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**COMPAGNIE DE FINANCEMENT FONCIER**

**2024 UNIVERSAL REGISTRATION DOCUMENT**

including the annual financial report



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*Abbreviations used in the document :*  
*Thousands of euros : €k*  
*Millions of euros : €M*  
*Billions euros : €bn*

COMPAGNIE DE FINANCEMENT FONCIER

# 2024 UNIVERSAL REGISTRATION DOCUMENT

including the annual financial report



This is a free translation into English of Compagnie de Financement Foncier 2024 universal registration document issued in the French language and it is available on the website of the Issuer. In case of discrepancy the French version prevails. Only the French version of the registration document has been submitted to the Autorité des marchés financiers (French Financial Market's Authority). It is therefore the only version that is binding in law.

This universal registration document is a reproduction in pdf format, translated in english, of the official version of the universal registration document established in xHTML format and in french filed with the AMF on March 19 2025 and available on our website <https://foncier.fr/>. This reproduction is available on our website <https://foncier.fr/>



# MESSAGE FROM THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER

**“A leading player in the European covered bond market, Compagnie de Financement Foncier issued no less than €5.8bn in secured financing in 2024”**



**ÉRIC FILLIAT**  
Chairman of  
the Board of Directors



**OLIVIER AVIS**  
Chief Executive Officer

In 2024, Compagnie de Financement Foncier was once again a major player in Groupe BPCE's refinancing strategy. It remains a benchmark issuer thanks to its ability to seize the best market opportunities and offer investors tailor-made solutions that meet their expectations. This agility enables it to provide Groupe BPCE institutions with highly competitive refinancing solutions for their lending activities. It is fully in line with the objectives and ambitions of the BPCE VISION 2030 strategic project presented last June.

In an unstable geopolitical context and a volatile financial environment, particularly in the euro zone, the resilience of the Compagnie de Financement Foncier model has enabled Groupe BPCE to refinance its activities on very good terms, mainly in the public sector. Innovative asset-based refinancing operations such as “reverse mortgages” and “export credits” are opening up promising new horizons.

A leading player in the European covered bonds market, Compagnie de Financement Foncier issued no less than €5.8bn in secured financing in 2024. The currency diversification strategy optimized the overall level of refinancing, with issuances in CHF and USD.

In October, as part of the Sustainable Development Funding Program of Groupe BPCE, the Compagnie de Financement Foncier launched its second social issuance of €500m over a period of 5 years. This remarkable operation crowns the involvement and coordination of Groupe BPCE's origination teams in integrating ESG criteria into refinancing activities.

On the asset side, 2024 was a real success and one which we are very proud of. Compagnie de Financement Foncier refinanced a total of €6.3bn in receivables contributed by Groupe BPCE institutions, a significant increase compared to 2023 (+€1.5bn). Flagship and innovative operations marked the year, such as the refinancing of state-guaranteed loans (SGL) for €1.4bn and the first export credit refinancing for €31.5m. The agility of the teams and the relevance of the refinancing model made it possible to provide the Group with the best possible support in its various business lines throughout the year.

We look forward to 2025 with confidence in the challenges and opportunities ahead. To ensure the success of our issuances, we will once again be at the service of Groupe BPCE and our investors, with whom we have built up a solid relationship of trust.

 2024

**€5.8bn**  
IN ISSUANCES

**€500m**  
SOCIAL ISSUANCE

**€6.3bn**  
REFINANCED ASSETS  
FOR GROUPE BPCE

# PROFILE

Wholly-owned subsidiary of Crédit Foncier [A(stable)/A1(stable)/A+(stable)/A+(stable)]<sup>(1)</sup>, affiliated with BPCE [A+(stable)/A1(stable)/A+(stable)/A+(stable)]<sup>(2)</sup>, Compagnie de Financement Foncier is an accredited credit institution and Société de Crédit Foncier.

Compagnie de Financement Foncier's covered bonds, rated [AAA(stable)/Aaa(stable)/AAA(stable)]<sup>(3)</sup>, are *French legal covered bonds* that comply with European directives UCITS 52-4<sup>(4)</sup> and CRD<sup>(5)</sup> as well as with Article 129 of the European CRR regulation<sup>(6)</sup>. All obligations foncières of Compagnie de Financement Foncier are eligible for the European Central Bank (ECB) refinancing operations except for some private placements and issuances in foreign currencies.

Since 2012, Compagnie de Financement Foncier has been a member of the ECBC (European Covered Bond Council) Covered Bond Label.

In 2024, Compagnie de Financement Foncier remained a major player in its market, with €51.5bn of covered bonds outstanding (including related receivables) at December 31, 2024, and an issuance volume of €5.8bn.

€51.5bn

COVERED BONDS OUTSTANDING  
(including related payables)

€5.8bn

ISSUANCE OF COVERED BONDS  
at December 31, 2024

## Our strategy and our mission

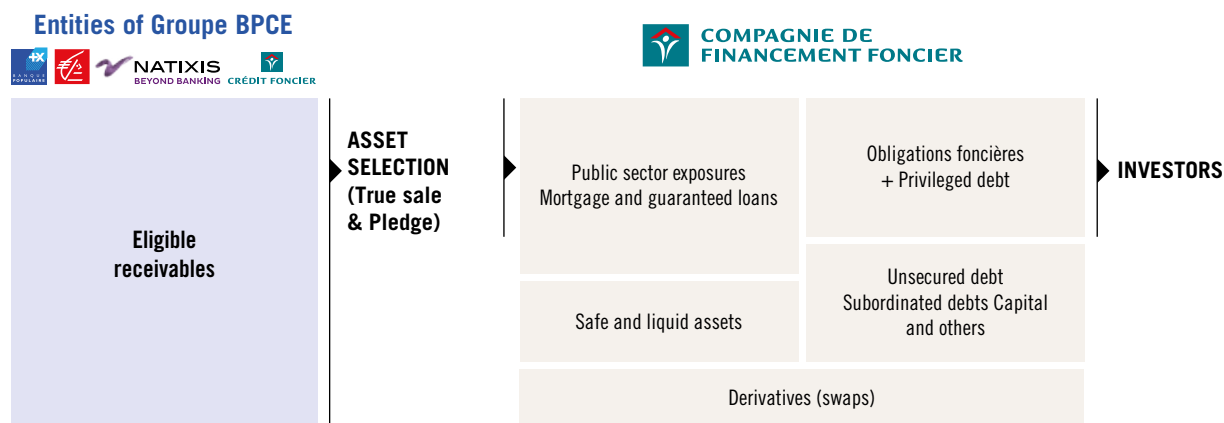
Compagnie de Financement Foncier refinances the lending business of Groupe BPCE entities in the public and mortgage sectors on extremely favorable terms, in particular public sector financing but also the residential and commercial mortgage sector. It also continues to refinance outstanding loans initially originated by Crédit Foncier.

Compagnie de Financement Foncier is firmly committed to serving Groupe BPCE and has set itself the task of raising resources on the markets at particularly competitive levels through the issuance of AAA-rated covered bonds<sup>(3)</sup>. A permanent search for quality assets and optimization of the balance sheet structure contribute to successfully fulfilling this mission.

In 2024, Compagnie de Financement Foncier confirmed its position in the sustainable finance market with its second social issuance.

# ACTIVITY

## Business model of Compagnie de Financement Foncier



(1) Standard & Poor's/Moody's/Fitch Ratings/Scope Ratings, ratings updated at the date of filing of the 2024 universal registration document.

(2) Standard & Poor's/Moody's/Fitch Ratings R&I, ratings updated to the date of filing of the 2024 universal registration document.

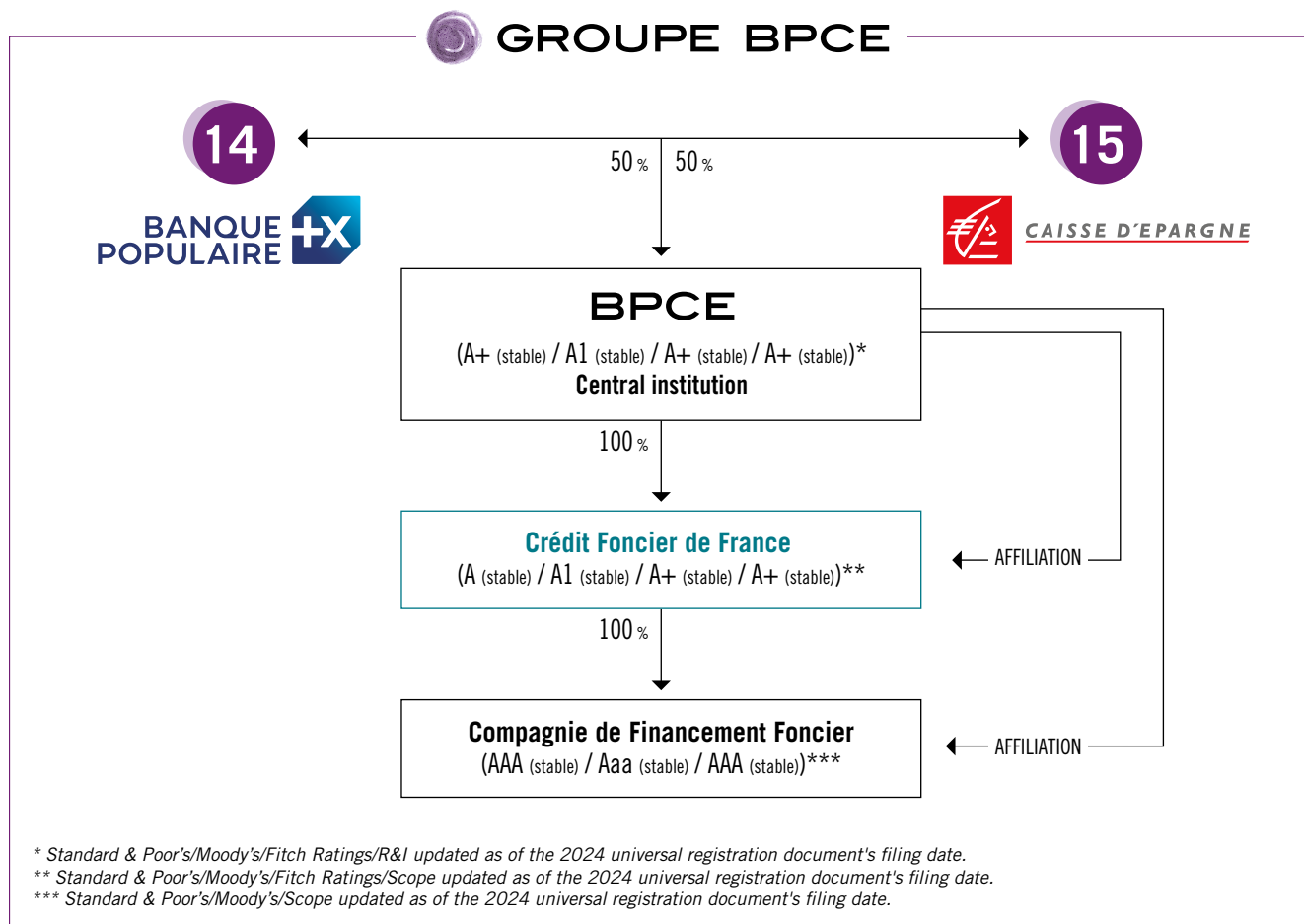
(3) Standard & Poor's/Moody's/Scope Ratings, ratings updated at the date of filing of the 2024 universal registration document.

(4) UCITS: Undertakings for Collective Investment in Transferable Securities, a directive on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities.

(5) CRD: Capital Requirements Directive.

(6) CRR: Capital Requirements Regulation.

# POSITIONING WITHIN GROUPE BPCE



## HIGHLIGHTS OF 2024

### Funding

€5.8bn, total amount of public issuances and private placements carried out by Compagnie de Financement Foncier in 2024.

#### SUCCESS OF BENCHMARKS ISSUED BY COMPAGNIE DE FINANCEMENT FONCIER:

- €2bn double tranche over 5 years (€1.25bn) and 8 years (€750m) in April;
- €1.5bn with a 6-year maturity in May;
- €1bn over a period of 8.5 years in September;
- €0.5bn over a period of five years in October: social issuance dedicated to financing healthcare infrastructure and social housing projects.

#### Currency diversification

Currency diversification with two issuances in CHF and USD, with respective countervalues of €161m and €139m at the transaction date.

### Compagnie de Financement Foncier – supporting Groupe BPCE

#### €6.3BN, TOTAL AMOUNT OF FUNDING GRANTED TO GROUP INSTITUTIONS:

- Confirmation of the growing interest of the Group's institutions in Compagnie de Financement Foncier's highly competitive, back-to-back resources to refinance their assets in a highly competitive and volatile interest rate environment;
- A diversification strategy that enables Compagnie de Financement Foncier to support the development of Groupe BPCE's various businesses: refinancing of portfolios of loans for low-income households, commercial mortgage loans, tax receivables and, for the first time, outstanding export credits.
  - €1.375bn: refinancing of state-guaranteed loans (SGLs) originated by Groupe BPCE.
  - €31.5m: refinancing of outstanding export credits

# KEY FIGURES

## Issuer information

**Issuer:** Compagnie de Financement Foncier, affiliated with Groupe BPCE

**Parent company:** Crédit Foncier (100%), a subsidiary of BPCE (100%)

**Type of bonds issued:** obligations foncières and similar Issuance programs: EMTN, AMTN & USMTS

**Sole service provider:**

Crédit Foncier [A(stable)/A1(stable)/A+(stable)/A+(stable)]<sup>(1)</sup>

Subsidiary of BPCE [A+(stable)/A1(stable)/A+(stable)/A+(stable)]<sup>(2)</sup>

## COVERED BOND RATINGS

	Standard & Poor's	Moody's	Scope
Long-term rating	AAA	Aaa	AAA
Outlook	Stable	Stable	Stable

## Simplified economic balance sheet

	12/31/2024		12/31/2023		12/31/2022	
	€bn	%	€bn	%	€bn	%
<b>ASSETS (by type of exposures)</b>						
<b>Mortgage loans and related items</b>	<b>23.6</b>	<b>38.7%</b>	<b>25.9</b>	<b>43.0%</b>	<b>27.6</b>	<b>45.6%</b>
<b>Public sector exposures</b>	<b>31.6</b>	<b>51.8%</b>	<b>28.6</b>	<b>47.4%</b>	<b>27.4</b>	<b>45.4%</b>
French public sector in France*	25.6	42.0%	22.0	36.5%	20.6	34.1%
Foreign public sector	6.0	9.8%	6.6	10.9%	6.8	11.2%
<b>Safe and liquid assets and other assets</b>	<b>5.8</b>	<b>9.5%</b>	<b>5.7</b>	<b>9.5%</b>	<b>5.4</b>	<b>9%</b>
Safe and liquid assets	4.7	7.7%	4.7	7.8%	4.6	7.7%
Other assets	1.1	1.8%	1.0	1.7%	0.8	1.3%
<b>TOTAL ASSETS</b>	<b>61.0</b>	<b>100.0%</b>	<b>60.3</b>	<b>100.0 %</b>	<b>60.5</b>	<b>100.0 %</b>

\*Including deposits and short-term loans at Banque de France of €0.5bn at the end of 2024, €0.5bn at the end of 2023 and €0.5bn at the end of 2022

	12/31/2024		12/31/2023		12/31/2022	
	€bn	%	€bn	%	€bn	%
<b>LIABILITIES</b>						
<b>Privileged resources</b>	<b>51.4</b>	<b>84.3%</b>	<b>51.6</b>	<b>85.7%</b>	<b>51.6</b>	<b>85.4 %</b>
Obligations foncières	51.5	84.4%	51.7	85.8%	51.6	85.4 %
Foreign exchange difference on obligations foncières	-0.2	-0.3%	-0.2	-0.3%	-0.1	-0.1%
Other privileged resources	0.1	0.2%	0.1	0.2 %	0.1	0.1 %
<b>Translation difference associated with hedging balance sheet items</b>	<b>1.3</b>	<b>2.1%</b>	<b>1.2</b>	<b>2.0%</b>	<b>1.1</b>	<b>1.8%</b>
<b>Non-privileged resources</b>	<b>8.3</b>	<b>13.6%</b>	<b>7.4</b>	<b>12.3%</b>	<b>7.8</b>	<b>12.8%</b>
Unsecured debt	6.2	10.1%	5.2	8.6%	5.6	9.2%
Subordinated debt and similar debt	0.1	0.1%	0.1	0.2 %	0.1	0.1 %
Shareholders' equity and reserve for general banking risks	2.0	3.4%	2.1	3.5 %	2.1	3.5 %
<b>TOTAL LIABILITIES</b>	<b>61.0</b>	<b>100.0%</b>	<b>60.3</b>	<b>100.0 %</b>	<b>60.5</b>	<b>100.0 %</b>
Regulatory capital according to CRR/CRD IV	2.0		2.0		2.0	

(1) Standard & Poor's/Moody's/Fitch Ratings/Scope, ratings updated at the date of filing of the 2024 universal registration document.

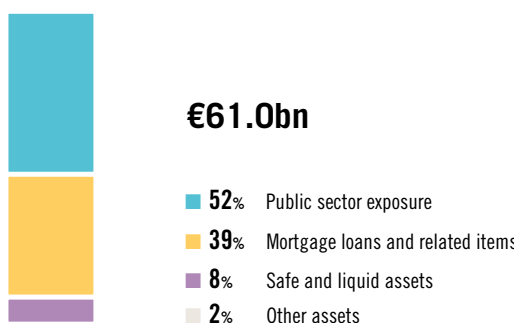
(2) Standard & Poor's/Moody's/Fitch Ratings/R&I, ratings updated at the date of filing of the 2024 universal registration document.



## Breakdown of assets

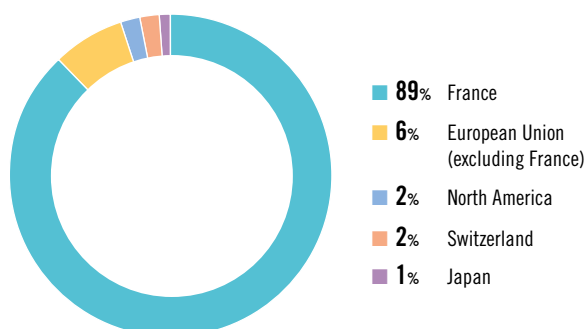
### BY TYPE

DECEMBER 31, 2024

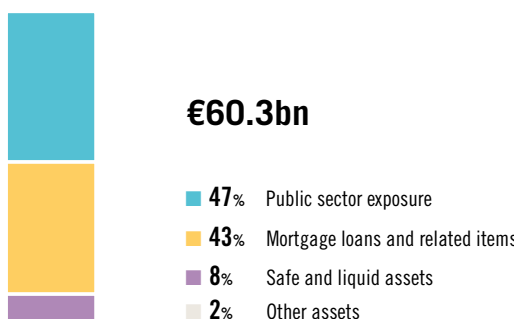


### BY REGION

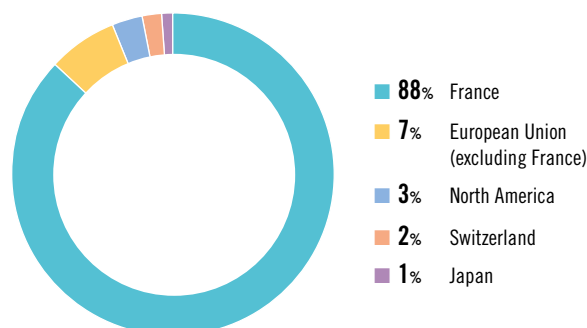
DECEMBER 31, 2024



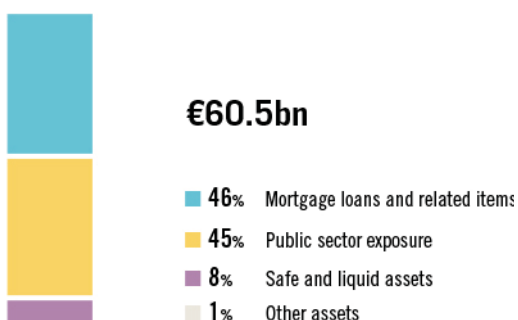
DECEMBER 31, 2023



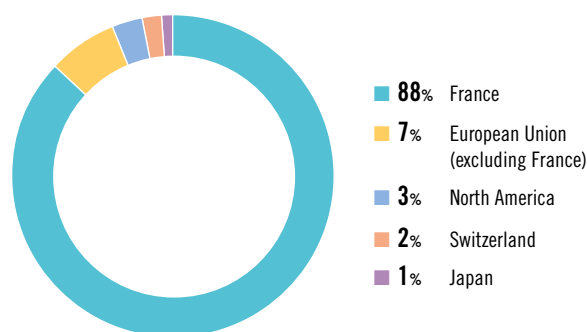
DECEMBER 31, 2023



DECEMBER 31, 2022



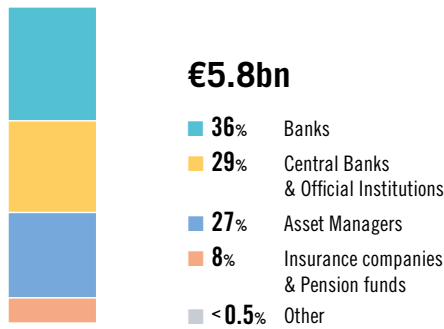
DECEMBER 31, 2022



## Breakdown of issuances

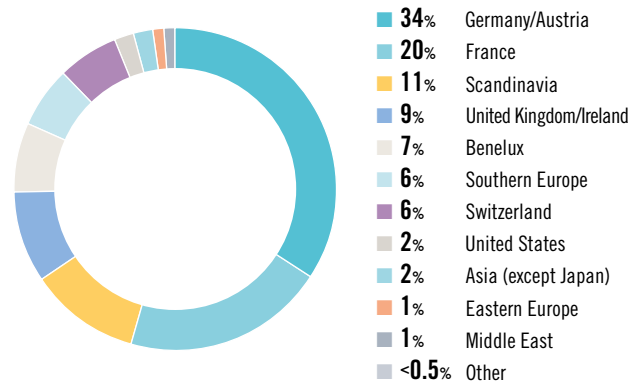
### BY TYPE OF INVESTOR

DECEMBER 31, 2024

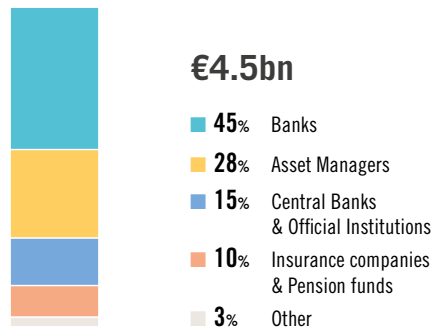


### BY REGION

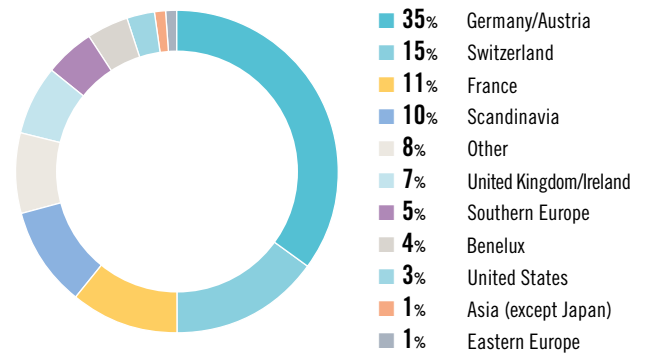
DECEMBER 31, 2024



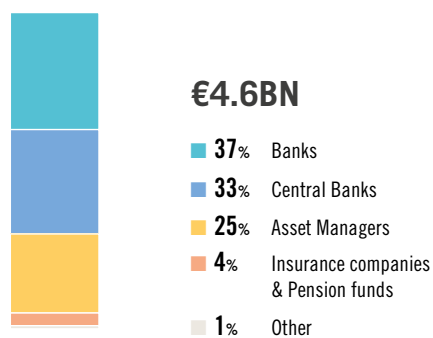
DECEMBER 31, 2023



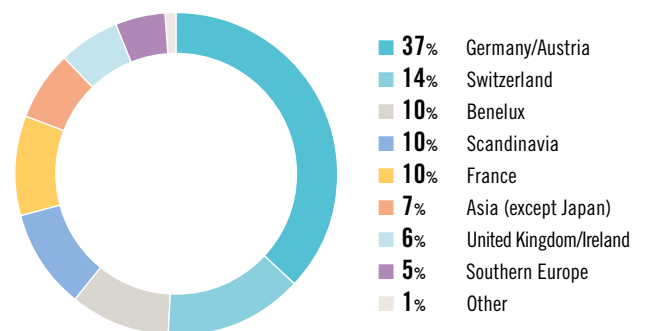
DECEMBER 31, 2023



DECEMBER 31, 2022



DECEMBER 31, 2022\*



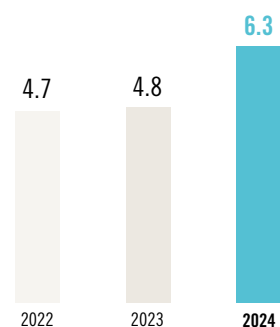
\*Except Eurosystem

## Groupe BPCE funding and portfolio management

### ACTIVITY

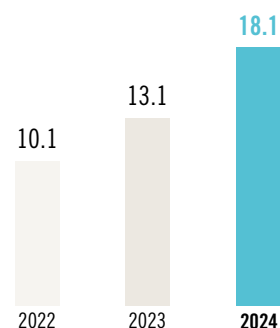
#### REFINANCING OF GROUPE BPCE

(in €bn)



#### CHANGE IN OUTSTANDINGS\*\*

(in €bn)



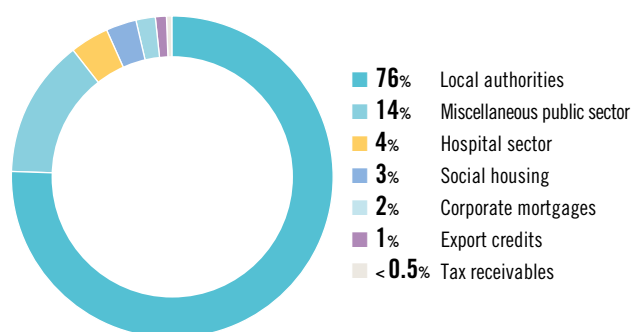
"In 2025, Compagnie de Financement Foncier and its teams will once again be at the service of Groupe BPCE"

\*exclusive of PGD funding

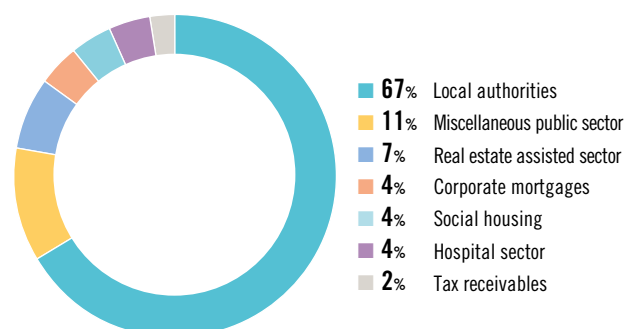
\*\*as part of "La Compagnie de Financement Foncier at the service of Groupe BPCE" activity

### OUTSTANDING REFINANCED ASSETS BY CATEGORY

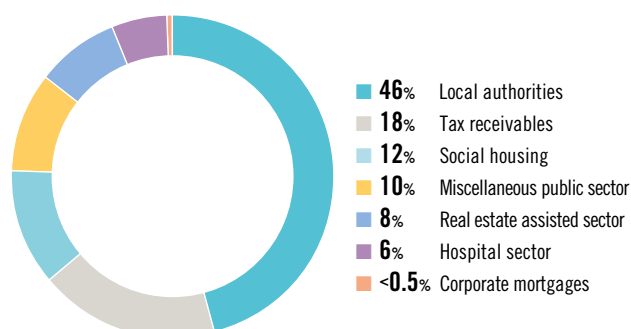
#### DECEMBER 31, 2024\*



#### DECEMBER 31, 2023



#### DECEMBER 31, 2022

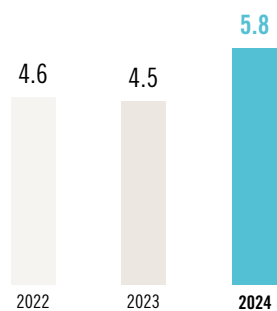


## Performance indicators

### ACTIVITY

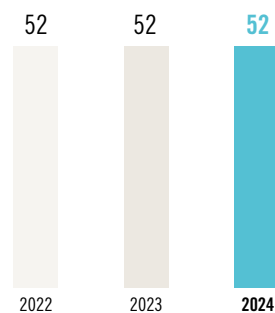
#### OBLIGATIONS FONCIÈRES ISSUES

(in €bn)



#### PRIVILEGED LIABILITIES

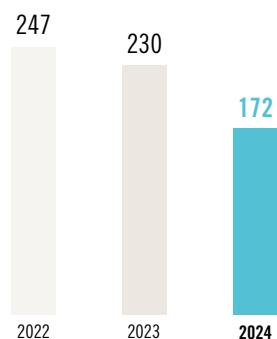
(in €bn)



### INCOME

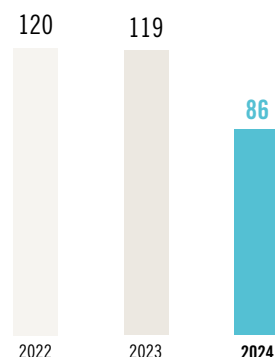
#### NET BANKING INCOME

(in €m)



#### NET INCOME

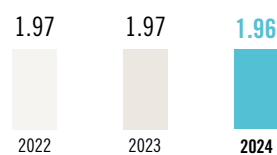
(in €m)



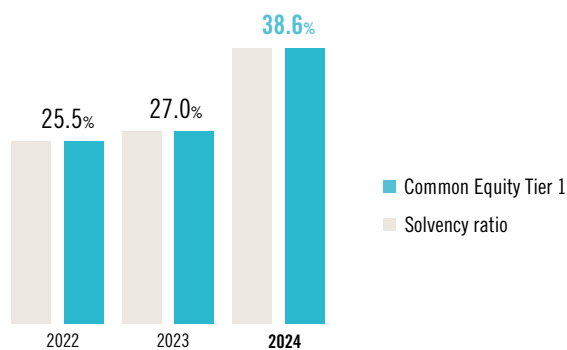
### FINANCIAL STRUCTURE

#### REGULATORY CAPITAL

(in €bn)



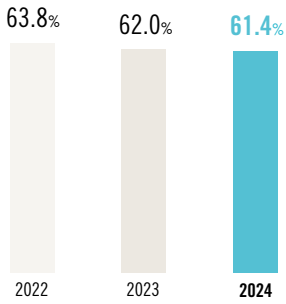
#### CAPITAL ADEQUACY RATIOS



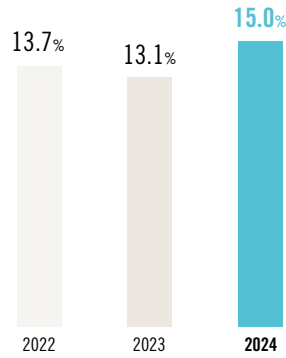
Solvency ratio: exclusively Common Equity Tier 1.

SOCIÉTÉ DE CRÉDIT FONCIER'S SPECIFIC RATIOS

AVERAGE RATIO OF MORTGAGE LOANS TO INDIVIDUAL CUSTOMERS

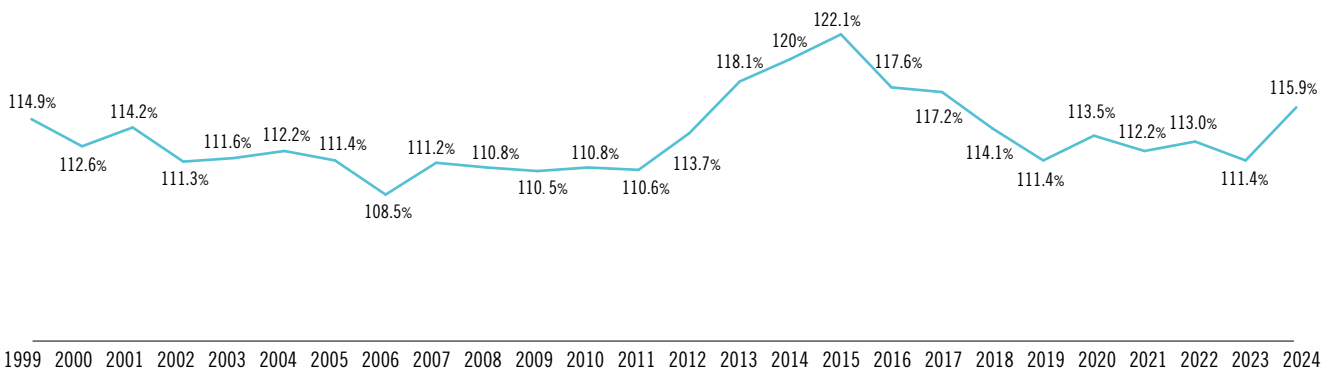


RATIO OF NON-PRIVILEGED/PRIVILEGED RESOURCES



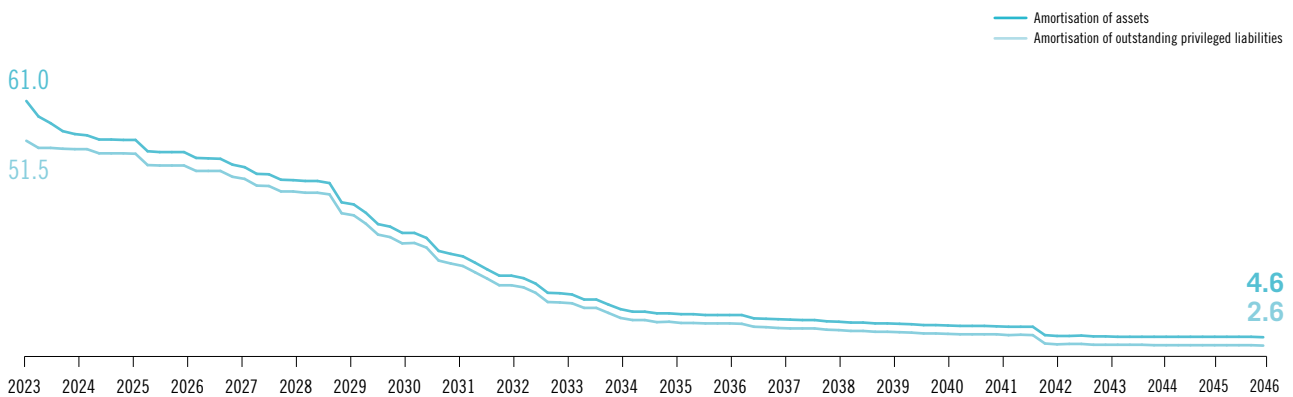
REGULATORY OVERCOLLATERALIZATION RATIO

(in%)



AMORTIZATION OF ASSETS AND PRIVILEGED LIABILITIES

(in €bn)



# GOVERNANCE AT THE SERVICE OF STRATEGY

## The board of Directors

6

MEMBERS AT DECEMBER 31, 2024

33%

WOMEN

60 years

AVERAGE AGE

6

BOARD MEETINGS

84%

AVERAGE ATTENDANCE RATE

### BOARD OF DIRECTORS AT DECEMBER 31, 2024



**Éric FILLIAT**  
Chairman of the Board of Directors ★



**Muriel COLLE**  
Representing *Crédit Foncier de France*  
Director ■ ■



**Mr Pascal CHABOT**  
Director ■ ★



**Philippe JEANNE**  
Director ★



**Olivier IRISSON**  
Representing *BPCE*  
Director ■ ■



**Corinne DECAUX**  
Director ■ ■

■ AUDIT COMMITTEE ■ RISK COMMITTEE ■ APPOINTMENTS COMMITTEE ★ CHAIRMAN

## Committees set up by the board of Directors



### AUDIT COMMITTEE

Ensures that accounting methods chosen for creating financial statements are relevant and consistent.

Gives an opinion on the choice or renewal of statutory auditors, examines their schedule of activity and the results of their checks and recommendations.

Issues an opinion on the choice or renewal of the specific controller.

#### Committee members:

**Philippe JEANNE**, Chairman of BPCE represented by **OLIVIER IRISSON**  
**Crédit Foncier de France**, represented by **Muriel COLLE**



### RISK COMMITTEE

Assesses the quality of internal control.

Assesses the efficiency of the internal control and risk management systems.

#### Committee members:

**Pascal CHABOT**, Chairman  
**Crédit Foncier de France**, represented by **Muriel COLLE**  
**BPCE**, represented by **Olivier IRISSON**  
**Corinne DECAUX**



### APPOINTMENTS COMMITTEE

Proposes candidates for the function of director and assesses the breadth of their knowledge.

Sets a target for gender representation.

Defines the qualities of an independent director.

#### Committee members:

**Éric FILLIAT**, Chairman  
**Corinne DECAUX**  
**Mr Pascal CHABOT**



# 1. PRESENTATION OF COMPAGNIE DE FINANCEMENT FONCIER

<b>HISTORY</b>	<b>14</b>	<b>MARKET AND OPERATING ENVIRONMENT</b>	<b>24</b>
<b>POSITIONING</b>	<b>15</b>	1. The French real estate and home loans market	24
Positioning of Crédit Foncier, sole shareholder of Compagnie de Financement Foncier, within Groupe BPCE	15	2. The commercial real estate market	28
Groupe BPCE at a glance	15	3. The public sector market in France	29
Focus on the positioning of Compagnie de Financement Foncier	16	<b>BUSINESS MODEL OF COMPAGNIE DE FINANCEMENT FONCIER</b>	<b>31</b>
<b>COVERED BONDS: LEGAL AND REGULATORY FRAMEWORK</b>	<b>16</b>	1. Quality assets	32
1. Covered bonds	17	2. Effective management of overcollateralization	32
2. A French covered bond model: obligations foncières or covered bonds	18	3. Strict risk management	33
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## History

Created in 1852, Crédit Foncier de France, whose main activity is to grant property loans backed by first-ranking mortgages, became the key player to local authorities in France. It retained a dominant position there until the Second World War. From the 1950s onward, Crédit Foncier de France was entrusted with numerous public interest assignments and thus played a key role in the real estate sector.

In 1999, Crédit Foncier de France was bought by Groupe Caisse d'Épargne and in 2009 it became Groupe BPCE following the merger with Banque Populaire banks. The same year (1999), Compagnie de Financement Foncier, a *Société de Crédit Foncier* and wholly-owned subsidiary of Crédit Foncier, was created. It is now a benchmark player on the covered bond market.

1852

Creation of the first French mortgage bank, Crédit Foncier de France

First issuances of *obligations foncières*

1860s

Crédit Foncier becomes the first lender to local authorities in France

1950s

In the aftermath of the Second World War, Crédit Foncier becomes the main player in financing social housing. By distributing subsidized loans, it plays a significant role in rebuilding France

1999

Crédit Foncier is bought by Groupe Caisse d'Épargne (GCE) on June 25

The French Savings and Financial Security Act of June 25, 1999, introduces a new legal framework for *obligations foncières*

Compagnie de Financement Foncier is created as a *Société de Crédit Foncier* and a wholly-owned subsidiary of Crédit Foncier

Inaugural issuance of *obligations foncières* under the new regulatory framework €1.5bn with an 11-year maturity

2009

Creation of BPCE by merging the central bodies of Caisses d'Épargne and Banque Populaire banks, and de facto consolidation of Crédit Foncier and Compagnie de Financement Foncier

2012

Membership of the ECBC Covered Bond label

2019

Repositioning of Compagnie de Financement Foncier in the refinancing of Groupe BPCE's public sector and related assets

2022

Obtention of the "European Covered Bond (Premium)" label

CHF issue maturity 7 years equivalent value €255m

2023

Inaugural social issuance: €500m

€4.8bn: total amount of funding granted to Groupe BPCE institutions

2024

Currency diversification strategy: CHF and USD

Social issuance: €500m

€6.3bn: total amount of funding granted to Groupe BPCE institutions



# Positioning

## Positioning of Crédit Foncier, sole shareholder of Compagnie de Financement Foncier, within Groupe BPCE

1

Crédit Foncier is a wholly-owned subsidiary of BPCE and thus an integral part of Groupe BPCE, the 2<sup>nd</sup> largest banking group in France <sup>(1)</sup>.

### Groupe BPCE at a glance

With its unique universal banking model, represented by some 9.8million cooperative shareholders, Groupe BPCE is the 2<sup>nd</sup> biggest player in banking in France. With over 100,000 employees, it offers its services to some 35 million customers worldwide including individuals, corporations, investors and local authorities. It has a presence in the retail banking and insurance segments in France through its two major networks, Banque Populaire and Caisse d'Épargne as well as la Banque Palatine. With Natixis it also operates the Global Asset Management, Corporate & Investment Banking and Insurance and Payment business lines.

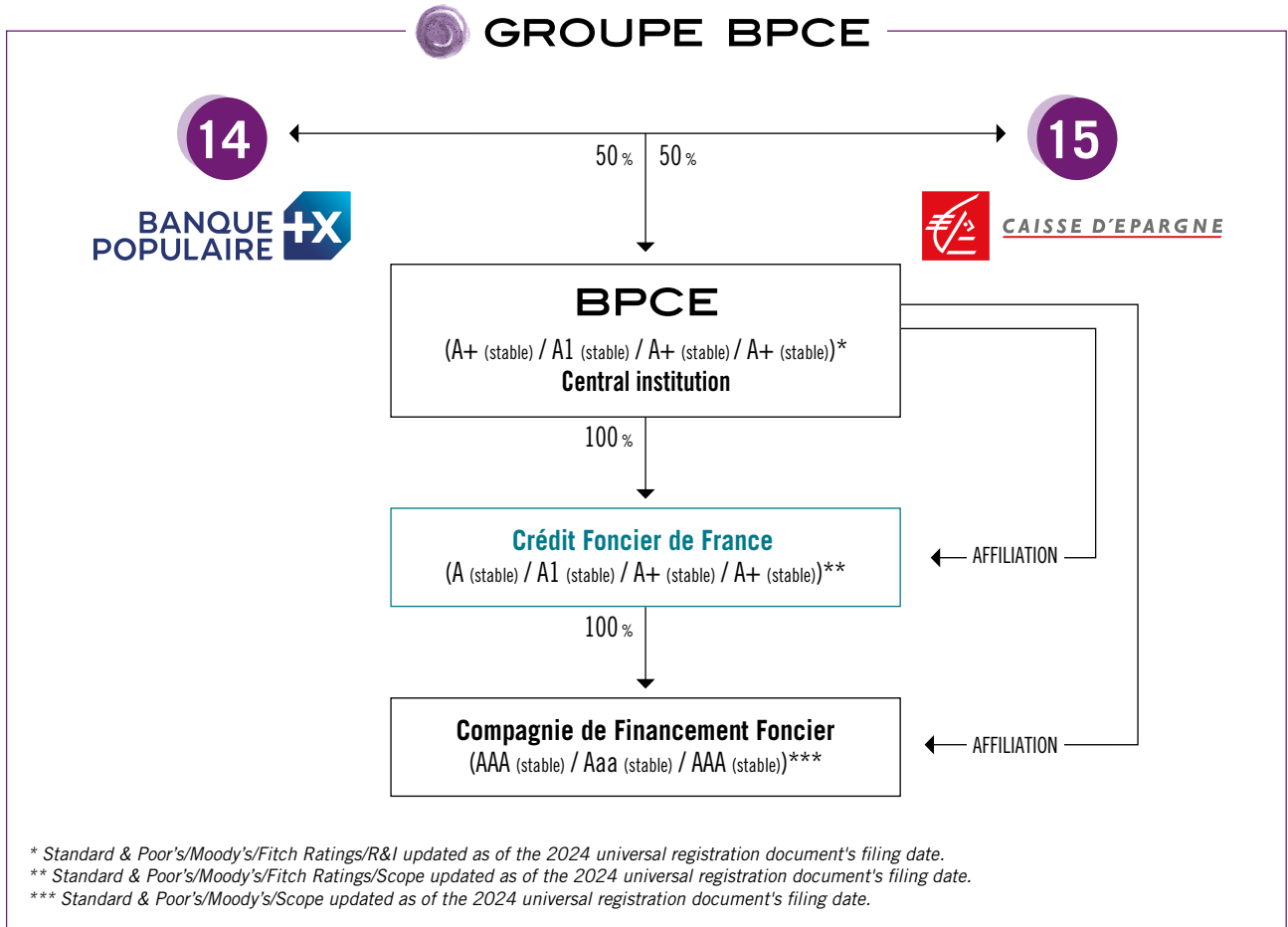
Through this scheme, it offers its customers a comprehensive and wide range of savings, cash, financing, insurance and investment solutions. The Group's financial stability is recognized by four rating agencies, Moody's (A1, stable outlook), Standard & Poor's (A+, stable outlook), Fitch (A+, stable outlook) and R&I (A+, stable outlook).

1) Market shares: 21.6% for customer savings and 21.4% for customer credits (source: Banque de France Q3-2024 – all non-financial sector customers).

# 1. PRESENTATION OF COMPAGNIE DE FINANCEMENT FONCIER

Covered bonds: legal and regulatory framework

## Focus on the positioning of Compagnie de Financement Foncier



## Covered bonds: legal and regulatory framework

The regulatory framework for covered bonds is defined in European and national texts. At the European level, three texts constitute the foundation: the UCITS directive, the Covered Bond directive and the Capital Requirements Regulation (CRR). The French Monetary and Financial Code (CMF) and Regulation No. 99-10 of the French Banking and Financial Regulation Committee (CRBF) incorporate these European texts.

In its version transposed into French law, the Covered Bond directive of November 27, 2019 (Directive (EU) 2019/2162), came into force on July 8, 2022. **Since then, Compagnie de Financement Foncier's issuances have benefited from the "European Covered Bond Premium" label.**

## 1. Covered bonds

**Covered bonds are bonds backed by an eligible asset cover pool. Cash flows deriving from these assets enable bondholders to be repaid. These bondholders are privileged creditors who benefit from the repayment privilege on the underlying assets in the event of default by the issuer, in preference to all other creditors.**

To ensure a sufficient level of quality, eligible assets are strictly defined by regulations (mainly real estate with first rank or equivalent guarantee and claims on central or regional governments, or local authorities).

The Covered Bond directive establishes two levels of quality for covered bonds, sanctioned by two labels: “European Covered Bond” and “European Covered Bond Premium” labels which are subject to prior validation by the *Autorité de Contrôle Prudentiel et de Résolution* (ACPR – French Prudential Supervisory and Resolution Authority) (whose control is partly delegated to the specific controller).

Obtaining the “European Covered Bond” label requires compliance only with the eligibility rules of post-transposition French law of the Covered Bond directive. In addition, obtaining the “European Covered Bond Premium” label requires compliance with the eligibility criteria set out in Article 129 of the CRR Regulation.

**On July 8, 2022, the ACPR validated that Compagnie de Financement Foncier’s new covered bond issuances would benefit from the “European Covered Bond Premium” label.**

The Capital Requirements Regulation (CRR) deals with regulatory capital adequacy. It offers covered bondholders, and in particular European banks and insurance companies, a favorable prudential framework insofar as covered bonds with the best rating and/or whose assets meet certain quality criteria benefit from an advantageous risk weighting for their holders.

In the European Union, UCITS and other regulated investors may hold up to 25% of their assets in securities issued by a single covered bond issuer, provided that the said covered bonds comply with the characteristics set out in Article 52(4) of the European UCITS directive (2009/65/EC as amended):

- the issuer must be a credit institution with its head office in a Member State of the European Union and must be subject to special supervision by the public authorities;
- the holder of the covered bonds must have a preferential claim on cash flows deriving from underlying assets, in the event of the issuer’s default, over all other creditors. The upper limit for exposure to this type of asset can be raised to 25%.

Finally, the Liquidity Coverage Ratio (LCR) regulation enables investors to include covered bonds in their liquidity reserves providing they comply with certain criteria.

# 1. PRESENTATION OF COMPAGNIE DE FINANCEMENT FONCIER

Covered bonds: legal and regulatory framework

The main eligibility criteria for covered bonds at each liquidity reserve level are as follows:

Eligibility criteria	Level 1	Level 2A EU member issuer	Level 2B*
Compliance with Article 52(4) of the UCITS directive or with Article 129 of the CRR			
Minimum rating or, in case of no available rating, risk weighting in accordance with the CRR	AA- or 10%	A- or 20%	NA
Minimum issuance amount	€500m	€250m	€250m
Minimum overcollateralization ratio to be respected	2%	7% or 2% if rated ≥ AA-	10% and monthly disclosure
Disclosure of transparency information under Article 14 of Directive (EU) 2019/2162	quarterly	quarterly	quarterly
Discount applied to market value	7%	15%	30%

\* For level 2B, the cover pool portfolio must consist of residential property and exposures on public entities with an individual risk weighting below or equal to 35%.

Within the context of the Covered Bond Label reporting of the European Covered Bond Council – ECBC, Compagnie de Financement Foncier publishes the transparency information required on its website ([www.foncier.fr](http://www.foncier.fr)) on a quarterly basis.

The ECBC, an association representing issuers whose members account for over 95% of outstanding covered bonds, established the Covered Bond Label in 2012. The Council is self-governed with representation from French issuers. For investors, regulators and the key market players, this quality label provides access to relevant, consistent and transparent information for 122 issuers in 30 jurisdictions.

For issuers, this label requires compliance with Article 52(4) of the UCITS directive, Article 129 of the CRR Regulation and Article 14(2) of the Covered Bond directive. Information for investors is subject to specific ECBC reporting with a standardized common section and a specific section that takes into account the particularities of each label member's national market.

Compagnie de Financement Foncier complies with all the label's requirements, and has once again renewed its membership. All information and reports are available on the website [www.coveredbondlabel.com](http://www.coveredbondlabel.com).

## 2. A French covered bond model: *obligations foncières* or covered bonds

### 2.1 THE BASICS OF *OBLIGATIONS FONCIÈRES* OR COVERED BONDS

#### 2.1.1 FRENCH LAW AND COMPLIANCE WITH EUROPEAN REGULATIONS

In 1999, the French government passed legislation on the modernization of the *obligations foncières* framework. This law provides the French financial markets with a category of bond instruments, which are competitive and uniform in terms of risks and liquidity, controlled by the *Autorité de Contrôle Prudentiel et de Résolution* (ACPR – French Prudential Supervisory and Resolution Authority)<sup>(1)</sup> and by a specific controller. Since 1999, *Sociétés de Crédit Foncier's* business activities have been governed by the French Monetary and Financial Code (CMF) which codified the provisions of the law of 1999. The UCITS and CRR texts complete the body of rules applicable to covered bonds.

Finally, July 8, 2022 marks the start of the transposition of the Covered Bond directive, which aims to harmonize the covered bond market in Europe and create two quality labels.

These various texts have been incorporated into French law, in particular into the CMF:

- *Sociétés de Crédit Foncier* are credit institutions having their head office in a Member State of the European Union, France. They are legally subject to specific supervision protecting the holders of those bonds *via* a specific controller, whose appointment is approved by the ACPR;
- bondholders of covered and similar bonds are protected by a pool of underlying assets (whose eligibility criteria are defined by law) over which they have priority recourse in the event of the issuer's default: this is the legal privilege granted to holders of *obligations foncières* or covered bonds (Art. L. 513-11 of the CMF).

The French legal framework also imposes additional requirements in terms of liquidity and reporting.

1) Independent administrative authority in charge of the supervision of financial institutions. For more details, see the paragraph on the ACPR: "Regulatory bodies" on page 22.

### 2.1.2 SOCIÉTÉS DE CRÉDIT FONCIER

*Sociétés de Crédit Foncier* are specialized credit institutions whose sole purpose is defined in Article L. 513-2 of the CMF: granting or acquiring secured loans *i.e.* loans that are backed by first-rank mortgages or real property collateral conferring at least an equivalent guarantee, or exposures to public entities, and financing them by issuing *obligations foncières*. Their business activities are restricted by law: they are not allowed to hold equity investments or share portfolios.

*Obligations foncières* and similar bonds, which finance eligible assets, are covered bonds that have a legal privilege that confers to their holders a preferential claim on cash flows deriving from the underlying assets.

The eligibility criteria for the assets of *Sociétés de Crédit Foncier* as of July 8, 2022, the date of implementation of the transposition of the Covered Bond directive, are defined by Articles L. 513-3 to L. 513-7 of the CMF. The following assets are eligible:

- real estate loans secured by a first-ranking mortgage or by a guarantee at least equivalent (European Union (EU) or European Economic Area (EEA)), or by an eligible guarantor of at least the 2<sup>nd</sup> level of credit quality by respecting certain conditions;
- exposures on public entities or fully guaranteed by public entities belonging to Member States of the EU or parties to the Agreement on the EEA <sup>(1)</sup>, such as loans or off-balance sheet commitments. Eligible public entities are Member States, central governments, central banks, public institutions, local authorities or their associations. Excluding public-sector entities located in the EU or the EEA, these exposures are eligible if the public-sector entities benefit from the highest credit quality step established by an external credit assessment body recognized by the ACPR in accordance with Article L. 511-445 of the CMF (or the second credit rating step up to a limit of 20% of the nominal amount of the *obligations foncières*);
- exposure to credit institutions, investment firms or portfolio management companies (capped at 10% of the pledge of the nominal amount of privileged resources for institutions benefiting from the second-best credit rating step established by an external credit assessment body recognized by the ACPR pursuant to the provisions of Article L. 511-44 of the CMF), represented by securities, exposures and sufficiently safe and liquid deposits (Article R. 513-6 of the CMF).

## 2.2 INVESTOR PROTECTION

### 2.2.1 LEGAL PRIVILEGE OF HOLDERS OF OBLIGATIONS FONCIÈRES

According to Article L. 513-11 of the CMF, which defines the legal privilege on cash flows from assets and the terms of the guarantee that it provides, the assets held by a *Société de Crédit Foncier* are first and foremost used to repay *obligations foncières* and similar

bonds. The legal privilege is the fundamental principle of legal security for *obligations foncières*' holders. It remains valid even if the *Société de Crédit Foncier* or its parent company goes bankrupt or goes into receivership. It thus affords investors the maximum protection. *Obligations foncières* and similar bonds are paid at their contractual maturity, in priority to all other debts in terms of both interest and principal, until they are repaid in full.

Investors in *obligations foncières* are also protected by the legal and regulatory provisions described below.

### 2.2.2 ECONOMIC PROTECTION

#### OVERCOLLATERIZATION

The total amount of the *Société de Crédit Foncier*'s weighted eligible assets must be higher than the amount of their liabilities benefiting from the privilege. Article R. 513-8 of the CMF and Article 129 of the CRR introduce a legal minimum overcollateralization of 105%.

One of the specific controller's duties is to monitor compliance with this overcollateralization rule.

#### ASSET/LIABILITY MATCHING IN MATURITY AND INTEREST RATES

Article 12 of CRBF Regulation 99-10 stipulates that the balance sheet management of *Sociétés de Crédit Foncier* must respect the matching of assets and liabilities in terms of maturity and interest rates. The specific controller ensures compliance with a maximum average maturity gap of 18 months between privileged assets and liabilities (Order of May 26, 2014).

The Order of May 26, 2014 also requires *Sociétés de Crédit Foncier* to draw up an annual estimate of the cover ratio of privileged resources until maturity by available eligible assets and future eligible assets refinanced under conservative assumptions.

#### 180-DAY LIQUIDITY BUFFER

At all times, *Sociétés de Crédit Foncier* must ensure that all cash requirements are covered for a period of 180 days.

In accordance with Article R. 513-7 of the CMF, *Sociétés de Crédit Foncier* must at all times cover all their cash requirements for the next 180 days. To do this, they can use:

- 1° level 1, 2A or 2B liquid assets as defined in Articles 10, 11 and 12 of Delegated Regulation (EU) 2015/61 of October 10, 2014, which are valued in accordance with this regulation and which are not issued by the *Société de Crédit Foncier*, or by its parent company;
- 2° short-term exposures to credit institutions, if they benefit from the best or second-best credit quality step established by an external credit assessment body recognized by the ACPR, or short-term deposits with credit institutions benefiting from the highest credit quality step, second-best or third-best credit quality step established by a recognized external credit assessment body by the ACPR.

1) Only public institutions and local authorities or their groupings from non-EU member states.

# 1. PRESENTATION OF COMPAGNIE DE FINANCEMENT FONCIER

Covered bonds: legal and regulatory framework

## 2.2.3 STRUCTURAL PROTECTION

**Covered bonds, such as those issued by Compagnie de Financement Foncier, benefit from a special legal regime under which, due to the special legal privilege granted to the holders of *obligations foncières* and similar bonds by Article L. 513-11 of the CMF, they are excluded from any transactions related to a court-supervised safeguarding procedure, bankruptcy proceeding or liquidation or resolution measures as provided for in Article L. 613-49 of the CMF brought against a *Société de Crédit Foncier*. Article 44 of directive No. 2014/59 of the EU, as amended (the “BRRD”), transposed in the CMF in Article L. 613-55-1, in addition, explicitly states that the assets of the cover pool of a covered bond issuer are excluded from the scope of application of the bail-in.**

### AFFILIATION WITH A CENTRAL INSTITUTION

French cooperative banking groups have a central institution and some of their subsidiaries may use a specific guarantee scheme: the affiliation scheme (Articles L. 512-106 to L. 512-108 of the CMF), a system that requires the central institution to guarantee the liquidity and solvency of the affiliates.

All institutions affiliated with the central institution of Groupe BPCE – including Compagnie de Financement Foncier – benefit from a guarantee and solidarity system designed, in accordance with Articles L. 511-31 and L. 512.107-6 of the French Monetary and Financial Code, to guarantee the liquidity and solvency of all the affiliated institutions and organize financial solidarity 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 affiliates in difficulty, and/or of all of the Group's affiliates. By virtue of the unlimited nature of the principle of solidarity, BPCE is entitled, at any time, to ask any one or more or all of the affiliates to contribute to the financial efforts that may be necessary to restore the situation, and may, if necessary, use all the cash and equity capital of the affiliates in the event of difficulty for one or more of them.

Thus, in the event of difficulties for Compagnie de Financement Foncier, BPCE must do everything necessary to restore the situation of Compagnie de Financement Foncier and may, in particular, implement the internal solidarity mechanism that it has put in place by (i) first mobilizing its capital as part of its duty as a shareholder; (ii) if they are not sufficient, BPCE could call on the mutual guarantee fund created by BPCE, which at December 31, 2024, had a total of €394.2m in assets contributed equally by the two Banque Populaire and Caisse d'Épargne 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'Épargne networks, for a total of €900m, and on the mutual guarantee fund of the Banque Populaire banks and Caisse d'Épargne, made up of deposits made by the Banque Populaire banks and Caisses d'Épargne in BPCE's books in the form of ten-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 Banque Populaire banks and Caisses d'Épargne. It is specified that the guarantee funds referred to above constitute an internal guarantee mechanism of Groupe BPCE, activated at the initiative of the Management Board of BPCE, 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 have unlimited recourse to the resources of any, several or all of the other affiliates.

As a result of this full legal solidarity, one or more affiliates could not find themselves in judicial liquidation, or be affected by resolution measures within the meaning of the EU directive for the Recovery and Resolution of Credit Institutions No. 2014/59 as amended by EU directive No. 2019/879 (the “BRRD”), without all affiliates also being affected.

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

In the event of a judicial liquidation necessarily involving all affiliates, external creditors of equal rank or enjoying rights identical to those of all affiliates would be treated in the order of the creditor hierarchy equally, regardless of their connection to a particular affiliated entity. The consequence is that holders of AT1 and other *pari passu* securities would be more affected than holders of Tier 2 and other *pari passu* securities, which are themselves more affected than holders of non-preferred senior external debt, which are themselves more affected than holders of preferred senior external debt. In the event of resolution, 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 link to a particular affiliated entity, in the priority order mentioned above.

Due to the affiliation of Compagnie de Financement Foncier to the BPCE central institution and the systemic nature of Groupe BPCE and the assessment currently made by the resolution authorities, resolution measures would, if necessary, be more likely to be taken than the opening of a judicial liquidation procedure. A resolution procedure 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 expectation that another measure could prevent this failure within a reasonable timeframe and (iii) a resolution measure is required to achieve the objectives of the resolution: (a) guarantee the continuity of critical functions, (b) avoid significant adverse effects on financial stability, (c) protect government resources by minimizing the use of extraordinary government financial support, and (d) protect customer funds and assets, including those of depositors. An institution is considered to be in default when it fails to comply with the terms of its license, is unable to pay its debts or other commitments as they fall due, seeks exceptional public financial support (subject to limited exceptions), or when the value of its liabilities exceeds that of its assets.

In addition to the power of internal bail-in, resolution authorities are given extended powers to implement other resolution measures in respect of failing institutions or, in certain circumstances, their groups, which may include, *inter alia*: the sale of all or part of the institution's activity to a third party or bridge institution, the segregation of assets, the replacement or substitution of the institution as debtor of the debt instruments, changes in the terms of the debt instruments (including changes in the maturity and/or amount of interest payable and/or the temporary suspension of payments), the suspension of the admission to trading or listing of the financial instruments, the dismissal of management or the appointment of a provisional administrator (special administrator), and the issuance of capital or equity.

**However, holders of *obligations foncières* and similar bonds are excluded (i) from any transaction linked to a safeguard, recovery or liquidation procedure or to resolution measures (Art L. 513-11 of the CMF) and (ii) from the scope of application of the bail-in (Art L. 613-55-1 of the CMF).**

## NON-EXTENSION OF THE PARENT'S INSOLVENCY TO ITS *SOCIÉTÉ DE CRÉDIT FONCIER* SUBSIDIARY

Under French law, a *Société de Crédit Foncier* has a specific legal framework guaranteeing that the holders of *obligations foncières* receive favorable treatment under normal management conditions and in the event of insolvency proceedings being initiated against its parent.

The cash flows derived from a *Société de Crédit Foncier's* assets are, under all circumstances, used to repay privileged debt. In addition, in the event of default of its parent, the *Société de Crédit Foncier* and the holders of *obligations foncières* are fully protected by virtue of this non-extension rule.

If a French company is subject to insolvency proceedings, there will be no vacuum in authority at its level, as a legal receiver is appointed to ensure the continuity of management.

As a separate legal entity, a *Société de Crédit Foncier's* subsidiary is not affected by the insolvency of its parent, the management of a *Société de Crédit Foncier* is conducted *in bonis*, i.e. under normal management conditions, by its own managers.

If the parent is subject to preservation or insolvency proceedings, the *Société de Crédit Foncier* may terminate its service and receivable management contracts if it determines this course to be appropriate. The *Société de Crédit Foncier* may therefore change its service provider at any time to ensure the continued management of its assets and liabilities.

Under Article R. 513-14 of the CMF, the *Société de Crédit Foncier* must identify the personnel and resources required for debt collection and the application of contracts entered into. Procedures for transferring all the technical resources and data needed to perform recovery actions must also be included in the preventive recovery plan.

### IMMUNITY OF *OBLIGATIONS FONCIÈRES* HOLDERS

In the event of insolvency proceedings being initiated against a *Société de Crédit Foncier*, holders of covered bonds are fully protected by the following mechanisms:

#### REPAYMENT SCHEDULE OF PRIVILEGED DEBT IS MAINTAINED

The compulsory liquidation of a *Société de Crédit Foncier* does not render payable the *obligations foncières* or other debts benefiting from this privilege. They are repaid on their contractual due dates and take precedence over all other debts, whether or not they are subject to privileges or security interests (Article L. 513-11-2 of the CMF).

The payment of all other creditors (including the State) is suspended until the holders of the *obligations foncières* have been paid in full. In contrast with the general law that transactions made when companies are in financial difficulty may be invalidated, *Sociétés de Crédit Foncier's* asset transfers made prior to a declaration of insolvency remain valid.

### MANAGEMENT OF CONTINUITY IN CASE OF INSOLVENCY OF THE *SOCIÉTÉ DE CRÉDIT FONCIER*

Article L. 612-34 of the CMF provides that, depending on the situation, a provisional administrator, appointed by the ACPR, may oversee or advise managers, or be given full powers. The administrator has the same latitude to manage the balance sheet as when the company is *in bonis*.

All activities are carried on to ensure the Company is well managed, and all privileged debts are repaid in compliance with existing commitments.

In the event of insolvency of the *Société de Crédit Foncier*, Article L. 513-24 of the CMF stipulates that the specific controller must file a privileged claim statement with the court-appointed administrator on behalf of the privileged creditors.

The specific controller also continues to fulfill his/her duty to monitor, inform and alert the ACPR.

### RESOLUTION

European regulations define a framework for the recovery and resolution of credit institutions and investment firms ("BRRD" regulations). These rules, which have been transposed into French law, provide for the introduction of a single resolution mechanism, giving resolution authorities the power of "internal bail-in" aimed at combating systemic risks to the financial system and avoiding government financial intervention in the event of a crisis. These authorities, in the event that a financial institution or the group to which it belongs becomes or is close to defaulting, have the power to write down, cancel or convert into shares, the securities and eligible liabilities of the defaulting financial institution. In addition to the possibility of using this "internal bail-in" mechanism, the BRRD grants resolution authorities more extensive powers.

**However, holders of *obligations foncières* and similar bonds are excluded (i) from any transaction linked to a safeguard, recovery or liquidation procedure or to resolution measures (Art L. 513-11 of the CMF) and (ii) from the scope of application of the bail-in (Art L. 613-55-1 of the CMF).**

## 2.3 REGULATORY BODIES

### 2.3.1 AUTORITÉ DE CONTRÔLE PRUDENTIEL ET DE RÉOLUTION (ACPR – FRENCH PRUDENTIAL SUPERVISORY AND RESOLUTION AUTHORITY)

In view of their status as specialized credit institutions, *Sociétés de Crédit Foncier* are placed under the supervision of the ACPR by delegation of the European Central Bank (ECB).

The ACPR monitors these companies by examining reports and financial statements that they are required to provide and can also conduct on-site investigations.

As credit institutions, *Sociétés de Crédit Foncier* have to provide information about:

- internal control (Articles 258 to 270 of the Order of November 3, 2014 on internal control of the banking sector);
- liquidity, *via* the liquidity and observation ratios.

*Sociétés de Crédit Foncier* must also publish specific reports about:

- the quality of their financed assets and, in particular, the characteristics and breakdown of loans and guarantees, any 180-day liquidity requirements and hedging arrangements, and the level and sensitivity of the interest rate position. This report is published on *Compagnie de Financement Foncier's* website and submitted to the ACPR four times a year, within 45 days following the end of each quarter;
- the calculation of the overcollateralization ratio, which includes limits on the composition of assets, and the calculation of amounts eligible for funding by privileged resources;
- the labeling of *Compagnie de Financement Foncier's* bond issuances.

# 1. PRESENTATION OF COMPAGNIE DE FINANCEMENT FONCIER

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The report on this information, completed with other regulatory indicators, is certified by the specific controller and submitted to the ACPR within three months following the end of each quarter.

The *Sociétés de Crédit Foncier* determine the solvency ratios and regulatory overcollateralization on a company basis, which are then provided to the ACPR. These controls carried out by the ACPR are an additional guarantee for holders of *obligations foncières*.

## 2.3.2 STATUTORY AUDITORS

### APPOINTMENT OF THE STATUTORY AUDITORS

As French public limited companies, *Sociétés de Crédit Foncier's* financial statements must be audited by statutory auditors. Article L. 511-38 of the CMF requires credit institutions to be audited by at least two statutory auditors from two different firms.

They are appointed by the general meeting for a six-year term.

The statutory auditors have a permanent legal obligation to ensure the quality and reliability of the financial and accounting information provided by their clients. Their duties include:

### AUDIT AND CERTIFICATION

Pursuant to the French Commercial Code, the statutory auditors must certify, while justifying their opinion, whether or not the annual financial statements give a true and fair view of the Company's results for the accounting period concerned and of its financial position and assets and liabilities at the end of each period. Their certification is published in the Universal Registration Document. For this purpose, they carry out an audit, in accordance with the professional standards of the National association of statutory auditors (CNCC, *Compagnie nationale des commissaires aux comptes*).

### GENERAL REPORT

In their report to the ordinary shareholders' meeting, the statutory auditors must report on the execution of their assignment. By certifying the Company's financial statements, they express that during the course of their assignment they have obtained reasonable assurance that the financial statements do not contain any material misstatement.

They must inform the general meeting of any irregularities or inaccurate information they may have observed during their assignment.

### SPECIFIC VERIFICATIONS

The statutory auditors verify the fair presentation of the following information and its conformity with the annual and half-year financial statements:

- the information provided in the Management report;
- the documents sent to shareholders concerning the financial position and annual financial statements.

To carry out their assignment, the statutory auditors hold extensive investigative powers.

Pursuant to the law, at any time of the year, the statutory auditors, together or individually, may carry out all verifications and controls they deem appropriate and may request, on-site, any documents they consider necessary for their assignment, including contracts, accounting records and documents, and minutes of meetings.

These investigations may be conducted at the Company or at its parent, or if necessary at any subsidiary or at any entity included in the scope of consolidation.

## 2.3.3 SPECIFIC CONTROLLERS

The specific controller is selected from the official list of the National association of statutory auditors (CNCC, *Compagnie nationale des commissaires aux comptes*). Its appointment, proposed by the executive management of the *Société de Crédit Foncier*, is subject to the approval of the ACPR for a four-year term. It is responsible for verifying that operations are functioning correctly and for ensuring strict compliance with laws and regulations. To avoid any conflict of interest, the specific controller may not be a statutory auditor for the group that consolidates the *Société de Crédit Foncier*. In accordance with the law and regulations, the specific controller must ensure that the *Société de Crédit Foncier* is taking all necessary steps to secure the redemption of *obligations foncières* and other privileged resources. For this purpose, the specific controller must, either on an ongoing basis, or in response to specific events:

- assess the quality of the risk management and monitoring procedures implemented by the *Société de Crédit Foncier*;
- control the eligibility of loans and other assets held by the *Société de Crédit Foncier*;
- ensure the appropriate overcollateralization of privileged resources by eligible assets (overcollateralization ratio), the compliance with regulatory limits and the LTV eligible for privileged funding;
- certify previous ratios, limits and LTV on a quarterly basis for the ACPR;
- issue certifications of quarterly bond issuance programs and for issuances equivalent in euros to €500m or more;
- verify the asset-liability matching in maturities and interest rates between the assets and privileged liabilities of the *Société de Crédit Foncier* (Article 12 of CRBF Regulation 99-10);
- appraise the valuation and periodic review procedures of the underlying assets backing the eligible loans, pursuant to Article 5 of CRBF Regulation 99-10;
- certify, on a quarterly basis, the new reports introduced by Article 10 of CRBF Regulation 99-10, in particular the items used to calculate the overcollateralization ratio and the resources needed to cover cash requirements, the difference in average maturity between assets and the provisional cover of privileged resources with eligible assets;
- prepare the report on the procedures agreed on compliance with the criteria relating to the eligibility of assets in Article 129 of Regulation (EU) No. 575/2013 (CRR) pursuant to ACPR instruction No. 2022-I-05.

The specific controller's controls supplement the Company's standard internal controls and those conducted by the statutory auditors.

During its missions as defined by law (Articles L. 513-23 and 24 of the CMF), and for which it benefits from a comprehensive right of investigation, the specific controller may also:

- attend any shareholders' meeting and be heard upon request by the administrative bodies of the Company. It also has a duty to alert the regulatory banking authorities;
- establish, for all Management Boards and social bodies, an annual report on the accomplishment of its mission, a copy of which is sent to the ACPR.

