareholders' Meeting.

Article 7 – 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 the 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 on the conditions stipulated by the regulations in force.

Chapter III: Administration of the Company and auditing of its accounts

Section I: The Board of Directors

Article 8 – Composition of the Board of Directors

The Company is managed by a Board of Directors, composed 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 members of the Board of Directors are appointed by the Ordinary meeting of the Shareholders; however, the Board has the right, in the case of the vacancy of one or more seats, due to death or resignation, to appoint replacements by cooptation, each for the period remaining on his predecessor's term, subject to the ratification of 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 among the candidates designated for this purpose by the Supervisory Board of the employee's mutual fund. The director appointed in this capacity is not taken into account in calculating the maximum number stated in the first paragraph of this Article.

The director appointed in this manner sits on the Board of Directors and is entitled to vote. He is subject to the same rights and obligations as the Company's other directors.

The number of Directors who have exceeded the age of 70 years shall not exceed one third of the number of Directors in office. When this percentage is reached, the oldest of the Directors leaves office at the end of the next Ordinary General Shareholders' Meeting.

Directors are appointed for a duration of four (4) years. They are eligible for re-election. A director's duties end at the end of the Ordinary General Shareholders' Meeting voting on the accounts of the past year, held the year during which his term expires.

Article 9 – Chairman of the Board of Directors

The Board of Directors elects a Chairman, selected from among its members, who must be an individual. The Chairman is elected for the duration of his term as director and is eligible for re-election.

He determines the Chairman's remuneration.

The Board of Directors may, by the proposal of the Chairman, elect one or more Vice-Chairman(men) among its members.

The Chairman's duties end at the latest at the end of the Ordinary General Shareholders' Meeting voting on the accounts of the elapsed year and during which the Chairman has reached the age of sixty-five years.

The Chairman is responsible for convening the Board of Directors' meetings. He organizes and conducts the Board's work, on which he reports to the General Shareholders' Meeting.

He sees to the smooth functioning of the Company's bodies and sees to it in particular that the directors are able to perform their duties.

Article 10 – Meetings of the Board of Directors

10.1 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 in the registered office or in any other place indicated in the notice, which may be sent via 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.

The convening notice may be given by any means; it may be verbal and without notice. The convening notices includes the detailed agenda of the meeting.

Prior to the meeting, and with sufficient notice, the directors must have the information allowing them to make an informed decision.

Meetings of the Board of Directors are chaired by the Chairman of the Board of Directors or, in his absence, by the oldest director or by one of the Vice-Chairmen, as the case may be.

The Board of Directors may designate a Secretary who is either chosen among its members or from outside its ranks.

Decisions are made at a majority of the votes of the members present or represented (or considered to be present if videoconferencing means are used). 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 votes valid decisions only if at least one half of its members are present (or considered to be present if videoconferencing means are used).

The Board of Directors establishes internal regulations which may stipulate that, except for adopting decisions concerning the preparation of the annual accounts and the management report as well as for preparing the consolidated accounts and the Group's management report, the directors who participate in the Board Meeting by videoconference or by using telecommunication means, under the conditions permitted or required by law and the regulations in force, are considered present for calculating the quorum and the majority.

Minutes of Meetings of the Board of Directors are drafted and copies or extracts thereof issued and certified in accordance with the law.

10.2 In accordance with the regulations in force, certain decisions of the Board of Directors can be made via a written consultation.

The written consultation is addressed by the Chairman of the Board of Directors or, on their request, by the Secretary of the Board of Directors, to each director by any means of communication, including electronically, enabling the establishment of proof of dispatch.

The author of the written consultation communicates the agenda of the meeting, the text of the proposed deliberations, accompanied by the documents necessary for the vote, to all of the directors, as well as the mention of the given response period running from the dispatch of said documents. This response period is assessed on a case-by-case basis by the author of the convening notice depending on the decision to be made, the urgency or the reflection time necessary for casting the vote.

In the absence of a response within the given period, the director is deemed to be absent for the calculation of the quorum.

Decisions can only be adopted if at least half of the directors have voted, by any written means, including electronically, at a majority of the members participating in this consultation.

Decisions made in this way are the subject of minutes, conserved under the same conditions as the other decisions of the Board of Directors. These minutes shall be submitted to the approval of the next Board of Directors' meeting. The Secretary of the Board records the directors' votes in the minutes after each of the proposed resolutions.

Article 11 – Powers of the Board of Directors

11.1 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 limit of the Company's object, and subject to the powers expressly granted by law or these Articles of Association to General Shareholders' Meetings, it deals with all issues concerning the Company's smooth running and votes on the business concerning it. The Board of Directors performs the audits and checks it deems appropriate.

The Chairman or the Chief Executive Officer is required to forward to each director all the documents and information necessary for the performance of his mission.

By proposal of its Chairman, the Board of Directors may decide to create Committees in its ranks responsible for studying issues which it itself or its Chairman submits to them for their examination and opinion. It determines the composition and powers of these Committees which pursue their activities under its responsibility.

11.2 In addition to the operations referred to by law and the regulations in force, the internal regulations of the Board of Directors will determine the decisions which will be subject to the prior approval of the Board of Directors.

11.3 The Board of Directors has the authority to decide or authorize the issuance of bonds and any other securities that represent a creditor's right to a claim.

The Board of Directors may delegate to any person of its choice the powers necessary to carry out the issuance of such securities and set out the terms thereof, within a year.

The persons designated report to the Board of Directors under the conditions set forth thereby.

Article 12 – Remuneration of the members of the Board of Directors

The General Shareholders' Meeting may grant the directors a fixed annual sum as compensation for their activities. The Board of directors distributes such sum freely among its members.

