

Full-year 2023 and Q4-23 results

Strong sales momentum and high level of financial solidity

KEY FIGURES¹

2023: net banking income of €22.2bn, -7% vs. 2022, decrease anticipated starting 2023 related to the trend of cost of liabilities on both regulated and unregulated savings; continued asset repricing thanks to new loan production; strict control of expenses, -2% vs. 2022; net income² of €2.8bn

Q4-23: net banking income of €5.5 bn, stable vs. Q3-23; costs down by 2% vs. Q4-22; net income² of €381m

Ongoing improvement of solvency, at the highest standard: CETI ratio of 15.6%³ at end-December 2023, +16bps QoQ and +53bps organic capital generation YoY

BUSINESS LINES/ACTIVITIES¹

Retail Banking & Insurance: 925,000 new clients⁴ in 2023 in the Banque Populaire and Caisse d'Epargne retail banking networks; continued commercial momentum with Insurance and Specialized Financing; net banking income down 8% vs. 2022 with the faster rise in the cost of liabilities than the return on assets

- **Financing territories: 3% YoY increase in loan outstandings**, rising to **€719bn** at end-December 2023
- **Clients' deposits⁵ up 3%** at end-December 2023 YoY, i.e. **+€21bn**, rising to €676bn
- **Insurance: sustained gross in life insurance inflows at €12.7bn** in 2023. **Premiums up 14%** vs. 2022. **Client equipment rate⁵ for P&C and personal protection insurance reached 34.1%** at the end of December 2023, **+0.9% YoY**
- **Financial Solutions & Expertise: net banking income up +11% vs. 2022**, driven by financing activities
- **Digital & Payment: leadership in payment technologies**, with the launch of **Tap to Pay** solution, the instant account-to-account payment transactions through **EPI solution** and the **ticketing payment system for the Olympic and Paralympic Games Paris 2024**

Global Financial Services: 3% revenue growth in 2023 and Q4-23 YoY at constant exchange rates; strong performance for CIB and good resilience for AWM in a challenging environment for this industry in 2023

- **Corporate & Investment Banking: net banking income of €4bn in 2023, up 9% in Q4-23 YoY at constant exchange rates; good performance of Global Markets in 2023; net banking income up 20% in Global Finance and 21% in Investment Banking and M&A vs. Q4-22**
- **Asset & Wealth Management: 8% increase YtD in Natixis IM assets under management, reaching €1,166bn** at end-December 2023; **net inflows of €12.9bn in 2023** (excluding life insurance and money market products); net banking income down by 3% in 2023 and in Q4-23 YoY at constant exchange rates

P&L /CAPITAL¹

Very tight management in expenses: down by 2% in 2023 and in Q4-23 YoY

Low cost of risk and continued prudent provisioning policy: -12% in 2023 to €1,731m, or 20bps, including limited reversals of provisions and higher provisioning for occurred risk.

Financial strength: CETI ratio of 15.6%³ at end-December 2023, +16bps vs. end-September 2023 notably thanks to earnings generation in Q4-23; liquidity reserves stood at €302bn at end-2023.

Nicolas Namias, Chairman of the Management Board of BPCE, said: "As anticipated, Groupe BPCE's financial performance was marked in 2023 by the transition period due to rapid rise in interest rates; this impact reflects the position we have in the financing of the French economy. With our model based on fixed rates financing, we are proud to have played our full role in protecting the purchasing power for clients of the Banques Populaires and Caisses d'Epargne. Thanks to particularly dynamic sales activity across all client segments, our two retail banking networks have continued to expand their client bases, enabling to pursue actively the rollout of our Insurance and Specialized Financing businesses. In our global business lines, Natixis CIB continued its sustained and carefully managed development and recorded annual revenues at an unprecedented level, while Asset Management achieved a robust performance with positive net inflows on long-term products* in a challenging context for the industry in 2023.

This quarter once again, our Group further consolidated its already high level of financial strength, leaving it well placed to prepare the future and pursue its growth strategy.

I would like to thank the 100,000 employees of Groupe BPCE both in France and in the international areas for their day-to-day commitment in favor of our clients. They are contributing to make our Group a central player in the economy, performing a key role in addressing the different environmental, technological and social challenges."

* Excluding life insurance products and money market funds

¹ See the notes on methodology annexed to this press release ² Group share ³ Estimated figures at end-December 2023 ⁴ 228,000 additional active clients over the past 12 months ⁵ On-balance sheet deposits and savings within the scope of the Retail Banking & Insurance business unit ⁶ Within the scope of individual clients banking with the BP and CE

The quarterly financial statements of Groupe BPCE for the period ended December 31, 2023, approved by the Management Board at a meeting convened on February 5, 2024, were verified, and reviewed by the Supervisory Board, chaired by Thierry Cahn, at a meeting convened on February 7, 2024.

In this document, 2022 figures have been restated on a pro-forma basis to account for the application to insurance of the new IFRS 17 and 9 reporting requirements (see annex for the reconciliation of reported data to pro-forma data).

Groupe BPCE

€m ¹	Q4-23	Q4-22	% change vs. Q4-22	2023	2022	% change vs. 2022
Net banking income	5,462	5,844	(7)%	22,198	23,959	(7)%
Operating expenses	(4,129)	(4,233)	(2)%	(16,328)	(16,638)	(2)%
<i>o/w operating expenses excluding contributions to the SRF</i>	(4,129)	(4,219)	(2)%	(15,871)	(16,028)	(1)%
Gross operating income	1,332	1,611	(17)%	5,870	7,322	(20)%
Cost of risk	(744)	(766)	(3)%	(1,731)	(1,964)	(12)%
Income before tax	537	863	(38)%*	4,182	5,473	(24)%
Income tax	(159)	(312)	(49)%	(1,340)	(1,656)	(19)%
Non-controlling interests	3	(16)	ns	(38)	(71)	(47)%
Net income (Group share)	381	535	(29)%	2,804	3,746	(25)%
Exceptional items	(100)	(51)	96%	(122)	(164)	(26)%
Underlying net income (Group share)²	481	586	(18)%	2,925	3,909	(25)%
<i>Cost/income ratio³ (underlying, excl. SRF)</i>	74.6%	70.6%	3.9pp	70.8%	65.6%	5.2pp

¹ Reported figures as far as "Net income (Group share)"

² "Underlying" means exclusive of exceptional items

³ The cost/income ratio of Groupe BPCE is calculated on the basis of net banking income and operating expenses excluding exceptional items, the latter being restated to account for the contribution to the Single Resolution Fund (SRF) booked in the Corporate center business unit. The calculations are detailed in the annex on pages 27 and 28.

* The positive impact of the disposal of Bimpli in Q4-22 partly explains Q4-23 negative trend for income before tax in Q4-23.

1. Groupe BPCE

Unless specified to the contrary, the financial data and related comments refer to the reported results of the Group and business lines, changes express differences between Q4-23 and Q4-22 and between full-year 2023 and full-year 2022.

Groupe BPCE's net banking income declined by 7% in Q4-23 to 5,462 million euros, stable when compared with Q3-23 and down 7% in full-year 2023 to 22,198 million euros.

Revenues posted by the **Retail Banking & Insurance (RB&I)** business unit came to 3,557 million euros (-7%) in Q4-23 and to 14,824 million euros (-8%) in 2023. The Banques Populaires and Caisse d'Epargne reported strong sales performances. The continuous rise in the return on assets partly offset the rise in the cost of liabilities – regulated and non-regulated savings in particular; net banking income generated by the **retail banking networks** was down 12%. The **Financial Solutions & Expertise** business unit saw its revenues grow by 11% in 2023, buoyed up by the strength of leasing and factoring services. The **Insurance** business unit benefitted from strong momentum in life and non-life insurance, revenues are also reflecting the impact of a certain volatility inherent in the new IFRS 17 and 9 standards.

The **Global Financial Services** business unit reported revenues up 1% in Q4-23 and up 2% in full-year 2023, rising to 1,874 million euros and 7,230 million euros respectively. In 2023, the net banking income generated by the business unit was buoyed up by **Corporate & Investment Banking** (+7%), boosted by strong activities in the Global Markets, Global Trade, Investment Banking, and M&A businesses. The net banking income generated by **Asset & Wealth Management** was down 6% in Q4-23 and by 4% over the full-year period, chiefly due to lower performance fees and a decline in the average level of assets under management compared with 2022.

Net interest income reached a total of 7.3 billion euros in 2023, down 25% year-on-year. **Commissions** rose by 2% to 10.3 billion euros in 2023.

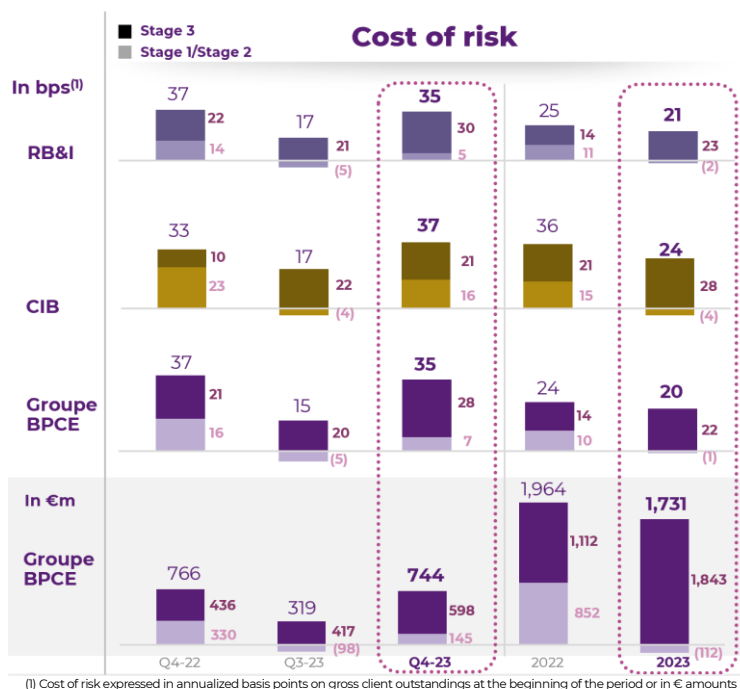
Against a backdrop of persistent inflation, **operating expenses** were kept under tight control in all the business lines. They fell overall by 2% in Q4-23 and in full-year 2023, to 4,129 million euros and 16,328 million euros respectively.

The **underlying cost/income ratio, excluding contributions to the SRF¹**, came to 74.6% in Q4-23, up 3.9pps, and 70.8% in full-year 2023, up 5.2pps.

Gross operating income fell by 17% in Q4-23 and by 20% in 2023, to 1,332 million euros and 5,870 million euros respectively.

Groupe BPCE's **cost of risk** fell by 3% in Q4-23 to 744 million euros, and by 12% in 2023 to 1,731 million euros.

Performing loans are rated 'Stage 1' or 'Stage 2', while outstandings with an occurred risk are rated 'Stage 3.'



¹ The cost/income ratio of Groupe BPCE is calculated on the basis of net banking income and operating expenses excluding exceptional items, the latter being restated to account for the contribution to the Single Resolution Fund (SRF) booked in the Corporate center division. The calculations are detailed in the annex on pages 27 and 28.