In the event the *Société de Crédit Foncier* is subject to restructuring or insolvency proceedings, the specific controller would become the legal representative of the holders of *obligations foncières* and other privileged resources.



### 2.3.4 CENTRAL INSTITUTION

BPCE SA, Groupe BPCE's central institution, is also responsible for risk control and for oversight of the legality of the activities of Crédit Foncier and Compagnie de Financement Foncier. It guarantees the group's liquidity by setting management rules. It may take any measures to ensure that the activity complies with all provisions applicable to credit institutions (Articles L. 512-107 and L. 512-108 of the CMF).

#### RISK ASSESSMENT AND MONITORING

Credit institutions subject to these rules must also implement risk assessment tools and methods in order to ensure effective management and monitoring of their risks. Selection processes (limits, approval delegations and methods of analysis) as well as monitoring tools and procedures enable them to regularly assess the levels of risks managed.

The regulation requires a periodic review of these assessment methods and tools.

These tools and procedures are used to assess, select and monitor the following types of risks:

- credit;
- liquidity;
- interest rate;
- foreign exchange;
- compliance;
- settlement and intermediation;
- legal;
- operational;
- extreme events (solutions provided in the Contingency and Business Continuity Plan).

#### DOCUMENTATION AND INFORMATION

Credit institutions are required to document the following:

- their organization and the role of their staff;
- their information systems security procedures;
- risk assessment systems and their operational characteristics (limits, selection criteria, monitoring, etc.).

The following regulatory and control bodies must be kept informed:

- decision-making body: the board of directors and its sub-committees, the audit committee and the risk committee;
- central institution or shareholder;
- external auditors (statutory auditors, specific controller);
- regulatory authorities: the ACPR and the *Autorité des marchés financiers* (AMF), the French financial markets authority.

Various actions are taken to ensure that all information is publicized. The Universal Registration Document and its half-yearly amendment are made available to the public on the Compagnie de Financement Foncier website: <https://foncier.fr>. They are also filed with the AMF and are published in ESEF format in accordance with regulations.

## Market and operating environment

Compagnie de Financement Foncier's refinancing business exposes it mainly to the following markets:

- real estate loans to individual customers, closely linked to the real estate market;
- loans to local authorities and public institutions;

- French government-backed loans such as Research Tax Credits (CIR), Employment Competitiveness Tax Credits (CICE), State-Guaranteed Loans (PGE) or export credit.

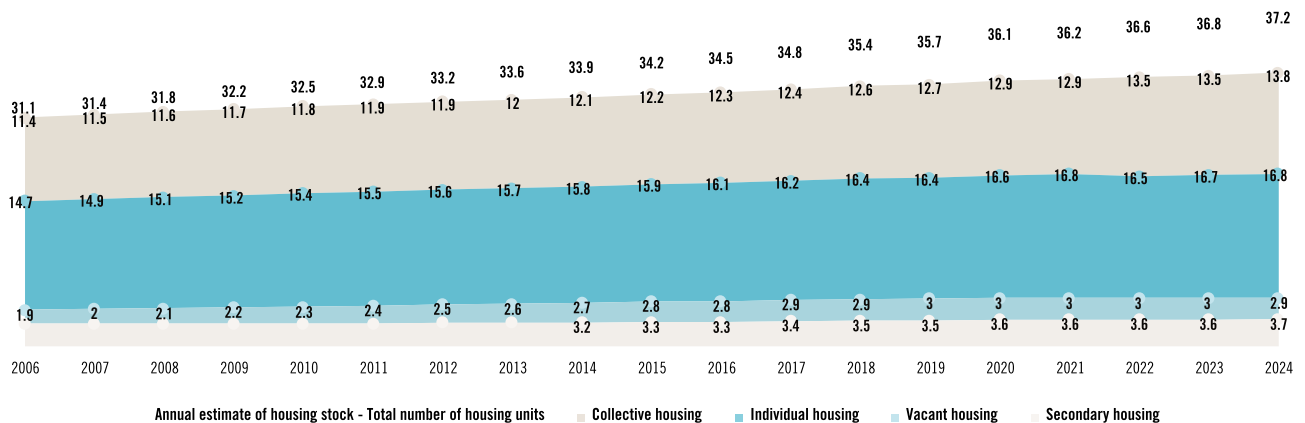
Compagnie de Financement Foncier refines loans granted by Groupe BPCE entities.

### 1. The French real estate and home loans market

#### 1.1 THE STRUCTURAL FEATURES OF THE FRENCH REAL ESTATE MARKET (1)

The French real estate market has been driven for many years by recurring demand for new housing, due in particular to the country's demographic growth and societal changes such as the increase in life expectancy and the fragmentation of the family unit.

**NUMBER OF HOUSING UNITS IN FRANCE BY UNIT TYPE** (in millions of units)<sup>(1)</sup>



As of January 1, 2024, there were 37.2 million housing units in metropolitan France, an increase of 13.5 million since 1982. On average, since the early 1980s, the housing stock has grown by 1.1% per year with a growth rate that has changed little over the entire period, although it has been slightly lower since 2007.

Over the past ten years, collective housing has increased by 1.6 million units and individual housing by 900,000 units.

In mainland France, the proportion of main residences fell between 1983 and 1990, from 82.5% to 82.1%, then rose until 2006, from 82.1% to 83.9%, before falling again to 82.2% in 2024. These changes are due to slightly less sustained growth in the number of main residences compared to the portfolio as a whole.

The share of second homes and occasional housing has stabilized since 2017 to reach 9.8% in 2024. In the past, the share of this type of housing increased between 1982 and 1990, rising from 9.5% to 10.6% of the total housing stock.

After a period of strong growth between 2005 and 2019, the share of vacant housing has been stable at 8% for the past four years. Housing can be unoccupied for a variety of reasons: moving into a retirement home, awaiting inheritance settlement, dilapidation, not meeting household expectations (location, size, price).

1) Insee – Housing stock at January 1, 2024.

Individual housing represents 54.8% of housing. The share of this type of housing is tending to decline, with different dynamics depending on the housing category. The proportion of main residences has been declining over the past ten years (from 57.0% in 2013 to 55.8% in 2024).

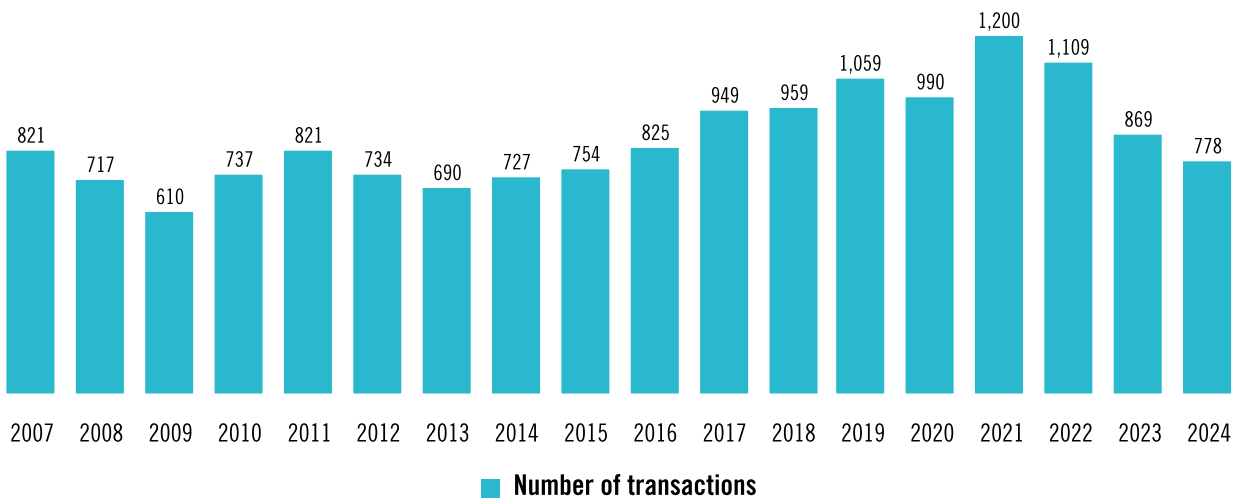
It has fallen the most among second homes (from 61.7% in 2006 to 53.8 in 2024).

57% of households own their primary residence. This share increased between 1982 and 1990, from 50.5% to 54.9%, then stabilized until 1997, before rising steadily until 2014 (57.8%).

Since 2014, it has been declining slightly. The proportion of homeowners with no repayment charges rose significantly until 2007 (37.7%, compared with 27.5% in 1982), before stabilizing until 2014 and then falling slightly (34.7%). The proportion of owner-occupiers with an outstanding loan was 22.3% in 2024, reflecting longer loan terms. The share of households renting their primary residence has remained at around 40% since 1982. Housing owned by public lessors represents 17.4% of the primary residence stock, while those owned by private lessors represent 22.9%. Finally, the proportion of households housed free of charge is tiny (2.6%).

## 1.2 THE REAL ESTATE MARKET IN 2024 (1)

NUMBER OF TRANSACTIONS OVER 12 MONTHS IN THE EXISTING HOUSING SECTOR (in thousands)



Year-on-year, prices of existing housing in the Paris region continued to fall, but at a slower pace: -3.6% in the 4th quarter 2024, after -5.3% in the 3rd quarter 2024 and -7.1% in the 2nd quarter 2024. The decrease was more marked for houses (-5.0%) than for apartments (-2.9%). Apartment prices continued to fall year-on-year in Paris (-3.0%), as in the inner suburbs (-3.2%) and the outer suburbs (-1.8%).

In the provinces, prices of existing housing fell, but at a slower pace: -1.7% in the 4th quarter of 2024, after -3.4% in the 3rd quarter of 2024 and -4.2% in the 2nd quarter of 2024. The decrease was more marked for houses (-1.9% after -3.6%) than for apartments (-1.2% after -3.0%).

In 2024, property purchasing power in mainland France was 22m<sup>2</sup> lower than in 1999. For example, with a budget of €300,000, a buyer could opt for a three-room apartment in Strasbourg or a five-room house in Tours. Over the past three years, the loss of real

estate purchasing power has been largely accentuated by the sudden and steep rise in interest rates. The inflationary spiral that began in 2021 and the peak levels reached by housing prices in many markets, including traditionally relaxed areas, have fueled recessionary factors.

The volume of transactions stood at 778,000 after 869,000 in 2023 and 1,109,000 in 2022. Over three years, the fall in sales of existing housing is explained by the disruption of an order that had been established since the early 2010s (favorable interest rates, credit distribution policies supporting real estate markets, longer average loan terms, public policies favoring home ownership and rental investment).

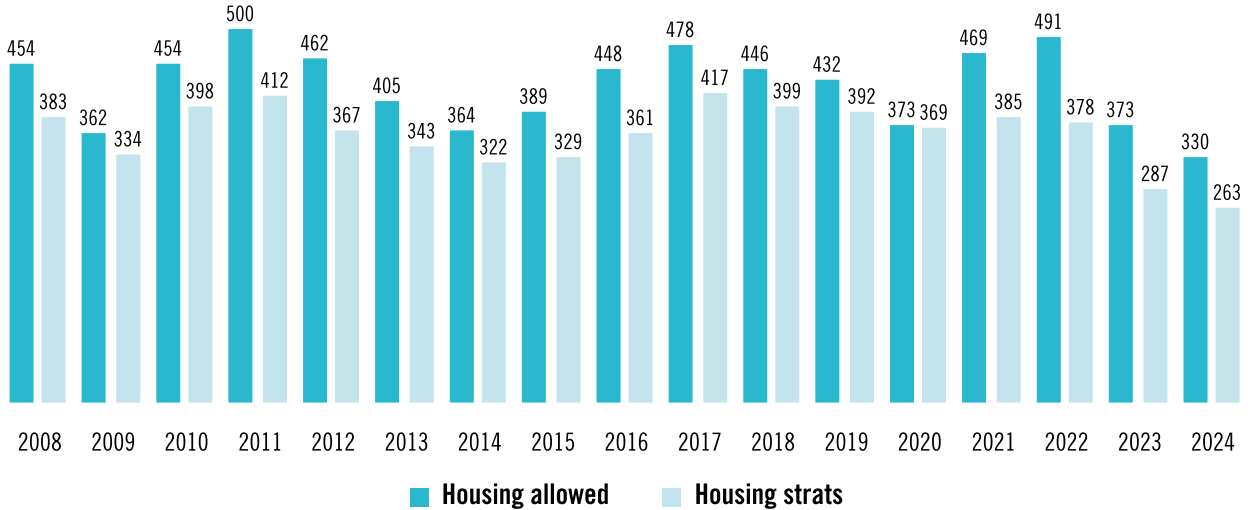
Over 2023 as a whole, the proportion of sales of the most energy-intensive older housing (classes F and G) remained at its highest level for the decade, at 17% in mainland France. Over the 3rd quarter of 2024, this share decreased to 13%.

1) Indices Notaires – Insee des prix des logements anciens – 4th quarter of 2024.

# 1. PRESENTATION OF COMPAGNIE DE FINANCEMENT FONCIER

Market and operating environment

## HOUSING ALLOWED AND STARTED OVER A ROLLING 12-MONTH PERIOD (in thousands of units) (1)



In 2024, on a cumulative unadjusted basis over one year, the volumes of authorized housing units and housing starts stood at 330,000 and 263,000 respectively, i.e. 43,000 fewer authorized housing units than in 2023, and 24,000 fewer housing starts than in 2023. Loan production continues to decline; however, even if the trend remains very negative, the pace appears to be slowing after the sharp drop in the number of housing starts in 2023.

Approvals for individual housing units decreased by 20,800 units compared to 2023 (-14.9%) to reach 118,400 units. They are 37% below the pre-crisis value. Approvals for individual housing units (-20.5%) fell more significantly than authorizations for grouped individual housing units (-3.0%).

In 2024, individual housing starts fell by 30,300 units (-24.1%) to 95,500 units. Individual housing starts were down 32.8%, while grouped individual housing starts rose slightly (+1.4%).

In the multi-family or collective housing sector, 212,000 units were authorized in 2024. Starts of this type of housing totaled 167,000 units.

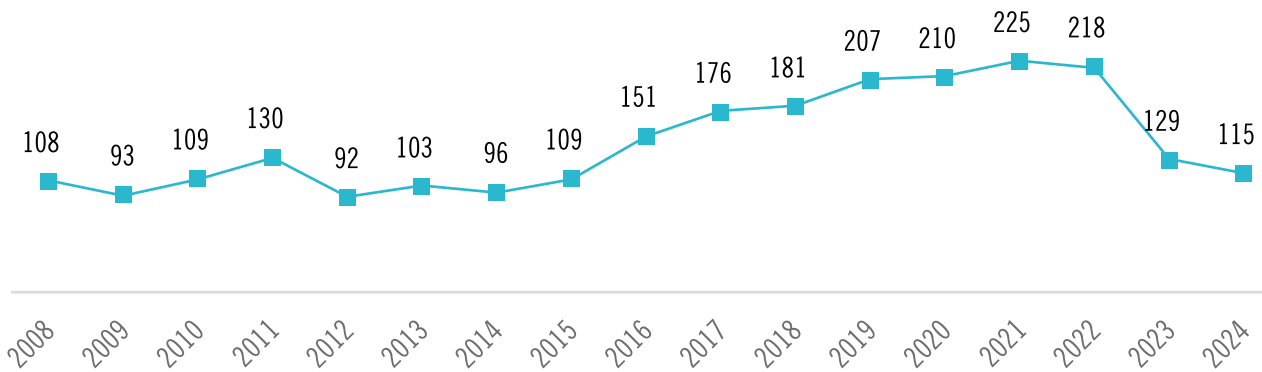
The uncertain macro-economic context and the deterioration in the French political climate have fueled uncertainty about the future. The slight rebound in the credit market has encouraged households to invest in real estate, but not to the benefit of the new housing sector.

The regulatory environment and housing policy, which is increasingly focused on improving older housing stock, have evolved to the detriment of supporting households in buying new homes. On the other hand, the vote to extend the interest-free loan to all types of housing and all geographical areas brings real clarity to this sector.

1) Statinfo – construction de logements – No. 703, January 2025.

### 1.3 REAL ESTATE FINANCING IN 2024 <sup>(1)</sup>

#### ANNUAL PRODUCTION OF REAL ESTATE LOANS (EXCLUDING LOAN RENEGOTIATIONS) (in €bn)

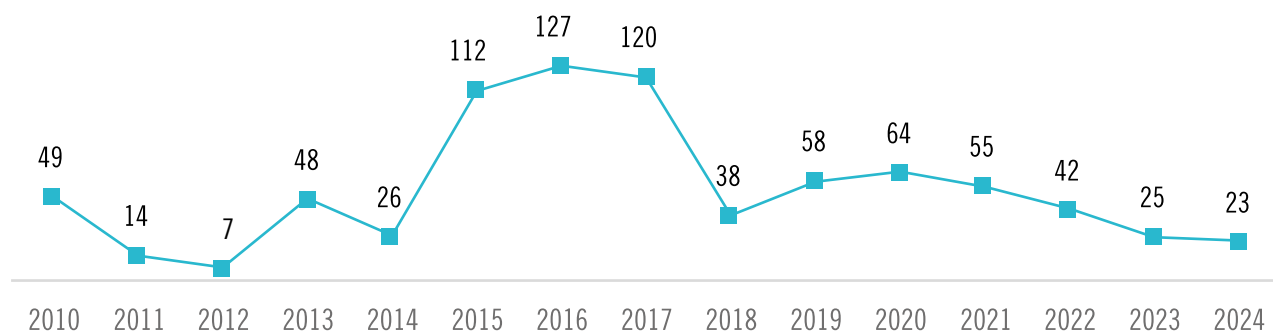


Over the year as a whole, new loans (excluding renegotiations) totaled €115bn, down €14bn on 2023. Nevertheless, since the early spring of 2024, conditions on the real estate loan market have improved, and the upturn in activity has strengthened throughout the year. Despite regulatory constraints and political and economic uncertainties, the market benefited at the end of the year from an upturn in household purchasing intentions. Applicants for real estate loans were reassured by the slowdown in inflation, lower lending rates and a more dynamic banking offer.

The average personal contribution rate was 22% in September 2024.

The average duration of loans granted remains at a high level. In December 2024, 68.0% of bank homebuyer loans were granted for terms of over 20 years, compared with 65% in December 2023.

#### AMOUNT OF HOME LOAN REPURCHASES AND RENEGOTIATIONS (in €bn)



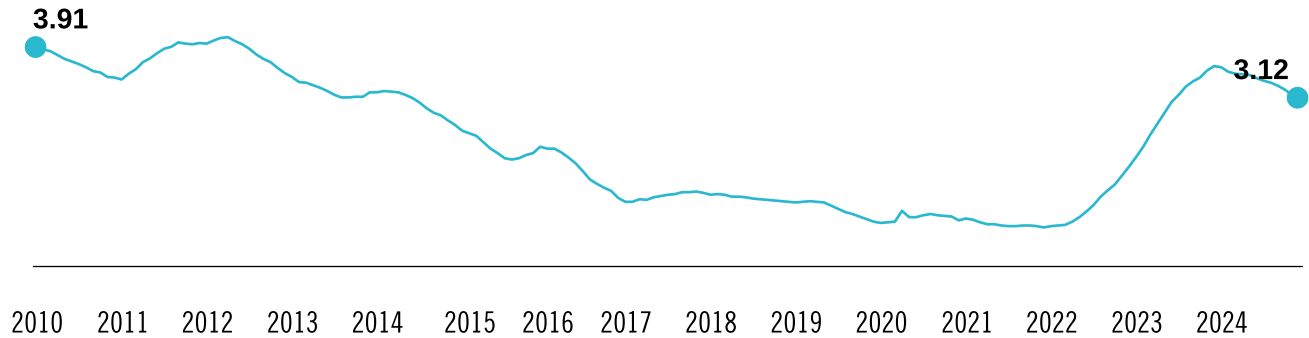
Renegotiations of home loans amounted to €23bn, i.e. a decrease of €2bn compared to 2023.

1) Banque de France – Loans to Individual customers – December 2024.

# 1. PRESENTATION OF COMPAGNIE DE FINANCEMENT FONCIER

Market and operating environment

## INTEREST RATES ON HOME LOANS AT MORE THAN ONE YEAR (in %)



The average interest rate of new home loans (long-terms and fixed rate) reached 3.12% in December 2024 compared to 3.62% in December 2023. This fall in rates, encouraged by the measures taken by the ECB, reflects the banks' desire to revitalize a real estate market in recession.

## 2. The commercial real estate market (1)

In a national economic context marked by moderate GDP growth (+1.1%), 2024 ended with a total volume of investment in unmarked real estate of €12.3bn, a landing similar to that of 2023. However, this figure masks significant disparities between quarters and asset classes. After a sluggish start to the year, the 4th quarter saw strong growth, with investments of €4.1bn, up 14% on the 3rd quarter of 2024 and 34% on the 4th quarter of 2023.

2024 is characterized by a contraction in the size of operations. Transactions under €50m account for 49% of volumes, compared with 27% in 2019. This trend reflects investors' greater caution in an uncertain economic environment and more restricted access to financing. Transactions costing less than €10m increased significantly, rising from 9% in 2023 to 14% in 2024. At the same time, transactions in excess of €200m continued to decline, accounting for 13% of volumes, compared with 15% in 2023 and 19% in 2022.

The office property market, although down in 2024 to €4.7bn (-26% on 2023), showed signs of recovery towards the end of the year. Indeed, the 4th quarter saw 60% growth compared with the 3rd quarter of 2024, with €1.8bn invested (+63% compared with 2023). This momentum shows that the market could gradually regain ground. Over the year, transactions under €50m accounted for 56% of total volume, while those over €100m accounted for just 26%. The Île-de-France region invested a total of €3.3bn (70% of total volumes), with Paris alone accounting for 56% of these investments. The vacancy rate (2) for office space in the Paris region stood at 10.2%, with significant disparities between sectors:

5.8% in Paris, compared with 19.8% in the inner suburbs and 15% in La Défense. In the regions, investments were 22% lower than in 2023, but still account for a significant share of transactions (30%).

The retail sector (with 191 transactions versus 246 in 2023) accounted for €2.5bn of investments. Transactions under €10m accounted for 72% of all transactions, but 16% of total volumes. Downtown assets regained ground in 2024, stabilizing at 28% (+17% vs. 2023). The shopping center market, mainly reserved for specialist players, was marked by a sharp drop in investment volumes. This segment accounted for 14% (€350m) of the asset class's volumes. In comparison, the five-year average is €1.1bn.

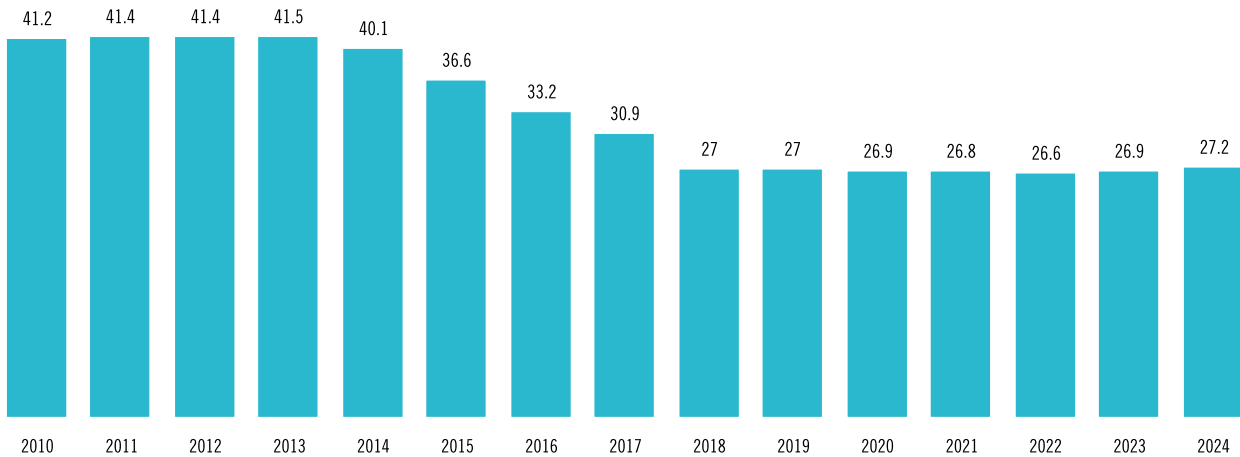
The logistics real estate market experienced a significant rebound in 2024, with €4bn in volumes invested (+100% on 2023). The 4th quarter was outstanding, with sales of €1.7bn (+85% on 2023), and a 66% increase on the 3rd quarter of 2024. This growth reflects the renewed interest of international investors (81% of investments). German core funds are very present, supported by abundant liquidity. Transactions in excess of €100m accounted for 34% of volumes.

As at December 31, 2024, Compagnie de Financement Foncier was refinancing an outstanding amount of €659.8m in private corporate loans, made under the conditions set out by Article L. 211-38 of the French monetary and financial code.

1) CUSHMAN & WAKEFIELD – Marketbeat investissement 2024  
2) BNP PARIBAS REAL ESTATE – At a glance 2024 T4

### 3. The public sector market in France

#### THE STATE'S OVERALL OPERATING GRANT DGF TO LOCAL AUTHORITIES (in €bn)<sup>(1)</sup>



In 2024, the DGF amounted to €27.2bn, an increase of just over 1% compared with 2023. In 2024, the municipalities and EPCs (public institutions for intercommunal cooperation) received 70% of the total amount of the DGF, i.e. €19bn and the Departments 30% i.e. €8.2bn. For the year 2025, a DGF of €27.4bn<sup>(2)</sup> is included in the Finance act of February 14, 2025.

#### LOCAL FINANCES IN 2024<sup>(3)</sup>

In 2024, local authority operating revenue (RRF) is estimated to increase by 2.3% to reach €276.5bn. This increase is mainly due to growth in equity investments (6% of RRF) and service revenues (10% of RRF). Conversely, tax revenues (64% of RRF) and grants and tax compensation (15% of RRF) are set to slow sharply.

Tax revenues (€176.6bn) stand to suffer from a less marked increase in property tax bases (+3.9% after +7.1% in 2023). Property tax on built-up properties (€42.5bn), which benefits local authorities, is set to rise by 4.8%. Revenue from business property tax (€8.0bn) is set to rise by 4.6%. On the other hand, proceeds from housing tax on secondary residences (€3.6bn) are expected to fall, despite the fact that almost 1,500 communes have taken advantage of the possibility of increasing rates.

The VAT revenue collected by local authorities is estimated at €52.5bn, which is much less than anticipated in the Finance act for 2024.

Income from transfer duties is set to fall sharply again (-17.0%), as rising property prices and relatively high interest rates continue to weigh on real estate transactions.

Operating expenses, with growth of 4.4% (€237.0bn), will be impacted by general expenses (€59.8bn, 25% of current expenses) and personnel expenses (€83.5bn, 35% of current expenses),

which are expected to rise by 4.8%. Intervention expenditure (€81.6bn, 34% of current expenditure), which covers the various actions taken by local authorities in support of their communities, is set to rise by 3.6%. Lastly, interest on debt is set to rise sharply again, as a result of the sharp rise in interest rates starting in 2022.

Gross savings (€39.5bn), which are used to finance loan repayments and investments, would be down by 8.7%. This decline would affect all levels of local authority. After deducting loan repayments (€18.8bn), net savings, at €20.7bn, would finance 26% of investments, 12 points less than in 2023.

Capital expenditure, on the other hand, is expected to rise by 7.0% to €80.1bn. In terms of prioritized public policies, an analysis of a sample of primitive budgets shows that for the communal block, priority would be given to leisure and regional development. The departments would favor transportation, while the regions would direct their investments to high schools.

New borrowing (€24.6bn) is set to increase for all levels of local authority, in particular for departments (+50.0%) and regions (+19.0%). Debt repayments would increase slightly as in 2023 and would reach €18.8bn. Debt would therefore be positive at €5.8bn. As a result, outstanding local authority debt would be €210.7bn.

1) 2024 Observatory of local finance and public administration report.

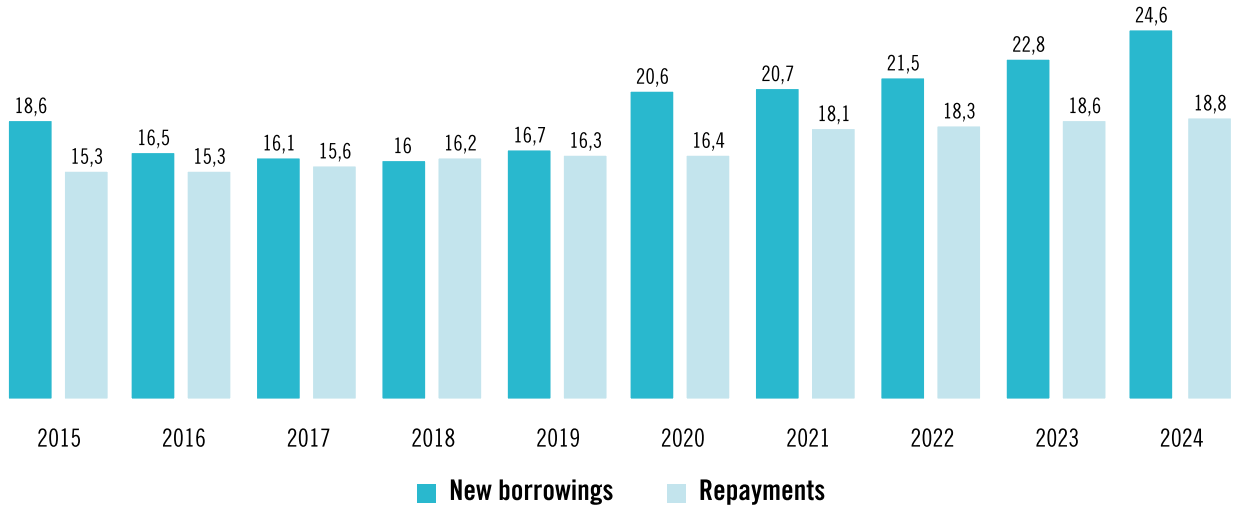
2) Finance act 2025 published in the Official Journal of February 15, 2025.

3) La Banque Postale – Economic Outlook – Local financings – 2024 trends by level of local authorities.

# 1. PRESENTATION OF COMPAGNIE DE FINANCEMENT FONCIER

Market and operating environment

## REPAYMENTS AND LOANS FROM LOCAL AUTHORITIES (in €bn)



At December 31, 2024, Compagnie de Financement Foncier held €17.586bn in loans to local authorities.

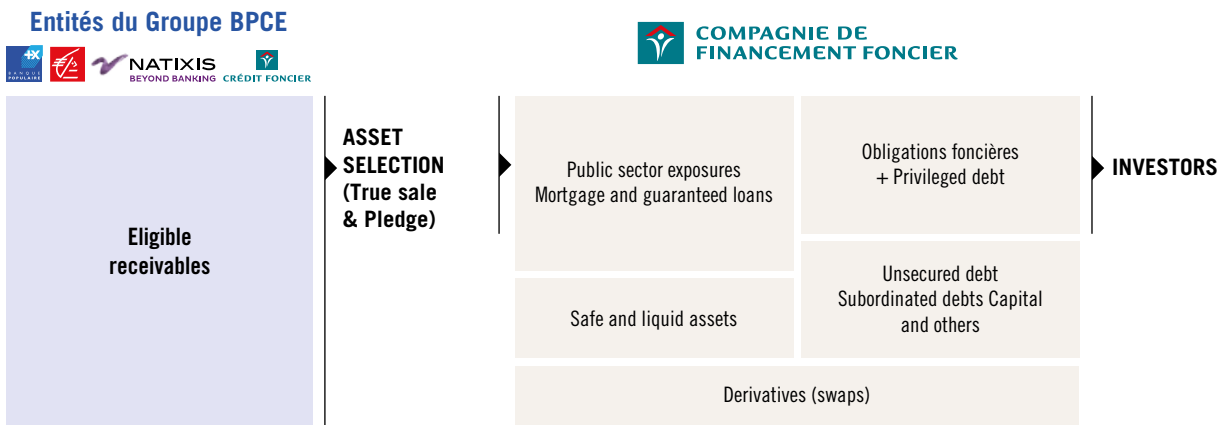


# Business model of Compagnie de Financement Foncier

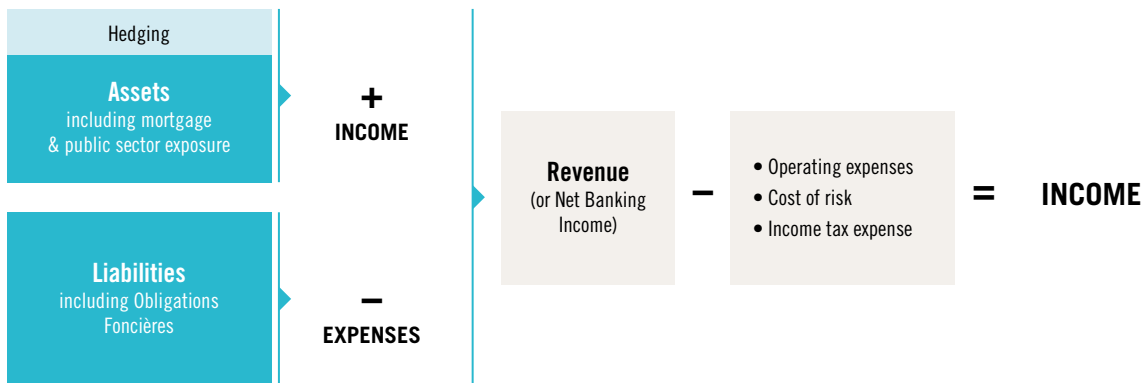
## BUSINESS MODEL OF COMPAGNIE DE FINANCEMENT FONCIER

Compagnie de Financement Foncier is a credit institution approved as a specialized credit institution and a *Société de Crédit Foncier*. As a wholly-owned subsidiary of Crédit Foncier, affiliated to BPCE, Compagnie de Financement Foncier is an active covered bond issuer and one of the vehicles for funding the Groupe BPCE.

Since Crédit Foncier's strategic reorientation on April 1, 2019, Compagnie de Financement Foncier has been mainly used to refinance Groupe BPCE's receivables from the public sector and similar entities.



The covered bond refinancing model is highly secure, as it benefits from asset overcollateralization and is based on a rigorous selection of high-quality eligible assets. These assets are refinanced by issuing *obligations foncières* and other privileged debt. The law grants the holders of these issuances a privilege over the cash flows generated by the assets as a guarantee of payment.



*NB: This is a deliberately simplified description and does not necessarily take into account certain extraordinary situations.*

All refinancing of eligible assets by Compagnie de Financement Foncier, through true sale or mobilization (L. 211-38 CMF), is subject to a rigorous review to confirm its quality and compliance with risk policy.

## 1. Quality assets

### 1.1 PRUDENT SELECTION OF COVER POOL ASSETS

Regulations require compliance with strict eligibility criteria for the selection of refinanced assets and associated guarantees. The quality of Compagnie de Financement Foncier's assets stems first and foremost from their intrinsic characteristics: they include loans or securities to public sector entities or guaranteed by the public sector and first-ranking mortgage loans or similar.

Compagnie de Financement Foncier's specific approach adds a second level of requirement, with additional, more rigorous eligibility criteria based on the specific know-how of Crédit Foncier's expert teams. The application of a purchase filter provides additional security, based on asset credit ratings.

For residential mortgage loans, refinancing with covered bonds is limited to a maximum standard LTV of 80% (LTV – Loan To Value: ratio between the outstanding principal of the loan and the value of the collateral pledged). The value of the pledges is conservatively updated each year, based on the long-term characteristics of the building, local market conditions, current use of the property and other possible uses. The revaluation process is based on real estate price indexes supplied by BPCE Expertises immobilières, a Veritas-certified BPCE subsidiary whose experts are court-approved and/or qualified Chartered Surveyors (MRICS)<sup>(1)</sup>. The specific controller annually verifies and approves the revaluation process described in the risk control and monitoring report in this document.

Assets meeting the purchase filter criteria are acquired at a price determined on the basis of the assets' specific characteristics and refinancing costs. The agreed price is designed to generate a satisfactory return for Compagnie de Financement Foncier.

This strengthened selection process is subject to an ongoing control process designed to ensure a high level of quality for refinanced assets as well as a high level of security for holders of *obligations foncières*.

### 1.2 RIGOROUS AND RESPONSIVE ASSET MANAGEMENT

Compagnie de Financement Foncier's assets are managed by Crédit Foncier.

The management and debt-collection process is based on a precise analysis of risk, rigorous monitoring of accounts, a proactive approach aimed at preventing difficulties, and finally the implementation of guarantees where necessary.

For individual customers, the debt-collection policy comprises three gradual phases:

- immediate automated collection, with intervention from the 1<sup>st</sup> past due payment, for immediate settlement or implementation of a payment plan;
- out-of-court collection (past due payment for two to six months) with a rate of return to normal management of more than 80%;
- litigation (past due payment beyond six months) resulting in the settlement of a third of cases in the subsequent year.

## 2. Effective management of overcollateralization

### COMPLIANCE WITH THE MINIMUM OVERCOLLATERIZATION RATIOS

Compagnie de Financement Foncier must at all times comply with two overcollateralization ratios (see Art. L. 513-12 CMF and Art. 129 CRR). Risk-weighted assets must at all times represent at least 105% of the privileged liabilities.

The two overcollateralization ratios are subject to permanent control, accompanied by precise and immediate action plans in the event that minimum management thresholds are exceeded.

Each quarter, the specific controller checks and certifies the level of the two ratios.

Since the creation of Compagnie de Financement Foncier in 1999, the minimum level of the two regulatory ratios has always been above 108%.

### COMPLIANCE WITH RATING AGENCIES' MINIMUM OVERCOLLATERIZATION RATIOS

In order to obtain the best possible rating, Compagnie de Financement Foncier has made management commitments to the rating agencies.

These commitments include compliance with a specific overcollateralization ratio calculated for each rating agency according to its methodology.

### FOCUS ON RATING METHODOLOGIES FOR BONDS COVERED BY RATING AGENCIES

At December 31, 2024, Compagnie de Financement Foncier's issuance program was rated by three international rating agencies: Standard & Poor's (S&P), Moody's and Scope.

The purpose of financial ratings from rating agencies is to measure the risk of non-repayment on the due date of debt issued. To assess the risk in terms of covered bonds, the agencies have developed their own methods and indicators. They are generally based on the following factors:

1) MRICS: members approved by the Royal Institute of Chartered Surveyors (RICS). RICS is an English professional body whose mission is to regulate and promote the property valuation profession.

- the quality of the sponsor;
- the jurisdictional resilience of the covered bond market;
- counterparty risks;
- the credit quality of the cover pool;
- ALM balance sheet.

The assessment of these factors determines the minimum level of overcollateralization required to achieve a given rating for the covered bond program.

### STANDARD & POOR'S METHODOLOGY

S&P follows a multi-stage rating process to assess the maximum rating achievable by covered bond issuances.

Factors specific to the covered bond issuer (legal, regulatory, operational and administrative risks) are analyzed first, as well as the applicable resolution regime (Bank Recovery and Resolution Directive (BRRD)).

Sovereign risk and national legal support are then assessed. The agency may apply a cap linked to the level of sovereign risk in the rating process. Finally, the nature and intrinsic quality of the cover pool, as well as the backing of its refinancing, are subject to a quantitative review.

**S&P has given Compagnie de Financement Foncier's program the highest level of credit quality (AAA).**

### MOODY'S METHODOLOGY

Moody's uses the Expected Loss (EL) model to determine the maximum rating that the issuance program can achieve. It is based on the probability of the sponsor's default and on the losses expected as a result of this default.

The agency first determines the sponsor's intrinsic rating (Counterparty Risk (CR) rating level), then adjusts it according to the resolution regime applicable to covered bonds (BRRD directive).

The agency then calculates a base rating (CR) upgrade level based on the cover pool's credit quality, measured using the EL (Expected Loss) model.

Lastly, the agency estimates the probability of timely payment of covered bond flows (Timely Payment Indicator (TPI)). The factors used in the analysis are refinancing risk and jurisdictional resilience. This last step may moderate the level of upgrading of the base rating (CR).

**Moody's has given Compagnie de Financement Foncier's issuance program the highest credit quality rating (Aaa).**

### SCOPE METHODOLOGY

Scope's rating methodology consists of two steps.

The first step is to analyze jurisdictional support (soundness of the regulatory framework, systemic importance of covered bonds and eligibility for a resolution regime) to determine the number of notches for upgrading the sponsor's base rating.

The second step assesses the minimum required quality of cover pool assets and their resilience in times of stress in order to grant additional notches of upgrading.

**Scope has given Compagnie de Financement Foncier's program the highest level of credit quality (AAA).**

## 3. Strict risk management

### INTEREST RATE RISK

Compagnie de Financement Foncier acquires assets at market price. As soon as an asset is recorded on the balance sheet, it is transformed, if necessary, into a variable-rate asset in euros by setting up interest rate derivatives (swaps).

Compagnie de Financement Foncier has set itself the task of maintaining the level of its interest rate mismatches or gaps within the limits defined by the time horizon and of correcting any overruns by the end of the following quarter, at the latest:

Horizon	Limits expressed (in €bn)
Less than 2 years	1.5
2-4 years	1.7
4-8 years	2.1
Threshold of 8-16 years	2.1

### LIQUIDITY RISK

At all times, *Sociétés de Crédit Foncier* must ensure that all cash requirements are effectively covered for a period of 180 days. Compagnie de Financement Foncier specifically monitors its net cash position at 180 days. This guarantees that it always maintains enough liquidity to honor its privileged liability commitments for at least 180 days.

The quality of the receivables on its balance sheet enables Compagnie de Financement Foncier to have immediate access to significant amounts of funding from central banks, such as the ECB.

Compagnie de Financement Foncier has several resources at its disposal to ensure the payments due under its privileged debt over the next 180 days: available cash, capital and interest flows from its assets, the mobilization of its secure and liquid exposures and its level 1, 2A and 2B liquid assets [see Delegated Regulation (EU) 2015/61 of October 10, 2014].

### TRANSFORMATION RISK

Compagnie de Financement Foncier limits the difference between the average life of its assets and that of its privileged liabilities to 18 months.

At December 31, 2024, the average life of assets was 6.6 years and that of privileged liabilities 6.3 years.

# 1. PRESENTATION OF COMPAGNIE DE FINANCEMENT FONCIER

Business model of Compagnie de Financement Foncier

## FOREIGN EXCHANGE RISK

Compagnie de Financement Foncier prohibits any open foreign exchange positions. All non-euro-denominated asset acquisitions and refinancing transactions are systematically hedged against foreign exchange risk.

In practice, Compagnie de Financement Foncier limits its residual foreign exchange positions to €3m by currency with a €5m cap for all currencies.

## BANK COUNTERPARTY RISK

Compagnie de Financement Foncier complies with exposure limits by market counterparty. A framework agreement has been set up with each counterparty in order to establish the rules for collateralizing reciprocal exposures. The collateralization agreements are asymmetric for the benefit of Compagnie de Financement Foncier, which will never pay any collateral.

In addition, short-term exposures to credit institutions are used to manage cash investments. They have satisfactory ratings that meet the minimum requirements imposed by the rating agencies:

	Standard & Poor's	Moody's
from 0 to 60 days	ST: A1	ST: P1
from 61 days to 365 days	ST: A1+	ST: P1 and LT: Aa3

*Scope Ratings applies no predefined minimum rating. The analysis is done on a case to case basis.*

## 4. Compagnie de Financement Foncier's business activities in 2024

### 4.1 AAA-RATED ISSUANCES

#### THE COVERED BOND MARKET

##### THE COVERED BOND MARKET <sup>(1)</sup>

With €38bn of covered bonds issued in 2024, France ranks first in Europe, ahead of Germany (€29bn). The 2024 market was characterized by a large number of active players (146 active issuers spread across 25 jurisdictions).

In 2025, around €34bn of French covered bonds should be issued, given the use of covered bonds as one of the main sources of financing, the high level of maturities (€24bn). France is expected to be the leading issuer of covered bonds in Europe and the French market should record a positive net supply of €10bn. Covered bond issuance in the euro zone is expected to reach €113bn, representing 71% of total covered bond issuance, compared to 28% (€47bn) for countries outside the euro zone.

The market should be boosted by the recovery in demand for mortgage real estate loans. In the 3rd quarter of 2024, net demand for real estate loans rebounded strongly due to the fall in interest rates and the prospects of a recovery in the residential real estate market.

The ECB's support for the covered bond market is declining. As a result, CBPP3 outstandings decreased to €257bn at the end of 2024, a drop of just over 10% compared to December 2023. The ECB's share of outstanding covered bonds in the euro zone represented 32% at the end of 2024 (compared to 42% at the end of December 2023). In 2025, around €42bn of covered bonds acquired under CBPP3 will not be reinvested (compared with €33bn in 2024). The bulk of maturities is expected to come from France (26%), Germany (24%), Spain (24%) and Italy (11%).

The issuance of ESG covered bonds reached a total volume of €18.2bn in 2024, down 20% from 2023. In the ESG market, Germany and France are leaders with respectively 34% and 29% of the market, followed by South Korea (12%), Italy (10%) and Belgium (8%).

With an outstanding amount of €94.1bn, the ESG covered bond market has diversified with the arrival of new Canadian and Belgian issuers. In terms of volume, Germany holds 30.4% of total outstandings, followed by France (29.6%), South Korea (11%), Norway (10%) and Finland (4%).

The ESG market remains a niche, relative to the total amount of outstanding euro benchmark covered bonds (9%). The relative scarcity of eligible green assets and the lack of data on energy performance certificates are holding back the growth of this new market.

As with conventional covered bonds, banks are the largest investors (42% of allocations), followed by asset managers (33% of allocations) and central banks and official institutions (17% of allocations). Overall, the over-subscription rate of ESG covered bonds exceeds that of conventional covered bonds (3.8x compared to 2.8x on average).

In 2025, the ESG bond market is expected to return to growth, reaching between €20bn and €25bn.

1) NATIXIS RESEARCH - Covered Bond Outlook 2025 - November 22, 2024.

## COMPAGNIE DE FINANCEMENT FONCIER'S FUNDING ACTIVITIES

In 2024, the central banks (Fed and ECB) ended the monetary tightening cycle and began a phase of monetary easing marked by the first cuts in their key rates. The European covered bond market did not take full advantage of this reversal in monetary policy, as the geopolitical context remained turbulent. In France in particular, political uncertainties linked to early parliamentary elections at the start of the 2<sup>nd</sup> half of the year led to a wait-and-see attitude on the part of investors, with a reduction in issuance volumes and a widening of spreads.

Compagnie de Financement Foncier has nevertheless achieved a record issuance volume since 2019, with €5.825bn. This dynamic performance reflects investor confidence in Compagnie de Financement Foncier's business model and strategic guidelines, and confirms its position as a benchmark issuer in the European covered bond market.

The 1<sup>st</sup> half was marked by two euro benchmark issuances totaling €3.5bn. In April, Compagnie de Financement Foncier tapped the primary market for a €2bn dual-tranche issuance. The two tranches of €1.25bn and €750m were issued with maturities of three and eight years. Despite a tense geopolitical environment and heightened financial market volatility, the transaction met with strong investor demand, with an order book totaling €4.75bn. In May, a second issuance of €1.5bn was made with a six-year maturity. The remarkable diversity of investors in this issuance underlines the strength of Compagnie de Financement Foncier's investor base.

The 2<sup>nd</sup> half of the year was also very active with two benchmark

issuances. In September, Compagnie de Financement Foncier entered the market with a €1bn, 8.5-year euro benchmark. This transaction, executed on the longest maturity on the covered bond market since June 2024, once again demonstrates Compagnie de Financement Foncier's ability to issue significant volumes in uncertain times. In October, as part of Groupe BPCE's Sustainable Development Funding Program, Compagnie de Financement Foncier launched its second social issuance for €500m with a five-year maturity. This social bond, which finances public health infrastructure and social housing projects, was 64% placed with ESG investors. This transaction confirms Compagnie de Financement Foncier's intention to issue regularly in this format, which is fully in line with Groupe BPCE's ESG strategy for refinancing activities.

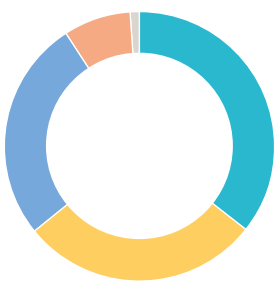
**In April 2024, Compagnie de Financement Foncier was awarded first prize in the "Social Covered Bond of the Year" category at the Sustainable Debt Awards 2024 for its inaugural social issuance in October 2023.**

Compagnie de Financement Foncier also pursued its currency diversification strategy in 2024, with two issuances in CHF and USD, for values of €161m and €139m, respectively, at the transaction date.

Building on its experience, expertise, and in-depth knowledge of the markets, Compagnie de Financement Foncier diversified its activities in 2024, with a presence on the public and private markets, foreign currency issuances and a successful social issuance.

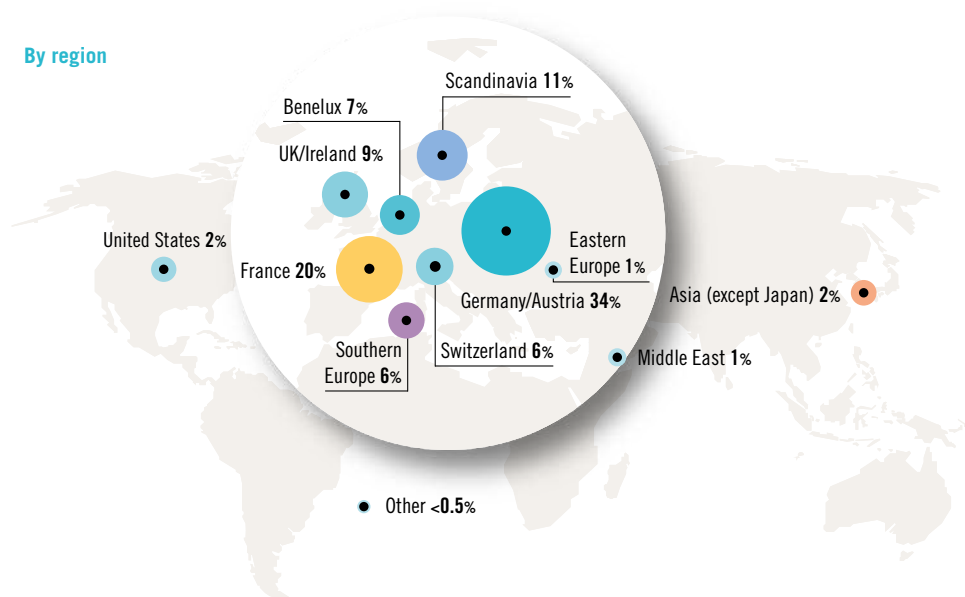
## BREAKDOWN OF COMPAGNIE DE FINANCEMENT FONCIER'S ISSUANCE OF OBLIGATIONS FONCIÈRES IN 2024

By type of investor



- 36% Banks
- 29% Central Banks & Official Institutions
- 27% Asset Managers
- 8% Insurance companies & Pension funds
- <0.5% Other

By region



## 4.2 COMPAGNIE DE FINANCEMENT FONCIER – SUPPORTING GROUPE BPCE

For more than two decades, Compagnie de Financement Foncier has developed a high level of know-how and a track record of performance that has enabled it to raise long-term financing at extremely competitive levels. It cultivates this know-how to offer Groupe BPCE entities highly competitive refinancing conditions for their public sector and mortgage financing activities.

Compagnie de Financement Foncier has a mixed cover pool, combining public sector and mortgage loans. Investors appreciate the quality and diversification of the assets in the mixed cover pool.

Compagnie de Financement Foncier is a key element for Groupe BPCE's mortgage and public sector asset funding strategy.

### ACTIVITY IN 2024

The public sector assets funded by Compagnie de Financement Foncier are subject to a strict and rigorous selection process. This selection is governed by procedures and a restrictive delegation scheme. Upstream of the transactions, an initial analysis is carried out by the originating institution. Before each acquisition, Compagnie de Financement Foncier's teams carry out a second in-depth, rigorous and independent analysis of the proposed asset. Depending on the amounts, BPCE may also carry out an analysis.

In 2024, the growing interest of Groupe BPCE institutions in the competitive resources offered by Compagnie de Financement Foncier was reflected in a refinancing volume unmatched in previous years, with almost €6.3bn (+€1.5bn compared with 2023) of refinanced loans.

Despite heightened competition on the local authority market and ongoing interest rate volatility, primary business was particularly buoyant, accounting for 48% of sales *versus* 27% in 2023. Among the operations carried out, some involved significant amounts: 10 operations alone totaled €659.4m.

Although Compagnie de Financement Foncier's main positioning remains public sector refinancing, the diversification strategy agreed with BPCE aims to ensure that Compagnie de Financement Foncier supports the development of Groupe BPCE's various businesses with innovative operations such as the refinancing of State-guaranteed loans (PGE) for €1.375bn and the first export credit refinancing operations for €31.5m.

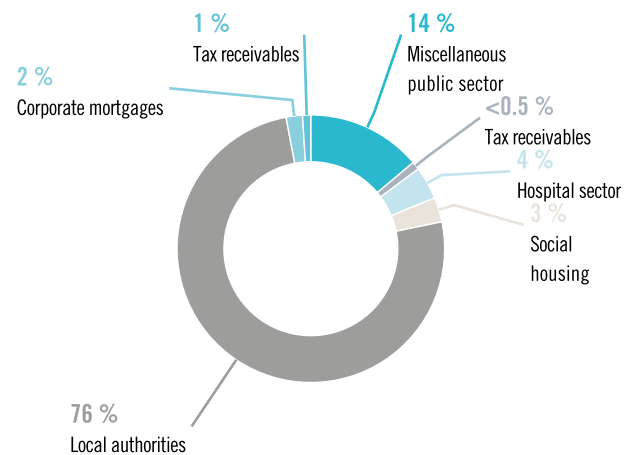
Throughout 2024, 15 Caisses d'Epargne and 9 Banque Populaire banks benefited from Compagnie de Financement Foncier's competitive liquidity.

More specifically, 49,670 receivables were refinanced for a total of €6.262bn, including:

- €3.651bn (3,307 loans) for the Caisses d'Epargne network, divided into €2.056bn (211 loans) from successful calls for tenders and €1.595bn (3,096 loans) in secondary refinancing;

- €1.126bn (301 loans) for the network of Banque Populaire banks divided into €954m (101 loans) from successful calls for tenders and €172m (200 loans) in secondary refinancing;
- €77m for SOCFIM (nine mortgage loans)
- €32.7m (four loans) for NATIXIS, including €31.5m (three export credit refinancing loans);
- And €1.375bn (46,049 loans) to 31 of Groupe BPCE institutions to refinance State-guaranteed loans.

### BREAKDOWN BY CATEGORY OF OUTSTANDING ASSETS FUNDED IN 2024 BY COMPAGNIE DE FINANCEMENT FONCIER (IN %)



## 4.3 MANAGING COLLATERAL

In 2024, Crédit Foncier maintained its various channels for funding its receivables, through assignments or disposals.

Externally, Crédit Foncier pledged some assets used for collateralized loans granted from the Caisse des dépôts et consignations (CDC) (€2.58bn) and the European Investment Bank (EIB) (€0.54bn).

Internally, Crédit Foncier transferred assets to Compagnie de Financement Foncier *via* true sale or collateralized loans.

In 2024, Crédit Foncier sold to Compagnie de Financement Foncier €485m in mortgage and/or public sector loans (outstanding principal and related receivables) previously raised with Compagnie de Financement Foncier.

Assignments of eligible assets (under Article L. 211-38 of the CMF) in the amount of €5.81bn were also pledged as collateral with Compagnie de Financement Foncier.

#### **4.4 MANAGING DERIVATIVES**

As part of the optimized management policy for its derivatives portfolio, groupe Crédit Foncier limited as much as possible the setting up of internal derivative transactions between Crédit Foncier and Compagnie de Financement Foncier.

Most derivative transactions are cleared centrally, in accordance with the European EMIR regulation (European Market and Infrastructure Regulation). Crédit Foncier has been a member of the two main clearing houses: LCH in London since 2014 and Eurex in Frankfurt since 2020.

#### **4.5 DISPOSAL AND SECURITIZATION OF LOANS TAKEN OUT BY INDIVIDUALS**

To meet its funding requirements and optimize the management of its doubtful loans and capital adequacy ratios, Crédit Foncier may carry out securitization transactions or sell loans taken out by individuals. A disposal of non-performing loans with a gross outstanding of €42m was completed during the 2<sup>nd</sup> half of 2024.

# 1. PRESENTATION OF COMPAGNIE DE FINANCEMENT FONCIER





## 2. REPORT ON CORPORATE GOVERNANCE

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## Corporate governance code

### 1. Compliance with AFEP-MEDEF Code recommendations

Compagnie de Financement Foncier, whose equity securities are not listed, intends to place its actions and the functioning of its corporate bodies within the framework of corporate governance practices in force in France by referring to the corporate governance code of AFEP-MEDEF listed companies.

Three provisions of the Code were not followed or not applied in full.

The first two concern the proportion of independent directors on the audit committee and the appointments committee; application of these provisions would prevent balanced representation of the shareholder Crédit Foncier and BPCE, Crédit Foncier's shareholder. The similar provision relating to the remuneration committee does not apply, as Compagnie de Financement Foncier has not set up a remuneration committee in the absence of its own employees.

The third provision concerns the directors' terms of office, which are recommended to run four years whereas the bylaws of Compagnie de Financement Foncier stipulate a term of six years.

This term allows members of the board of directors to acquire over time the necessary experience and broader view of the Company's business and its operations. However, the recommendation to renew the board of directors on a rotating basis is properly implemented.

A summary table of all the AFEP-MEDEF Corporate Governance Code criteria used to define directors' independence is shown on page 40. The appointments committee has also implemented a procedure for identifying and managing potential conflicts of interest when:

- a Director is appointed;
- a Director expresses a desire "to take on new responsibilities within entities outside groupe Crédit Foncier".

## 2. Summary table of compliance with AFEP-MEDEF Code recommendations

Board of directors' duties	Recommendations implemented
Board of directors: governing body	Recommendations implemented
Variety of ways to organize corporate governance	Recommendations implemented, credit institutions are required to separate the roles of chairman and chief executive officer under CRD IV
The board and communications with shareholders and markets	Recommendations implemented
Board of directors and general shareholders' meeting	Recommendations implemented
Composition of the board of directors: guidelines	Recommendations implemented
Gender equality policy within governing bodies	Recommendations implemented
Representation of shareholding employees and other employees	Not applicable
Independent directors	Recommendations implemented
Evaluation of the board of directors	Recommendations implemented
Board and committee meetings	Recommendations implemented
Access to director information	Recommendations implemented
Training for directors	Recommendations implemented
Directors' terms	Recommendations implemented except for length of directors' terms of office
Board committees: general principles	Recommendations implemented
Audit committee	Recommendations implemented except for the proportion of independent directors
Committee responsible for appointments	Recommendations implemented except for the proportion of independent directors
Committee responsible for remuneration	Not applicable
Number of terms for executive corporate officers and directors	Recommendations implemented
Director's Code of Ethics	Recommendations implemented
Directors' remuneration	Recommendations implemented
Termination of employment contracts for corporate officers	Recommendations implemented
Requirement for executive corporate officers to hold shares	Not applicable
Signature of a non-compete agreement with an executive corporate officer	Not applicable
Remuneration of executive corporate officers	Recommendations implemented
Disclosure of executive corporate officers' remuneration and the policies for awarding stock options and performance shares	Recommendations implemented
Consultation with the shareholders concerning the individual remuneration of executive corporate officers	Recommendations implemented

## 2. REPORT ON CORPORATE GOVERNANCE

Corporate governance code

### 3. Summary table of directors' independence criteria

Criteria	E. FILLIAT	M. COLLE
1° Must not have been, in the last five years:		
■ a Company employee or executive corporate officer;	COMPLIANT	COMPLIANT
■ an employee, executive corporate officer or Director of a company consolidated by the Company;	COMPLIANT	COMPLIANT
■ an employee, executive corporate officer or Director of the Company's parent company or a company consolidated by said parent company.	NON-COMPLIANT (CFF)	NON-COMPLIANT (CFF)
2° Not to be an executive corporate officer of a company in which the Company holds, directly, or indirectly, a directorship, or in which an employee, designated as such, or an executive corporate officer (current or in the last five years) holds a directorship.	COMPLIANT	COMPLIANT
3° Not to be a major client, supplier, investment or commercial banker:		
■ of the Company or its Group;	COMPLIANT	COMPLIANT
■ or for which the Company or its Group accounts for a significant share of its business.	COMPLIANT	COMPLIANT
4° Not have any close family ties with a corporate officer.	COMPLIANT	COMPLIANT
5° Not have been a statutory auditor of the Company in the last five years.	COMPLIANT	COMPLIANT
6° Not to be a Company Director for more than twelve years. The status of independent director is lost on the twelfth anniversary.	COMPLIANT	COMPLIANT
7° Non-executive corporate officers cannot be considered independent if they are in receipt of variable remuneration in cash or securities or of any remuneration linked to the performance of the Company or the Group.	COMPLIANT	COMPLIANT
8° Directors representing major shareholders of the Company or its parent company may be considered independent provided that these shareholders do not participate in the control of the Company. If capital interests or voting rights exceed a 10% threshold, the board, on the basis of an appointments committee report, systematically reviews independent status in consideration of the composition of the Company's share capital and the existence of potential conflicts of interest.	NON-COMPLIANT (CFF)	NON-COMPLIANT (CFF)
<b>Summary</b>	<b>NON-COMPLIANT</b>	<b>NON-COMPLIANT</b>

O. IRISSON	P. JEANNE	C. DECAUX	P. CHABOT
COMPLIANT	COMPLIANT	COMPLIANT	COMPLIANT
COMPLIANT	COMPLIANT	COMPLIANT	COMPLIANT
COMPLIANT	COMPLIANT	NON-COMPLIANT (CFF)	COMPLIANT
COMPLIANT	COMPLIANT	COMPLIANT	COMPLIANT
COMPLIANT	COMPLIANT	COMPLIANT	COMPLIANT
COMPLIANT	COMPLIANT	COMPLIANT	COMPLIANT
COMPLIANT	COMPLIANT	COMPLIANT	COMPLIANT
COMPLIANT	COMPLIANT	COMPLIANT	COMPLIANT
COMPLIANT	COMPLIANT	COMPLIANT	COMPLIANT
COMPLIANT	COMPLIANT	COMPLIANT	COMPLIANT
NON-COMPLIANT (BPCE)	NON-COMPLIANT (BPCE)	NON-COMPLIANT (CFF)	COMPLIANT (CE)
<b>NON-COMPLIANT</b>	<b>NON-COMPLIANT</b>	<b>NON-COMPLIANT</b>	<b>COMPLIANT</b>

## Composition of executive and management bodies

### COMPAGNIE DE FINANCEMENT FONCIER GOVERNANCE STRUCTURE



## 1. Composition of the Executive Management

**Mr Olivier AVIS**, Chief executive officer

**Mr Paul DUDOUIT**, Deputy Chief executive officer

### CHANGES IN EXECUTIVE MANAGEMENT IN 2024

None.

### REMUNERATION OF THE EXECUTIVE MANAGEMENT

The executive management of Compagnie de Financement Foncier does not receive any remuneration.

## DIRECTORSHIPS AND OFFICES HELD BY MEMBERS OF THE EXECUTIVE MANAGEMENT

Mr Olivier AVIS



**Date of birth:**  
11/11/1978  
**Nationality:** French  
**Business address:**  
182, Avenue de France  
75013 Paris

### CHIEF EXECUTIVE OFFICER

From: 07/23/2017  
End: 07/22/2027

### BIOGRAPHY

Olivier AVIS is a graduate of the École supérieure de commerce de Toulouse. He began his career in 2001 at HSBC Asset Management Europe. He joined Groupe BPCE in 2002 as an Inspector, before becoming Project Leader in the Internal Audit Division. In 2009, he was a project manager reporting to executive management. In 2011, he joined BRED as Senior Banker for Institutional Investors. In 2014, Crédit Foncier de France appointed him Director of Strategy and Quality. In 2016, he was appointed as Head of Financial Transactions at Crédit Foncier and deputy chief executive officer of Compagnie de Financement Foncier, then in 2017 as chief executive officer of Compagnie de Financement Foncier, as well as deputy chief executive officer, Head of Financial Transactions and member of the executive management committee of Crédit Foncier de France. On November 7, 2019, Olivier AVIS was appointed executive director of Crédit Foncier and became Head of the Financial Operations department.  
**Relevant expertise:** financial markets, strategy and management of banking operations.

### COMPANIES, DIRECTORSHIPS AND OFFICES\*

#### 2024

**CRÉDIT FONCIER DE FRANCE** – SA Deputy chief executive officer, financial operations, executive director  
**COMPAGNIE DE FINANCEMENT FONCIER** – SA Chief executive officer  
**BPCE SERVICES FINANCIERS** – GIE Director  
**BPCE SOLUTIONS CLIENTS** – GIE Permanent representative of Crédit Foncier, director

#### 2023

**CRÉDIT FONCIER DE FRANCE** – SA Deputy chief executive officer, financial operations, executive director  
**COMPAGNIE DE FINANCEMENT FONCIER** – SA Chief executive officer  
**BPCE SERVICES FINANCIERS** – GIE Director  
**BPCE SOLUTIONS CLIENTS** – GIE Permanent representative of Crédit Foncier, director

#### 2022

**CRÉDIT FONCIER DE FRANCE** – SA Deputy chief executive officer, financial operations, executive director  
**COMPAGNIE DE FINANCEMENT FONCIER** – SA Chief executive officer  
**BPCE SERVICES FINANCIERS** – GIE Director  
**BPCE SOLUTIONS CRÉDIT** – GIE Permanent representative of Crédit Foncier, director

#### 2021

**CRÉDIT FONCIER DE FRANCE** – SA Deputy chief executive officer, financial operations, executive director  
**COMPAGNIE DE FINANCEMENT FONCIER** – SA Chief executive officer  
**BPCE SERVICES FINANCIERS** – GIE Director  
**BPCE SOLUTIONS CRÉDIT** – GIE Permanent Representative of Crédit Foncier, director  
**CRÉDIT FONCIER DE FRANCE (BELGIQUE)** Executive director of the Crédit Foncier branch in Belgium

#### 2020

**CRÉDIT FONCIER DE FRANCE** – SA Deputy chief executive officer, financial operations, executive director  
**COMPAGNIE DE FINANCEMENT FONCIER** – SA Chief executive officer  
**BPCE SERVICES FINANCIERS** – GIE Director  
**BPCE SOLUTIONS CRÉDIT** – GIE Permanent representative of Crédit Foncier, director  
**CRÉDIT FONCIER DE FRANCE (BELGIQUE)** Executive director of the Crédit Foncier branch in Belgium

#### 2019

**CRÉDIT FONCIER DE FRANCE** – SA Deputy chief executive officer, financial operations, executive director  
**CRÉDIT FONCIER DE FRANCE** – SA Deputy chief executive officer, financial transactions (until 11/07/2019)  
**COMPAGNIE DE FINANCEMENT FONCIER** – SA Chief executive officer  
**BPCE SERVICES FINANCIERS** – GIE Director  
**BPCE SOLUTIONS CRÉDIT** – GIE Permanent representative of Crédit Foncier, director  
**CRÉDIT FONCIER DE FRANCE (BELGIQUE)** Executive director of the Crédit Foncier branch in Belgium

\*All offices concern companies that are part of Groupe BPCE. No company is listed.

## 2. REPORT ON CORPORATE GOVERNANCE

Composition of executive and management bodies

### Mr Paul DUDOUIT



**Date of birth:**  
09/26/1963

**Nationality:** French

**Business address:**  
182, Avenue de France  
75013 Paris

#### BIOGRAPHY

Paul DUDOUIT holds a degree in agro-industrial engineering from ISA Beauvais and a Master's degree in Economics and Management from ESSEC.

He began his career at Crédit Foncier de France in 1991 as an appraiser for its real estate subsidiary then joined the branch network (1991-1993).

Between 1993 and 1996, he was chief of staff of Crédit Foncier's executive management. Later, he was responsible for the structuring and administrative and financial organization of Foncier Vignobles SA (between 1996 and 1998).

Between 1999 and 2010, he was deputy director of primary markets within the Financial Transactions Division. In 1999, he took part in the setting up of Compagnie de Financement Foncier and, in particular, worked on the financial aspects of liabilities.

Starting in 2001, he set up the EMTN and RCB programs and in 2010, the USMTS program.

Since 2010, he has been Director of Issuances and Investor Relations in the Financial Transactions Division.

On June 28, 2017, the board of directors named him deputy chief executive officer and executive director of Compagnie de Financement Foncier, as of July 23, 2017. He was reappointed on June 30, 2022.

In 2023, he structured and launched an inaugural social bond issuance for Compagnie de Financement Foncier within the Groupe BPCE's sustainable development issuance program, in the "Human Development" category.

**Relevant expertise:** capital markets, finance, management and engineering, property.

#### DEPUTY CHIEF EXECUTIVE OFFICER, EXECUTIVE DIRECTOR

From: 07/23/2017  
End: 07/22/2027

#### COMPANIES, DIRECTORSHIPS AND OFFICES\*

##### 2024

**CRÉDIT FONCIER DE FRANCE – SA** Director of bond issuance and investor relations  
**COMPAGNIE DE FINANCEMENT FONCIER – SA** Deputy chief executive officer and executive director

##### 2023

**CRÉDIT FONCIER DE FRANCE – SA** Director of bond Issuance and investor relations  
**COMPAGNIE DE FINANCEMENT FONCIER – SA** Deputy chief executive officer and executive director

##### 2022

**CRÉDIT FONCIER DE FRANCE – SA** Director of Bond Issuance and Investor Relations  
**COMPAGNIE DE FINANCEMENT FONCIER – SA** Deputy chief executive officer and executive director

##### 2021

**CRÉDIT FONCIER DE FRANCE – SA** Director of Bond Issuance and Investor Relations  
**COMPAGNIE DE FINANCEMENT FONCIER – SA** Deputy chief executive officer and executive director

##### 2020

**CRÉDIT FONCIER DE FRANCE – SA** Director of bond Issuance and investor relations  
**COMPAGNIE DE FINANCEMENT FONCIER – SA** Deputy chief executive officer and executive director

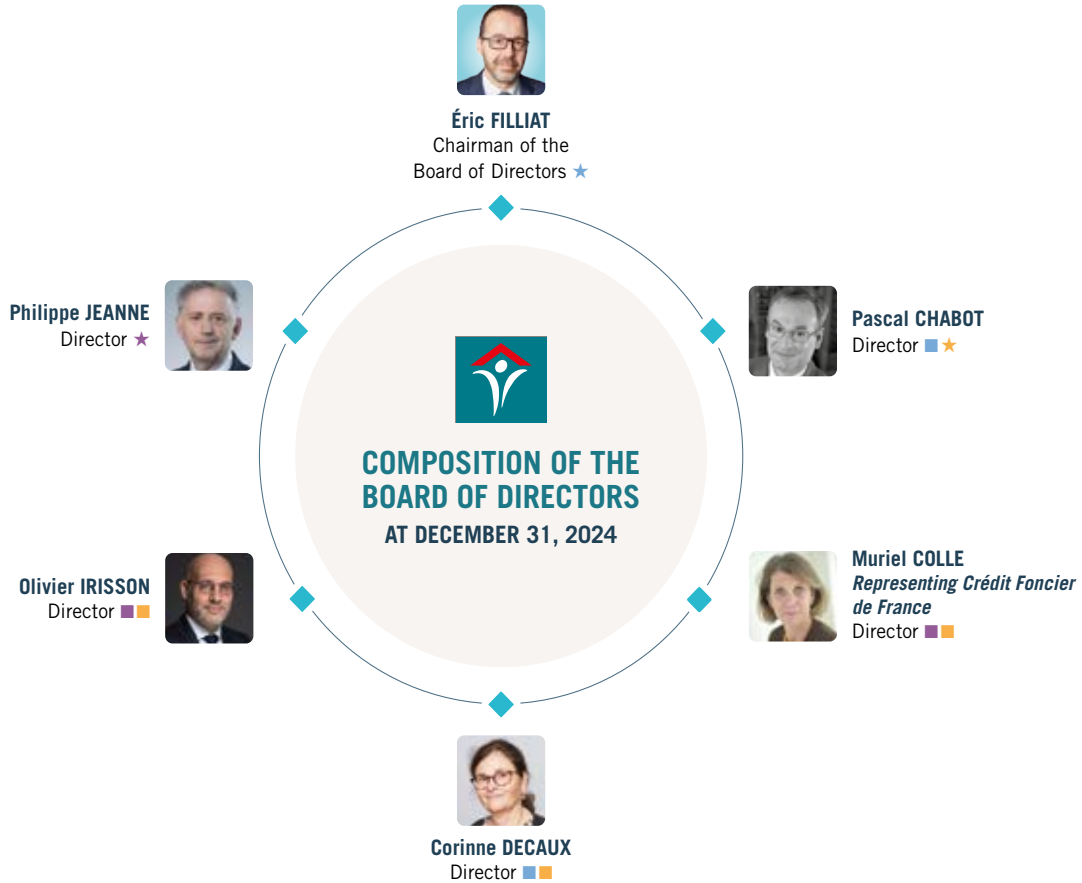
##### 2019

**CRÉDIT FONCIER DE FRANCE – SA** Director of bond Issuance and investor relations  
**COMPAGNIE DE FINANCEMENT FONCIER – SA** Deputy chief executive officer and executive director

\*All offices concern the Groupe BPCE companies. No company is listed.