The Board may also allocate exceptional remuneration to the directors in the cases and under the conditions stipulated by law.

Section II: The Management

Article 13 – Management procedures

The Company's 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 of these two Management procedures is made by the Board of Directors in the quorum and majority conditions referred to in Article 10.

The shareholders and third parties are informed of this choice under the conditions set forth in the legal and regulatory provision in force.

When the Company's 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 14 – Chief Executive Officer

The Board of Directors may appoint a Chief Executive Officer, selected from among the directors or outside their ranks.

The Chief Executive Officer is vested with the broadest powers to act in all circumstances on the Company's behalf. He exercises his powers within the limit of the Company's object and subject to the powers expressly granted by law to General Shareholders' Meetings and to the Board of Directors and subject to the provisions and limitations stipulated by the internal regulations. He represents the Company in its relations with third parties.

The Board of Directors determines the remuneration of the Chief Executive Officer and the duration of this term of office. If the Chief Executive Officer is also a member of the Board, his term of office as Chief Executive Officer shall not exceed his term on the Board.

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 on third parties.

The Chief Executive Officer may delegate a portion of his powers to any representative of his choice, who may or may not have the right to be replaced by another person.

Article 15 – Deputy Chief Executive Officers

By proposal of the Chief Executive Officer, the Board of Directors may appoint between one and five natural persons who is/are either chosen among the directors or from outside their ranks, who is/are responsible for assisting the Chief Executive Officer with the title of Deputy Chief Executive Officer.

In agreement 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 as the Chief Executive Officer with respect to third parties.

If a Deputy Chief Executive Officer is also a member of the Board, his term in office as Vice-President shall not exceed his term on the Board.

Deputy Chief Executive Officers may be dismissed at any time by the Board of Directors by proposal of the Chief Executive Officer.

The remuneration of the Deputy Chief Executive Officer(s) is determined by the Board of Directors.

Article 16 – Responsibilities of the Company executives

Company executives are responsible to the Company or to third parties, either for violations of the legal or regulatory provisions governing joint stock companies, or for violations of these Articles of Association, or for mismanagement on their part, all of the above under the conditions and on pain of the sanctions stipulated by the laws in force.

Section III: Audits

Article 17 – Non-voting members

The Ordinary General Shareholders' Meeting may appoint one or more non-voting members.

The non-voting members remain in office for four (4) years. A non-voting member's duties end at the end of the Ordinary General Shareholders' Meeting voting on the accounts of the past financial year held the year during which his term expires. Non-voting members are eligible for re-appointment and may be dismissed by the General Shareholders' Meeting.

The non-voting members receive the same information as the directors, and are convened to all Board of Directors' Meetings. 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 an amount in remuneration which is determined by the Board of Directors.

Article 18 – Statutory Auditors

One or several primary Statutory Auditors and, if applicable, one or several substitute Statutory Auditors, are appointed by the 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 19 – General Shareholders' Meetings

The shareholders' decisions are made in Ordinary or Extraordinary General Shareholders' Meetings.

Article 20 – Notices

Shareholders' Meetings are convened by the Board of Directors or, failing this, under the conditions by the regulations in force.

Article 21 – Admission to General Shareholders' Meetings – Powers

General Shareholders' Meetings are made up of all the shareholders on whose shares all due amounts have been paid-up.

The right to participate in meetings is subject to the registration of the shares in the registered shares accounts held by the Company or in a shared electronic registration system on the second working day before the meeting at midnight, Paris time (D-2).

A shareholder may always be represented at General Shareholders' Meetings by another shareholder, their spouse, or their civil partner, under the conditions fixed by the law and the reglementary provisions.

Shareholders may vote by postal ballot or by proxy in accordance with the terms and conditions set forth in law and in regulatory provisions.

The Board of Directors may organize the participation and the vote of shareholders in meetings by videoconference or by telecommunication means enabling their identification, under the conditions provided for by the law and the regulations in force.

If the Board of Directors decides to exercise this option for a given meeting, this decision is noted in the convening notice. The shareholders participating in meetings via videoconference or by one of the other telecommunications means referred to hereinabove, at the discretion of the Board of Directors, are deemed to be present for the calculation of the quorum and the majority.

The proxy thus given or the vote thus cast before the meeting by any telecommunication means enabling the identification of the shareholder, and the acknowledgement of receipt issued, shall be considered to be written and irrevocable statements and as binding on all parties. It is stipulated that, should securities be transferred before the second business day preceding the meeting at twelve midnight Paris time, the Company shall consequently void or amend, as the case may be, the proxy given or the vote cast before this date and time.

Article 22 – 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 request for return receipt, or by e-mail, the entry of draft resolutions onto the meeting's agenda.

Article 23 – Conduct of General Shareholders' Meetings

General Shareholders' Meetings are chaired by the Chairman of the Board of Directors, or in the event of his impediment, by one of Vice-Chairmen, or by a member of Board designated by the General Shareholders' Meeting.

Scrutineers' duties are performed by the two shareholders who hold the greatest number of shares and are willing to perform such duties.

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.

Article 24 – Voting rights

The voting right attached to shares is proportional to the quantity of the share capital that they represent, and each share gives the right to one vote.

Article 25 – 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 excerpts 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 excerpts are certified by the liquidators or one of their number.

Article 26 – Right of Discovery

All shareholders are entitled to discovery, under the conditions and on the dates stipulated by law, of the documents necessary to allow them to take an informed stand on the Company's management and auditing.

The nature of the documents and the conditions under which they are mailed or made available are determined by law and the regulations.

Ordinary General Shareholders' Meetings

Article 27 – Date of the meeting

Shareholders are convened annually to an Ordinary General Shareholders' Meeting by the Board of Directors, before the end of the fifth month following the close of the financial year, on the date, at the time and in the place designated in the convening notice of the meeting.