For Groupe BPCE in Q4-23, the **amount of provisions for outstanding loans** came to 744 million euros, compared with 766 million euros in Q4-22. This total can be broken down as follows:

- for **performing loans**, provisions for a total of 330 million euros were booked in Q4-22, while 145 million euros were reversed in Q4-23,
- allocations to provisions on **loans with an occurred risk** rose from 436 million euros in Q4-22 to 598 million euros in Q4-23.

In Q4-23, the cost of risk stood at **35bps** in terms of gross client outstandings **for Groupe BPCE** (37bps in Q4-22). This figure includes a 7bps reversal of provisions on performing loans (vs. a 16bps allocation to provisions in Q4-22) and a 28bps allocation to provisions for loans with an occurred risk vs. a 21bps allocation in Q4-22.

The cost of risk came to **35bps** for the **Retail Banking & Insurance** business unit (37bps in Q4-22), including a 5bps allocation to provisions for performing loans (vs. a 14bps provisioning charge in Q4-22) and a 30bps allocation to provisions for loans with an occurred risk (vs. a 22bps provisioning charge in Q4-22).

The cost of risk for the **Corporate & Investment Banking** business unit stood at **37bps** (33bps in Q4-22), including a 16bps provisioning charge on performing loans (vs. a 23bps provisioning charge in Q4-22) and a 21bps allocation to provisions for loans with an occurred risk (vs. a 10bps provisioning charge in Q4-22).

In 2023, the amount of provisions came to 1,731 million euros versus 1,964 billion in 2022, and can be broken down as follows:

- For **performing loans**, provisions for a total of 852 million euros were booked in 2022 and 112 million euros were reversed in 2023,
- Allocations to provisions on **loans with an occurred risk** rose from 1,112 million euros in 2022 to 1,843 billion euros in 2023, notably explained by a limited number of specific files and a weakening of the economic environment.

In 2023, the cost of risk stood at **20bps** in terms of gross client outstandings **for Groupe BPCE** (24bps in 2022). This total includes a 1bp reversal of provisions on performing loans (vs. a 10bps allocation to provisions in 2022) and a 22bps allocation to provisions for loans with an occurred risk (vs. a 14bps provisioning charge in 2022).

The cost of risk was **21bps** for the **Retail Banking & Insurance** business unit (25bps in 2022), including a 2bps reversal of provisions on performing loans (vs. an 11bps allocation to provisions in 2022) and a 23bps allocation to provisions on loans with an occurred risk (vs. a 14bps allocation in 2022).

The cost of risk for **Corporate & Investment Banking** came to **24bps** (36bps in 2022), including a 4bps reversal of provisions for performing loans (vs. a 15bps allocation to provisions in 2022) and a 28bps allocation to provisions for loans with an occurred risk (vs. provisioning of 21bps in 2022).

The **ratio of non-performing loans** to gross loans outstandings stood at 2.4% at December 31, 2023, up 0.1pp compared with end-December 2022.

The positive impact of the disposal of Bimpli in Q4-22 partly explains the negative performance of **income before tax** in Q4-23.

Reported net income (Group share) in Q4-23 came to a total of 381 million euros, - 29% (535 million euros in Q4-22), and reached 2,804 million euros in 2023 vs. 3,746 million euros in 2022 (-25%).

Underlying net income (Group share)² came to 481 million euros in Q4-23, down 18% vs. Q4-22 (586 million euros), and to 2,925 million euros in 2023 (-25%).

² "Underlying" means exclusive of exceptional items

2. Strong growth in our client base

In Retail Banking & Insurance, the strong drive to win new clients led to a broadening of the client base across all business lines:

- 786,000 new individual clients since the beginning of the year,
- 122,000 new professional clients since the beginning of the year,
- 11.6 million principal active clients at end-December 2023,
- 141,000 new clients equipped with P&C policies, equal to 3.7 million clients at end-December 2023.

Specialized financing and Insurance recorded robust commercial results:

Several of the FSE division's businesses consolidated their market positions:

- No. 1 banking player in consumer credit¹ in France,
- growth in leasing market share in both equipment leasing² and real-estate leasing³.

The sale of insurance policies rose by 14%⁴ to 16.2 billion euros at end-2023.

The P&C and personal protection equipment rate stood at 34.1% at end-December 2023, up 0.9pp year-on-year.

In Non-life insurance, the Group has a portfolio of more than 7 million contracts.

At the end of 2023, 87% of our branches and business centers had a positive NPS.

In the Global Financial Services business unit, the global business lines have taken a further step towards strategic diversification. In Corporate & Investment Banking, the United States is the 2nd largest market, and other regions are under development. 66% of CIB revenues are generated outside France:

- 26% in Americas,
- 29% in EMEA excluding France,
- 11% in APAC.

87% of SBF 120 companies (France) are CIB clients.

In Global Markets, nearly 850 new entities were signed as clients in 2023, 35% of them via the Banque Populaire and Caisse d'Epargne retail banking networks.

In Asset & Wealth Management, aggregate net inflows on long-term products over 2021-2023 reached 33 billion euros⁵ at end-December 2023. Private assets contributed 22% to the profitability of the Asset Management business at the end of December 2023.

3. Groupe BPCE is mobilized in support of the major transformations

Within the framework of the Net Zero Banking Alliance, the Group has published new 2030 targets for 3 industrial sectors: automotive, steel and cement (within the scope of Natixis CIB).

41% of mortgage loans produced by the Retail Banking & Insurance business unit had the highest Energy Performance Diagnosis ratings of A, B and C in 2023.

The Banque Populaire and Caisses d'Epargne have enhanced their mobile banking application with a new "Advice and Sustainable Solutions" service platform, designed to help individual clients reduce their carbon footprint and realize their eco-responsible housing, mobility, and savings projects. At end-December 2023, the platform had received over 3 million unique visitors.

Mirova launched the Mirova Sustainable Land Fund 2, based on a sustainable land management strategy and aiming to raise 350 million euros from public and institutional investors.

By the end of 2023, the Caisse d'Epargne had exceeded 1.5 billion euros in financing dedicated to regional economies via this innovative solution. These impact loans have already made it possible to donate 500,000 euros to national and local associations over a period of three years.

With Papernest, the Banques Populaires and Caisses d'Epargne help their clients to improve their purchasing power through free, comprehensive assistance in optimizing their gas, electricity, Internet, and mobile phone subscriptions.

For the 7th year running, the Group's global business lines were awarded "Top Employer" certification.

In 2023, Groupe BPCE issued 4 sustainable bonds aligned with investors' expectations for a total of 2.25 billion euros, exceeding the target of 3 issuances per year.

Groupe BPCE completed 4 social and green issues:

- 500 million euros in Tier 2 social bonds (local economic development),
- 500 million euros in Social Covered bonds (social housing and healthcare),
- 750 million euros in green covered bonds (green buildings),
- Groupe BPCE, a premium partner of the Olympic & Paralympic Games Paris 2024, is confirming its front-ranking position in the sports economy and has issued Senior Preferred social bonds (Sports Economy and Health) for a total of 500 million euros. This is the first social bond issue in France dedicated exclusively to the "Sports Economy and Health" theme, in line with the United Nations' Sustainable Development Goal No. 3.

¹ Athling study at the end of September 2023 ² 14.8%, up 70bps over 9 months, source ASF September 2023 - BPCE Lease scope ³ 18.1%, up 3.5pp over a 6-month period, source ASF June 2023
⁴ BPCE Lease scope ⁵ Excluding the reinsurance agreement with CNP Assurances ⁶ Excluding Ostrum

4. Capital, loss-absorbing capacity, liquidity, and funding

2.1 CET1 ratio¹

Groupe BPCE's CET1 ratio¹ at the end of December 2023 reached an estimated level of 15.6%¹, compared with 15.4% at the end of September 2023, i.e. +16bps during the quarter. This change can be explained by the following impacts:

- Retained earnings: +9bps,
- Change in risk-weighted assets: -1bp,
- Net issuance of cooperative shares: +1bp,
- Changes in Other Comprehensive Income (OCI): +4bps,
- Other items: +3bps.

Groupe BPCE generated organic capital equal to 53bps in the course of 2023.

Groupe BPCE has an estimated buffer of 16.5 billion euros above the threshold for triggering the maximum distributable amount (**MDA**) for equity capital at the end of December 2023, while taking account of the prudential requirements laid down by the ECB applicable at December 31, 2023.

2.2 TLAC ratio¹

The Total Loss-Absorbing Capacity (TLAC) estimated at the end of December 2023 stands at 116.2 billion euros¹. The TLAC ratio, expressed as a percentage of risk-weighted assets, stood at an estimated 25.4%³ at end-December 2023 (without taking account of senior preferred debt for the calculation of this ratio), well above the Financial Stability Board's standard requirements of 22.39%³ at January 2, 2024.

2.3 MREL ratio¹

Expressed as a percentage of risk-weighted assets at December 31, 2023, Groupe BPCE's subordinated MREL ratio² (without taking account of senior preferred debt for the calculation of this ratio) and total MREL ratio stood at 25.4%¹ and 33.4%¹ respectively, well above the minimum requirements laid down by the SRB on January 2, 2024, of 22.39%³ and 27.03%³ respectively.

2.4 Leverage ratio¹

At December 31, 2023, the estimated leverage ratio stood at 5.0%¹, well above the leverage ratio requirement at December 31, 2023.

2.5 Liquidity reserves at a high level

The Liquidity Coverage Ratio (LCR) for Groupe BPCE is well above the regulatory requirement of 100%, standing at 143% based on the average of end-of-month LCRs in the 4th quarter of 2023.

The volume of liquidity reserves came to 302 billion euros at the end of December 2023, representing a coverage ratio of 161% of short-term financial debts (including short-term maturities of medium-/long-term financial debt).

2.6 MLT funding plan: 34,4% of the 2024 plan already raised by January 31, 2024

For 2024, the size of the MLT funding plan, excluding structured private placements and ABS, has been set at 27.25 billion euros, broken down by type of debt as follows:

- 8.5 billion euros in TLAC funding: 2 billion euros in Tier 2 and 6.5 billion euros in senior non-preferred debt,
- 5.5 billion euros of senior preferred debt,
- 13.25 billion euros in covered bonds.

The target for ABS is 4 billion euros.

At January 31, 2024, Groupe BPCE had raised 9.35 billion euros, excluding structured private placements and ABS (34,4% of the 27.25 billion euro program):

- 3.7 billion euros in TLAC funding: 0.8 billion euros in Tier 2 (41% of requirements) and 2.9 billion euros in senior non-preferred debt (45% of requirements),
- 2.6 billion euros in senior preferred debt (47% of requirements),
- 3.0 billion euros in covered bonds (23% of requirements).

ABS issues amounted to 1 billion euros as at January 31, 2024, i.e. 25% of the target.

The outstanding amount of TLTRO III came to 15.7 billion euros at the end of December 2023, whose redemption at maturity is fully integrated in our wholesale MLT funding plans.