## 2. Composition of the board of directors



■ AUDIT COMMITTEE ■ RISK COMMITTEE ■ APPOINTMENTS COMMITTEE ★ CHAIRMAN

### CHANGES WITHIN THE BOARD OF DIRECTORS IN 2024

Ms Nathalie BRICKER resigned from her directorship on April 11, 2024.

Mr Pierre FOUCRY resigned from his directorship on August 31, 2024.

## 2. REPORT ON CORPORATE GOVERNANCE

Composition of executive and management bodies

## 3. Information on the directors

### Attendance at board and committee meetings – Directors' terms of office

#### Board of directors (at 12/31/2024)

Range of the number of members	3 to 18
Effective number of members	6
Number of board meetings in 2024	6
Average attendance rate at board meetings in 2024	84%
Number of women directors	2 (33.3%)
Number of men directors	4 (66.6%)
Allocated remuneration*	yes

\* Following the publication in the Official Journal on May 23, 2019 of Article 185 of the Pacte act amending in particular Articles L. 225-45 and L. 255-83 of the French Commercial Code, the concept of "attendance fees" has been replaced by "allocated remuneration".

Board of directors	Age	Gender	Nationality	Independence	Position on the board	Start of term	Term expires	Attendance rate	Audit committee	Risk committee	Appointments committee
Éric FILLIAT	58	M	Fr	-	★	11/07/2019	2030 GM	100%			100%
Nathalie BRICKER	56	F	Fr	yes	●	12/19/2018	4/11/2024	0%	0%		
Pascal CHABOT	65	M	Fr	yes	●	03/25/2014	2026 GM	100%		100%	100%
Crédit Foncier represented by Muriel COLLE	61	F	Fr	-	◆	12/28/1998	2029 GM	100%	100%	100%	
BPCE represented by Olivier IRISSON	55	M	Fr	-	◆	03/28/2011	2029 GM	67%	67%	33%	
Philippe JEANNE	61	M	Fr	-	●	11/07/2019	2030 GM	67%	100%		
Corinne DECAUX	64	F	Fr	-	●	05/04/2020	2026 GM	100%		100%	100%
Pierre FOUCRY	52	M	Fr	yes	●	12/19/2023	08/31/2024	75%			

★ Chairman

● Member

◆ Director – representing BPCE

◆ Director – representing Crédit Foncier

■ Chairman

■ Member

6

NUMBER OF MEMBERS  
AT DECEMBER 31, 2024

6

NUMBER OF BOARD  
MEETINGS

84%

AVERAGE  
ATTENDANCE RATE

## INDIVIDUAL PRESENTATION OF DIRECTORS

### DIRECTORS FROM CRÉDIT FONCIER

#### Mr Éric FILLIAT



**Date of birth:**  
06/15/1966  
**Nationality:** French  
**Business address:**  
182, Avenue de France  
75013 Paris

#### BIOGRAPHY

Éric FILLIAT, who holds a degree in accounting and finance from the École supérieure de commerce de Clermont-Ferrand, began his career at Mazars in 1992. In 1999, he joined the Caisse Nationale des Caisses d'Épargne, where he was Head of the Consolidation division of Groupe Caisse d'Épargne, then deputy director, before becoming the group's Head of Regulation and Accounting in November 2007. Between 2010 and 2012, he was Head of Accounting for Groupe BPCE.

In May 2012, Éric FILLIAT joined Crédit Foncier as deputy chief executive officer in charge of the Finance department at Crédit Foncier, a member of the executive management committee and of the executive committee.

He was appointed executive director of Crédit Foncier from January 1, 2018.

On November 6, 2019 the board of directors of Crédit Foncier appointed Éric FILLIAT as chief executive officer of Crédit Foncier from November 7, 2019. He was reappointed on November 4, 2024.

**Relevant expertise:** banking, finance, standards and regulations, accounts, consolidation, control and auditing.

#### COMPANIES, DIRECTORSHIPS AND OFFICES

#### CHIEF EXECUTIVE OFFICER OF CRÉDIT FONCIER DE FRANCE

Chairman of the board of directors

First appointed:  
11/07/2019  
End of term: 2030 OSM

Chairman of the appointments committee

First appointed:  
11/07/2019

#### 2024

**CRÉDIT FONCIER DE FRANCE – SA** Chief executive officer

**COMPAGNIE DE FINANCEMENT FONCIER – SA** Chairman of the board of directors and chairman of the appointments committee

**FONCIER PARTICIPATIONS – SAS** Chairman, permanent representative of Crédit Foncier

**CRÉDIT LOGEMENT – SA** permanent representative of Crédit Foncier, director

#### 2023

**CRÉDIT FONCIER DE FRANCE – SA** Chief executive officer

**COMPAGNIE DE FINANCEMENT FONCIER – SA** Chairman of the board of directors and chairman of the appointments committee

**FONCIER PARTICIPATIONS – SAS** Chairman, permanent representative of Crédit Foncier

**CRÉDIT LOGEMENT – SA** permanent representative of Crédit Foncier, director

**IT-CE GIE** Representative of Crédit Foncier, director and member of the audit committee (until 11/01/2023)

#### 2022

**CRÉDIT FONCIER DE FRANCE – SA** Chief executive officer

**COMPAGNIE DE FINANCEMENT FONCIER – SA** Chairman of the board of directors and chairman of the appointments committee

**FONCIER PARTICIPATIONS – SAS** Chairman, permanent representative of Crédit Foncier

**CRÉDIT LOGEMENT – SA** Permanent representative of Crédit Foncier, director

**IT-CE GIE** Representative of Crédit Foncier, director and member of the audit committee

**BANCO PRIMUS – SA (PORTUGAL)** Chairman of the board of directors, chairman of the remuneration committee (until 01/31/2022)

#### 2021

**CRÉDIT FONCIER DE FRANCE – SA** Chief executive officer

**COMPAGNIE DE FINANCEMENT FONCIER – SA** Chairman of the board of directors and chairman of the appointments committee

**FONCIER PARTICIPATIONS – SAS** Chairman, permanent representative of Crédit Foncier

**CRÉDIT LOGEMENT – SA** Permanent representative of Crédit Foncier, director

**IT-CE GIE** Representative of Crédit Foncier, director and member of the audit committee

**BANCO PRIMUS – SA (PORTUGAL)** Chairman of the board of directors, chairman of the remuneration committee

#### 2020

**CRÉDIT FONCIER DE FRANCE – SA** Chief executive officer

**COMPAGNIE DE FINANCEMENT FONCIER – SA** Chairman of the board of directors and chairman of the appointments committee

**CRÉDIT FONCIER IMMOBILIER – SA** Director (until 11/10/2020)

**FONCIER PARTICIPATIONS – SAS** Chairman, permanent representative of Crédit Foncier

**CRÉDIT LOGEMENT – SA** Permanent representative of Crédit Foncier, director

**IT-CE GIE** Representative of Crédit Foncier, director and member of the audit committee

**BANCO PRIMUS – SA (PORTUGAL)** Chairman of the board of directors, chairman of the audit committee (until 02/14/2020), chairman of the remuneration committee (since 02/04/2020)

## 2. REPORT ON CORPORATE GOVERNANCE

Composition of executive and management bodies

### Mr Éric FILLIAT

#### 2019

**CRÉDIT FONCIER DE FRANCE – SA** Chief executive officer (since 11/07/2019)

**CRÉDIT FONCIER DE FRANCE – SA** Deputy chief executive officer, Finance department, executive officer, member of the executive management committee and member of the executive committee (until 11/06/2019)

**COMPAGNIE DE FINANCEMENT FONCIER – SA** Chairman of the board of directors and chairman of the appointments committee (since 11/07/2019)

**COMPAGNIE DE FINANCEMENT FONCIER – SA** Permanent representative of Crédit Foncier, director, chairman of the audit committee, chairman of the risk committee (until 11/06/2019)

**CRÉDIT FONCIER IMMOBILIER – SA** Director

**FONCIER PARTICIPATIONS – SAS** Permanent representative of Crédit Foncier, chairman

**CRÉDIT LOGEMENT – SA** Permanent representative of Crédit Foncier, director (since 11/07/2019)

**SOCFIM – SACS** Member of the supervisory board (until 12/09/2019)

**IT-CE GIE** Permanent representative of Crédit Foncier, director and member of the audit committee

**BANCO PRIMUS – SA (PORTUGAL)** Director, chairman of the board of directors (since 12/19/2019), chairman of the audit committee

**MFCG – SAS** Permanent representative of CFCO, chairman (until 08/09/2019)

Crédit Foncier – Permanent Representative Ms Muriel COLLE



**Date of birth:**  
07/16/1963  
**Nationality:** French  
**Business address:**  
182, Avenue de France  
75013 Paris

BIOGRAPHY

Muriel COLLE holds an AES Master's degree (1984) and began her career as a human resources assistant at Total Compagnie Française des Pétroles in 1984, where she remained until 1990.  
In 1990, she joined Euro Disney as Assistant Manager of Human Resources for four years.  
From 1994 to 1996 she was in charge of Human Resources at TRW then from 1996 to 2001 she was a member of the management committee at Corsair within the group's Human Resources department, reporting to the chief executive officer.  
From 2001 to 2008, she was director of resources at APRIA RSA.  
In September 2008, she joined Crédit Foncier de France, initially as director of Human resources for three years. From 2010 to 2019, she was chief executive officer of ENFI. Since October 2011, she has been director of the resources department at Crédit Foncier de France. And since February 2016, she has been deputy chief executive officer and member of the executive management committee of Crédit Foncier.  
On November 7, 2019, Muriel COLLE was appointed executive director of Crédit Foncier.  
**Relevant expertise:** human resources, business management, communications, marketing, central services, information systems production and general secretariat.

DEPUTY CHIEF EXECUTIVE OFFICER, RESOURCES DEPARTMENT

EXECUTIVE DIRECTOR OF CRÉDIT FONCIER DE FRANCE

Member of the board of directors

First appointed (Crédit Foncier): 12/28/1998  
End of term (Crédit Foncier): 2029 OSM

Permanent Representative of Crédit Foncier

First appointed: 11/07/2019

Member of the risk committee

First appointed: 12/16/2019

Member of the audit committee

First appointed: 06/30/2022

COMPANIES, DIRECTORSHIPS AND OFFICES

2024

CRÉDIT FONCIER DE FRANCE – SA Deputy chief executive officer, Resources department, executive director

COMPAGNIE DE FINANCEMENT FONCIER – SA Permanent representative of Crédit Foncier, director, member of the risk committee, member of the audit committee

COMPTOIR FINANCIER DE GARANTIE – SA Permanent representative of Crédit Foncier, director

2023

CRÉDIT FONCIER DE FRANCE – SA Deputy chief executive officer, resources department, executive director

COMPAGNIE DE FINANCEMENT FONCIER – SA Permanent representative of Crédit Foncier, director, member of the risk committee, member of the audit committee

COMPTOIR FINANCIER DE GARANTIE – SA Permanent representative of Crédit Foncier, director from 09/19/2023

2022

CRÉDIT FONCIER DE FRANCE – SA Deputy chief executive officer, resources department, executive director

COMPAGNIE DE FINANCEMENT FONCIER – SA Permanent representative of Crédit Foncier, director, member of the risk committee, member of the audit committee (since 06/30/2022)

BANCO PRIMUS – SA (PORTUGAL) Member of the appointments, remuneration and benefits committee (until 12/31/2022)

2021

CRÉDIT FONCIER DE FRANCE – SA Deputy chief executive officer, resources department, executive director

COMPAGNIE DE FINANCEMENT FONCIER – SA Permanent representative of Crédit Foncier, director, member of the risk committee

BANCO PRIMUS – SA (PORTUGAL) Member of the appointments, remuneration and benefits committee

BPCE ACHATS – GIE Permanent representative of Crédit Foncier, director

2020

CRÉDIT FONCIER DE FRANCE – SA Deputy chief executive officer, resources department, executive director

COMPAGNIE DE FINANCEMENT FONCIER – SA Permanent representative of Crédit Foncier, director, member of the risk committee

BANCO PRIMUS – SA (PORTUGAL) Member of the Appointments, remuneration and benefits committee

BPCE ACHATS – GIE Permanent representative of Crédit Foncier, director

2019

CRÉDIT FONCIER DE FRANCE – SA Deputy chief executive officer, resources department, executive director

CRÉDIT FONCIER DE FRANCE – SA Deputy chief executive officer, resources department (until 11/07/2019)

COMPAGNIE DE FINANCEMENT FONCIER – SA Permanent representative of Crédit Foncier, director, member of the risk committee

COMPAGNIE DE FINANCEMENT FONCIER – SA Director (until 11/06/2019)

ENFI ÉCOLE NATIONALE DU FINANCEMENT DE L'IMMOBILIER – SAS Chief executive officer

BANCO PRIMUS – SA (PORTUGAL) member of the appointments, remuneration and benefits committee

BPCE ACHATS – GIE Permanent representative of Crédit Foncier, director

## 2. REPORT ON CORPORATE GOVERNANCE

Composition of executive and management bodies

### Ms Corinne DECAUX



**Date of birth:**  
05/25/1960

**Nationality:** French

**Business address:**  
182, Avenue de France  
75013 Paris

#### BIOGRAPHY

Corinne DECAUX has a PhD in private law, she joined Crédit Foncier in 1984 as a lawyer where she spent her entire career. She held the positions of Project manager for the development and implementation of a debt collection software program, Head of the Litigation division, Head of Litigation, Head of Management in 2007, Head of Legal Affairs, Governance and Corporate life in 2010 and then executive director in 2016.

**Relevant expertise:** management, legal, banking, tax, market transactions, mergers and acquisitions, arbitration, litigation, mediation, corporate governance, corporate secretariat.

#### COMPANIES, DIRECTORSHIPS AND OFFICES

##### EXECUTIVE DIRECTOR OF CRÉDIT FONCIER DE FRANCE

##### Member of the board of directors

First appointed:  
05/04/2020

End of term: 2026 OSM

##### Member of the appointments committee

First appointed:  
09/29/2021

##### Member of the risk committee

First appointed:  
06/30/2022

##### 2024

CRÉDIT FONCIER DE FRANCE – SA General counsel

COMPAGNIE DE FINANCEMENT FONCIER – SA Director, member of the appointments committee, member of the risk committee

COMPTOIR FINANCIER DE GARANTIE (CFG) – SA Director

##### 2023

CRÉDIT FONCIER DE FRANCE – SA General counsel

COMPAGNIE DE FINANCEMENT FONCIER – SA Director, member of the appointments committee, member of the risk committee

COMPTOIR FINANCIER DE GARANTIE (CFG) – SA Director

##### 2022

CRÉDIT FONCIER DE FRANCE – SA General counsel

COMPAGNIE DE FINANCEMENT FONCIER – SA Director, member of the appointments committee, member of the risk committee (since 06/30/2022)

COMPTOIR FINANCIER DE GARANTIE (CFG) – SA Director

BANCO PRIMUS – SA Director, chairman of the audit committee (until 01/31/2022)

##### 2021

CRÉDIT FONCIER DE FRANCE – SA General counsel

COMPAGNIE DE FINANCEMENT FONCIER – SA Director, member of the appointments committee (since 09/29/2021)

COMPTOIR FINANCIER DE GARANTIE (CFG) – SA Director

BANCO PRIMUS – SA Director, chairman of the audit committee

##### 2020

CRÉDIT FONCIER DE FRANCE – SA General counsel

COMPAGNIE DE FINANCEMENT FONCIER – SA Director (since 05/04/2020)

COMPTOIR FINANCIER DE GARANTIE (CFG) – SA Director

BANCO PRIMUS – SA Director, chairman of the audit committee (since 02/14/2020)

##### 2019

CRÉDIT FONCIER DE FRANCE – SA General counsel

COMPTOIR FINANCIER DE GARANTIE (CFG) – SA Director (since 03/27/2019)

BANCO PRIMUS – SA Director

## DIRECTORS FROM BPCE

### BPCE – Permanent Representative Mr Olivier IRISSON



**Date of birth:**  
10/05/1969  
**Nationality:** French  
**Business address:**  
61, rue Bruneseau  
75013 Paris

#### BIOGRAPHY

A graduate of the Université Paris Dauphine, specializing in Finance and Management Control, with a post-graduate degree in Strategy, Planning and Control as well as a Management Science PhD, Olivier IRISSON began his career in 1994 at Cetelem (BNP Paribas Group) before joining PricewaterhouseCoopers (PwC) in 2000 as a Manager in the financial risk management department.

From 2002 to 2010, he worked for Société Générale and held the positions of Head of Credit Risk Modeling, director of risk and capital measurements systems, then, in 2009, director of the Global Risk Analysis department. In June 2010, he joined BPCE as deputy director of Group Risks.

Since 2013, Olivier IRISSON has been chief financial officer within the Group's Finance department, member of the BPCE executive committee. Since 2018, Olivier IRISSON has been chief operating officer, Head of financial transactions in charge of transformation and innovation with a strong commitment to the development of sustainable finance.

**Relevant expertise:** finance, asset and risk management.

#### COMPANIES, DIRECTORSHIPS AND OFFICES

#### CHIEF OPERATING OFFICER, CHIEF FINANCIAL OFFICER, MEMBER OF THE EXECUTIVE COMMITTEE OF BPCE

##### Member of the board of directors

First appointed (BPCE):  
03/28/2011

End of term (BPCE):  
2029 OSM

##### Permanent representative of BPCE

First appointed:  
09/28/2018

##### Member of the audit committee

First appointed:  
09/28/2018

##### Member of the risk committee

First appointed:  
09/28/2018

#### 2024

**BPCE – SA** Chief operating officer, chief financial officer, member of the executive committee

**COMPAGNIE DE FINANCEMENT FONCIER – SA** Permanent representative of BPCE, director, member of the audit committee, member of the risk committee

**BPCE SERVICES FINANCIERS (EX CSF-GCE) – GIE** Member of the supervisory board

**FIDOR BANK – AG (GERMANY)** Member of the supervisory board

**2DII – Director and treasurer (NGO Finance Verte)**

**ASSET RÉOLUTION (GREEN FINANCE DATA)** Director and representative of 2DII

#### 2023

**BPCE – SA** Chief operating officer, chief financial officer, member of the executive committee

**COMPAGNIE DE FINANCEMENT FONCIER – SA** Permanent representative of BPCE, director, member of the audit committee, member of the risk committee

**BPCE SERVICES FINANCIERS (EX CSF-GCE) – GIE** Member of the supervisory board

**FIDOR BANK – AG (GERMANY)** Member of the supervisory board

**2DII – Director and treasurer (NGO Finance Verte)**

**ASSET RÉOLUTION (GREEN FINANCE DATA)** Director and representative of 2DII

#### 2022

**BPCE – SA** Chief operating officer, chief financial officer, member of the executive committee

**COMPAGNIE DE FINANCEMENT FONCIER – SA** Permanent representative of BPCE, director, member of the audit committee, member of the risk committee

**BPCE SERVICES FINANCIERS (EX CSF-GCE) – GIE** Member of the supervisory board

**FIDOR BANK – AG (GERMANY)** Member of the supervisory board

**2DII – Director and treasurer (NGO Finance Verte)**

**ASSET RÉOLUTION (GREEN FINANCE DATA)** Director and representative of 2DII

#### 2021

**BPCE – SA** Chief operating officer, chief financial officer, member of the executive committee

**COMPAGNIE DE FINANCEMENT FONCIER – SA** Permanent representative of BPCE, director, member of the audit committee, member of the risk committee

**FIDOR BANK – AG (GERMANY)** Member of the supervisory board

#### 2020

**BPCE – SA** Chief operating officer, chief financial officer, member of the executive committee

**COMPAGNIE DE FINANCEMENT FONCIER – SA** Permanent representative of BPCE, director, member of the audit committee, member of the risk committee

**FIDOR BANK – AG (GERMANY)** Member of the supervisory board

#### 2019

**BPCE – SA** Chief operating officer, chief financial officer, member of the executive committee

**COMPAGNIE DE FINANCEMENT FONCIER – SA** Permanent representative of BPCE, director, member of the audit committee, member of the risk committee

**BPCE SFH – SA** Director, chairman of the board of directors (until 05/29/2019)

**FIDOR BANK – AG (GERMANY)** Member of the supervisory board

## 2. REPORT ON CORPORATE GOVERNANCE

Composition of executive and management bodies

### Mr Philippe JEANNE



**Date of birth:**  
11/13/1963

**Nationality:** French

**Business address:**

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

#### BIOGRAPHY

Philippe JEANNE is an engineer who graduated from the École Spéciale des Travaux Publics – ESTP – (1986) and also holds a Master's degree in finance from the École Supérieure des Sciences Économiques et Commerciales – ESSEC – (1987).

Philippe JEANNE began his career in 1987 at Barclays bank as an options trader. In 1991, he joined CGER Banque Paris (Fortis) where he was appointed Head of markets for cash management, rates and credit.

In 1995, he joined Crédit Agricole Indosuez where he held various positions in Paris: from 1995 to 2000, he was Head of exotic rates, hybrids and raw materials. In 2001 he was appointed global Head of rates activities in dollars and of vanilla trading in New York. In 2003, he joined the bank CALYON in London as global Head of Trading in emerging markets.

In 2005, Philippe JEANNE joined Natixis as global Head of Currency Transactions and in 2012 was appointed Director of Financial Management (ALM).

He became BPCE's Director of Financial Management in March 2019.

**Relevant expertise:** banking, finance, markets, management and engineering.

#### DIRECTOR OF FINANCIAL MANAGEMENT AT BPCE

##### Member of the board of directors

First appointed:  
11/07/2019

End of term: 2030 OSM

##### Chairman of the audit committee

First appointed:  
12/16/2019

#### COMPANIES, DIRECTORSHIPS AND OFFICES

##### 2024

**BPCE – SA** Director of financial management

**COMPAGNIE DE FINANCEMENT FONCIER – SA** Director, chairman of the audit committee

**BPCE SFH – SA** Chairman of the board of directors, chairman of the remuneration committee and Member of the appointments committee

**NATIXIS ALGÉRIE** Chairman of the board of directors

##### 2023

**BPCE – SA** Director of financial management

**COMPAGNIE DE FINANCEMENT FONCIER – SA** Director, chairman of the audit committee

**BPCE SFH – SA** Chairman of the board of directors, chairman of the remuneration committee and member of the appointments committee

**NATIXIS ALGÉRIE** Chairman of the board of directors (since 05/31/2023)

##### 2022

**BPCE – SA** Director of financial management

**COMPAGNIE DE FINANCEMENT FONCIER – SA** Director, chairman of the audit committee

**BPCE SFH – SA** Chairman of the board of directors, chairman of the remuneration committee and member of the appointments committee

**NATIXIS ALGÉRIE** Director (since 01/18/2022)

##### 2021

**BPCE – SA** Director of financial management

**COMPAGNIE DE FINANCEMENT FONCIER – SA** Director, chairman of the audit committee

**BPCE SFH – SA** Chairman of the board of directors, chairman of the remuneration committee and Member of the appointments committee

##### 2020

**BPCE – SA** Director of financial management

**COMPAGNIE DE FINANCEMENT FONCIER – SA** Director, chairman of the audit committee

**BPCE SFH – SA** Chairman of the board of directors, chairman of the remuneration committee and member of the appointments committee

##### 2019

**BPCE – SA** Director of financial management

**COMPAGNIE DE FINANCEMENT FONCIER – SA** Director, chairman of the audit committee

**BPCE SFH – SA** Chairman of the board of directors, chairman of the remuneration committee and member of the appointments committee

**NATIXIS INTERÉPARGNE – SA** Permanent representative of Natixis, director (until 06/07/2019)

**NATIXIS WEALTH MANAGEMENT – SA** Permanent representative of Natixis, director (until 06/05/2019)

**NATIXIS FUNDING – SA** Chairman of the board of directors (until 03/21/2019)

**NATIXIS – SA** Director of Financial management (until 03/11/2019)

**NATIXIS NORTH AMERICA – LLC (USA)** Director (until 06/06/2019)

**ACI – THE FINANCIAL MARKETS ASSOCIATION** Member of the ethics committee

**NATIXIS BANK JSC, MOSCOW – SA (RUSSIA)** Member of the supervisory board (until 06/29/2019)

**NATIXIS PFANDBRIEF BANK – AG (GERMANY)** Member of the supervisory board (until 10/14/2019)



## DIRECTOR FROM CAISSES D'EPARGNE

### Mr Pascal CHABOT



**Date of birth:**  
05/27/1959  
**Nationality:** French  
**Business address:**  
26-28, rue Neuve  
Tolbiac  
75633 Paris Cedex 13

#### BIOGRAPHY

Pascal CHABOT has a post-graduate degree in finance control from Université Paris Dauphine. In 2005, he became member of the management board responsible for Specialized Markets at Caisse d'Epargne des Pays de la Loire before becoming member of the management board in charge of the Regional Development Banking department. In 2013, he joined Caisse d'Epargne Île-de-France as Member of the Management board in charge of Regional Development Banking, Organization and IT department.  
**Relevant expertise:** management, finance, organization and information systems.

#### COMPANIES, DIRECTORSHIPS AND OFFICES

##### MEMBER OF THE MANAGEMENT BOARD OF CAISSE D'EPARGNE ÎLE-DE-FRANCE

###### Member of the board of directors

First appointed:  
03/25/2014  
End of term: 2026 OSM

###### Chairman of the risk committee

First appointed:  
12/16/2019

###### Member of the risk committee

First appointed:  
10/06/2015

###### Member of the appointments committee

First appointed:  
02/09/2023

##### 2024

**CAISSE D'EPARGNE ÎLE-DE-FRANCE (CEIDF) – SA** Member of the management board in charge of regional development banking, organization and IT department

**COMPAGNIE DE FINANCEMENT FONCIER – SA** Director, member of the risk committee, member of the appointments committee

**BANQUE BCP – SAS** Member of the supervisory board, member of the audit and risk committee

**BANQUE DE NOUVELLE CALÉDONIE – SA** Director, member of the audit and risk committee

**COMITÉ FÉDÉRATION BANCAIRE FRANÇAISE ÎLE-DE-FRANCE – ASSOCIATION**  
Vice-Chairman

**SCI DE LA FORET – SCI** Manager

**BANQUE DE TAHITI** Director, member of the audit and risk committee

**GENEO MEZZANINE (Professional Private Equity Fund)** Member of the advisory committee

##### 2023

**CAISSE D'EPARGNE ÎLE-DE-FRANCE (CEIDF) – SA** Member of the management board in charge of regional development banking, organization and IT department

**COMPAGNIE DE FINANCEMENT FONCIER – SA** Director, chairman of the risk committee, member of the appointments committee (since 02/09/2023)

**BANQUE BCP – SAS** Member of the supervisory board, member of the audit and risk committee

**BANQUE DE NOUVELLE CALÉDONIE – SA** Director, member of the audit and risk committee

**COMITÉ FÉDÉRATION BANCAIRE FRANÇAISE ÎLE-DE-FRANCE – ASSOCIATION**  
Vice-Chairman

**SCI DE LA FORET – SCI** Manager

**BANQUE DE TAHITI** Director, member of the audit and risk committee

**GENEO MEZZANINE (Professional Private Equity Fund)** Member of the advisory Committee

##### 2022

**CAISSE D'EPARGNE ÎLE-DE-FRANCE (CEIDF) – SA** Member of the management board in charge of regional development banking, organization and IT department

**COMPAGNIE DE FINANCEMENT FONCIER – SA** Director, chairman of the risk committee

**BANQUE BCP – SAS** Member of the supervisory board, member of the audit and risk committee

**BANQUE DE NOUVELLE CALÉDONIE – SA** Director, member of the audit and risk committee

**COMITÉ FÉDÉRATION BANCAIRE FRANÇAISE ÎLE-DE-FRANCE – ASSOCIATION**  
Vice-Chairman

**SCI DE LA FORET – SCI** Manager

**BANQUE DE TAHITI** Director, member of the audit and risk committee

**COMITÉ FÉDÉRATION BANCAIRE FRANÇAISE ÎLE-DE-FRANCE – ASSOCIATION**  
Vice-Chairman

**GENEO MEZZANINE (Professional Private Equity Fund)** Member of the advisory committee (since 06/22/2022)

##### 2021

**CAISSE D'EPARGNE ÎLE-DE-FRANCE (CEIDF) – SA** Member of the management board

**COMPAGNIE DE FINANCEMENT FONCIER – SA** Director, chairman of the risk committee

**BANQUE BCP – SAS** Member of the supervisory board, member of the audit and risk committee

**BANQUE DE NOUVELLE CALÉDONIE – SA** Director, member of the audit and risk committee

**IMMOBILIÈRE 3F** Permanent Representative of CEIDF, member of the board of directors (until 04/11/2021)

**COMITÉ FÉDÉRATION BANCAIRE FRANÇAISE ÎLE-DE-FRANCE – ASSOCIATION**  
Vice-Chairman

**SCI DE LA FORET – SCI** Manager

**BANQUE DE TAHITI** – Director, member of the audit and risk committee (since 04/29/2021)

## 2. REPORT ON CORPORATE GOVERNANCE

Composition of executive and management bodies

### Mr Pascal CHABOT

#### 2020

**CAISSE D'ÉPARGNE ÎLE-DE-FRANCE (CEIDF) – SA** Member of the management board

**COMPAGNIE DE FINANCEMENT FONCIER – SA** Director, chairman of the risk committee

**BANQUE BCP – SAS** Member of the supervisory board, member of the audit committee

**BANQUE DE NOUVELLE CALÉDONIE – SA** Director, member of the audit and risk committee (since 12/21/2020)

**PARIS HABITAT OPH** Director as a qualified person (until 09/15/2020)

**IMMOBILIÈRE 3F** Permanent representative of CEIDF, member of the board of directors

**COMITÉ FÉDÉRATION BANCAIRE FRANÇAISE ÎLE-DE-FRANCE – ASSOCIATION** Vice-Chairman

**SCI DE LA FORET – SCI** Manager

**ATREAM HÔTELS – SCPI** Member of the supervisory board (until 06/10/2020)

**SOCFIM – SA** Permanent representative of CEIDF, member of the supervisory board, until 10/14/2020

#### 2019

**CAISSE D'ÉPARGNE ÎLE-DE-FRANCE (CEIDF) – SA** Member of the management board

**COMPAGNIE DE FINANCEMENT FONCIER – SA** Director, chairman of the risk committee

**COMPAGNIE DE FINANCEMENT FONCIER – SA** Director, member of the risk committee, member of the appointments committee (until 12/16/2019)

**CE CAPITAL – SASU** Permanent representative of CEIDF, member of the supervisory board (until 09/19/2019)

**SOCFIM – SA** Permanent representative of CEIDF, member of the supervisory board

**LOGIREP – SA HLM** Permanent representative of CEIDF, member of the supervisory board (until 09/18/2019)

**CE DÉVELOPPEMENT** Member of the Supervisory board (until 09/20/2019)

**COMITÉ FÉDÉRATION BANCAIRE FRANÇAISE ÎLE-DE-FRANCE – ASSOCIATION** Vice-Chairman

**ALLIANCE ENTREPRENDRE – SAS** Permanent representative of CEIDF, member of the Supervisory board (until 09/18/2019)

**IMMOBILIÈRE 3F** Permanent representative of CEIDF, member of the board of directors

**BANQUE BCP – SAS** Member of the supervisory board

**SCI DE LA FORET – SCI** Manager

**GIE CAISSE D'ÉPARGNE SYNDICATION RISQUE** Permanent representative of CEIDF, member of the Supervisory board (until 09/18/2019)

**BANQUE DE NOUVELLE CALÉDONIE – SA** Director (since 06/24/2019)

**PARIS HABITAT OPH** Director as a qualified person

**ATREAM HÔTELS – SCPI** Member of the supervisory board

# Role and operating procedures of corporate entities

## 1. Board of directors

### COMPOSITION OF THE BOARD

At December 31, 2024, the board of directors of Compagnie de Financement Foncier was composed of six members. The members of the board are listed on page 47 of this document. Compagnie de Financement Foncier's three statutory auditors and its specific controller also attend the board meetings.

### BOARD MEETINGS

The legal secretary function for the board of directors is provided by the Legal Division of Crédit Foncier and it establishes, in consultation with the chairman and executive management of Compagnie de Financement Foncier, the agenda for the meetings, along with the materials covering the various items on the agenda. This division also drafts the minutes and keeps the legal registers. On June 30, 2010, the board of directors adopted internal rules, updated on April 10, 2015 and December 18, 2019, defining operational procedures for the board.

Compagnie de Financement Foncier's board of directors meets at least once every three months to examine a prescheduled agenda. Specific items may be added depending on the period.

Items discussed include:

- closing of the accounts for the previous year;
- review of management forecast documents;
- quarterly report of bond issuances and analysis of the performance of *obligations foncières* issued by Compagnie de Financement Foncier on the primary and secondary markets;
- determining, at the end of each quarter, for the following quarter, the program for issuing *obligations foncières* and other privileged resources which require certification by the specific controller;
- delegation of the powers necessary to carry out these operations;
- review of the half-year accounts;
- annual assessment of the board;
- review of coverage plan for privileged resources;
- more generally, authorization of any major transaction involving the Company or any significant event that might materially affect it (governance, changes to bylaws, agreements with the parent company, update of EMTN programs, debt issuances that exceed limits of delegated powers, etc.);
- review of internal control reports and risk monitoring measures pursuant to Article 258 *et seq.* of the Order of November 3, 2014 concerning the internal control of credit institutions, companies providing payment and investment services that are subject to the supervision of *Autorité de contrôle prudentiel et de résolution* (ACPR – French prudential supervisory and resolution authority) (previously Articles 42 and 43 of Regulation No. 97-02 as amended of the CRBF) and of the annual report of the specific controller;

- presentation of the results of the permanent, periodic and compliance controls, along with the risk appetite framework;
- examination of the annual report of the specific controller.

The records and documents submitted to the board provide it with clear, true and fair information about Compagnie de Financement Foncier and its evolution.

The board of directors did not limit the powers of the chief executive officer in any way. The chief executive officer is vested with the broadest powers to act in all circumstances on behalf of the Company, within the limits of the corporate purpose, and subject to the powers expressly attributed by law to general meetings and the special powers of the board of directors. He represents Compagnie de Financement Foncier in its relationships with third parties. The deputy chief executive officer is vested with the same powers as the chief executive officer.

Compagnie de Financement Foncier's board of directors met six times in the 2024 fiscal year.

An external assessment was carried out by the board in 2022, which concluded that the quality of Compagnie de Financement Foncier's governance practices enables it to stand at the highest level in relation to comparable structures in the financial sector.

Directors receive allocated remuneration in accordance with the allocation rules recommended by BPCE, Compagnie de Financement Foncier's central institution. These rules are presented in the Remuneration section of this document.

The amount of remuneration paid to directors is set in advance for each meeting. It is paid only if the members actually attend the board meetings (according to Article 13 of the bylaws, directors taking part in the meetings of the board through videoconferencing or telecommunication means allowing their identification and actual participation, are considered as attending for the calculations of the quorum and the majority); the amount is also subject to an annual cap.

### ATTENDANCE BY SHAREHOLDERS AT THE GENERAL MEETING

General shareholders' meetings are called in accordance with French legal and regulatory requirements.

An invitation to attend the general meeting is sent by mail to each shareholder individually. The shareholders are exclusively registered shareholders.

Any shareholder may attend the general meeting per the conditions set out by law.

There is no provision assigning multiple voting rights.

Refer also to Articles 21 and 22 of the Company's bylaws on page 191 of this document.

## 2. REPORT ON CORPORATE GOVERNANCE

Role and operating procedures of corporate entities

### 2. Diversity objective among executive management and within the board of directors

In accordance with Articles L. 22-10-10 and R. 225-104 of the French commercial code, the following items reflect the diversity policy applied to the members of the board of directors.

Compagnie de Financement Foncier's appointment and succession policy was adopted by the board of directors on December 18, 2019. It provides that the appointments committee assesses the suitability of the candidates selected as part of the selection of executive management and directors, as well as compliance with diversity criteria within the management body.

The appointments committee must pursue an objective of diversity among the executive management and within the board of directors, *i.e.* a situation where the characteristics of said officers and said board differ to a degree ensuring a variety of points of view.

The appointments committee will ensure that the following diversity aspects are observed:

- training;
- professional career path;
- age;
- quantitative objective relating to the representation of the under-represented gender;
- balanced geographical representation;
- representation of the different types of market;
- representation of the dominant socio-professional categories of the Group's cooperative shareholder base;
- compliance with the collective competence criteria as referred to in the board's assessment.

With regard to the size of the management body, the assessment of the diversity criterion may be broken down between the executive management and the members of the board of directors.

With regard to the quantitative objective relating to the representation of the under-represented gender, this criterion will be taken into account in accordance with the legislative provisions.

None of the aforementioned criteria alone is sufficient to determine the presence or absence of diversity, which is assessed collectively within the management body. Indeed, the appointments committee must focus on the complementarity of technical skills and the diversity of cultures and experiences in order to have profiles likely to enrich the angles of analysis and opinion on which the body management can rely on it to conduct its discussions and make its decisions, thus promoting good governance.

The appointments committee makes recommendations on desirable changes to the composition of the committee in order to achieve the diversity objectives.

The selection process provides for the presence of at least one person of each gender among the candidates for the position of deputy chief executive officer, where applicable.

### 3. Committees set up by the board of directors



#### AUDIT COMMITTEE

<b>3</b> members <sup>(1)</sup>	<b>3</b> meetings
Philippe JEANNE, chairman BPCE, represented by Olivier IRISSON Crédit Foncier de France represented by Muriel COLLE	
<b>81%</b> average attendance rate	

#### MAIN FUNCTIONS AND POWERS

The audit committee operates in accordance with internal rules approved by the board of directors at its meeting of December 18, 2019 and updated on December 16, 2022.

The audit committee is responsible for advising the board of directors on the clarity of the information provided and the relevance of the accounting methods used to prepare the individual financial statements.

#### ITS USUAL SCOPE INCLUDES:

- budget procedures;
- financial statements closing;
- agreements monitoring;
- coverage plan for privileged resources;
- appointment of statutory auditors and specific controller;
- examination of the annual report of the specific controller.



#### RISK COMMITTEE

<b>4</b> members <sup>(1)</sup>	<b>3</b> meetings
Pascal CHABOT, chairman Crédit Foncier de France, represented by Muriel COLLE BPCE, represented by Olivier IRISSON, Corinne DECAUX	
<b>83%</b> average attendance rate	

#### MAIN FUNCTIONS AND POWERS <sup>(2)</sup>

The risk committee operates in accordance with internal rules approved by the board of directors at its meeting of December 18, 2019 and updated on December 16, 2022.

The risk committee is responsible for advising the board of directors on the quality of internal control, in particular the consistency of risk measurement, supervision and management, and is responsible for proposing, when appropriate, additional measures in this respect.

#### ITS USUAL SCOPE INCLUDES:

- assessing the overall risk exposure of Compagnie de Financement Foncier based on available reports;
- advising the board of directors on the overall strategy of Compagnie de Financement Foncier and risk appetite, both current and future;
- reviewing reports on internal control, compliance and permanent control;
- monitoring the independence of the Group's Internal Audit Division and reviewing its work and annual plan;
- following up on the findings of missions of the ACPR and/or the European central bank (ECB) as well as BPCE's and the Group's Internal audit division;
- reviewing product and service pricing (mentioned in Books II and III of the French monetary and financial Code: financial instruments, savings products, banking operations, investment services, etc.).



#### APPOINTMENTS COMMITTEE

<b>3</b> members <sup>(1)</sup>	<b>2</b> meetings
Éric FILLIAT, chairman Corinne DECAUX, Pascal CHABOT	
<b>100%</b> average attendance rate	

#### MAIN FUNCTIONS AND POWERS

The appointments committee is tasked with proposing candidates for the positions of executive director and member of the board of Directors, assessing the Board's diversity of knowledge and setting targets for gender representation.

(1) At December 31, 2024.

(2) Mr Olivier AVIS, chief executive officer, is in charge of permanent and periodic control and compliance for Compagnie de Financement Foncier.

This appointment meets the requirements of Articles 16 et seq. of the Order of November 3, 2014 concerning the internal control of credit institutions, companies providing payment and investment services that are subject to the supervision of the French prudential supervisory and resolution Authority, previously Article 7.1 of regulation No. 97-02 as amended of the CRBF (French Banking and Financial Regulation Committee), and to the principle applied by the management of Crédit Foncier under which the executive bodies of credit institutions' subsidiaries may draw on the parent company's structure to fulfill their obligations in terms of permanent and periodic control and compliance.

## 2. REPORT ON CORPORATE GOVERNANCE

Role and operating procedures of corporate entities

### 4. Board of directors' internal rules

At its meeting on December 18, 2019, the board of directors unanimously adopted these internal rules.

These regulations aim to supplement Compagnie de Financement Foncier's bylaws and, in particular, to:

- specify procedures for convening board meetings;
- specify deliberation procedures for directors taking part in board meetings *via* videoconferencing or other telecommunication means;
- specify directors' obligations of professional secrecy and discretion;
- define sanctions applicable in the event of directors failing to comply with any one of their obligations.

The regulations may be amended at any time by resolution of the board of directors.

Each individual Director is obliged to comply with these internal rules.

#### ARTICLE 1 – TEXTS GOVERNING THE BOARD OF DIRECTORS

The operating procedures of the board of directors of Compagnie de Financement Foncier are determined by Articles L. 225-17 to L. 225-56-1, L. 225-94, L. 225-95, R. 225-15 to R. 225-34 of the French commercial code, and by Articles 11 *et seq.* of the Compagnie de Financement Foncier's bylaws.

These rules are supplemented by:

- banking regulations of which the Order of November 3, 2014 on the internal control of businesses in the banking sector, replacing Regulation 97.02 of the French banking and financial regulation committee;
- financial regulations of which the general regulation of the *Autorité des marchés financiers* (AMF), the French financial markets authority.

Each individual Director is obliged to comply with these internal rules.

#### ARTICLE 2 – PURPOSE OF THE BOARD OF DIRECTORS

The board of directors is the corporate body which exercises its legal prerogatives in the interests of Compagnie de Financement Foncier and of realizing its corporate purpose as defined in Article 2 of its bylaws.

The actions of directors must be motivated solely by the interests of Compagnie de Financement Foncier.

Directors must consider themselves as representatives of all shareholders and conduct themselves accordingly in all circumstances when exercising their functions. They must not expose themselves to conflicts of interest in relation to their business dealings with Compagnie de Financement Foncier.

They must strive to play their part in the exercise of powers by the board of directors.

The board of directors must ensure that:

- it is composed and operates in such a way that it is able to act in the best corporate interests of Compagnie de Financement Foncier, while taking into consideration the employee relations issues and environmental implications of its activity;

■ appointments or renewals of directors:

- are carried out with a view to achieving a harmonious balance of the various socio-professional categories that represent the customers of Compagnie de Financement Foncier, and
- ensure a gender balance on the board, in accordance with current legislation.

Any application for a directorship must be reviewed in advance by the appointments committee, then the board.

When a new Director takes up their position, the executive management provides him or her with a file containing the bylaws and these internal rules.

#### ARTICLE 3 – ELECTION OF THE CHAIRMAN OF THE BOARD OF DIRECTORS AND APPOINTMENT OF RENEWAL OF THE TERM OF OFFICE OF THE CHIEF EXECUTIVE OFFICER

Under Article 16 of the bylaws, "the board of directors elects, from among its individual members, a chairman and determines his or her remuneration. It also sets the chairman's term of office, which may not exceed his or her term as Director".

Should the chairman be prevented from attending, the vice-chairman chairs the meeting.

Voting, as with any other board deliberation put to vote, is public provided no Director has requested a secret ballot.

The board is chaired by the oldest member for the election of the chairman.

In accordance with Article 17 of the bylaws of Compagnie de Financement Foncier, on the proposal of the chairman, the board of directors appoints a chief executive officer, agrees his or her term of office and sets their remuneration.

#### ARTICLE 4 – FREQUENCY OF MEETINGS AND DELIBERATIONS OF THE BOARD OF DIRECTORS

The board of directors meets as often as dictated by the interests of Compagnie de Financement Foncier and is convened by its chairman (Article 13 of the bylaws). However, if the board of directors has not met in over two months, at least one third of the members of the board of directors can request that the chairman calls a board meeting with a specific agenda.

The chairman provides directors with all information needed to exercise their functions effectively in respect of Compagnie de Financement Foncier.

In good time, directors receive a file covering all items on the agenda which require particular analysis or prior thought provided that this is not prohibited for reasons of confidentiality.

Directors may raise any issue relating to the corporate purpose under the board meeting agenda item "Any other business".

## ARTICLE 5 – BOARD OF DIRECTORS' RESPONSIBILITIES AND PRACTICES

Other than appointing the corporate officers, the main duties of the board of directors are to set the strategic guidelines for Compagnie de Financement Foncier, in line with the strategy of Groupe BPCE, at the proposal of the chairman and the chief executive officer, to oversee their implementation, control the management of the business, the risk management policy and the accuracy of its accounts, to review the financial position on a quarterly basis, approve the accounts and ensure the quality of financial information.

Moreover, at least once a year, the chairman submits to it a draft budget and the activity report as well as the results of internal control and risk monitoring in accordance with banking regulations.

Voting is by a show of hands unless directors ask to vote by secret ballot on issues relating to individuals.

The chairman arranges for discussion the presentation of findings of inspections by BPCE, the ACPR, the AMF and other regulators. It brings to the attention of the board of directors the ratings of any relevant committees as well as any comments from these bodies.

At any time, the board may perform any checks and controls it deems necessary and may ask the chairman to share any documents it deems useful to perform its duties.

The board of directors may, if necessary, call on the services of the Head of Risk Management referred to under Article L. 511-64 of the French monetary and financial code or outside experts (Art. L. 511-96 of the CMF).

### ARTICLE 5.1 – PARTICIPATION IN BOARD MEETINGS BY VIDEOCONFERENCE OR OTHER MEANS OF TELECOMMUNICATION

In accordance with the provisions of Article L. 225-37 of the French commercial code and Article 13 of the bylaws of Compagnie de Financement Foncier, for the purposes of calculating a quorum and majority, directors participating in the meeting through videoconferencing or other means of telecommunication that allow them to identify themselves and effectively participate shall be considered present.

The participation of directors by videoconference or other means of telecommunication, including by internet, must be stated on the attendance register which should be signed by the Director in question at a later date.

This type of participation must also be noted in the minutes.

Where the meeting is held by videoconference or other means of telecommunication, in accordance with Article L. 225-37 of the French commercial code, the identification and actual participation of any board members participating in this way must be guaranteed by the transmission of at least the voice of the participants and the continuous, simultaneous transmission of deliberations, in accordance with Article R. 225-21 of the French commercial code.

Videoconferencing and telecommunication means shall guarantee the confidentiality of the discussions. Consequently, anyone taking part in meetings by these means shall certify that the technical means used by them fulfill this confidentiality requirement.

Directors taking part in meetings *via* means of communication or telecommunication may represent another Director provided that, on the day of the board meeting, the chairman of the board of directors has a proxy from the Director being represented.

The malfunction of the videoconferencing or telecommunication system shall not prevent the meeting from being held, providing there is a quorum. Any directors who are prevented from

participating in the meeting owing to a malfunction may appoint a proxy among the directors physically in attendance, provided they notify the chairman of the board. This proxy may also be notified prior to the meeting and become effective only in event of a malfunction. However, directors may not sub-delegate the proxy given to them which, in this case, may not be exercised.

### ARTICLE 5.2 – MINUTES

The names of the directors present, deemed to be present within the meaning of Article L. 225-37 of the French commercial code, or who have given their apologies or who are absent are listed in the minutes. These also record the presence or absence of those persons who were invited to attend the meeting whether under a legal provision or not.

The minutes are signed by the chairman of the meeting and by at least one Director. Should the chairman be prevented from attending the meeting, his or her signature is replaced by the signature of at least two directors.

Minutes are written in a special register kept in accordance with regulatory provisions in force. Copies of, or extracts from, the minutes are duly certified by the chairman of the board of directors, the chief executive officer or any authorized person.

For the purposes of transcribing the discussions of the board of directors, deliberations by Crédit Foncier de France may be recorded in part or in full. Compagnie de Financement Foncier shall ensure this recording is kept confidential and is destroyed after the minutes have been signed by the chairman. At the start of the meeting the chairman states that discussions are being recorded and secures the agreement of those directors in attendance.

### ARTICLE 5.3 – ATTENDANCE REGISTER

An attendance register is kept at the registered office or main institution of Crédit Foncier de France under the agreements entered into by Compagnie de Financement Foncier and Crédit Foncier de France, and is signed by members of the board of directors and other meeting participants, in their own name, or on behalf of other members of the board of directors who they are representing.

Should the agreements between Crédit Foncier de France and Compagnie de Financement Foncier be terminated, Crédit Foncier de France will be required to return the registers of Compagnie de Financement Foncier in a timely fashion.

## ARTICLE 6 – BOARD COMMITTEES – GENERAL PROVISIONS

In order for the directors to exercise their duties, specialist committees have been set up within the board of directors. These are:

- an audit committee;
- a risk committee;
- an appointments committee.

Members give opinions to the Board.

Their responsibilities do not reduce or restrict the powers of the board.

The board of directors appoints a chairman from among the members of each committee. The chairman of the risk committee cannot be chairman of the board of directors or chairman of any other committee.

Committee chairs extend invitations to meetings by any means, including verbally.

## 2. REPORT ON CORPORATE GOVERNANCE

Role and operating procedures of corporate entities

Each committee keeps an attendance register which is signed by all directors attending the committee meeting.

Minutes of the meetings are sent by the chairman of the committee to members of that committee as well as to the chairman and chief executive officer. Whenever a meeting is held and at least twice a year, the committee chairs submit regular reports to the board of directors on their duties and immediately notify it of any difficulties encountered.

Members are not entitled to appoint a proxy. The physical presence of at least half of members is required for a meeting to be held. Committees make proposals on the basis of a majority of members present.

Committees may request any document and request any presentation they deem desirable.

### ARTICLE 7 – COMPENSATION OF MEMBERS OF THE BOARD OF DIRECTORS AND MEMBERS OF THE BOARD COMMITTEES

As part of the annual budget approved by the general meeting, the board of directors may award to members of the board of directors and board committees remuneration in recognition of the time spent running the Company based on objective criteria set by the board of directors, as proposed by the remuneration committee and taking into account training time and actual attendance at board and committee meetings.

The board of directors may also award non-voting directors' remuneration for the time spent exercising their duties deducted from the total budget approved each year by the general shareholders' meeting for members of the board of directors.

### ARTICLE 8 – DIRECTOR'S DUTIES

Directors oversee compliance with legal rules around the number of corporate offices held and incompatibilities as well as those specific to credit institutions.

They undertake to participate objectively in board discussions, even if in the course of such discussions the profession or region they represent is affected.

Directors and anyone attending meetings, are subject to professional secrecy in accordance with Article L. 511-33 of the French monetary and financial code on the practices of the board and specialist committees and a duty of discretion in respect of its deliberations, as well as any information of a confidential nature and presented as such by the chairman of the meeting under the conditions set out in Article L. 225-37 of the French commercial code.

All directors are required to notify the board of any conflicts of interest or potential conflicts of interest and must abstain from voting on the relevant deliberations.

A conflict of interest is defined as any situation in which a member of the board of directors has a personal interest that is divergent or liable to be so.

Notwithstanding an explicit exemption by BPCE, in agreement with the chairman of the board of directors, the position of Compagnie de Financement Foncier Director is incompatible with other positions held in credit institutions or financial institutions in competition with the activities of Compagnie de Financement Foncier.

Directors are asked to regularly attend board and committee meetings.

Anyone unable to comply with this regular attendance rule, in line with the responsibilities of the directorship, undertakes to resign their position at the chairman's request.

More generally, any Director who considers that they are no longer in a position to perform their duties on the board and committees of which they are a member must resign.

Upon taking up their position, directors and non-voting directors sign the directors and non-voting directors' charter.

### ARTICLE 9 – INSIDER TRADING

#### ARTICLE 9.1 – DEFINITION OF INSIDER TRADING

Regulation 596/2014 of the European Parliament and Council (the "MAR Regulation") and its delegated regulations (the "MAR Regulations") as well as directive 2014/57/EU "MAD" set out a European Union-wide common regulatory framework for insider dealing, unlawful disclosure of inside information, market manipulations ("Market abuse") as well as related penalties.

The MAR Regulation covers three types of offenses:

- insider dealing (misuse of inside information);
- unlawful disclosure of inside information; and
- market manipulations (giving false or misleading signals, any action that manipulates the calculation of a benchmark).

Insider dealing arises in four situations:

- where a person uses inside information by transacting, on their own or on the account of a third party, in a financial instrument to which that inside information relates;
- where inside information is used to cancel or amend an order for a financial instrument to which that information relates, where such an order had been placed before the subject was in possession of the inside information;
- auctioning emission allowances or other auctioned products based thereon, where the use of inside information also includes the submission, amendment or withdrawal of a bid by a person on their own behalf or on behalf of a third party;
- it also applies to anyone in possession of or who uses inside information where such an individual knows, or should know, that it is inside information.

Inside information is:

- 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.

Insider dealing is presumed in particular in the case of anyone who is in possession of inside information owing to that fact that such a person:

- is a member of the administrative, management or supervisory bodies of the issuer or the emission allowance market participant;
- has a holding in the capital of the issuer or emission allowance market;



- has access to the information through the exercise of an employment, profession or duties; or
- is involved in criminal activities.

Any breach of bans on insider dealing, unlawful disclosure of inside information or market manipulation is subject to a maximum of five years in prison and a fine of up to €100m.

#### ARTICLE 9.2 – PREVENTION OF INSIDER TRADING

Inside information on any company issuing shares on a regulated listed market, whether a customer of Compagnie de Financement Foncier or not, and particularly Natixis, a listed subsidiary of Groupe BPCE, may be shared at meetings of the board of directors.

Members of the board of directors are personally notified of their inclusion on the list of “permanent insiders” of Natixis or any other entity or corporation in Groupe BPCE issuing listed securities.

They receive an information notice recapping the main legal and regulatory provisions applicable to the possession, disclosure and use of inside information, as well as any sanctions in the event that such rules are breached.

Access to inside information is presumed 15 days prior to the publication of Natixis’s quarterly results and 30 days prior to the publication of its half-year and annual financial statements. Members of the board of directors may not trade in Natixis securities during these so-called “closed periods”.

## 5. Ethics Charter of members of the board of directors of Compagnie de Financement Foncier

The purpose of this charter is to enhance the quality of directors’ and non-voting directors’ work by supporting the implementation of corporate governance principles and practices that drive ethics and efficiency.

#### ARTICLE 1 – ADMINISTRATION AND CORPORATE INTEREST

In all circumstances, directors must act in the best corporate interests of Compagnie de Financement Foncier, and take into consideration the employee relations issues and environmental implications of its activity.

#### ARTICLE 2 – COMPLIANCE WITH LAWS AND BYLAWS

Directors must fully understand their rights and obligations. They must in particular be familiar with and comply with the legal and regulatory provisions relating to their position, as well as the specific rules of Compagnie de Financement Foncier arising from its bylaws and the internal rules of the board of directors and its committees. They contribute to the collective responsibility of the board of directors.

#### ARTICLE 3 – EXERCISING THE FUNCTION OF DIRECTOR: GUIDING PRINCIPLES

Directors must exercise their functions independently and with integrity, loyalty and professionalism in order to be and to remain a member of the board of directors.

The abstention requirement applies in any cases where members of the board of directors are in possession of inside information and, in particular, where they are aware of sufficient accounting information to forecast the results, ahead of the aforementioned “closed periods”.

Each year, members of the board of directors must personally familiarize themselves with the Natixis profits publication dates and those of other issuers for which they have been informed they are on a list of insiders.

#### ARTICLE 10 – DIRECTOR AGE LIMIT

In accordance with the provisions of the bylaws (Article 12), the age limit for exercising the function of Director is set at 72. The number of directors above the age of 68 may not be more than a third of the number of directors. Once the age limit is reached, the oldest Director is deemed to have resigned from office following the next general meeting.

#### ARTICLE 11 – REVISION OF THE INTERNAL RULES

These internal rules were adopted at a meeting of the board of directors on December 18, 2019, the date on which it entered into force for an indeterminate period.

Adjustments may be required as a result of changes of a regulatory or socio-economic nature, as well as practices within Groupe BPCE. In this case, these internal regulations will be reviewed and any new content submitted to the board of directors for approval.

#### ARTICLE 4 – INDEPENDENCE

In all circumstances, directors retain their independence of judgment, decision-making and action. They shall not be influenced by any factor not in keeping with the corporate interests that they are responsible for defending. They shall notify the board of directors of any issue of which they are aware that may affect the interests of Compagnie de Financement Foncier. They shall clearly express their questions and opinions. They shall strive to convince the board of directors of the relevance of their opinions. They shall ensure that any disagreement is recorded in the minutes.

#### ARTICLE 5 – CONFLICTS OF INTEREST

Directors shall strive to avoid any conflict that may exist between their moral and material interests and those of Compagnie de Financement Foncier. Conflicts of interest may arise from any situation liable to hinder the ability of members of the management body to take objective, impartial decisions in the best interests of Compagnie de Financement Foncier and to exercise their duties in an independent and objective way, particularly any situations related to their economic interests, personal or professional relationships with those with equity investments in Compagnie de Financement Foncier, personal or professional relationships with Groupe BPCE staff (for at least the last two years), other recent or current activities, personal or professional relationships with external interested parties, influence or political relationships.

## 2. REPORT ON CORPORATE GOVERNANCE

Role and operating procedures of corporate entities

The position of shareholder in Compagnie de Financement Foncier, of customer (private account holder, borrower or user of other services), is not in and of itself a conflict of interest provided that the conditions of the relationship are normal and remain below a certain threshold.

In the event that they are unable to avoid finding themselves in a situation of potential or actual conflict of interest, the Director must immediately notify the board, its chairman and the chief executive officer and assist in documenting the conflict in question. Having sought the opinion of the chief executive officer, the chairman of the board ensures no preferential treatment is given and that no agreement requiring the prior authorization of the board has been entered into between this Director and Compagnie de Financement Foncier without prior authorization, in accordance with the legislation in force. Notwithstanding a duly documented exemption, the Director shall abstain from taking part in discussions related to the conflict of interests or where his or her objectivity or ability to properly perform their obligations towards Compagnie de Financement Foncier may be compromised. He or she shall not take part in the vote.

Unless authorization is granted by BPCE, in agreement with the chairman of the board, the function of chief executive officer, member of the Management board, Director or member of the board or non-voting director of Compagnie de Financement Foncier is incompatible with the position of chief executive officer, member of the Management board, Director or member of the board or non-voting director within a credit institution or investment service provider not belonging to Groupe BPCE.

### ARTICLE 6 – INTEGRITY AND LOYALTY

Directors act in good faith in all circumstances and take no initiatives that may harm the interests of Compagnie de Financement Foncier. They undertake to respect the total confidentiality of all information they receive, the discussions in which they take part and the decisions made. They are prohibited from using any inside information to which they have access for their own personal gain or for the gain of anyone whomsoever.

### ARTICLE 7 – PROFESSIONALISM AND COMMITMENT

Directors agree to devote the necessary time and attention to their training, information and duties. As such, they shall ensure that the number, and workload, of their offices leaves them sufficient availability. Directors who represent employees have the necessary time to devote to their office (Article L. 225-30-1 of the French commercial code).

Directors ensure they are informed of the particularities of the business, its challenges and values. They regularly and diligently attend meetings of the board of directors and any specialist committees of which they are a member.

They shall do their utmost to obtain, within the appropriate deadlines, the items of information that they believe to be vital for them to take board decisions in full knowledge of all the facts.

### ARTICLE 8 – PROFESSIONALISM AND EFFICIENCY

Directors contribute to the collegiality and effectiveness of work by the board and specialist committees. They make any recommendations they consider likely to improve the way in which the board operates, particularly at regular reviews thereof. With other members of the board, they strive to ensure that its remit for steering and control is performed efficiently and unhindered. They shall ensure that the positions taken by the board are the subject of formal decisions, taken for the correct reasons and transcribed in the minutes of its meetings.

### ARTICLE 9 – APPLICATION OF THE INTERNAL REGULATIONS

These internal regulations have been drawn up on the basis of the code of good practice of the French Institute of Directors (*Institut Français des Administrateurs*). They are signed by all directors immediately upon joining the board of directors.

# Potential conflicts of interest

## 1. Members of the board of directors

To the Company's knowledge:

- there are no potential conflicts of interest between the duties of members of the board of directors with regard to the issuer and other duties or private interests. If necessary, the board of directors' internal rules and the Ethics Charter shall govern conflicts of interest involving any member of the board of directors;
- no arrangements or agreements have been made with individual shareholders, suppliers or others, under which any individual member of the board of directors was selected;
- there are no family ties between members of the board of directors.

Members of the board of directors do not accept any restrictions, other than legal restrictions, on the disposal of their capital interests in the Company.

### DECLARATION OF NON-CONVICTION

As far as the Company is aware, to date, no members of the Compagnie de Financement Foncier's board of directors have been convicted of fraud in the last five years.

As far as the Company is aware, to date, no members of the Compagnie de Financement Foncier's board of directors have been made bankrupt, placed in receivership or liquidation in the last five years.

To the Company's knowledge, to date, no member of the board of directors:

- has been the subject of an incrimination or an official public sanction issued by statutory or regulatory authorities;
- has been prevented by a court from acting as member of an administrative, management or supervisory body or to take part in the management or conduct of the business of an issuer.

## 2. Members of the Executive Management

### INDEPENDENCE – INTEGRITY

Members of the executive management may hold other offices subject to laws and regulations in force.

### CONFLICTS OF INTEREST

To the Company's knowledge:

- there are no conflicts of interest between any duties of executive management members with respect to the issuing entity and their private interests or other duties;
- there are no family ties between the members of the executive management.

At the filing date of this document, no member of the executive management was linked to Compagnie de Financement Foncier by a service agreement offering benefits.

### DECLARATION OF NON-CONVICTION

To the Company's knowledge, to date, no member of the executive management has, for at least the previous five years, been convicted of fraud, associated with bankruptcies, receiverships or liquidations, convicted of a crime or subject to an official public sanction handed down by statutory or regulatory authorities, or disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from participating in the management or conduct of the affairs of any issuer.

## Remuneration

In accordance with the recommendations of the AFEP-MEDEF Code, the following table sets out the total remuneration and benefits in kind paid to each of the corporate officers for the year ended December 31, 2024.

Information on remuneration received is in euros. The determination of their scope at the level of Compagnie de Financement Foncier is defined in Article L. 233-16 of the French commercial code.

### PRINCIPLES AND RULES ADOPTED BY THE BOARD OF DIRECTORS TO DETERMINE THE REMUNERATION GRANTED TO CORPORATE OFFICERS

The board of directors meeting of February 9, 2016 decided that, from February 1, 2016, no remuneration would be paid by Compagnie de Financement Foncier to the chief executive officer and the deputy chief executive officer in respect of their corporate offices.

### ALLOCATED REMUNERATION <sup>(1)</sup> FOR THE 2024 FISCAL YEAR

In accordance with the standards set by Groupe BPCE, allocated remuneration paid by Group companies can be received directly by the members of these companies' boards of directors or Supervisory boards.

According to the BPCE instruction dated December 17, 2010, allocated remuneration due to BPCE representatives are paid to BPCE and not to the person in question. Since January 1, 2012, the same rule applies to the representatives of Crédit Foncier and the allocated remuneration is paid to Crédit Foncier and not to the natural person concerned. It is specified that no remuneration is paid to Natixis employees serving as Director, in an individual capacity, on the board of directors of the Groupe BPCE companies.

The amounts paid during year N represent the amounts due for year N-1.

Apart from the remuneration package defined at the general meeting and allocated by the board of directors in accordance with the terms revised at the meeting of January 31, 2024, there is no other remuneration for the chairman and members of the board of directors.

Compagnie de Financement Foncier gross allocated remuneration (in €)	For 2023	For 2024
Éric FILLIAT <sup>(1)</sup>	7,500	8,500
Nathalie BRICKER <sup>(2)</sup>	2,750	-
Pascal CHABOT	5,000	8,000
Crédit Foncier (represented by Muriel COLLE) <sup>(1)</sup>	5,250	8,000
Corinne DECAUX <sup>(1)</sup>	4,500	7,500
Pierre FOUCRY	-	3,000
BPCE (represented by Olivier IRISSON) <sup>(3)</sup>	3,000	5,500
Philippe JEANNE <sup>(3)</sup>	3,500	6,000

<sup>(1)</sup> Paid to Crédit Foncier.

<sup>(2)</sup> Paid to Natixis.

<sup>(3)</sup> Paid to BPCE.

### BENEFITS IN KIND

The corporate officers do not receive any benefits in kind in respect of the activities carried out at Compagnie de Financement Foncier.

### OTHER INFORMATION ON REMUNERATION AND STOCK OPTION PLANS

At December 31, 2024, as Compagnie de Financement Foncier did not have its own employees, with the exception of its corporate officers, there was no incentive or profit-sharing plan in the Company. In addition, there were no stock option or performance share plans at December 31, 2024.

<sup>1)</sup> Following the publication in the Official Journal on May 23, 2019 of Article 185 of the Pacte act amending in particular Articles L. 225-45 and L. 255-83 of the French Commercial Code, the concept of "attendance fees" has been replaced by "allocated remuneration".

## TABLE OF DELEGATIONS

### DELEGATION OF AUTHORITY

Date	Delegation	Type, amount, duration	Meeting of the board of directors
	n/a	-	-

## Report on the total remuneration and other benefits imputable to the chairman, the chief executive officer and the deputy chief executive officer for their corporate offices for the 2025 fiscal year

2

Draft resolutions numbers 8 to 10 submitted to the ordinary shareholders' meeting of May 7, 2025 pursuant to Article L. 225-37-2 of the French Commercial Code (act No. 2016-1691 of December 9, 2016) concern the general meeting approval of the principles and criteria on the determination, allocation and payment of the fixed, variable and exceptional remuneration as well as benefits in kind due to the chairman, chief executive officer or deputy chief executive officer for their corporate offices during the 2025 fiscal year.

The table below presents the remuneration and benefits that may be granted to the chairman, chief executive officer and deputy chief executive officer in respect of 2025.

### TABLE OF REMUNERATION AND BENEFITS ATTRIBUTABLE TO THE CHAIRMAN, CHIEF EXECUTIVE OFFICER AND DEPUTY CHIEF EXECUTIVE OFFICER FOR THE 2024 FISCAL YEAR

Name	É. FILLIAT	O. AVIS	P. DUDOUIT
Office	Chairman of the board of directors	Chief executive officer	Deputy chief executive officer
Fixed remuneration	N/A		
Variable remuneration	N/A		
Supplement retirement pay	N/A	No remuneration is paid to the chief executive officer or to the Deputy chief executive officer in the context of their office	
Benefits in kind	N/A		
Termination of corporate office (TEPA law)	N/A		
Allocated remuneration <sup>(1)</sup>	€1,500 per meeting with a maximum of €7,500 <sup>(2)</sup>	N/A	N/A

<sup>(1)</sup> Following the publication in the Official Journal on May 23, 2019 of Article 185 of the Pacte act amending in particular Articles L. 225-45 and L. 255-83 of the French Commercial Code, the concept of "attendance fees" has been replaced by "allocated remuneration".

<sup>(2)</sup> Paid to Crédit Foncier.

n/a: not applicable.

## 2. REPORT ON CORPORATE GOVERNANCE



## 3. FINANCIAL REPORT

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## Management report

### 1. The economic environment for 2024 <sup>(1)</sup>

With growth of 3.2%, the global economy proved resilient despite tighter international trade and the emergence of major new uncertainties. Two events marked the year: the dissolution of the French National Assembly and the election of President Donald Trump in the United States. The profound divergence in growth trajectories between the major economic zones, already observed in 2023, intensified, with a striking contrast: the European continent continued to fall behind, while the industrial hegemony of China and the United States strengthened. The global economy benefited above all from falling inflation and exceptionally buoyant private demand in the United States. Indeed, inflation has been beaten on both sides of the Atlantic without the Fed and ECB rate hikes scheduled for March and July 2022 triggering a recession. The loosening of fiscal policies compensated for monetary restraint and boosted activity.

In 2024, the euro zone was positioned for persistently moderate growth, despite signs of a brightening in the first half as the energy crisis eased. Europe suffered from a significant lag in the evolution of its production prices compared to the United States and China, due to the repercussions of the 2022 energy crisis. With a growth rate of 0.8% in 2024, compared with 0.5% in 2023, the euro zone's economic recovery is modest, due to domestic demand that remains insufficient despite disinflation.

France entered an unprecedented situation of political and economic uncertainty with a public deficit reaching 6.1% of GDP in 2024. Sovereign spreads with Germany reached 80 basis points (bp) after the dissolution of the National Assembly, compared with just 50 bp previously. French GDP grew by 1.1% as in 2023. It benefited from strong growth in public spending and a record contribution from foreign trade, the latter mainly due to lower imports. It was artificially boosted by the impact of the Olympic and Paralympic Games in the 3rd quarter. Productive investment fell back due to tighter financing conditions and increased reluctance on the part of private players. Consumption grew at the same rate as in 2023, even though households enjoyed significant gains in purchasing power (+2.1% after +0.9%). Given the general increase in uncertainty and the long-term risk of higher taxes, the household savings rate rose to 17.9%, 4 points higher than before the health crisis.