Article 28 – Prerogatives

The Ordinary General Shareholders' Meeting, which must be held annually, listens to a reading of the management report 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 revises the accounts 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 on the agenda.

Extraordinary General Shareholders' Meetings

Article 29 – 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 Articles of Association, in particular it can increase or reduce the share capital, extend the Company's duration or pronounce its early dissolution. However, it cannot change the Company's nationality or increase the shareholders' commitments.

Chapter V: Fiscal year – Company Accounts – Allocation & Distribution of profits

Article 30 – Fiscal year

The Company's fiscal year begins on January 1 and ends on December 31.

Article 31 – Inventory – Annual Accounts

At the end of each company 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 conditions.

Article 32 – The year's profits – Dividends

From the profits of each company year, minus previous losses 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 this tenth.

The balance of the profits constitutes, along with any profit carried forward, 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, by proposal of the Board of Directors.

The Ordinary General Shareholders' Meeting may also decide to distribute sums levied from the amount carried forward or from the reserves at its disposal; in this case, the decision makes express reference to the reserve items from which the levies are made.

The Ordinary General Shareholders' Meeting may propose an option to the shareholders, for all or a portion of the dividend distributed, between payment of the dividend in cash or in shares. In this second hypothesis, payment will take place by allocation of company shares in accordance with the legal and regulatory provisions on the subject.

Under the legal conditions in force, the Board of Directors may decide to pay interim dividends in cash or in shares.

The General Shareholders' Meeting – or the Board of Directors in the event of an interim dividend – may decide that all or part of the distribution of the dividend, interim dividends, reserves, the premiums or retained earnings, shall be carried out through a delivery of assets in kind, including financial securities. In any case, the General Shareholders' Meeting may decide that the rights forming fractional shares shall be neither negotiable nor assignable. It may notably be decided that, when the share of the distribution to which the shareholder has the right does not correspond with a whole number of the unit of measurement used for the distribution, the shareholder will receive the immediately inferior whole number of the unit of measurement supplemented by either a balancing cash payment or a right to a fraction of the unit of measurement that can be assigned under the conditions provided for by the General Shareholders' Meeting – or the Board of Directors in the event of interim dividends.

The annual dividends are paid at the times established by the Board of Directors within a period of nine months following the close of the financial year.

Chapter VI: Dissolution – Liquidation

Article 33 – Equity capital below one half of the share capital

If, due to losses recorded in the accounting documents, the Company's equity capital falls below one half of the share capital, the Board of Directors is required, within four months following the approval of the accounts showing 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 General Shareholders' Meeting, the Statutory Auditors may do so.

Article 34 – Dissolution – Liquidation

Upon the Company's expiry, or in the event of early dissolution, the General Shareholders' Meeting settles the liquidation method, and appoints one or more liquidators whose powers it determines, by proposal of the Board of Directors and subject to the legal requirements in force.

Chapter VII: Disputes

Article 35 – Disputes

Any dispute which may arise between shareholders concerning the execution of these Articles of Association are submitted to the courts entertaining jurisdiction in the district of the registered offices.

8.3 Distribution and change in share capital and voting rights

8.3.1 Distribution of share capital as of December 31, 2023

8.3.1.1 Share ownership table

As of December 31, 2023, Natixis' main shareholders are as follows:

	% capital	% voting rights
BPCE	99.945%	99.947%*
Employee shareholding**	0.053%	0.053%
Treasury shares	0.001%	0.00%
Free float	0.00%	0.00%

* *The percentage of voting rights takes Natixis' treasury shares into account.*

** *Employee shareholding includes shares held by the beneficiaries (employees, executive corporate officers and former employees of the Company) under certain free shares allocation plans that are subject to lock-up obligations or a fiscal holding period (as defined in Natixis' response document filed with the French Financial Markets Authority (AMF) on April 15, 2021) at the closing date of the Offer. These locked-up shares were the subject of put and call options under liquidity agreements between the beneficiaries of the free share allocation plans and BPCE. Locked-up shares held by Laurent Mignon (Chairman of the Board of Directors until December 2, 2022) and for which a liquidity agreement has been concluded with BPCE, are also recorded in the "Employee shareholding" section.*

8.3.1.2 Treasury shares held by Natixis

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. In this respect, the liquidity contract with Oddo BHF was terminated on July 9, 2021, prior to the squeeze-out.

As the allocation of treasury shares to liquidity agreement 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 shares plans granted to employees and executive directors whose rights are currently vesting. 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 Board's decision to reallocate treasury shares was ratified by the Combined General Shareholders' meeting of March 22, 2022.

On December 31, 2023, Natixis held 47,068 of its own shares, or 0.001% of its share capital. In accordance with the regulations in force, these shares have no dividend rights or voting rights.

During the 2023 fiscal year, Natixis did not carry out any treasury share buyback transactions.

No share buyback program has been implemented by Natixis since fiscal year 2021.

8.3.1.3 Employee shareholding

On December 31, 2023, the percentage of share capital held by employees was 0.05%.

Employee shareholding includes shares held by the beneficiaries (employees, executive corporate officers and former employees of the Company) under certain free share allocation plans that are subject to lock-up obligations or a fiscal holding period (as defined in Natixis' response document filed with the French Financial Markets Authority (AMF) on April 15, 2021) at the closing date of the simplified public tender offer initiated by BPCE on February 9, 2021 on Natixis securities. These shares were covered by liquidity agreements concluded between the beneficiaries and BPCE, in order to guarantee the liquidity of the free shares, in the interests of shareholders.