Solvency, Total loss-absorbing capacity – see notes on methodology

¹ Estimated at December 31, 2023

² Groupe BPCE has chosen to waive the possibility offered by Article 72c (3) of the Capital Requirements Regulation (CRR) to use senior preferred debt for compliance with its TLAC/subordinated MREL requirements

³ Requirements as of January 2, 2024

5. Results of the business lines

Unless specified to the contrary, the following financial data and related comments refer to the reported results of the business lines. Changes express differences between Q4-23 and Q4-22, and between full-year 2023 and full-year 2022.

3.1 Retail Banking & Insurance

€m ¹	Q4-23	% change	2023	% change
Net banking income	3,557	(7)%	14,824	(8)%
Operating expenses	(2,497)	(5)%	(9,811)	(2)%
Gross operating income	1,059	(12)%	5,013	(19)%
Cost of risk	(643)	(1)%	(1,505)	(12)%
Income before tax	395	(54)%*	3,525	(27)%
Exceptional items	(113)	ns	(112)	ns
Underlying income before tax²	508	(21)%	3,637	(23)%
<i>Underlying cost/income ratio³</i>	<i>69.2%</i>	<i>2.4pp</i>	<i>65.8%</i>	<i>5.0pp</i>

*The positive impact of the disposal of Bimpli in Q4-22 (+281 million euros) created a high base effect and partly explains the negative trend in income before tax in Q4-23.

Loan outstandings grew by 3% year-on-year to 719 billion euros at the end of December 2023, including a 3% increase in residential mortgages to 402 billion euros, a 4% increase in equipment loans to 193 billion euros, and a 6% increase in consumer loans to 40 billion euros.

At the end of December 2023, **on-balance sheet client deposits & savings** stood at 676 billion euros, up 21 billion euros year-on-year, with term accounts up 54% and both regulated and unregulated passbook savings accounts up 3%.

The **net banking income** generated by the Retail Banking & Insurance business unit fell by 7% to 3,557 million euros in Q4-23 and by 8% to 14,824 million euros in full-year 2023. These changes include a drop of 10% for the **Banque Populaire** retail banking network in Q4-23 and 11% in full-year 2023, and a drop of 9% for the **Caisse d'Épargne** retail banking network in Q4-23 and 14% in full-year 2023.

The **Financial Solutions & Expertise** business lines continued to enjoy very good sales momentum: revenues rose by 23% in Q4-23 and by 11% in full-year 2023. In the **Insurance** business, revenues fell by 14% in Q4-23 but rose by 55% in full-year 2023, driven by strong sales momentum in life and personal protection insurance. The **Digital & Payments** business unit reported a 7% drop in revenues in Q4-23 and a 2% decline in full-year 2023 on a like-for-like basis.

Against a backdrop of persistent inflation, **operating expenses** remain under tight management, falling by 5% in Q4-23 to 2,497 million euros, and by 2% in full-year 2023 to 9,811 million euros.

The **underlying cost/income ratio³** rose by 2.4pps in Q4-23 to 69.2%, and by 5.0pps in full-year 2023 to 65.8%.

The business unit's **gross operating income** fell by 12% in Q4-23 to 1,059 million euros, and by 19% in 2023 to 5,013 million euros.

The **cost of risk** was down by 1% in Q4-23 and by 12% in full-year 2023, to 643 million euros and 1,505 million euros respectively.

For the business unit as a whole, **income before tax** came to 395 million euros in Q4-23, down 54%, and to 3,525 million euros in 2023, down 27%.

Underlying income before tax² amounted to 508 million euros in Q4-23, down 21%, and to 3,637 million euros in 2023, down 23%.

¹ Reported figures until 'Income before tax'

² "Underlying" means exclusive of exceptional items

³ The business line cost/income ratios have been calculated on the basis of net banking income and underlying operating expenses

3.1.1 Banque Populaire retail banking network

The Banque Populaire retail banking network is comprised of 14 cooperative banks (12 regional Banques Populaires along with CASDEN Banque Populaire and Crédit Coopératif) and their subsidiaries, Crédit Maritime Mutuel, and the Mutual Guarantee Companies.

€m ¹	Q4-23	% change	2023	% change
Net banking income	1,379	(10)%	5,879	(11)%
Operating expenses	(974)	(4)%	(3,969)	0%
Gross operating income	404	(22)%	1,910	(27)%
Cost of risk	(282)	1%	(651)	(18)%
Income before tax	146	(42)%	1,325	(29)%
Exceptional items	(10)	(52)%	(3)	(95)%
Underlying income before tax²	156	(43)%	1,328	(31)%
<i>Underlying cost/income ratio³</i>	<i>70.0%</i>	<i>4.9pp</i>	<i>67.2%</i>	<i>7.7pp</i>

Loan outstandings increased by 1% year-on-year to reach a total of 301 billion euros at the end of December 2023.

On-balance sheet client deposits & savings increased by 9 billion euros year-on-year to 289 billion euros at the end of December 2023, with growth in term accounts (+65% year-on-year) and an increase in both regulated and non-regulated passbook savings accounts (+1% year-on-year).

Net banking income came to 1,379 million euros, down 10% year-on-year in Q4-23.

In full-year 2023, net banking income came to 5,879 million euros, down 11%. This total includes:

- A 23% decline in net interest income^{4,5} year-on-year, impacted by the cost of liabilities but mitigated by the positive effect of an increased return on assets via new production,
- And a 5% rise in commissions⁵ to 2.8 billion euros.

Operating expenses, which were kept under tight control, fell by 4% in Q4-23 to 974 million euros, and remained stable in full-year 2023, at 3,969 million euros.

This led to a 4.9pp rise in the **underlying cost/income ratio³**, which stood at 70.0% in Q4-23, and a rise of 7.7pps to 67.2% in full-year 2023.

Gross operating income fell by 22% to 404 million euros in Q4-23 and by 27% to 1,910 million euros in full-year 2023.

The **cost of risk** stood at 282 million euros in Q4-23 (+1%) and 651 million euros in full-year 2023 (-18%).

Income before tax came to 146 million euros in Q4-23 (-42%) and 1,325 million euros in 2023 (-29%).

Underlying income before tax² amounted to 156 million euros in Q4-23 (-43%) and 1,328 million euros in 2023 (-31%).

¹ Reported figures until "Income before tax"

² "Underlying" means exclusive of exceptional items

³ The business line cost/income ratios have been calculated on the basis of net banking income and underlying operating expenses

⁴ Excluding changes in provisions for home-purchase savings schemes

⁵ Income on regulated savings has been restated to account for the net interest margin and included under commissions

3.1.2 Caisse d'Epargne retail banking network

The Caisse d'Epargne retail banking network comprises 15 individual Caisses d'Epargne along with their subsidiaries.

€m ¹	Q4-23	% change	2023	% change
Net banking income	1,407	(9)%	5,837	(14)%
Operating expenses	(1,080)	(5)%	(4,179)	(3)%
Gross operating income	327	(20)%	1,658	(34)%
Cost of risk	(218)	(12)%	(553)	(14)%
Income before tax	110	(34)%	1,107	(40)%
Exceptional items	(10)	(43)%	13	ns
Underlying income before tax²	120	(34)%	1,094	(44)%
<i>Underlying cost/income ratio³</i>	<i>76.0%</i>	<i>3.7pp</i>	<i>71.6%</i>	<i>9.2pp</i>

Loan outstandings increased by 4% year-on-year to 372 billion euros at the end of December 2023.

On-balance sheet client deposits & savings increased by 12 billion euros year-on-year, or 4%, to reach a total of 374 billion euros at the end of December 2023, with growth in term accounts (+39% year-on-year) and both regulated and non-regulated passbook savings accounts (+3% year-on-year).

In Q4-23, net banking income came to 1,407 million euros, down 9%. **In full-year 2023, net banking income** fell by 14% to 5,837 million euros. This figure includes:

- A 32% year-on-year fall in net interest income^{4,5}, impacted by the cost of liabilities but mitigated by the positive effect of an increased return on assets via new production,
- A 4% rise in commissions⁵ to 3.2 billion euros.

Operating expenses, kept under tight control, were reduced by 5% in Q4-23 and by 3% in full-year 2023, to 1,080 million euros and 4,179 million euros respectively.

The underlying cost/income ratio³ increased by 3.7pps to 76.0% in Q4-23 and by 9.2pps to 71.6% in full-year 2023.

Gross operating income fell by 20% to 327 million euros in Q4-23 and by 34% to 1,658 million euros in full-year 2023.

The **cost of risk** came to 218 million euros in Q4-23, down 12%, and to 553 million euros in full-year 2023, down 14%.

Income before tax amounted to 110 million euros in Q4-23 (-34%) and 1,107 million euros in full-year 2023 (-40%).

Underlying income before tax² stood at 120 million euros in Q4-23 (-34%) and at 1,094 million euros in full-year 2023 (-43%).

¹ Reported figures until 'Income before tax'

² "Underlying" means exclusive of exceptional items

³ The business line cost/income ratios have been calculated on the basis of net banking income and underlying operating expenses

⁴ Excluding changes in provisions for home-purchase savings schemes

⁵ Income on regulated savings has been restated to account for the net interest margin and included under commissions

3.1.3 Financial Solutions & Expertise

€m ¹	Q4-23	% variation	2023	% variation
Net banking income	335	23%	1,274	11%
Operating expenses	(167)	1%	(630)	4%
Gross operating income	168	57%	644	20%
Cost of risk	(54)	37%	(98)	14%
Income before tax	112	67%	545	21%
Exceptional items	(1)	(49)%	(3)	(52)%
Underlying income before tax²	113	64%	549	20%
<i>Underlying cost/income ratio³</i>	<i>49.7%</i>	<i>(10.4)pp</i>	<i>49.2%</i>	<i>(3.3)pp</i>

In **Consumer Credit**, loan outstandings (personal loans and revolving credit) grew by a strong 9% over 2023.

Factoring was buoyed up by a very good level of activity generated with the retail banking networks, with factored sales up 6% on a year-on-year basis.

In **Leasing**, new business rose sharply (+18% year-on-year), driven by strong growth in business with the local banking networks (+15%).

In **Sureties & Financial Guarantees**, gross premiums written were down 25% year-on-year, reflecting the marked slowdown in the residential real-estate market.

Net banking income in the Financial Solutions & Expertise business unit rose by 23% to 335 million euros in Q4-23, and by 11% to 1,274 million euros in 2023.

Operating expenses are well under control, growing by 1% to 167 million euros in Q4-23 and by 4% to 630 million euros in full-year 2023, in line with growth in revenues, resulting in a strong positive jaws effect.

The **underlying cost/income ratio³** improved by 10.4pps in Q4-23 to 49.7% and by 3.3pps in full-year 2023 to 49.2%.

Gross operating income increased by 57% in Q4-23 to 168 million euros and by 20% in full-year 2023 to 644 million euros.

The **cost of risk** increased by 37% in Q4-23 to 54 million euros, and by 14% to 98 million euros in full-year 2023.

Income before tax rose by 67% to 112 million euros in Q4-23, and by 21% to 545 million euros in full-year 2023.

Underlying income before tax² stood at 113 million euros in Q4-23, up 64%, and at 549 million euros in full-year 2023, up 20%.