Inflation fell sharply due to the year-on-year slowdown in food, manufactured goods, energy and service prices: 2.0% p.a. on average, compared with 4.9% in 2023 and 5.2% in 2022. Inflation is now driven by service prices, a sector in which companies have sought to pass on past wage cost increases to their customers. The unemployment rate stabilized at around 7.4%, compared with 7.3% in 2023: 214,000 net jobs were created in one year, for 256,000 additional workers, according to INSEE.

Despite the sharp fall in inflation, 10-year yields rebounded from their sharp easing at the end of 2023, due to the postponement to the second half of the year of a less significant monetary loosening process than initially anticipated. The 10-year OAT was an annual average of 3%. The CAC 40 suffered from both political and budgetary uncertainty. It decreased by 2.2% in 2024.

In 2025, in the absence of any specific shocks, the OECD predicts global growth of 3.3%, driven mainly by emerging countries, due to the decline in inflation worldwide, the easing of monetary policies, the dynamism of the US economy and a certain rebalancing between internal and external demand in China. US growth is expected to reach 2.5% as a result of the implementation of the Trump program, which is based on four main axes: deregulation, protectionism, tax cuts and controlling migratory flows. The euro zone should regain some momentum with an estimated growth of 1.0%.

French GDP should grow by 0.8% and inflation should reach an annual average of less than 1.4%. Disinflation would benefit from a specific 15% drop in gas prices and a decline in food, energy and manufactured goods prices. France's weak performance would be explained by the negative impact of prolonged political uncertainty. The absence of a clear strategy for reducing public spending would fuel a wait-and-see attitude on the part of private agents, who could limit their spending. It would also encourage companies to take a more cautious approach to employment, inventory management and investment.

The French household savings rate should remain high (17.6%), helped by the resurgence of specific concerns such as the fear of losing one's job. Indeed, employment should decline as a result of lower activity in market sectors. The unemployment rate could reach an annual average of 7.8%. French growth would be held back by the need to better control public accounts, which are increasingly constrained by the rising debt burden and the European excessive deficit procedure. The public deficit would be around 5.4% of GDP in 2025.

1) BPCE SA – Research & Prospects Department – January 2025.



## 2024 EUROPEAN MONETARY POLICIES <sup>(1)</sup>

The European Central Bank (ECB) began its monetary easing process on June 6, 2024, anticipating the Fed for the first time in its history. This decision temporarily boosted the dollar against the euro and is aimed at combating a structural European deficit in productivity gains and domestic demand deemed insufficient. The sharper fall in inflation than on the other side of the Atlantic was conducive to the launch of a new cycle of monetary easing in Europe.

After an initial decline of 25 bp in June, three further cuts of 25 bp were made in September, October and December 2024, for a total decline of 100 bp over the year. The deposit facility rate, refinancing rate and marginal lending rate were reduced to 3.0%, 3.15% and 3.4% respectively on December 12, 2024.

The 125 bp spread in favor of US key rates and the dynamic US economy accentuated the euro's weakness against the dollar, with the latter at \$1.04 on December 20, 2024, compared with around \$1.11 at the end of 2023. In the 2nd half of the year, the ECB also began to gradually withdraw from the PEPP (pandemic emergency purchase program) asset purchase program launched during the pandemic, at a cautious pace of €7.5bn per month.

Despite the sharp fall in inflation, 10-year yields on both sides of the Atlantic rebounded from their sharp easing at the end of 2023, due to a slower pace of monetary easing than initially anticipated. The 10-year OAT was an annual average of 3.0%, as in 2023. Lastly, the CAC 40 share index suffered from the dissolution of the National Assembly and political and budgetary uncertainties. It fell by 2.2% in 2024.

For 2025, provided that inflation continues its upward trend, the ECB is expected to continue its policy of monetary easing. It could gradually lower the deposit facility rate to 2.0% by the end of 2025, in 25 bp reduction steps.

ECB portfolios from asset purchase programmes (APP) and PEPP will contract at a measured and predictable pace, as the Eurosystem will no longer reinvest principal repayments on maturing securities.

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In 2024, despite an unstable geopolitical context and a volatile financial environment, Compagnie de Financement Foncier confirmed its position as a historic player in the covered bond market by offering particularly competitive refinancing terms to Groupe BPCE institutions.

Over the past year, Compagnie de Financement Foncier issued €5.8bn in covered bonds under the "European Covered Bond Premium" label.

Rating agencies give the highest AAA/Aaa/AAA <sup>(2)</sup> ratings to the covered bonds issued by Compagnie de Financement Foncier. These ratings confirm the high level of security conferred by the protective legal status of a *Société de Crédit Foncier* and by the additional commitments made in terms of financial management and risk control.

At December 31, 2024, the balance sheet of Compagnie de Financement Foncier totaled €61.0bn and its net income for the year was €86.3m.

Compagnie de Financement Foncier is a strategic subsidiary of Crédit Foncier and Groupe BPCE, under the affiliation regime and therefore part of the latter's solidarity mechanism. It focuses on refinancing the assets of Groupe BPCE entities. Within this framework, it refinances mainly the public sector and the commercial mortgage sector, while pursuing the objective of diversifying the assets refinanced. For the first time in 2024, Compagnie de Financement Foncier refinanced outstanding export loans for €31.5m.

1) BPCE – Research & Prospects Department – January 2025.  
2) Standard & Poor's/Moody's/Scope Ratings.

## 2. Main operations of the fiscal year

### ACQUISITIONS AND DISPOSALS

Article L. 211-38 of the French Monetary and Financial Code specifies the possibility for an institution to grant a loan to another financial institution, a loan whose repayment is secured by the creation of a guarantee on a group of receivables. Compagnie de Financement Foncier as such carried loans with its parent company, Crédit Foncier de France, in the amount of €6,037m at December 31, 2024. Loans of an identical nature were also granted to BPCE SA for an amount of €4,565m, excluding related receivables, and to other Groupe BPCE entities for €9,727m. Total loans granted were collateralized for €22,251m.

In 2024, as part of its business of funding assets originated by the Groupe BPCE institutions, Compagnie de Financement Foncier refinanced receivables in the public sector in the amount at the acquisition date of €4,242m, including €2,064m in the form of refinancing guaranteed by French local authorities (FLA) loans, as well as financing commitments of €617m. A specific refinancing of State-guaranteed loans (PGE) was carried out in the amount of €1,375m.

In addition, during 2024, Compagnie de Financement Foncier acquired €490m in loans from Crédit Foncier de France including related receivables, plus €50m in financing commitments.

### FINANCING AND CASH MANAGEMENT

In the 2024 fiscal year, Compagnie de Financement Foncier issued €5.8bn in covered bonds.

With regard to public transactions, the 1<sup>st</sup> half was marked by two euro benchmark issuances totaling €3.5bn. In April, Compagnie de Financement Foncier tapped the primary market for a €2bn dual-tranche issuance. The two tranches of €1.25bn and €750m were issued with maturities of three and eight years. In May 2024, an issuance of €1.5bn was carried out with a maturity of six years.

In September, Compagnie de Financement Foncier seized the opportunity of a favorable issuance window to position itself on the market with a €1bn euro benchmark with an 8.5-year maturity.

In October, as part of Groupe BPCE's Sustainable Development Funding Program, Compagnie de Financement Foncier launched its second social issuance. This transaction, worth €500m over five years, targets financing projects for public health infrastructure and social housing.

Compagnie de Financement Foncier successfully pursued its currency diversification strategy with CHF issuances worth €161m at transaction date and USD issuances worth €139m at transaction date.

In 2024, as in previous years, German and Austrian investors form the backbone of the investor base, accounting for 34% of allocations. French investors, with 20% of allocations, consolidated their presence compared to 2023 and 2022. Then come investors from the Nordics, the UK and the Benelux countries. The presence of investors from Asia and the Middle East is also noteworthy.

By investor category, the share of central banks rose (29% of allocations in 2024 vs. 15% in 2023) despite the end of ECB support for the covered bond market. Exposure to banks remained significant, although down on 2023 (36% in 2024 vs. 45% in 2023). The "Asset managers" category confirmed its recurring trend, with 27% of investments made. In 2024, "banks" and "asset managers" alone account for two-thirds of allocations.

### EARLY REPAYMENTS

In 2024, the early repayment rate on loans to individual customers was 3.2%, with outflows of related assets representing €680m for the year. Early repayments have the following impact on net banking income:

- the disappearance of income related to repaid assets;
- accelerated amortization of acquisition premiums/discounts is estimated at +€10.8m over the fiscal year;
- the collection of early repayment penalties of €8.3m; as a reminder, according to the agreement on services rendered by Crédit Foncier de France, one third of these penalties is transferred to the latter.

The renegotiation rate for 2024 is less than 0.1%.

The rate of early repayments on corporate loans is 0.2%, down from 0.3% in 2023.

### 3. Changes in assets

#### ASSETS

(in €k)	12/31/2024	12/31/2023
Cash and amounts due from central banks	506,002	472,108
Treasury bills and equivalent	2,424,446	2,751,720
Loans and advances to banks at amortized cost	21,164,541	19,812,556
■ <i>Sight deposit</i>	53,247	51,680
■ <i>Term</i>	21,111,294	19,760,877
Customer transactions	33,140,528	33,228,352
Bonds and other fixed-income securities	2,320,353	2,541,080
Equity interests and other long-term investments	0	0
Intangible assets and property, plant & equipment	0	0
Other assets	32,668	25,430
Accrual accounts	1,458,033	1,419,046
<b>TOTAL ASSETS</b>	<b>61,046,572</b>	<b>60,250,293</b>

Under the combined effect of new asset refinancing for Groupe BPCE institutions and a lower volume of early repayments, Compagnie de Financement Foncier's balance sheet totaled €61.0bn at the end of 2024, up €796m on the end of 2023.

The change in the assets of Compagnie de Financement Foncier between these two dates was marked, in particular, by:

- an increase in loans and advances to banks at amortized cost (+ €1.4bn);
- a decrease in customer transactions of €88m;
- an increase in "Cash and amounts due from central banks" (+ €34m);

#### HOME LOANS

Outstanding home loans, held directly or assigned through L. 211-38, fell compared to end-2023.

(in €m)	12/31/2024	12/31/2023	Change
Non-commercial mortgage-backed securities (See note 11)	20,257	22,173	-8.6%
Loans to private individuals guaranteed by real estate loans under L. 211-38 (See note 22)	2,790	3,164	-11.8%
<b>TOTAL</b>	<b>23,047</b>	<b>25,337</b>	<b>-9.0%</b>

## GROUP FUNDING AND ASSIGNMENT OF RECEIVABLES

As part of its business activities, Compagnie de Financement Foncier offers Crédit Foncier and the other entities of Groupe BPCE funding of eligible assets in the form of true sale disposals or through collateralized loans backed by the eligible assets.

These collateralized loans are classified as term loans and receivables from credit institutions. At the end of 2024, their outstandings amounted to €20.3bn and break down between:

- €6.0bn in loans to Crédit Foncier, mainly guaranteed by receivables from French local authorities;

- €9.7bn in loans to other Groupe BPCE entities, also guaranteed by receivables from French local authorities;
- €4.6bn in loans to BPCE for safe and liquid assets (formerly known as replacement values), backed by a portfolio of receivables.

The total amount of guarantees received to cover these loans amounted to €22.2bn at December 31, 2024.

## OTHER ASSETS AND ACCRUAL ACCOUNTS

Other assets totaled €32.7m at end-2024 compared with €25.4m at December 31, 2023.

Accruals are stable compared to 2023.

## 4. Changes in liabilities

### LIABILITIES

(in €k)

	12/31/2024	12/31/2023
<b>Central banks</b>	<b>0</b>	<b>0</b>
<b>Due to credit institutions</b>	<b>5,597,287</b>	<b>4,565,451</b>
■ <i>Sight deposit</i>	-	-
■ <i>Term</i>	5,597,287	4,565,451
Customer transactions	-	177
■ <i>Sight deposit</i>	-	177
Debt securities	51,468,371	51,699,868
■ <i>Interbank market instruments and negotiable debt securities</i>	-	-
■ <i>Bond issues (obligations foncières)</i>	51,468,371	51,699,868
<b>Other liabilities</b>	<b>276,867</b>	<b>232,582</b>
<b>Accrual accounts</b>	<b>1,627,261</b>	<b>1,647,299</b>
<b>Provisions</b>	<b>16,709</b>	<b>12,285</b>
<b>Subordinated debts</b>	<b>-</b>	<b>-</b>
<b>Fund for general banking risks</b>	<b>20,000</b>	<b>20,000</b>
<b>Equity excluding fund for general banking risks</b>	<b>2,040,077</b>	<b>2,072,631</b>
■ <i>Share capital</i>	1,537,460	1,537,460
■ <i>Issue premium</i>	209,867	209,867
■ <i>Reserves</i>	151,714	145,772
■ <i>Regulated provisions and investment subsidies</i>	-	-
■ <i>Retained earnings</i>	54,756	60,698
■ <i>Income to be allocated</i>	-	-
■ <i>Net income for the period</i>	86,279	118,833
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>61,046,572</b>	<b>60,250,293</b>

Changes in debt securities showed a net negative balance of €232m, representing the difference between new issuances during the year and sales of *obligations foncières* during the year.

Amounts due to credit institutions increased by €1.0bn in 2024, reflecting optimized cash management.

Share capital stood at €2bn, stable compared with the end of 2023.

## 5. Analysis of the income statement

(in €k)	12/31/2024	12/31/2023
<b>Net banking income</b>	<b>172,036</b>	<b>229,835</b>
General operating expenses	-56,211	-67,913
<b>Gross operating income</b>	<b>115,824</b>	<b>161,923</b>
Cost of risk	2,577	2,817
<b>Net operating income</b>	<b>118,401</b>	<b>164,739</b>
Gains or losses on long-term investments	-	-
<b>Income before tax</b>	<b>118,401</b>	<b>164,739</b>
Income tax	-32,122	-45,906
<b>NET INCOME</b>	<b>86,279</b>	<b>118,833</b>

### NET BANKING INCOME

Net banking income amounted to €172m, down compared to 2023, in connection with the non-recurring items recorded in 2023 and with the lower average margin on assets (the assets refinanced for Groupe BPCE having narrower margins than the historical assets in run-off).

Net commissions, mainly composed of early repayment fees, were down compared to 2023 in correlation with the decrease in early repayment volumes.

### GROSS OPERATING INCOME

General operating expenses came to €56m, marked by the disappearance of the contribution to the SRF compared with previous years.

Gross operating income came to €115.8m, down on the 2023 fiscal year.

### COST OF RISK

The cost of risk showed a net reversal of €2.6m, reflecting overall credit quality remaining at a high level and a decline in historical outstandings.

### NET INCOME

Net income was €86.3m at December 31, 2024.

### RETURN ON ASSETS

Article R. 511-16-1 of the French Monetary and Financial Code, created by Decree No. 2014-1315 of November 3, 2014, requires credit institutions to publish in their annual financial report the return on their assets, defined as the ratio between net income and total assets. For 2024, this ratio is equal to 0.14%.

## 6. Cash flows

Refer to chapter 3 – “Individual financial statements”, note 26 – “Consolidated cash flow statement” (pages 121 and 122)

## 7. Credit risk analysis

### OVERALL ANALYSIS

Compagnie de Financement Foncier is mainly exposed to credit risk and counterparty risk. However, its exposure to these risks is limited by:

- the rigorous selection of its assets and counterparties;
- the existence of guarantees in compliance with the legal framework applicable to *Sociétés de Crédit Foncier*;
- specific internal control environment within groupe Crédit Foncier’s own control environment, and more broadly within that of Groupe BPCE.

### LOANS AND ADVANCES TO BANKS AT AMORTIZED COST

No loan or advance to credit institutions was reclassified as doubtful in 2024. Out of the €21.1bn in receivables due from credit institutions, €20.4bn are loans to Groupe BPCE entities. Moreover, these loans are mostly secured by eligible assets, in accordance with Article L. 211-38 of the French Monetary and Financial Code.

The creditworthiness of all Groupe BPCE entities, together with the quality of the receivables posted as collateral, thereby limit the risk associated with this exposure.

## LOANS AND ADVANCES TO CUSTOMERS

Loans and advances to customers amounted to €33.1bn at December 31, 2024, including €0.6bn of doubtful loans and receivables, compared with €33.2bn and €0.6bn at December 31, 2023. Doubtful loans and receivables (€0.6bn) and impairment (€24.0m) remained exclusively concentrated on home loans.

## 8. Financial risk analysis

### INTEREST RATE AND FOREIGN EXCHANGE RATE RISK

Compagnie de Financement Foncier has no open currency positions except for a few very small ones that could result from the adjustments inherent in any hedging transaction. Transactions initiated in non-euro currencies are hedged in euros as soon as they are concluded.

Interest rate risk is hedged if necessary, using micro or macro-hedging derivatives (transformation of fixed-rate items into floating-rate items).

The residual interest rate positions are also reviewed each quarter and hedging transactions are arranged if they deteriorate to a point that might result in non-compliance with the strict limits to which Compagnie de Financement Foncier has committed. The basic risks, resulting from different reference rates on positions already transformed into variable rates by swaps, are also managed through macro-hedges. The various limits were respected in 2024.

Given these strict management rules, changes in the interest rate position are a result of events not known when the transaction was entered into and which occurred during the term of the contract. These consist mainly of early repayments of fixed-rate loans granted to private individuals. As the date of the event is not predictable, and the repayment fees received by the lender are capped by law, Compagnie de Financement Foncier cannot completely cover this risk.

## 9. Information on internal control

### ORGANIZATION OF INTERNAL CONTROL

#### THE REGULATORY FRAMEWORK AND ITS APPLICATION TO GROUPE CRÉDIT FONCIER

In its dual capacity as credit institution and *Société de Crédit Foncier*, Compagnie de Financement Foncier operates within a very comprehensive legal and regulatory framework governing its activities and their control.

This framework is primarily governed by the French Monetary and Financial Code (*Code monétaire et financier* – CMF) and the regulations set forth by the French Banking and Financial Services Regulation Committee (CRBF), and, with regards to internal controls, by the Order of November 3, 2014 concerning the internal control of credit institutions, companies providing payment and investment services that are subject to the supervision of the *Autorité de Contrôle Prudentiel et de Résolution* (ACPR – French Prudential Supervisory and Resolution Authority), amended by the Order of February 25, 2021.

## INVESTMENT SECURITIES

Outstanding held-to-maturity securities amounted to €4.68bn at December 31, 2024.

None of these securities were reclassified as doubtful or impaired in 2024.

The outstanding amounts in terms of net carrying amount (excluding accrued interest and after premiums or discounts) break down between Italy (53%), the United States (28%), Japan (8%), Poland (6%), Canada (2%), Spain (2%) and France (1%).

Since mid-2022, prepayment volumes have fallen significantly, in line with the rise in real estate loans. Early repayments and renegotiations of outstanding loans to individual customers on Compagnie de Financement Foncier's balance sheet represented 3.2% of outstanding loans at December 31, 2024, compared to 4.2% at December 31, 2023.

### LIQUIDITY RISK

In 2024, Compagnie de Financement Foncier has pursued its policy of prudent liquidity management, and has sufficient cash to meet the contractual maturities of all its privileged debt for a period of six months, without any new resources.

At December 31, 2024, Compagnie de Financement Foncier had available cash of €0.56bn, including €0.51bn with Banque de France, and €4.57bn lent to BPCE with a maturity of less than 11 months, mainly secured by a loan portfolio.

At December 31, 2024, Compagnie de Financement Foncier also held €18.2bn (before haircut) in assets that could be mobilized with the ECB.

Compagnie de Financement Foncier's Liquidity Coverage Ratio (LCR) has always been equal to or greater than 100% since 2015.

As a *Société de Crédit Foncier*, Compagnie de Financement Foncier is subject to specific provisions set forth in Articles L. 513-2 to L. 513-27 of the French Monetary and Financial Code (CMF) and in various implementing decrees (Articles R. 513-1 to 513-21 of the CMF, CRBF Regulation No. 99-10 as amended, etc.).

In particular, these provisions include the appointment of a specific controller, after the ACPR has given its assent. The latter is responsible for ensuring compliance with legal provisions: asset eligibility, overcollateralization, rate and maturity matching, valuation of underlying assets or collateral, and compliance with Article 129 of the CRR regulation.

The specific controller drafts an annual report, which is then submitted to the ACPR and executive officers.

The most recent regulatory text, the Covered Bond directive of November 27, 2019 (directive (EU) 2019/2162), was transposed into French law by the publication in the Official Journal, on July 1, 2021 of Order No. 2021-858, and on July 7, 2021, of decree No. 2021-898, for entry into force on July 8, 2022.

As an investment services provider, Compagnie de Financement Foncier is subject to the general regulations of the *Autorité des marchés financiers* (AMF), the French financial markets authority. Crédit Foncier's Head of Compliance and Coordination of Permanent Controls holds the AMF investment services compliance officer (RCSI) card for Compagnie de Financement Foncier. The RCSI ensures compliance with financial regulations, and has drawn up a set of procedures for its work (whistle-blowing, inside information, AMF professional cards, data recording, conflicts of interest, etc.).

Crédit Foncier provides most of the resources needed to reinforce the lien on *obligations foncières*.

Compagnie de Financement Foncier therefore uses the resources made available to it by its parent company to carry out its activities. Crédit Foncier provides a number of services for its subsidiary under a set of agreements, one of which concerns internal control and compliance.

The internal control system deployed by Compagnie de Financement Foncier complies with the rules and standards of Groupe BPCE, central institution that organizes the internal control system for its institutions. The Internal Control Charter and the Risk, Compliance and Permanent Control Charter are two key documents in this area.

## INTERNAL CONTROL STAKEHOLDERS

The chief executive officer of Compagnie de Financement Foncier is responsible for the internal control of Compagnie de Financement Foncier. However, under the terms of the agreement on internal control services, the implementation of the system is entrusted to Crédit Foncier.

On this basis, the organization of the internal control system meets the obligations set out in the Group's permanent control framework document. It is based on two levels of permanent control and one level of periodic control.

### FIRST-LEVEL PERMANENT CONTROL

First-level permanent control includes all types of controls exercised by the operating entities subject to compliance with Article 12 of the Order of November 3, 2014 as amended. It is provided by the operational managers of the functions concerned.

### SECOND-LEVEL PERMANENT CONTROL

Second-level permanent control includes first-level reliability controls and all controls carried out by departments that are independent of the operational structures and report hierarchically or functionally to the executive director for risk and compliance:

- Crédit Foncier's Risk Division measures, controls and oversees credit, counterparty and financial risks;
- Crédit Foncier's Compliance and Permanent Controls Division is responsible for financial security, operational risk control, non-compliance, investment services control and banking and financial ethics. It is also responsible for coordinating permanent controls;
- information systems security (CISO) for groupe Crédit Foncier, delegated to BPCE S.A., defines the information systems security policy and coordinates a network of officers within the Company. He/she also ensures that the Company's practices comply with current regulations on the protection of personal data (CNIL, GDPR);
- the "Contingency and Business Continuity Plan" function of groupe Crédit Foncier, delegated to BPCE S.A., ensures that Compagnie de Financement Foncier's business continuity plan is updated and maintained in operational conditions following the occurrence of a major risk;
- Crédit Foncier's financial control exercises control over the accounting and regulatory data produced by Compagnie de Financement Foncier.

These Crédit Foncier divisions ensure compliance with internal procedures, legislative and regulatory provisions, as well as strong risk control. They draw up and implement an annual control plan. They check that the first-level permanent controls are implemented and carry out additional controls. The results of their audits are periodically presented to groupe Crédit Foncier's Internal control committee.

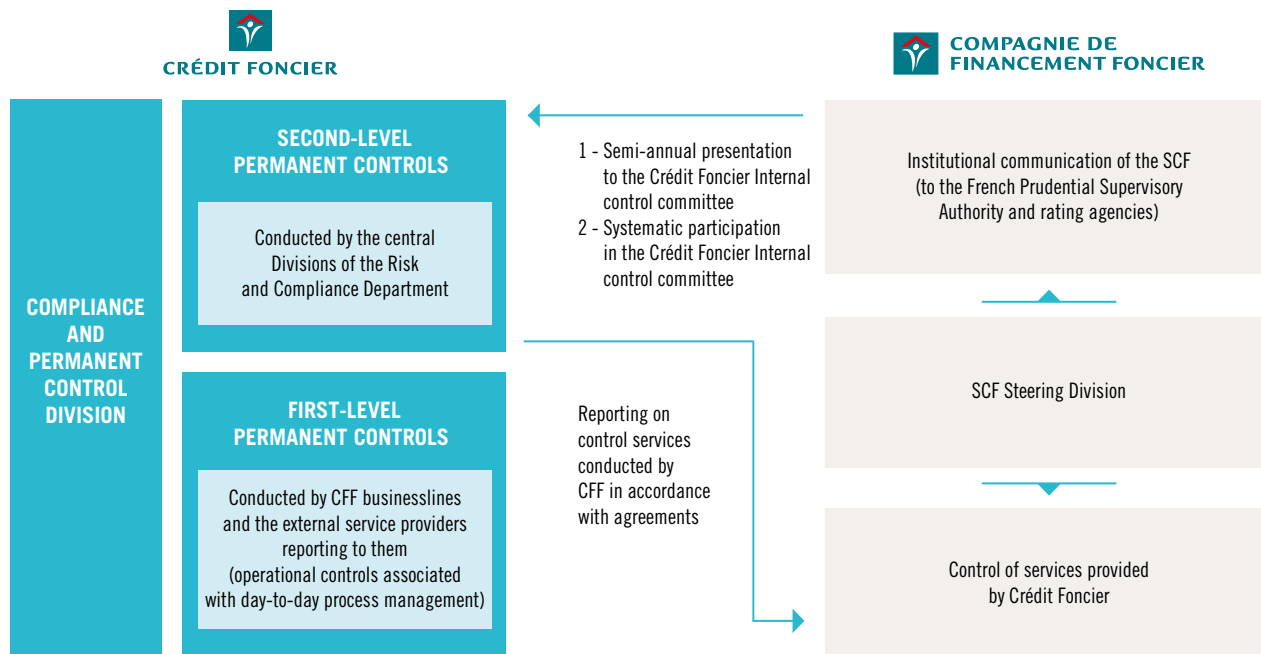
### PERIODIC CONTROL

Since October 1, 2022, the periodic control function of Crédit Foncier, including the scope of Compagnie de Financement Foncier, has been performed by Groupe BPCE's Internal Audit Division through a service contract.

Groupe BPCE's Internal Audit Division also monitors the implementation of recommendations.

## ORGANIZATION OF INTERNAL CONTROL

The internal control of Compagnie de Financement Foncier is organized as follows:



### THE INTERNAL CONTROL COMMITTEE OF CRÉDIT FONCIER

The role of the Internal Control Committee (ICC) is to oversee all individual and consolidated risks, to define and implement groupe Crédit Foncier's internal control policy and to measure overall risk management. To this end, it can mobilize resources and launch action plans, monitoring progress and results.

It meets, at least four times a year, and under the chairmanship of the chief executive officer of Crédit Foncier, the permanent and periodic control officers as well as Crédit Foncier's Head of Risk and Compliance.

Its main responsibilities are to:

- ensure the proper organization and completeness of the permanent controls of the activities, and the effectiveness and quality of risk monitoring and control systems;
- coordinate actions to ensure compliance, risk control of operations and internal procedures, the quality and availability of information processed by the Information System (IS) and the security of those systems;
- ensure that deficiencies identified at any stage of the control process (including the recommendations issued by the auditors) are resolved and monitored.

It also acts as a Volcker committee under the US Dodd-Frank Wall Street Reform and Consumer Protection Act, which has added a new section 13 to the US Bank Holding Company Act of 1956 (BHC Act), commonly referred to as "Volcker Rule".

The Head of Institutional Relations is a permanent member of the Internal control committee for the management of Compagnie de Financement Foncier.

### THE EXECUTIVE RISK COMMITTEE

As a *Société de Crédit Foncier*, Compagnie de Financement Foncier implements detailed monitoring of its risks, notably through a dedicated executive risk committee.

This committee defines risk policy, ensures that it is properly implemented and monitors its implementation, in accordance with the general risk policy defined by Groupe BPCE.

Its main responsibilities are to:

- propose risk policy, consistent with that of BPCE, for approval by the board of directors;
- monitor credit, financial and non-financial risks;
- manage risks with regard to the review of capital adequacy ratios and the development and analysis of stress scenarios carried out in conjunction with BPCE;
- validate the main standards and methods and monitor developments related to the risk rating/parameter system;
- monitor Risk Appetite Framework (RAF) indicators;
- monitor exceptional transactions (defined by the groupe Crédit Foncier Financial Charter), including in particular issuances by Compagnie de Financement Foncier in excess of €1bn (or currency equivalent).

The executive risk committee of Compagnie de Financement Foncier meets at least once a quarter. It is chaired by the chief executive officer of Compagnie de Financement Foncier and its secretariat is ensured by the Crédit Foncier Risk Governance Division.



The committee monitors:

- credit and counterparty risks by providing an overview of credit risks on all exposures;
- financial risks: interest rate, liquidity, exchange rate;
- operational risks: incident reports, impact in terms of risk mapping, impact assessment (if applicable);
- regulatory: general and specific regulatory ratios for Compagnie de Financement Foncier, impacts of regulatory changes regarding compliance.

The committee examines changes in permanent control (risk function) and assesses the progress of projects affecting Compagnie de Financement Foncier's risk monitoring.

## CORPORATE GOVERNANCE

Compagnie de Financement Foncier's executive management is responsible for risk management and internal control.

The board of directors of Compagnie de Financement Foncier exercises control over the management of the Company and directs strategy. It is involved in the most important decisions and is kept regularly informed of the level of indicators. Its work is prepared by the audit committee and the risk committee, which carry out the tasks of first ensuring the relevance and consistency of accounting methods and second, of assessing the quality of internal controls, including measurement, monitoring and risk management systems, and finally, if necessary, proposing an appropriate course of action.

## COMPLIANCE

An integral part of the internal control system required by regulations governing credit institutions and investment services suppliers (ISS), the compliance control system refers to all the resources employed to ensure respect with provisions pertaining to banking and financial activities, professional and ethical standards, Groupe BPCE rules and instructions from executive management made on the basis of guidance from the supervisory body.

Reporting to the Executive Director in charge of the Risk and Compliance Department, Crédit Foncier's Compliance and Permanent Controls Coordination Division carries out the compliance function of Compagnie de Financement Foncier pursuant to the agreement on internal control and compliance services of February 22, 2022 and the framework letter of April 17, 2023. It is based on Groupe BPCE's corpus of charters and framework documents (Internal Control, Risks, Compliance and Permanent Control, Ethics). It is responsible for preventing, detecting, measuring and monitoring non-compliance risks through a system of operational and procedural control that reflects their scale and their complexity, contributing to developing risk policies and, lastly, notifying executive management and the board of directors.

It monitors the first- and second-level permanent control of non-compliance risks and general risks linked to business activity (compliance, ethics, money laundering, fraud, SRAB, Volcker, etc.).

In line with Groupe BPCE's principles, its general missions cover five areas of activity: compliance governance, monitoring and permanent control of compliance, compliance management, consulting and support for business lines, and development of the compliance culture.

Crédit Foncier's Compliance and Permanent Controls Coordination Division thus performs all of the tasks assigned to the Head of Compagnie de Financement Foncier's compliance function in accordance with the Group Compliance framework document and the Order of November 3, 2014 as amended.

It regularly reports on its work to Executive Management, the Internal Control committee, the executive risk committee, the risk committee, the board of directors and the central institution.

## PERIODIC CONTROL

### MISSIONS

Since October 1, 2022, the periodic control function of Crédit Foncier, including the scope of Compagnie de Financement Foncier, has been performed by Groupe BPCE's Internal Audit Division through a service contract. In this context, the Group Internal Audit Division, in its role as internal auditor for groupe Crédit Foncier, assesses risks and ensures the quality, effectiveness, consistency and proper functioning of its permanent control system, as well as the management of its risks. The scope of the internal audit covers all the risks and activities of Crédit Foncier and Compagnie de Financement Foncier. It performs its duties independently of the operational and permanent control divisions and reports to the chief executive officer, the risk committee and the board of directors on:

- the quality of the financial position;
- the level of risk actually incurred;
- the quality of organization and management;
- the consistency, adequacy and proper functioning of risk assessment and control systems;
- the reliability and integrity of accounting and management;
- the compliance with laws, regulations and internal rules;
- the effective implementation of the recommendations of previous missions and the regulators.

A summary of the follow-up on recommendations is sent to the aforementioned bodies in addition to the Executive committee, which reviews any recommendations that pose particular implementation difficulties.

Missions are carried out by the inspectorate of Groupe BPCE's Internal Audit Division under the supervision of a dedicated supervisor, representing an average of six employees.

An annual audit plan is drawn up by Groupe BPCE's Internal Audit Division, in conjunction with Crédit Foncier and Compagnie de Financement Foncier's executive management. It is approved by Crédit Foncier's executive management and submitted to the risk committee for an advisory opinion and to Crédit Foncier's board of directors for approval. It covers the scope of intervention, according to a multi-year plan taking into account an audit cycle of no more than five years, in accordance with Order A-2014-11-03 as amended. Intrinsically risky activities are monitored more closely. During the year, specific audits or reviews may be conducted at the behest of Crédit Foncier's chief executive officer.

#### REPRESENTATION ON GOVERNANCE BODIES AND INTERNAL COMMITTEES

In order to be able to perform his or her duties and contribute effectively to the promotion of a culture of control, the internal audit supervisor of Crédit Foncier and Compagnie de Financement Foncier participates, without voting rights, in key committees relating to risk management. He or she is a member of the Internal Control committee and a permanent guest of the risk committee, the audit committee, the executive risk committee, the ALM committee and the Management committee of Compagnie de Financement Foncier.

#### FOLLOW-UP ON RECOMMENDATIONS

Audit assignments result in the formulation of prioritized recommendations. Their implementation is monitored quarterly on the basis of the reports submitted by the audited entity's management (percentage of completion and including, if necessary, action plans and a new deadline).

Recommendations made by the ACPR or the ECB are implemented and followed up in the same way as those made by the Group's Internal Audit Division or the Internal Audit department.

Responses are entered by the audited units on the Group tool provided on the intranet. These responses are based on a documented justification provided by the audited unit, and include all evidence. Systematic validation of the effective implementation of recommendations is carried out by the internal audit department through verification of the supporting documents provided by the audited unit.

A detailed report is prepared quarterly to provide a clear and concise summary report to Executive Management, the Executive committee, the risk committee and the board of directors: this includes any requests for extensions, with supporting arguments. Recommendations not implemented according to the initial timetable are specifically reviewed by the Executive committee. The recommendations are generally implemented in good conditions and within the initial deadlines, as was the case in 2024.

When an entity is re-audited, the status of previously issued recommendations is systematically reviewed.

#### WORK CARRIED OUT IN 2024

The 2024 audit plan was fully implemented by the Group's Internal audit division in its role as internal auditor for Crédit Foncier and Compagnie de Financement Foncier.

The 2025-2029 audit plan has been built by increasing the audit intensity on the most significant risk areas, thanks to a comprehensive risk assessment exercise that enables a fine-tuned identification of the risks of Crédit Foncier and Compagnie de Financement Foncier, combining assignments by auditable unit and cross-functional assignments.

After discussions with executive management, the audit plan was presented to Compagnie de Financement Foncier's risk committee on December 5, 2024 and approved by the board of directors on December 11, 2024.

## 10. Regulatory and prudential information

Compagnie de Financement Foncier publishes a Risk Control and Monitoring report in which all the ratios and indicators applicable to *Sociétés de Crédit Foncier* are disclosed according to regulations in force.

Furthermore, this report includes additional information on the risk supervision of Compagnie de Financement Foncier.

For more information, please refer to chapter 4 – “Risk Management Report” in this universal registration document (pages 139 à 186).

## 11. Other information

### SUPPLIER PAYMENT TERMS (ARTICLE L. 441-14 OF THE FRENCH COMMERCIAL CODE)

(in €k)	Suppliers' invoices received and not settled as at the closing date				Total
	From 1 to 30 days	From 31 to 60 days	From 61 to 90 days	More than 91 days	
<b>A) Late payment tranche</b>					
Number of invoices concerned	0	0	0	0	0
Total amount of invoices concerned incl. VAT	0	0	0	0	0
Percentage of the total amount of the year purchases incl. VAT	As of December 31, 2024, all invoices received and due have been settled with suppliers.				
<b>B) Invoices excluded from A) associated with disputed or unrecognized receivables</b>					
Number of invoices excluded	0	0	0	0	None
Total amount of excluded invoices	0	0	0	0	None
<b>C) Benchmark payment periods (contractual or legal – Article L. 441-14 or Article L. 443-1 of the French Commercial Code)</b>					
Payment periods used for late payment calculation	Contractual periods: 30 days from invoice date				

Compagnie de Financement Foncier complies with regulations on supplier payment periods, in accordance with the LME Act (economic modernization act) of August 4, 2008, which requires that suppliers are paid within 60 days from the date on which the invoice is issued.

Most of Compagnie de Financement Foncier's management is outsourced to Crédit Foncier, and billed by the latter. No debt relating to invoices received and not yet settled is recorded on Compagnie de Financement Foncier's balance sheet as of December 31, 2024.

### CUSTOMERS PAYMENT TERMS (ARTICLE L. 441-14 OF THE FRENCH COMMERCIAL CODE) (1)

(in €k)	Invoices issued but not settled as at the closing date				Total
	From 1 to 30 days	From 31 to 60 days	From 61 to 90 days	More than 91 days	
<b>A) Late payment tranche</b>					
Number of invoices concerned	0	0	0	0	0
Total amount of invoices concerned incl. VAT	0	0	0	0	0
Percentage of total sales incl. VAT for the year	0				
<b>B) Invoices excluded from A) associated with disputed or unrecognized receivables</b>					
Number of invoices excluded	0	0	0	0	None
Total amount of excluded invoices	0	0	0	0	None
<b>C) Benchmark payment periods (contractual or legal – Article L. 441-14 or Article L. 443-1 of the French Commercial Code)</b>					
Payment periods used for late payment calculation	Contractual periods: Invoice date				

No non-bank customer receivables are shown in Compagnie de Financement Foncier's balance sheet as of December 31, 2024.

1) The information below does not include banking and related transactions.

### **INFORMATION ON SUBSIDIARIES AND EQUITY INVESTMENTS**

Not applicable. As a *Société de Crédit Foncier*, Compagnie de Financement Foncier is prohibited by law from holding equity investments.

### **EMPLOYEE STOCK OWNERSHIP**

Not applicable. Compagnie de Financement Foncier does not have any employees of its own.

### **INFORMATION ON ESTABLISHMENTS AND ACTIVITIES**

Not applicable. Compagnie de Financement Foncier does not have any premises of its own.

### **INVESTMENTS**

#### **IN 2025**

Compagnie de Financement Foncier did not make any major investments (investment of over €30m requiring a qualified majority of the board of directors) between January 1, 2025 and the universal registration document filing date.

To the best of the Company's knowledge, there is no agreement providing for the realization of such an investment in the future.

#### **IN 2024**

Compagnie de Financement Foncier did not make any major investments (investment of over €30m requiring a qualified majority of the board of directors) during the fiscal year.

## **12. Events after the reporting period**

No events after the reporting period liable to have a significant impact on the financial statements at December 31, 2024 occurred between the closing date and January 31, 2025, the date on which the board of directors approved the 2024 financial statements.

## **13. Outlook**

Compagnie de Financement Foncier intends to continue its activity in 2025, in line with the strategic guidelines of Groupe BPCE and for its benefit:

- continued development and management of a network of investors in covered bonds rated AAA (by rating agencies);
- continued funding of assets originated by Groupe BPCE entities, through true sales and collateralized interbank loans;
- active management of its assets in order to maintain their high quality, while preserving their profitability;
- continued optimization of financial risk hedging.

#### **IN 2023**

Compagnie de Financement Foncier did not make any major investments (investment of over €30m requiring a qualified majority of the board of directors) during the fiscal year.

#### **IN 2022**

Compagnie de Financement Foncier did not make any major investments (investment of over €30m requiring a qualified majority of the board of directors) during the fiscal year.

#### **IN 2021**

Compagnie de Financement Foncier did not make any major investments (investment of over €30m requiring a qualified majority of the board of directors) during the fiscal year.

### **RESEARCH AND DEVELOPMENT**

Compagnie de Financement Foncier did not carry out any research and development in 2024.

### **MAIN RISKS AND UNCERTAINTIES**

The information on the main risks and uncertainties can be found in chapter 4 "Risk factors and management".

## 14. Social and environmental information

Compagnie de Financement Foncier's day-to-day management is entirely entrusted to its parent company, Crédit Foncier, under a body of outsourcing and resource allocation agreements. Compagnie de Financement Foncier has no resources of its own (employees, premises, etc.). Employee relations, environmental, and societal issues are driven by Crédit Foncier.

Crédit Foncier is fully committed to Groupe BPCE's CSR strategy.

### A GROUPE WITH A POSITIVE IMPACT

VISION 2030 – Groupe BPCE's strategic project – outlines the major priorities it has set itself in order to build a growth project at the service of its customers, in a society marked by four major transitions: environmental, demographic, technological and geopolitical.

To support these transitions, the Group is mobilizing its regional presence, its business lines and its expertise to enable its customers, cooperative shareholders and employees to assert their power to act and to approach their future with confidence.

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To support these transitions, the Group is mobilizing its regional presence, its business lines and its expertise to enable its customers, cooperative shareholders and employees to assert their power to act and to approach their future with confidence.

### A POSITIVE ENVIRONMENTAL IMPACT

In the face of the climate emergency, Groupe BPCE and its business lines are positioning themselves as facilitators of transition efforts, with a clear objective: to finance a carbon-neutral economy in 2050 by taking action today. Making impact accessible to all means raising awareness and supporting the Group's customers on a massive scale in their environmental transition through expertise, consulting services and global solutions:

- solutions with impact: the approach aims to rapidly implement and deploy measures to mitigate and adapt to environmental and socio-economic impacts, based on the cooperative model that combines local roots and social commitment, at the service of financing the economy:
  - for individual customers: support energy renovation and adaptation of housing to aging and loss of autonomy by offering financing solutions and mobilizing our role as operator, trusted third party and our partnerships (sustainable advice and solutions tool in partnership with ADEME, support at every stage of energy renovation projects for individual housing and condominiums, increasing the number of financing solutions for energy renovation of buildings),
  - for BtoB customers: support the transition of business models with dedicated dialogue and sector-specific expertise to integrate ESG issues according to their size and economic sector, particularly in energy infrastructure, transport, waste management and treatment, etc...;

- supporting the evolution of the energy mix: in the face of the climate emergency, the priority is to accelerate the advent of a sustainable energy system, in particular by increasing financing dedicated to the production and storage of green electricity, and by supporting the reindustrialization of territories and energy sovereignty;
- managing decarbonization trajectories: the Group is committed to aligning its financing portfolios with a carbon-neutral trajectory setting short, medium and long-term milestones;
- preservation of natural heritage: a series of regional initiatives to protect natural heritage have been launched, with a target of over 30 protected natural ecosystems set in the VISION 2030 strategic project.

### “IMPACT INSIDE” A INTERNAL TRANSFORMATION OF ALL GROUP COMPANIES, AT ALL LEVELS

To support its customers to the highest standards, Groupe BPCE has launched an internal transformation plan: “Impact Inside”.

It mobilizes its governance and its employees, who it undertakes to train in ESG issues, and acts on its own activities by reducing its carbon footprint.

### COMPAGNIE DE FINANCEMENT FONCIER'S CSR COMMITMENTS

All Crédit Foncier employees are involved in the implementation of Groupe BPCE's CSR policy within the Company.

Crédit Foncier has been pursuing a committed, inclusive and dynamic social policy for several years. Crédit Foncier takes particular care to promote the quality of life and working conditions of its employees and to prevent psychosocial risks.

Similarly, in terms of health and safety in the workplace, Crédit Foncier identifies, assesses and, where necessary, proposes measures to mitigate occupational risks, notably as part of its annual program to prevent occupational risks and improve working conditions.

For many years now, Crédit Foncier has been committed to concrete actions in favor of professional equality between men and women, including:

- a dynamic, non-discriminatory remuneration system for all employees;
- a proactive vocational training policy to support the employability and skills development of all employees;
- measures to facilitate the reconciliation of private life, family responsibilities and professional life, etc.

As such, the company has been awarded the “Professional Equality between Women and Men” label by AFNOR, as well as the “Cancer@Work” label in recognition of its policy of including illness in the workplace. CFF's professional equality index published in 2024 is 94/100.

In addition, Crédit Foncier ensures that all its employees can play an active role in their own employability, and implements a proactive training policy to develop their business, digital and behavioral skills (soft skills).

In the environmental field, each year, in collaboration with Groupe BPCE, Crédit Foncier assesses the impact of its greenhouse gas emissions by carrying out its carbon assessment. It collects specific data from its departments and deploys the necessary measures to reduce the most emitting items, in particular by raising employee awareness of eco-friendly practices, optimizing the energy performance of its building, and implementing a remote working system to limit travel and offer a better quality of work life to employees.

Through its refinancing activity for Groupe BPCE's entities, Crédit Foncier, *via* Compagnie de Financement Foncier, reiterates its long-standing commitment to major societal challenges, such as the financing of hospitals and social housing. In 2024, Compagnie de Financement Foncier carried out a new social issuance, to finance public health infrastructure and social housing project.

#### **SUSTAINABILITY REPORT**

The transcription of the European directive on the publication of sustainability information (Corporate Sustainability Reporting Directive – CSRD) adopted on December 14, 2022, has given rise to the publication of an ordinance replacing the former non-financial reporting mechanism (NFRD). These new regulations require large companies, as defined in Article L. 230-1 of the French Commercial Code, to publish a sustainability report in their management report (Article L. 232-6-3 of the French Commercial Code).

Furthermore, Compagnie de Financement Foncier, a wholly-owned subsidiary of Crédit Foncier, is consolidated into the financial statements of Crédit Foncier, which is itself a wholly-owned subsidiary of BPCE and consolidated into the financial statements of BPCE.

Article L. 233-28-4 of the French Commercial Code stipulates that companies that are under the control of a company that includes them in its consolidated financial statements are not required to publish a sustainability report.

Article L. 22-10-36 of the French Commercial Code specifies that, by way of exception, any company that is a "large corporate" as defined in Article L. 230-1, whose shares are admitted to trading on a regulated market, cannot benefit from the exemptions provided for in Article L. 233-28-4.

Compagnie de Financement Foncier meets this criterion and is therefore required to publish a sustainability report. However, it benefits from the deferral option provided for in Article 22 of decree No. 2023-1394 of December 30, 2023. It will publish its first sustainability report in 2026 for the 2025 fiscal year.

For the 2024 fiscal year, Compagnie de Financement Foncier's sustainability information is produced via the Groupe BPCE sustainability report.

Groupe BPCE's sustainability report is available on the BPCE website:

<https://www.groupebpce.fr/Investisseur/Resultats/Documents-de-reference>

# Individual financial statements

## Income statement

<i>(in €k)</i>	See Notes	12/31/2024	12/31/2023	12/31/2022
Interest and similar income	1	1,943,184	1,788,708	1,448,876
Interest and similar expenses	1	-1,778,491	-1,569,233	-1,221,041
<b>Net interest margin</b>		<b>164,693</b>	<b>219,475</b>	<b>227,835</b>
Fees and commissions income	2	9,437	13,372	22,915
Fees and commissions	2	-726	-734	-799
Net gains/losses on trading book transactions	3	-41	-4	53
Other banking income	4	1,851	496	897
Other banking expenses	4	-3,177	-2,771	-3,849
<b>Net banking income</b>		<b>172,036</b>	<b>229,835</b>	<b>247,051</b>
Employee benefits expense	5	-47	-36	-47
Taxes and other contributions	5	-3,874	-4,135	-4,277
External services and other expenses	5	-52,290	-63,741	-80,867
Amortization		0	0	0
<b>General operating expenses</b>		<b>-56,211</b>	<b>-67,913</b>	<b>-85,190</b>
<b>Gross operating income</b>		<b>115,824</b>	<b>161,923</b>	<b>161,860</b>
Cost of risk	6	2,577	2,817	6,597
<b>Net operating income</b>		<b>118,401</b>	<b>164,739</b>	<b>168,458</b>
Gains or losses on long-term investments	7	0	0	0
<b>Income before tax</b>		<b>118,401</b>	<b>164,739</b>	<b>168,458</b>
Non-recurring income		0	0	0
Income tax	8	-32,122	-45,906	-48,548
<b>NET INCOME</b>		<b>86,279</b>	<b>118,833</b>	<b>119,910</b>
Earnings per share* <i>(in €)</i>		0.90	1.24	1.25
Diluted earnings per share <i>(in €)</i>		0.90	1.24	1.25

\* Earnings per share are calculated by dividing net income by the number of shares of the period.

The notes on the following pages are part of the individual financial statements.

## Balance sheet

### ASSETS

<i>(in €k)</i>	See Notes	12/31/2024	12/31/2023	12/31/2022
Cash and amounts due from central banks		506,002	472,108	527,000
Treasury bills and equivalent	9	2,424,446	2,751,720	3,020,280
Loans and advances to banks at amortized cost	10	21,164,541	19,812,556	18,161,894
■ <i>Sight deposit</i>		53,247	51,680	58,322
■ <i>Term</i>		21,111,294	19,760,877	18,103,573
Customer transactions	11	33,140,528	33,228,352	34,701,588
■ <i>Other facilities granted to customers</i>		33,140,528	33,228,352	34,701,588
Bonds and other fixed-income securities	9	2,320,353	2,541,080	2,854,731
Equity interests and other long-term investments		0	0	0
Intangible assets and property, plant & equipment		0	0	0
Other assets	12	32,668	25,430	20,390
Accrual accounts	13	1,458,033	1,419,046	1,172,979
<b>TOTAL ASSETS</b>		<b>61,046,572</b>	<b>60,250,293</b>	<b>60,458,864</b>

### LIABILITIES

<i>(in €k)</i>	See Notes	12/31/2024	12/31/2023	12/31/2022
Central banks		0	0	0
Due to credit institutions	14	5,597,287	4,565,451	4,850,984
■ <i>Sight deposit</i>		0	0	3,570
■ <i>Term</i>		5,597,287	4,565,451	4,847,414
Customer transactions		0	177	0
■ <i>Sight deposit</i>		0	177	0
Debt securities	15	51,468,371	51,699,868	51,644,553
■ <i>Interbank market instruments and negotiable debt securities</i>		0	0	0
■ <i>Bond issues (obligations foncières)</i>		51,468,371	51,699,868	51,644,553
Other liabilities	16	276,867	232,582	177,757
Accrual accounts	17	1,627,261	1,647,299	1,679,473
Provisions	18	16,709	12,285	12,388
Subordinated debts		0	0	0
Fund for general banking risks		20,000	20,000	20,000
Equity excluding fund for general banking risks	19	2,040,077	2,072,631	2,073,708
Share capital		1,537,460	1,537,460	1,537,460
Issue premium		209,867	209,867	209,867
Reserves		151,714	145,772	139,776
Regulated provisions and investment subsidies		0	0	0
Retained earnings		54,756	60,698	66,694
Income to be allocated		0	0	0
Net income for the period		86,279	118,833	119,910
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>61,046,572</b>	<b>60,250,293</b>	<b>60,458,864</b>



## Off-balance sheet

<i>(in €k)</i>	See Notes	12/31/2024	12/31/2023	12/31/2022
<b>TOTAL COMMITMENTS GIVEN</b>				
<b>Financing commitments</b>		<b>718,279</b>	<b>478,711</b>	<b>520,132</b>
■ <i>Commitments given to credit institutions</i>	20 (20.1)	15,000	0	0
■ <i>Commitments given to customers</i>	20 (20.1)	703,279	478,711	520,132
<b>Guarantee commitments</b>		<b>170,825</b>	<b>162,753</b>	<b>175,389</b>
■ <i>Commitments given to credit institutions</i>	20 (20.1)	0	0	0
■ <i>Other securities pledged as collateral</i>	20 (20.1)	170,825	162,753	175,389
<b>Commitments on securities</b>		<b>0</b>	<b>0</b>	<b>0</b>
■ <i>Other commitments given</i>	20 (20.1)	0	0	0
<b>TOTAL COMMITMENTS RECEIVED</b>				
<b>Financing commitments</b>		<b>23,628,323</b>	<b>20,797,814</b>	<b>20,524,459</b>
■ <i>Guarantees received from credit institutions</i>	20 (20.2)	1,690,426	1,710,610	1,723,662
■ <i>Other assets received as collateral from the Group</i>	20 (20.2)	21,937,897	19,087,204	18,800,797
<b>Guarantee commitments</b>		<b>22,707,203</b>	<b>25,069,795</b>	<b>26,741,120</b>
■ <i>Guarantees received from credit institutions</i>	20 (20.2)	4,480,281	4,888,709	5,211,122
■ <i>Commitments received from customers</i>	20 (20.2)	18,226,921	20,181,086	21,529,998
<b>Commitments on securities</b>		<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL RECIPROCAL COMMITMENTS</b>				
■ <i>Sale and purchase of foreign currencies</i>	21	11,504,758	11,531,148	10,289,029
■ <i>Other financial instruments</i>	21	63,141,302	56,903,020	52,545,162

## Notes to the individual financial statements of Compagnie de Financement Foncier

### 1. GENERAL FRAMEWORK

Compagnie de Financement Foncier is approved to operate as a *Société de Crédit Foncier* under the act of June 25, 1999, which deals with savings and financial security. As such, it is subject to Articles L. 513-2 to L. 513-27 of the French Monetary and Financial Code.

It is a credit institution accredited as a specialized credit institution under act No. 2013-544 of June 27, 2013 on credit institutions and financing companies, in force as of January 1, 2014, which transposes into French legislation European Regulation (CRR) and directive (CRD IV). As such, it must comply with Regulation 99-10 of the CRBF (French Banking and Financial Regulation Committee) as amended, which mainly concerns *Sociétés de Crédit Foncier* and notably:

- the valuation of real property that is financed by eligible loans that can be held as assets by *Sociétés de Crédit Foncier*;
- the valuation of the assets and liabilities of such companies;
- their specific management policies.

Subsidiary of Crédit Foncier, Compagnie de Financement Foncier is affiliated to BPCE. As such, it benefits from Groupe BPCE's guarantee and liquidity mechanism. As an affiliate, Compagnie de Financement Foncier does not contribute to the guarantee mechanism of Groupe BPCE and will not be called upon in case of a Banque Populaire or a Caisse d'Épargne default.

### 2. HIGHLIGHTS OF 2024

#### 2.1 ACTIVITY

During 2024, Compagnie de Financement Foncier acquired €490m in loans from Crédit Foncier de France including related receivables, plus €50k in financing commitments.

Article L. 211-38 of the French Monetary and Financial Code specifies the possibility for an institution to grant a loan to another financial institution, a loan whose repayment is secured by the creation of a guarantee on a group of receivables. Compagnie de Financement Foncier as such carried loans with its parent company, Crédit Foncier de France, amounting to €6bn at December 31, 2024. At December 31, 2024, loans of an identical nature were also granted to BPCE SA for an amount of €4,565m, excluding related receivables, and to other Groupe BPCE entities for €9,754m. Total loans granted were collateralized for €22.2bn.

In addition, as part of its refinancing of eligible assets originated by Groupe BPCE institutions, Compagnie de Financement Foncier refinanced loans to the public sector (mainly French local authorities) for an outstanding capital of €4,242m, of which €2,064m in the form of refinancing secured by public-sector loans, as well as financing commitments of €617m. Lastly, a specific refinancing of State-guaranteed loans (PGE) was also carried out in the amount of €1,375m.

The safe and liquid assets (new terminology for replacement values) of Compagnie de Financement Foncier, defined according to Decree No. 2007-745 of May 9, 2007 on the solvency of credit institutions, investment firms and *Sociétés de Crédit Foncier* and amending the French Monetary and Financial Code, amounted to €4,684m, including related receivables. In addition to cash and cash equivalents, these safe and liquid assets essentially comprise loans granted under Article L. 211-38 of the French Monetary and Financial Code.

In terms of funding, Compagnie de Financement Foncier issued €5,825m in *obligations foncières* over the course of 2024.

Compagnie de Financement Foncier can also access refinancing lines with the Banque de France (overall collateral management – pool 3G). However, this option was not used in 2024.

#### 2.2 TAXES

In accordance with the consolidated tax agreement signed with Crédit Foncier de France, Compagnie de Financement Foncier recognized a tax charge of €16.4m vis-à-vis its parent company due to its taxable income of €36.3m. In addition, a deferred tax charge of €11.9m and a provision of €3.9m were recognized, bringing the total income tax charge to €32.1m.

### 3. EVENTS AFTER THE REPORTING PERIOD

No subsequent event liable to have a significant impact on the financial statements at December 31, 2024 occurred between the closing date and January 31, 2025, the date on which the board approved the financial statements.

### 4. GENERAL ACCOUNTING POLICIES

#### 4.1. VALUATION METHODS, PRESENTATION OF INDIVIDUAL FINANCIAL STATEMENTS AND CLOSING DATE

The annual individual financial statements of Compagnie de Financement Foncier are prepared and presented in accordance with the rules defined by BPCE, in compliance with Regulation No. 2014-07 of the French National Accounting Standards Authority (ANC).

The annual individual financial statements for the fiscal year ended December 31, 2024 were approved by the board of directors on January 31, 2025. They will be submitted for approval to the general meeting of May 7, 2025.

Amounts presented in the financial statements and notes are stated in thousands of euros, unless otherwise stated. The rounding effects may, where applicable, generate differences between the amounts presented in the financial statements and those presented in the notes to the financial statements.

#### 4.2. CHANGES IN ACCOUNTING METHODS

The French National Accounting Standards Authority regulation No. 2023-05 of November 10, 2023 on information systems solutions, amending ANC regulation No. 2014-03 of June 5, 2014 on the general chart of accounts, applies mandatorily from January 1, 2024. It has no impact on the institution's individual financial statements.

The other texts adopted by the French National Accounting Standards Authority and mandatory in 2024 do not have a significant impact on the institution's individual financial statements.

The Company does not opt for early application of texts adopted by the French National Accounting Standards Authority, where such application is optional, unless specifically mentioned.

### 4.3. GENERAL ACCOUNTING POLICIES

The financial statements for the fiscal year are presented in an identical format as that used for the previous fiscal year. Generally accepted accounting principles have been applied on a prudent basis and in accordance with the following underlying assumptions:

- business continuity;
- consistency of accounting methods over time;
- independence of fiscal years;

and in accordance with the general rules on the preparation and presentation of annual financial statements.

The basis method used to value accounting entries is the historical cost method. All balance sheet items are presented net of amortization, provisions and value adjustments.

Specific accounting policies are provided in various notes to the financial statements to which they relate.

### 4.4. PRINCIPLES APPLICABLE TO BANKING RESOLUTION MECHANISMS

The conditions of setting-up the guarantee fund of deposits and resolutions were changed by the Order of October 27, 2015. All the contributions for the mechanism of deposits, securities and guarantees paid either in the form of repayable deposits, deposit guarantee fund certificates or membership certificates represent an insignificant amount.

The Resolution Fund was built in 2015 pursuant to directive 2014/59/EU known as BRRD (Bank Recovery and Resolution Directive), which establishes a framework for the recovery and resolution of credit institutions and investment firms and European Regulation 806/2014 (MRU). As of 2016, it became a Single Resolution Fund (SRF) between member States participating in the Single Resolution Mechanism (SRM). An SRF is a resolution financing arrangement available to the resolution authority (Single Resolution Board) dedicated to the implementation of the resolution procedures.

Pursuant to Delegated Regulation 2015/63 and Implementing Regulation 2015/81 supplementing the BRRD on *ex-ante* contributions to the resolution's financing arrangements, the SRB set the contributions to the SRF for 2024. The target of funds to be collected for the resolution fund was reached on December 31, 2023. The amount of contributions paid by Compagnie de Financement Foncier for the 2024 fiscal year is zero in 2024, both for the portion expensed and for the portion in the form of irrevocable payment commitments (IPCs) guaranteed by cash deposits recorded as assets on the balance sheet. Contributions may be called in the future depending, in particular, on the evolution of deposits and the possible use of the funds. However, income of €1.37m was recognized in 2024, due to the downward revision of the calculation bases for the 2017 to 2023 fiscal years.

The share of IPC corresponds to 15% of calls for funds guaranteed by cash deposits until 2022 and 22.5% for the 2023 contribution. These deposits have been remunerated at €ster-20bp since May 1, 2023. The total amount of contributions entered on the asset side of the balance sheet amounted to €22.7m as of December 31, 2024. It is recognized as an asset in the balance sheet under "Other assets" and is not subject to impairment at December 31, 2024. The conditions for using SRF resources, and therefore for calling up 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 internal bailout have contributed a minimum of 8% of total liabilities. In addition, the SRF contribution must not exceed 5% of the total liabilities of the institution subject to a resolution procedure.

**NOTE TO THE FINANCIAL STATEMENTS**

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## Note 1 Interest and similar income and expenses

### INTEREST AND SIMILAR – COMMISSION INCOME

Interest and similar fees and commissions is recognized in the income statement on a *prorata* basis.

Negative interest is presented as follows:

- negative interest on an asset is presented in interest expenses in NBI;
- negative interest on a liability is presented in interest income in NBI.

Fees and commissions for granting or acquiring a loan are treated as additional interest and spread over the effective life of the loan on a *prorata* basis according to the outstanding principal amount.

Income from bonds or negotiable debt securities is recognized for the portion accrued during the year. The same principle is applied for perpetual super-subordinated securities that meet the definition of a Tier 1 prudential capital instrument. The Group considers these revenues as interest.

(in €k)	12/31/2024			12/31/2023	12/31/2022
	Income	Expenses	Net	Net	Net
<b>Interbank transactions</b>	<b>708,746</b>	<b>-170,095</b>	<b>538,652</b>	<b>406,168</b>	<b>173,775</b>
Interest on Central Bank accounts	50	0	50	68	-2,587
Interest on current accounts	42,099	-3,166	38,933	45,477	5,072
Interest on forwards	660,854	-142,133	518,721	386,136	177,946
Interest on subordinated loans	0		0	0	0
Interest on secured receivables (safe and liquid assets)	0	0	0	0	0
Interest on securities received/sold under repurchase agreements	0	-23,105	-23,105	-26,047	-2,759
Contingent liabilities and commitments	0		0	0	0
Other interest income and expenses	0	0	0	0	0
Hedging transactions (netting)	5,744	-1,691	4,053	534	-3,895
Hedged losses on receivables	0		0	0	0
Non-hedged losses on receivables	0		0	0	0
Net changes in provisions	0		0	0	0
<b>Customer transactions</b>	<b>790,215</b>	<b>-19,762</b>	<b>770,453</b>	<b>763,639</b>	<b>647,880</b>
Interest on demand deposits, term deposits and regulated savings accounts		0	0	0	0
Interest on loans to customers	775,697	0	775,697	772,561	669,949
Interest on subordinated loans	0		0	0	0
Interest on doubtful loans	13,624		13,624	13,384	19,884
Spreading of additional loans fees	84		84	-194	2,879
Interest on ABS cash collateral	0		0	0	0
Other interest income and expenses	810	-2,223	-1,413	-1,961	-678
Income on financing and guarantee commitments	0		0	0	0
Hedging transactions (netting)	0	-15,656	-15,656	-22,074	-43,023
Hedged losses on receivables		-723	-723	-642	-1,420
Non-hedged losses on receivables		-560	-560	-838	-221
Net changes in provisions*		-601	-601	3,401	509
<b>Finance lease transactions</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Securities portfolio transactions</b>	<b>424,292</b>	<b>-1,546,738</b>	<b>-1,122,446</b>	<b>-965,251</b>	<b>-430,030</b>
Interest on available-for-sale securities	0		0	0	0
Spreading of discounts/premiums on available-for-sale securities	0		0	0	0
Interest on held-to-maturity securities	254,446		254,446	278,366	273,217
Spreading of discounts/premiums on held-to-maturity securities	0	-19,368	-19,368	-27,717	-30,001
Interest on medium-term notes (BMTN) issued		0	0	0	0

### 3. FINANCIAL REPORT

Individual financial statements

(in €k)	12/31/2024			12/31/2023	12/31/2022
	Income	Expenses	Net	Net	Net
Interest on certificates of deposits issued		0	0	0	0
Interest on mortgage notes issued		0	0	0	0
Interest and expenses on bond issuances		-1,122,526	-1,122,526	-988,010	-895,315
Interest on doubtful securities	0		0	0	0
Hedging transactions (netting)	169,846	-404,843	-234,998	-227,890	222,069
Losses on non-recoverable receivables		0	0	0	0
Net changes in provisions	0		0	0	0
<b>Subordinated debts</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payables on subordinated term securities		0	0	0	0
Payables on subordinated debt – credit institutions		0	0	0	0
Payables on subordinated debt – customers		0	0	0	0
<b>Other interest and similar income and expenses</b>	<b>19,930</b>	<b>-41,897</b>	<b>-21,967</b>	<b>14,919</b>	<b>-163,790</b>
Income on debt securities	19,884		19,884	20,737	20,889
Fees on credit derivatives		0	0	0	0
Commitments received/given on securities	0	-1,259	-1,259	-2,274	-2,155
Other interest income and expenses	0	0	0	0	0
Hedging transactions (netting)	0	-40,638	-40,638	-3,609	-182,566
Net changes in provisions	46	0	46	65	41
<b>TOTAL INTEREST AND SIMILAR INCOME AND EXPENSES</b>	<b>1,943,184</b>	<b>-1,778,491</b>	<b>164,693</b>	<b>219,475</b>	<b>227,835</b>

\* Net impact of charges and reversals on customer interest recognized in net interest income.

## Note 2 Net commissions

### ACCOUNTING POLICIES

Commission income similar to interest is recognized as interests and other income and expenses (note 1).

Other commission income is recognized according to the type of service provided as follows:

- fees and commissions received for an immediate service recognized upon completion of the service;
- fees and commissions received for an ongoing or discontinued service paid for in installments: recognized over the period when the service is provided.

<i>(in €k)</i>	12/31/2024	12/31/2023	12/31/2022
<b>Commissions on interbank and cash transactions (Net)</b>	<b>0</b>	<b>0</b>	<b>-7</b>
Income	0	0	0
Expenses	0	0	-7
<b>Commissions on customer transactions (Net)*</b>	<b>9,184</b>	<b>13,118</b>	<b>22,796</b>
Income	9,184	13,118	22,796
Expenses	0	0	0
<b>Commissions on securities transactions (Net)</b>	<b>-438</b>	<b>-493</b>	<b>-662</b>
Income	0	0	0
Expenses	-438	-493	-662
<b>Other commissions (Net)</b>	<b>-36</b>	<b>14</b>	<b>-11</b>
Income	253	254	118
Expenses	-289	-240	-130
<b>Income</b>	<b>9,437</b>	<b>13,372</b>	<b>22,915</b>
<b>Expenses</b>	<b>-726</b>	<b>-734</b>	<b>-799</b>
<b>NET FEES AND COMMISSIONS</b>	<b>8,711</b>	<b>12,638</b>	<b>22,116</b>

\* Commissions on customer transactions are the fees received from customers following early repayments. The level of these fees is therefore directly correlated to the volume of loans repaid. The average early repayment rate on loans to individual customers was 3.2% of outstanding loans for 2024.

## Note 3 Net gains or losses on trading book transactions

### ACCOUNTING POLICIES

Net gains or losses on trading book transactions combine:

- balance-sheet and off-balance sheet gains or losses on trading book transactions;
- gains or losses realized on outright forward foreign exchange transactions, resulting from currency purchases and sales and the periodic evaluation of transactions in foreign currency and precious metals;

- gains or losses from transactions in forward financial instruments, including interest rates, exchange rates and stock market indices, whether these instruments are fixed or conditional, including where it involves hedging transactions of trading book transactions.

<i>(in €k)</i>	12/31/2024	12/31/2023	12/31/2022
Gains on currency and arbitrage transactions	-41	-4	53
Expenses on financial forward instruments trading	0	0	0
Income from financial forward instruments trading	0	0	0
Expenses on conditional rates trading	0	0	0
Income from conditional rates trading	0	0	0
Losses on other financial instruments	0	0	0
Gains on other financial instruments	0	0	0
Addition to provisions for risks on financial forward instruments	0	0	0
Reversals from provisions for risks on financial forward instruments	0	0	0
<b>NET GAINS OR LOSSES ON TRADING BOOK TRANSACTIONS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>	<b>-41</b>	<b>-4</b>	<b>53</b>

## Note 4 Other banking income and expenses

### ACCOUNTING POLICIES

Other banking income and expenses cover the share realized on common operations, re-invoicing of banking income and expenses, income and expenses from the real estate and IT services business.

<i>(in €k)</i>	12/31/2024			12/31/2023	12/31/2022
	INCOME	EXPENSES	NET	NET	NET
Transfers of expenses and income, reallocated expenses	0	0	0	0	0
<b>Other banking income and expenses <sup>(1)</sup></b>	<b>1,851</b>	<b>-3,177</b>	<b>-1,326</b>	<b>-2,274</b>	<b>-2,952</b>
Other operating income and expenses	1,851	-3,177	-1,326	-2,274	-2,952
Additions to and reversals from provisions for other operating income and expenses	0	0	0	0	0
<b>TOTAL</b>	<b>1,851</b>	<b>-3,177</b>	<b>-1,326</b>	<b>-2,274</b>	<b>-2,952</b>

#### (1) Details

<b>Other banking income and expenses</b>	<b>1,851</b>	<b>-3,177</b>	<b>-1,326</b>	<b>-2,274</b>	<b>-2,952</b>
■ SRF regularization on prior years	1,368	0	1,368	0	0
■ Other operating income	482	0	482	496	897
■ Central institution contribution*	0	-2,961	-2,961	-2,640	-3,580
■ Other operating expenses	0	-216	-216	-131	-269
■ Additions to provisions	0	0	0	0	0

\* Since 2020, and in correlation with the rebilling of Groupe BPCE "central institution" activities (listed in the French Monetary and Financial Code), the latter is now presented in NBI.



## Note 5 Operating expenses

### ACCOUNTING POLICIES

Operating expenses consist of employee benefits expense, including salaries and wages, social security contributions, taxes and duties relating to employee benefits expense. Other administrative expenses, including other taxes and duties and remuneration of external services are also recorded.