As such, BPCE has granted each beneficiary a firm and irrevocable promise to purchase followed by a firm and irrevocable promise to sell by the concerned beneficiary for all free shares in the process of vesting or not available under the conditions provided for by the liquidity agreement (as detailed in Natixis' response document filed with the French Financial Markets Authority (AMF) on April 15, 2021).

BPCE will eventually become the owner of the concerned free shares as of their respective availability date.

8.3.1.4 Share ownership by members of management and supervisory bodies

The holding of Natixis shares by directors and corporate officers, whether natural persons or legal entities, is not material.

8.3.2 Distribution of share capital as of February 29, 2024

According to the Prospectus Regulation, as of February 29, 2024, Natixis' main shareholders were as follows:

	% capital	% voting rights
BPCE	99.951%	99.952%*
Employee shareholding**	0.048%	0.048%
Treasury shares	0.001%	0.00%
Free float	0.00%	0.00%

* *The percentage of voting rights takes Natixis' treasury shares into account.*

** *Employee shareholding includes shares held by the beneficiaries (employees, executive corporate officers and former employees of the Company) under certain free shares allocation plans that are subject to lock-up obligations or a fiscal holding period (as defined in Natixis' response document filed with the French Financial Markets Authority (AMF) on April 15, 2021) at the closing date of the Offer. These locked-up shares were the subject of put and call options under liquidity agreements between the beneficiaries of the free share allocation plans and BPCE. Locked-up shares held by Laurent Mignon (Chairman of the Board of Directors until December 2, 2022) and for which a liquidity agreement has been concluded with BPCE, are also recorded in the "Employee shareholding" section.*

8.3.3 Share capital as of March 1, 2024

The share capital amounts to €5,894,485,553.60 as of March 1, 2024, divided into 3,684,053,471 fully paid-up shares of €1.60 each.

8.3.4 Distribution of share capital over the last three years

The table below shows changes in the Company's share capital over the last three fiscal years.

	31/12/2023			31/12/2022			31/12/2021		
	Number of shares	% capital	% voting rights	Number of shares	% capital	% voting rights	Number of shares	% capital	% voting rights
BPCE	3,682,043,658	99.94%	99.95%	3,677,965,192	99.83%	99.90%	3,150,897,741	99.78%	99.86%
Employee shareholding	1,962,745	0.05%	0.05%	3,626,698	0.10%	0.10%	4,599,009	0.14%	0.14%
Treasury shares	47,068	0.01%	0.00%	2,461,581	0.07%	0.00%	2,461,581	0.08%	0.08%
Free float	0	0.00%	0.00%	0	0.00%	0.00%	0	0.00%	0.00%

8.3.5 Changes in 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)*
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	2,006,829	3,157,958,331	5,052,733,329.60
2022	3,157,958,331	526,095,140	3,684,053,471	5,894,485,553.60
2023	3,684,053,471	0	3,684,053,471	5,894,485,553.60

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**	
	Free share allocations	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**	
	Free share allocations	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**	
	Free share allocations	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**	
	Free share allocations	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**	
	Free share allocations	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**	
	Free share allocations	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**	
	Free share allocations	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**	
	Free share allocations	2,873,020	4,596,832	
	As of December 31	**3,155,951,502**	**5,049,522,403.20**	
2021	**As of January 1**	**3,155,951,502**	**5,049,522,403.20**	
	Free share allocations	2,006,829	3,210,926.40	
	As of December 31	**3,157,958,331**	**5,052,733,329.60**	
2022	**As of January 1**	**3,157,958,331**	**5,052,733,329.60**	
	Free share allocations	2,743,346	4,389,353.60	
	Shares issued in respect of the capital increase reserved for employees	523,351,794	837,362,870.40	
	As of December 31	**3,684,053,471**	**5,894,485,553.60**	
2023	**As of January 1**	**3,684,053,471**	**5,894,485,553.60**	
	Free share allocations	0	0	
	Shares issued in respect of the capital increase reserved for employees	0	0	
	As of December 31	**3,684,053,471**	**5,894,485,553.60**	

8.3.6 Other information concerning Natixis' share capital and securities

Form and transfer of shares (Chapter II, Article 4 of the Articles of Association)

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.

On December 31, 2023, 45,438 non-voting shares were outstanding.

Stock subscription option

No stock options were granted by the Company in fiscal years 2009 to 2023.

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 code 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 2023, 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
22/03/2022	13	To increase the share capital by issuing shares and/or securities that give access to the capital of the Company or entitle holders to the allotment of debt securities, with preferential subscription rights maintained	1bn (a)	26 months	None	None
22/03/2022	16	To increase the share capital through the capitalization of reserves, retained earnings, share premiums or other items	€1bn (b) (c)	26 months	None	None
23/05/2023	17	To increase the share capital by issuing shares with cancelation of preferential subscription rights	€500m (c)	18 months	None	None

(a) Amount deducted from the overall ceiling for capital increases set in resolution No. 13 of the General Shareholders' meeting of March 22, 2022 (€1 billion).

(b) Amount deducted from the ceiling set in resolution No. 13 of the General Shareholders' meeting of March 22, 2022 (€1 billion).

(c) Maximum nominal amount.

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 2023

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.

There was no free shares allocation in 2023 and since April 14, 2023, there are no more shares currently vesting.

Free shares in the holding period delivered during the fiscal year 2023

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 2023 by decision of the Chief Executive Officer.

- The vesting period for the final tranche of the total free allocation of 3,598,382 shares to certain employees of Natixis and its subsidiaries decided by the Board of Directors' of April 10, 2020 for the 2020 Plan (on the basis of the authorization granted by the Combined General Shareholders' meeting of May 28, 2019 in its 25th resolution) and the vesting period for the final tranche of the free allocation of 3,389,678 shares to certain employees of Natixis and its subsidiaries and to the corporate officer of Natixis decided by the Board of Directors' of April 13, 2018 for the 2018 Plan (on the basis of the authorization granted by the Combined General Shareholders' meeting of May 24, 2016 in its 20th resolution) expired on March 1 and April 13, 2023 respectively.