¹ Reported figures until 'Income before tax'

² "Underlying" means exclusive of exceptional items

³ The business line cost/income ratios have been calculated on the basis of net banking income and underlying operating expenses

3.1.4 Insurance¹

The results presented below concern the Insurance business unit held directly by BPCE since March 1, 2022.

€m ¹	Q4-23	% change	2023	% change
Net banking income	146	(14)%	633	55%
Operating expenses ³	(41)	(21)%	(163)	(2)%
Gross operating income	105	(11)%	470	95%
Income before tax	107	(10)%	475	x2
Exceptional items	(2)	(55)%	(6)	(39)%
Underlying income before tax⁴	109	(12)%	482	97%
<i>Underlying cost/income ratio⁵</i>	<i>26.6%</i>	<i>(1.3)pp</i>	<i>24.8%</i>	<i>(13.7)pp</i>

In **Q4-23**, **premiums⁶** rose by 13% to 4.3 billion euros, with growth of 15% for Life & Personal Protection insurance and an increase of 4% for Property & Casualty insurance and, in full-year 2023, an increase of 14% to 16.2 billion euros, with growth of 15% for Life & Personal Protection and 5% for P&C insurance.

Life insurance **assets under management⁶** stood at 92 billion euros at the end of December 2023. Since end-December 2022, they have grown by 10%, with significant positive inflows in 2023. Gross inflows⁶ amounted to 12.7 billion euros in full-year 2023. Unit-linked funds accounted for 34% of assets under management⁶ at end-December 2023, up 5pps vs. end-December 2022, and 52% of gross inflows⁶ in 2023, up 11pps vs. end-December 2022.

In P&C insurance and Personal Protection insurance, the client equipment rate for both retail banking networks reached 34.1%⁷ at end-December 2023, up 0.9bps since end-December 2022.

The **P&C combined ratio** reached 102.2% in 2023 (+5.2pps year-on-year), owing to exceptionally severe weather events over the last three months of the year.

Net banking income, down 14% in Q4-23 and up 55% over 2023, came to 146 million euros and 633 million euros respectively.

Operating expenses fell by 21% in Q4-23 to 41 million euros and by 2% in full-year 2023 to 163 million euros.

Gross operating income stood at 105 million euros in Q4-23 (-11% year-on-year) and 470 million euros in full-year 2023 (+95% year-on-year).

Income before tax stood at 107 million euros in Q4-23, down 10%, and 475 million euros in full-year 2023 (multiplied by a factor of 2 in the space of one year).

Underlying income before tax⁴ stood at 109 million euros in Q4-23, down 12%, and 482 million euros in full-year 2023, up 97% year-on-year.

¹ BPCE Assurances

² Reported figures until "Income before tax"

³ "Operating expenses" corresponds to "non-attributable expenses" under IFRS 17, i.e. all costs that are not directly attributable to insurance contracts

⁴ "Underlying" means exclusive of exceptional items

⁵ The business line cost/income ratios have been calculated on the basis of net banking income and underlying operating expenses

⁶ Excluding the reinsurance treaty with CNP Assurances

⁷ Scope: combined individual clients of the BP and CE networks

3.1.5 Digital & Payments

The results presented below concern the Payments activity held directly by BPCE since March 1, 2022 and those of Oney Bank.

€m ¹	Q4-23	% change on a like-for-like basis ²	2023	% change on a like-for-like basis ²
Net banking income	199	(7)%	816	(2)%
<i>o/w Payments</i>	<i>116</i>	<i>3%</i>	<i>463</i>	<i>6%</i>
Operating expenses	(171)	(11)%	(652)	(2)%
<i>o/w Payments</i>	<i>(100)</i>	<i>(7)%</i>	<i>(382)</i>	<i>1%</i>
Gross operating income	27	(33)%	164	(4)%
<i>o/w Payments</i>	<i>16</i>	<i>x2.7</i>	<i>82</i>	<i>44%</i>
Cost of risk	(69)	46%	(171)	31%
Income before tax	(89)	ns	(68)	ns
Exceptional items	(91)	ns	(113)	ns
Underlying income before tax³	2	(32)%	45	(40)%
<i>Underlying cost/income ratio⁴</i>	<i>79.6%</i>	<i>4.8pp</i>	<i>76.0%</i>	<i>0.7pp</i>

All developments are presented on a like-for-like basis².

Payments

Net banking income is up 6%, and operating expenses remain under very tight management.

In Payment Solutions, the number of card transactions increased by 8% vs. 2022. Growth in mobile and instant payments continues (1.8x vs. 2022). The rollout of Android POS terminals (x3.5) is gathering pace, and the "Tap 2 Pay" solution for iPhones has been launched.

Payplug recorded strong growth in its business volumes, for intermediate-sized enterprises and large corporations (+16% vs. 2022) as well as for small & medium-sized businesses (+27% vs. 2022).

Oney Bank

Net banking income was impacted by changes in the interest rate environment. "Buy Now Pay Later" production is up +3% vs. full-year 2022. Oney Bank remains No. 1 in terms of market share in France for this activity.

The transformation plan has been implemented successfully, with operating expenses down 6%. The underlying level of risk has stabilized compared with 2022, with a trend towards improvement.

Certain exceptional items linked to the restructuring of Oney had an impact on Q4-23 within the framework of the profitable repositioning of this business.

Digital, Data and AI

Groupe BPCE is the 1st bank to carry out instant account-to-account payment transactions with the German Sparkasse Elbe-Elster bank using Wero, the solution developed by EPI.

At the end of December 2023, 11.3 million clients were active on mobile apps (+8% compared with end-December 2022).

The NPS on mobile devices reached +53 at the end of 2023, i.e. +3pps vs. 2022.

The ratings obtained by the Group's mobile applications are very high: 4.7 out of 5 on the App Store and 4.6 out of 5 on Google Play at the end of December 2023, +0.8pps since the beginning of 2023 for professionals on both store ratings.

Net banking income for the Digital & Payments business unit fell by 7% in Q4-23 and by 2% in full-year 2023, to 199 million euros and 816 million euros respectively.

The business unit's **operating expenses** came to 171 million euros in Q4-23, down 11%, and to 652 million euros in full-year 2023, down 2%.

These results have led to a 4.8pp decline in the **underlying cost/income ratio**⁴ to 79.6% in Q4-23. The cost/income ratio increased by 0.7pps to 76% in full-year 2023.

Gross operating income fell by 33% in Q4-23 to 27 million euros, and by 3% to 164 million euros in full-year 2023.

The **cost of risk** increased by 46% in Q4-23 to 69 million euros, and by 31% in 2023 to 171 million euros.

Income before tax stood at -89 million euros in Q4-23 and -68 million euros in full-year 2023.

Underlying income before tax³ was 2 million euros in Q4-23, down 32%, and 45 million euros in full-year 2023, down 40%.

¹ Reported figures until "Income before tax"

² Excluding Bimpli, acquired by Swile in December 2022 (on a like-for-like basis).

³ "Underlying" means exclusive of exceptional items

⁴ The business line cost/income ratios have been calculated on the basis of net banking income and underlying operating expenses

3.2. Global Financial Services

The GFS business unit includes the Asset & Wealth Management activities and the Corporate & Investment Banking activities of Natixis.

€m ¹	Q4-23	% change	% change Constant FX	2023	% change	% change Constant FX
Net banking income	1,874	1%	3%	7,230	2%	3%
o/w Asset & Wealth Management	877	(6)%	(3)%	3,205	(4)%	(3)%
o/w CIB	997	7%	9%	4,026	7%	8%
Operating expenses	(1,389)	1%	3%	(5,253)	2%	3%
o/w Asset & Wealth Management	(687)	(2)%	0%	(2,594)	(2)%	0%
o/w CIB	(702)	5%	7%	(2,659)	5%	6%
Gross operating income	485	(1)%	2%	1,977	2%	3%
Cost of risk	(73)	23%		(154)	(38)%	
Income before tax	391	(10)%		1,855	8%	
Exceptional items	(14)	(1)%		(31)	x2	
Underlying income before tax²	405	(10)%		1,886	8%	
<i>Underlying cost/income ratio³</i>	73.4%	0.4pp		72.2%	0.0pp	

GFS revenues increased by 1% in Q4-23 and by 2% in full-year 2023, to 1,874 million euros (+ 3% at constant exchange rates) and 7,230 million euros (+3% at constant exchange rates) respectively.

Corporate & Investment Banking revenues rose by 7% in 2023 to reach 4 billion euros, thanks to diversification and the strong performance of the following business lines: Global Markets, Global Trade (+15% year-on-year) and Investment Banking and M&A (+12% year-on-year).

Asset & Wealth Management revenues fell by 3% at constant exchange rates in full-year 2023, to 3,205 million euros, chiefly due to the year-on-year decline in performance fees and management fees.

Operating expenses rose by 1% in Q4-23 and by 2% in full-year 2023, to 1,389 million euros (+3% at constant exchange rates) and 5,253 million euros (+3% at constant exchange rates) respectively.

In 2023, the operating expenses incurred by the **Corporate & Investment Banking** business unit rose by 5%, reflecting the trend in revenues, with a positive jaws effect.

In 2023, despite the impact of inflation, the operating expenses of **Asset & Wealth Management** remained stable at constant exchange rates, thanks to the implementation of the cost-cutting plan.

The **underlying cost/income ratio³** increased by 0.4pps to 73.4% in Q4-23, and remained stable at 72.2% in full-year 2023.

Gross operating income fell by 1% in Q4-23 to 485 million euros (+2% at constant exchange rates) and rose by 2% in 2023 to 1,977 million euros (+3% at constant exchange rates).

The **cost of risk** was up 23% to 73 million euros in Q4-23, and down 38% to 154 million euros in full-year 2023.

Income before tax fell by 10% to 391 million euros in Q4-23 and rose by 8% to 1,855 million euros in the course of 2023.

Underlying income before tax² stood at 405 million euros in Q4-23, down 10%, and at 1,886 million euros in full-year 2023, up 8%.

¹ Reported figures until 'Income before tax'

² "Underlying" means exclusive of exceptional items

³ The business line cost/income ratios have been calculated on the basis of net banking income and underlying operating expenses

3.2.1 Corporate & Investment Banking

The Corporate & Investment Banking (CIB) business unit includes the Global markets, Global finance, Investment banking and M&A activities of Natixis.

€m ¹	Q4-23	% change	2023	% change
Net banking income	997	7%	4,026	7%
Operating expenses	(702)	5%	(2,659)	5%
Gross operating income	296	12%	1,367	11%
Cost of risk	(62)	1%	(158)	(37)%
Income before tax	220	6%	1,205	22%
Exceptional items	(3)	ns	(5)	ns
Underlying income before tax²	224	8%	1,210	22%
<i>Underlying cost/income ratio³</i>	70.0%	(1.8)pp	65.9%	(1.4)pp

Global Markets revenues were up 2% year-on-year at constant exchange rates. Revenues posted by the Equity business were up 1% year-on-year. FIC-T revenues reached 1,301 million euros in 2023, marginally down by 1%, thanks to the FI-Rates activities (+35%), which offset lower revenues from the FI-Currencies and Commodities businesses.