<i>(in €k)</i>	12/31/2024	12/31/2023	12/31/2022
<b>EMPLOYEE BENEFITS EXPENSE</b>	<b>-47</b>	<b>-36</b>	<b>-47</b>
Wages and salaries <sup>(1)</sup>	-47	-36	-47
Costs of defined-contribution plans	0	0	0
Other social security costs and payroll-based taxes	0	0	0
Charges/reversals of provisions for litigation	0	0	0
<b>OTHER ADMINISTRATIVE EXPENSES</b>	<b>-56,165</b>	<b>-67,877</b>	<b>-85,144</b>
<b>Taxes and other contributions</b>	<b>-3,874</b>	<b>-4,135</b>	<b>-4,277</b>
CET (local business tax) and CVAE (tax on company value added)	-366	-701	-1,444
Social solidarity contribution	-3,210	-3,151	-2,604
Other taxes	-298	-283	-229
Charges/reversals of provisions for tax disputes	0	0	0
<b>External services</b>	<b>-52,290</b>	<b>-63,741</b>	<b>-80,867</b>
Leasing	0	0	0
External services provided by the Group	-48,311	-47,305	-57,561
Contribution to the supervision expenses of the ACPR	-422	-405	-609
Contributions to Single Resolution Fund	0	-12,559	-18,858
Management fees to ECB	-871	-1,006	-1,080
Fees, subcontracting and services	-2,344	-2,250	-2,470
Advertising	-113	-124	-158
Remuneration of intermediaries	0	0	0
Transport and travel	0	0	0
Maintenance and repairs	0	0	0
Insurance premiums	0	0	0
Other external services	-230	-93	-130
Additions to/reversals from provisions for disputes relating to external services	0	0	0
Additions to/reversals from provisions for external services costs	0	0	0
<b>Other expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Transfers of expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>OPERATING EXPENSES</b>	<b>-56,211</b>	<b>-67,913</b>	<b>-85,190</b>

*(1) In 2024, a provision of €47k was recorded for attendance fees allocated to management bodies. At December 31, 2023, these amounted to €36k. Following the decision of the board of directors of Compagnie de Financement Foncier on February 9, 2016, no additional remuneration (other than attendance fees) has been paid to the executive bodies since February 1, 2016.*

## Note 6 Cost of risk

### ACCOUNTING POLICIES

The cost of risk item includes only the cost related to credit risk (or counterparty risk). Credit risk is the existence of a potential loss related to a possibility of default of the counterparty on the commitments it has given. Counterparty refers to any legal entity benefiting from a credit or a commitment by signing, party to a forward financial instrument or issuer of a debt instrument.

The cost of credit risk is assessed when the receivable is classified as doubtful, that is to say when the risk is proven as soon as it is probable that the institution will not receive all or part of the sums due in respect of the commitments given by the counterparty in accordance with the initial contractual provisions, notwithstanding the existence of a guarantee or surety.

Credit risk is also assessed when credit risk is identified on loans that are not doubtful but that have seen a significant increase in credit risk since initial recognition (see notes 9, 10 and 11).

The cost of credit risk therefore consists of all the allocations and reversals of impairment of receivables from customers, credit institutions, fixed income investment securities (in the event of a proven default risk by the issuer), provisions for off-balance sheet commitments (excluding off-balance sheet financial instruments) as well as losses on non-recoverable receivables and recoveries of bad debts written off.

However, are included allocations and reversals of provisions, losses on non-recoverable receivables or recoveries of bad debts written off relating to interest on doubtful loans and receivables, whose provisioning is compulsory are included under the items Interest and similar income and other banking income in the income statement. For trading securities, investment securities, portfolio activity and forward financial instruments, the cost of counterparty risk is carried directly to the items recording gains and losses on these portfolios, except in the event of risk of proven counterparty default, where this component can be effectively isolated and the provision movements on counterparty risk are then entered under cost of risk.

(in €k)	12/31/2024			12/31/2023	12/31/2022
	Expenses	Income	Net	Net	Net
<b>Net additions/reversals on held-to-maturity securities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Net additions/reversals on securities transactions	0	0	0	0	0
<b>Net additions/reversals on customer transactions</b>	<b>-3,455</b>	<b>7,433</b>	<b>3,977</b>	<b>5,356</b>	<b>14,313</b>
Impairment of customer transactions					
Impairment of customer transactions on doubtful loans	-2,884	5,978	3,094	4,500	17,149
Impairment of customer transactions on performing loans	0	1,454	1,454	818	-2,831
Provisions for counterparty risks on performing loans	-571	0	-571	38	-4
Other provisions for liabilities and charges	0	0	0	0	0
<b>Losses/recoveries on customer transactions</b>	<b>-4,456</b>	<b>3,055</b>	<b>-1,401</b>	<b>-2,539</b>	<b>-7,716</b>
Losses on irrecoverable loans and receivables covered by provisions	-850	0	-850	-1,138	-6,043
Losses on irrecoverable loans and receivables not covered by provisions	-1,254	0	-1,254	-2,531	-5,087
Recoveries of bad debts written off	0	3,055	3,055	3,428	6,872
Legal fees and litigation	-2,351	0	-2,351	-2,299	-3,458
<b>Losses/recoveries on other transactions</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Losses on the covered irrecoverable loans and receivables	0	0	0	0	0
<b>COST OF RISK</b>	<b>-7,911</b>	<b>10,488</b>	<b>2,577</b>	<b>2,817</b>	<b>6,597</b>

## Note 7 Gains or losses on long-term investments

### ACCOUNTING POLICIES

Gains or losses on long-term investments include gains or losses on transactions in held-to-maturity securities, arising from the difference between reversals of provisions and capital gains on disposals and additions to provisions and capital losses on disposal.

(in €k)	12/31/2024	12/31/2023	12/31/2022
Capital gains or losses on disposals of long-term securities	0	0	0
Capital gains or losses on disposals of held-to-maturity securities	0	0	0
Additions for impairment on held-to-maturity securities	0	0	0
Reversals for impairment on held-to-maturity securities	0	0	0
<b>NET INCOME (EXPENSE) FROM OTHER ASSETS</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Note 8 Income tax

### INCOME TAX

Compagnie de Financement Foncier has opted for accounting of deferred tax assets and liabilities in its parent company financial statements. According to the principle of universality, this option applies to all temporary differences recognized in assets and liabilities.

The tax charge recorded in the income statement corresponds to corporate tax charges, deferred tax expense liabilities and changes in tax reserves.

Compagnie de Financement Foncier is included in BPCE's tax consolidation group and in Crédit Foncier's subgroup. Pursuant to the tax consolidation agreement signed on November 18, 2014, the tax charge payable is calculated and recognized as if there were no tax consolidation.

In case of fiscal deficit, Compagnie de Financement Foncier will receive from Crédit Foncier a tax revenue equaling the income tax saving given to Crédit Foncier through the use of its fiscal deficit and will be deprived of the deferred losses for the determination of its future corporate tax expense.

At December 31, 2024, Compagnie de Financement Foncier recognized a total tax expense of €28.22m.

(in €k)	12/31/2024	12/31/2023	12/31/2022
<b>Tax expense components</b>			
Current tax expenses (income) <sup>(1)</sup>	-16,350	-30,261	-32,536
Deferred tax expenses (income) <sup>(1)</sup>	-11,874	-15,645	-16,012
Provisions for deferred tax assets and liabilities	0	0	0
Provisions for risks or for tax litigations	-3,898	0	0
<b>TOTAL</b>	<b>-32,122</b>	<b>-45,906</b>	<b>-48,548</b>
<b>Breakdown of tax assets and liabilities for the period</b>			
Termination swap balance	-7,251	-12,384	-13,369
Client provisions including credit risk provisions	-170	-778	1,344
Provisions for investment securities			
Other temporary differences	-4,452	-2,483	-3,987
<b>TOTAL</b>	<b>-11,874</b>	<b>-15,645</b>	<b>-16,012</b>

<sup>(1)</sup> Pursuant to the tax consolidation agreement signed by Compagnie de Financement Foncier, BPCE and Crédit Foncier, the Company has recognized as income the potential tax saving stemming from the deficit recorded for the period, to be received from Crédit Foncier, the consolidating parent company (see note 4). Conversely, the Company has recognized a potential tax expense stemming from the taxable income recorded for the period, to be paid to Crédit Foncier, the consolidating parent company.

## Note 9 Treasury bills, bonds and other fixed-income securities

### ACCOUNTING POLICIES

The term “securities” includes interbank market securities, treasury bills, other negotiable debt securities, bonds and other fixed-income instruments, equities and other variable-income instruments.

Security transactions are subject to accounting Regulation No. 2014-07 of the French National Accounting Standards Authority defining general rules governing the accounting and valuation of securities and the rules concerning certain specific transactions such as repurchase agreements.

Securities are classified as follows: equity investments and shares of related companies, other securities held long-term, held-to-maturity debt securities, portfolio securities (equity available for sale in the medium term), available-for-sale securities and trading securities.

With respect to trading securities, securities available for sale, held-to-maturity securities and portfolio activity, any known counterparty default risk whose impact can be separately identified is recognized in the form of impairment loss. Changes in impairment are recorded under cost of risk.

Compagnie de Financement Foncier does not hold trading securities, equity securities available for sale in the medium term or available-for-sale securities.

Moreover, as a *Société de Crédit Foncier*, Compagnie de Financement Foncier cannot hold equity investments, even as a minority interest. It only holds one share in SGFGAS which enables it to acquire State-guaranteed loans on behalf of SGFGAS. This investment was approved by the regulatory authority.

Finally, disposals of securities are recognized in the financial statements of Compagnie de Financement Foncier on the “settlement-delivery” date and not on the transaction date.

### INVESTMENT SECURITIES

Held-to-maturity securities are fixed-income securities with fixed maturity, acquired or reclassified from the category “Available-for-sale securities”, with the clear intention and ability to hold them until maturity. These securities must not be subject to any existing restrictions, legal or other constraints that could compromise the capacity to hold them until maturity. The classification to securities held to maturity does not prevent them from being considered as items hedged against interest rate risk.

Securities held to maturity are recorded at cost excluding transaction costs, on their acquisition date. When previously classified as available for sale, they are recorded at cost and the previously recognized impairments are reversed over the residual life of the relevant securities. The difference between the acquisition cost and the redemption value of these securities, as well as the corresponding interest, are subject to the same rules that apply to fixed income available-for-sale securities.

An impairment loss may be recognized against these securities if there is a strong probability that the bank will not hold them until maturity due to new developments or if there is a risk that the issuer of the securities will default. Unrealized gains are not recognized.

Securities held-to-maturity cannot be sold or transferred into another category of security, except for certain cases detailed in Article 2341-2 of Regulation No. 2014-07 of the French National Accounting Standards Authority.

(in €k)	12/31/2024			12/31/2023			12/31/2022		
	Available-for-sale securities	Investment securities	Total	Available-for-sale securities	Investment securities	Total	Available-for-sale securities	Investment securities	Total
Treasury bills and equivalent <sup>(1)</sup>	0	2,390,144	2,390,144	0	2,711,178	2,711,178	0	2,979,124	2,979,124
Related receivables	0	34,302	34,302	0	40,543	40,543	0	41,156	41,156
<b>Subtotal</b>	<b>0</b>	<b>2,424,446</b>	<b>2,424,446</b>	<b>0</b>	<b>2,751,720</b>	<b>2,751,720</b>	<b>0</b>	<b>3,020,280</b>	<b>3,020,280</b>
Bonds <sup>(1)</sup>	0	2,294,561	2,294,561	0	2,506,350	2,506,350	0	2,820,361	2,820,361
Interbank market securities (mortgage notes) <sup>(1)</sup>	0		0	0	0	0	0	0	0
Negotiable debt securities	0		0	0	0	0	0	0	0
Securitization units <sup>(1)</sup>	0	0	0	0	0	0	0	0	0
Related receivables	0	25,792	25,792	0	34,731	34,731	0	34,369	34,369
<b>Subtotal</b>	<b>0</b>	<b>2,320,353</b>	<b>2,320,353</b>	<b>0</b>	<b>2,541,080</b>	<b>2,541,080</b>	<b>0</b>	<b>2,854,731</b>	<b>2,854,731</b>
<b>Doubtful loans and receivables including related receivables</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>GROSS AMOUNTS</b>	<b>0</b>	<b>4,744,799</b>	<b>4,744,799</b>	<b>0</b>	<b>5,292,801</b>	<b>5,292,801</b>	<b>0</b>	<b>5,875,011</b>	<b>5,875,011</b>
Impairment on fixed-income securities	0	0	0	0	0	0	0	0	0
<b>NET AMOUNTS</b>	<b>0</b>	<b>4,744,799</b>	<b>4,744,799</b>	<b>0</b>	<b>5,292,801</b>	<b>5,292,801</b>	<b>0</b>	<b>5,875,011</b>	<b>5,875,011</b>
(1) Of which:									
			12/31/2024			12/31/2023			12/31/2022
Listed securities			4,545,649			5,072,488			5,633,596
Unlisted securities			199,150			220,312			241,415
<b>TOTAL EXCLUDING RELATED RECEIVABLES</b>			<b>4,744,799</b>			<b>5,292,801</b>			<b>5,875,011</b>

Listed securities are normally available securities denominated in euros that are eligible for the ECB operations, as well as listed securities in other currencies. Unlisted securities now consist solely of bonds.

Under Regulation No. 2014-07 of the French National Accounting Standards Authority, the aggregate fair value of the investment portfolio amounted to €5,050.75m at December 31, 2024 excluding related receivables.

Unrealized capital gains on held-to-maturity securities amounted to €420.22m at December 31, 2024, before swaps.

At December 31, 2023, unrealized capital gains on held-to-maturity securities amounted to €454m, before swaps.

Unrealized capital losses on held-to-maturity securities amounted to €54.17m at December 31, 2024, before swaps. At December 31, 2023, unrealized capital losses on held-to-maturity securities amounted to €68.71m, before swaps.

The Company did not reclassify any securities to the "Held-to-maturity securities" portfolio either during the 2024 fiscal year or in previous years.

## Note 9 A Sovereign risk

At December 31, 2024, the net exposures of the Compagnie de Financement Foncier sovereign risk in these countries are:

Held-to-maturity securities (in €m)	12/31/2024			12/31/2023			12/31/2022		
	Carrying amount	Market value	Value after swap*	Carrying amount	Market value	Value after swap*	Carrying amount	Market value	Value after swap*
Italy	1,917.4	2,217.1	1,806.1	2,170.7	2,448.8	1,896.9	2,192.2	2,336.3	1,864.4
Poland	283.2	296.4	256.2	296.0	316.1	261.1	327.4	351.4	291.0
<b>TOTAL</b>	<b>2,200.6</b>	<b>2,513.5</b>	<b>2,062.3</b>	<b>2,466.7</b>	<b>2,764.9</b>	<b>2,158.0</b>	<b>2,519.6</b>	<b>2,687.7</b>	<b>2,155.4</b>

\* Fair value of the security taking into account micro hedging swap.

The values given above exclude related receivables. Carrying amounts are measured at the closing date if the securities are denominated in foreign currencies.

The maturity dates of net exposures at carrying amount as of December 31, 2024 are presented below:

	Residual maturity		
	< 8 years	> 8 years and < 10 years	> 10 years
Italy	894.2	398.2	625.0
Poland	129.6	0.0	153.6
<b>TOTAL</b>	<b>1,023.8</b>	<b>398.2</b>	<b>778.6</b>

The global exposure of the Compagnie de Financement Foncier to the International public sector is also identified in the Risk Management report.

## Note 9 B Change in held-to-maturity securities

(in €k)	12/31/2022				Current		12/31/2023				Current		12/31/2024	
	Gross	Acquisitions	Disposals/Redemptions	Reclassifications	change	Currency differences	Gross	Acquisitions	Disposals/Redemptions	Reclassifications	change	Currency differences	Gross	Gross
Investment securities	5,799,486	0	0		-454,630	-127,329	5,217,527	0	0	0	-604,663	71,840	4,684,705	
<b>TOTAL</b>	<b>5,799,486</b>	<b>0</b>	<b>0</b>		<b>-454,630</b>	<b>-127,329</b>	<b>5,217,527</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-604,663</b>	<b>71,840</b>	<b>4,684,705</b>	
Related receivables	75,525	0	0		-252	0	75,274	0	0	0	-15,179	0	60,095	
<b>OVERALL TOTAL</b>	<b>5,875,011</b>	<b>0</b>	<b>0</b>		<b>-454,882</b>	<b>-127,329</b>	<b>5,292,801</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-619,842</b>	<b>71,840</b>	<b>4,744,800</b>	

These data are valued before swap, at the closing exchange rate.

## Note 9 C Reclassification of financial assets

### ACCOUNTING POLICIES

In order to harmonize accounting practices and ensure compliance with IFRS, Regulation No. 2014-07 of the French National Accounting Standards Authority includes the provisions of Notification No. 2008-19 of December 8, 2008 regarding transfers of securities out of the “Trading securities” and the “Available-for-sale securities” categories.

The reclassification out of the “Trading securities” category to the “Held-to-maturity securities” and “Available-for-sale securities” categories is now allowed under either of the following conditions:

- under exceptional market circumstances that require a change of strategy;
- when fixed-income securities are no longer, after their acquisition, tradable on active markets, and provided that the Company has the intention and the capacity to hold them in the foreseeable future or until they reach maturity.

Reclassifications from the “Available-for-sale securities” category to the “Held-to-maturity securities” are effective as from the reclassification date under either of the following conditions:

- under exceptional market circumstances that require a change of strategy;

- when fixed-income securities are no longer tradable on an active market.

The regulation authorizes institutions to sell all or part of the securities reclassified as “held-to-maturity securities” provided that the following two conditions are met:

- the reclassification was motivated by an exceptional situation requiring a change in strategy;
- the market has become active again for these securities.

Moreover, a reclassification from the available-for-sale securities portfolio to the held-to-maturity securities portfolio remains possible, barring a simple change of intention, if on the day of the transfer, all the criteria of the investment portfolio are met. In this case, the sale of these securities is only authorized in very limited cases.

No portfolio reclassification took place in 2024 as Compagnie de Financement Foncier did not own trading securities or available-for-sale securities.

## Note 10 Receivables due from credit institutions

### ACCOUNTING POLICIES

Loans to credit institutions comprise all loans and advances arising out of banking transactions, with the exception of debt securities. They include securities received under repurchase agreements, regardless of the type of underlying, and loans and advances relating to securities repurchase agreements. Loans and advances are broken down into the sub-categories “Demand loans and advances” and “Term loans and advances”.

Loans to credit institutions are recorded in the balance sheet at their nominal value or acquisition cost and include accrued interest that is not yet due but is net of any impairment charges recognized for credit risk.

Securities received are recognized off-balance sheet. They are revalued on a regular basis. The total carrying amount of all guarantees received for a single loan is limited to the outstanding loan amount.

### RESTRUCTURED LOANS

Within the meaning of ANC Regulation No. 2014-07 of the French National Accounting Standards Authority, restructured loans are doubtful loans and receivables whose initial contractual characteristics (term and interest rate) have been modified to ensure repayment by the counterparty.

### DOUBTFUL LOANS AND RECEIVABLES

Doubtful loans and receivables consist of all outstanding amounts, whether or not due and guaranteed or otherwise, where at least one commitment made by the debtor has involved a known credit risk, classified as such on an individual basis. A risk is considered to be

“known” when it is probable that the Group will not collect all or part of amounts owed under the terms of the commitments made by the counterparty, notwithstanding any guarantee or surety provided.

Compagnie de Financement Foncier has no receivables due from credit institutions falling under restructured or doubtful loans and receivables. When the collection of loans or other receivables is considered to be uncertain, an impairment loss is recognized on the asset to cover the risk of loss. Impairment losses are calculated on a case-by-case basis, taking into account the present value of the guarantees received. They are determined on at least a quarterly basis, on the basis of the estimated credit risk and the guarantees provided. Impairment losses cover at a minimum the interest not received on doubtful loans.

At December 31, 2024, there were no doubtful loans and receivables due from credit institutions. Accordingly, no impairment was recorded at the same date.

### REPURCHASE AGREEMENTS

Repurchase agreements delivered are recognized in accordance with the provisions of Regulation No. 2014-07 of the French National Accounting Standards Authority completed by amended directive No. 94-07 of the Banking Commission.

The transferor records the amount received under liabilities, representing its debt vis-à-vis the purchaser. The purchaser records the amount paid, representing its claim against the transferor, as an asset.

At the balance sheet date, the collateralized assets, as well as the debt vis-à-vis the purchaser and the claim against the transferor, are valued according to the rules that apply to each.

(in €k)	12/31/2024	12/31/2023	12/31/2022
<b>Demand loans to credit institutions</b>	<b>53,247</b>	<b>51,680</b>	<b>58,322</b>
Current accounts with overdrafts	53,247	51,680	58,322
Overnight loans	0	0	0
Unallocated items (demand)	0	0	0
Related receivables	0	0	0
<b>Term loans to credit institutions</b>	<b>21,111,294</b>	<b>19,760,877</b>	<b>18,103,573</b>
Term accounts and loans	666,436	645,435	607,804
Secured receivables under L. 211-38 (described in greater detail in note 10A)	20,328,398	18,975,702	17,475,813
Securities bought under repurchase agreements	0	0	0
Subordinated loans and participating loans	0	0	0
Related receivables	116,460	139,740	19,955
<b>Doubtful loans and receivables</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>GROSS AMOUNT OF TERM LOANS AND RECEIVABLES DUE FROM CREDIT INSTITUTIONS</b>	<b>21,164,541</b>	<b>19,812,556</b>	<b>18,161,894</b>
Impairment of doubtful loans and receivables	0	0	0
<b>Impairment of doubtful loans and receivables</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>NET AMOUNT OF TERM LOANS AND RECEIVABLES DUE FROM CREDIT INSTITUTIONS</b>	<b>21,164,541</b>	<b>19,812,556</b>	<b>18,161,894</b>
<b>Breakdown of term receivables (Group/non-Group)</b>			
Term accounts and loans			
■ Including Group transactions	27,100	0	0
■ Including non-Group transactions	639,336	645,435	607,804
Secured receivables			
■ Including Group transactions	20,328,398	18,975,702	17,475,813
■ Including non-Group transactions	0	0	0
Related receivables			
■ Including Group transactions	114,942	136,570	18,958
■ Including non-Group transactions	1,518	3,170	997
<b>Group receivables</b>	<b>20,470,440</b>	<b>19,112,271</b>	<b>17,494,772</b>
<b>Non-Group receivables</b>	<b>640,854</b>	<b>648,605</b>	<b>608,801</b>
<b>TOTAL</b>	<b>21,111,294</b>	<b>19,760,877</b>	<b>18,103,573</b>
<b>Breakdown of demand loans (Group/non-Group)</b>			
Demand accounts and loans			
■ Including Group transactions	50,563	49,414	56,634
■ Including non-Group transactions	2,684	2,265	1,688
Related receivables			
■ Including Group transactions	0	0	0
■ Including non-Group transactions	0	0	0
Unallocated amounts			
■ Including Group transactions (at Crédit Foncier's scope)	0	0	0
■ Including non-Group transactions	0	0	0
<b>Group receivables</b>	<b>50,563</b>	<b>49,414</b>	<b>56,634</b>
<b>Non-Group receivables</b>	<b>2,684</b>	<b>2,265</b>	<b>1,688</b>
<b>TOTAL</b>	<b>53,247</b>	<b>51,680</b>	<b>58,322</b>

## Note 10 A Breakdown of outstanding term loans to credit institutions

(in €k)	12/31/2024			12/31/2023	12/31/2022
	Gross amount	Impairment	Net amount	Net amount	Net amount
<b>Term loans</b>					
Refinancing of subsidized residential property	0	0	0	0	0
Refinancing of unsubsidized residential property	0	0	0	0	0
Public entities	667,973	0	667,973	648,605	608,801
Other loans to credit institutions <sup>(1)</sup>	20,443,322	0	20,443,322	19,112,271	17,494,772
Doubtful term loans	0	0	0	0	0
<b>NET AMOUNT OF TERM LOANS AND RECEIVABLES DUE FROM CREDIT INSTITUTIONS</b>	<b>21,111,294</b>	<b>0</b>	<b>21,111,294</b>	<b>19,760,877</b>	<b>18,103,573</b>
<i>(1) Of which:</i>					
Safe and liquid assets under L. 211-38, with BPCE	4,565,000	0	4,565,000	4,565,000	4,565,000
Loans guaranteed by loans and receivables (French local authorities, Individual customers, Corporates) pursuant to L. 211-38, with Crédit Foncier	6,036,500	0	6,036,500	7,325,000	8,972,200
Loans guaranteed by French local authority receivables pursuant to L. 211-38, with BPCE, Natixis, CEP and Banques Populaires	9,726,898	0	9,726,898	7,085,702	3,938,613
Related and other receivables	114,923	0	114,923	136,570	18,958
<b>TOTAL</b>	<b>20,443,322</b>	<b>0</b>	<b>20,443,322</b>	<b>19,112,271</b>	<b>17,494,772</b>

## Note 11 Customer transactions

### ACCOUNTING POLICIES

Advances to customers include loans to entities other than credit institutions, with the exception of debt securities issued by customers, assets purchased under resale agreements and receivables corresponding to securities sold under repurchase agreements. They are broken down into business loans, current accounts with overdrafts and other facilities granted to customers. Loans issued to customers are recorded in the balance sheet at their nominal value or acquisition cost and include accrued interest that is not yet due but is net of any impairment charges recognized for credit risk. The commissions and marginal transaction costs that are spread are integrated into the outstanding loan in question.

Amounts not yet paid are recognized as off-balance sheet items under "Financing commitments given".

Compagnie de Financement Foncier acquires loans and other receivables at market value. The difference between the market value and the net carrying amount of the loans, known as a premium or discount depending on whether it is positive or negative, is recorded in a sub-account of the customer loans account.

Premiums and discounts on receivables acquired are then taken to the year's income on an actuarial basis over the remaining term of the receivables.

Past due payments are recorded as assets in each receivables category, unless they are considered as doubtful. In this case, they are included in the doubtful loans and receivables category.

The commissions and marginal transaction costs that are spread are integrated into the outstanding loan in question.

Early repayment penalties are fully recognized in the income statement for the fiscal year during which the transactions took place. Renegotiation penalties are amortized over the duration of renegotiated loans.

In compliance with BPCE standards, Compagnie de Financement Foncier recognizes guarantees that are explicitly or implicitly attached to certain types of customer loans recorded on the balance sheet and which are of a sufficiently material nature, such as the value of mortgages or counter-guarantees received from SGFGAS and assumed by the French government (see note 20.2 on commitments received). They are revalued on a regular basis. The total carrying amount of all guarantees received for a single loan is limited to the outstanding loan amount.

Securities received are recognized off-balance sheet. They are revalued on a regular basis. The total carrying amount of all guarantees received for a single loan is limited to the outstanding loan amount.



## RESTRUCTURED LOANS

Within the meaning of ANC Regulation No. 2014-07 of the French National Accounting Standards Authority, restructured loans are doubtful loans and receivables whose initial contractual characteristics (term and interest rate) have been modified to ensure repayment by the counterparty.

A discount is taken on restructured loans to reflect the difference between the present value of the contractual cash flows at inception and the present value of expected principal and interest repayments after restructuring. The discount rate used for fixed-rate loans is the initial effective interest rate and the discount rate used for floating-rate loans is the most recent effective interest rate prior to the restructuring date. The effective rate is the contractual rate. This discount is recorded in "Cost of risk" in the income statement and offset against the corresponding outstanding in the balance sheet. It is written back in net interest income in the income statement over the life of the loan using a yield-to-maturity approach.

A restructured loan may be reclassified as performing when the new payment due dates are respected. When a loan that has been reclassified becomes overdue, regardless of the restructuring terms agreed, the loan is downgraded to doubtful.

## DOUBTFUL LOANS AND RECEIVABLES

Doubtful loans and receivables consist of all outstanding amounts, whether or not due and guaranteed or otherwise, where at least one commitment made by the debtor has involved a known credit risk, classified as such on an individual basis. A risk is considered to be "known" when it is probable that the Group will not collect all or part of amounts owed under the terms of the commitments made by the counterparty, notwithstanding any guarantee or surety provided.

Notwithstanding French National Accounting Standards Authority Regulation No. 2014-07, the identification of doubtful loans is carried out, in particular with regard to unpaid loans for at least three consecutive months, in line with the default cases laid down in Article 178 of EU Regulation No. 575/2013 of June 26, 2013 on prudential requirements applicable to credit institutions and EBA guidelines (EBA/GL/2016/07) on the application of default determination and ECB Delegated Regulation No. 2018/1845 on critical threshold measurement for unpaid credit obligations. The definition of non-performing loans is thus clarified by the introduction of a relative threshold and an absolute threshold applicable to past-due receivables, to identify default cases, the clarification of the criteria for reverting to performing loans with a mandatory probation period and the introduction of explicit criteria for classifying restructured loans as default.

Doubtful loans are considered to be irrecoverable when full or partial collection is deemed to be highly unlikely and a write-off is considered. Receivables that have lapsed, terminated leases, open-ended competitions, whose closure has been notified are presumed to be entered as compromised doubtful loans. The decision to reclassify a doubtful loan as irrecoverable and the amount of impairment determined must take into account the guarantees provided and the recent loan repayment history. A debt that has been classified as doubtful for more than one year is assumed to be irrecoverable, unless a write-off is not foreseen. Reclassification of a debt from doubtful to irrecoverable does not automatically entail the reclassification of the counterparty's other doubtful loans and commitments to irrecoverable.

For doubtful loans and receivables, accrued interest or interest due but not received is recognized under banking income and impaired accordingly. Where the receivable is classified as compromised, accrued interest that has not been collected is no longer recognized.

More generally, doubtful loans and receivables are reclassified as performing once the debtor restarts regular payments in accordance with the original repayment schedule, provided that the counterparty is no longer considered to be at risk of default.

## REPURCHASE AGREEMENTS

Repurchase agreements delivered are recognized in accordance with the provisions of Regulation No. 2014-07 of the French National Accounting Standards Authority completed by amended directive No. 94-07 of the Banking Commission.

The transferor records the amount received under liabilities, representing its debt vis-à-vis the purchaser. The purchaser records the amount paid, representing its claim against the transferor, as an asset. At the balance sheet date, the collateralized assets, as well as the debt vis-à-vis the purchaser and the claim against the transferor, are valued according to the rules that apply to each.

## IMPAIRMENT

When the collection of loans or other receivables is considered to be uncertain, an impairment loss is recognized on the asset to cover the risk of loss. Impairment losses are calculated on a case-by-case basis, taking into account the present value of the guarantees received and the costs of taking possession and selling the collateral. They are determined on at least a quarterly basis, on the basis of the estimated credit risk and the guarantees provided. Impairment losses cover at a minimum the interest not received on doubtful loans.

Impairment for probable losses includes all impairment charges, calculated as the difference between the principal outstanding and the projected cash-flows discounted at the initial effective interest rate. Projected cash flows are determined based on the type of receivables on the basis of historical losses and/or expert appraisals and are positioned over time using debt schedules based on historic recovery records.

Impairment provisions and reversals where there is a risk of non-recovery are recognized under "Cost of risk" except for impairment of interest on doubtful loans and receivables which, like the interest thus impaired, is booked under "Interest and similar income".

The risk is assessed on a case-by-case basis for loans of a significant amount and automatically for the others taking into account the present value of the guarantees received. Once litigation begins, the collateral value is haircut.

For loans to the subsidized sector and those guaranteed by SGFGAS, on behalf of the French government, the share of the risk assumed by the latter is also taken into account.

Since loans transferred or sold to Compagnie de Financement Foncier are recorded on the balance sheet at their acquisition value, it is with respect to this initial cost that impairment is calculated.

Pursuant to the asset transfer agreement between Crédit Foncier and Compagnie de Financement Foncier, there is a mechanism that when only a portion of a loan is acquired, Compagnie de Financement Foncier may claim a right of priority over the full amount of the guarantee. Accordingly, as long as the collateral value covers Compagnie de Financement Foncier's portion of the doubtful loan, no impairment is recognized in the latter's financial statements. This impairment is recognized in the financial statements of Crédit Foncier.

When Compagnie de Financement Foncier has acquired the whole loan, any provision for impairment is wholly recognized in its financial statements.

### 3. FINANCIAL REPORT

Individual financial statements

Credit risk on financing commitments and off-balance sheet guarantees is recorded as a provision for liabilities and charges.

When credit risk is identified on loans that are not doubtful but that have seen a significant increase in credit risk since initial recognition, it is measured on the basis of expected credit losses over the period to maturity. This credit risk is deducted from loans on the asset side by means of a provision on the liability side where the risk pertains to commitments given to customers. Since January 1, 2018, the measurement methods for these non-doubtful loans have also been aligned with those of IFRS 9 Stage 2 (S2) used for the consolidated financial statements. Expected credit losses are defined as an estimate of credit losses (*i.e.* the present value of cash shortfalls) weighted by the probability of occurrence of these losses over the expected life of the financial instruments. They are calculated individually for each exposure.

In practice, for Stage 2 outstanding, expected credit losses are calculated as the product of several parameters:

- expected cash flows over the life of the financial instrument, discounted at the valuation date – these flows are determined according to the characteristics of the contract, its effective interest rate and, for real estate loans, the expected level of early repayment for the contract;
- loss given default rate;
- probability of default until maturity of the contract.

Non-recoverable receivables are recorded as losses and the corresponding impairments are reversed.

The parameters used to measure expected credit losses are adjusted to the economic environment *via* the definition of three economic scenarios drawn up in September 2024 and defined over a period of three years:

- the central scenario, corresponding to consensus forecasts of the main economic variables impacting the calculation of expected credit losses;
- a pessimistic scenario, corresponding to a more degraded realization of the macroeconomic variables defined under the central scenario;
- an optimistic scenario, corresponding to a more favorable realization of the macroeconomic variables defined in the framework of the central scenario.

The definition and review of these scenarios follows the same organization and governance as that defined for the budgetary process, based on annual proposals from GFS economic research, and validation by the IFRS 9 Copil of scenarios deviating from the central scenario by the Executive Management Committee. Since the Covid-19 crisis, the probability of their occurrence has been reviewed on a quarterly basis by the watchlist committee and Group Provisions on the recommendation of the DRCCP, which may revise macroeconomic projections in the event of significant deviation from the observed situation. The parameters thus defined enable the assessment of the expected credit losses of all exposures, whether they belong to a scope approved by the internal method or treated as standard for the calculation of risk-weighted assets.

(in €k)	Performing loans and receivables			Doubtful loans and receivables			Impairment of customer receivables <sup>(3)</sup>			Net amounts		
	12/31/2024	12/31/2023	12/31/2022	12/31/2024	12/31/2023	12/31/2022	12/31/2024	12/31/2023	12/31/2022	12/31/2024	12/31/2023	12/31/2022
<b>Current accounts with overdrafts</b>	0	0	0	0	0	0	0	0	0	0	0	0
<b>Facilities granted to customers</b>	<b>32,549,301</b>	<b>32,632,866</b>	<b>34,092,228</b>	<b>615,239</b>	<b>623,558</b>	<b>646,194</b>	<b>24,012</b>	<b>28,072</b>	<b>36,833</b>	<b>33,140,528</b>	<b>33,228,352</b>	<b>34,701,588</b>
Loans to financial customers	209,963	212,554	211,543	0	0	0	0	0	0	209,963	212,554	211,543
Export credits	0	0	0	0	0	0	0	0	0	0	0	0
Short-term credit facilities	231,503	277,754	310,010	0	0	0	0	0	0	231,503	277,754	310,010
Equipment loans <sup>(1)</sup>	12,328,513	10,448,628	10,144,475	0	34	34	2,892	2,529	3,888	12,325,621	10,446,133	10,140,622
Home loans	19,663,768	21,575,921	23,321,651	614,436	622,721	645,419	21,120	25,543	32,946	20,257,084	22,173,099	23,934,125
Other customer loans	14,476	16,259	16,352	0	0	0	0	0	0	14,476	16,259	16,352
Unallocated amounts	0	0	0	0	0	0	0	0	0	0	0	0
Related receivables	101,078	101,750	88,197	803	803	740	0	0	0	101,881	102,554	88,937
<b>GENERAL <sup>(2)</sup></b>	<b>32,549,301</b>	<b>32,632,866</b>	<b>34,092,228</b>	<b>615,239</b>	<b>623,558</b>	<b>646,194</b>	<b>24,012</b>	<b>28,072</b>	<b>36,833</b>	<b>33,140,528</b>	<b>33,228,352</b>	<b>34,701,588</b>

Restructured loans amounted to €294.43m at December 31, 2024, including €138.91m classified as performing loans.

Note: Compagnie de Financement Foncier does not include any intragroup loans in customer loans.

(1) Equipment loans are loans to local authorities.

(2) Customer loans eligible for refinancing with the Central Bank amounted to €7.76bn at December 31, 2024 in outstanding capital. This amount represents €5.4bn after haircut and overcollateralization constraints.

(3) Write-downs on customer loans include, on the one hand, write-downs on doubtful loans and receivables for €18.22m and, on the other hand, write-downs due to significant increases in credit risk on performing loans for €5.79m.

## Note 11 A1 Impairment and provisions for credit risks

(in €k)	12/31/2022	Reclassifications	Additions	Reversals	12/31/2023	Reclassifications	Additions	Reversals	12/31/2024
<b>Impairment of assets</b>									
Customer loans and due from credit institutions <sup>(1) (2)</sup>	36,833	0	7,852	-16,613	28,072	0	9,077	-13,138	24,012
<b>Provisions recognized as liabilities</b>									
Customer loans and due from credit institutions and provisions on securities <sup>(3)</sup>	107	0	0	-38	69	0	571	0	640
<b>TOTAL</b>	<b>36,941</b>	<b>0</b>	<b>7,852</b>	<b>-16,651</b>	<b>28,141</b>	<b>0</b>	<b>9,649</b>	<b>-13,138</b>	<b>24,652</b>

(1) Loan impairment is measured at discounted value in accordance with Regulation No. 2014-07 of the French National Accounting Standards Authority.

(2) In accordance with Regulation No. 2014-07 of the French National Accounting Standards Authority, Compagnie de Financement Foncier now recognizes its impairment flows in accumulated stock at each closing: reversal of all impairment for the previous fiscal year and full allocation of impairment for the current fiscal year.

(3) A provision for risk is included in the scope of non-doubtful off-balance sheet commitments, for which the available information makes it possible to anticipate a risk of default and losses at maturity.

## Note 11 A2 Premiums – discounts on acquired receivables

(in €k)	12/31/2022	Reclassification – Repayment	Additions	Spreading	12/31/2023	Reclassification – Repayment	Additions	Spreading	12/31/2024
<b>Receivables due from credit institutions</b>									
Premiums	0		0	0	0	0	0	0	0
Discounts	0	0	0	0	0	0	0	0	0
<b>Net</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Customer loans</b>									
<b>Performing loans and receivables</b>									
Premiums	648,818	-2,588	18,818	-100,899	564,149	-2,130	55,868	-86,921	530,967
Discounts	-1,031,694	6,901	-86,914	116,291	-995,416	5,722	-16,133	103,997	-901,830
<b>Doubtful loans and receivables</b>									
Premiums	14,581	2,588		-3,479	13,689	2,130		-3,176	12,643
Discounts	-20,274	-6,901		5,411	-21,764	-5,722		5,194	-22,293
<b>Net</b>	<b>-388,568</b>	<b>0</b>	<b>-68,096</b>	<b>17,324</b>	<b>-439,341</b>	<b>0</b>	<b>39,735</b>	<b>19,094</b>	<b>-380,513</b>
<b>TOTAL</b>	<b>-388,568</b>	<b>0</b>	<b>-68,096</b>	<b>17,324</b>	<b>-439,341</b>	<b>0</b>	<b>39,735</b>	<b>19,094</b>	<b>-380,513</b>

## Note 11 B Breakdown of outstanding customer loans

(in €k)	12/31/2024			12/31/2023	12/31/2022
	Gross	Impairment	Net	Net	Net
<b>Mortgage Loans France</b>	<b>18,404,839</b>	<b>2,537</b>	<b>18,402,302</b>	<b>20,159,057</b>	<b>21,777,848</b>
<b>Public financing</b>	<b>14,134,496</b>	<b>3,235</b>	<b>14,131,262</b>	<b>12,455,351</b>	<b>12,293,162</b>
■ French public sector	12,920,939	3,083	12,917,856	11,188,010	11,000,442
■ Social housing	1,158,529	191	1,158,337	1,247,054	1,325,583
■ French local authorities (FLA)	11,762,410	2,892	11,759,519	9,940,956	9,674,859
■ Sovereign France	0	0	0	0	0
Public-Private Partnership (PPP)	541,260	58	541,201	562,185	575,145
International public financing	672,297	93	672,204	705,155	717,576
■ International public sector (IPS)	672,297	93	672,204	705,155	717,576
■ International Sovereign	0	0	0	0	0
<b>Commercial mortgage exposures</b>	<b>9,966</b>	<b>19</b>	<b>9,947</b>	<b>11,214</b>	<b>13,155</b>
<b>Other</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Subtotal performing customer loans</b>	<b>32,549,301</b>	<b>5,790</b>	<b>32,543,511</b>	<b>32,625,621</b>	<b>34,084,166</b>
<b>Doubtful loans and receivables</b>	<b>615,239</b>	<b>18,222</b>	<b>597,017</b>	<b>602,730</b>	<b>617,423</b>
<b>TOTAL CUSTOMER LOANS</b>	<b>33,164,540</b>	<b>24,012</b>	<b>33,140,528</b>	<b>33,228,352</b>	<b>34,701,588</b>

The 2016 outstanding loans are drawn up in line with the breakdown presented in the table "Exposure analysis to credit risk".

Outstanding loans in the unsubsidized sector include €11.50bn in loans guaranteed by SGFGAS.

## Note 11 C Breakdown of outstanding doubtful loans

12/31/2024 (in €k)	Total doubtful loans and receivables			Including compromised doubtful loans and receivables		
	Gross	Impairment	Net	Gross	Impairment	Net
<b>Mortgage Loans France</b>	<b>614,667</b>	<b>18,205</b>	<b>596,462</b>	<b>251,339</b>	<b>6,540</b>	<b>244,799</b>
<b>Public financing</b>	<b>558</b>	<b>16</b>	<b>541</b>	<b>0</b>	<b>0</b>	<b>0</b>
French public sector	558	16	541	0	0	0
■ Social housing	558	16	541	0	0	0
■ French local authorities (FLA)	0	0	0	0	0	0
■ Sovereign France	0	0	0	0	0	0
Public-Private Partnership (PPP)	0		0	0	0	0
International public financing	0	0	0	0	0	0
■ International public sector (IPS)	0	0	0	0	0	0
■ International Sovereign	0	0	0	0	0	0
<b>Commercial mortgage exposures</b>	<b>13</b>	<b>0</b>	<b>13</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Subtotal doubtful customer loans</b>	<b>615,239</b>	<b>18,222</b>	<b>597,017</b>	<b>251,339</b>	<b>6,540</b>	<b>244,799</b>

Doubtful loans and receivables outstanding in the unsubsidized sector includes €429.7m in loans guaranteed by SGFGAS.

In accordance with Regulation No. 2014-07 of the French National Accounting Standards Authority, irrecoverable doubtful loans do not include loans with a guarantee covering nearly all of the risks. These are mainly subsidized sector loans and loans with an FGAS guarantee.

## Note 12 Other assets

(in €k)	12/31/2024	12/31/2023	12/31/2022
<b>Options bought</b>	0	0	0
<b>Securities settlement accounts</b>	0	0	0
<b>Other debtors</b>	<b>32,668</b>	<b>25,430</b>	<b>20,390</b>
Deposits on collateralization transactions	0	0	0
Other deposits and guarantees <sup>(1)</sup>	22,661	22,661	19,015
Tax consolidation receivables <sup>(2)</sup>	8,478	1,892	0
Other non-trade receivables	1,529	877	1,376
<b>Special bonus account</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL</b>	<b>32,668</b>	<b>25,430</b>	<b>20,390</b>

(1) At December 31, 2024, this item includes mainly the guarantee deposits for 2015 to 2023 called by the Single Resolution Fund for €22,661k.

(2) This item represents remuneration due by Crédit Foncier for corporate tax savings due to the tax deficit.

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## Note 13 Accrual accounts – assets

(in €k)	12/31/2024	12/31/2023	12/31/2022
<b>Collection accounts</b>	<b>0</b>	<b>0</b>	<b>8</b>
<b>Deferred expenses</b>	<b>420,422</b>	<b>326,977</b>	<b>165,224</b>
Issue and redemption premiums on fixed-income securities	420,422	326,977	165,224
Other deferred expenses	0	0	0
<b>Prepaid expenses</b>	<b>85,866</b>	<b>565,843</b>	<b>659,132</b>
Termination balances of paid swaps to be amortized <sup>(1)</sup>	79,351	565,843	659,132
Other prepaid expenses	6,515	0	0
<b>Accrued income</b>	<b>505,634</b>	<b>450,384</b>	<b>263,415</b>
Accrued interest on swaps	505,275	449,353	262,925
Other accrued income	358	1,031	490
<b>Other accrual accounts – assets</b>	<b>446,111</b>	<b>75,842</b>	<b>85,199</b>
Cash in domiciliation	0	0	0
Deferred tax assets	66,269	55,887	71,532
Currency adjustment accounts	0	0	0
Other accrued income <sup>(1)</sup>	379,842	19,955	13,667
<b>TOTAL</b>	<b>1,458,033</b>	<b>1,419,046</b>	<b>1,172,979</b>

(1) These changes are explained by a reclassification of €434,148.11k made at June 30, 2024 to distinguish between cash balances on unwound contracts and those not settled.

## Note 14 Due to credit institutions

### ACCOUNTING POLICIES

Payables to credit institutions are presented according to their initial term (sight deposit or term). Depending on the counterparty involved, these items may include repurchase agreements involving securities and other assets. Accrued interest is recorded on related debts.

### REPURCHASE AGREEMENTS

The collateralized assets under repurchase agreements are recognized in accordance with Regulation No. 2014-07 of the French National Accounting Standards Authority.

The transferor records the amount received under liabilities, representing its debt vis-à-vis the purchaser. The purchaser records the amount paid, representing its claim against the transferor, as an asset. At the balance sheet date, the collateralized assets, as well as the debt vis-à-vis the purchaser and the claim against the transferor, are valued according to the rules that apply to each.

<i>(in €k)</i>	12/31/2024	12/31/2023	12/31/2022
<b>Due to credit institutions – sight deposits <sup>(1)</sup></b>	<b>0</b>	<b>0</b>	<b>3,570</b>
Current accounts of credit institutions	0	0	3,570
Demand loans from credit institutions	0	0	0
Other amounts due to credit institutions	0	0	0
Related payables	0	0	0
<b>Due to credit institutions – term deposits <sup>(2)</sup></b>	<b>5,597,287</b>	<b>4,565,451</b>	<b>4,847,414</b>
Term deposits and loans	5,017,960	3,940,129	4,201,567
Values sold under repurchase agreements	0	0	0
Securities sold under repurchase agreements	567,284	614,972	642,540
Related payables	12,043	10,350	3,307
<b>TOTAL</b>	<b>5,597,287</b>	<b>4,565,451</b>	<b>4,850,984</b>
<b>(1) Details of due to credit institutions – sight deposits (Group/non-Group)</b>	<b>0</b>	<b>0</b>	<b>3,570</b>
<b>Of which Group</b>	<b>0</b>	<b>0</b>	<b>0</b>
■ Other amounts due to credit institutions	0	0	0
■ Demand loans from credit institutions	0	0	0
■ Related payables	0	0	0
<b>Of which non-Group</b>	<b>0</b>	<b>0</b>	<b>3,570</b>
■ Other amounts due to credit institutions	0	0	3,570
<b>(2) Details of due to credit institutions – term deposits (Group/non-Group)</b>	<b>5,597,287</b>	<b>4,565,451</b>	<b>4,847,414</b>
<b>Of which Group</b>	<b>5,597,287</b>	<b>4,565,451</b>	<b>4,847,415</b>
■ Term deposits and loans	5,030,002	3,950,479	4,204,875
■ Securities sold under repurchase agreements	567,284	614,972	642,540
<b>Of which non-Group</b>	<b>0</b>	<b>0</b>	<b>0</b>
■ Term deposits and loans	0	0	0
■ Banque de France refinancing (3G pool)	0	0	0
■ Other term loans	0	0	0
■ Securities sold under repurchase agreements	0	0	0
■ Related payables	0	0	0
<b>Subtotal due to Group credit institutions</b>	<b>5,597,287</b>	<b>4,565,451</b>	<b>4,847,415</b>
<b>Subtotal due to non-Group credit institutions</b>	<b>0</b>	<b>0</b>	<b>3,570</b>
<b>OVERALL TOTAL</b>	<b>5,597,287</b>	<b>4,565,451</b>	<b>4,850,984</b>

## Note 15 Debt securities

### DEBT SECURITIES

Debt securities are shown according to how they are supported: savings certificates, interbank market instruments and negotiable debt securities, bonds and similar instruments, excluding subordinated securities which are shown on their own line in liabilities.

The outstanding principal amount on loans issued by Compagnie de Financement Foncier is recognized as a balance sheet liability for the gross amount. Foreign currency loans are measured in euros at the closing exchange rates.

Accrued interests relating to these securities are recorded in a related liabilities account through profit or loss.

Issuance fees are accounted for over the life of the corresponding loans. Issue and redemption premiums are spread over the life of the loan *via* a deferred expenses account. The amortization of fees and issue premiums is carried to profit or loss under "Interest and similar expenses on bonds and other fixed-income securities".

For structured debts, in application of the precautionary principle, only the certain part of the remuneration or principal is recognized. A latent gain is not recognized. An unrealized loss is subject to a provision. Compagnie de Financement Foncier had not issued any structured debt at December 31, 2024.

(in €k)	12/31/2024	12/31/2023	12/31/2022
Negotiable debt securities	0	0	0
Related payables	0	0	0
<b>Negotiable debt securities and related payables</b>	<b>0</b>	<b>0</b>	<b>0</b>
<i>Obligations foncières</i>	50,911,701	51,214,106	51,231,517
Related payables	556,670	485,761	413,036
<b><i>Obligations foncières</i> and related payables</b>	<b>51,468,371</b>	<b>51,699,868</b>	<b>51,644,553</b>
<b>TOTAL</b>	<b>51,468,371</b>	<b>51,699,868</b>	<b>51,644,553</b>

All of these debt securities benefit from a preferential payment claim defined by Article L. 513-11 of the French Monetary and Financial Code ("privilege" of *obligations foncières*).

## Note 16 Other liabilities

(in €k)	12/31/2024	12/31/2023	12/31/2022
<b>Options sold</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Other creditors</b>	<b>220,872</b>	<b>179,912</b>	<b>137,434</b>
Deposits on collateralization transactions	118,251	71,900	38,300
Margin calls on repurchase agreements	0	0	0
Trade payables*	0	7,881	847
Tax consolidation liabilities <sup>(1)</sup>	0	0	123
Other fiscal and social debts	44	39	53
Other payables accounts	-6,295	-5,443	-4,559
Special bonus account	108,871	105,535	102,670
<b>Allocated public funds <sup>(2)</sup></b>	<b>55,995</b>	<b>52,670</b>	<b>40,323</b>
<b>TOTAL</b>	<b>276,867</b>	<b>232,582</b>	<b>177,757</b>
	0	0	123
(1) Corporate tax due to Crédit Foncier (tax consolidation)	55,843	52,435	39,911

\* As of December 31, 2024, all invoices received and due have been settled with suppliers.

## Note 17 Accrual accounts– liabilities

<i>(in €k)</i>	12/31/2024	12/31/2023	12/31/2022
<b>Collection accounts</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Unearned income</b>	<b>403,639</b>	<b>480,073</b>	<b>590,206</b>
Subsidies on loans for low-income households (PAS – Social Accession Loan) and former interest-free loans (PTZ)	989	2,004	3,252
Balances of swaps received to be amortized	339,449	395,393	483,541
Other unearned income	63,201	82,676	103,413
<b>Accrued expenses</b>	<b>467,752</b>	<b>427,714</b>	<b>215,351</b>
Accrued interest on derivatives (swaps)	435,455	420,117	206,540
Other accrued expenses	32,297	7,597	8,811
<b>Other accrual accounts – liabilities</b>	<b>755,870</b>	<b>739,512</b>	<b>873,916</b>
Currency adjustment accounts <sup>(1)</sup>	710,479	665,484	831,574
Other items	45,390	74,028	42,342
<b>TOTAL</b>	<b>1,627,261</b>	<b>1,647,299</b>	<b>1,679,473</b>

(1) This item restores the balance between assets and liabilities, following the recognition in the income statement of gains or losses relating to the measurement of off-balance sheet transactions in foreign currency. A similar item can be found in note 13.

## Note 18 Provisions

### PROVISIONS

This item covers provisions for liabilities and charges that are not directly related to banking transactions as defined under Article L. 311-1 of the French Monetary and Financial Code or to related transactions as defined under Article L. 311-2 of said Code, and which are clearly identifiable but of uncertain timing or amount. Unless covered by a specific text or reporting banking or related

transactions, such provisions may only be recognized if an obligation towards a third party exists at the end of the accounting period and is not offset by a receivable from this third party, in accordance with the provisions of Regulation No. 2014-03 of the French National Accounting Standards Authority.

In particular, this item includes a provision for counterparty risk on performing loans detailed in note 11.

<i>(in €k)</i>	12/31/2024	12/31/2023	12/31/2022
<b>Provisions for counterparty risks</b>	<b>640</b>	<b>69</b>	<b>107</b>
Provisions for counterparty risks on performing loans	640	69	107
Sectoral provisions	0	0	0
Provisions for execution risks for commitments by signature	0	0	0
<b>Provisions for claims and litigation</b>	<b>15,957</b>	<b>12,059</b>	<b>12,059</b>
Tax litigation	3,898	0	0
Other litigation*	12,059	12,059	12,059
<b>Other provisions</b>	<b>111</b>	<b>158</b>	<b>222</b>
Other provisions <sup>(1)</sup>	111	158	222
<b>TOTAL</b>	<b>16,709</b>	<b>12,285</b>	<b>12,388</b>

\* The reserve for provisions only included one case and was therefore reclassified in 2020 after deduction of the outstanding amounts in question.

(1) A provision related to an estimate of an accelerated amortization of several termination balances.



Changes in the period (in €k)	Changes in 2024					12/31/2024
	12/31/2023	Additions	Reversals		Other changes	
			Used	Not used		
<b>Provisions for counterparty risks</b>	<b>69</b>	<b>571</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>640</b>
Provisions for counterparty risks on performing loans	69	571	0	0	0	640
Sectoral provisions	0	0	0	0	0	0
Provisions for execution risks for commitments by signature	0	0	0	0	0	0
<b>Provisions for claims and litigation</b>	<b>12,059</b>	<b>3,898</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>15,957</b>
Tax litigation	0	3,898	0	0		3,898
Other litigation	12,059	0	0	0		12,059
<b>Other provisions</b>	<b>158</b>	<b>0</b>	<b>0</b>	<b>46</b>	<b>0</b>	<b>111</b>
Other provisions	158	0	0	46	0	111
<b>TOTAL</b>	<b>12,285</b>	<b>4,470</b>	<b>0</b>	<b>46</b>	<b>0</b>	<b>16,709</b>

## Note 19 Changes in equity

### FUND FOR GENERAL BANKING RISKS

This fund is intended to cover risks inherent to the entity's business activities, pursuant to the requirements of Article 3 of Regulation No. 90-02 of the CRBF.

(in €k)	Changes in capital and reserves				Changes in capital and reserves				Amount at 12/31/2024
	Opening 01/01/2023	Dividends paid			Amount at 12/31/2023	Dividends paid			
		Allocation	in shares	Other changes		Allocation	in shares	Other changes	
Share capital*	1,537,460	0	0	0	1,537,460	0	0	0	1,537,460
Share premiums*	209,867	0	0	0	209,867	0	0	0	209,867
<b>Reserves</b>									
■ Legal reserve	84,259	5,996	0	0	90,255	5,942	0	0	96,197
■ General reserve	55,517	0	0	0	55,517		0	0	55,517
■ Regulated reserves	0	0	0	0	0	0	0	0	0
■ Including:	0	0	0	0	0	0	0	0	0
■ Regulated reserves of revaluation	0	0	0	0	0	0	0	0	0
■ Special reserves for long-term capital gains	0	0	0	0	0	0	0	0	0
Retained earnings	66,694	-5,996	0	0	60,698	-5,942	0	0	54,756
<b>Net equity before net income for the year</b>	<b>1,953,798</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,953,797</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,953,798</b>
Net income for the year before distributions	119,910	-119,910	0	0	118,833	-118,833	0	0	86,279
<b>Net equity after net income for the year</b>	<b>2,073,708</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,072,631</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,040,077</b>
Dividends paid	0	119,910	0	0	0	118,833	0	0	0

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(in €k)	Opening 01/01/2023	Changes in provisions			Amount at 12/31/2023	Changes in provisions			Amount at 12/31/2024
		Allocation	Additions	Reversals		Allocation	Additions	Reversals	
Special revaluation provision									
Other regulated provisions									
Regulated provisions									
<b>Equity before distributions</b>	<b>2,073,708</b>				<b>2,072,631</b>				<b>2,040,077</b>

(in €k)	Opening 01/01/2023	Changes in the fund for general banking risks			Amount at 12/31/2023	Changes in the fund for general banking risks			Amount at 12/31/2024
		Allocation	Additions	Reversals		Allocation	Additions	Reversals	
Fund for general banking risks	20,000				20,000				20,000
<b>TOTAL</b>	<b>2,093,708</b>				<b>2,092,631</b>				<b>2,060,077</b>

\* The share capital is composed of 96,091,246 ordinary shares with a nominal value of €16, all of which confer the same rights on their holders.  
No free revaluation has been carried out to date.

## Note 19 A Proposed appropriation of income

(in €k)	At 12/31/2024	
<b>Sources</b>		
Retained earnings	0	54,756
Net income for the fiscal year	0	86,279
Deposit on dividends	0	0
Transfer from reserves	0	0
<b>Allocation</b>		
Allocation to reserves		
■ Legal reserve	4,314	0
■ Special long-term capital gains reserves	0	0
■ Other reserves	0	0
Dividends	86,482	
Other distributions	0	0
Retained earnings	50,240	0
<b>TOTAL</b>	<b>141,036</b>	<b>141,036</b>

## Note 20 Commitments given and received

### GENERAL PRINCIPLES

#### FINANCING COMMITMENTS

Financing commitments given to credit and similar institutions comprising refinancing agreements, payment approvals or payment commitments, documentary credit opening confirmation and other commitments given to credit institutions.

Financing commitments given to customers comprising confirmed credit openings, substitutions for commercial paper facilities, commitments on securities issuance facilities and other commitments given to economic agents other than credit and similar institutions.

Financing commitments received list refinancing agreements and other commitments received from credit and similar institutions.

#### GUARANTEE COMMITMENTS

Credit institution guarantee commitments cover deposits, pledges and other guarantees from credit and similar institutions.

Customer guarantee commitments include deposits, pledges and other guarantees from economic agents other than credit and similar institutions.

Guarantee commitments include received list deposits, pledges and other guarantees received from credit and similar institutions.

## 20.1 COMMITMENTS GIVEN

<i>(in €k)</i>	12/31/2024		12/31/2023		12/31/2022	
	Loans authorized but not yet established	Amounts not drawn down on loans already partially established	Loans authorized but not yet established	Amounts not drawn down on loans already partially established	Loans authorized but not yet established	Amounts not drawn down on loans already partially established
<b>FINANCING COMMITMENTS</b>	<b>718,279</b>	<b>0</b>	<b>478,711</b>	<b>0</b>	<b>520,114</b>	<b>18</b>
Subsidized sector commitments	0	0	0	0	0	0
Unsubsidized sector commitments	718,279	0	478,711	0	520,114	18
<b>Non-Group commitments</b>	<b>718,279</b>	<b>0</b>	<b>478,711</b>	<b>0</b>	<b>520,114</b>	<b>18</b>
Credit institutions	15,000	0	0	0	0	0
Customers <sup>(1)</sup>	703,279	0	478,711	0	520,114	18
Group commitments	0	0	0	0	0	0
<b>GUARANTEE COMMITMENTS</b>	<b>170,825</b>	<b>0</b>	<b>162,753</b>	<b>0</b>	<b>175,389</b>	<b>0</b>
<b>Non-Group commitments</b>	<b>170,825</b>		<b>162,753</b>		<b>175,389</b>	
Other securities pledged as collateral <sup>(2)</sup>	170,825		162,753		175,389	
<b>COMMITMENTS ON SECURITIES</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL <sup>(3)</sup></b>	<b>889,104</b>		<b>641,464</b>		<b>695,521</b>	

(1) The main changes concerning financing commitments given to customers are:

<i>(in €k)</i>	12/31/2024	12/31/2023	12/31/2022
Corporate loans	703,279	478,711	520,114
State housing savings accounts (primes d'épargne logement)	0	0	0

(2) This item represents assets and securities given as collateral to the Banque de France, within the framework of the pool of the Gestion Globale des Garanties (3G) including:

<i>(in €k)</i>	12/31/2024	12/31/2023	12/31/2022
Securities	138,376	123,972	130,492
Receivables	32,449	38,782	44,897

Receivables presented and accepted by the Banque de France are valued at their carrying amount; securities are valued at ECB value before valuation haircut.

(3) Including:

<i>(in €k)</i>	12/31/2024	12/31/2023	12/31/2022
Doubtful commitments	0	0	18

## 20.2 COMMITMENTS RECEIVED

(in €k)	12/31/2024	12/31/2023	12/31/2022
<b>FINANCING COMMITMENTS</b>	<b>23,628,323</b>	<b>20,797,814</b>	<b>20,524,459</b>
<b>Non-Group commitments</b>	<b>690,426</b>	<b>710,610</b>	<b>723,662</b>
Credit institutions <sup>(1)</sup>	690,426	710,610	723,662
<b>Group commitments</b>	<b>22,937,897</b>	<b>20,087,204</b>	<b>19,800,797</b>
Repurchase guarantee	0	0	0
Credit institutions	1,000,000	1,000,000	1,000,000
Other assets received as collateral from the Group <sup>(2)</sup>	21,937,897	19,087,204	18,800,797
<b>GUARANTEE COMMITMENTS</b>	<b>22,707,203</b>	<b>25,069,795</b>	<b>26,741,120</b>
<b>Non-Group commitments</b>	<b>22,257,620</b>	<b>24,533,463</b>	<b>26,166,284</b>
Credit institutions and similar items <sup>(3)</sup>	4,056,753	4,381,790	4,669,715
Customers <sup>(4)</sup>	18,200,868	20,151,674	21,496,568
<b>Group commitments</b>	<b>449,582</b>	<b>536,332</b>	<b>574,837</b>
Credit institutions and similar items	423,529	506,920	541,407
Customers	26,053	29,412	33,430
<b>COMMITMENTS ON SECURITIES</b>	<b>0</b>	<b>0</b>	<b>0</b>
Other securities to be received	0	0	0
<b>TOTAL</b>	<b>46,335,525</b>	<b>45,867,610</b>	<b>47,265,579</b>

(1) Non-group financing commitments included the commitment received from the Banque de France in relation to the collateral management mechanism for an amount of €148.24m at December 31, 2024 compared with €153.72m at December 31, 2023.

(2) Guarantees related to receivables and securities held and put in place within the framework of loans authorized pursuant to Article L. 211-38 and mortgage notes.

(in €k)	12/31/2024	12/31/2023	12/31/2022
■ Guarantees received from Crédit Foncier for loans to French local authorities (L. 211-38):	6,208,285	7,759,213	9,256,301
■ Guarantees received from BPCE SA as safe and liquid assets (L. 211-38 – RV):	3,474,207	3,775,528	5,190,289
■ Guarantees received from Caisses d'Épargne, SOCFIM, Banques Populaires banks and BPCE for loans to French local authorities (L. 211-38):	12,255,405	7,552,463	4,354,207
■ Guarantees received from Crédit Foncier for mortgage notes:	0	0	0

(3) Of which mainly:

(in €k)	12/31/2024	12/31/2023	12/31/2022
■ Guarantees received from Crédit Logement rated Aa3 (Moody's)	4,056,753	4,217,608	4,490,765
■ Guarantees received from Créserfi:	7	155,133	174,020

(4) Compagnie de Financement Foncier posts guarantees to the balance sheet related to certain types of customer loans on the balance sheet, in view of their materiality. These guarantees include:

(in €k)	12/31/2024	12/31/2023	12/31/2022
■ Government guarantees on loans, mainly to the subsidized sector	1,616	4,540	11,981
■ Guarantees from the SGFGAS on FGAS-eligible loans and covered by the government	11,503,871	12,480,298	13,325,934
■ Mortgage guarantees for mortgage loans that are only covered by this guarantee	3,958,773	4,494,114	4,946,770
■ Guarantees given by local authorities and other organizations	1,108,637	1,152,427	1,114,348
■ Security enhancement guarantees given by governments	1,293,204	1,538,318	1,569,370
■ Security enhancement guarantees received from insurance companies	334,767	481,976	1,166,633

## Note 21 Forward financial instruments

### FOREIGN CURRENCY TRANSACTIONS

Income and capital gains or losses on foreign exchange transactions are calculated in accordance with Regulation No. 2014-07 of the French National Accounting Standards Authority.

Receivables, liabilities and off-balance sheet commitments denominated in a foreign currency are valued at the closing exchange rate. The corresponding income and expenses are immediately translated into euros at the spot rate when recognized in the income statement.

Unsettled spot foreign exchange transactions are valued at the exchange rate as at the reporting date.

Foreign exchange swaps are recognized as coupled long spot and short forward transactions. Premiums and discounts on foreign exchange forward and futures contracts used for hedging purposes are recognized in the income statement on a *pro rata temporis* basis.

Realized and unrealized foreign exchange gains and losses are recognized in the income statement under "Net gains or losses on trading book transactions".

### FUTURE CONTRACTS

Hedging, forward interest rate, foreign exchange and equity futures transactions are recognized in accordance with the provisions of Regulation No. 2014-07 of the French National Accounting Standards Authority.

Commitments on these instruments are recorded as off-balance sheet items at the nominal value of the contracts. At the closing date, the amount recognized for these commitments represented the volume of the open transactions at closing.

The instruments held by Compagnie de Financement Foncier are mainly interest rate or foreign exchange swaps, forward foreign exchange swaps and caps and floors. All these instruments are traded OTC (including transactions processed by clearing houses – LCH).

Compagnie de Financement Foncier has no binding contracts on any organized or other markets.

The accounting policies applied vary depending on the type of instrument and the original purpose of the transaction.

### FORWARD TRANSACTIONS

Interest rate swaps and similar contracts (forward rate agreements, floor and ceiling guarantees) are classified according to the initial intention criterion in the following categories:

- micro-hedging (earmarked hedge);
- macro-hedging (overall asset and liability management);
- speculative positions/isolated open positions;
- specialized management of a trading book.

Income and expenses on the first two categories are recognized in the income statements on a *pro rata* basis.

Income and expenses on instruments used to hedge an item or a group of similar assets are recorded as profit or loss, symmetrically with the recognition of income and expenses on hedged items. Comprehensive income items of the hedging instrument are recognized in the same line item as income and expenses for hedged items, under "Interest and similar income" and "Interest and similar expenses". The "Net gains or losses on trading book transactions" line item is used when the hedged items are included in the trading book.

Hedging swaps on loans are systematically reclassified under isolated open positions when the loan becomes doubtful.

Income and expenses on forward financial instruments used to hedge and manage the Company's overall interest rate exposure are recognized in the income statement on a *pro rata* basis as "Interest and similar income" and "Interest and similar expenses". Unrealized gains and losses are not recognized.

Gains and losses on certain contracts qualified as isolated open positions are recorded in the income statement when the contracts are unwound or on a *pro rata* basis depending on the nature of the instrument. Recognition of unrealized capital gains or losses is determined based on the type of market involved (organized, other markets considered as organized or over the counter):

- for over-the-counter options, unrealized mark-to-market losses are provided for at year-end. Unrealized gains are not recognized;
- instruments traded on organized markets or other markets considered as organized are continuously quoted and liquid enough to justify being marked to market. Unrealized gains are not recognized.

Compagnie de Financement Foncier does not have any trading book or isolated open position management contracts.

Termination balances or transfers are recognized as follows:

- transactions classified under specialized asset management or isolated open positions are recognized directly in the income statement;
- for micro-hedging and macro-hedging, the closing balances are either amortized over the remaining life of the item formerly hedged or carried directly to profit or loss.

When a micro-hedged item is divested the termination balance of the associated swap and, where applicable, the unamortized termination balances are booked in profit or loss on the same line as that on which the gain or loss on the disposal of the hedged item is recognized.

## OPTIONS

The notional amount of the underlying asset on which the option or forward contract is based is recorded by distinguishing between hedging contracts and contracts traded on the markets.

For transactions involving interest rate, foreign exchange or equity options, the premiums paid or received are recognized in a temporary account. At closing, these options are valued on the profit or loss in the case of products listed on an organized market or equivalent. For over-the-counter (OTC) options, provisions are recognized for capital losses but unrealized capital gains are not recognized. When an option is sold, repurchased or exercised, or when an option expires, the corresponding premium is recognized immediately in income.

Income and expenses for hedging instruments are recognized symmetrically with those from the hedged item. Put options are not eligible for classification as macro-hedging instruments.

Over-the-counter markets may be treated as organized markets when market makers ensure continuous quotations with spreads that reflect market practice or when the underlying financial instrument is itself quoted on an organized market.

At December 31, 2024, Compagnie de Financement Foncier recognized no forward rate agreements on an isolated open position.

(in €k)	12/31/2024		12/31/2023		12/31/2022	
	Euros	Currencies <sup>(1)</sup>	Euros	Currencies <sup>(1)</sup>	Euros	Currencies <sup>(1)</sup>
<b>OVER-THE-COUNTER MARKETS</b>						
<b>Options (nominal amounts)</b>	<b>139,500</b>	<b>0</b>	<b>172,524</b>	<b>0</b>	<b>684,024</b>	<b>0</b>
<b>Hedging transactions (purchases)</b>						
■ Interest rate instruments	139,500	0	172,524	0	684,024	0
■ Foreign exchange instruments						
■ Other instruments						
<b>Other options</b>						
<b>Options (fair value)</b>	<b>324</b>	<b>0</b>	<b>682</b>	<b>0</b>	<b>9,115</b>	<b>0</b>
<b>Forward transactions (nominal amounts)</b>	<b>67,884,037</b>	<b>6,622,523</b>	<b>61,657,086</b>	<b>6,604,557</b>	<b>56,177,996</b>	<b>5,972,170</b>
<b>Hedging transactions</b>						
■ Interest rate instruments	62,653,266	348,536	56,392,145	338,350	51,534,406	326,732
■ Foreign exchange instruments <sup>(2)</sup>	5,230,771	6,273,987	5,264,941	6,266,207	4,643,590	5,645,439
■ Other instruments	0	0	0	0	0	0
<b>Other transactions</b>						
<b>Forward transactions (fair value)<sup>(3)</sup></b>	<b>-545,938</b>	<b>-815,135</b>	<b>-711,527</b>	<b>-987,851</b>	<b>27,389</b>	<b>-2,060,575</b>
<b>Forward and options transactions</b>	<b>68,023,537</b>	<b>6,622,523</b>	<b>61,829,611</b>	<b>6,604,557</b>	<b>56,862,021</b>	<b>5,972,170</b>
<b>TOTAL<sup>(1)</sup> (NOMINAL AMOUNTS)</b>	<b>74,646,060</b>		<b>68,434,167</b>		<b>62,834,191</b>	
<b>TOTAL (FAIR VALUE)</b>	<b>-1,360,749</b>		<b>-1,698,696</b>		<b>-2,024,071</b>	

Compagnie de Financement Foncier has no derivatives traded on the organized markets.

(1) Notional amounts in euros at the reporting date.

(2) These items are financial micro-hedging currency swaps. They represent a foreign exchange forward position, the inverse position, spot currency transactions, is included in the balance sheet assets (see note 23).

(3) Data disclosed in accordance with Regulation No. 2014-07 of the French National Accounting Standards Authority.