  Consequently, by decisions dated on March 1 and April 13, 2023, the Chief Executive Officer, by virtue of the powers granted to him by the Board of Directors, decided that the delivery of the 2,191,432 shares to the beneficiaries of the 2020 Plan and the 223,081 shares to the beneficiaries of the 2018 Plan will be carried out through the use of treasury shares held by the Company.

8.3.8 Shareholders voting rights

None of the Company's shareholders holds different voting rights.

In accordance with Article 24 of the Company's Articles of Association, the voting rights attached to shares are proportional to the percentage of capital they represent, and each share gives the right to one vote.

8.3.9 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 of December 31, 2020, the Board of Directors proposed 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 General Shareholders' meeting of May 23, 2023 approved the distribution of a dividend of 12 cents per share representing an amount of €442,086,416.52 for fiscal year 2022.

For the fiscal year 2023, considering the financial situation and outlook of Natixis and subject to:

i. the existence of a distributable profit at the closing date of the 2023 financial statements;

ii. Natixis' compliance with its regulatory ratios, taking this distribution into account; and

iii. obtaining the prior approval of the supervisor and the absence of a subsequent recommendation by which the regulator would ask banks not to pay any dividends,

the Board of Directors proposes to the General Shareholders' meeting of May 22, 2024 the distribution of a dividend of 16 cents per share, representing a maximum amount of €589,448,555.36 for fiscal year 2023, assuming that there were no treasury shares at that date, and without taking into account, where applicable, shares to be created subsequently.

In respect of previous years (2018 to 2022), Natixis has distributed the following dividends:

(in euros)	**For fiscal year 2022**	**For fiscal year 2021**	**For fiscal year 2020**	**For fiscal year 2019***	**For fiscal year 2018**
Net dividend per share	0.12	0.25	0.06	N/A	0.78
Pay-out ratio	27%	71%	N/A	N/A	64%

* *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, 2023

To the Company's General Shareholders' Meeting

NATIXIS S.A.

7, PROMENADE GERMAINE SABLON

75013 PARIS

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, 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 have been advised of the following agreements entered into during the past fiscal year, which were authorized by your Board of Directors.

1. Back-swap agreements between Natixis and Caisse d'Epargne Grand Est Europe, Banque Populaire Aquitaine Centre Atlantique, Banque Populaire Alsace Lorraine Champagne, Banque Populaire du Nord, Banque Populaire Grand Ouest, Caisse d'Epargne Bretagne Pays-de-Loire, Caisse d'Epargne Hauts-de-France, Caisse d'Epargne Loire-Centre

On August 2, 2023, the Board of Directors authorized the conclusion of back-swap agreements as part of the "BPCE Home Loans 2023" securitization transaction between Natixis and each of the following Groupe BPCE entities: Caisse d'Epargne Grand Est Europe, Banque Populaire Aquitaine Centre Atlantique, Banque Populaire Alsace Lorraine Champagne, Banque Populaire du Nord, Banque Populaire Grand Ouest, Caisse d'Epargne Bretagne Pays-de-Loire, Caisse d'Epargne Hauts-de-France, Caisse d'Epargne Loire-Centre and approved all the terms and conditions, notably financial.

As part of this transaction, Natixis acts as counterparty to the interest-rate hedging instruments (the "front swap"). Natixis pays EURIBOR under the front swap. To hedge its commitments, Natixis will enter into back swaps with the Caisses d'Epargne ("CE") and Banques Populaires ("BP") participating in this transaction. Natixis receives EURIBOR for back swaps.

It is specified that the back-swap agreements are entered into in the interest of Natixis because (i) their market value is in favor of Natixis from day one, (ii) they enable Natixis to hedge its commitments under the front swap and (iii) they enable Natixis to provide the interest-rate hedging service in the BPCE Home Loans 2023 transaction, for which Natixis' running remuneration is expected to be around €2 million.

Corporate officers concerned on the day of the transaction: Dominique Duband, Sylvie Garcelon, Dominique Garnier, Philippe Hourdain, Catherine Leblanc, Christophe Pinault, Laurent Roubin and Valérie Savani.

Income recognized by Natixis in respect of these agreements amounted to €2,019,576.89 for the fiscal year ended December 31, 2023.

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. 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 aimed 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 were in the interest of Natixis insofar as these transfers were 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 was approved by the General Shareholders' meeting of March 22, 2022.

Corporate officers concerned on the day of the transaction: Laurent Mignon (Chairman of the Natixis Board of Directors and Chairman of the BPCE Management Board), Catherine Halberstadt (permanent BPCE representative 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.

This agreement had no financial impact in 2023.

2. Tax consolidation agreement between BPCE (as the parent company of the consolidated group) and Natixis (as a subsidiary member of the consolidated group)

On December 13, 2022, a tax consolidation agreement was signed between BPCE (as the parent company of the consolidated group) and Natixis (as a subsidiary member of the consolidated group).

This agreement was entered into following the acquisition of more than 95% of the capital of Natixis by BPCE in fiscal year 2021. As a result of this takeover, the tax consolidation group of which Natixis S.A. was until then the integral parent company will cease to exist as of December 31, 2021.

Correspondingly, Natixis and the subsidiaries of its former tax group have given their agreement to join, as of January 1, 2022, the tax consolidation group of which BPCE is the parent company.