Global finance revenues are up 3% year-on-year, thanks to the strong performance of Global Trade (+15% year-on-year in 2023) and to higher syndication revenues from Real Assets activities (+13% year-on-year).

Investment banking activities posted revenues of 206 million euros, up 10% in full-year 2023, driven in particular by strong activity in the Acquisition & Strategic finance business.

The **M&A** business lines continued to outperform with revenues of 319 million euros, up 13% year-on-year in 2023, thanks to sustained activity by the M&A boutiques (notably Fenchurch, Azure capital and Solomon Partners).

The **net banking income** generated by the Corporate & Investment Banking unit rose by 7% both in Q4-23 and in 2023, to 997 million euros and 4,026 million euros respectively.

Operating expenses were up by 5% in Q4-23 and 2023, to 702 million euros and 2,659 million euros respectively, in line with revenue trends.

The **underlying cost/income ratio³** improved by 1.8pps to 70.0% in Q4-23 and by 1.4pps to 65.9% in full-year 2023.

Gross operating income, buoyed up by positive jaws effects, rose by 12% in Q4-23 to 296 million euros and by 11% in full-year 2023 to 1,367 million euros.

The **cost of risk** came to 62 million euros, up 1% in Q4-23, and 158 million euros, down 37% in full-year 2023.

Income before tax rose by 6% to 220 million euros in Q4-23 and by 22% to 1,205 million euros in full-year 2023.

Underlying income before tax² rose by 8% to 224 million euros in Q4-23 and by 22% to 1,210 million euros in full-year 2023.

¹ Reported figures until "Income before tax"

² "Underlying" means exclusive of exceptional items

³ The business line cost/income ratios have been calculated on the basis of net banking income and underlying operating expenses

3.2.2 Asset & Wealth Management

The business unit includes the Asset & Wealth Management activities of Natixis.

€m ¹	Q4-23	% change	2023	% change
Net banking income	877	(6)%	3,205	(4)%
Operating expenses	(687)	(2)%	(2,594)	(2)%
Gross operating income	189	(16)%	610	(14)%
Income before tax	171	(25)%	650	(12)%
Exceptional items	(11)	(26)%	(26)	69%
Underlying income before tax²	182	(25)%	676	(10)%
<i>Underlying cost/income ratio³</i>	77.2%	3.0pp	80.1%	2.4pp

In Asset Management, **assets under management⁴** stood at 1,166 billion euros at December 31, 2023, up 8% since the end of December 2022, with a significantly positive market effect.

Net inflows into Asset Management⁴ in 2023 reached 12.9 billion euros (excluding life insurance products and money market funds), with a reallocation from equity products to fixed-income products (25 billion euros in net inflows).

At the end of December 2023, Asset Management recorded **solid investment performances**. At the end of December 2023, 77% of rated funds were ranked in the 1st and 2nd quartiles over a 5-year horizon, compared with 70% at the end of December 2022 (source: Morningstar).

In Asset Management⁴, the **total fee rate** (excluding performance fees) in 2023 came to 25.2bps (stable year-on-year), or 37.8bps overall if insurance-driven management is excluded (-1.4bps year-on-year).

Net banking income for the Asset & Wealth Management business unit fell by 6% in Q4-23 and by 4% in full-year 2023, to 877 million euros and 3,205 million euros respectively.

Operating expenses remained under tight control, falling by 2% in both Q4-23 and full-year 2023, to 687 million euros and 2,594 million euros respectively thanks, in particular, to the implementation of the cost-cutting plan.

The **underlying cost/income ratio³** deteriorated by 3.0pps in Q4-23 and by 2.4pps in full-year 2023, to 77.2% and 80.1% respectively.

Gross operating income stood at 189 million euros in Q4-23, down 16%, and at 610 million euros in 2023, down 14%.

Income before tax came to 171 million euros (-25%) in Q4-23 and 650 million euros (-12%) in full-year 2023.

Underlying income before tax² fell by 25% to 182 million euros in Q4-23 and by 10% to 676 million euros in full-year 2023.

¹ Reported figures until 'Income before tax'

² "Underlying" means exclusive of exceptional items

³ The business line cost/income ratios have been calculated on the basis of net banking income and underlying operating expenses

⁴ Asset Management: Europe includes Dynamic Solutions and Vega IM; North America includes WCM IM; excluding Wealth Management

ANNEXES

Notes on methodology

Presentation of the pro-forma quarterly results

The main pro-forma restatement concerns the transition to IFRS 17. Data for 2022 has been recalculated under IFRS 17 to obtain a like-for-like basis of comparison.

New management standards adopted by Natixis (normative allocation of capital to the business lines) have led to a recalculation of the data for the 2022 quarterly series.

The tables showing the transition from reported 2022 to pro-forma 2022 are presented on annexes.

IFRS 17/IFRS 9

Groupe BPCE has applied the provisions of IFRS 17 pertaining to insurance contracts since January 1, 2023, as well as IFRS 9 for insurance entities.

IFRS 17 replaces IFRS 4 and is applicable retroactively, with the implementation of pro-forma financial statements for comparative data for the 2022 financial year (different profit recognition rates between the two standards).

IFRS 9 replaces IAS 39 by modifying the principles for the valuation of the financial assets of insurers using the same rules as those applied by banks since January 1, 2018. It applies in the same way considering the temporary exemption enjoyed by insurance entities. Groupe BPCE has elected to apply the provisions of IFRS 9 for the 2022 comparative data.

IFRS 17 provides for the estimation at inception of the Contractual Service Margin (CSM) of a group of insurance contracts recognized in the balance sheet and which is then amortized in the income statement (in Net Banking Income) as and when the service is rendered. This margin takes account, in particular, of the related overheads.

Insurance liabilities are recognized at present value.

Income and expenses relating to ceded insurance and reinsurance contracts are presented separately in Net Banking Income.

General expenses relating to insurance contracts are presented by destination as a deduction from Net Banking Income.

The cost of credit risk on financial investments in insurance activities is isolated on a separate line in the insurance aggregates in Net Banking Income.

Creation of the Digital & Payments sub-segment

The Payments and Oney business lines have been brought together within a single Digital & Payments sub-segment.

Segment information for previous quarters has been restated accordingly. These internal transactions have no impact on the Group's financial statements.

Internal transfer

Crédit Foncier's subsidiary, Banco Primus (Corporate center) was transferred to BPCE Financement (Financial Solutions & Expertise business unit within RB&I).

Segment information for previous quarters has been restated accordingly. These internal transactions have no impact on the Group's financial statements.

Exceptional items

Exceptional items and the reconciliation of the reported income statement to the underlying income statement of Groupe BPCE are detailed in the annexes.

Net banking income

Customer net interest income, excluding regulated home savings schemes, is computed on the basis of interest earned from transactions with customers, excluding net interest on centralized savings products (*Livret A*, *Livret Développement Durable*, *Livret Épargne Logement* passbook savings accounts) in addition to changes in provisions for regulated home purchase savings schemes. Net interest on centralized savings is assimilated to commissions.

Operating expenses

Operating expenses correspond to the aggregate total of the "Operating Expenses" (as presented in the Group's 2022 universal registration document, note 4.7 appended to the consolidated financial statements of Groupe BPCE) and "Depreciation, amortization and impairment for property, plant and equipment and intangible assets."

Cost/income ratio

Groupe BPCE's cost/income ratio is calculated on the basis of net banking income and operating expenses excluding exceptional items, the latter being restated to account for the contribution to the Single Resolution Fund (SRF) booked in the Corporate center division. The calculations are detailed in the annexes.

Business line cost/income ratios are calculated on the basis of underlying net banking income and operating expenses.

Cost of risk

The cost of risk is expressed in basis points and measures the level of risk per business line as a percentage of the volume of loan outstandings; it is calculated by comparing net provisions booked with respect to credit risks of the period to gross customer loan outstandings at the beginning of the period.

Loan outstandings and deposits & savings

Restatements regarding transitions from book outstandings to outstandings under management are as follows:

- Loan outstandings: the scope of outstandings under management does not include securities classified as customer loans and receivables and other securities classified as financial operations,
- Deposits & savings: the scope of outstandings under management does not include debt securities (certificates of deposit and savings bonds).

Capital adequacy

Common Equity Tier 1 is determined in accordance with the applicable CRR II/CRD V rules, after deductions.

Additional Tier-1 capital takes account of subordinated debt issues that have become non-eligible and subject to ceilings at the phase-out rate in force.

The leverage ratio is calculated in accordance with the applicable CRR II/CRD V rules. Centralized outstandings of regulated savings are excluded from the leverage exposures as are Central Bank exposures for a limited period of time (pursuant to ECB decision 2021/27 of June 18, 2021).

Total loss-absorbing capacity

The amount of liabilities eligible for inclusion in the numerator used to calculate the Total Loss-Absorbing Capacity (TLAC) ratio is determined by article 92a of CRR. Please note that a quantum of Senior Preferred securities has not been included in our calculation of TLAC.

This amount is consequently comprised of the 4 following items:

- Common Equity Tier 1 in accordance with the applicable CRR II/CRD IV rules,
- Additional Tier-1 capital in accordance with the applicable CRR II/CRD IV rules,
- Tier-2 capital in accordance with the applicable CRR II/CRD IV rules,
- Subordinated liabilities not recognized in the capital mentioned above and whose residual maturity is greater than 1 year, namely:
 - The share of additional Tier-1 capital instruments not recognized in common equity (i.e. included in the phase-out),
 - The share of the prudential discount on Tier-2 capital instruments whose residual maturity is greater than 1 year,
 - The nominal amount of Senior Non-Preferred securities maturing in more than 1 year.

Liquidity

Total liquidity reserves comprise the following:

- Central bank-eligible assets include: ECB-eligible securities not eligible for the LCR, taken for their ECB valuation (after ECB haircut), securities retained (securitization and covered bonds) that are available and ECB-eligible taken for their ECB valuation (after ECB haircut) and private receivables available and eligible for central bank funding (ECB and the Federal Reserve), net of central bank funding,
- LCR eligible assets comprising the Group's LCR reserve taken for their LCR valuation,
- Liquid assets placed with central banks (ECB and the Federal Reserve), net of US Money Market Funds deposits and to which fiduciary money is added.

Short-term funding corresponds to funding with an initial maturity of less than, or equal to, 1 year and the short-term maturities of medium-/long-term debt correspond to debt with an initial maturity date of more than 1 year maturing within the next 12 months.

Customer deposits are subject to the following adjustments:

- Addition of security issues placed by the Banque Populaire and Caisse d'Epargne retail banking networks with their customers, and certain operations carried out with counterparties comparable to customer deposits
- Withdrawal of short-term deposits held by certain financial customers collected by Natixis in pursuit of its intermediation activities.

Digital indicators

The number of active customers using mobile apps or websites corresponds to the number of customers who have made at least one visit via one of the digital channels (mobile apps or website) over the last 12 months.

The scores on the App Store or Google Play online stores correspond to the average of the scores awarded by users at the end of the period in question.