## Note 22 Transactions with related credit institutions <sup>(1)</sup>

<i>(in €k)</i>	12/31/2024	12/31/2023	12/31/2022	12/31/2024 Valuation of assets received as collateral <sup>(2)</sup>
<b>BALANCE SHEET</b>				
<b>Asset items</b>				
<b>Receivables due from credit institutions</b>				
Sight deposit	50,563	49,414	56,634	0
Term*	18	0	0	0
Term deposits guaranteed by repo securities	20,470,422	19,112,271	17,494,771	22,251,409
■ <i>Loans guaranteed by French local authority loans (FLA) under L. 211-38</i>	12,371,201	10,816,202	8,778,813	15,190,973
■ <i>to Crédit Foncier</i>	2,896,000	3,730,500	4,840,200	2,935,568
■ <i>to BPCE</i>	0	0	0	0
■ <i>to other Group entities</i>	9,475,201	7,085,702	3,938,613	12,255,405
■ <i>Loans guaranteed by mortgage loans under L. 211-38</i>	3,419,297	3,594,500	4,132,000	3,586,229
■ <i>to Crédit Foncier:</i>				
<i>to individuals</i>	2,790,000	3,164,000	3,593,000	2,920,843
<i>to corporates</i>	350,500	430,500	539,000	351,874
■ <i>to other Group entities:</i>	0	0	0	0
<i>to individuals</i>	0	0	0	0
<i>to corporates</i>	278,797	0	0	313,512
■ <i>Loans recorded as safe and liquid assets under L. 211-38</i>	4,565,000	4,565,000	4,565,000	3,474,207
■ <i>to BPCE</i>	4,565,000	4,565,000	4,565,000	3,474,207
■ <i>Related receivables</i>	114,923	136,570	18,958	0
<b>Customer transactions</b>				
Receivables	0	0	0	
<b>Securities transactions</b>				
Bonds and other fixed-income securities	0	0	0	0
■ <i>Mortgage notes</i>	0	0	0	0
■ <i>to Crédit Foncier</i>	0	0	0	0
■ <i>Other fixed-income securities</i>	0	0	0	0
■ <i>Related receivables</i>	0	0	0	0
<b>Other assets <sup>(2)</sup></b>				
Other debtors	8,478	1,892	0	0
<b>TOTAL ASSETS</b>	<b>20,529,481</b>	<b>19,163,578</b>	<b>17,551,405</b>	<b>22,251,409</b>

\* Excluding term deposits guaranteed by repo securities.

### 3. FINANCIAL REPORT

Individual financial statements

(in €k)	12/31/2024	12/31/2023	12/31/2022
<b>Liabilities</b>			
<b>Due to credit institutions</b>			
Sight deposit	0	0	0
Term	5,028,851	3,946,133	4,203,168
Securities sold under repurchase agreements	568,436	619,318	644,247
<b>Customer transactions</b>			
Sight deposit	0	0	0
<b>Securities transactions</b>			
Debt securities	0	0	0
Subordinated debts	0	0	0
<b>Other liabilities</b>			
Other creditors	0	7,881	277
<b>TOTAL LIABILITIES</b>	<b>5,597,287</b>	<b>4,573,332</b>	<b>4,847,691</b>

Compagnie de Financement Foncier does not conduct transactions not concluded under normal market conditions between related parties (Regulation No. 2014-07).

(1) The definition of related credit institutions refers to the scope of consolidation of Groupe BPCE to which Compagnie de Financement Foncier belongs.  
(2) Assets received as collateral are valued at their outstanding principal amount determined on the closing date.

## Note 23 Statement of foreign exchange positions

AT 12/31/2024

Headings (in €k)	Australian \$	Canadian \$	US \$	Sterling	Swiss Franc	Yen	Hungarian Forint	New Zealand \$	Norwegian Krone	Danish Krone	TOTAL
<b>BALANCE SHEET</b>											
Financial assets	28	11	1,528,597	66,684	1,207,854	615,056	8	32	2,755	7	3,421,031
Financial liabilities	0	0	565,758	689,774	1,532,762	3,570			138,799		2,930,663
<b>Balance sheet differential (I)</b>	<b>28</b>	<b>11</b>	<b>962,839</b>	<b>-623,091</b>	<b>-324,908</b>	<b>611,486</b>	<b>8</b>	<b>32</b>	<b>-136,043</b>	<b>7</b>	<b>490,369</b>
<b>OFF-BALANCE SHEET</b>											
Commitments received	0	0	588,348	665,444	1,502,440	0		0	136,043		2,892,275
Commitments given	0	0	1,551,171	42,346	1,176,733	611,462			0		3,381,712
<b>Off-balance sheet differential (II)</b>	<b>0</b>	<b>0</b>	<b>-962,823</b>	<b>623,098</b>	<b>325,706</b>	<b>-611,462</b>	<b>0</b>	<b>0</b>	<b>136,043</b>	<b>0</b>	<b>-489,437</b>
<b>TOTAL DIFFERENTIAL (I)+(II)</b>	<b>28</b>	<b>11</b>	<b>16</b>	<b>7</b>	<b>798</b>	<b>24</b>	<b>8</b>	<b>32</b>	<b>0</b>	<b>7</b>	<b>931</b>

Financial assets consist of amounts due from credit institutions and customers.

Financial liabilities are comprised of amounts due to credit institutions, customer deposits and debt securities.



## Note 24 Statement of positions: liquidity risk

Headings (in €k)	At 12/31/2024					Total <sup>(2)</sup>
	Remaining maturity					
	< 3 months	3M<D<6M	6M<D<1Y	1Y<D<5Y	> 5 years	
<b>BALANCE SHEET</b>						
<b>Financial assets <sup>(1)</sup></b>	<b>1,902,268</b>	<b>1,933,147</b>	<b>5,113,976</b>	<b>19,285,555</b>	<b>29,868,377</b>	<b>58,103,322</b>
Receivables due from credit institutions	1,212,982	1,286,443	3,617,208	8,335,552	6,542,650	20,994,834
Receivables from customers	636,755	586,999	1,391,631	8,964,003	20,844,395	32,423,784
Bonds and other fixed-income securities	52,531	59,705	105,137	1,986,000	2,481,332	4,684,704
Subordinated term loans	0	0	0	0	0	0
<b>Financial liabilities</b>	<b>5,771,833</b>	<b>1,953,647</b>	<b>2,898,316</b>	<b>23,931,374</b>	<b>21,941,775</b>	<b>56,496,945</b>
Due to credit institutions	4,458,877	912,508	417	1,363	212,079	5,585,244
Due to customers	0	0	0	0	0	0
Debt securities:	1,312,956	1,041,139	2,897,899	23,930,011	21,729,697	50,911,701
■ Savings certificates	0	0	0	0	0	0
■ Interbank market securities	0	0	0	0	0	0
■ Negotiable debt securities	0	0	0	0	0	0
■ Bonds	1,312,956	1,041,139	2,897,899	23,930,011	21,729,697	50,911,701
■ Other debt securities	0	0	0	0	0	0
Subordinated term debt	0	0	0	0	0	0
<b>Balance sheet differential (I)</b>	<b>-3,869,565</b>	<b>-20,500</b>	<b>2,215,659</b>	<b>-4,645,819</b>	<b>7,926,602</b>	<b>1,606,377</b>
<b>OFF-BALANCE SHEET</b>						
Commitments given	20,000	275	4,229	152,104	541,670	718,279
Commitments received	148,240	0	0	1,000,000	0	1,148,240
<b>Off-balance sheet differential (II)</b>	<b>128,240</b>	<b>-275</b>	<b>-4,229</b>	<b>847,896</b>	<b>-541,670</b>	<b>429,961</b>
<b>TOTAL DIFFERENTIAL (I)+(II)</b>	<b>-3,741,325</b>	<b>-20,776</b>	<b>2,211,430</b>	<b>-3,797,923</b>	<b>7,384,931</b>	<b>2,036,338</b>
Conditional positions	0	6,000	1,500	36,000	96,000	139,500

(1) The financial assets of Compagnie de Financement Foncier include €9.66bn of securities and receivables that meet the refinancing criteria of the European Central Bank (unencumbered assets).

(2) The difference with the amounts shown on the balance sheet is mainly due to unpaid loans, doubtful loans and related receivables.

## Note 25 Financial results of the Company over the last five years

Type of indications (in €)	2020	2021	2022	2023	2024
<b>I) Financial position at the end of the fiscal year</b>					
a) Share capital	2,537,459,936	2,537,459,936	1,537,459,936	1,537,459,936	1,537,459,936
b) Number of shares in issue	158,591,246	158,591,246	96,091,246	96,091,246	96,091,246
c) Number of bonds convertible into shares	None	None	None	None	None
<b>II) Comprehensive income from operations</b>					
a) Revenues excluding taxes	1,831,359,717	1,689,453,649	1,440,922,945	1,774,592,799	1,931,309,146
b) Income before tax, employee profit-sharing and net increase/reversal in amortization and provisions	52,079,307	147,791,688	153,594,570	155,917,397	118,876,746
c) Income tax	-30,783,931	-26,347,900	-48,547,653	-45,905,787	-32,121,710
d) Incidence of employee profit-sharing for the fiscal year	None	None	None	None	None
e) Profit for the fiscal year after tax, employee profit-sharing and net increase/reversal in amortization and provisions	47,140,925	106,004,329	119,910,205	118,833,456	86,279,458
f) Amount of profits distributed	47,139,662	106,003,975	119,910,344	118,833,456	86,279,458
<b>III) Earnings from operations per share <sup>(1)</sup></b>					
a) Profit for the fiscal year after tax and employee profit-sharing but before net increase/reversal in amortization and provisions	0.13	0.62	0.88	1.14	0.90
b) Profit for the fiscal year after tax and employee profit-sharing and net increase/reversal in amortization and provisions	0.30	0.67	1.00	1.24	0.90
c) Dividend paid per share	0.30	0.67	1.25	1.24	0.90
<b>IV) Staff</b>					
a) Number of employees	Negligible	Negligible	Negligible	Negligible	Negligible
■ Management category	Negligible	Negligible	Negligible	Negligible	Negligible
■ Employee and Technician category	None	None	None	None	None
b) Total employee salaries	Negligible	Negligible	Negligible	Negligible	Negligible
c) Amount paid for social contributions and benefits (social security, social and cultural activities, etc.)	Negligible	Negligible	Negligible	Negligible	Negligible

(1) Earnings per share are determined by the average number of shares for the year concerned.

## Note 26 Consolidated cash flow statement

### 26.1 PRINCIPLES

The consolidated cash flow statement analyses the change in cash flow from operating, investment and financing transactions between two periods.

The consolidated cash flow statement of Compagnie de Financement Foncier is presented in accordance with French National Accounting Council recommendation 2004-R-03, on the format used for corporate summary reports and overseen by the French Banking and Financial Services Regulatory Committee.

It is prepared using the indirect method: net income for the year is restated to reflect non-monetary items: depreciation, amortization and impairment for property, plant & equipment and intangible assets, other transactions without cash payments, such as accrued income and expenses. Cash flows generated by operating, investing and financing activities are determined by the difference between the items in the annual financial statements for the previous year and the current year.

Treasury transactions with no cash flow or impact on profit or loss are neutral: payment of the dividend in shares, provision for retained earnings.

The breakdown of Compagnie de Financement Foncier's activities between operating, investing and financing activities takes into account its *Société de Crédit Foncier* status.

Operating activities include:

- the acquisition of eligible loans;
- the acquisition of securitization tranches and securities issued by public entities;
- the issuance of *obligations foncières* and other long-term unsubordinated resources.

Financing activities include:

- dividends paid in cash;
- the issuance and redemption of subordinated debt.

Cash flow is defined according to the standards of the French National Accounting Council. It includes cash on hand and sight deposits at the Banque de France, in post office accounts and with credit institutions.

## 26.2 CONSOLIDATED CASH FLOW STATEMENT

<i>(in €k)</i>	12/31/2024	12/31/2023	12/31/2022
<b>Operating activities</b>			
Net income for the fiscal year	86,279	118,833	119,910
Restatement of earnings related to operating activities	0	0	0
Depreciation, amortization and impairment for property, plant & equipment and intangible assets	0	0	0
Net provisions charges/customers and credit institutions	-4,060	-8,762	-14,827
Net provisions charges/available-for-sale securities	0	0	0
Net provisions charges/held-to-maturity securities	0	0	0
Net charge to provisions/loans	525	-103	-37
Net gain on sale of fixed assets	0	0	0
Other transactions without cash payments	-1,796	-52,134	172,403
Cash flows on loans to credit institutions and customers	-1,282,486	-41,905	3,039,391
Cash flows on available-for-sale securities	0	0	0
Cash flows on held-to-maturity securities	588,199	261,421	271,025
Cash flows on other assets	25,236	4,325	-591
Cash flows on debts/credit institutions and customers	1,029,966	-292,399	-162,177
Net borrowing	-302,405	-17,411	-1,973,876
Cash flows on other liabilities	14,836	86,511	-357,268
<b>Net cash flows used for operating activities</b>	<b>154,294</b>	<b>58,376</b>	<b>1,093,953</b>
<b>Investing activities</b>			
Cash flows related to the sale of:			
■ <i>Financial assets</i>	0	0	0
■ <i>Property, plant &amp; equipment and intangible assets</i>	0	0	0
Disbursements for the acquisition of:			
■ <i>Financial assets</i>	0	0	0
■ <i>Property, plant &amp; equipment and intangible assets</i>	0	0	0
Net cash flows from other investment activities	0	0	0
<b>Net cash flows used for investment activities</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Financing activities</b>			
Cash flows from share issuances	0	0	0
Dividends paid	-118,833	-119,910	-106,004
Net issuances of subordinated debt	0	0	0
Other	0	0	0
<b>Net cash flows from financing activities</b>	<b>-118,833</b>	<b>-119,910</b>	<b>-106,004</b>
<b>NET CHANGE IN CASH POSITION</b>	<b>35,461</b>	<b>-61,534</b>	<b>987,949</b>
Opening cash and cash equivalents	523,788	585,322	730,508
Closing cash and cash equivalents	559,249	523,788	585,322
<b>Net</b>	<b>35,461</b>	<b>-61,534</b>	<b>-145,186</b>
Cash: deposits at Banque de France	506,002	472,108	527,000
Amount due to credit institutions – sight receivables <sup>(1)</sup>	53,247	51,680	58,322
<b>TOTAL</b>	<b>559,249</b>	<b>523,788</b>	<b>585,322</b>
<i>(1) Of which:</i>			
<i>BPCE</i>	<i>50,563</i>	<i>49,414</i>	<i>56,634</i>

## Note 27 Consolidation

In accordance with Article 4111-1 of Regulation No. 2014-07 of the French National Accounting Standards Authority, Compagnie de Financement Foncier does not provide consolidated financial statements.

The individual financial statements of Compagnie de Financement Foncier are included in the consolidated financial statements of groupe Crédit Foncier (SIREN 542 029 848) located at 182 Avenue de France – 75013 Paris and those of Groupe BPCE (SIREN 493 455 042) located at 7 Promenade Germaine Sablon – 75013 Paris.

## Note 28 Remuneration, advances

The “Employee benefits expense” heading corresponds exclusively to the remuneration paid to directors.

## Note 29 Presence in non-cooperative countries

Article L. 511-45 of the French Monetary and Financial Code and the French Minister for the Economy’s Order of October 6, 2009 require credit institutions to include an appendix to their annual financial statements with information on their offices and activities in countries and territories that have not signed an agreement with France containing a mutual assistance clause to fight against tax evasion and fraud by allowing access to banking information.

These requirements are part of global endeavors arising from the various OECD initiatives and summits and contribute to the fight against money laundering and terrorist financing.

At December 31, 2024, Compagnie de Financement Foncier had no activities or offices in non-cooperative countries.

## Note 30 Information relating to statutory auditors

	Deloitte				Mazars				PricewaterhouseCoopers				Total			
	2024		2023		2024		2023		2024		2023		2024		2023	
(in €k)	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
<b>Audit</b>																
Certification of the financial statements	150	75%	0	0%	152	74%	133	72%	156	78%	223	72%	308	76%	356	72%
Other procedures and services directly related to the statutory auditor’s assignment*	50	25%	0	0%	54	26%	51	28%	43	22%	86	28%	97	24%	137	28%
<b>TOTAL</b>	<b>200</b>	<b>100%</b>	<b>0</b>	<b>0%</b>	<b>206</b>	<b>100%</b>	<b>184</b>	<b>100%</b>	<b>199</b>	<b>100%</b>	<b>309</b>	<b>100%</b>	<b>405</b>	<b>100%</b>	<b>493</b>	<b>100%</b>

The amounts indicated represent the accounting expenses taking non-deductible VAT into account.

(1) Other procedures and services directly related to the statutory auditor’s assignment relate to the drafting of comfort letters in connection with bond issuances, as well as fees paid to Compagnie de Financement Foncier’s specific controller.

## Statutory Auditor's Report on the Financial Statements

(For the year ended December 31, 2024)

*This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English-speaking readers. This report includes information specifically required by European regulations or French law, such as information about the appointment of Statutory Auditors. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.*

To the Shareholders,

### OPINION

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying financial statements of Compagnie de Financement Foncier for the year ended December 31, 2024.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company at December 31, 2024 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with 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 "Responsibilities of the Statutory Auditors relating to the audit of the financial statements" section of our report.

### INDEPENDENCE

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

### JUSTIFICATION OF ASSESSMENTS – KEY AUDIT MATTERS

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

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

## CREDIT RISK: IMPAIRMENT OF LOANS FROM CUSTOMERS

### *Description of risk*

Compagnie de Financement Foncier records impairment losses to cover the risk of losses resulting from customers' inability to meet their financial commitments. These impairment losses are recorded for expected losses on non-performing loans (doubtful loans) as well as on non-doubtful loans (deteriorated or underperforming loans).

Since December 31, 2018, the methods for estimating impairment losses for these two categories of loans converge with the expected loss calculations performed in accordance with IFRS 9 for the consolidated financial statements of the Crédit Foncier group.

The measurement of impairment losses requires management to use judgment to classify exposures (non-doubtful, deteriorated, underperforming or doubtful loans) and to determine recoverable future flows and recovery times.

Given the importance of the judgment required to determine impairment losses and the complexity of the estimates made in accordance with IFRS 9, we deemed the estimation of expected losses on loans from customers to be a key audit matter.

At December 31, 2024, loans and receivables due from customers amounted to €33,140 million, including €615 million in gross doubtful loans. The impairment and provisions recognized to cover credit risks amounted to €24 million, including €4,6 million in impairment with respect to significant increases in credit risk on performing loans.

Cost of risk in 2024 was €2.6 million (versus €2,8 million in 2023). For more information on accounting principles and exposures, see Note 6 (Cost of risk) and Note 11 (Customer operations) to the financial statements.

### *How our audit addressed this risk*

We examined the processes implemented by the Risk department to categorize loans (non-doubtful, deteriorated, underperforming or doubtful) and to measure the amount of expected or actual losses thereon.

We tested the controls implemented by management to identify deteriorated, underperforming or doubtful loans, assess the likelihood of recovery and measurement of impairment losses. We also gained an understanding of the main findings of the specialized committees responsible for monitoring these loans.

With regard to the impairment of non-doubtful loans that have been identified as deteriorated or underperforming:

- we examined the methods used to determine the different expected loss inputs and calculation models;
- we also gained an understanding of the procedures for performing the periodic review of the main inputs for the models used;
- we carried out controls on the entire IT system implemented by Groupe BPCE, including a review of general IT controls, interfaces and automated controls;
- lastly, we performed independent expected loss calculations on a sample basis.

Given the organization of the BPCE group, some of the above work was carried out with the support of BPCE's statutory auditors. We carried out a critical review of these works.

With regard to doubtful loans, we:

- examined the procedures for updating the recoverable amounts and remeasuring the value of collateral on provisioned loans to individuals on an individual basis or by category of homogeneous loans,
- verified provision calculations on a sample basis.

We assessed the appropriateness of the disclosures provided in the notes to the financial statements.

### 3. FINANCIAL REPORT

Statutory Auditor's Report on the Financial Statements

#### SPECIFIC VERIFICATIONS

In accordance with professional standards applicable in France, we have also performed the specific verifications required by French legal and regulatory provisions.

#### INFORMATION GIVEN IN THE MANAGEMENT REPORT AND IN THE OTHER DOCUMENTS PROVIDED TO THE SHAREHOLDERS WITH RESPECT TO THE COMPANY'S FINANCIAL POSITION AND THE FINANCIAL STATEMENTS

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the Board of Directors' management report and in the other documents provided to the shareholders with respect to the Company's financial position and the financial statements, with the exception of the following item:

- Concerning the fair presentation and the consistency with the financial statements of the information about payment terms referred to in article D.441-6 of the French Commercial Code, we have the following matter to report: as indicated in the management report, this information does not include banking and related transactions, as the Company has decided that such transactions do not fall within the scope of the required information.

#### REPORT ON CORPORATE GOVERNANCE

We attest that the Board of Directors' report on corporate governance sets out the information required by articles L.225-37-4 and L.22-10-10 of the French Commercial Code.

#### OTHER VERIFICATIONS AND INFORMATION PURSUANT TO LEGAL AND REGULATORY REQUIREMENTS

##### PRESENTATION OF THE FINANCIAL STATEMENTS TO BE INCLUDED IN THE ANNUAL FINANCIAL REPORT

In accordance with professional standards applicable to the Statutory Auditors' procedures for annual and consolidated financial statements presented according to the European single electronic reporting format, we have verified that the presentation of the financial statements to be included in the annual financial report referred to in paragraph I of article L.451-1-2 of the French

Monetary and Financial Code (*Code monétaire et financier*) and prepared under the Chief Executive Officer's responsibility, complies with this format, as defined by European Delegated Regulation No. 2019/815 of December 17, 2018.

On the basis of our work, we conclude that the presentation of the financial statements to be included in the annual financial report complies, in all material respects, with the European single electronic reporting format.

#### APPOINTMENT OF THE STATUTORY AUDITORS

We were appointed Statutory Auditors of Compagnie de Financement Foncier by the Annual General Meetings held on May 17<sup>th</sup>, 2002 for PricewaterhouseCoopers Audit, May 9<sup>th</sup>, 2022 for Forvis Mazars and May 6<sup>th</sup> 2024 for Deloitte & Associés.

At December 31, 2024, PricewaterhouseCoopers Audit was in its twenty-third consecutive year of its engagement, Forvis Mazars was in its third consecutive year of its engagement and Deloitte & Associés was in its first year of its engagement.

#### RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management is responsible for preparing financial statements giving a true and fair view in accordance with French accounting principles, and for implementing the internal control procedures it deems necessary for the preparation of financial statements that are free of material misstatement, whether due to fraud or error.

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

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems, as well as, where applicable, any internal audit systems, relating to accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.



## RESPONSIBILITIES OF THE STATUTORY AUDITORS RELATING TO THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditors exercise professional judgment throughout the audit. They also:

- identify and assess the risks of material misstatement in the financial statements, whether due to fraud or error, design and perform audit procedures in response to those risks, and obtain audit evidence considered to be sufficient and appropriate to provide a basis for their 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;
- obtain an understanding of the internal control procedures relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and the related disclosures in the notes to the financial statements;

- assess the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditors conclude that a material uncertainty exists, they are required to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or are inadequate, to issue a qualified opinion or a disclaimer of opinion;
- evaluate the overall presentation of the financial statements and assess 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 report any significant deficiencies in internal control that we have identified regarding the accounting and financial reporting procedures.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were the most significant for the audit of the financial statements and which constitute 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, as defined in particular in 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 19, 2025

#### The Statutory Auditors

PricewaterhouseCoopers Audit  
Aurore PRANDI

Forvis Mazars SA  
Laurence KARAGULIAN

Deloitte & Associés  
Charlotte VANDEPUTTE

## 3. FINANCIAL REPORT

Control Procedures for Accounting and Financial Information

# Control Procedures for Accounting and Financial Information

## Role of the central institution

BPCE's Accounting Division is responsible for standardization, supervision, appraisal, oversight, forecasting, regulatory monitoring and the Group's representation in prudential and accounting matters.

In this capacity, it defines and updates the Group's accounting standards, comprised of a Group Accounting Plan together with accounting rules and methods applicable to all Group entities. These rules and methods include general accounting tables and are summarized in a manual used by all the Group's institutions. This manual is regularly updated based on changes in accounting regulations. Furthermore, the rules for preparing the half-year and annual financial statements are the subject of a specific report in favor of harmonizing accounting procedures and statements and the preparation of the closing of accounting.

## The institution's audit committee

Accounting and financial statements (annual and half-year consolidated financial statements) are presented to the audit committee. This committee analyzes the statements, receives the conclusions of the statutory auditors and submits its conclusions to the board of directors.

## Structure of the groupe Crédit Foncier's accounting function

The accounting and tax function in groupe Crédit Foncier is performed by the Accounting and Taxation Division. It is directly responsible for preparing the financial statements and regulatory declarations of all groupe Crédit Foncier entities. The Accounting and Taxation Division reports to the Executive Finance Division.

Crédit Foncier's Accounting and Taxation Division is organized as follows:

Services	Main responsibilities in accounting system operations	Main responsibilities in compiling and summarizing data
<b>Reporting and consolidation</b>	<b>Parent company financial statements:</b> <ul style="list-style-type: none"> <li>■ account-keeping for Crédit Foncier, Compagnie de Financement Foncier, and preparation of the parent company financial statements;</li> <li>■ tax declarations.</li> </ul>	<ul style="list-style-type: none"> <li>■ balance sheets, income statements and notes for these entities;</li> <li>■ monthly summary results statements of the Group's two main credit institutions (Crédit Foncier, Compagnie de Financement Foncier).</li> </ul>
	<b>Non-banking subsidiary:</b> Control of the accounting services provided to non-banking subsidiaries by BPCE Achats et Services.	<ul style="list-style-type: none"> <li>■ balance sheets, income statements and notes for these entities.</li> </ul>
	<b>Consolidated financial statements:</b> <ul style="list-style-type: none"> <li>■ centralization of consolidation packages;</li> <li>■ preparation of the consolidated financial statements;</li> <li>■ implementation of consolidation procedures (use of Groupe BPCE's BFC software package).</li> </ul>	<ul style="list-style-type: none"> <li>■ balance sheets, income statements and notes for the groupe Crédit Foncier;</li> <li>■ consolidated quarterly income of groupe Crédit Foncier;</li> <li>■ consolidated monthly results under French GAAP.</li> </ul>
	<ul style="list-style-type: none"> <li>■ <b>regulatory disclosures at Company level (RUBA, etc.);</b></li> </ul>	<ul style="list-style-type: none"> <li>■ reporting to the ACPR and the ECB.</li> </ul>
<b>Regulatory and prudential disclosures</b>	<ul style="list-style-type: none"> <li>■ calculation of the specific ratios of Compagnie de Financement Foncier;</li> <li>■ consolidated prudential declarations to the ACPR and/or the ECB (<i>via</i> BPCE, central institution), in partnership with the Risk Division;</li> </ul>	
<b>Operational accounting and risk expenses</b>	<ul style="list-style-type: none"> <li>■ supervision and control of interface operations between the loan management system, accounting software packages and reporting databases in cooperation with the BPCE-SI information systems company;</li> <li>■ account-keeping for loan management chains and peripheral chains.</li> <li>■ controls groupe Crédit Foncier's cost of risk.</li> </ul>	<ul style="list-style-type: none"> <li>■ reporting on outstanding loans and loan flows;</li> <li>■ reporting on the consolidated cost of risk.</li> </ul>
<b>Accounting of financial transactions</b>	<ul style="list-style-type: none"> <li>■ monitoring and control of the SUMMIT app in liaison with BPCE-SF.</li> </ul>	<ul style="list-style-type: none"> <li>■ reporting on the accounting of financial transactions (securities, bonds, swaps, etc.).</li> </ul>
<b>Taxation, standards and projects</b>	<ul style="list-style-type: none"> <li>■ preparing tax declarations;</li> <li>■ monitoring accounting and tax projects;</li> <li>■ monitoring new accounting standards.</li> </ul>	<ul style="list-style-type: none"> <li>■ tax forms and tax returns.</li> </ul>

## Financial control

The organizational principles governing accounting control, as part of the process of task decentralization, are set out in the "Framework for controlling the quality of accounting and financial information" reviewed by the Group Internal Control Coordination Committee on September 30, 2022.

The Framework for controlling the quality of accounting and financial information relates in particular to second-level control systems and its reinforcement of hierarchical and functional reporting.

Financial control reports hierarchically to the Risk Division – Financial risks within the Risk and Compliance Division and also reports functionally to the Compliance and Permanent Control Coordination Division.

Operational accounting controls are the responsibility of the departments directly involved in producing accounting data.

The controls to be carried out are set out in an annual audit plan, proposed by the Financial Control unit and approved by the internal control committee.

These audits include:

- in-depth controls at the quarterly reporting dates, in particular of the evidence supporting the accounts (balance sheet and off-balance sheet accounts);
- regular controls on the main regulatory and tax declarations as well as issues related to summary reports.

### 3. FINANCIAL REPORT

Control Procedures for Accounting and Financial Information

They result in the establishment of briefing notes sent to the Accounting Division, the Compliance and Permanent Control Coordination Division and the statutory auditors.

The consolidation packages, prepared by the subsidiaries and certified by their statutory auditors in the respective financial statements, are reviewed in detail and checked for consistency by the Consolidation Unit.

All the regulatory and prudential reports are consolidated by BPCE, which runs automated consistency checks before sending them to the French Prudential Supervisory and Resolution Authority.

## Audit of financial data

Disclosures of financial information (regulatory restitutions intended specifically for *Autorité de Contrôle Prudentiel et de Résolution* (ACPR – French Prudential Supervisory and Resolution Authority), Universal Registration Documents submitted to *Autorité des marchés financiers* (AMF), the French financial markets authority) are carefully checked by the relevant departments.

In accordance with the update of the “Framework for controlling the quality of accounting and financial information”, Financial Control unit contributes to an independent review of the quality of regulatory and/or management reports within its scope of intervention.

Financial Control is a point of contact for the statutory auditors as part of their audit assignment. Moreover, this unit ensures the implementation of recommendations made by the statutory auditors.

Within Compagnie de Financement Foncier, the Institutional Relations Division is specifically responsible for verifying the documents that will be sent to the specific controller and the rating agencies.

## Details of the calculation of the overcollateralization ratio and control of limits

	Net carrying amounts or amounts eligible for refinancing (in €k)	Weighting (in %)	Risk-weighted amounts used in the coverage ratio (in €k)
ASSETS USED TO COVER PRIVILEGED RESOURCES	1	2	3
<b>1 LOANS BENEFITING FROM A first-rank MORTGAGE or equivalent guarantee (including when received as collateral, pledge or full ownership)</b>	18,634,127	100%	18,634,127
<b>2 GUARANTEED LOANS (including when received as collateral, pledge or full ownership)</b>	4,507,907		4,507,907
Of which:			
Meeting the conditions of paragraph 1-a) of the appendix to Regulation 99-10: the guarantee company outside the scope of consolidation of the <i>Société de Crédit Foncier</i> or <i>Société de Financement de l'Habitat</i> has a minimum of the second-highest grade of credit quality	4,507,907	100%	4,507,907
Meeting the conditions of paragraph 1-b) of the appendix to Regulation 99-10: the guarantee company included in the scope of consolidation of <i>Société de Financement de l'Habitat</i> has a minimum of the second-highest grade of credit quality		80%	
<b>3 EXPOSURES ON PUBLIC ENTITIES (including when received as collateral, pledge or full ownership)</b>	33,227,573	100%	33,227,573
Of which:			
Exposures referred to in paragraph 5 of Article L. 513-4 I of the French Monetary and Financial Code	374,045		374,045
<b>4 FIXED ASSETS RESULTING FROM THE ACQUISITION OF PROPERTY UNDER THE APPLICATION OF A GUARANTEE</b>		50%	
<b>5 SUFFICIENTLY SAFE AND LIQUID SECURITIES, EXPOSURES AND DEPOSITS COVERED BY ARTICLE R. 513-6</b>	4,683,624	100%	4,683,624
Receivables and securities from credit institutions and investment banking firms corresponding to subparagraph 1 of Article R. 513-6	4,565,724	100%	4,565,724
Receivables and guarantees from the management of forward financial instruments corresponding to subparagraph 3 of Article R. 513-6	117,900	100%	117,900
Receivables and securities from credit institutions and investment banking firms corresponding to subparagraph 2 of Article R. 513-6	0	100%	0
<b>6 NET AMOUNTS RECEIVABLE IN TERMS OF FORWARD FINANCIAL INSTRUMENTS BENEFITING FROM THE PRIVILEGE DEFINED IN ARTICLE L. 513-11 OF THE FRENCH MONETARY AND FINANCIAL CODE</b>	-786,592	100%	-786,592
<b>7 OTHER ASSET ITEMS</b>	1,277,459	100%	1,277,459
7.1 Other class 1 items	506,002	100%	506,002
7.2 Other class 2 items	-213,969	100%	-213,969
7.3 Other class 3 items	985,426	100%	985,426
7.4 Other class 4 items		100%	

### 3. FINANCIAL REPORT

Details of the calculation of the overcollateralization ratio and control of limits

	Net carrying amounts or amounts eligible for refinancing <i>(in €k)</i>	Weighting <i>(in %)</i>	Risk-weighted amounts used in the coverage ratio <i>(in €k)</i>
	1	2	3
<b>ASSETS USED TO COVER PRIVILEGED RESOURCES</b>			
<b>8 TRANSACTIONS DEDUCTED FROM ASSETS</b>	<b>1,770,063</b>	<b>100%</b>	<b>1,770,063</b>
8.1 Funds received from clients awaiting allocation, recorded under liabilities on the balance sheet	0	100%	0
8.2 Security repurchase agreements: securities sold under repurchase agreements	580,002	100%	580,002
8.3 Receivables funded under the conditions set by Articles L. 313-23 to L. 313-34 of the French Monetary and Financial Code		100%	
8.4 Assets deducted following the implementation the final subparagraph of Article 9 of CRBF (French Banking and Financial Regulation Committee) Regulation 99-10			1,190,061
<b>9 TOTAL WEIGHTED AMOUNTS OF ASSETS (1+2+3+4+5+6+7-8) A</b>			<b>59,774,034</b>
<b>COVERAGE RATIO</b> (with 2 decimals) (A/L x 100)			<b>115.93%</b>
			<b>Amounts <i>(in €m)</i></b>
<b>RESOURCES BENEFITING FROM THE PRIVILEGE DEFINED IN ARTICLE L. 513-11 of the French Monetary and Financial Code:</b>			<b>1</b>
<b>liabilities and projected maintenance and management costs</b>			
<b>1 Privileged resources from credit institutions</b>			
1.1 of which nominal amount			
<b>2 Privileged resources from clients</b>			
2.1 Financial sector customers			
2.2 Non-financial sector customers			
2.3 of which nominal amount			
<b>3 Securities with privilege</b>			<b>51,468,371</b>
3.1 <i>Obligations foncières</i> or housing finance bonds <sup>i</sup>			50,911,701
3.2 Negotiable debt securities			
3.3 Other securities with privilege			
3.4 Debts related to these securities			556,670
3.5 To be deducted: <i>obligations foncières</i> or housing finance bonds issued and subscribed for by the credit institution when they are not used as collateral for credit transactions by Banque de France			
3.6 Subtotal			51,468,371
3.7 of which nominal amount			50,911,701
<b>4 Expected maintenance and management costs to terminate the <i>obligations foncières</i> or housing finance program</b>			<b>96,360</b>
<b>5 Amounts due in respect of the contract pursuant to Article L. 513-15 of the French Monetary and Financial Code</b>			<b>23,615</b>
<b>6 Net amounts due in respect of forward financial instruments having the privilege defined in Article L. 513-11 of the French Monetary and Financial Code</b>			<b>-28,034</b>
6.1 of which impact of variations in exchange rate on the nominal amount of privileged resources			-169,330
<b>7 Liabilities resulting from the incidental expenses set out in final subparagraph of Article L. 513-11 of the French Monetary and Financial Code</b>			
<b>8 Privileged resources and planned maintenance and management costs (1 + 2 + 3 + 4 + 5 + 6 + 7) P</b>			<b>51,560,312</b>
<b>9 Nominal amount of privileged resources ("1.1" + "2.3" + "3.6" + "6.1")</b>			<b>50,742,372</b>

<b>CONTROL OF LIMITS APPLICABLE TO ASSET CLASSES</b>		<b>Amounts used to calculate the limits (excluding exposures to credit institutions contributing to the over- collateralization) (in €k)</b>	<b>Exposures contributing to the over- collateralization excluded from the limit calculation</b>	<b>Total amounts (including exposures excluded from the calculation of limits) (in €k)</b>	<b>Ratio (to 2 decimal places)</b>
<b>1</b>	<b>Total assets (A)</b>	<b>61,046,572</b>			
2	Nominal amount of privileged resources (N)	50,742,372			
3	Total exposures referred to in paragraph 5 of Article L. 513-4 I of the French Monetary and Financial Code	374,045			
4	Ratio: Total exposures covered under paragraph 5 of Article L. 513-4 I of the French Monetary and Financial Code/nominal amount of privileged resources ( $\leq 20\%$ ) (3/N)				0.74%
5	Sufficiently safe and liquid securities, exposures and deposits		4,683,624	4,683,624	
	Of which:				
5.1	Total exposures to credit institutions in the first credit quality step		3	3	
5.2	Total exposures to credit institutions in the second credit quality step		4,683,621	4,683,621	
5.3	Total exposures to credit institutions in the third credit quality step in the form of short-term deposits or derivative contracts				
5.4	Total exposures to credit institutions in the second or third credit quality step		4,683,621	4,683,621	
6	Control of limits applicable to sufficiently safe and liquid securities, exposures and deposits				
6.1	Ratio: Sufficiently safe and liquid securities, exposures and deposits/nominal amount of privileged resources ( $\leq 15\%$ ) (5/N)				0.00%
6.2	Ratio: Total exposures to credit institutions that fall within the first credit quality step/nominal amount of privileged resources ( $\leq 15\%$ ) (5.1/N)				0.00%
6.3	Ratio: Total exposures to credit institutions that fall into the second credit quality step/nominal amount of privileged resources ( $\leq 10\%$ ) (5.2/N)				0.00%
6.4	Ratio: Total exposures to credit institutions that fall into the third credit quality step and are in the form of short-term deposits or derivative contracts/nominal amount of privileged resources ( $\leq 8\%$ ) (5.3/N)				0.00%
6.5	Ratio: Total exposures to credit institutions that fall within the second or third credit quality step/nominal amount of privileged resources ( $\leq 10\%$ ) (5.4/N)				0.00%

### 3. FINANCIAL REPORT

Details of the calculation of the overcollateralization ratio and control of limits

	Amounts <i>(in €k)</i>	Weighting <i>(in %)</i>	Risk-weighted amounts <i>(in €k)</i>	
	1	2	3	
<b>DETAILS OF THE CALCULATION OF THE 25% EXPOSURE LIMIT TO ASSETS OF RELATED PARTIES PURSUANT TO THE FINAL SUBPARAGRAPH OF ARTICLE 9 OF REGULATION NO. 99-10</b>				
<b>1</b>	<b>Exposure to the entities mentioned in the third subparagraph of Article R. 513-8 of the French Monetary and Financial Code</b>	<b>4,790,118</b>	<b>100%</b>	<b>4,790,118</b>
	Of which:			
1.1	Receivables and securities from credit institutions corresponding to subparagraphs 1 and 2 of Article R. 513-6 of the French Monetary and Financial Code	4,563,041	100%	4,563,041
1.2	Receivables and guarantees corresponding to subparagraph 3 of Article R. 513-6 of the French Monetary and Financial Code (including receivables and guarantees connected with the management of forward financial instruments)	117,900	100%	117,900
1.3	Other assets	109,178	100%	109,178
1.3.1	Interest accrued on swaps	43,793	100%	43,793
1.3.2	Accrued income	0	100%	0
1.3.3	Other	65,384	100%	65,384
<b>2</b>	<b>Non-privileged resources</b>	<b>8,290,752</b>	<b>100%</b>	<b>8,290,752</b>
2.1	Amount of the 25% limit of non-privileged resources pursuant to Article 9 of CRBF Regulation No. 99-10	2,072,688		
<b>3</b>	<b>Any assets received as collateral, pledges or full ownership in respect of 1, in accordance with Articles L. 211-36 to L. 211-40, L. 313-23 to L. 313-35 and L. 313-42 to L. 313-49 of the French Monetary and Financial Code</b>	<b>1,527,369</b>		<b>1,527,369</b>
3.1	Assets weighted at 100%	1,527,369	100%	1,527,369
3.2	Assets weighted at 80%		80%	
3.3	Assets weighted at 50%		50%	
<b>4</b>	<b>Amount to be deducted from assets</b>	<b>1,190,061</b>		



Details for calculating the amounts eligible for refinancing with privileged resources	Item code	Value of the assets financed or provided as collateral		Amount eligible for refinancing
		Net carrying amount (in €k)	(in €k)	
		1	2	3
<b>Mortgage loans (including when received as collateral, pledge or full ownership)</b>		<b>19,055,700</b>	<b>0</b>	<b>18,769,023</b>
Of which:				
amount of loans for which the LTV is the outstanding principal		15,665,814	0	15,665,814
amount of loans for which the refinancing LTV is the product of the value of the assets pledged as collateral and the ratios referred to in Article R. 513-1 of the French Monetary and Financial Code		3,388,676	3,869,749	3,103,209
Of which:				
Loans covered by Article R. 513-1 II.1 or R. 313-20 II. 1 for which the portion eligible for refinancing represents 60% of the value of the assets provided as collateral		11,896	13,374	8,024
Loans covered by Article 513-1 II.2 or R. 313-20 II. 2 for which the portion eligible for refinancing represents 80% of the value of the assets provided as collateral		3,374,311	3,854,802	3,093,611
Loans covered by Article R. 513-1 II.3 or R. 313-20.II.3 for which the portion eligible for refinancing represents 100% of the value of the assets provided as collateral for the portion of the loans covered by the FGAS guarantee		2,469	1,573	1,573
Of which:				
mortgage loans covered by Article R. 513-1 II.3		2,469	1,573	1,573
mortgage loans also guaranteed by a surety issued by a credit institution or an insurance company (Article L. 513-3 of the French Monetary and Financial Code)				
mortgage loans also guaranteed by a public entity (Article L. 513-3 of the French Monetary and Financial Code)		0	0	0
<b>Guaranteed loans (including when received as collateral, pledge or full ownership)</b>		<b>4,559,233</b>		<b>4,507,907</b>
Of which:				
amount of loans for which the LTV is the outstanding principal		3,891,576		3,891,576
amount of loans for which the refinancing LTV is the product of the value of the assets financed and the ratios referred to in Article R. 513-1 of the French Monetary and Financial Code		665,931	770,414	616,331
Of which:				
loans covered by Article R. 513-1 II.2 or R. 313-20 II. 2 for which the portion eligible for refinancing represents 80% of the value of the assets financed		665,931	770,414	616,331
Loans covered by Article R. 513-1 II.3 or R. 313-20.II.3 whose portion eligible for refinancing represents 100% of the value of the assets financed for the portion of the loans benefiting from the FGAS guarantee				

### 3. FINANCIAL REPORT

Elements allowing the granting and control of the "European covered bond premium" label

## Elements allowing the granting and control of the "European covered bond premium" label

		Net carrying amounts or amounts eligible for refinancing (in €k)	of which	Net carrying amounts or amounts eligible for refinancing excluding exposures contributing to overcollateralization (in €k)
			exposures contributing to overcollateralization § 3a (in €k)	
Compliance with the requirements of Article 129 of Regulation (EU) No. 575/2013 of June 26, 2013		(A)	(B)	(C) = (A) - (B)
BONDS SECURED BY ONE OF THE FOLLOWING ELIGIBLE ASSETS:		(A)	(B)	(C) = (A) - (B)
a)	<b>Exposures to or guaranteed by European Union entities</b>	30,221,581	0	30,221,581
	central governments, ESCB central banks, public sector entities, regional and local governments			
b)	<b>Exposures to or guaranteed by third country entities</b>	2,008,930		2,008,930
	central governments, central banks, multilateral development banks, international organizations, public sector entities, regional and local governments			
b1	within the first credit quality step	1,729,272		1,729,272
b2	within the second credit quality step	279,658		279,658
c)	<b>Exposure to credit institutions</b>	4,618,246	4,618,246	0
c1	within the first credit quality step	3	3	0
c2	within the second credit quality step	4,618,243	4,618,243	0
c3	within the third credit quality step	0		0
c3.1	short-term deposits with an initial maturity not exceeding 100 days			
c3.2	derivative contracts in accordance with Article 11 § 1 of EU directive 2019/2162			
d)	<b>Loans secured by residential real estate</b>	17,601,925		17,601,925
	To the extent of the lesser of the principal amount of the related mortgages combined with all prior mortgages or 80% of the value of the collateral	17,601,925		17,601,925
e)	<b>Residential real estate loans fully guaranteed by an eligible provider of sureties within the meaning of Article 201 of the EU Regulation and falling at least within the second credit quality step</b>	4,507,907		4,507,907
	Amount retained up to the lower of the portion of each loan that is used to satisfy the collateral requirement and 80% of the value of the corresponding residential real estate located in France and the loan-to-income ratio is no more than 33% at the time the loan is granted	4,507,907		4,507,907
f)	<b>Loans secured by commercial real estate</b>	665,386		665,386
	Amount retained up to the lower of the principal amount of the corresponding mortgages combined with all domestic mortgages and 60% of the value of the collateral	665,386		665,386
<b>A</b>	<b>Total eligible assets (a + b + c + d + e + f)</b>	<b>59,623,975</b>	<b>4,618,246</b>	<b>55,005,729</b>
<b>N</b>	<b>Nominal amount of privileged resources</b>	<b>50,742,372</b>		
<b>(A/N) - 1</b>	<b>Overcollateralization – § 3a</b>	<b>17.50%</b>		

<b>COMPLIANCE WITH THE LIMITS DEFINED IN POINTS 1B AND 1A OF ARTICLE 129 OF REGULATION (EU) NO. 575/2013 OF JUNE 26, 2013 – EXCLUDING EXPOSURES TO CREDIT INSTITUTIONS CONTRIBUTING TO THE OVERCOLLATERALIZATION § 3A</b>		<b>Ratio based on the net carrying amount of exposures (A)</b>	<b>Ratio based on the net carrying amount of exposures excluding exposures contributing to overcollateralization (C)</b>
<b>Limit 1 b)</b>	b2/N less than or equal to 20%	0.55%	
<b>Limit 1a a)</b>	c1/N less than or equal to 15%		0.00%
<b>Limit 1a b)</b>	c2/N less than or equal to 10%		0.00%
<b>Limit 1a c)</b>	c3/N less than or equal to 8%		0.00%
<b>Limit 1a d)</b>	(c2 + c3)/N less than or equal to 10%		0.00%
<b>Limit 1a d)</b>	(c1 + c2 + c3)/N less than or equal to 15%		0.00%

*Residual outstanding mortgage loans and guaranteed loans transferred to the creation of Compagnie de Financement Foncier in 1999 are assets that can be fully refinanced by privileged resources, in accordance with the so-called "grandfather" clause.*

### 3. FINANCIAL REPORT



## 4. RISK FACTORS AND MANAGEMENT

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## Risk factors

The banking and financial environment in which Compagnie de Financement Foncier operates exposes it to different types of risk and requires it to implement a demanding and rigorous policy to monitor and control these risks.

Compagnie de Financement Foncier's business model is, by its very nature, highly secured. The legislative framework prevents it from holding a trading book and equity investments, which protects it against market risks associated with proprietary trading.

The risks considered to be the most significant in terms of their probability of occurrence and their potential impact to which Compagnie de Financement Foncier is exposed are identified below.

The main categories of risk factors specific to Compagnie de Financement Foncier's business activity are presented below. These risks can be assessed through risk-weighted assets or other quantitative or qualitative indicators (e.g. credit and counterparty risks, liquidity risks).

Risk-weighted assets (in €m)	2024	2023
Credit risk-weighted exposures	4,598	6,798
Market risk-weighted exposures	0	0
Operational risk-weighted exposures	406	455
Credit value adjustment	49	51
<b>TOTAL</b>	<b>5052</b>	<b>7,304</b>

### 1. Credit and counterparty risk

#### 1.1 DEFAULT AND COUNTERPARTY RISK

**A substantial increase in expenses for impairment of assets recognized in the portfolio of loans and receivables of Compagnie de Financement Foncier could impact its results and its financial position.**

As part of its activities, Compagnie de Financement Foncier may be required to record asset impairments in order to reflect actual or potential losses in its portfolio of loans and receivables, which are recognized in its income statement under "Cost of risk". The overall level of asset impairment is mainly based on the valuation of the guarantees associated with the loans and receivables, the assessment of the history of loan losses, the volumes and the types of loans made, industry standards, arrears on loans, economic conditions and other factors related to the degree of recovery of loans.

Compagnie de Financement Foncier is exposed to any substantial increase in charges for losses on loans, material change in its risk of loss estimate associated with the portfolio of unimpaired loans, as well as any loss on loans exceeding the recognized charges. These variations could have an adverse impact on Compagnie de Financement Foncier's results and profitability.

However, this risk is limited because as a *Société de Crédit Foncier*, Compagnie de Financement Foncier must comply with strict rules regarding the choice of the assets it acquires, by verifying in particular the credit quality of counterparties and the presence of guarantees.

In addition to these risk management procedures, Compagnie de Financement Foncier could, under certain extreme circumstances, be forced to recognize significant losses:

- on its portfolio of real estate loans to Individuals (€22.4bn) in the event of a sharp rise in defaults combined with a sudden and significant drop in the value of the properties used to guarantee these loans;
- in the case of the default of a public entity to which Compagnie de Financement Foncier has significant exposure, in particular in Italy, the United States or Switzerland.

Compagnie de Financement Foncier's risk charge is a reversal of €2.6m at December 31, 2024. For further information, please refer to the 2024 universal registration document of Compagnie de Financement Foncier (page 75).

**The degradation of the financial stability or performance of other financial institutions and market players could have an unfavorable impact on Compagnie de Financement Foncier.**

The ability of Compagnie de Financement Foncier to carry out its transactions could be affected by the financial deterioration of other financial institutions and market players. The financial institutions are closely interconnected, in particular due to their netting, counterparty and financing activities. The default of an industry player, even simple rumors or questions concerning one or more financial institutions or the financial industry in general, can cause a generalized shrinking of liquidity in the market and thereafter lead to additional losses or defaults.

Compagnie de Financement Foncier is exposed to different financial counterparties, such as investment banks and central counterparties with which it ordinarily conducts transactions, whose default or failure to meet any of their commitments could have an unfavorable impact on the financial position of Compagnie de Financement Foncier. This risk would be exacerbated if the assets it holds as collateral could not be sold or if their sale price did not cover all of Compagnie de Financement Foncier's expenses in respect of defaulted exposures or derivatives.

At December 31, 2024, Compagnie de Financement Foncier's balance sheet amounted to a total €61.0bn. The breakdown of Compagnie de Financement Foncier's outstanding assets/liabilities with regard to credit institutions and central banks is as follows:

## ASSETS

Including:	(in €m)
Cash and amounts due from central banks	506
Loans and advances to banks at amortized cost	21,165

## LIABILITIES

Including:	(in €m)
Central banks	0
Due to credit institutions	5,597

### 1.2 CONCENTRATION RISK

Compagnie de Financement Foncier's exposure to the public sector is mainly concentrated in France, with some significant unit concentrations in its international portfolio, whose development ceased several years ago, notably in the Italian sovereign.

The real estate loans recognized in Compagnie de Financement Foncier's balance sheet are mainly residential loans (assets with high granularity) financing properties in France. In the event that the French real estate market suffers a significant downturn, adverse consequences on the quality of these assets may occur.

### 1.3 COUNTRY RISK

**Compagnie de Financement Foncier could be vulnerable to political, societal, macroeconomic and financial risk or to special situations in the countries in which it operates.**

Compagnie de Financement Foncier is exposed to country risk, meaning the risk that a foreign country's economic, financial, political or social conditions impact its financial interests. Due to the geographic diversification of its assets, Compagnie de Financement Foncier is particularly sensitive to the economic environment in France and other specific countries.

The European markets can experience disturbances that impact economic growth and can impact the financial markets.

A serious economic disruption could have a significant negative impact on the operations of Compagnie de Financement Foncier, in particular if the disruption was marked by a significant drop in financial market liquidity, making it more difficult to carry out the funding activity provided by Compagnie de Financement Foncier on behalf of Crédit Foncier and Groupe BPCE institutions.

Compagnie de Financement Foncier has significant exposure to international public entities, in particular in Italy, the United States and Switzerland. These are subject to various macroeconomic influences (actions of local central banks, structural reforms, etc.) that could, in the long term, affect the quality of the loans concerned.

However, the review of international counterparties suggests a low probability of occurrence of the risk, with a moderate final direct impact on Compagnie de Financement Foncier.

The international exposure of Compagnie de Financement Foncier was €6.5bn at December 31, 2024, compared to €7.1bn at December 31, 2023, and can be divided between:

- Italian and Polish Sovereigns for €2.2bn (before hedging swaps). Compagnie de Financement Foncier's whole International sovereign portfolio enjoys an internal rating of at least A-;
- the outstanding amount of the international portfolio (excluding sovereigns) and "Large Corporates" for €3.2bn, down by €0.1bn from December 31, 2023 (€3.5bn). It may be noted that 74% of this portfolio has an internal rating of at least A;
- outstanding amounts in the portfolio counter-guaranteed by monoline insurers on international public sector, Large Corporates and Sovereign exposures for €0.9bn. Compagnie de Financement Foncier has no direct exposures to monoline insurers but does have credit enhancements acquired from them for certain assets in the portfolio.

## 2. Financial risks

### 2.1 INTEREST RATE AND OPTIONS RISKS

**Significant volumes of early repayments could unfavorably impact the net banking income and the profitability of Compagnie de Financement Foncier.**

In order to hedge against interest rate risk, Compagnie de Financement Foncier's assets and liabilities are, if necessary, converted into variable-rate euro-denominated items through the use of interest rate derivatives (swaps).

Concerning option risk, with the rise in interest rates over the past few months, early repayments and renegotiations on outstanding loans to individual customers on Compagnie de Financement Foncier's balance sheet continued to decline in 2024 to reach 3.2% at December 31, 2024 compared to 4.2% at December 31, 2023.

### 2.2 CREDIT-SPREAD RISK

**Compagnie de Financement Foncier's funding cost could be affected by a drop in the credit rating levels of its assets, its covered bonds or its parent company.**

In order to maintain a competitive funding cost, Compagnie de Financement Foncier strives to maintain the AAA credit of its covered bonds. With this in mind, it carefully selects its assets (acquired or pledged) and manages its overcollateralization level in relation to the outstanding covered bonds.

In the event of a severe financial crisis, the downgrading of the credit ratings of assets on the balance sheet or provided as collateral to Compagnie de Financement Foncier could call into question the AAA rating of its covered bonds. In addition, a deterioration in the credit rating of Crédit Foncier or Groupe BPCE could also ultimately impact the AAA rating of the covered bonds.

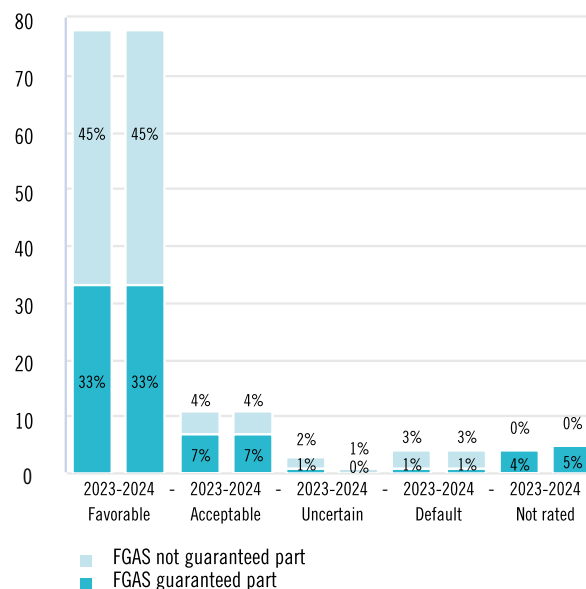
The decline in the credit rating of the covered bonds would increase the funding costs of Compagnie de Financement Foncier and could impair its profitability.

At December 31, 2024, the covered bonds of Compagnie de Financement Foncier were rated AAA/Aaa/AAA with stable outlooks by three rating agencies (S&P, Moody's and Scope Ratings).

Compagnie de Financement Foncier has outstandings with a good level of quality assets.

### OUTSTANDING MORTGAGE LOANS TO INDIVIDUAL CUSTOMERS (INTERNAL RATING)

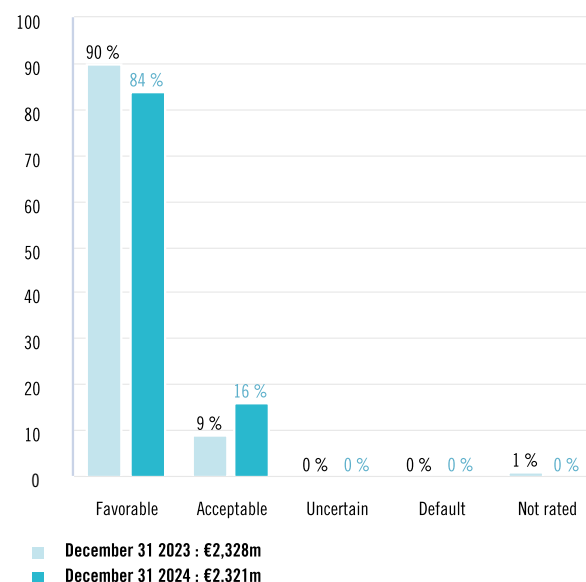
DECEMBER 31, 2024



December 2024: €22,369m      December 2023: €24,630m

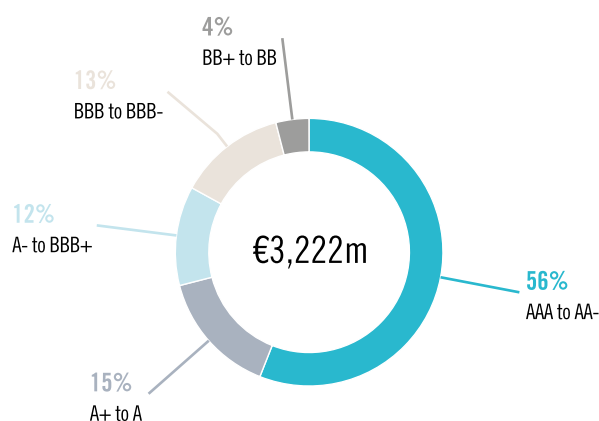
### SOCIAL HOUSING PORTFOLIO (BASEL II RATING)

DECEMBER 31, 2024





**\* Including charities EXPOSURES TO THE INTERNATIONAL PUBLIC SECTOR (EXCLUDING SOVEREIGN) AND LARGE CORPORATES (INTERNAL RATING)  
DECEMBER 31, 2024**



## 2.3 LIQUIDITY RISK

Compagnie de Financement Foncier's liquidity could be affected in the event of a major financial crisis.

Compagnie de Financement Foncier derives its liquidity from several sources:

- the issuance of covered bonds on the market;
- the pledging of eligible assets for ECB funding and/or repo transactions;
- the liquidity lines extended by Crédit Foncier and/or Groupe BPCE.

In the event of a major financial crisis, these sources of liquidity could dry up:

- closure of bond markets;
- deterioration of the credit rating of assets acquired or pledged to Compagnie de Financement Foncier making them ineligible for ECB funding and/or repo transactions;
- reduction of liquidity lines extended by Crédit Foncier and/or Groupe BPCE.

At December 31, 2024, Compagnie de Financement Foncier held €18.2bn (before haircut) in assets that could be mobilized with the ECB.

In order to meet the contractual maturities of all of its privileged debt for at least 180 days, Compagnie de Financement Foncier holds €19.4bn in high-quality securities and liquid assets (HQLA).

The Company's excess liquidity situation can also be identified using the Liquidity Coverage Ratio (LCR), which illustrates the institution's ability to cope with short-term liquidity stress.

Compagnie de Financement Foncier's LCR complies with the regulatory 100% limit applicable since January 1, 2018.

## 3. Strategic, business and ecosystem risks

### 3.1 STRATEGIC AND BUSINESS RISKS

**Compagnie de Financement Foncier could be affected by an operational risk linked to Crédit Foncier's failure to adhere to the agreements it has entered into.**

Given its status as a *Société de Crédit Foncier*, Compagnie de Financement Foncier depends on resources supplied by its parent company to conduct its current activities and in particular, for the management of mortgage loans on its balance sheet.

In accordance with agreements concluded between Crédit Foncier and Compagnie de Financement Foncier (debt management and recovery, administrative and accounting management, internal control and compliance services, implementation of information technology services, settlement bank services, asset/liability management and financial services), Crédit Foncier is responsible, on behalf of Compagnie de Financement Foncier, for monitoring credit risks, counterparty risks, interest rate and foreign exchange risks, structural ALM, operational risk and liquidity and settlement risk.

In theory, Compagnie de Financement Foncier could be exposed to the risk of Crédit Foncier failing to comply with these agreements. Should this risk arise, the impact on Compagnie de Financement Foncier could be significant (cessation of activities, related image risk).

However, in the context of the relationship between the two institutions, this risk is well managed. Operational risks, as defined by the Order of November 3, 2014, are monitored by Crédit Foncier in the name and on behalf of Compagnie de Financement Foncier. It is represented in the Operational risk committee. Any Material Operational Risk incidents relating to it and involving an amount greater than €300k are presented to the Executive risk committee of Compagnie de Financement Foncier.

The provision of these services by Crédit Foncier is subject to the controls defined at the start of the year by each Crédit Foncier division. These control plans are validated by the internal control committee chaired by the chief executive officer of Crédit Foncier. The results of the controls are regularly presented to this internal control committee.

Furthermore, the specific controller of Compagnie de Financement Foncier performs controls in addition to the aforementioned controls and those carried out by the statutory auditors.

Finally, Crédit Foncier's Risks and Compliance department and Compagnie de Financement Foncier's employees in charge of monitoring hold discussions very regularly.

Past due payment and default rates are also monitored by the executive risk committees and remain very stable to date.

### 3.2 ECOSYSTEM RISKS

#### MACROECONOMIC RISKS

**In Europe, the recent economic and financial environment could have an adverse impact on the businesses of Compagnie de Financement Foncier and the markets in which it operates.**

If the economic or market conditions in France or elsewhere in Europe were to deteriorate, the markets in which Compagnie de Financement Foncier operates could experience disruptions and its business, results and financial position could be unfavorably affected.

A deterioration in the international macroeconomic situation or the national political situation could impact the refinancing model by changing the behavior of investors, who would adopt more cautious asset allocation: Compagnie de Financement Foncier would then potentially issue more limited volumes of covered bonds with higher margin levels, which would reduce its net banking income. Such a deterioration would weaken some borrowers, who could then face past due payment or default situations, which would lower the net banking income of Compagnie de Financement Foncier.

## 4 Non-financial risks

Within Groupe BPCE, operational risks are defined as the risk of loss resulting from inadequate or faulty procedures, personnel, information systems or external events. Operational risks include internal and external fraud, model risk and reputational risk.

Compagnie de Financement Foncier's operational risk management is entrusted to Crédit Foncier under service agreements signed between the two institutions. The greater part of operational risk is linked to the services outsourced to the parent company. Any consequence of operational incidents detected in the framework of a Crédit Foncier process relating to a Compagnie de Financement Foncier balance sheet item is borne by Crédit Foncier.

These risks include in particular accounting, legal, regulatory and tax risks, as well as risks relating to security of staff, property and information systems and models.

More specifically, the operational risks generated by Compagnie de Financement Foncier's own activities, which are limited to the Institutional Relations Division's functions, are also managed by Crédit Foncier according to Groupe BPCE rules.

These operational risks are specifically mapped and presented to the operational risk committee every quarter.

Operational risk oversight and management is delegated to the managers of various divisions. Each manager relies on a network of representatives coordinated by a Risk Manager, with a functional link to the Compliance and Permanent Control Division.

#### REGULATORY RISK

The activity of Compagnie de Financement Foncier, which is mainly focused on the issuance of covered bonds, is very strictly regulated. Regulatory risk could weigh on Compagnie de Financement Foncier's business outlook and profitability.

Legislative or regulatory texts and measures are regularly proposed and implemented to avoid or limit the effects of new financial crises, to regulate banking and financial activity (new credit risk weighting methodologies, creation of regulatory bodies or reinforcement of the resources of existing bodies, taxes on financial transactions, etc.), or to harmonize and structure certain markets (Covered Bond directive, etc.).

Some of these measures could be unfavorable for Compagnie de Financement Foncier (increase in expenses, level of capital requirements, level of provisioning, reporting obligations, etc.).

The Covered Bond directive (directive EU 2019-2162), transposed into French law in mid-2021 and applicable from July 8, 2022, generated some very moderate impacts on Compagnie de Financement Foncier's overcollateralization ratio: the eligibility of some assets was reduced and the management and maintenance fees to extinction of the privileged liabilities had to be added to the denominator of the said ratio. The adjustments are small and Crédit Foncier provides additional eligible assets to maintain the overcollateralization ratio at a conservative level.

The risk approach is based on three key elements that are part of an iterative, interactive method:

- mapping of operational risk events: identification and assessment by each business line of its vulnerability to the main operational risks, updated whenever processes or the organizational structure changes, and in any case at least once a year;
- reporting incidents in a dedicated database: feeding the incident database by the management network as and when such incidents occur and evolve; monitoring of corrective action plans; analysis of changes in risk exposures and resulting losses;
- implementation of indicators (KRI – Key Risk Indicators and RAF – Risk Appetite Framework) for the main risk areas, warning when incidents are likely to enter a critical phase.

For calculating capital adequacy requirements, groupe Crédit Foncier currently applies the Basel III standard approach.

In 2024, groupe Crédit Foncier's cost of operational risk remained under control (€4.4m) at 30% of VaR. No serious incidents within the meaning of Article 98 were recorded.

## 4.1 SECURITY AND INFORMATION SYSTEMS RISK

Like all banking players, groupe Crédit Foncier, including Compagnie de Financement Foncier, is highly dependent on its information and communication systems as well as those of third parties, such as its service providers and suppliers and counterparties.

Compagnie de Financement Foncier's activities require it to process complex transactions on an industrial scale, for which any breakdown or failure of information or communication systems is likely to result in:

- malfunctions or interruptions in customer management, accounting, transaction and/or loan processing operations;
- a loss of revenue, or even losses or additional expenses for the institution.

Compagnie de Financement Foncier entrusts Crédit Foncier with a certain number of missions that require the use of information systems services.

Through the information systems services agreement, Crédit Foncier acts as a subcontractor on behalf of Compagnie de Financement Foncier, providing the means and resources to enable Compagnie de Financement Foncier to benefit from the entire Groupe BPCE information systems security system, via the information systems platforms shared by several Groupe BPCE entities (BPCE-SI and BPCE-IT).

In a general context where the cyber risk is assessed as high, Compagnie de Financement Foncier thus benefits from all the measures implemented by Groupe BPCE to reduce the probability of its occurrence and any negative effects.

The Chief Information Security Officer of BPCE SA, also the Crédit Foncier CISO, is responsible for the security of the information system within the groupe Crédit Foncier scope; the latter benefits from a team of experts and best practices in information systems security (ISS).

Thus, the governance of groupe Crédit Foncier's information systems is mainly organized around:

- an Information Systems Security Policy (ISSP) specific to Crédit Foncier, and its thematic variations underpinned by the Security Policy and the rules of Groupe BPCE;
- a dedicated governing body with the Internal Information Systems Security Committee (IISSC) chaired by a deputy chief executive officer;
- an awareness and training plan on cyber risks and information systems security for all Crédit Foncier employees, both internal and external, working on behalf of Compagnie de Financement Foncier;
- a permanent control system for Information Systems Security, combined with a half-yearly security report (security indicators);
- indicators of the level of security of Crédit Foncier's IS and, by extension, of that of Compagnie de Financement Foncier.

Groupe BPCE's resources reinforce this system with:

- the use of the BPCE-IT operational security center, which has monitoring tools and systems to supervise atypical or threatening security events;
- the VIGIE system, a community of IS Security players at Groupe BPCE;

- Groupe BPCE's CERT (Alert and Response Center for Computer Attacks), which monitors and responds to identified external threats.

Thus, the main ISS risk factors are addressed through the following (DICP):

- **Availability of the information system and resources:** a Contingency and Business Continuity Plan system is integrated into the Business Continuity Plan and deployed. It is in the operational conditions maintenance (MCO) phase and is tested at least once a year. The IT Business Recovery Plan is organized by the Group's operators, BPCE-SI and BPCE-IT.

***The residual risk relating to the availability of the service is rated as medium given the measures put in place and regularly tested. The tests carried out, both within groupe Crédit Foncier and Groupe BPCE through its participation in the marketplace test organized by the Banque de France, are designed to strengthen the management of this risk.***

- **Integrity of the information system, processing and data:** with the outsourcing of its information systems within Groupe BPCE, the integrity of its information system is ensured by its two IT service providers, BPCE-SI and BPCE-IT. In addition, the CISO exercises regular control over the processing and actions carried out in terms of IS security by these two service providers. The summary of this monitoring is presented to the appropriate governing bodies.

***The residual risk in terms of integrity is rated as medium: the integrity guarantee mechanisms implemented by the BPCE-SI and BPCE-IT can provide reasonable assurance in terms of the robustness and coverage of this factor. The tests that have been carried out and the feedback on the control systems from the operators confirm this assessment.***

- **Processing and data confidentiality:** this factor is the subject of continuous action and permanent supervision, both operationally through measures restricting access to data and processing, and in terms of control, with regular reviews of authorizations giving access to processing and data. This monitoring is carried out by a specific committee chaired by a deputy chief executive officer.

***The residual risk in terms of confidentiality is rated as medium, taking into account the provisions measures described above. The control of rights reviews (the principle of least privilege and separation of duties) as well as provisions for controlling data leaks (closure of USB ports, strengthening of password policies, management of high privilege accounts, classifying messages and documents, monitoring external data output, etc.) also lead to better control of this risk.***

- **Proof system:** this risk is addressed through the implementation, by its two IT service providers, of traceability and logging systems for transactions carried out on Crédit Foncier's information systems and, therefore, on those of Compagnie de Financement Foncier.

***The residual risk relating to the proof is rated as medium: the mechanisms for logging both technical and business transactions are tested regularly for operational needs. It should be noted that aspects related to the General Data Protection Regulation (GDPR) are likely to accentuate the control of this risk.***

**In summary, the residual risk, given the measures and monitoring in place, has a low probability of occurrence. It is rated as medium for Crédit Foncier and, therefore, by extension, for Compagnie de Financement Foncier.**

## 4.2 LEGAL AND REPUTATIONAL RISKS

### **Reputational risk, risk of misconduct and legal risk could impact the profitability and the business outlook of Compagnie de Financement Foncier.**

The reputation of Compagnie de Financement Foncier is critical for ensuring its loan funding business. As such, inadequate management of potential conflicts of interest, legal and regulatory requirements, ethical problems, laws concerning money laundering, the fight against terrorist financing, the requirements of economic sanctions, policies regarding data security and practices linked to methods of managing its activity, or any other poor conduct, could stain the reputation of Compagnie de Financement Foncier.

Any inappropriate behavior of an employee of Crédit Foncier, any fraud, misappropriation of funds or any other wrongdoing committed by any player in the financial sector to which Compagnie de Financement Foncier is exposed, any decrease, restatement or

correction of financial results, or any other legal or regulatory action with a potentially unfavorable outcome could also damage its reputation.