As the head of the tax consolidation group, BPCE is the only company liable to pay corporate income tax to the French Treasury, calculated on the basis of the taxable income of the tax consolidation group as a whole. In this respect, it is entitled, under certain conditions, to use the tax losses carried forward to December 31, 2021 by the former Natixis tax consolidation group, in accordance with the legal mechanism known as the extended base.

The agreement signed on December 13, 2022 by Natixis and BPCE thus determines the contribution of Natixis to BPCE's income tax. It provides that Natixis will pay the tax that it would have paid to the French Treasury as the parent company of the tax group that it could have formed with its subsidiaries in the absence of BPCE's acquisition of more than 95% control, taking into account the profits of new tax consolidated companies, if any.

This broader basis is contractually reinforced between BPCE and Natixis, since the agreement provides for the possibility for Natixis to apply this loss carryforward to a basis that also includes the taxable profits of subsidiaries that will become members of the BPCE tax group and the Natixis S.A. tax subgroup as from January 1, 2022.

This agreement could lead Natixis to offset more tax losses against BPCE than BPCE itself will be able to offset against the total income used to calculate the tax due to the French Treasury, thereby allowing Natixis to benefit from a tax saving that BPCE will not yet have realized, for a potential amount of €85 million (€330 million of losses x 25.82% – estimate based on the ten-year tax business plan).

It should be noted that this agreement was not subject to prior approval by the Natixis Board of Directors due to the late timing of its signature. This agreement was signed as a matter of urgency before the end of the fiscal year, in order to benefit from the provisions of the French General Tax Code relating to the inclusion of the companies concerned within the BPCE tax consolidation scope as of December 31, 2022.

This agreement was approved by the May 23, 2023 General Shareholders' Meeting.

Corporate officers concerned on the day of the transaction: Nicolas Namias (Chairman of the Natixis Board of Directors and Chairman of the BPCE Management Board), Catherine Halberstadt (permanent BPCE representative on the Board of Natixis and member of the BPCE Senior Management Committee), and Stéphanie Paix (Chief Executive Officer of Natixis and member of the BPCE Senior Management Committee).

This agreement had no financial impact in 2023.

3. 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 reinvoicing 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 was approved by the March 22, 2022 General Shareholders' Meeting.

Corporate officers concerned on the day of the transaction: Laurent Mignon (Chairman of the Natixis Board of Directors and Chairman of the BPCE Management Board), Catherine Halberstadt (permanent BPCE representative 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).

The expenses recognized by Natixis in respect of this agreement amounted to €2,500,006.00 for fiscal year 2023.

4. 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 was 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 aimed 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 BPCE Management Board and Chairman of the Natixis Board of Directors, Catherine Halberstadt, member of the BPCE Management Board 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 BPCE Management Board.

This agreement had no financial impact in 2023.

5. 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 modified 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.

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 BPCE Management Board and Chairman of the Natixis Board of Directors; Catherine Halberstadt, member of the BPCE Management Board and permanent representative of BPCE at Natixis; Bernard Dupouy, member of the BPCE Supervisory Board and member of the Natixis Board of Directors; Thierry Cahn, Vice-Chairman of the BPCE Supervisory Board and member of the Natixis Board of Directors; and Françoise Lemalle, member of the BPCE Supervisory Board and member of the Natixis Board of Directors.

These agreements had no financial impact in 2023.

6. 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 had 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' meeting of July 31, 2014.

The discussions with CNP had continued and initially resulted in a master memorandum of agreement between CNP Assurances, BPCE, and Natixis, which was authorized by the Board of Directors' meeting of 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' meeting of February 18, 2015, and where the main provisions are as follows:

6.1 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 seven-year period, BPCE will be able to either extend the new partnership agreements for a period of three 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 BPCE Management Board, Chairman of the Natixis Board of Directors and member of the CNP Assurances Board of Directors; Laurent Mignon, Chief Executive Officer of Natixis and member of the BPCE Management Board; Daniel Karyotis, member of the BPCE Management Board and permanent BPCE representative at Natixis; Alain Condaminas, member of the BPCE Supervisory Board and member of the Natixis Board of Directors; Catherine Halberstadt, member of the BPCE Supervisory Board and member of the Natixis Board of Directors; Didier Patault, member of the BPCE Supervisory Board and member of the Natixis Board of Directors; Thierry Cahn, member of the BPCE Supervisory Board and member of the Natixis Board of Directors; and Pierre Valentin, member of the BPCE Supervisory Board and member of the Natixis Board of Directors.

6.2 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 former CNP clients;
- 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 clients 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 were 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 BPCE Management Board, Chairman of the Natixis Board of Directors and member of the CNP Assurances Board of Directors; Laurent Mignon, Chief Executive Officer of Natixis and member of the BPCE Management Board; Daniel Karyotis, member of the BPCE Management Board and permanent BPCE representative at Natixis; Alain Condaminas, member of the BPCE Supervisory Board and member of the Natixis Board of Directors; Catherine Halberstadt, member of the BPCE Supervisory Board and member of the Natixis Board of Directors; Didier Patault, member of the BPCE Supervisory Board and member of the Natixis Board of Directors; Thierry Cahn, member of the BPCE Supervisory Board and member of the Natixis Board of Directors; and Pierre Valentin, member of the BPCE Supervisory Board and member of the Natixis Board of Directors.

These agreements were approved by the May 19, 2015 General Shareholders' Meeting.

These agreements had no financial impact in 2023.