Reconciliation of 2022 data to pro forma data

Groupe BPCE		Q1-22					
In millions of euros	Net banking income	Operating expenses	Cost of risk	Share in net income of associates	Gains or losses on other assets	Income before tax	Net income - Group share
Reported figures	6,575	(4,961)	(424)	17	37	1,244	785
IFRS 17	(426)	376	13	(1)		(38)	(29)
Pro forma figures	6,149	(4,585)	(411)	16	37	1,206	755

Retail banking and Insurance		Q1-22					
In millions of euros	Net banking income	Operating expenses	Cost of risk	Share in net income of associates	Gains or losses on other assets	Income before tax	Net income - Group share
Reported figures	4,627	(2,856)	(343)	12	5	1,444	1,076
IFRS 17	(422)	375	13	(2)		(36)	(27)
Pro forma figures	4,205	(2,481)	(330)	10	5	1,409	1,049

Global financial services		Q1-22					
In millions of euros	Net banking income	Operating expenses	Cost of risk	Share in net income of associates	Gains or losses on other assets	Income before tax	Net income - Group share
Reported figures	1,782	(1,275)	(85)	3	15	441	313
Guarantees	(2)					(2)	(1)
New rules	2					2	1
Pro forma figures	1,782	(1,275)	(85)	3	15	440	313

Corporate center		Q1-22					
In millions of euros	Net banking income	Operating expenses	Cost of risk	Share in net income of associates	Gains or losses on other assets	Income before tax	Net income - Group share
Reported figures	166	(830)	4	2	18	(640)	(604)
Guarantees	2					2	1
New rules	(2)					(2)	(1)
IFRS 17	(5)	1		1		(2)	(2)
Pro forma figures	162	(829)	4	3	18	(643)	(606)

Groupe BPCE		Q2-22					
In millions of euros	Net banking income	Operating expenses	Cost of risk	Share in net income of associates	Gains or losses on other assets	Income before tax	Net income - Group share
Reported figures	6,569	(4,250)	(457)	15	10	1,886	1,329
IFRS 17	(537)	345	12	(15)		(194)	(147)
Pro forma figures	6,032	(3,904)	(445)	0	10	1,693	1,182

Retail banking and Insurance		Q2-22					
In millions of euros	Net banking income	Operating expenses	Cost of risk	Share in net income of associates	Gains or losses on other assets	Income before tax	Net income - Group share
Reported figures	4,630	(2,819)	(392)	8	1	1,430	1,056
IFRS 17	(530)	346	12	(14)		(185)	(141)
Pro forma figures	4,101	(2,473)	(379)	(5)	1	1,245	915

Global financial services		Q2-22					
In millions of euros	Net banking income	Operating expenses	Cost of risk	Share in net income of associates	Gains or losses on other assets	Income before tax	Net income - Group share
Reported figures	1,767	(1,252)	(84)	3		434	314
New rules	2					2	1
Pro forma figures	1,771	(1,252)	(84)	3		437	316

Corporate center		Q2-22					
In millions of euros	Net banking income	Operating expenses	Cost of risk	Share in net income of associates	Gains or losses on other assets	Income before tax	Net income - Group share
Reported figures	171	(179)	18	3	8	22	(40)
New rules	(2)					(2)	(1)
IFRS 17	(7)			(1)		(9)	(6)
Pro forma figures	161	(179)	18	2	8	10	(48)

Groupe BPCE	Q3-22						
	Net banking income	Operating expenses	Cost of risk	Share in net income of associates	Gains or losses on other assets	Income before tax	Net income - Group share
In millions of euros							
Reported figures	6,309	(4,258)	(347)	15	14	1,732	1,288
IFRS 17	(374)	342	5	5		(22)	(14)
Pro forma figures	5,934	(3,916)	(342)	20	14	1,710	1,273
Retail banking and Insurance	Q3-22						
	Net banking income	Operating expenses	Cost of risk	Share in net income of associates	Gains or losses on other assets	Income before tax	Net income - Group share
In millions of euros							
Reported figures	4,437	(2,756)	(366)	13	4	1,332	955
IFRS 17	(380)	343	5	5		(27)	(17)
Pro forma figures	4,057	(2,413)	(361)	19	4	1,305	977
Global financial services	Q3-22						
	Net banking income	Operating expenses	Cost of risk	Share in net income of associates	Gains or losses on other assets	Income before tax	Net income - Group share
In millions of euros							
Reported figures	1,692	(1,265)	(19)	3		411	293
New rules	2					2	1
Pro forma figures	1,694	(1,265)	(19)	3		413	294
Corporate center	Q3-22						
	Net banking income	Operating expenses	Cost of risk	Share in net income of associates	Gains or losses on other assets	Income before tax	Net income - Group share
In millions of euros							
Reported figures	179	(236)	38	(1)	10	(11)	0
New rules	(2)					(2)	(1)
IFRS 17	6	(1)				5	3
Pro forma figures	183	(237)	38	(1)	10	(7)	2

Groupe BPCE		Q4-22						
In millions of euros		Net banking income	Operating expenses	Cost of risk	Share in net income of associates	Gains or losses on other assets	Income before tax	Net income - Group share
Reported figures		6,252	(4,608)	(772)	(22)	275	885	549
IFRS 17		(408)	375	6	6		(21)	(15)
Pro forma figures		5,844	(4,233)	(766)	(16)	275	863	535

Retail banking and Insurance		Q4-22						
In millions of euros		Net banking income	Operating expenses	Cost of risk	Share in net income of associates	Gains or losses on other assets	Income before tax	Net income - Group share
Reported figures		4,244	(3,008)	(652)	5	292	881	680
IFRS 17		(409)	371	6	6		(26)	(18)
Pro forma figures		3,835	(2,637)	(646)	11	292	856	662

Global financial services		Q4-22						
In millions of euros		Net banking income	Operating expenses	Cost of risk	Share in net income of associates	Gains or losses on other assets	Income before tax	Net income - Group share
Reported figures		1,863	(1,376)	(60)	4	1	432	296
New rules		2					2	1
Pro forma figures		1,865	(1,376)	(60)	4	1	434	297

Corporate center		Q4-22						
In millions of euros		Net banking income	Operating expenses	Cost of risk	Share in net income of associates	Gains or losses on other assets	Income before tax	Net income - Group share
Reported figures		146	(224)	(60)	(31)	(18)	(429)	(427)
New rules		(2)					(2)	(1)
IFRS 17			4				4	3
Pro forma figures		144	(220)	(60)	(31)	(18)	(426)	(425)

Groupe BPCE		2022					
In millions of euros	Net banking income	Operating expenses	Cost of risk	Share in net income of associates	Gains or losses on other assets	Income before tax	Net income - Group share
Reported figures	25,705	(18,077)	(2,000)	24	336	5,748	3,951
IFRS 17	(1,745)	1,439	36	(4)		(275)	(205)
Pro forma figures	23,959	(16,638)	(1,964)	20	336	5,473	3,746

Retail banking and Insurance		2022					
In millions of euros	Net banking income	Operating expenses	Cost of risk	Share in net income of associates	Gains or losses on other assets	Income before tax	Net income - Group share
Reported figures	17,938	(11,439)	(1,753)	39	302	5,088	3,807
IFRS 17	(1,740)	1,435	36	(4)		(274)	(204)
Pro forma figures	16,198	(10,004)	(1,717)	35	302	4,814	3,603

Global financial services		2022					
In millions of euros	Net banking income	Operating Expenses	Cost of Risk	Share in net income of associates	Gains or losses on other assets	Income before tax	Net income - Group share
Reported figures	7,105	(5,168)	(247)	13	17	1,718	1,215
New rules	6	0	0	0	0	6	5
Pro forma figures	7,111	(5,168)	(247)	13	17	1,725	1,220

Corporate center		2022					
In millions of euros	Net banking income	Operating Expenses	Cost of Risk	Share in net income of associates	Gains or losses on other assets	Income before tax	Net income - Group share
Reported figures	662	(1,470)	0	(28)	18	(1,058)	(1,071)
New rules	(6)	0	0	0	0	(6)	(5)
IFRS 17	(5)	4	-	0	0	(1)	(1)
Pro forma figures	650	(1,465)	0	(28)	18	(1,066)	(1,077)

Q4-23 & Q4-22 results: reconciliation of reported data to alternative performance measures

€m		Net banking income	Operating expenses	Cost of risk	Gains or losses on other assets	Income before tax - Group share	Net income
Reported Q4-23 results		5,462	(4,129)	(744)	(43)	537	381
Transformation and reorganization costs	<i>Business lines/Corporate center</i>	(5)	(54)	(34)		(93)	(57)
Disposals	<i>Corporate center</i>				(43)	(43)	(43)
Q4-23 results excluding exceptional items		5,467	(4,076)	(710)	0	672	481

€m		Net banking income	Operating expenses	Cost of risk	Gains or losses on other assets	Income before tax - Group share	Net income
Pro forma reported Q4-22 results		5,844	(4,233)	(766)	275	863	535
Transformation and reorganization costs	<i>Business lines/Corporate center</i>	6	(92)	(4)	(18)	(108)	(73)
Disposals	<i>Corporate center</i>		(5)		281	277	263
Impairment of goodwill	<i>Business lines</i>					(241)	(241)
Pro forma Q4-22 results excluding exceptional items		5,838	(4,137)	(762)	11	935	586

2023 & 2022 results: reconciliation of reported data to alternative performance measures

€m		Net banking income	Operating expenses	Cost of risk	Gains or losses on other assets	Income before tax	Net income - Group share
Reported 2023 results		22,198	(16,328)	(1,731)	8	4,182	2,804
Transformation and reorganization costs	<i>Business lines/Corporate center</i>	2	(213)	(32)	0	(242)	(164)
Disposals	<i>Corporate center</i>		0		(45)	(45)	(44)
Litigations	<i>Business lines/Corporate center</i>	87				87	87
2023 results excluding exceptional items		22,108	(16,115)	(1,699)	53	4,381	2,925

€m		Net banking income	Operating expenses	Cost of risk	Gains or losses on other assets	Income before tax	Net income - Group share
Pro forma reported 2022 results		23,959	(16,638)	(1,964)	336	5,473	3,746
Transformation and reorganization costs	<i>Business lines/Corporate center</i>	16	(311)	(4)	18	(281)	(197)
Disposals	<i>Corporate center</i>		(9)		295	286	273
Impairment of goodwill	<i>Business lines</i>					(241)	(241)
Pro forma 2022 results excluding exceptional items		23,943	(16,318)	(1,960)	24	5,708	3,909

Groupe BPCE: underlying cost to income ratio excluding SRF

€m	Net banking income	Operating expenses	Underlying cost income ratio excluding SRF
Q4-23 reported figures	5,462	(4,129)	
Impact of exceptional items	(5)	(54)	
Q4-23 underlying figures excluding SRF	5,467	(4,076)	74.6 %

€m	Net banking income	Operating expenses	Underlying cost income ratio excluding SRF
Q4-22 Pro forma reported figures	5,844	(4,233)	
Impact of exceptional items	6	(96)	
SRF contribution		(14)	
Q4-22 Pro forma underlying figures excluding SRF	5,838	(4,123)	70.6 %

Groupe BPCE: underlying cost to income ratio excluding SRF

€m	Net banking income	Operating expenses	Underlying cost income ratio excluding SRF
2023 reported figures	22,198	(16,328)	
Impact of exceptional items	89	(213)	
SRF contribution		(457)	
2023 underlying figures excluding SRF	22,108	(15,659)	70.8%