Any harm to the reputation of Compagnie de Financement Foncier could be accompanied by a loss of business, which could impact its results and its financial position.

Compagnie de Financement Foncier's activity relies on the confidence of markets and investors. Inadequate management of reputation risk could impact the conditions under which it carries out its issuances of covered bonds.

Inadequate management of these aspects could also increase the legal risk for Compagnie de Financement Foncier or expose it to sanctions.

For further information, please refer to the 2024 Universal Registration Document of Compagnie de Financement Foncier (page 183).

# Risk management

## 1. Governance and risk management system

### 1.1 Organization of the risk, compliance and permanent control coordination divisions

Crédit Foncier's Risk and Compliance Division is an integral part of the risk framework of Groupe BPCE. Compagnie de Financement Foncier relies on the systems and the network organization set up at Crédit Foncier.

The Risk and Compliance Division of Crédit Foncier is responsible for permanent control and compliance for Compagnie de Financement Foncier. It is composed of:

- the Credit Risk Division;
- the Financial Risk Division (including financial control);
- the Risk Governance Division (including business security);
- the Risk Reporting Division;
- the Compliance and Permanent Control Division (DCCP);

This division reports to an executive director of Crédit Foncier.

#### 1.1.1 ORGANIZATION OF GROUPE CRÉDIT FONCIER'S RISK DIVISION

Crédit Foncier's Risk Division, which reports functionally to BPCE's Risk Division, covers Compagnie de Financement Foncier. The institution's risk policy has been formally set out in a document describing its various responsibilities and its organization, which serves as a framework for the development of its activities, including activities carried out on behalf of Compagnie de Financement Foncier and the management of the capital of groupe Crédit Foncier entities.

In the specific case of Compagnie de Financement Foncier, the Risk Division conducts its activities within the framework of the agreements signed between Crédit Foncier and its *Société de Crédit Foncier*. The Risk Division reports on its activities to the executive risk committee, risk committee and to Executive Management of Compagnie de Financement Foncier.

The Institutional Relations Division, which is in charge of monitoring Compagnie de Financement Foncier's outsourced services and, therefore, the proper implementation of the agreements signed with Crédit Foncier, is an integral part of groupe Crédit Foncier's permanent control system.

#### MAIN RESPONSIBILITIES OF THE RISK COMMITTEES

Compagnie de Financement Foncier is part of the overall risk policy of Crédit Foncier. The executive risk committee of Compagnie de Financement Foncier and the internal control committee of Crédit Foncier are the umbrella committees that oversee the implementation of the risk policy defined by Executive Management (risk monitoring, surveillance and control system).

Compagnie de Financement Foncier's executive risk committee is chaired by its chief executive officer. Meeting quarterly, its main responsibilities are to deal with:

- the general risk policy;
- analyzing and monitoring the institution's overall risk profile based on the results of the rating, risk measurement and assessment systems (stress scenarios, etc.) and its main exposures;
- measuring the quality of its commitments on the basis of summary reports;
- risk management: monitoring risk, reviewing regulatory and specific ratios, monitoring the cost of risk, producing and analyzing stress scenarios, and monitoring share capital.

The internal control committee, chaired by the chief executive officer of Crédit Foncier, meets four times a year and comprises the representatives of control functions. This committee has the following duties:

- ensure the proper organization and completeness of the permanent controls of the activities, and the effectiveness of the monitoring and control mechanisms for risks;
- coordinate actions to ensure risk control, the compliance of operations and internal procedures, quality, availability of information processed by the Information System (IS) and the security of those systems;
- ensure that deficiencies identified at any stage of the control process (including the recommendations issued by the auditors) are resolved and monitored;
- act as a Compliance Committee and Volcker Committee under the US Dodd-Frank Wall Street Reform and Consumer Protection Act, which has added a new section 13 to the US Bank Holding Company Act of 1956 (BHC Act), commonly referred to as "Volcker Rule".

The COGAP is an advisory committee responsible for the asset/liability management of the various entities of Crédit Foncier's consolidated scope, within the limits set by the Executive Management and within the framework of the rules of Groupe BPCE. A dedicated COGAP, chaired by the chief executive officer of Compagnie de Financement Foncier, carries out its duties within its scope.

## 4. RISK FACTORS AND MANAGEMENT

Governance and risk management system

The implementation of the orientations and management decisions taken in this body is ensured through:

- the Cash Flow Committee, which meets twice a month and ensures operational liquidity management;
- the Financial Management Committee, for the monitoring and operational management of interest rate risk, implementation of current derivative compression operations and for current disposal/assignment operations.

### 1.1.2 ORGANIZATION OF GROUPE CRÉDIT FONCIER'S COMPLIANCE AND PERMANENT CONTROL DIVISION

Crédit Foncier's Compliance and Permanent Control Division (DCCP) coordinates Compagnie de Financement Foncier's compliance function in accordance with the February 22, 2022 agreement on internal control and compliance services and the April 17, 2023 work program framework letter, still applicable in 2024.

The DCCP covers the following areas:

- banking compliance, investment services compliance, general and financial ethics;
- financial security in charge of preventing and dealing with money laundering, financing of terrorism and internal and external fraud risks;
- coordination of permanent controls;
- operational risks.

Crédit Foncier's DCCP reports functionally to the Group divisions running the corresponding division (in particular, the Group Compliance Division (DCG) and the Group Permanent Control Division).

It is independent of all other business lines, in accordance with banking regulations.

Pursuant to the Group Internal Control Charter of July 30, 2020, the Risks, Compliance and Permanent Control Charter of December 9, 2021, as well as the Group Compliance Framework document of April 2022, the Group Permanent Controls Framework document of April 2021 and the Group Ethics Framework document of December 2021, the compliance function is responsible for the prevention, detection, assessment and monitoring of non-compliance risks in the aforementioned scope.

It reports on its activities and controls through periodic reports sent to the Institutional Relations Division, the internal control committee, the executive risk committee, the Supervisory Board of Compagnie de Financement Foncier and the central institution.

This structure works in close collaboration with second-level permanent control teams and the Institutional Relations Division, ensuring the existence and effectiveness of the permanent control system.

### 1.1.3 ORGANIZATION OF THE INFORMATION SYSTEMS SECURITY DIVISION

The information systems security department of Crédit Foncier also covers Compagnie de Financement Foncier.

Since end 2022, as part of the outsourcing of Crédit Foncier's business security activities to BPCE SA (Information Systems Security, Business Continuity and Personal Data Protection), the

Chief Information Security Officer (CISO) function has been delegated to the BPCE SA Security Manager.

As part of this delegation, the CISO, accompanied by an operational team, ensures the monitoring, maintenance and management of the IS Security systems. A member of Crédit Foncier's Business Security team, who reports to the Risk Governance Division, remains the point of contact for Crédit Foncier's business lines in the three areas of activity, including ISS, and coordinates work and exchanges between entities.

Information Systems Security governance is organized around:

- an Information Systems Security Policy (ISSP) specific to Crédit Foncier, and its thematic variations underpinned by the Security Policy and the rules of Groupe BPCE;
- bodies such as the semi-annual Internal Security and Continuity Committee (ISCC), chaired by a member of Crédit Foncier's Executive Management;
- an outreach plan to raise awareness about cyber-attacks and security risks among all employees;
- a permanent control system for Information Systems Security, combined with a half-yearly security report (security indicators).

### 1.1.4 ORGANIZATION OF THE BUSINESS CONTINUITY DIVISION

Crédit Foncier's Business Continuity Plan (BCP) and crisis management plan include Compagnie de Financement Foncier's continuity plan. The BCP, which includes the Contingency and Business Continuity Plan (CBCP) is under the responsibility of Crédit Foncier's Business Continuity Plan Manager (BCPM). This function, previously performed internally, is now entrusted to the BPCE SA Business Continuity Plan Manager.

As part of this delegation, the BCPM, accompanied by an operational team, carries out the monitoring, maintenance and management of the business continuity systems. A member of Crédit Foncier's Business Security team, who reports to the Risk Governance Division, remains the point of contact for Crédit Foncier's business lines in the three areas of activity, including business continuity, and coordinates work and exchanges between entities.

The business continuity management system is based on:

- a Group business continuity and crisis management policy for Crédit Foncier;
- oversight and supervision of business continuity through bodies such as the Internal Information Systems Security Committee (IISSC) chaired by a member of Executive Management;
- coordination of a network of BCP correspondents (BCPC) in charge of maintaining operational continuity plans for preserved activities within their scope;
- mobilizable business line experts identified by critical activity;
- a crisis management system, involving the managerial line and business line experts with a crisis decision unit and an operational crisis unit, which can be mobilized by the BCPM;
- awareness-raising campaigns for all employees;
- a permanent control system for business continuity.

### **1.1.5 ORGANIZATION OF THE PERSONAL DATA PROTECTION SYSTEM**

The Personal Data Protection Officer (DPO) of Crédit Foncier, appointed by the French Data Protection Authority (CNIL), also acts within the scope of Compagnie de Financement Foncier. He ensures compliance with the General Data Protection Regulation (GDPR) and is responsible for implementing the Group's rules and standards.

This function, performed internally until 2022 by the Business Security Manager, is now outsourced and entrusted to the BPCE SA Data Protection Officer.

A member of Crédit Foncier's Business Security team, who reports to the Risk Governance Division, remains the point of contact for Crédit Foncier's business lines in the three areas of activity, including data protection, and coordinates work and exchanges between entities.

Data protection governance is organized around:

- a Group personal data protection policy applicable to Crédit Foncier and Compagnie de Financement Foncier;
- a half-yearly GDPR Committee meeting, chaired by the deputy chief executive officer of Crédit Foncier;
- a GDPR unit made up of Data Protection Officers appointed on the recommendation of a ExCo member, led by the Data Protection Officer (DPO);
- information notices on the processing of personal data for prospective customers and customers, and for Crédit Foncier employees;
- a personal data protection awareness plan for all employees;
- documentation dedicated to the various requirements of the GDPR standard;
- a permanent control system for personal data protection.

# 4. RISK FACTORS AND MANAGEMENT

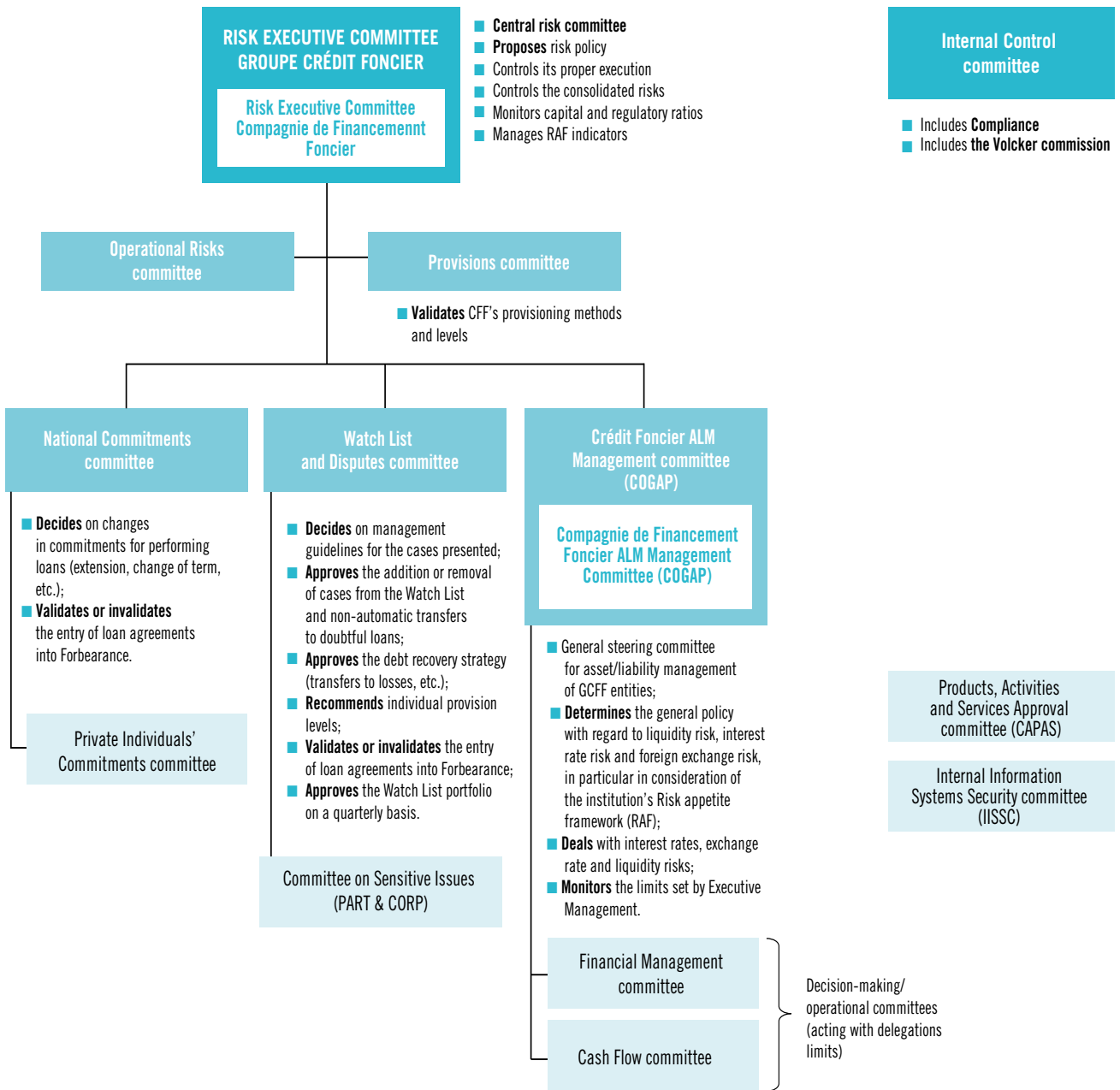
Governance and risk management system

## 1.1.6 INFORMATION SYSTEM AND DATA CONSISTENCY

To comply with Basel II and subsequently Basel III, the Risk Division ensures the accounting consistency of the data input into the risk management system. Compagnie de Financement Foncier's exposures are fully integrated into this data consistency mechanism.

Accordingly, all Groupe BPCE entities ensure that all data transferred to Group regulatory production systems are checked for accounting consistency at least quarterly.

### RISK DIVISION – COMMITTEE STRUCTURE





## 1.2 Loan selection process

Compagnie de Financement Foncier's loans selection process takes place in two steps:

- loan selection by Crédit Foncier;
- acquisition process, through the purchase filter by Compagnie de Financement Foncier, of receivables from Crédit Foncier or other Groupe BPCE credit institutions.

For purchases or assignment of receivables, the analysis is similar for all Groupe BPCE institutions.

Compagnie de Financement Foncier's risk appetite is the level of risk it is willing to accept. It is consistent with the institution's operating environment, its strategy and its business model.

Compagnie de Financement Foncier's system falls within the general framework of groupe Crédit Foncier's risk appetite, approved by the board of directors on December 11, 2024.

This framework is based on an overarching document which presents, qualitatively and quantitatively, the risks that Compagnie de Financement Foncier agrees to take. It describes the principles of governance and operation in effect, and is intended to be updated annually, especially to reflect regulatory changes.

The operational mechanism for risk appetite is based, in turn, on indicators broken down according to significant type of risk and is based on successive thresholds associated with distinct delegation levels, namely:

- operational limits or tolerance thresholds for which executive management may decide, directly or through the committees they chair, either on a return to below the limit, or the establishment of an exception;
- the resilience threshold that, when exceeded, could pose a risk to the continuity and stability of the business. Any breach of these limits requires that a report and an action plan be sent to the Supervisory Body and Risk Division of Groupe BPCE.

Compagnie de Financement Foncier has adopted the procedure implemented at the Group level dedicated to the Recovery and Resolution Plan covering all BPCE institutions.

### 1.2.1 COMMITMENT SELECTION AND MONITORING SYSTEMS AT CRÉDIT FONCIER

Commitment selection and monitoring relies on:

- the implementation of risk policies across various activities (loans to individuals, and to public and private Corporates), consistent with Group credit policies;
- the definition of delegations, primarily with regard to public Corporates and individual customers;
- a system of fixed limits governing main corporate exposures, in order to manage concentration risk;
- a system for assessing borrowers' creditworthiness and the quality of transactions using internal rating engines and counter-analysis;
- risk monitoring primarily achieved through the following mechanisms: review of portfolios, committees dealing with

sensitive issues and internal, external and regulatory reporting;

- risk management leading to the measurement and the prospective management of risks.

### 1.2.2 CREDIT RISK EVALUATION

Loan assessment tools are organized around two mechanisms:

- counter-analysis mechanism;
- ratings-based creditworthiness assessment during loan origination and regular monitoring based on the type of loan.

#### COUNTER-ANALYSIS MECHANISM

The counter-analysis system is related to a delegation chain that provides for a National Commitments Committee level where a representative of the Risk Division expresses an independent opinion supported by his/her counter-analysis. He/she has no say in the decision. For amounts above a specified limit, the Group Risk Division is asked to approve the execution of the transaction.

Loans are subject to a first analysis by the business lines, followed by a counter-analysis performed by a specialized independent unit for files presented in the National Commitments Committee.

This counter-analysis falls within the exclusive competence of the Risk Division and is performed for all requests for financing submitted to the National Commitments Committee.

#### RATING APPROACH

##### INDIVIDUAL CUSTOMERS

The system for rating the creditworthiness of Individuals is specific to Crédit Foncier especially because it has no deposit accounts.

During the granting process, this system is based on both an expert system and a statistical rating.

Loan portfolio risk monitoring is carried out *via* a monthly rating using the features of the property transaction and of the borrower at the time of origination, as well as information on any potential past due payments.

The rating scales are specific to the type of transaction (home ownership or loans for rental housing).

##### PUBLIC, PRIVATE AND INTERNATIONAL OPERATORS

For legal entities (private or public) and not assimilated to private individuals, each counterparty is rated based on a unique set of internal rating approaches employed Group-wide in Groupe BPCE.

The rating of this portfolio relies on internal rating applications developed by Groupe BPCE. For private and public Corporates, the rating approach is based on quantitative and qualitative creditworthiness assessments and on an expert system.

Ratings are reviewed annually.

The International public sector (IPS) portfolio is rated internally. The method used to rate IPS portfolio outstandings is a combination of an expert approach and an approach based on external ratings.

### 1.2.3 ELIGIBILITY CRITERIA FOR SOCIÉTÉ DE CRÉDIT FONCIER AND PURCHASING OR ASSIGNMENT FILTER

Compagnie de Financement Foncier uses two methods of refinancing for all asset classes:

- “disposal”: Compagnie de Financement Foncier acquires an asset to refinance it. The asset is recognized directly in the balance sheet as from the date of disposal. The vendor may be Crédit Foncier or a Groupe BPCE entity, for example;
- “assignment”: collateralized loans that Compagnie de Financement Foncier grants to Crédit Foncier or Groupe BPCE entities. Article L. 211-38 of the French Monetary and Financial Code authorizes the delivery of assets as collateral to a lender as a guarantee of repayment. Compagnie de Financement Foncier grants a loan and the assets of the seller are also provided as security for the proper repayment of the loan. These assets do not appear on the Compagnie de Financement Foncier balance sheet. They remain on the seller’s balance sheet, but can no longer be used, disposed of or assigned by the seller for as long as the receivable from Compagnie de Financement Foncier exists.

Concerning the first mode of refinancing, the asset acquisition process implemented by Compagnie de Financement Foncier is very prudent and supplements a loan granting system that already ensures quality assets.

#### INDIVIDUAL CUSTOMERS

Compagnie de Financement Foncier raises loans that finance home ownership and rental housing, that are secured by a first-ranking mortgage, a guarantee or equivalent.

Almost all origination was carried out by Crédit Foncier until the 1<sup>st</sup> quarter of 2019. Compagnie de Financement Foncier now acquires

loans (currently only PAS – low-income home ownership loans) from other Groupe BPCE credit institutions. The operating method for selecting loans was adjusted accordingly.

After the origination of a loan by a Group credit institution, in accordance with the existing risk policy and eligibility rules, Compagnie de Financement Foncier acquires loans through a process aimed at selecting loans with a default risk below certain thresholds.

Eligible collateral are:

- first-ranking mortgages or equivalent;
- State guarantee provided by the guarantee fund for home ownership for low-income households (FGAS);
- sureties and financial guarantees issued by institutions with a sufficiently high rating (in particular Crédit Logement, a financial sector company rated Aa3 by Moody’s to date).

The LTVs applied to the mortgage value allow the determination of the outstanding amount of the loan that can be financed by privileged resources:

- 100% for loans benefiting from an FGAS guarantee;
- 80% for home loans granted to private individuals and secured by a first-ranking mortgage, a guarantee or equivalent;
- 60% for the others (relating mainly to social and commercial housing).

In addition, Compagnie de Financement Foncier uses an additional selection filter related to initial credit scores at origination and outstandings as described in the following tables.

Since 2016, receivables with lower ratings can be acquired directly by Compagnie de Financement Foncier with an additional risk limitation mechanism: an automatic termination clause is activated as soon as the receivable is recorded as a doubtful loan (for a period of four years from the date of sale).

#### FOR ENTIRE CRÉDIT FONCIER SCOPE

Filter conditions								Disposal before 2016	Disposal since 2016	Existence of a revolution clause
Doubtful (CX, DX, RX) or Performing and having been doubtful during the last 2 years	Segment or sub-segment not eligible							X	X	
	Performing and not doubtful during the last 2 years	Segment and sub-segment known	Eligible segments and subsegments	Age of the loan ≤ 4 years	Outstanding rating	1 to 7	Rating at origination	0 to 5	✓	✓
8,9,10, Not rated						6 to 9, Not rated		X	✓	✓
1 to 7							✓	✓		
Age of the loan > 4 years				Outstanding rating	8,9,10, Not rated		X	✓	✓	
					1 to 7		✓	✓		
8,9,10, Not rated					X	✓	✓			

## FRENCH PUBLIC SECTOR

Compagnie de Financement Foncier's acquisition criteria on loans to French local authorities (FLA) are based on Groupe BPCE's internal rating system.

This rating covers the borrower's inherent characteristics (budget, degree of indebtedness, creditworthiness, etc.).

The lowest ratings are systematically excluded from selection.

## INTERNATIONAL PUBLIC SECTOR

Compagnie de Financement Foncier holds exposures to international counterparties that meet the eligibility requirements of the French Monetary and Financial Code. This portfolio became a run-off activity in 2011. Before production ceased, the selection of these receivables was concentrated on counterparties with high external ratings, most of them in step 1 ( $\geq$ AA-).

## PRIVATE CORPORATES

Since 2016, certain long-term private corporate loans financed by Crédit Foncier or other Groupe BPCE entities, have been assigned to Compagnie de Financement Foncier. These loans have a formal, full and complete first-ranking mortgage guarantee in favor of Crédit Foncier on one or more office, retail or residential assets located in mainland France.

The refinancing of these assets by assignment is limited to 60% of the mortgage value within one year of the assets provided as collateral. Only performing loans are eligible.

## 1.2.4 CREDIT LIMITS

### ASSIGNING CREDIT LIMITS

Compagnie de Financement Foncier's credit limits system incorporates the same limits as those used by groupe Crédit Foncier, particularly regarding individual limits.

Groupe BPCE entities must, at their respective levels, adhere to the limitations placed on their operations determining the rules for risk diversification among the portfolios and to the regulatory limits applicable to managing major risks.

Following the shutdown of loan production, new rules adapted to Crédit Foncier's internal limits were put in place.

They are now based on Groupe BPCE's individual limits where they exist and are assessed in gross amounts. Credit limits are approved by the National Commitments Committee. These individual limits, which are reviewed and proposed by the Risk Division, are monitored at groupe Crédit Foncier level.

### MANAGING LIMIT BREACHES AND ALERT PROCEDURE

#### GENERAL PRINCIPLES

Compliance with limits is checked during regular counter-analysis prior to the review of loans by the Commitment Committees.

#### BANK COUNTERPARTIES

In accordance with the plan defined in the management agreements between the two institutions, compliance with limits relating to the counterparties of Compagnie de Financement Foncier's financial transactions is monitored by the Risk Division – Financial risks and is the subject of a quarterly presentation to the executive risk committee.

These limits are established for Compagnie de Financement Foncier's banking counterparties (primarily for hedging and treasury management requirements) and are regularly reviewed in *ad hoc* committees.

Monitoring of compliance with the limits is carried out on a daily basis by next-day observation. It should be noted that the framework contracts with bank counterparties include a systematic margin call for the value of the exposures, based on the counterparty's rating, to be paid only by the counterparties, not by Compagnie de Financement Foncier.

All breaches are reported in real time to the Executive Management of Compagnie de Financement Foncier and Crédit Foncier.

## 1.2.5 RISK MONITORING

Risk monitoring relies on three main components:

- the review of portfolios to ensure the overall quality of exposures and control the recognition of provisions for risk;
- at a minimum, monthly monitoring of sensitive operations for corporate customers and once a fortnight for retail clients;
- production of internal, external and regulatory reports.

Special rules apply to the structured products of the French public sector.

### PORTFOLIO REVIEWS

Regular reviews are conducted to evaluate the quality of the exposures. This implies stringent analysis of the quality of each exposure performed by the business lines and the Risk Division. This analysis extends to all of Crédit Foncier's large exposures as well as of Compagnie de Financement Foncier.

### MONITORING OF SENSITIVE TRANSACTIONS

This kind of monitoring concerns loans considered by the institution to be troubled or likely to encounter trouble in the future. Such monitoring involves ruling on the classification of the concerned loans or their servicing status (performing/doubtful/in litigation).

#### INDIVIDUAL CUSTOMERS

Monitoring is carried out by the business line's Committee on Sensitive Issues (CMAS), which meets every month or as requested and reviews troubled loans and recommends the potential recognition of a provision for credit loss on an individual basis or *via* the Watch List Committee or delegation chain.

#### PUBLIC SECTOR AND SOCIAL HOUSING

Monitoring is carried out *via* groupe Crédit Foncier's Watch List Committee which includes Compagnie de Financement Foncier's outstanding assets. The Watch List is reviewed quarterly. It lists all the counterparties requiring special attention due to the potentially high risk they represent. The Watch List concerns performing or doubtful loans but not loans already in the process of litigation by the Litigation Division. The fact of being placed on the Watch List does not trigger the automatic suspension of credit lines or a downgrade of the counterparty to doubtful.

In the framework of monitoring the structured products of Public sector operators, and in coordination with Groupe BPCE, a signatory to the Gissler Charter, groupe Crédit Foncier closely monitors these transactions, enabling it to alert customers in advance about the market development impacts.

#### PRIVATE CORPORATES

The receivables assigned to Compagnie de Financement Foncier have a low LTV, based on the mortgage value, which is more conservative than the market value, and finance various assets (residential, offices, retail).

In the event of a credit event (default/forbearance/Watch List), the receivable would no longer be assigned for refinancing with Compagnie de Financement Foncier. The monthly control is carried out as part of the assignment renewal process.

## 2. Changes in assets

In accordance with its *Société de Crédit Foncier* status, Compagnie de Financement Foncier's assets are broken down into three main categories:

- secured loans, as defined under Articles L. 513-3, L. 513-5 and L. 513-6 of the French Monetary and Financial Code, backed by a first-rank mortgage (or, to a lesser extent, equivalent real estate collateral or a surety);
- exposure to public entities, as defined under Articles L. 513-4 and L. 513-5; and
- safe and liquid assets as defined in Article L. 513-7, limited to 10% of the pledge of the privileged resources.

### BREAKDOWN OF ASSETS BY GUARANTEE

ASSETS	12/31/2024		12/31/2023	
	(in €m)	(% of balance sheet)	(in €m)	(% of balance sheet)
<b>Guaranteed loans (Articles L. 513-3, L. 513-5 and L. 513-6)</b>	<b>23,603</b>	<b>38.7%</b>	<b>25,916</b>	<b>43.0%</b>
Mortgage loans secured by the FGAS	11,509	18.9%	12,474	20.7%
Other mortgage loans	8,032	13.2%	9,055	15.0%
Guaranteed loans	4,062	6.7%	4,387	7.3%
<b>Exposures on public entities (Articles L. 513-4 and L. 513-5)</b>	<b>31,636</b>	<b>51.8%</b>	<b>28,615</b>	<b>47.5%</b>
Public sector loans	14,564	23.9%	12,880	21.4%
Public loans assigned under L. 211-38	11,821	19.4%	9,969	16.5%
Public entity securities	4,745	7.8%	5,293	8.8%
Deposits at Banque de France	506	0.8%	472	0.8%
<b>Other assets (interests on IFAT, adjustment accounts, etc.)</b>	<b>1,124</b>	<b>1.8%</b>	<b>1,014</b>	<b>1.7%</b>
<b>Safe and liquid assets (Article L. 513-7)</b>	<b>4,684</b>	<b>7.7%</b>	<b>4,705</b>	<b>7.8%</b>
<b>TOTAL ASSETS</b>	<b>61,047</b>	<b>100.0%</b>	<b>60,250</b>	<b>100.0%</b>

At December 31, 2024, Compagnie de Financement Foncier's balance sheet was up by €0.8bn compared with December 31, 2023. This increase reflects the various changes among the different asset classes considered:

- mortgage loans were down by €2.3bn, reflecting the amortization of the historical stock of assets held or mobilized;
- securities of public entities fell by €0.5bn to €4.7bn;
- loans to the public sector were up by €3.6bn following the refinancing of public assets by the regional banks for €6.3bn and in particular State-guaranteed loans (PGE) for €1.4bn. This increase reflects the relevance of the "Compagnie de Financement Foncier – supporting Groupe BPCE" strategy: refinancing assets of the Groupe BPCE entities at very competitive margins.

The breakdown of assets by geography changed little over the year, with most of the underlying assets on the balance sheet (89.4%) located in France.

As of December 31, 2024, international assets, mainly linked to the Public sector, totaled €6.5bn. Main geographical exposures are Italy (€2.7bn), the United States (€1.3bn) and Switzerland (€1.2bn). To a lesser extent follow Belgium (€0.4bn), Japan (€0.4bn), Poland (€0.3bn), Spain (€0.1bn) and Canada (€0.1bn).

### 3. Changes in liabilities

In accordance with the regulations governing *Sociétés de Crédit Foncier* status, Compagnie de Financement Foncier's liabilities may be broken down into two main categories:

- privileged resources that legally protect bondholders by guaranteeing priority repayment and compliance with repayment schedules, even in the event of default of the issuer or its parent company;
- other resources that help reinforce the security of privileged debt holders. These resources subordinated to privileged resources are made up of:
  - unsecured debts with the Crédit Foncier or BPCE and, in particular relating to swaps, with various other bank counterparties,
  - subordinated debt and share capital, resources contributed by Crédit Foncier.

#### BREAKDOWN OF LIABILITIES BY GUARANTEE RANK

LIABILITIES	12/31/2024		12/31/2023	
	(in €m)	(% of balance sheet)	(in €m)	(% of balance sheet)
<b>Privileged resources</b>	<b>51,464</b>	<b>84.3%</b>	<b>51,646</b>	<b>85.7%</b>
<i>Obligations foncières</i> at the reporting date	51,492	84.3%	51,700	85.8%
Foreign exchange difference on <i>obligations foncières</i>	-169	-0.3%	-175	-0.3%
Other privileged resources	142	0.2%	120	0.2%
<b>Translation difference associated with hedging balance sheet items*</b>	<b>1,292</b>	<b>2.1%</b>	<b>1,211</b>	<b>2.0%</b>
<b>Non-privileged resources</b>	<b>8,290</b>	<b>13.6%</b>	<b>7,393</b>	<b>12.3%</b>
Unsecured debt	6,173	10.1%	5,245	8.7%
Subordinated debt and similar debt	57	0.1%	55	0.1%
■ of which subordinated securities	0	0.0%	0	0.0%
Shareholders' equity and fund for general banking risks	2,060	3.4%	2,093	3.5%
<b>TOTAL LIABILITIES</b>	<b>61,047</b>	<b>100.0%</b>	<b>60,250</b>	<b>100.0%</b>
Regulatory capital according to CRR/CRD IV:	1,951	3.2%	1,974	3.3%
■ of which Common Equity Tier-1 capital	1,951	3.2%	1,974	3.3%
■ of which Additional Tier-1 capital	0	0.0%	0	0.0%
■ of which Tier-2 capital	0	0.0%	0	0.0%

\* Liabilities and assets are considered at their historical cost, i.e. at the exchange rate originally set when setting up their hedge. Interests accrued on swaps are calculated after netting for the same counterparty.

During the year, privileged resources decreased by €0.2bn. €5.8bn in issues were made, of which €1.2bn related to PGE.

Unsecured debt increased significantly by €0.9bn.

Share capital remained stable at €2.1bn.

## 4. Capital adequacy ratios

### 4.1 Specific ratios

Compagnie de Financement Foncier is not obliged by the regulator to follow capital adequacy solvency ratios but nonetheless reports them to investors for information purpose; these ratios are monitored at Crédit Foncier's level, its parent company. However, as a *Société de Crédit Foncier*, Compagnie de Financement Foncier is subject to several specific regulatory ratios that must be respected at all times and which are generally validated by the specific controller.

#### 4.1.1 COVERAGE RATIO

Compagnie de Financement Foncier calculates the coverage ratio that corresponds to the ratio between weighted assets and privileged debt. It must remain above 105% at all times.

The restatements include three types of assets:

- LTV overruns on mortgage loans either held directly or assigned;
- assets sold under repos; and
- the portion of unsecured intragroup loans above the regulatory threshold of 25% of non-privileged liabilities.

The regulations limit the amount of outstanding loans that can be financed by *obligations foncières* to the fraction of the outstanding amount equal to the outstanding principal of the claim compared to the present value of the pledge, to 60% when the property is guaranteed by a commercial property, to 80% when the property is guaranteed by a residential property, and approximately 90% (by calculation method) when the property is guaranteed by the FGAS.

At December 31, 2024, outstanding loans in excess of the LTV threshold amounted to €0.3bn, still significantly lower than those for non-privileged liabilities, standing at €8.3bn at that date.

In addition, assets used to secure other transactions are deducted from the assets recognized on the balance sheet. Thus, the outstanding amount of securities sold to Crédit Foncier under repurchase agreements, representing €0.6bn at December 31, 2024, was not included for the purposes of calculating the ratio.

The regulatory coverage ratio was 115.9% at December 31, 2024 (vs. 111.4% at end-2023), including any associated currency hedging for assets and liabilities.

#### 4.1.2 LOAN TO VALUE

As part of its risk monitoring and management rules, Compagnie de Financement Foncier sets the LTV of mortgage or guaranteed loans that it holds directly or through assignment under L. 211-38. This LTV is also the ratio of the present value of the collateral to the outstanding principal. Every year, Compagnie de Financement Foncier, like every *Société de Crédit Foncier*, re-examines the value of this collateral using procedures that are checked for compliance by the specific controller. This certification and a description of the methods used to value and re-value property together with their results are presented in the Risk Management report in section 5.3.2 of the 2024 universal registration document.

Taking into account all outstanding loans to individual customers, both directly held or used to guarantee loans under L. 211-38, the average LTV at end-December 2024 came to 61.4% for a total outstanding amount of €22.9bn, breaking down as:

- 63.4% for loans guaranteed by FGAS in the amount of €12.7bn;
- 58.9% for other mortgage or guaranteed loans to individual customers, with €10.2bn outstanding.

At the end of December 2024, all mortgage loans or guaranteed loans, totaling €23.6bn, had an average LTV of 60.9%. This breaks down into an average LTV of 61.4% for loans to individual customers in the amount of €22.9bn, and of 46.2% for corporate loans totaling €0.8bn.

#### 4.1.3 OTHER LIMITS

Compliance with the various holding limits applicable to certain assets is verified:

- safe and liquid assets (formerly known as “replacement values”) are eligible for up to 10% of the privileged liabilities;
- the hedging of cash requirements, taking into account cash flow forecasts, is secured over a period of 180 days.

#### 4.1.4 LIQUIDITY AND SOLVENCY RATIOS

As a credit institution, Compagnie de Financement Foncier monitors its liquidity ratios, which remain well above the minimum requirements set by banking regulations mainly thanks to its cash commitments available within 180 days. In addition, Compagnie de Financement Foncier has €18.2bn in assets that can be mobilized by the Eurosystem (excluding repurchase agreements) that could provide it with an estimated additional €8.3bn in cash resources after discount and on the basis of the ECB's current rules, while maintaining its coverage rate at above the legal minimum of 105%.

The other capital adequacy ratios applicable to credit institutions are monitored by groupe Crédit Foncier at the consolidated level. However, Compagnie de Financement Foncier determines solvency ratios within its own scope only since January 1, 2014, it has been doing so in accordance with the CRD IV directive and the CRR Regulation and reports them to *Autorité de Contrôle Prudentiel et de Résolution* (ACPR – French Prudential Supervisory and Resolution Authority).

## 4.2 Capital management

The management of Compagnie de Financement Foncier's capital is supervised directly by its Executive Management. Its management ensures permanent compliance with regulatory ratios and aims to optimize the allocation of capital and to secure its overcollateralization ratio; it is therefore directly involved in obtaining an AAA/Aaa/AAA rating for *obligations foncières* by Standard & Poor's/Moody's/Scope.

### 4.2.1 COMPOSITION OF CAPITAL

Capital is determined in accordance with the CRD IV directive and the CRR Regulation, applicable since January 1, 2014, taking into account the national options set by the ACPR. It consists of three broad categories: Common Equity Tier-1 capital, Additional Tier-1 capital and Tier-2 capital.

The amount of capital of Compagnie de Financement Foncier was €2.1bn at December 31, 2024. This amount also represents the Common Equity Tier-1 capital.

Consequently, as of December 31, 2024, on the basis of the Basel III standard approach, its Common Equity Tier-1 (CET-1) ratio, which is equal to its Tier-1 ratio and its solvency ratio, was 38.6%, up 11.6% compared with the end of December 2023. Total risk exposures amounted to €5.1bn, down €2.3bn compared with December 31, 2023.

### 4.2.2 CAPITAL REQUIREMENTS

Capital requirements were calculated using the Basel III standard approach. The executive risk committee (CEDR) of April 6, 2022 decided that transparency treatment would no longer be applied for the calculation of RWAs for L. 211-38 assignments guaranteed by French local authorities sector loans or by mortgage loans. These intragroup exposures will now be weighted at 0% in accordance with the provisions of the CRR Regulation.

Loans to Groupe BPCE affiliates are weighted at 0%.

Moreover, in the case of partial transfer of loans originated by Crédit Foncier to Compagnie de Financement Foncier and in accordance with the assignment and recovery agreements, collected sums are allocated in their entirety and in priority to Compagnie de Financement Foncier. Under the standard approach, this allows to adjust the level of risk-weighting in order to reflect the priority allocation of collections to Compagnie de Financement Foncier and the resulting lower loss rate.

Exposure categories (in €m)	12/31/2024		12/31/2023	
	Capital requirements	RWA	Capital requirements	RWA
Central governments	21	265	19	234
Institutions	2	29	2	30
Regional governments	114	1,425	226	2,820
Corporations	9	118	16	205
Retail customers	1	17	58	721
Mortgage-backed exposure	205	2,560	202	2,522
Exposure at default	14	177	19	243
Other assets	1	7	2	24
<b>Requirements for credit risk (A)</b>	<b>368</b>	<b>4,598</b>	<b>544</b>	<b>6,798</b>
<b>Requirements for market risk (B)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Requirements for operational risk (C)</b>	<b>32</b>	<b>406</b>	<b>36</b>	<b>455</b>
<b>Credit value adjustment (D)</b>	<b>4</b>	<b>49</b>	<b>4</b>	<b>51</b>
<b>CAPITAL REQUIREMENTS (A)+(B)+(C)+(D)</b>	<b>404</b>	<b>5,052</b>	<b>584</b>	<b>7,304</b>

## 4. RISK FACTORS AND MANAGEMENT

Analysis of credit and counterparty risk

### 4.2.3 SOLVENCY RATIO

Compagnie de Financement Foncier's solvency ratio at December 31, 2024 was determined using the standard approach.

	12/31/2024	12/31/2023
Solvency ratio	38.6%	27.0%
CET-1 ratio	38.6%	27.0%
Tier-1 ratio	38.6%	27.0%

Source: COREP (Common Solvency Ratio Reporting) as of December 31, 2024.

## 5. Analysis of credit and counterparty risk

The balance sheet comprises two major categories: assets financed for the long-term in the form of loans or securities, and safe and liquid assets (previously known as replacement values) corresponding to a portion of cash balances. These assets meet differentiated approaches as to the measuring and monitoring of their credit risk:

- loans granted to private individuals and loans to professionals mainly in the public sector: these loans are acquired either directly by Compagnie de Financement Foncier or pledged through Crédit Foncier or any other entity of Groupe BPCE

entities, in the form of guaranteed loans granted under Article L. 211-38 of the French Monetary and Financial Code;

- loans from the State-subsidized sector guaranteed by the French state;
- Public sector securities, which comprise Compagnie de Financement Foncier's main international exposure;
- safe and liquid assets comprised of short-term investments with credit institutions that have at least the second-best external rating.

Since the end of the 1<sup>st</sup> quarter of 2019, Crédit Foncier no longer originates loans to individuals or to the Public sector.

## 5.1 Breakdown of Compagnie de Financement Foncier's commitments

### 5.1.1 ANALYSIS OF CREDIT RISK EXPOSURES

- Financed assets are analyzed transparently: the analysis covers the assigned assets in the form of loans under Article L. 211-38 of the French Monetary and Financial Code.
- As an exception, safe and liquid assets (previously referred to as "replacement values") are analyzed by their exposure to the counterparty (and not according to the underlying assets when they come under Article L. 211-38 of the French Monetary and Financial Code).

- Compagnie de Financement Foncier reports that it still has no exposure to the following asset classes:
  - CDO (Collateralized Debt Obligation) or direct exposures to monoline insurers;
  - exposures to Commercial Mortgage-Backed Securities (CMBS);
  - other sub-prime exposures, Alt-A or, more broadly, any exposure to US mortgage securities;
  - special purpose vehicles;
  - leveraged or leveraged buyout (LBO) transactions.



Risk exposure (in €m)	Exposures as of 12/31/2024			Exposures as of 12/31/2023		
	Sold	Assigned <sup>(3)</sup>	Total	Sold	Assigned <sup>(3)</sup>	Total
<b>A – Individual mortgage loans <sup>(1) (2) (6)</sup></b>	<b>18,982</b>	<b>3,387</b>	<b>22,369</b>	<b>20,772</b>	<b>3,858</b>	<b>24,630</b>
<b>B – Public financing</b>	<b>19,386</b>	<b>11,835</b>	<b>31,221</b>	<b>18,227</b>	<b>9,961</b>	<b>28,188</b>
French public financing	13,471	11,285	24,757	11,722	9,392	21,114
■ Social housing	1,159	1,162	2,321	1,248	1,081	2,328
■ French local authorities (FLA)	11,806	8,520	20,326	10,002	7,825	17,827
■ Sovereign France	506	1,604	2,110	472	486	958
Infrastructure project financing (IPF)	541	549	1,091	562	569	1,131
International public financing	5,373	0	5,373	5,943	0	5,943
■ International public sector (IPS)	3,134	0	3,134	3,297	0	3,297
■ International sovereign	2,151	0	2,151	2,422	0	2,422
■ Public sector large corporations	88	0	88	223	0	223
<b>C – Commercial mortgage exposures <sup>(6)</sup></b>	<b>10</b>	<b>632</b>	<b>642</b>	<b>11</b>	<b>632</b>	<b>643</b>
<b>D – Banking sector exposures</b>	<b>694</b>	<b>4,630</b>	<b>5,324</b>	<b>700</b>	<b>4,653</b>	<b>5,353</b>
Banks with sovereign guarantees or similar	641	0	641	649	0	649
Other banks	53	0	53	52	0	52
L. 211-38-VR <sup>(4)</sup>	0	4,630	4,630	0	4,653	4,653
<b>TOTAL RISK EXPOSURE (A + B + C + D)</b>	<b>39,072</b>	<b>20,484</b>	<b>59,556</b>	<b>39,710</b>	<b>19,104</b>	<b>58,814</b>
Miscellaneous adjustments and other assets <sup>(5)</sup>	1,513	1	1,515	1,456	9	1,464
<b>TOTAL</b>	<b>40,585</b>	<b>20,485</b>	<b>61,071</b>	<b>41,166</b>	<b>19,112</b>	<b>60,278</b>

(1) The "mortgage loans France" line item includes a limited amount of outstanding Dutch loans for €16m.

(2) Of which BH Belgium for €427m (carrying amount).

(3) Of which €8,107m under L. 211-38 with the Caisses d'Epargne and Banques Populaires banks.

(4) Short-term loans to BPCE guaranteed by collateralized assets.

(5) The "Miscellaneous adjustments and other assets" line item is mainly composed of accrued interest on forward financial instruments and adjustment accounts.

(6) Including guaranteed.

At December 31, 2024, total credit risk exposure was up by €793m compared to December 31, 2023 and reached €61.1bn. The main changes are as follows:

- €2.3bn decrease in individual customers' mortgage and guarantee loans to €22.4bn, mainly due to an amortization effect linked to the halt in new loan production from the end of March 2019;

- €3bn increase in public sector borrowers due to the refinancing activity of Compagnie de Financement Foncier for Groupe BPCE (by pledge in L. 211-38 and acquisition of receivables):

- €2.5bn increase in French local authorities,
- €570m decrease in International public financing.
- €40m decrease in Infrastructure project financing related to loan repayments.

## 4. RISK FACTORS AND MANAGEMENT

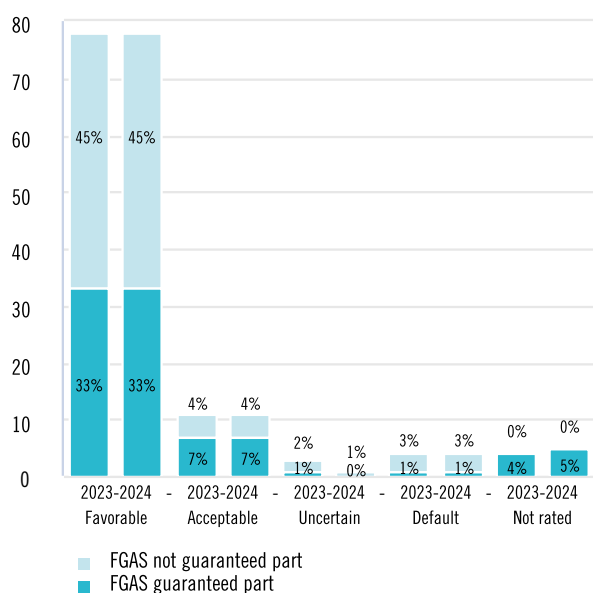
Analysis of credit and counterparty risk

### BREAKDOWN OF EXPOSURES BY GEOGRAPHY

Breakdown of exposures by geography	12/31/2024		12/31/2023	
	Balance sheet (in €m)	(in %)	Balance sheet (in €m)	(in %)
France	54,613	89%	53,185	88
Other countries in the European Economic Area	3,487	6%	3,971	7
■ of which Italy	2,659	4%	2,945	5
■ of which Belgium	427	1%	489	1
■ of which Poland	284	n.s	297	1
■ of which Spain	101	n.s	158	n.s
■ of which Portugal	0	n.s	66	n.s
■ of which the Netherlands	16	n.s	17	n.s
Switzerland	1,183	2%	1,203	2
North America (USA & Canada)	1,417	2%	1,525	2
Japan	371	1%	394	1
<b>TOTAL</b>	<b>61,071</b>	<b>100</b>	<b>60,278</b>	<b>100</b>

### 5.1.2 QUALITY OF THE PORTFOLIO EXPOSED TO CREDIT RISK

#### PORTFOLIO OF LOANS TO INDIVIDUAL CUSTOMERS



**December 2024: €22,369m**    **December 2023: €24,630m**

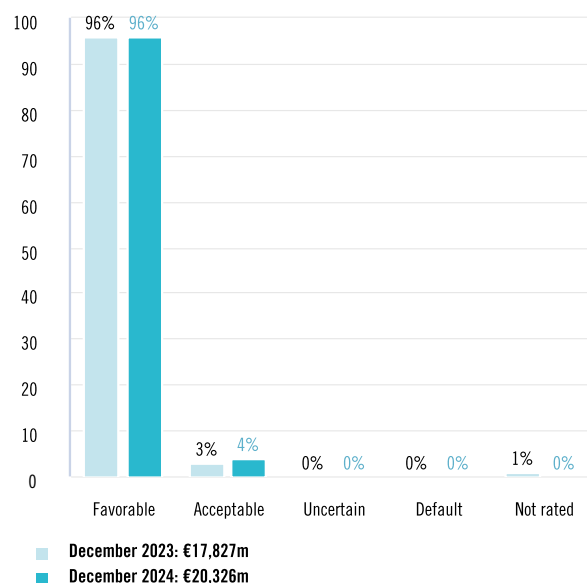
The distribution of ratings attests to the ongoing good quality of outstanding loans.

#### FRENCH PUBLIC SECTOR PORTFOLIO

The French public sector portfolio stood at €24.8bn and breaks down as follows:

- French local authorities: €20.3bn;
- Social housing: €2.3bn;
- Sovereign France: €2.1bn.

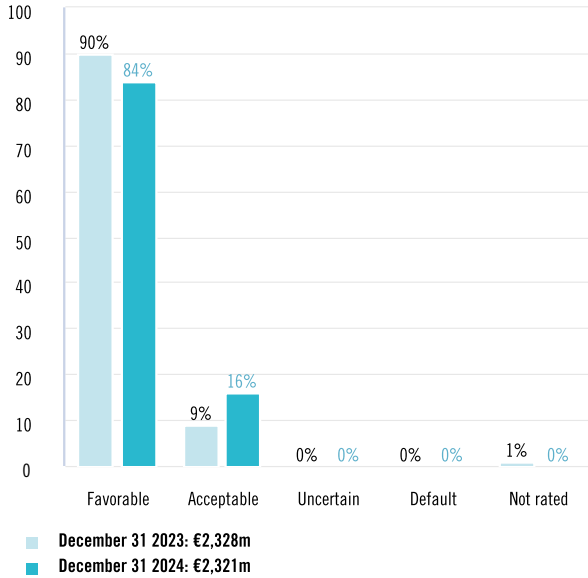
#### PORTFOLIO OF FRENCH PUBLIC OPERATORS\* – BREAKDOWN BY BASEL II RATING



French local authorities of Compagnie de Financement Foncier remain at a very good level and are improving.

## SOCIAL HOUSING

### SOCIAL HOUSING PORTFOLIO\* – BREAKDOWN BY BASEL II RATING



Note: including associations.

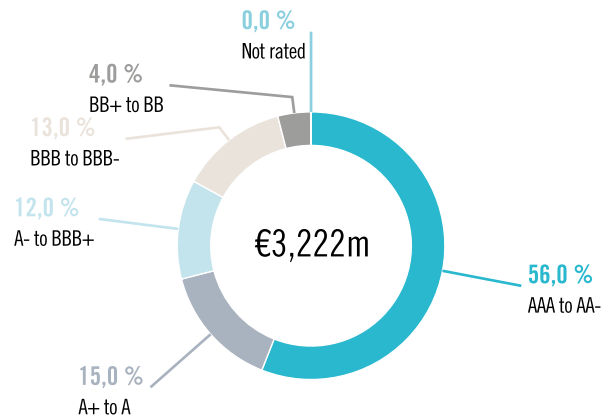
The quality of Compagnie de Financement Foncier's social housing outstandings remains high.

## INTERNATIONAL PUBLIC SECTOR PORTFOLIO

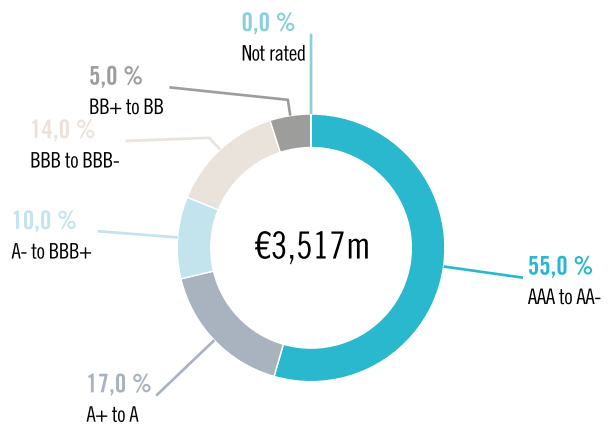
### INTERNATIONAL PUBLIC SECTOR (EXCLUDING SOVEREIGNS) AND LARGE PUBLIC SECTOR CORPORATES

At December 31, 2024, the IPS portfolio (excluding Sovereigns) and Large Corporates stood at €3.2bn, down €0.3bn compared with December 31, 2023, due to asset depreciation and maturities. Compagnie de Financement Foncier has stopped making new acquisitions in recent fiscal years.

### BREAKDOWN BY INTERNAL RATING OF EXPOSURES TO THE INTERNATIONAL PUBLIC SECTOR AND LARGE CORPORATES\* DECEMBER 31, 2024



### DECEMBER 31, 2023



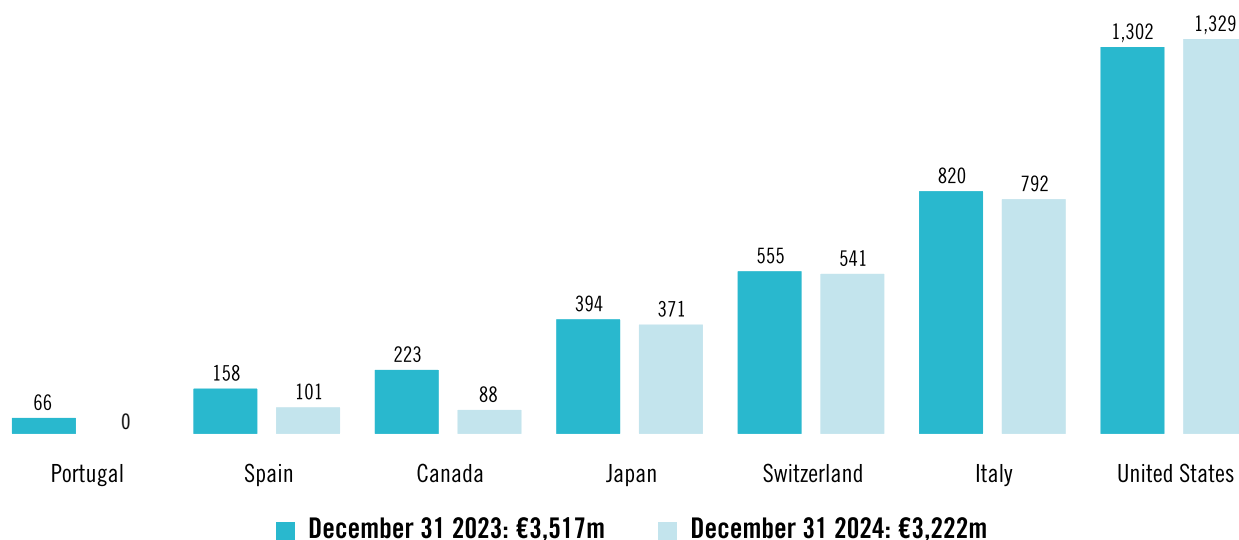
\*At net carrying amount before including swaps.

The average quality of internal ratings remains higher than in 2023: 96% of ratings are BBB+ or higher; the percentage of AAA to AA- ratings has remained stable at 56%.

## 4. RISK FACTORS AND MANAGEMENT

Analysis of credit and counterparty risk

### BREAKDOWN OF DIRECT EXPOSURES TO THE INTERNATIONAL PUBLIC SECTOR AND LARGE CORPORATES



Currency exchange fluctuations affect the outstandings of assets denominated in foreign currencies (USD, JPY, CAD, etc.), shown before currency swap effects.

Compagnie de Financement Foncier has no direct exposures to monoline insurers but does have credit enhancements acquired from them for certain assets in the portfolio.

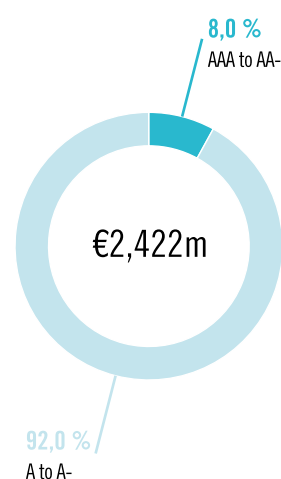
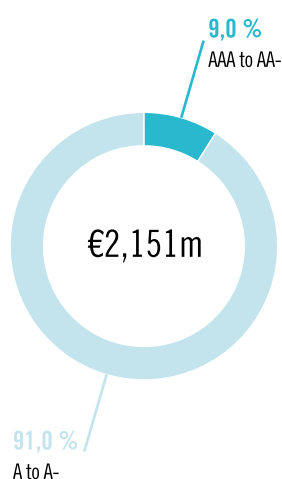
#### INTERNATIONAL SOVEREIGN

Following the disposals and repayments, Compagnie de Financement Foncier's residual exposure to sovereign issuers is concentrated on Italy and, to a lesser extent, on Poland.

#### BREAKDOWN OF EXPOSURES BY INTERNAL RATING ON SOVEREIGNS EXCLUDING FRANCE

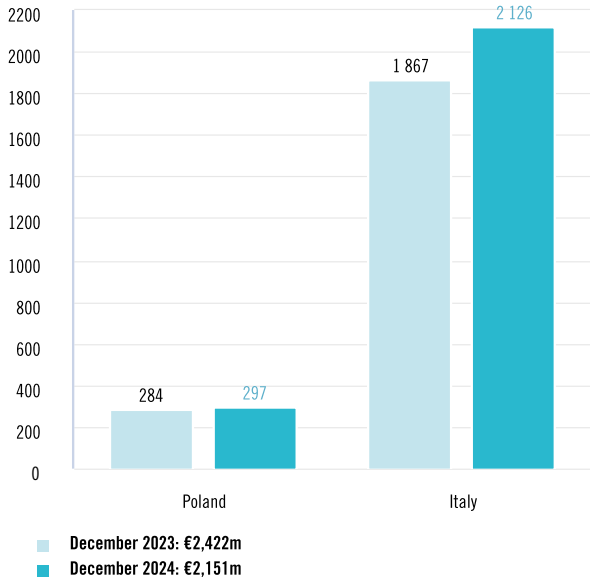
DECEMBER 31, 2024

DECEMBER 31, 2023



Compagnie de Financement Foncier's whole international sovereign portfolio is rated investment grade (rating  $\geq$ A-).

**BREAKDOWN OF DIRECT EXPOSURES TO SOVEREIGNS OUTSIDE FRANCE**



Compagnie de Financement Foncier is now exposed exclusively to Italian and Polish sovereigns.

The variation of outstandings from one year to another is explained by both repayments and exchange rate fluctuations as some of the exposures are in foreign currencies and presented on a before swaps basis.

**MONOLINE INSURERS ON EXPOSURES TO IPS, LARGE CORPORATES AND SOVEREIGNS**

Compagnie de Financement Foncier has no direct exposures to monoline insurers but does have credit enhancements acquired from them for certain assets in the portfolio.

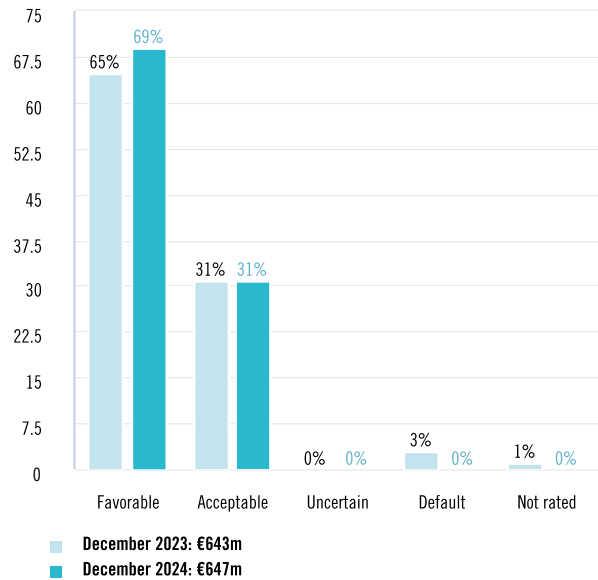
Thus, €0.9bn of outstandings in the portfolio is counter-guaranteed by monoline insurers.

The monoline insurers solicited:

- Assured Guaranty Inc. (formerly Assured Guaranty Municipal Corp.) and Assured Guaranty Europe maintain high credit ratings of AA/A+ (by Standard & Poor's and Moody's) and AA by Standard & Poor's, while Assured Guaranty UK LTD has a rating of AA/A+ (by S&P and Moody's) – guaranteeing a total of €0.75bn of securities outstanding;
- more marginally, National Public Finance Guarantee Corp. (formerly-MBIA), rated Baa2 by Moody's, guarantees €14m of outstanding securities;
- the FGIC monoline is not rated, which reduces the quality of its credit support (counter-guaranteed outstandings of €130m).

**PRIVATE CORPORATES PORTFOLIO\***

At December 31, 2024, Private Corporate outstandings sold and assigned amounted to €647m, with 100% of the outstandings having "Favorable" or "Acceptable" ratings.



**BANKING SECTOR PORTFOLIO**

At €15.1bn, exposures to the banking sector are up compared to December 31, 2023 (€12.4bn). They consisted of short-term transactions with BPCE, L. 211-38 mobilization transactions with the Caisses d'Epargne and Banques Populaires banks and PGE. Compagnie de Financement Foncier is also exposed, in the context of long-term loans from the former International public sector activity, to Swiss regional banks, which are guaranteed by public authorities.

## 5.2 Delinquency

### 5.2.1 COMPAGNIE DE FINANCEMENT FONCIER'S RISK HEDGING

The table below shows the breakdown of assets excluding endorsements and financial guarantees given along with the doubtful loan rates.

Risk exposure (in €m)	GROSS exposures as of 12/31/2024				GROSS exposures as of 12/31/2023			
	Total balance sheet	Doubtful loan rate sold	Doubtful loan rate assigned	Overall doubtful loan rate	Total balance sheet <sup>(3)</sup>	Doubtful loan rate sold	Doubtful loan rate assigned	Overall doubtful loan rate
<b>A – Mortgage loans to individual customers</b> <sup>(1) (2) (5)</sup>	<b>22,369</b>	<b>3.24%</b>	<b>9.50%</b>	<b>4.19%</b>	<b>24,630</b>	<b>3.00%</b>	<b>9.66%</b>	<b>4.04%</b>
<b>B – Public financing</b>	<b>31,221</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>28,188</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>
French public financing	24,757	0.00%	0.00%	0.00%	21,114	0.00%	0.00%	0.00%
■ Social housing	2,321	0.05%	0.00%	0.02%	2,328	0.02%	0.00%	0.01%
■ French local authorities (FLA)	20,326	0.00%	0.00%	0.00%	17,827	0.00%	0.00%	0.00%
■ Sovereign France	2,110	0.00%	0.00%	0.00%	958	0.00%	0.00%	0.00%
■ Infrastructure project financing (IPF)	1,091	0.00%	0.00%	0.00%	1,131	0.00%	0.00%	0.00%
International public financing	5,373	0.00%	0.00%	0.00%	5,943	0.00%	0.00%	0.00%
■ International public sector (IPS)	3,134	0.00%	0.00%	0.00%	3,297	0.00%	0.00%	0.00%
■ International sovereign	2,151	0.00%	0.00%	0.00%	2,422	0.00%	0.00%	0.00%
■ Public sector large corporations	88	0.00%	0.00%	0.00%	223	0.00%	0.00%	0.00%
<b>C – Commercial mortgage exposures</b> <sup>(6)</sup>	<b>642</b>	<b>0.13%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>643</b>	<b>2.05%</b>	<b>0.00%</b>	<b>0.04%</b>
<b>D – Banking sector exposures</b>	<b>5,324</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>5,353</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>
Banks with sovereign guarantees or similar	641	0.00%	0.00%	0.00%	649	0.00%	0.00%	0.00%
Other banks	53	0.00%	0.00%	0.00%	52	0.00%	0.00%	0.00%
L. 211-38-VR <sup>(3)</sup>	4,630	0.00%	0.00%	0.00%	4,653	0.00%	0.00%	0.00%
<b>TOTAL RISK EXPOSURE (A+B+C+D)</b>	<b>59,556</b>	<b>1.57%</b>	<b>1.57%</b>	<b>1.57%</b>	<b>58,814</b>	<b>1.57%</b>	<b>1.95%</b>	<b>1.69%</b>
Miscellaneous adjustments and other assets <sup>(4)</sup>	1,515	0.00%	0.00%	0.00%	1,464	0.00%	0.00%	0.00%
<b>TOTAL</b>	<b>61,071</b>	<b>1.52%</b>	<b>1.57%</b>	<b>1.53%</b>	<b>60,278</b>	<b>1.51%</b>	<b>1.95%</b>	<b>1.65%</b>

(1) The "mortgage loans France" line item includes a limited amount of outstanding Dutch loans for €16m.

(2) Of which BH Belgium for €427m (carrying amount).

(3) Short-term loans to BPCE guaranteed by collateralized assets.

(4) The "Miscellaneous adjustments and other assets" line item is mainly composed of accrued interest on forward financial instruments and adjustment accounts.

(5) Including guaranteed.

The overall doubtful loan rate stood at 1.53%, down 1.65% compared to the 4<sup>th</sup> quarter of 2023.

For mortgage or guaranteed loans to individual customers, the doubtful loan rate rose from 4.04% at end-December 2023 to 4.19% at end-December 2024.

## 5.2.2 COST OF RISK OF COMPAGNIE DE FINANCEMENT FONCIER

<i>(in €m)</i>	12/31/2024	12/31/2023
Individual cost of risk (A)	1.69	2.00
Collective provisions (B)	0.88	0.82
<b>Cost of risk (A+B)</b>	<b>2.58</b>	<b>2.82</b>
Cost of risk, Net Banking Income (C)	0.21	4.01
<b>NET (A+B+C)</b>	<b>2.79</b>	<b>6.83</b>

At December 31, 2024, Compagnie de Financement Foncier's risk charge was €2.79m. It is made up of the cost of risk on a solo basis (reversal of €1.69m), the cost of risk on a collective basis (reversal of €0.88m) and risk income recognized in NBI (reversal of €0.21m).

## 5.3. Risk mitigation techniques

### 5.3.1. RISK MITIGATION FACTOR

Compagnie de Financement Foncier's portfolio is very secure as it consists mainly of either risks secured by mortgages or equivalent or risk exposures to the Public sector. Both risks are further reduced by additional guarantees. Thus, 70% of outstanding mortgage loans to individual customers are covered by an FGAS guarantee.

In relation to individual customers, the main provider of personal guarantees belongs to the Sovereign segment: the *Société de Gestion du Fonds de Garantie à l'Accession sociale à la Propriété* (SGFGAS) provides a guarantee from the French government for home ownership loans governed by the regulations of loan agreements and guaranteed by first-rank collateral (mortgage or lender's lien). As such, SGFGAS benefits from external ratings from the French State. The coverage rate of the FGAS guarantee is 100% for loans granted until December 31, 2006 and 50% for loans granted after this date. The portion of loans covered by the FGAS guarantee is weighted at 0%. The portion not covered by the FGAS guarantee is covered by Crédit Foncier, pursuant to an agreement with Compagnie de Financement Foncier, and is weighted at 0% for Compagnie de Financement Foncier.

In addition, certain loans to individual customers benefit from a guarantee in the form of a surety, similar to a financial institution risk. Crédit Logement, a subsidiary of most of the major French banking networks, is the main provider of this type of guarantee.

Loans covered by Crédit Logement were subject to a Basel III weighting of 50% until the 3<sup>rd</sup> quarter of 2014. Since the 4<sup>th</sup> quarter of 2014, exposures guaranteed by Crédit Logement are weighted at 35%.

Risk reduction is also achieved through the assignment mechanism between Compagnie de Financement Foncier and Crédit Foncier or other Groupe BPCE entities (agreements, contracts), which explicitly provides for the termination of assignments in the event of non-compliance of the receivables acquired.

With respect to real estate guarantees, in accordance with the regulations in force, Compagnie de Financement Foncier annually performs a detailed revaluation of the pledges registered as mortgages or accompanied by a promise to assign mortgages in connection with guaranteed loans. Compagnie de Financement Foncier's specific controller issues once a year an opinion on the validity of real estate asset valuation methods and their results as well as periodic review procedures.

### **5.3.2. VALUATION AND PERIODIC REVIEW METHODS FOR REAL ESTATE ASSETS**

#### **SPECIFIC CONTROLLER'S CERTIFICATE ON THE VALUATION METHODS AND RESULTS, AND THE METHODS USED FOR THE PERIODIC REVIEW OF THE VALUE OF PROPERTIES AS AT DECEMBER 31, 2024**

To the board of directors of Compagnie de Financement Foncier,

In our capacity as the specific controller of Compagnie de Financement Foncier, and pursuant to Article 5 of Regulation 99-10 of the French Banking and Financial Services Regulatory Committee, we assessed the validity, in accordance with regulations in force, of the methods used to value the real estate assets underlying the loans and their results, and of the methods for periodically reviewing their value, as published together with the financial statements for the year ended December 31, 2024 and appended hereto.

The valuation methods and their results for real estate assets and the methods for periodically reviewing their value have been defined and implemented under the responsibility of your company's management.

Our responsibility is to assess the validity of this procedure in terms of its compliance with regulations in force as of December 31, 2024.

We performed the procedures that we deemed necessary in accordance with professional standards of the National Association of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) relating to such engagements. Our work consisted in checking the compliance of:

- valuation procedures, methods and results, as well as periodic review methods, in their design and application with regulations in force as at December 31, 2024;
- the information published together with the annual financial statements with, on one hand, the system for the valuation and periodic review implemented, and on the other hand, with the results arising from the implementation of the valuation system.

These verifications were carried out mainly on the basis of the elements and information available as of December 31, 2024.

Based on our work, we have no other observation to make as to the compliance with the provisions of Articles 2 to 4 of Regulation 99-10 of the French Banking and Financial Regulation Committee, the methods and results of valuation of buildings, and the methods for periodically reviewing their value, published simultaneously with the annual financial statements at December 31, 2024.

Paris, March 19, 2025

The specific controller

**CAILLIAU DEDOUIT ET ASSOCIÉS**

Mr Laurent Brun



## PROCEDURE FOR THE VALUATION AND PERIODIC REVIEW OF THE ASSETS UNDERLYING THE LOANS FOR 2024

### I. VALUATION METHOD APPLIED TO ASSETS UNDERLYING LOANS

#### A – General asset valuation principles

The procedure described below has been determined pursuant to Articles 1 and 2 of CRBF (French Banking and Financial Regulation Committee) Regulation No. 99-10, as amended by Regulations No. 2001-02 and No. 2002-02 and by the Orders of May 7, 2007 and February 23, 2011 transposing European directive 2006/48/EC of May 26, 2014, November 3, 2014, July 7, 2021, December 23, 2021 and December 1, 2022 into French law.

Real estate financed by eligible loans or posted as collateral for these loans is subject to cautious appraisal, after deduction of fees, notary and negotiation costs.

The valuation is performed taking into account the long-term sustainable aspects of the property, the normal and local market conditions, the current use and alternative appropriate uses of the property.

#### C – Summary

The above-mentioned rules, applied since February 24, 2011, are summarized in the following table:

Property types	Cost of transaction greater than or equal to €600,000 and acquired loan greater than or equal to €480,000	
	Cost of transaction is less than €600,000 or acquired loan less than €480,000	€600,000 and acquired loan greater than or equal to €480,000
Residential Property for Individual customers	Transaction cost	Appraisal
Residential Property for Professionals	Appraisal	Appraisal
Property for professional use*	Appraisal	Appraisal

\* Property for professional use means all properties other than residential and multiple-use properties where the value allocated to the residential part is less than 75% of the total value of the entire property.