7. 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 was 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 US$4 billion to US$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 US$2 billion to US$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 day of the transaction: Mr. Pérol, Chairman of the BPCE Management Board, Chairman of the Natixis Board of Directors, Mr. Gentili, member of the BPCE Supervisory Board, director of Natixis, Mr. Patault, member of the BPCE Supervisory Board, director of Natixis, Mr. Sueur, Vice-Chairman of the Steering and Supervisory Board of Caisse d'Epargne Île-de-France, director of Natixis, Mr. Cahn, member of the BPCE Supervisory Board, director of Natixis, Mr. Condaminas, member of the BPCE Supervisory Board, director of Natixis, Ms. Halberstadt, member of the BPCE Supervisory Board, director of Natixis, Mr. Valentin, member of the BPCE Supervisory Board, director of Natixis, Ms. Paix, Chairwoman of the Management Board of Caisse d'Epargne Rhône Alpes, director of Natixis, BPCE represented by Mr. Karyotis, Chief Financial Officer and member of the BPCE Management Board, permanent representative of BPCE on the Natixis Board of Directors.

The income recognized by the Natixis New York branch in respect of this agreement amounted to US$122,499 for the fiscal year ended December 31, 2023.

Neuilly-sur-Seine and Paris-La Défense, March 15, 2024

The Statutory Auditors

PricewaterhouseCoopers Audit	Mazars	
Emmanuel Benoist	Emmanuel Dooseman	Olivier Gatard

8.5 Person responsible for the universal registration document and the annual financial report

Stéphanie Paix, Chief Executive Officer of Natixis.

8.6 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 Company's assets, its financial position and its net income, 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 15, 2024

Stéphanie Paix

Chief Executive Officer

8.7 Documents available to the public

This document is available on the website *https://natixis.groupebpce.com/about-us/financial-information/* and on that of the French Financial Markets Authority *https://www.amf-france.org/*.

All regulated information as defined by the French Financial Markets Authority (in Title II of Book II of the French Financial Markets Authority General Regulation) is accessible on the Company's website: *https://natixis.groupebpce.com*

The Articles of Association of Natixis S.A. are reproduced in full in this document.

8.8 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 fiscal year ended December 31, 2022, presented respectively on pages 392 to 423 and 247 to 379 and the relevant Statutory Auditors' reports, pages 424 to 429 and 380 to 386 respectively of the universal registration document filed with the French Financial Markets Authority (AMF) on March 23, 2022 under registration number D.23-0140.

The information is available at the following link:

https://natixis.groupebpce.com/wp-content/uploads/2023/05/NATIXIS_URD-2022_EN_PDFi_v4.pdf

- the parent company and consolidated financial statements for the fiscal year ended December 31, 2021, presented respectively on pages 417 to 452 and 261 to 407 and the relevant Statutory Auditors' reports, pages 453 to 457 and 408 to 416 respectively of the universal registration document filed with the French Financial Markets Authority (AMF) on March 11, 2022 under registration number D.22-0088.

  The information is available at the following link:

  https://natixis.groupebpce.com/wp-content/uploads/2023/06/Natixis-URD-2021_V2_EN.pdf

- the parent company and consolidated financial statements for the fiscal 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 French Financial Markets Authority (AMF) on March 9, 2021 under registration number D.21-0105.

  The information is available at the following link:

  https://natixis.groupebpce.com/wp-content/uploads/2022/08/natixis_2020_urd_en.pdf

The universal registration document is available for consultation on the French Financial Markets Authority (AMF) website *(www.amf-france.org)* and on the Natixis website *(https://natixis.groupebpce.com)*.

Cross reference table for the annual financial report and the management report

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Management report *(see the cross-reference table of the management report)*	483
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9. Glossary

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*).
Afep-Medef	French Association of Private Sector Companies – French Business Confederation (*Association Française des Entreprises Privées – Mouvement des Entreprises de France*).
AGIRC	General Association for Managers' Pension Institutions (*Association Générale des Institutions de Retraite des Cadres*).
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.
AM	Asset Management.
AMF	French Financial Markets Authority.
AML-CTF	Anti-money laundering and counter-terrorism financing.
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.
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.
Book	Portfolio.
Bookrunner	Main runner or lead manager in the issue of new equity, debt or securities instruments.
Bps	Basis points.
Broker	Broker.
Brokerage	Brokerage.
BRRD	Banking Recovery and Resolution Directive.
CA	Revenue/Board of Directors.
Capital adequacy ratios	Ratio of overall capital (Tier 1 and Tier 2) to weighted risks.
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.
CCF	Credit Conversion Factor.
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).
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).
CEO	Chief Executive Officer.
CET 1	Common Equity Tier 1 capital.
CFCC	Control Functions Coordination Committee.
CFH	Cash flow hedge.
CFO	Chief Financial Officer.
CGU	Cash-generating units.
CIB	Corporate & Investment Bank.

CIB	Corporate & Investment Banking.
CIC	Cooperative investment certificates.
CH	Clearing house.
CLO	Collateralized Loan Obligations, *i.e.* a credit derivative product backed by a homogeneous pool of corporate loans.
CMBS	Commercial Mortgage-Backed Securities.
CMS	Constant maturity swap. 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.
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.
Commodities	Commodities.
Common Equity Tier 1 capital 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.
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	The cost of risk in basis points is calculated by dividing the net expense of commercial risk by the 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.
CRD	Capital Requirements Directive (EU Directive).
CRD III	An 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 3 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.
CRR	Capital Requirement Regulation (EU Regulation).
CSR	Environmental and social (or societal) responsibility.
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.
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.
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.

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.
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.
ECB	European Central Bank.
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.
Equity	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.
ESG	Environment, Social and Governance.
EU	European Union.
EUR	Euro.
EURIBOR	Euro Interbank Offered Rate, the benchmark interest rate on the euro zone's money market.
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 valuation 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.
Fixed-term employment contract	Fixed-term employment contract.
FTE	Full-time equivalent.
Fully-Loaded	Indicates full compliance with Basel 3 solvency requirements (mandatory from 2019).
FX	Foreign exchange.
GBP	Pound sterling (British pound).
GHG	Greenhouse Gas.
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.
Gross exposure	Exposure before the impact of provisions, adjustments and risk reduction techniques.
Holding company	The Company that heads a corporate group.