€m	Net banking income	Operating expenses	Underlying cost income ratio excluding SRF
2022 Pro forma reported figures	23,959	(16,638)	
Impact of exceptional items	16	(320)	
SRF contribution		(610)	
2022 Pro forma underlying figures excluding SRF	23,943	(15,708)	65.6%

Groupe BPCE: quarterly income statement per business line

	RETAIL BANKING & INSURANCE		GLOBAL FINANCIAL SERVICES		CORPORATE CENTER		GROUPE BPCE		
€m	Q4-23	Q4-22	Q4-23	Q4-22	Q4-23	Q4-22	Q4-23	Q4-22	%
Net banking income	3,557	3,835	1,874	1,865	31	144	5,462	5,844	(7)%
Operating expenses	(2,497)	(2,637)	(1,389)	(1,376)	(243)	(220)	(4,129)	(4,233)	(2)%
Gross operating income	1,059	1,198	485	489	(212)	(76)	1,332	1,611	(17)%
Cost of risk	(643)	(646)	(73)	(60)	(28)	(60)	(744)	(766)	(3)%
Income before tax	395	856	391	434	(249)	(426)	537	863	(38)%
Income tax	(122)	(200)	(118)	(114)	81	1	(159)	(312)	(49)%
Non-controlling interests	21	7	(19)	(23)	0	0	3	(16)	(115)%
Net income – Group share	294	662	255	297	(168)	(425)	381	535	(28)%

Groupe BPCE: 2023 income statement per business line

	RETAIL BANKING & INSURANCE		GLOBAL FINANCIAL SERVICES		CORPORATE CENTER		GROUPE BPCE		
€m	2023	2022	2023	2022	2023	2022	2023	2022	%
Net banking income	14,824	16,198	7,230	7,111	144	650	22,198	23,959	(7)%
Operating expenses	(9,811)	(10,004)	(5,253)	(5,168)	(1,264)	(1,465)	(16,328)	(16,638)	(2)%
Gross operating income	5,013	6,194	1,977	1,943	(1,121)	(815)	5,870	7,322	(20)%
Cost of risk	(1,505)	(1,717)	(154)	(247)	(72)	0	(1,731)	(1,964)	(12)%
Income before tax	3,525	4,814	1,855	1,725	(1,198)	(1,066)	4,182	5,473	(24)%
Income tax	(882)	(1,198)	(493)	(447)	34	(11)	(1,340)	(1,656)	(19)%
Non-controlling interests	18	(13)	(56)	(58)	1	0	(38)	(71)	(47)%
Net income – Group share	2,661	3,603	1,306	1,220	(1,163)	(1,077)	2,804	3,746	(25)%

Groupe BPCE: quarterly series

GROUPE BPCE								
€m	Q1-22	Q2-22	Q3-22	Q4-22	Q1-23	Q2-23	Q3-23	Q4-23
Net banking income	6,149	6,032	5,934	5,844	5,815	5,467	5,455	5,462
Operating expenses	(4,585)	(3,904)	(3,916)	(4,233)	(4,587)	(3,799)	(3,812)	(4,129)
Gross operating income	1,564	2,128	2,019	1,611	1,228	1,667	1,642	1,332
Cost of risk	(411)	(445)	(342)	(766)	(326)	(342)	(319)	(744)
Income before tax	1,206	1,693	1,710	863	968	1,337	1,339	537
Net income – Group share	755	1,182	1,273	535	533	973	917	381

Consolidated balance sheet

ASSETS €m	Dec. 31, 2023	Dec. 31, 2022
Cash and amounts due from central banks	152,669	171,318
Financial assets at fair value through profit or loss	214,782	192,751
Hedging derivatives	8,855	12,700
Financial assets at fair value through shareholders' equity	48,073	44,284
Financial assets at amortized cost	26,373	27,650
Loans and receivables due from credit institutions and similar at amortized cost	108,631	97,694
Loans and receivables due from customers at amortized cost	839,457	826,943
Revaluation difference on interest rate risk-hedged portfolios	(2,626)	(6,845)
Financial investments of insurance activities	103,615	93,509
Insurance contracts written - Assets	1,124	1,100
Reinsurance contracts ceded - Assets	9,564	8,507
Current tax assets	829	706
Deferred tax assets	4,575	5,078
Accrued income and other assets	14,528	14,339
Non-current assets held for sale	0	219
Investments in associates	1,616	1,594
Investment property	717	750
Property, plant and equipment	6,023	6,077
Intangible assets	1,110	1,087
Goodwill	4,224	4,207
TOTAL ASSETS	1,544,139	1,503,668

LIABILITIES €m	Dec. 31, 2023	Dec. 31, 2022
Amounts due to central banks	2	9
Financial liabilities at fair value through profit or loss	204,064	184,857
Hedging derivatives	14,973	16,370
Debt securities	292,598	243,380
Amounts due to credit institutions	79,634	139,142
Amounts due to customers	711,658	693,970
Revaluation difference on interest rate risk-hedged portfolios	159	389
Insurance contracts written - Liabilities	106,137	94,651
Reinsurance contracts ceded - Liabilities	149	108
Current tax liabilities	2,026	1,808
Deferred tax liabilities	1,660	2,052
Accrued expenses and other liabilities	22,492	20,522
Liabilities associated with non-current assets held for sale	0	162
Provisions	4,825	4,901
Subordinated debt	18,801	18,932
Shareholders' equity	84,961	82,415
Equity attributable to equity holders of the parent	84,407	81,936
Non-controlling interests	553	479
TOTAL LIABILITIES	1,544,139	1,503,668

Statement of changes in shareholders' equity

€m	Equity attributable to shareholders' equity
December 31st, 2021	78,884
Impact of changes relating to the first-time application of IFRS 17	(842)
Impact of changes relating to the first-time application of IFRS 9 to insurance activities	253
January 1 st , 2022 comparative	78,296
December 31, 2022 comparative	81,936
Distributions	(743)
Change in capital (cooperative shares)	507
Impact of acquisitions and disposals on non-controlling interests (minority interests)	24
Income	2,804
Changes in gains & losses directly recognized in equity	(141)
Others	19
December 31, 2023	84,407

Goodwill

€m	Dec. 31, 2022	Acquisitions	Disposals	Conversion	Other changes	Dec. 31, 2023
Retail Banking & Insurance entities	754	70	0	0	(1)	822
Asset & Wealth Management entities	3,307	0	(2)	(52)	3	3,257
Corporate & Investment Banking entities	147			(3)		144
Total	4,208	70	(2)	(55)	2	4,224

Retail Banking & Insurance: quarterly income statement

	BANQUE POPULAIRE NETWORK			CAISSE D'EPARGNE NETWORK			FINANCIAL SOLUTIONS & EXPERTISE			INSURANCE			DIGITAL & PAYMENTS			OTHER NETWORK			RETAIL BANKING & INSURANCE		
€m	Q4-23	Q4-22	%	Q4-23	Q4-22	%	Q4-23	Q4-22	%	Q4-23	Q4-22	%	Q4-23	Q4-22	%	Q4-23	Q4-22	%	Q4-23	Q4-22	%
Net banking income	1,379	1,534	(10)%	1,407	1,541	(9)%	335	272	23%	146	170	(14)%	199	231	(14)%	91	88	4%	3,557	3,835	(7)%
Operating expenses	(974)	(1,018)	(4)%	(1,080)	(1,132)	(5)%	(167)	(165)	2%	(41)	(51)	(21)%	(171)	(213)	(19)%	(63)	(58)	10%	(2,497)	(2,637)	(5)%
Gross operating income	404	516	(22)%	327	409	(20)%	168	107	57%	105	118	(11)%	27	18	48%	28	30	(7)%	1,059	1,198	(12)%
Cost of risk	(282)	(279)	1%	(218)	(248)	(12)%	(54)	(39)	38%				(69)	(48)	45%	(19)	(32)	(41)%	(643)	(646)	(1)%
Income before tax	146	253	(42)%	110	166	(34)%	112	67	67%	107	119	(10)%	(89)	251	Ns	9	0	Ns	395	856	(54)%
Income tax	(45)	(69)	(34)%	(20)	(69)	(71)%	(27)	(19)	44%	(25)	(35)	(28)%	(2)	(8)	(74)%	(2)	0	ns	(122)	(200)	(39)%
Non-controlling interests	(6)	(2)	X3	(3)	(1)	X3	0	0	ns	(1)	0	Ns	30	10	X3				21	7	X3
Net income - Group share	95	182	(48)%	87	95	(8)%	85	48	76%	81	83	(3)%	(61)	253	Ns	7	0	Ns	294	662	(56)%

Retail Banking & Insurance: 2023 income statement

	BANQUE POPULAIRE NETWORK			CAISSE D'EPARGNE NETWORK			FINANCIAL SOLUTIONS & EXPERTISE			INSURANCE			DIGITAL & PAYMENTS			OTHER NETWORK			RETAIL BANKING & INSURANCE		
€m	2023	2022	%	2023	2022	%	2023	2022	%	2023	2022	%	2023	2022	%	2023	2022	%	2023	2022	%
Net banking income	5,879	6,587	(11)%	5,837	6,788	(14)%	1,274	1,145	11%	633	407	56%	816	925	(12)%	384	347	11%	14,824	16,198	(9)%
Operating expenses	(3,969)	(3,984)	(0)%	(4,179)	(4,287)	(3)%	(630)	(608)	4%	(163)	(167)	(2)%	(652)	(750)	(13)%	(218)	(209)	5%	(9,811)	(10,004)	(2)%
Gross operating income	1,910	2,603	(27)%	1,658	2,500	(34)%	644	537	20%	470	241	95%	164	175	(6)%	166	138	21%	5,013	6,194	(19)%
Cost of risk	(651)	(798)	(19)%	(553)	(646)	(14)%	(98)	(86)	14%				(171)	(131)	31%	(33)	(56)	(41)%	(1,505)	(1,717)	(12)%
Income before tax	1,325	1,857	(29)%	1,107	1,859	(41)%	545	451	21%	475	235	x2	(68)	326	Ns	140	86	63%	3,525	4,814	(27)%
Income tax	(329)	(454)	(27)%	(254)	(519)	(51)%	(140)	(117)	19%	(99)	(65)	53%	(25)	(23)	9%	(35)	(21)	67%	(882)	(1,198)	(26)%
Non-controlling interests	(24)	(10)	x2	(7)	(10)	(27)%	0	0	ns	0	0	ns	49	6	ns				18	(13)	ns
Net income - Group share	972	1,393	(30)%	846	1,331	(37)%	405	333	22%	376	170	x2	(43)	309	ns	106	66	61%	2,661	3,603	(26)%