HQE	High Environmental Quality (*Haute qualité environnementale*).
HQLA	High-quality liquid assets.
HRR	Head of Human Resources.
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.
ICMA	International Capital Market Association: Global trade organization, with de facto regulatory authority, of investment banks and securities firms participating in the international bond market.
IDA	Deferred tax assets.
IDFC	Infrastructure Development Finance Company.
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.
Incremental Risk Charge (IRC)	Incremental Risk Charge, 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.
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.
IRBA	Internal Ratings-Based Approach.
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.
ISDA	International Swaps and Derivatives Association.
KPI	Key performance indicator. The KPI is a quantified element that must be determined before the launch of an action, in order to assess the impact and determine the ROI (return on investment).
LBO	Leveraged buyout.
LCR	Liquidity coverage ratio.
Leverage/ leveraged financing	Financing through debt.
Leverage ratio	The leverage ratio is a simple ratio that aims to regulate the size of institutions' balance sheets. To do this, the leverage ratio compares Tier 1 regulatory capital with the balance sheet/off-balance sheet accounting items, after restatement of certain items.
LGD	Loss Given Default, a Basel 2 credit risk indicator corresponding to the loss given 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.
Loss rate	See LGD.
LR	Leverage ratio.
LTRO	Long Term Refinancing Operation. Long-term loans granted to banks by the ECB.
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.
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.
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.
MLA	Mandated lead arranger. When placing a syndicated loan, the Company receives requests from various institutions to set up (or refinance) a syndicated loan. On the basis of these proposals, the Company chooses one (or more) bank(s) that will structure the operation.
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 10.5% of their Basel 3 average risk-weighted assets. Business lines receive interest on the normative capital allocated to them.
Natixis ROE	Natixis' ROE is calculated by taking the net income (Group share) as the numerator, after deducting coupons on DSN (the related tax saving having already been recognized in profit and loss following application of the amendment to IAS 12). Shareholders' equity 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 shareholders' equity (OCI).
Natixis ROTE	Natixis' ROTE is calculated by taking the net income (Group share) as the numerator, after deducting coupons on DSN (the related tax saving having already been recognized in profit and loss following application of the amendment to IAS 12). Shareholders' equity is average shareholders' 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 shareholders' equity.
NAV	Net asset value.
NBI	Net banking income.
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 equity method goodwill, restated goodwill and restated intangible assets.
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.
NSFR	Net Stable Funding Ratio.
NZBA	Net-Zero Banking Alliance.
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.
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.
PD	Probability of default, *i.e.* the likelihood that a counterparty of the bank will default within a one-year period.
P&L	Profit & Loss, or income statement.
Permanent employment contract	Permanent employment contract.
PFE	Own Funds Requirement: the amount of capital that is required to be held, *i.e.* 8% of risk-weighted assets (RWA).
Physical risk	Refers to the financial impact of climate change, involving more frequent extreme weather conditions and gradual climate changes. Physical risk is thus categorized as "acute" if it occurs as a result of extreme events, such as floods and storms, and as "chronic" if it results from gradual changes, such as rising temperatures, rising seas, and water stress. Physical risks can have financial repercussions for organizations, such as direct damage, supply shocks (on their own assets or indirect impacts on their supply chain) or demand shocks (impacting downstream destination markets). Organizations' financial performance can also be affected by changes in water availability, supply and quality, food safety, and extreme temperature changes affecting the organizations' premises, operations, supply chain, transportation needs and employee safety.
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).
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	See RWA.
Risk-weighted assets (RWA)	Exposure value multiplied by its risk weight.
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.
RW	Risk weight.
RWA	Risk Weighted Assets, or risk-weighted EAD.
RWEA	Risk Weighted Exposure Amounts, or risk weighted EAD.
SA (Standard Approach)	Standard approach used to measure credit risk as defined by EU Regulations.
SEC	US Securities and Exchange Commission.
Securitization	A transaction whereby credit risk on loan receivables is transferred to investors by an entity through the issue 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.
Self-held shares	The equity share held by the Company, especially through the share buyback program. Self-held shares 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.
S&P	Standard & Poor's.
SMC	Senior Management Committee.
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 financing. 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	The SRI (Socially Responsible Investment) label is a tool for choosing responsible and sustainable investments. Created and supported by the Ministry of Finance, the aim of the label is to make socially responsible investment products more visible to savers in France and Europe.
SRM	Single Resolution Mechanism.
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.
Subordinated notes	Debt securities that are ranked below senior debt in terms of repayment priority.
SVaR	Stressed Value at Risk.
Swap	An agreement between two counterparties to exchange different assets, or revenues from different assets, until a given date.

SWWR	Specific Wrong-Way Risk.
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 share capital and retained earnings allocated to reserves. The ratio of Tier 1 capital to risk-weighted assets is a solvency indicator used in the Basel 1, Basel 2 and Basel 3 prudential accords.
TLAC	Total Loss Absorbing Capacity – ratio to measure the capacity to absorb financial losses.
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.
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.
Transition risk	Refers to the financial loss suffered by an institution that may result, directly or indirectly, from the process of adjustment to a more environmentally sustainable low-carbon economy. The transition to a low-carbon economy may result in significant political, legal, technological and market changes to address climate change mitigation and adaptation requirements. Depending on the nature, speed and direction of these changes, these transition risks may present varying levels of financial and reputational risk to organizations.
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.
Total Capital Ratio	Ratio of overall capital (Tier 1 and Tier 2) to risk-weighted assets.
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.
WWR	Wrong-way risk.

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