Retail Banking & Insurance: quarterly series

RETAIL BANKING & INSURANCE								
	Q1-22	Q2-22	Q3-22	Q4-22	Q1-23	Q2-23	Q3-23	Q4-23
€m								
Net banking income	4,205	4,101	4,057	3,835	3,891	3,655	3,721	3,557
Operating expenses	(2,481)	(2,473)	(2,413)	(2,637)	(2,496)	(2,459)	(2,358)	(2,497)
Gross operating income	1,724	1,628	1,644	1,198	1,395	1,196	1,363	1,059
Cost of risk	(330)	(379)	(361)	(646)	(308)	(252)	(302)	(643)
Income before tax	1,409	1,245	1,305	856	1,107	952	1,072	395
Net income – Group share	1,049	915	977	662	840	729	799	294

Retail Banking & Insurance: Banque Populaire and Caisse d'Epargne networks quarterly series

BANQUE POPULAIRE NETWORK								
	Q1-22	Q2-22	Q3-22	Q4-22	Q1-23	Q2-23	Q3-23	Q4-23
€m								
Net banking income	1,713	1,701	1,638	1,534	1,557	1,460	1,483	1,379
Operating expenses	(1,003)	(973)	(990)	(1,018)	(1,018)	(1,015)	(961)	(974)
Gross operating income	711	729	647	516	539	445	522	404
Cost of risk	(154)	(200)	(166)	(279)	(132)	(110)	(127)	(282)
Income before tax	572	530	502	253	422	345	412	146
Net income – Group share	430	401	380	182	320	258	298	95

CAISSE D'EPARGNE NETWORK								
	Q1-22	Q2-22	Q3-22	Q4-22	Q1-23	Q2-23	Q3-23	Q4-23
€m								
Net banking income	1,755	1,788	1,704	1,541	1,536	1,462	1,431	1,407
Operating expenses	(1,062)	(1,082)	(1,011)	(1,132)	(1,065)	(1,041)	(992)	(1,080)
Gross operating income	693	705	693	409	471	422	439	327
Cost of risk	(130)	(115)	(152)	(248)	(136)	(84)	(115)	(218)
Income before tax	563	589	541	166	334	338	325	110
Net income – Group share	413	426	398	95	253	253	252	87

Retail Banking & Insurance: FSE quarterly series

FINANCIAL SOLUTIONS & EXPERTISE								
€m	Q1-22	Q2-22	Q3-22	Q4-22	Q1-23	Q2-23	Q3-23	Q4-23
Net banking income	295	292	287	272	315	306	318	335
Operating expenses	(149)	(147)	(147)	(165)	(157)	(151)	(154)	(167)
Gross operating income	146	145	140	107	158	155	164	168
Cost of risk	(13)	(15)	(19)	(39)	(6)	(19)	(18)	(54)
Income before tax	133	129	121	67	151	136	146	112
Net income – Group share	97	98	91	48	112	102	107	85

Retail Banking & Insurance: Insurance quarterly series

INSURANCE								
€m	Q1-22	Q2-22	Q3-22	Q4-22	Q1-23	Q2-23	Q3-23	Q4-23
Net banking income	127	(2)	112	170	180	126	181	146
Operating expenses	(36)	(41)	(38)	(51)	(43)	(37)	(42)	(41)
Gross operating income	91	(43)	74	118	137	89	139	105
Income before tax	90	(46)	72	119	139	93	137	107
Net income – Group share	72	(43)	58	83	109	83	103	81

Retail Banking & Insurance: Digital & Payments quarterly series

Digital & Payments												
€m	Q1-22	Q1-22 (at constant scope, excl. Bimpli)	Q2-22	Q2-22 (at constant scope, excl. Bimpli)	Q3-22	Q3-22 (at constant scope, excl. Bimpli)	Q4-22	Q4-22 (at constant scope, excl. Bimpli)	Q1-23	Q2-23	Q3-23	Q4-23
Net banking income	231	207	232	208	231	206	231	213	205	203	209	199
Operating expenses	(182)	(160)	(178)	(157)	(178)	(156)	(213)	(192)	(161)	(163)	(157)	(171)
Gross operating income	49	47	54	51	53	50	18	21	44	40	52	27
Income before tax	21	20	24	21	29	26	251	254	8	(6)	19	(89)
Net income – Group share	16	15	18	16	21	19	253	255	7	(3)	13	(61)

Retail Banking & Insurance: Other network quarterly series

OTHER NETWORK								
€m	Q1-22	Q2-22	Q3-22	Q4-22	Q1-23	Q2-23	Q3-23	Q4-23
Net banking income	84	89	86	88	97	97	99	91
Operating expenses	(50)	(52)	(49)	(58)	(51)	(52)	(52)	(63)
Gross operating income	34	37	37	30	46	45	47	28
Cost of risk	(5)	(19)	0	(32)	(2)	2	(14)	(19)
Income before tax	29	19	39	0	52	47	33	9
Net income – Group share	22	14	29	0	39	36	25	7

Global Financial Services: quarterly income statement per business line

	ASSET AND WEALTH MANAGEMENT		CORPORATE & INVESTMENT BANKING		GLOBAL FINANCIAL SERVICES		
€m	Q4-23	Q4-22	Q4-23	Q4-22	Q4-23	Q4-22	%
Net banking income	877	929	997	935	1,874	1,865	1%
Operating expenses	(687)	(704)	(702)	(671)	(1,389)	(1,376)	1%
Gross operating income	189	225	296	264	485	489	(1)%
Cost of risk	(12)	1	(62)	(61)	(73)	(60)	23%
Share in net income of associates	0	0	4	4	4	4	(6)%
Income before tax	171	227	220	207	391	434	(10)%
Net income – Group share	105	145	150	152	255	297	(14)%

Global Financial Services: 2023 income statement per business line

	ASSET AND WEALTH MANAGEMENT		CORPORATE & INVESTMENT BANKING		GLOBAL FINANCIAL SERVICES		
€m	2023	2022	2023	2022	2023	2022	%
Net banking income	3,205	3,352	4,026	3,759	7,230	7,111	2%
Operating expenses	(2,594)	(2,638)	(2,659)	(2,530)	(5,253)	(5,168)	2%
Gross operating income	610	714	1,367	1,229	1,977	1,943	2%
Cost of risk	4	5	(158)	(252)	(154)	(247)	(38)%
Share in net income of associates	0	0	13	12	14	13	9%
Net gains or losses on other assets	35	17	(17)	0	18	17	8%
Income before tax	650	736	1,205	989	1,855	1,725	8%
Net income – Group share	428	491	878	729	1,306	1,220	7%

Global Financial Services: quarterly series

GLOBAL FINANCIAL SERVICES								
€m	Q1-22	Q2-22	Q3-22	Q4-22	Q1-23	Q2-23	Q3-23	Q4-23
Net banking income	1,782	1,771	1,694	1,865	1,822	1,798	1,736	1,874
Operating expenses	(1,275)	(1,252)	(1,265)	(1,376)	(1,303)	(1,282)	(1,279)	(1,389)
Gross operating income	507	518	429	489	519	517	457	485
Cost of risk	(85)	(84)	(19)	(60)	27	(91)	(17)	(73)
Income before tax	440	437	413	434	590	429	444	391
Net income – Group share	313	316	294	297	432	300	319	255

Asset & Wealth Management: quarterly series

ASSET & WEALTH MANAGEMENT								
€m	Q1-22	Q2-22	Q3-22	Q4-22	Q1-23	Q2-23	Q3-23	Q4-23
Net banking income	812	814	796	929	784	776	768	877
Operating expenses	(644)	(650)	(640)	(704)	(642)	(634)	(631)	(687)
Gross operating income	168	165	157	225	142	142	137	189
Cost of risk	6	(6)	4	1	6	(1)	11	(12)
Income before tax	189	159	162	227	189	141	149	171
Net income – Group share	126	112	109	145	138	89	95	105

Corporate & Investment Banking: quarterly series

CORPORATE & INVESTMENT BANKING								
€m	Q1-22	Q2-22	Q3-22	Q4-22	Q1-23	Q2-23	Q3-23	Q4-23
Net banking income	970	956	898	935	1,038	1,022	968	997
Operating expenses	(631)	(602)	(626)	(671)	(662)	(647)	(648)	(702)
Gross operating income	339	354	272	264	376	375	320	296
Cost of risk	(90)	(78)	(23)	(61)	21	(90)	(28)	(62)
Income before tax	252	279	251	207	401	288	295	220
Net income – Group share	187	204	185	152	294	211	223	150

Corporate center: quarterly series

CORPORATE CENTER								
€m	Q1-22	Q2-22	Q3-22	Q4-22	Q1-23	Q2-23	Q3-23	Q4-23
Net banking income	162	161	183	144	102	13	(3)	31
Operating expenses	(829)	(179)	(237)	(220)	(788)	(58)	(175)	(243)
Gross operating income	(667)	(18)	(54)	(76)	(686)	(45)	(178)	(212)
Cost of risk	4	18	38	(60)	(46)	1	0	(28)
Share in income of associates	3	2	(1)	(31)	2	0	1	(9)
Gains or losses on other assets	18	8	10	(18)	0	0	(0)	0
Income before tax	(643)	10	(7)	(426)	(729)	(44)	(176)	(249)
Net income – Group share	(606)	(48)	2	(425)	(739)	(56)	(200)	(168)

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This document may contain forward-looking statements and comments relating to the objectives and strategy of Groupe BPCE. By their very nature, these forward-looking statements inherently depend on assumptions, project considerations, objectives and expectations linked to future events, transactions, products, and services as well as on suppositions regarding future performance and synergies.

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The financial information presented in this document relating to the fiscal period ended December 31, 2023, has been drawn up in compliance with IFRS standards, as adopted in the European Union.

Preparation of the financial information requires Management to make estimates and assumptions in certain areas regarding uncertain future events.

These estimates are based on the judgment of the individuals preparing this financial information and the information available at the date of the balance sheet. Actual future results may differ from these estimates.

The transition from IFRS 4 to IFRS 17 may create differences due to different recognition rates in revenues.

With respect to the financial information of Groupe BPCE for the year ended December 31, 2023, and in view of the context mentioned above, attention should be drawn to the fact that the estimated increase in credit risk and the calculation of expected credit losses (IFRS 9 provisions) are largely based on assumptions that depend on the macroeconomic context.

The consolidated financial statements of Groupe BPCE for the fiscal period ended December 31, 2023, approved by the Management Board at a meeting convened on February 5, 2024, were verified and reviewed by the Supervisory Board at a meeting convened on February 7, 2024.

The audit procedures relating to the consolidated financial statements for the year ended December 31, 2023, have been substantially completed. The reports of the statutory auditors regarding the certification of these consolidated financial statements will be published following the verification of the Management Report and the finalization of the procedures required for the universal registration document.

About Groupe BPCE

Groupe BPCE is the second-largest banking group in France. Through its 100,000 staff, the group serves 36 million customers – individuals, professionals, companies, investors and local government bodies – around the world. It operates in the retail banking and insurance fields in France via its two major networks, Banque Populaire and Caisse d'Epargne, along with Banque Palatine and Oney. It also pursues its activities worldwide with the asset & wealth management services provided by Natixis Investment Managers and the wholesale banking expertise of Natixis Corporate & Investment Banking. The Group's financial strength is recognized by four financial rating agencies: Moody's (A1, stable outlook), Standard & Poor's (A, stable outlook), Fitch (A+, stable outlook) and R&I (A+, stable outlook).

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