An appraisal is made of all collateral underlying authorized loans (i.e. signed by the parties) during the year, regardless of whether or not they are implemented.

The value of other collateral must be reviewed periodically, as presented below (see § II, III and IV).

### II. METHODS USED FOR PERIODIC REVIEW OF RESIDENTIAL ASSETS FOR INDIVIDUAL CUSTOMERS AND PROFESSIONALS (APPENDIX 1)

The methods described below apply to all loans granted or mobilized to Compagnie de Financement Foncier.

Two methods are used: a statistical method, sub-divided into two variants depending on the customer segment and property type, and an expert appraisal method.

The Order of July 7, 2021, amending Regulation No. 99-10 of July 9, 1999 on *Sociétés de Crédit Foncier* and *Sociétés de Financement de l'Habitat*, states: "A statistical method may be used. The aim is to define a readjustment coefficient that takes account of the real estate market and its evolution, on the basis of the real estate price variation indexes published by official or similar bodies, such as market data platforms, that are most appropriate at the time of the revaluation, in terms of content and date. In particular, it can lead to a property being revalued on the basis of changes in real estate prices over the period in question,

### B – Derogation rule used by Compagnie de Financement Foncier

For loans originated between January 1, 2003 and December 31, 2006, in accordance with the provisions of CRBF Regulation 99-10 and a decision by the chairman of Crédit Foncier de France's Management Board dated July 28, 2003, a cost of transaction without discount is understood to be an estimated value of an asset for all transactions with individual customers involving residential property where a transaction cost is less than €350,000.

Following the changes to CRBF Regulation 99-10, this principle was extended to include:

For the period between May 7, 2007 and February 23, 2011, all residential property transactions with individual customers where a transaction cost is less than €450,000 or where an outstanding principal amount on the acquired loan or a total amount authorized is less than €360,000.

As of February 24, 2011, all residential property transactions with individual customers where a transaction cost is less than €600,000 or where an outstanding principal amount on the acquired loan or a total amount authorized is less than €480,000.

Above these thresholds, an appraisal value is considered to be the value of the property.

as measured by an index reflecting relevant real estate transactions. In this case, the method must ensure that the revalued value thus obtained is less than or equal to the market or mortgage value on the revaluation date."

Crédit Foncier carried out a backtesting exercise, which involved comparing the latest revalued values by index with the valuations obtained from Crédit Logement's CL. Estim tool on a representative sample of 500 pledges. The results were quite satisfactory, since Crédit Foncier's pledge values were 6% lower than those calculated by Crédit Logement.

#### A – Statistical methods

Two variant statistical methods are used for periodic reviews of the value of collateral/guarantees applicable to residential properties depending on the valuation engine used:

**A. 1 Crédit Foncier statistical method**, unchanged from previous years and implemented in the valuation engine in the Crédit Foncier's information system's platform. These valuations are based on value change indexes derived from prices provided by BPCE Solutions Immobilières appraisers (formerly Crédit Foncier Immobilier):

- for individual customer's residential properties;
- annually.

## 4. RISK FACTORS AND MANAGEMENT

Analysis of credit and counterparty risk

**A. 2 BPCE statistical method**, using an engine installed on the Group's information system's platform. This permits valuation, using indices based on property prices:

- for professional residential properties;
- semi-annually.

In the special case of collateral located in the Netherlands and Belgium (Appendix 4), country-specific indices are used (Stadim for Belgium and the PBK indices, produced by the Dutch real estate registry, for the Netherlands).

### CRÉDIT FONCIER PERIODIC STATISTICAL REVIEW METHOD (APPENDIX 2)

#### Principles

The model is based on the preparation of indices. The indices obtained are the changes observed from one year to the next in market values, clarifying that, in accordance with the relevant legislation, an appraisal is carried out, in compliance with the law, on the basis of a prudent assessment (which is then revalued by applying the indices).

The indices are determined according to four distinct geographical categories:

- the 117 urban areas created by postal code pooling approved by the INSEE (French National Institute for Statistics and Economic Studies). They are defined as being urban areas with more than 50,000 inhabitants. The list of these urban areas and their composition changes as the urban fabric and real estate markets evolve;
- outside these urban areas, the "non-urban" real estate market is divided into administrative regions that date from before the January 1, 2016 regional reforms (20 regions, not including Corsica and Île-de-France);
- Île-de-France, excluding the city of Paris, is valued separately using specific indices for each of its seven departments;
- Paris is also valued separately using a specific index.

The indices of each of these four categories (urban area, non-urban region, Île-de-France and Paris) which are grouped according to postal codes, break down as follows:

- urban areas: 117 apartment indices/117 house indices;
- non-urban area: 20 house indices;
- in Île-de-France (excluding Paris): seven apartment indices/seven house indices;
- in Paris: one apartment index.

When the apartment/home distinction is not available for a particular item of collateral, the lower of the two indices for the corresponding postal code is used.

When the collateral is in Corsica or in the Drom-Toms (French overseas departments and territories) or its location is not known in the postal code table, the annual trend indices used for the corresponding type of housing are:

- for apartments: the average of the apartment indices for urban areas;
- for houses: the lower of the two averages for houses in urban areas and for regions.

#### Revaluation cycle management

Real estate value indices are updated annually. New indices are established each November based on the period ending on September 30.

The revaluation cycle is thus managed on a one-year rolling period from September 30 of year "n-1" to September 30 of year "n".

The pledges are revalued on an annual basis using the indices established in November.

The processing of revaluations is recognized in the May and November accounts to revalue the pledges that have not been reviewed for over one year.

#### Sources

These indexes are based on an *ad hoc* survey and on expert appraiser estimates carried out each year by the BPCE Solutions Immobilières' Research department with the network of regional real estate appraisers, quarterly gross statistical real estate information available in its database.

### A. 2 BPCE STATISTICAL REVIEW METHOD (APPENDIX 3)

#### Principles

The statistical review method used by BPCE applies to residential real estate assets granted to professionals and depends on the property's location.

It is based on average property prices in each department, and Paris district, supplied by BPCE Solutions Immobilières appraisers.

#### B – Appraiser estimate revaluation method

This category, in application of Basel II provisions (Article 208 of Regulation (EU) No. 575/2013 of European Parliament and Council dated June 26, 2013), concerns residential real estate posted as collateral for a debt of over €3m.

Each property in this category is individually revalued every three years by means of appraisal. The appraiser determines a cautious mortgage value based on a thorough analysis of the type of asset and its specific aspects and on a prudent, forward-looking view of the market.

In each of the two years between each three-year appraisal, the property is revalued using a statistical method:

- according to method A. 1 for individual customers;
- according to method A. 2 for Professional customers (Corporates).

### III. METHODS USED FOR PERIODIC REVIEW OF REAL ESTATE FOR PROFESSIONAL USE (NON-RESIDENTIAL)

In accordance with CRBF Regulation 99-10, the following revaluation method is used for properties for professional use:

#### Appraiser estimate revaluation method

This category concerns properties for business use (non-residential) for which the debt has been assigned or mobilized to Compagnie de Financement Foncier.

Each property in this category is individually revalued every year by means of appraisal. The appraiser determines a cautious mortgage value based on a thorough analysis of the type of asset and its specific aspects and on a prudent, forward-looking view of the market.

#### IV. SUMMARY TABLE OF METHODS

Reg.	Scope	Type of asset	Outstandings/Value of pledge	Revaluation frequency	Reference
CRR		All real estate	Outstandings > €3m	Individual appraisal every three years and statistical method in between	Article 208 point 3.b
		Commercial real estate	Outstandings ≤ €3m	Review carried out annually using a statistical method	Article 208 point 3.a
		Residential real estate	Outstandings ≤ €3m	Review conducted every three years using a statistical method	Article 208 point 3.a
CMF	Assets transferred and mobilized to SCF	Residential real estate		Review carried out annually using a statistical method	Art. 3 point a) of chapter 1 of Regulation No. 99-10
			Outstandings ≤ €480k	Review carried out annually using a statistical method	Art 3. Point b) of chapter 1 of Regulation No. 99-10
		Professional real estate	Outstandings > €480k AND Purchase cost or estimated value of the pledge ≤ €600k	Individual appraisal every three years and statistical method in between	Art 3. Point c) of chapter 1 of Regulation No. 99-10
			Outstandings > €480k AND Purchase cost or estimated value of the pledge > €600k	Individual appraisal annually	Art 3. Point d) of chapter 1 of Regulation No. 99-10

## Appendix 1 – Breakdown of loans and pledges by periodic review method

	Individual residential Crédit Foncier Statistical method (A.1.) or foreign indices		Corporates and Individual non-residential BPCE statistical method (A.2.)		
	France	Belgium	Global	Individual customers*	Corporates
Outstandings (in €m)	13,984	481	150	34	116
No. of guarantees	178,361	5,760	233	55	178
Value 2024 (in €m)	34,884	1,934	1,384	69	1,316
Value 2023 (in €m)	-35,985	-1,893	-1,417	-70	-1,348
Change	-3.06%	2.19%	-2.33%	-1.25%	-2.39%

\* Source: Closed on October 31, 2024.

#### PAS receivables from Groupe BPCE

It should be noted that 8,648 PAS from various Groupe BPCE institutions have been assigned for an outstanding amount of €667m and a pledge value of €1,651m.

The value of pledges is periodically reviewed on a half-yearly basis *via* flows scheduled in the 2<sup>nd</sup> quarter and the 4<sup>th</sup> quarter of each year, based on revaluation indexes supplied by BPCE Solutions Immobilières.

## Appendix 2 – Crédit Foncier Statistical method (A.1)

### EVOLUTION OF THE 2023/2024 INDEXES

#### URBAN AREAS WITH MORE THAN 200,000 INHABITANTS

Region	Dept	Department	Urban unit	Apartment index 2023-2024	House index 2023-2024
ALSACE	67	BAS-RHIN	Strasbourg (French part)	0.9977	1.0137
ALSACE	68	HAUT-RHIN	Mulhouse	1.0221	1.0035
AQUITAINE	33	GIRONDE	Bordeaux	0.9675	0.9988
AQUITAINE	64	PYRÉNÉES-ATLANTIQUES	Bayonne	1.0000	0.9992
AUVERGNE	63	PUY-DE-DÔME	Clermont-Ferrand	0.9662	0.9592
BOURGOGNE	21	CÔTE-D'OR	Dijon	0.9787	0.9574
BRETAGNE	29	FINISTÈRE	Brest	1.0474	0.9821
BRETAGNE	35	ILLE-ET-VILAINE	Rennes	0.9779	0.9771
CENTRE	37	INDRE-ET-LOIRE	Tours	0.9844	0.9832
CENTRE	45	LOIRET	Orléans	0.9852	0.9901
CHAMPAGNE	51	MARNE	Reims	0.9825	0.9736
HAUTE-NORMANDIE	76	SEINE-MARITIME	Le Havre	0.9791	0.9634
HAUTE-NORMANDIE	76	SEINE-MARITIME	Rouen	0.9816	0.9653
LANGUEDOC-ROUSSILLON	34	HÉRAULT	Montpellier	1.0307	1.0325
LORRAINE	54	MEURTHE-ET-MOSELLE	Nancy	1.0042	1.0063
LORRAINE	57	MOSELLE	Metz	1.0042	1.0052
MIDI-PYRÉNÉES	31	HAUTE-GARONNE	Toulouse	0.9894	1.0181
NORD	59	NORD	Lille (French part)	0.9847	0.9663
NORD	59	NORD	Valenciennes	0.9756	0.9631
NORD	62	PAS-DE-CALAIS	Béthune	0.9714	0.9699
NORD	62	PAS-DE-CALAIS	Douai-Lens	0.9718	0.9574
PACA	6	ALPES-MARITIMES	Nice	1.0072	0.9911
PACA	13	BOUCHES-DU-RHÔNE	Marseille-Aix-en-Provence	1.0458	1.0206
PACA	83	VAR	Toulon	1.0427	1.0385
PACA	84	VAUCLUSE	Avignon	1.0422	1.0381
PAYS DE LOIRE	44	LOIRE-ATLANTIQUE	Nantes	0.9493	0.9475
PAYS DE LOIRE	49	MAINE-ET-LOIRE	Angers	0.9798	0.9499
PAYS DE LOIRE	72	SARTHE	Le Mans	0.9918	0.9850
RHÔNE-ALPES	38	ISÈRE	Grenoble	0.9798	0.9544
RHÔNE-ALPES	42	LOIRE	Saint-Étienne	0.9639	0.9551
RHÔNE-ALPES	69	RHÔNE	Lyon	0.9525	0.9529
<b>AVERAGE</b>				<b>0.9922</b>	<b>0.9845</b>

**URBAN AREAS WITH 100,000-199,999 INHABITANTS**

Region	Dept	Department	Urban unit	Apartment index 2023-2024	House index 2023-2024
AQUITAINE	64	PYRÉNÉES-ATLANTIQUES	Pau	1.0046	1.0219
BASSE-NORMANDIE	14	CALVADOS	Caen	0.9836	0.9685
BRETAGNE	56	MORBIHAN	Lorient	1.0357	0.9870
CHAMPAGNE	10	AUBE	Troyes	0.9605	0.9607
FRANCHE-COMTÉ	25	DOUBS	Besançon	0.9577	0.9754
FRANCHE-COMTÉ	25	DOUBS	Montbéliard	0.9797	0.9456
LANGUEDOC-ROUSSILLON	30	GARD	Nîmes	1.0087	0.9912
LANGUEDOC-ROUSSILLON	66	PYRÉNÉES-ORIENTALES	Perpignan	1.0210	0.9722
LIMOUSIN	87	HAUTE-VIENNE	Limoges	1.0242	0.9942
LORRAINE	57	MOSELLE	Thionville	1.0022	1.0000
NORD	59	NORD	Dunkerque	0.9762	0.9620
NORD	59	NORD	Maubeuge (French part)	0.9626	0.9545
PAYS DE LOIRE	44	LOIRE-ATLANTIQUE	Saint-Nazaire	0.9771	0.9892
PICARDIE	60	OISE	Creil	0.9560	0.9549
PICARDIE	80	SOMME	Amiens	0.9681	0.9714
POITOU-CHARENTES	16	CHARENTE	Angoulême	0.9911	0.9934
POITOU-CHARENTES	17	CHARENTE-MARITIME	La Rochelle	0.9801	0.9979
POITOU-CHARENTES	86	VIENNE	Poitiers	0.9896	0.9738
RHÔNE-ALPES	26	DRÔME	Valence	0.9350	0.9495
RHÔNE-ALPES	74	HAUTE-SAVOIE	Annecy	0.9797	1.0000
RHÔNE-ALPES	74	HAUTE-SAVOIE	Genève (CH)-Annemasse	1.0000	1.0000
RHÔNE-ALPES	73	SAVOIE	Chambéry	0.9793	0.9605
<b>AVERAGE</b>				<b>0.9851</b>	<b>0.9784</b>

## 4. RISK FACTORS AND MANAGEMENT

Analysis of credit and counterparty risk

### URBAN AREAS WITH 50,000-99,999 INHABITANTS

Region	Dept	Department	Urban unit	Apartment index 2023-2024	House index 2023-2024
ALSACE	67	BAS-RHIN	Haguenau	1.0157	1.0085
ALSACE	68	HAUT-RHIN	Colmar	1.0147	1.0085
AQUITAINE	24	DORDOGNE	Bergerac	1.0000	1.0289
AQUITAINE	24	DORDOGNE	Périgueux	0.9870	1.0023
AQUITAINE	33	GIRONDE	Arcachon	1.0331	0.9914
AQUITAINE	47	LOT-ET-GARONNE	Agen	0.9862	1.0067
AUVERGNE	3	ALLIER	Montluçon	0.9667	0.9805
AUVERGNE	3	ALLIER	Vichy	0.9693	1.0000
BASSE-NORMANDIE	50	MANCHE	Cherbourg-en-Cotentin	0.9867	0.9576
BOURGOGNE	58	NIÈVRE	Nevers	1.0000	1.0000
BOURGOGNE	71	SAÔNE-ET-LOIRE	Chalon-sur-Saône	0.9870	0.9941
BOURGOGNE	72	SAÔNE-ET-LOIRE	Mâcon	0.9906	0.9651
BRETAGNE	22	CÔTES-D'ARMOR	Saint-Brieuc	0.9525	0.9940
BRETAGNE	29	FINISTÈRE	Quimper	1.0128	0.9915
BRETAGNE	56	MORBIHAN	Vannes	1.0095	0.9563
CENTRE	18	CHER	Bourges	0.9926	0.9841
CENTRE	28	EURE-ET-LOIR	Chartres	0.9579	0.9524
CENTRE	36	INDRE	Châteauroux	1.0316	0.9655
CENTRE	41	LOIR-ET-CHER	Blois	0.9870	0.9737
CENTRE	45	LOIRET	Montargis	0.9920	0.9559
CHAMPAGNE	8	ARDENNES	Charleville-Mézières	0.9697	0.9590
CHAMPAGNE	51	MARNE	Châlons-en-Champagne	0.9697	0.9620
FRANCHE-COMTÉ	90	TERRITOIRE DE BELFORT	Belfort	0.9667	0.9714
HAUTE-NORMANDIE	27	EURE	Évreux	0.9718	0.9594
LANGUEDOC-ROUSSILLON	11	AUDE	Carcassonne	0.9741	1.0000
LANGUEDOC-ROUSSILLON	11	AUDE	Narbonne	1.0185	1.0000
LANGUEDOC-ROUSSILLON	30	GARD	Alès	1.0024	1.0120
LANGUEDOC-ROUSSILLON	34	HÉRAULT	Béziers	1.0209	1.0239
LANGUEDOC-ROUSSILLON	34	HÉRAULT	Sète	1.0310	1.0078
LANGUEDOC-ROUSSILLON	66	PYRÉNÉES-ORIENTALES	Saint-Cyprien	1.0136	1.0282
LIMOUSIN	19	CORRÈZE	Brive-la-Gaillarde	1.0000	0.9801
LORRAINE	57	MOSELLE	Forbach (French part)	1.0000	1.0000
LORRAINE	88	VOSGES	Épinal	1.0000	0.9929
MIDI-PYRÉNÉES	65	HAUTES-PYRÉNÉES	Tarbes	1.0000	1.0265
MIDI-PYRÉNÉES	81	TARN	Albi	1.0127	0.9879

Region	Dept	Department	Urban unit	Apartment index 2023-2024	House index 2023-2024
MIDI-PYRÉNÉES	81	TARN	Castres	0.9857	1.0132
MIDI-PYRÉNÉES	82	TARN-ET-GARONNE	Montauban	1.0392	1.0133
NORD	59	NORD	Armentières (French part)	0.9832	0.9598
NORD	62	PAS-DE-CALAIS	Arras	0.9775	0.9634
NORD	62	PAS-DE-CALAIS	Boulogne-sur-Mer	0.9759	0.9582
NORD	62	PAS-DE-CALAIS	Calais	0.9650	0.9579
NORD	62	PAS-DE-CALAIS	Saint-Omer	0.9642	0.9559
PACA	6	ALPES-MARITIMES	Menton-Monaco	1.0466	1.0137
PACA	13	BOUCHES-DU-RHÔNE	Arles	1.0370	1.0000
PACA	13	BOUCHES-DU-RHÔNE	Salon-de-Provence	1.0095	1.0000
PACA	83	VAR	Draguignan	1.0459	1.0161
PACA	83	VAR	Fréjus	1.0324	1.0263
PAYS DE LOIRE	49	MAINE-ET-LOIRE	Cholet	0.9537	0.9710
PAYS DE LOIRE	53	MAYENNE	Laval	0.9800	0.9681
PAYS DE LOIRE	85	VENDÉE	La Roche-sur-Yon	0.9719	0.9791
PICARDIE	2	AISNE	Saint-Quentin	0.9508	0.9595
PICARDIE	60	OISE	Beauvais	0.9600	0.9621
PICARDIE	60	OISE	Compiègne	0.9661	0.9786
POITOU-CHARENTES	79	DEUX-SÈVRES	Niort	0.9867	0.9844
RHÔNE-ALPES	1	AIN	Bourg-en-Bresse	0.9767	0.9783
RHÔNE-ALPES	26	DRÔME	Montélimar	0.9796	0.9232
RHÔNE-ALPES	26	DRÔME	Romans-sur-Isère	0.9593	0.9291
RHÔNE-ALPES	74	HAUTE-SAVOIE	Cluses	0.9806	0.9380
RHÔNE-ALPES	74	HAUTE-SAVOIE	Thonon-les-Bains	0.9889	0.9693
RHÔNE-ALPES	38	ISÈRE	Bourgoin-Jallieu	0.9704	0.9694
RHÔNE-ALPES	38	ISÈRE	Vienne	0.9874	0.9474
RHÔNE-ALPES	38	ISÈRE	Voiron	0.9803	0.9487
RHÔNE-ALPES	42	LOIRE	Roanne	0.9701	1.0000
RHÔNE-ALPES	42	LOIRE	Saint-Just-Saint-Rambert	0.9848	0.9770
<b>AVERAGE</b>				<b>0.9911</b>	<b>0.9826</b>

## 4. RISK FACTORS AND MANAGEMENT

Analysis of credit and counterparty risk

### NON-URBAN AREAS

Region	House index 2023-2024
ALSACE	0.989
AQUITAINE	0.966
AUVERGNE	0.979
BOURGOGNE	0.974
BRETAGNE	0.980
CENTRE	0.964
CHAMPAGNE	0.962
FRANCHE-COMTÉ	0.963
LANGUEDOC-ROUSSILLON	0.966
LIMOUSIN	0.978
LORRAINE	0.991
MIDI-PYRÉNÉES	0.981
NORD	0.965
BASSE-NORMANDIE	0.971
HAUTE-NORMANDIE	0.966
PAYS DE LOIRE	0.960
PICARDIE	0.968
POITOU-CHARENTES	0.964
PACA	1.000
RHÔNE-ALPES	0.978
<b>AVERAGE</b>	<b>0.973</b>

### PARIS AND ÎLE-DE-FRANCE

Region	Dept	Department	Apartment index 2023-2024	House index 2023-2024
	75	PARIS	0.941	-
	77	SEINE-ET-MARNE	0.959	0.938
	78	YVELINES	0.953	0.923
	91	ESSONNE	0.958	0.935
	92	HAUTS-DE-SEINE	0.940	0.920
	93	SEINE-SAINT-DENIS	0.946	0.929
	94	VAL-DE-MARNE	0.941	0.921
IDF	95	VAL-D'OISE	0.958	0.930
<b>AVERAGE (EXCLUDING PARIS)</b>			<b>0.951</b>	<b>0.928</b>



**BREAKDOWN OF THE COLLATERAL PORTFOLIO REVALUED USING THE CRÉDIT FONCIER METHOD (BY REGIONS AND PARIS) FOR LOANS HELD BY COMPAGNIE DE FINANCEMENT FONCIER AS OF NOVEMBER 30, 2024**

Region	Compagnie de Financement Foncier portfolio	
	Regional breakdown of loan guarantee value <i>(amounts in €m)</i>	Regional breakdown <i>(in %)</i>
Alsace	416.24	1.19%
Aquitaine	2,274.03	6.52%
Auvergne	188.61	0.54%
Basse-Normandie	435.64	1.25%
Bourgogne	511.01	1.46%
Bretagne	982.73	2.82%
Centre	879.27	2.52%
Champagne-Ardenne	330.23	0.95%
Corse	67.89	0.19%
Dom-Tom	117.58	0.34%
Franche-Comté	265.04	0.76%
Haute-Normandie	1,093.12	3.13%
Île-de-France (excluding Paris)	10,153.48	29.11%
Languedoc-Roussillon	1,910.26	5.48%
Limousin	144.24	0.41%
Lorraine	684.53	1.96%
Midi-Pyrénées	2,187.63	6.27%
Nord-Pas-de-Calais	1,481.67	4.25%
Paris	755.25	2.17%
Pays de la Loire	1,528.67	4.38%
Picardie	1,193.84	3.42%
Poitou-Charentes	473.44	1.36%
Provence-Alpes-Côte d'Azur	3,554.29	10.19%
Rhône-Alpes	3,228.01	9.25%
Other (of which Monaco)	27.02	0.08%
<b>OVERALL TOTAL</b>	<b>34,883.72</b>	<b>100.00%</b>

## Appendix 3 – Breakdown of the collateral portfolio revalued using the BPCE method for loans held by Compagnie de Financement Foncier as of November 30, 2024

### CORPORATES (PERIODIC REVALUATION METHOD A. 2)

Region	No. of guarantees	Valuation (in €) before revaluation	Valuation (in €) after revaluation	Outstandings (in €) at 10/31/2024
Alsace	14	88,269,548	84,099,034	6,703,476
Aquitaine	17	60,262,894	59,289,637	10,842,747
Auvergne	3	15,492,328	15,385,113	777,771
Basse-Normandie	4	16,432,650	16,354,778	1,298,810
Bretagne	1	158,420	157,533	72,349
Centre	10	16,057,807	15,766,443	1,185,970
Dom-Tom	6	29,821,183	29,429,059	5,650,092
Haute-Normandie	4	7,036,471	6,944,056	182,010
Île-de-France (excluding Paris)	38	454,446,122	443,738,187	43,508,770
Languedoc-Roussillon	5	17,859,004	17,627,477	633,595
Limousin	1	570,044	568,090	24,448
Lorraine	7	38,437,830	35,678,833	4,407,421
Midi-Pyrénées	5	6,624,804	6,685,813	503,447
Nord-Pas-de-Calais	4	11,498,563	11,254,024	1,079,675
Paris	12	348,005,763	334,686,785	20,789,341
Pays de la Loire	7	22,046,163	21,584,442	2,143,429
Picardie	1	415,018	408,574	26,935
Poitou-Charentes	1	303,602	299,499	136,227
Provence-Alpes-Côte d'Azur	14	100,051,263	104,401,327	9,327,450
Rhône-Alpes	24	114,039,039	111,280,119	6,845,461
<b>OVERALL TOTAL</b>	<b>178</b>	<b>1,347,828,516</b>	<b>1,315,638,823</b>	<b>116,139,424</b>

**RETAIL INDIVIDUALS (PERIODIC REVALUATION METHOD A. 2)**

Region	No. of guarantees	Valuation (in €) before revaluation	Valuation (in €) after revaluation	Outstandings (in €) at 10/31/2024	Change
Aquitaine	5	2,920,959	2,833,945	4,663,414	-2.98%
Haute-Normandie	2	1,079,195	1,067,400	459,034	-1.09%
Île-de-France (excluding Paris)	5	6,139,246	5,944,665	1,672,169	-3.17%
Languedoc-Roussillon	2	741,183	733,627	285,163	-1.02%
Paris	10	13,011,765	12,618,194	6,376,550	-3.02%
Pays de la Loire	1	190,617	185,356	67,104	-2.76%
Provence-Alpes-Côte d'Azur	20	33,197,649	33,031,539	16,130,169	-0.50%
Rhône-Alpes	10	12,353,694	12,347,204	4,660,374	-0.05%
<b>OVERALL TOTAL</b>	<b>55</b>	<b>69,634,308</b>	<b>68,761,930</b>	<b>34,313,977</b>	<b>-1.25%</b>

## Appendix 4

### 2024 REVALUATION OF BELGIAN GUARANTEES

Crédit Foncier, via its servicer Stater, revalued the guarantees of its branch for 2024. This revaluation with the June 30, 2024 indexes covers a 12-month period as the last revaluation was dated June 30, 2023.

5,760 guarantees were revalued representing an overall valuation amount of €1,934m, i.e. an average increase in value of 2.19% associated with an outstanding amount of €481m.

## 6. Financial risk analysis

Compagnie de Financement Foncier does not conduct any proprietary trading and does not have any positions in the trading book. However, it carries out balance sheet hedging operations.

Crédit Foncier provides Compagnie de Financement Foncier with Asset and Liability Management (ALM) structural risk monitoring services, pursuant to an agreement to this effect. The related rules are set out in groupe Crédit Foncier's Financial Charter.

### 6.1. Methodology used to assess liquidity, interest rate and foreign exchange risks

Liquidity and interest rate risks are measured using different, complementary approaches depending on the scope of the analysis. There are two distinct approaches:

- a static approach, which covers on- and off-balance sheet transactions existing at a given date and up until their final maturity. Static processing factors in the stock of transactions and all flows from contracted commitments;
- a dynamic approach for liquidity risk (preparation of the financing plan, evaluation of cash requirements) that includes business forecasts over the current and following periods. Dynamic analyses consider likely events resulting from commitments that have been made or are under option and uncertain events resulting from future activity.

Within the framework of these two approaches, assumptions or agreements are made about flows of assets and liabilities:

- balance sheet items with contractual maturities: the assumption applied is the contractual amortization of the item;

- balance sheet items without contractual maturity, such as capital and provisions, are subject to specific BPCE amortization assumptions.

Moreover, specific assumptions to certain products are modeled in order to adapt the cash flows. It depends on the probability of early repayment by the customers, of loan disbursement, or of deferred payments.

Early repayment and renegotiation assumptions are applied to each type of loan according to customer category (individual customers, professionals or local authorities) and the type of rate (fixed rate, adjustable rate or variable rate).

As regards information systems, the Financial Management Division uses a specific software package that is interfaced with the management systems.

Liquidity and interest rate risks are included in the Risk Appetite profile.

## 6.2. Monitoring of liquidity risk

### 6.2.1. ORGANIZATION OF COMPAGNIE DE FINANCEMENT FONCIER'S FUNDING

The bulk of Compagnie de Financement Foncier's resources comes from medium and long-term issuances of *obligations foncières*.

In 2024, Compagnie de Financement Foncier issued €5.8bn in *obligations foncières*.

Furthermore, Compagnie de Financement Foncier has a number of potentially pledgeable assets that are eligible for the ECB's refinancing operations. At December 31, 2024, these outstandings amounted to €18.2bn in nominal value, divided into:

- €7.8bn in Public sector loans;
- €8.6bn in Public sector loans received *via* L. 211-38;
- €1.9bn in securities.

This financing option was not used by Compagnie de Financement Foncier in 2024.

### 6.2.2. MONITORING OF LIQUIDITY RISK

Liquidity risk is the risk that Compagnie de Financement Foncier may not be able to honor its liquidity requirements.

As explained in section 6.1, liquidity requirements are analyzed according to a combined static and dynamic approach. With the static approach, liquidity monitoring ensures that medium-term liquidity management does not concentrate liquidity requirements excessively over certain periods. The main indicator used is the static liquidity gap, depending on whether or not account is taken of Compagnie de Financement Foncier's capacity to raise liquidity over the next 20 years. The concentration of future bond maturities was also looked at.

The very prudent liquidity management policy is being continued in 2024. Compagnie de Financement Foncier's ALM rules ensure that its exposure to liquidity risk remains very limited. Liquidity risk is governed by regulatory limits and is monitored by the ALM Management Committee as well as by the executive risk committee.

In particular, Compagnie de Financement Foncier is committed hold sufficient high quality liquid assets (HQLA) after haircut to cover its privileged debt repayment commitments for at least 180 days. In addition to this indicator, there is the regulatory measure of the difference in the useful life of assets (coverpool), which may not be more than 18 months greater than that of privileged liabilities.

At December 31, 2024, Compagnie de Financement Foncier had cash of €0.56bn, of which €0.51bn with Banque de France, and €4.6bn loaned to BPCE for a maximum of 11 months and fully guaranteed by a loan portfolio.

In a crisis, Compagnie de Financement Foncier would benefit from the mechanism available to groupe Crédit Foncier and described in its Liquidity Contingency Plan (see: Liquidity contingency plan).

### 6.2.3. INDICATORS AND COMPLIANCE WITH LIMITS

#### INTRADAY MONITORING

As Compagnie de Financement Foncier has an account with the ECB, an intraday liquidity monitoring and oversight mechanism was implemented.

Compagnie de Financement Foncier thus has a certain amount of collateral at the ECB.

#### LCR (LIQUIDITY COVERAGE RATIO)

Compagnie de Financement Foncier's LCR complies with the 100% limit applicable since January 1, 2018.

#### LIQUIDITY STRESS

Compagnie de Financement Foncier prepares liquidity forecast measures on the basis of a base case, one-year and stress scenarios:

- a strong three-month stress (maintaining a proportion of new loan production to serve the Group and a proportion of refinancing), subject to a limit: this ensures that the liquidity buffer is sufficient to cover the cash requirement resulting from the stress;
- disaster stress at three months resulting notably in the stopping of all new issuances and financing roll-overs; the liquidity position is compared with the liquidity buffer;
- moderate system-wide stress and high specific stress round out the system.

The stress test limit was respected in 2024.

#### COMPLIANCE WITH THE PROVISIONS OF THE ORDER OF MAY 26, 2014

##### 180-DAY LIQUIDITY FORECAST

Compagnie de Financement Foncier ensures that at any given time its cash requirements are covered for a period of 180 days in accordance with the decree. This provision was respected for the year 2024. A 180-day liquidity forecast is sent for certification to the specific controller and then to the ACPR quarterly.

##### ASSET/LIABILITY MATCHING INDICATOR: MATURITY GAP

The asset/liability matching indicator requires that the average maturity of eligible assets, held to cover the 105% minimum regulatory overcollateralization ratio, may not exceed the average maturity of privileged liabilities by more than 18 months. The calculation is submitted quarterly for scrutiny to the specific controller and then to the ACPR.

### COVERAGE PLAN FOR PRIVILEGED RESOURCES

The reporting institution defines, depending on its specific characteristics, the quarterly coverage plan of privileged resources that shall be applied in case it may no longer issue privileged liabilities. It is also sent for certification to the specific controller and then to the ACPR quarterly.

The institution declares, as of the statement date and every quarter until the last privileged resource is repaid, the following:

- assets used to cover privileged resources;
- safe and liquid securities and assets pursuant to Article R. 513-6 of the French Monetary and Financial Code;

- cash flows generated by all balance sheet assets and privileged liabilities;
- privileged resources.

The calculation of the level of coverage takes into account early repayments assumptions and a final asset loss rate.

### 6.2.4. LIQUIDITY CONTINGENCY PLAN

A liquidity contingency plan was defined for groupe Crédit Foncier, Crédit Foncier and Compagnie de Financement Foncier in implementation of the Groupe BPCE liquidity contingency plan.

It sets out the associated governance and liquidity measures with regard to the three stress levels: tension, high stress and crash stress.

## 6.3. Monitoring of overall interest rate risk

### 6.3.1. MANAGEMENT PROCEDURES

Compagnie de Financement Foncier is protected against interest rate and foreign exchange risks.

As soon as an asset is recorded on the balance sheet, it is transformed, if necessary, into a variable-rate asset in euros. Portfolio acquisitions are hedged using macro-hedging swaps, and single transactions of significant size are hedged using micro-hedging swaps, if necessary. Similarly, the debt issued by Compagnie de Financement Foncier is individually micro-swapped at the outset to transform it into euro-denominated variable rate liabilities.

Derivatives transactions are generally intermediated by Crédit Foncier and results in an intragroup swap between Crédit Foncier and Compagnie de Financement Foncier.

This intermediation strategy by Crédit Foncier rarely applies to cross-currency swaps intended to hedge issuances in foreign currencies or to swaps structured to hedge private placements or certain FLA assets.

Given the various hedging mechanisms implemented by Compagnie de Financement Foncier at the time of transactions being entered into, an exposure to interest rate risk is limited to the possible distortion of the hedging transaction arising from uncertain events at the time of transaction conclusion and which occurred during the term of the contract (mainly early redemptions).

The interest rate position is reviewed each quarter by the Compagnie de Financement Foncier ALM Management Committee (COGAP) and macro-hedging transactions are entered into to keep interest rate gaps within the strict limits to which Compagnie de

Financement Foncier has committed. The basic risks, resulting from different reference rates on positions already transformed into variable rates by swaps, are also managed through macro-hedges.

Validated hedging transactions are then set out operationally by the Financial Management Committee and then implemented by the Cash Management Division of Crédit Foncier, which is the only point of entry to the market available to Compagnie de Financement Foncier for this kind of transaction.

All interest rate and currency swap counterparties have concluded collateralization agreements with Compagnie de Financement Foncier that require them to provide a security deposit to the benefit of the Compagnie de Financement Foncier in case of a debit position and depending on their rating. If the opposite situation occurs, these agreements stipulate that Compagnie de Financement Foncier shall not deposit any collateral. As of December 31, 2024, the amount of deposits received was €0.12bn.

### 6.3.2. INTEREST RATE RISK MONITORING

Compagnie de Financement Foncier has adopted a static approach for measuring risk.

The fixed interest-rate gap is calculated from total outstandings both on- and off-balance sheet on the balance sheet date, using predefined assumptions and rules for asset and liability flows.

Variable rates by categories' buckets were also analyzed.

All of these indicators are monitored quarterly by the ALM Management Committee (COGAP) and the executive risk committee.

### 6.3.3 COMPLIANCE WITH LIMITS

#### LIMIT RELATED TO THE STATIC RATE GAP

Compagnie de Financement Foncier is committed to maintaining the level of its interest rate mismatches or gaps within the very narrow range defined by periods of observation.

These limits are fixed every year in terms of amount.

The current limits for interest rate gaps are:

Horizon	Limits expressed (in €bn)
0-2 years	1.5
3-4 years	1.7
5-8 years	2.1
Threshold of 9-16 years	2.1

The limits were respected in 2024.

## 6.4. Monitoring of foreign exchange risk

A foreign exchange risk exists when a change in exchange rates adversely affects the value of assets and liabilities denominated in foreign currencies. Compagnie de Financement Foncier refrains from any open foreign exchange position on its assets and liabilities denominated in foreign currencies. These are generally swapped to the euro equivalent as soon as they are recognized on the balance sheet. Residual differences arising from the adjustment of balance sheet positions, in particular those resulting from interest rate mismatches, are adjusted as necessary.

They are monitored by the Financial Transactions Division and the Risk Division of Crédit Foncier, which monitors compliance with the limits. Compagnie de Financement Foncier established an internal limit equal to the exchange value of €5m for all currencies combined and to €3m per currency. This limit was complied with at December 31, 2024.

## 6.5. Monitoring of settlement risk

This risk materializes when a settlement in a transfer system does not take place as anticipated, generally because of a third party.

Operational oversight of this risk for Compagnie de Financement Foncier is done by the Crédit Foncier cash management back office.

Compagnie de Financement Foncier has direct access to the market settlement systems of the Paris Stock Exchange for large transactions denominated in euros; it is a member of the European Target system. For foreign currency transactions and small transactions in euros, it has accounts with BPCE.

Daily procedures for monitoring settlement risk include:

- preparation of projected flow profiles;
- daily reconciliation of individual flows with forecasts;

- creation of a payment incidents database.

The escalation and governance process makes it possible to monitor settlement risks and classify them as default if necessary.

In the event of the definitive default of a settlement counterparty leading to Compagnie de Financement Foncier potentially being overdrawn with the Banque de France, there are provisions for hedging mechanisms to be put in place (interbank borrowing or end-of-day borrowing facility provided by the European Central Bank).

Compagnie de Financement Foncier has a contingency and business continuity plan for settlement under an agreement with BPCE. Accordingly, as regards its financial activities, Compagnie de Financement Foncier is covered by BPCE's Contingency and Business Continuity Plan.

## 7. Operational risks

Within Groupe BPCE, operational risks are defined as the risk of loss resulting from inadequate or faulty procedures, personnel, information systems or external events. Operational risks include internal and external fraud, model risk and reputational risk.

Compagnie de Financement Foncier's operational risk management is entrusted to Crédit Foncier under service agreements signed between the two institutions. The greater part of operational risk is linked to the services outsourced to the parent company. Any consequence of operational incidents detected in the framework of a Crédit Foncier process relating to a Compagnie de Financement Foncier balance sheet item is borne by Crédit Foncier.

These risks include in particular accounting, legal, regulatory and tax risks, as well as risks relating to security of staff, property and information systems and models.

More specifically, the operational risks generated by Compagnie de Financement Foncier's own activities, which are limited to the Institutional Relations Division's functions, are also managed by Crédit Foncier according to Groupe BPCE rules.

These operational risks are specifically mapped and presented to the operational risk committee every quarter.

### 7.1. General system

All of groupe Crédit Foncier's operational risk processes, including those of Compagnie de Financement Foncier, are managed by its Compliance and Permanent Control Division, which relies on the operational risk standards and methods employed by Groupe BPCE's Risk Division and on groupe Crédit Foncier's operational risk policy.

### 7.2. Management environment

#### 7.2.1. MANAGEMENT NETWORK

Operational risk oversight and management is delegated to the managers of various divisions. Each manager relies on a network of representatives coordinated by a Risk Manager, with a functional link to the Compliance and Permanent Control Division.

#### 7.2.2. METHODS AND TOOLS

The risk approach is based on three key elements that are part of an iterative, interactive method:

- mapping of operational risk events: identification and assessment by each business line of its vulnerability to the main operational risks, updated whenever processes or the organizational structure changes, and in any case at least once a year;

- reporting incidents in a dedicated database: feeding the incident database by the management network as and when such incidents occur and evolve; monitoring of corrective action plans; analysis of changes in risk exposures and resulting losses;
- implementation of Key Risks Indicators and Risk Appetite Framework for the main risk areas, warning when incidents are likely to enter a critical phase.

For calculating capital adequacy requirements, groupe Crédit Foncier currently applies the Basel III standard approach.

### 7.3. Organization of business continuity

In accordance with the service agreements between Crédit Foncier and Compagnie de Financement Foncier, the latter's business continuity is covered by groupe Crédit Foncier's Business Continuity and Crisis Management Plan. As these agreements fall within the regulatory framework for Critical or Significant Outsourced Services (CSOS), Crédit Foncier therefore provides Compagnie de Financement Foncier with an annual justification of the operational readiness of its system, through continuity exercises and resulting action plans.

The IT Business Recovery Plan (PRA) is the responsibility of BPCE SI, the Group's operator, to which the information systems service has been delegated.

The Business Continuity Plan Manager (BCPM) of Crédit Foncier is also BCPM of Compagnie de Financement Foncier. This function is performed by the BPCE SA Business Continuity Manager, in conjunction with Crédit Foncier's Business Security division. A business continuity officer and deputy are responsible for maintaining the operational readiness of Compagnie de Financement Foncier's business.



## 7.4. Information technology risk

Under the agreements governing its activity, Compagnie de Financement Foncier makes use of human and technical resources provided by Crédit Foncier. As a result, Compagnie de Financement Foncier benefits fully from the upgrades to Crédit Foncier's information system and from all of the systems that guarantee its proper operation and security.

## 7.5. Personal data protection

Compagnie de Financement Foncier relies on the human and technical resources provided by Crédit Foncier to ensure that its processes comply with the General Data Protection Regulation. It has its own data processing register and a designated Data Protection Officer.

## 7.6. Insurance

As Compagnie de Financement Foncier's servicer, Crédit Foncier insures the risks relating to its activity. Under service agreements with Compagnie de Financement Foncier, it provides insurance-related services on behalf of Compagnie de Financement Foncier.

As a result, Compagnie de Financement Foncier benefits from insurance contracts taken out by BPCE primarily covering the following risks:

- computer fraud and acts of malevolence and subsequent losses of banking activities;
- professional civil liability;
- civil liability of senior executives and corporate officers.

## 7.7. Legal risks

According to the service agreements that link Crédit Foncier to Compagnie de Financement Foncier, legal risks incurred by the latter are monitored by the Crédit Foncier's Legal Division.

Between 1984 and 1995, a French overseas territories (DOM) operator took out subsidized loans distributed by Crédit Foncier on behalf of the French State to finance the construction of rental properties with intermediate rents.

The difficulties it encountered led it to initiate bankruptcy proceedings at the end of 2016, at the same time as the collective insolvency proceedings of the other companies in its Group. Now almost all of the Group's companies have been put into court-ordered liquidation.

It is specified that the corresponding loan is secured by both real estate collateral on the assets financed and by the State guarantee, under Article L. 312-1 of the French Construction and Housing Code.

In 2019, after a call for tenders, the block sale of financed assets was authorized by the bankruptcy judge for an amount greater than the declared liabilities.

In addition, since 2019, Crédit Foncier and Compagnie de Financement Foncier have been the target of multiple civil and criminal legal actions initiated both by the Company Director on behalf of their group companies and by legal representatives.

At this stage, the majority of their claims have been rejected by the courts and, in any event, groupe Crédit Foncier is strongly contesting all of these claims, which it considers to be totally unfounded.

With regard to the disputed TEG (overall effective rate) in some of our loan offers, with which Crédit Foncier and Compagnie de Financement Foncier were confronted, like all market institutions, the vast majority of decisions were rendered in favor of lenders. Since this issue was taken up by the Legal Division, more than 95% of final court decisions have been in favor of Crédit Foncier and Compagnie de Financement Foncier. Some borrowers are even becoming discouraged and withdrawing their claims without waiting for the outcome of their lawsuit, which they know will be unfavorable.

Dynamic monitoring of this litigation shows that the flow of new writs has ceased and that we have definitively entered the extinction phase of the "TEG disputes" issue.

### DEPENDENCY

Compagnie de Financement Foncier is not dependent upon any specific patents, licenses, industrial procurement contracts, or commercial or financial agreements.

## 8. Non-compliance risk

Compliance responsibilities for Compagnie de Financement Foncier are performed by Crédit Foncier's Compliance and Permanent Control Division (DCCP) in accordance with the terms of the relevant agreements (framework agreement and internal control and compliance service agreement) between the two entities.

### 8.1. General system

Non-compliance risk monitoring and control is based on the methods used by BPCE. Non-compliance risk management is based on the risk mapping approach used by Groupe BPCE compliance.

It enables a permanent overview:

- of non-compliance risks, on the basis of nine aggregate risks, broken down into detailed risks taking into consideration the specific elements of Compagnie de Financement Foncier's scope of activity;
- of the system implemented to prevent or reduce them and to ensure that the most significant risks are, if necessary, subject to controls and action plans to better control them.

Non-compliance risks are identified using a dual approach:

- detecting and factoring the specific aspects of Compagnie de Financement Foncier into the implementation of statutory instruments to avoid potential implementation difficulties and to guarantee accurate translation into operating procedures;
- analyzing the results of permanent controls by Crédit Foncier's operational teams within the scope of Compagnie de Financement Foncier. These controls target the thematic non-compliance areas identified in the Group's compliance standards or the results of thematic approaches.

### 8.2. Financial security

Groupe Crédit Foncier ensures on behalf of Compagnie de Financement Foncier anti-money laundering and the financing of terrorism by means of a due diligence and monitoring system involving all Group stakeholders across the banking and credit transactions processes. This system includes adequate procedures as well as training and awareness programs for staff.

The Compliance and Permanent Control Director is responsible for the Compliance Verification function. He is also Compagnie de Financement Foncier's Head of Investment Services Compliance.

The control of non-compliance risks is divided between:

- the controls carried out by Crédit Foncier on its business activity (real estate financing, financial management, etc.) which directly benefit Compagnie de Financement Foncier;
- the compliance controls specifically set up for Compagnie de Financement Foncier notably relate to compliance with the regulations that apply to the acquisition or assignment of receivables.

Where necessary, specific action plans are drawn up by the operational units to address malfunctions identified during audits or revealed by recurrent operational risk incidents. Crédit Foncier's permanent control officers monitor these malfunctions and the progress of the corresponding action plans. They are reported to groupe Crédit Foncier's operational risk committee, including Compagnie de Financement Foncier.

The DCCP also monitors regulatory changes that could impact Compagnie de Financement Foncier and that have not yet been taken into account in the compliance risk mapping established by the Group.

The system, incorporating the risk approach deriving from the anti-money-laundering regulations, provides for systematic scrutiny prior to forming any new customer relationship. Outstandings are regularly checked against international lists of persons with links to terrorism and for the application of sanctions and embargoes. Unusual events during the life of loans, in particular early prepayments, are scrutinized by the Financial Security Unit of the Compliance and Permanent Control Division.

## 8.3. Compliance

### BANKING COMPLIANCE

In accordance with the Group's outsourcing policy, the Compliance and Permanent Control Division ensures that the Critical or Significant Outsourced Services (CSOS) management system is correctly applied and that the risks of non-compliance for critical or important services are controlled.

Crédit Foncier's Compliance and Permanent Control Division thus presented to the risk committee on December 5, 2024 the "measures taken to ensure the control of outsourced activities" pursuant to Article 253c of the amended Order of November 3, 2014, highlighting the absence of resulting risks for Compagnie de Financement Foncier.

It also leads the study and validation process for any new product, activity, distribution channel or service, as well as the modification of an existing product. As part of this process, issues specific to Compagnie de Financement Foncier, in particular the eligibility of future outstandings for its balance sheet, are systematically examined.

The Institutional Relations Division relies on the controls carried out by the dedicated control units to ensure that the risks of activities outsourced to Crédit Foncier are managed. The governance and supervision of outsourcing is carried out by Crédit Foncier's Organization and Transformation Division.

### VOLCKER RULE AND THE LAW ON THE SEPARATION AND REGULATION OF BANKING ACTIVITIES (SRBA)

Compagnie de Financement Foncier is subject to the French act No. 2013-672 dated July 26, 2013 on the Separation and Regulation of Banking Activities (SRBA), and, as subsidiary of BPCE SA to section 13 of the Bank Holding Company Act in the United States (BHCA), as amended by section 619 of the US Dodd-Frank Wall Street Reform and Consumer Protection Act (Pub. L. 111-203, HR 4173) and the related implementing regulations (Volcker Rule).

The Volcker Committee meeting of February 13, 2024 validated the changes to the manuals constituting the system of procedures implemented as part of the application of the Volcker Act:

- the draft report on the effectiveness of the control system, which describes the application of the Volcker 2023 compliance system. This system includes the mapping of "Units" as well as the Crédit Foncier and Compagnie de Financement Foncier certification tree. It is based on the controls carried out during 2023;
- Desk Manuals and the risk mandates of the various desks of Crédit Foncier updated at December 31, 2024;
- Crédit Foncier's Sector Manual.

On the basis of this validation, the report on the effectiveness of the Volcker compliance system was presented for approval to the Executive Management Committee on February 27, 2024 to enable it to meet its obligations in terms of verifying the effectiveness of the compliance system under its five pillars (documentation, governance, including internal organization and certifications, implementation of the control system, training program and archiving).

In addition, the Liquidity Management Plan was approved by Crédit Foncier's ALM and Liquidity Management Committee on December 20, 2024.

### INVESTMENT SERVICES

Crédit Foncier's Compliance and Permanent Control Coordination Division is responsible for verifying Compagnie de Financement Foncier's compliance.

In particular, the Compliance Department integrates into its market rules compliance system the obligations relating to MiFID 2 (Markets in Financial Instruments) regulations, which include, for example, product governance, transaction reporting, and the safekeeping and recording of exchanges linked to a transaction. It also contributes to compliance with European regulations on derivatives transactions (the EMIR European Market Infrastructure Regulation).

The Compliance and Permanent Control Division is also responsible for supervising non-compliance risks related to customer knowledge.

Compliance has completed the preparation of the RCSI annual report pursuant to Article L. 621-8-4 of the French Monetary and Financial Code. It was filed on the ROSA extranet of the AMF before the deadline of June 14, 2024.

### 8.4. Ethics

In 2022, Compagnie de Financement Foncier implemented the framework procedure relating to Groupe BPCE's ethics system published in December 2021 (BPCE/2021/1215 standard).

This system is implemented through a Crédit Foncier procedure and is mainly overseen by an ethics officer, an ethics committee and a conduct and ethics dashboard.

More specifically, the financial ethics system deploys the provisions of the regulations on market abuse in application of Regulation 596/2014 of the European Parliament, known as the "MAR" regulation (Market Abuse Regulation), both for closely related persons and for permanent and occasional insiders.

Compliance with the rules of financial ethics of Compagnie de Financement Foncier is ensured by Crédit Foncier Compliance, which ensures that the list of holders of an AMF professional card is updated, as well as the recording of market conversations.

The financial ethics system also incorporates the provisions of the Sapin II Act No. 2016 of December 9, 2016, as amended by the Wasserman Act of March 21, 2022, through procedures relating to anti-corruption measures, whistleblowing, compliance with banking secrecy, the control and management of conflicts of interest, and obligations in respect of sums or benefits received. Employees receive regular reminders from Crédit Foncier's Compliance and Permanent Control Coordination Division on these issues.

Lastly, in 2024 Crédit Foncier updated its corruption risk mapping, which includes Compagnie de Financement Foncier. No strong net risk was identified on this occasion.



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## General Information

### Corporate name of the registered office

The registered office of Compagnie de Financement Foncier is located at 182 avenue de France – 75013 Paris.

### Activity

Compagnie de Financement Foncier is the *Société de Crédit Foncier* of groupe Crédit Foncier de France, specifically governed by the provisions of section IV of the second part of French act No. 99-532 of June 25, 1999 governing savings and financial security, which has been incorporated into Articles L. 513-2 to L. 513-27 of the French monetary and financial code.

Pursuant to Article 110 of this act, Crédit Foncier transferred on October 21, 1999 to Compagnie de Financement Foncier assets

and liabilities covered by the specific legislative and regulatory requirements that applied to it before the transfer.

The purpose of Compagnie de Financement Foncier is to grant or purchase secured loans and exposures to public authorities financed by the issuance of *obligations foncières*, by other privileged resources, or by resources which may not benefit from the preferred status, or “privilege”, as defined by Article L. 513-11 of the French monetary and financial code.

### Structure of the relationship between Compagnie de Financement Foncier and Crédit Foncier

As stipulated by law, Compagnie de Financement Foncier draws on the technical and human resources of its parent company under agreements binding the two companies; these agreements cover all of the Company's activities.

The texts are drafted taking into account the special nature of the relationship between Crédit Foncier and its subsidiary Compagnie de Financement Foncier.

Seventeen agreements were signed by and between Crédit Foncier and Compagnie de Financement Foncier as of December 31, 2024, namely:

- a framework agreement, setting forth the general principles;
- an agreement for loan assignments;
- an agreement for loan servicing and debt collection;
- an agreement governing financial services;
- an asset/liability management (ALM) agreement;
- an administrative and accounting management agreement;
- a service agreement on internal control and compliance;

- an agreement related to the implementation of information technology services;
- an agreement concerning human resources;
- an agreement concerning remuneration for services;
- an agreement related to settlement bank services;
- a guaranteed agreement for variable-rate loans;
- a guarantee and compensation agreement;
- a paying agent agreement;
- an agreement related to shareholders' advance account effective;
- an agreement on the assignment of mortgage ranking/priority;
- a tripartite agreement between Crédit Foncier, Compagnie de Financement Foncier, and the State concerning the management and recovery of State-subsidized loans.

Compagnie de Financement Foncier does not have any direct employees.

### Legal form and applicable legislation

Compagnie de Financement Foncier is a credit institution authorized as a financial sector company and a *Société de Crédit Foncier* by a decision of the French credit institutions and investment firms committee (CECEI – *Comité des établissements de crédit et des entreprises d'investissement*) on July 23, 1999. It is thus subject to all laws and regulations applicable to credit institutions and, as a *Société de Crédit Foncier*, it is also subject to Articles L. 513-2 to L. 513-27 of the French monetary and financial code.

Compagnie de Financement Foncier was formed as a *société anonyme* (French limited company) and, for this reason, is also subject, apart from certain exemptions, to the requirements applicable to commercial companies under the French commercial code.

A *Société de Crédit Foncier* benefits from a certain number of exemptions from ordinary laws, specifically:

- Article L. 513-11 of the French monetary and financial code instituting a privilege for holders of *obligations foncières*;
- Article L. 513-20 of the French monetary and financial code, which stipulates that the safeguard procedure, legal receivership or liquidation of a company holding shares of a *Société de Crédit Foncier* cannot be extended to the *Société de Crédit Foncier*;
- in addition, Article L. 513-21 of the French monetary and financial code provides that, notwithstanding any provisions to the contrary, including those of Book VI, sections II to IV of the French commercial code, contracts that make provision for the loan servicing or debt collection of a *Société de Crédit Foncier* may be terminated immediately in the event of the safeguard, compulsory liquidation or administration of the Company in charge of the servicing or collection of such debts.

## Duration

The Company was incorporated on December 22, 1998 for a period of 99 years.

## Corporate purpose (Article 2 of the bylaws)

### ARTICLE 2 – PURPOSE

The purpose of the Company, in the context of the laws and regulations applicable to *Sociétés de Crédit Foncier*, is:

- performing all transactions mentioned in Articles L. 513-2 *et seq.* of the French monetary and financial code without restrictions in terms of the countries in which it operates other than those resulting from said Articles.

These transactions include:

- granting or acquiring secured loans, exposures to public authorities and investments and securities as defined in Articles L. 513-3 to L. 513-5 and L. 513-7 of the French monetary and financial code,
- financing these types of loans, exposures, investments and securities by issuing bonds known as *obligations foncières*, benefiting from the “privilege” defined in Article L. 513-11 of the French monetary and financial code and by raising other resources whose issuance or subscription agreement mentions this “privilege”.

The Company may also finance the activities mentioned above by issuing bonds or resources that do not benefit from the “privilege”. It may issue the promissory notes referred to in Articles L. 313-42 to L. 313-49-1 of the French monetary and financial code.

Notwithstanding any other provisions or stipulations to the contrary, the Company may carry out temporary transfers of its securities in accordance with Articles L. 211-22 to L. 211-34 of the French monetary and financial code, pledge securities accounts pursuant to Article L. 211-20 of said Code and assign all or some of the receivables that it holds in accordance with Articles L. 211-36 to L. 211-40 or in accordance with Articles L. 313-23 to L. 313-35, whether or not these receivables are professional. The receivables or securities thus assigned or transferred do not fall within the scope of the “privilege” defined in Article L. 513-11 of the French monetary and financial code and are not booked pursuant to Article L. 513-12 of said Code.

As an exception to Articles L. 1300 of the French Civil Code and L. 228-44 and L. 228-74 of the French commercial code, the Company may subscribe for its own *obligations foncières* solely for the purpose of using them as collateral for access to the refinancing facilities of the Banque de France under the conditions set forth in Article L. 513-26 of the French monetary and financial code.

The Company cannot hold equity investments;

- concluding, with any credit institution or financial company, all agreements necessary for:
  - servicing and recovering loans, exposures and securities,
  - managing bonds and other resources,
  - more generally, providing all services necessary to manage Company assets, liabilities and financial balances,
  - as well as all agreements concerning the distribution and refinancing of loans;
- acquiring and holding all property and equipment necessary to fulfill its purpose or arising from the recovery of its loans and contracting with any authorized third party any agreement related to the acquisition, ownership, management, maintenance and disposal of such assets;
- concluding, with any insurance company, any agreement that serves the corporate purpose, notably to cover risks related to borrowers, risks in respect of both assets securing the loans and assets being held by the Company, and the liability risks of the Company or its corporate officers;
- in connection with its own activity or on behalf of other companies, providing customers with and managing payment instruments, in particular:
  - for the payment of funds or the receipt of all cash flows arising from loan activities,
  - for maintenance of any financial relationship or account with any other credit institution, financial institution or public entity,
  - for the management of technical accounts in respect of expenses and receipts;
- participating in any system for interbank settlements, settlement-delivery of securities and any clearing system, as well as any transaction within the framework of the monetary policy of the European central bank, that contributes to the development of the Company’s activities;
- more generally:
  - carrying out all operations contributing to the fulfillment of its corporate purpose, as long as such transaction complies with the purpose of *Sociétés de Crédit Foncier* as defined in the legislation and regulations that regulate their activity,
  - concluding any agreement that allows the Company to use essential outsourcing services and related controls.

## Company register number and Legal Entity Identifier

Compagnie de Financement Foncier is registered in the Paris Trade and Companies Register under number 421 263 047.

Compagnie de Financement Foncier is identified under number LEI DKGVVH5FKILG8R13C013.

## Fiscal year

The fiscal year begins on January 1 and ends on December 31.

## Statutory allocation of earnings

If the financial statements for a given fiscal year, as approved by the general meeting, show distributable earnings as defined by law, shareholders shall decide either to attribute them to one or more reserve accounts, the allocation and use of which it determines, or to retained earnings, or to distribute them.

After noting the existence of the reserves at its disposal, the general meeting may decide to distribute amounts drawn from those reserves. In such a case, the decision shall specify the

reserve accounts from which the distributed amounts are to be drawn.

However, dividends shall be withdrawn first from the distributable earnings for the fiscal year.

The general meeting also has the right to grant each shareholder an option to receive payment either in the form of cash or in shares for all or part of the dividend or interim dividend to be distributed.

## Dividend policy

### 2024

The ordinary shareholders' meeting, which met on May 6, 2024, resolved that a dividend of €118,833,161.19 would be paid out in respect of the 2023 fiscal year to shareholders, equal to €1.23667 per share.

### 2023

The ordinary shareholders' meeting, which met on May 9, 2023, resolved that a dividend of €119,910,344.06 would be paid out in respect of the 2022 fiscal year to shareholders, equal to €1.24788 per share.

### 2022

The Combined general meeting, which met on May 9, 2022, resolved that a dividend of €106,003,974.74 would be paid out in respect of the 2021 fiscal year to shareholders, equal to €0.66841 per share.

## Capital

### SHARE CAPITAL

At December 31, 2024, the Company's share capital amounted to €1,537,459,936. It is divided into 96,091,246 fully paid-up shares with a par value of €16 each.

### SHARE CAPITAL AUTHORIZED BUT NOT SUBSCRIBED

No authorization to increase the share capital has been issued which has not been used, nor is there any potential capital share.

### DIFFERENT VOTING RIGHTS

The bylaws do not grant double voting rights to all fully paid-up shares for which a nominative registration has been given for at least two years in the name of the same shareholder. Each member of the shareholders' meeting is entitled to as many votes as he or she owns or represents shares.

### OWNERSHIP STRUCTURE AND VOTING RIGHTS

Major shareholders at December 31, 2024	Number of shares	As a %
Crédit Foncier de France	96,091,245	100.00
Director	1	n.s
<b>TOTAL</b>	<b>96,091,246</b>	<b>100.00</b>



## CHANGES IN OWNERSHIP STRUCTURE OVER THE LAST FIVE YEARS

No change was made to the share capital in 2020.

No change was made to the share capital in 2021.

At its meeting of March 30, 2022, the board of directors unanimously decided to use the delegation of authority granted by the extraordinary shareholders' meeting of March 28, 2022, and to reduce the share capital by €1,000,000,000, from €2,537,459,936 to €1,537,459,936, by buying back shares with a view to their cancellation.

In accordance with the share buyback schedule decided by the Board, the share capital of Compagnie de Financement Foncier is €1,537,459,936 since June 23, 2022.

No change was made to the share capital in 2023.

No change was made to the share capital in 2024.

## NATURAL OR LEGAL PERSONS THAT EXERCISE CONTROL OVER THE COMPANY

Crédit Foncier de France – 182, avenue de France – 75013 Paris – 542 029 848 RCS Paris

## INFORMATION ON GROUPE CRÉDIT FONCIER DE FRANCE, INCLUDING COMPAGNIE DE FINANCEMENT FONCIER

From its creation in 1852 and until 1999, Crédit Foncier has held the special status of a *Société de Crédit Foncier* and as such, issued *obligations foncières*.

# Bylaws

Bylaws (translated from the French) applicable at the filing date of this universal registration document.

## Section I: Legal form – Purpose – Corporate name – Head office – Term of the Company

### ARTICLE 1 – LEGAL FORM

The Company is a French public limited company (*société anonyme*).

The Company is governed by the legislative and regulatory provisions in force applicable to *sociétés anonymes*, credit institutions, and in particular to *Sociétés de Crédit Foncier*, and by these bylaws.

### ARTICLE 2 – PURPOSE

The purpose of the Company, in the context of the laws and regulations applicable to *Sociétés de Crédit Foncier*, is:

- 1° performing all transactions mentioned in Articles L. 513-2 *et seq.* of the French Monetary and Financial Code without restrictions in terms of the countries in which it operates other than those resulting from said Articles.

A key player in specialized real estate financing and responsible for public service missions in the distribution of government-subsidized loans, Crédit Foncier was acquired by Groupe Caisse d'Épargne in 1999, following the real estate crisis of the 1990s and the abolition of these subsidized loans.

In the legal context governing this acquisition, the Parliament created a specific new status for *Sociétés de Crédit Foncier*. Compagnie de Financement Foncier was then founded and authorized as a *Société de Crédit Foncier* by the CECEI (French credit institutions and investment firms committee). Crédit Foncier transferred all its *obligations foncières* and pledged assets to Compagnie de Financement Foncier pursuant to Article 110 of the act of June 25, 1999.

Crédit Foncier has been an affiliate of Groupe BPCE since 2009, created by the merger of the Caisse d'Épargne and Banque Populaire groups. Since August 5, 2010, Crédit Foncier is fully owned by the Central institution of BPCE.

Since April 1, 2019, as part of the implementation of the industrial structure announced by Groupe BPCE on June 26, 2018, Crédit Foncier has been refocusing its efforts on the management of outstanding loans and on refinancing certain Groupe BPCE assets, through Compagnie de Financement Foncier.

### IMPROPER CONTROL

The Company is controlled as described in the section "Ownership structure and voting rights". The Company considers that there is no risk of improper control.

These transactions include:

- granting or acquiring secured loans, exposures to public authorities and investments and securities as defined in Articles L. 513-3 to L. 513-5 and L. 513-7 of the French Monetary and Financial Code,
- financing these types of loans, exposures, investments and securities by issuing bonds known as *obligations foncières*, benefiting from the "privilege" defined in Article L. 513-11 of the French Monetary and Financial Code and by raising other resources whose issuance or subscription agreement mentions this "privilege".

The Company may also finance the activities mentioned above by issuing bonds or resources that do not benefit from the "privilege". It may issue the promissory notes referred to in Articles L. 313-42 to L. 313-49-1 of the French Monetary and Financial Code.

Notwithstanding any other provisions or stipulations to the contrary, the Company may carry out temporary transfers of its securities in accordance with Articles L. 211-22 to L. 211-34 of the French Monetary and Financial Code, pledge securities accounts pursuant to Article L. 211-20 of said Code and assign all or some of the receivables that it holds in accordance with Articles L. 211-36 to L. 211-40 or in accordance with Articles L. 313-23 to L. 313-35, whether or not these receivables are professional. The receivables or securities thus assigned or transferred do not fall within the scope of the “privilege” defined in Article L. 513-11 of the French Monetary and Financial Code and are not booked pursuant to Article L. 513-12 of said Code.

As an exception to Articles 1300 of the French Civil Code and L. 228-44 and L. 228-74 of the French Commercial Code, the Company may subscribe for its own *obligations foncières* solely for the purpose of using them as collateral for access to the refinancing facilities of the Banque de France under the conditions set forth in Article L. 513-26 of the French Monetary and Financial Code.

The Company cannot hold equity investments;

- 2° concluding, with any credit institution or financial company, all agreements necessary for:
  - servicing and recovering loans, exposures and securities,
  - managing bonds and other resources,
  - more generally, providing all services necessary to manage Company assets, liabilities and financial balances,
  - as well as all agreements concerning the distribution and refinancing of loans;
- 3° acquiring and possessing any real or personal property necessary for the accomplishment of its purpose or resulting from the collection of its debts:
  - concluding with any authorized third party any agreement relating to the acquisition, holding, management, maintenance and sale of these assets;
- 4° concluding, with any insurance company, any agreement that serves the corporate purpose, notably to cover risks related to borrowers, risks in respect of both assets securing the loans and assets being held by the Company, and the liability risks of the Company or its corporate officers;

- 5° In connection with its own activity or on behalf of other companies, providing customers with and managing payment instruments, in particular:
  - for the payment of funds or the receipt of all cash flows arising from lending business,
  - for maintenance of any financial relationship or account with any other credit institution, financial institution or public entity,
  - for the management of technical accounts in respect of expenses and receipts;
- 6° participating in any system for interbank settlements, settlement-delivery of securities and any netting system, as well as any transaction within the framework of the monetary policy of the European Central Bank, that contributes to the development of the Company's activities;
- 7° More generally:
  - carrying out all operations contributing to the fulfillment of its corporate purpose, as long as such transaction complies with the purpose of *Sociétés de Crédit Foncier* as defined in the legislation and regulations that regulate their activity,
  - concluding any agreement that allows the Company to use essential outsourcing services and related controls.

### ARTICLE 3 – CORPORATE NAME

The corporate name of the Company is “Compagnie de Financement Foncier”.

### ARTICLE 4 – REGISTERED OFFICE

The registered office is located in Paris (75013) 182 avenue de France.

If the location of the registered office is moved by the board of directors in accordance with the conditions set out in the applicable legislation, the new location shall be automatically substituted for the previous one in this Article, subject to ratification by the ordinary shareholders' meeting.

### ARTICLE 5 – TERM

The legal life of the Company is ninety-nine years, starting from December 22, 1998, unless the period is extended or the Company is liquidated, in accordance with the legislation in force or these bylaws.

## Section II: Share capital – Shares

### ARTICLE 6 – SHARE CAPITAL

The share capital is set at €1,537,459,936.00 (one billion five hundred and thirty-seven million four hundred and fifty-nine thousand nine hundred and thirty-six euros).

It is divided into 96,091,246 shares with a par value of €16 (sixteen) each, all of which belong to the same class and are fully paid up in cash.

### ARTICLE 7 – FORM OF THE SHARES

The shares are in registered form.

They are registered in accordance with the terms and conditions set forth by law.

### ARTICLE 8 – RIGHTS AND OBLIGATIONS ATTACHED TO THE SHARES

Each share confers a right to ownership of the Company's assets and a share in its profits proportional to the fraction of the Company's share capital that it represents.

All shares which comprise or will comprise the share capital, as long as they are of the same type and the same par value, are strictly equivalent to each other so long as they have the same dividend-bearing date. Both during the Company's existence and its liquidation, they provide payment of the same net amount on all allocations or redemptions, so that, if applicable, all shares are aggregated without distinction with respect to all tax savings or charges resulting from such allocations or redemptions.

The rights and obligations attached to shares are transferred with the title to the shares.

Ownership of a share automatically implies acceptance of the bylaws and the decisions of general shareholders' meetings.

The beneficiaries, creditors, successors or other representatives of a shareholder cannot cause legal seals to be placed on the assets and securities of the Company or request the distribution or division of such assets and securities or interfere in any manner in the Company's administration.

They must refer to the financial statements and to the decisions of general meetings to exercise their rights.

Every time when an ownership of several shares is required to exercise a given right, in cases of exchange, grouping or allotment of shares, or as a result of an increase or decrease in capital stocks, splits or reverse splits of shares, or any other operation on the share capital, the owners of single shares or of less than the required

number of shares, may exercise their rights only if they undertake to combine, sell or purchase the necessary number of shares.

## ARTICLE 9 – TRANSFER OF SHARES

Shares can be traded freely.

Shares can be transferred, with respect to third parties and the Company, by an order to transfer them from one account to another.

## ARTICLE 10 – INDIVISIBILITY OF SHARES

Shares are indivisible vis-à-vis the Company, which only recognizes one owner for each share. Joint owners of a share are required to be represented within the Company by one of the joint owners or by a single agent.

The beneficial owner shall represent the bare owner in ordinary shareholders' meetings, however, the bare owner is the only one entitled to vote in extraordinary shareholders' meetings.

## Section III: Corporate governance

### ARTICLE 11 – BOARD OF DIRECTORS

The Company is administered by a board of directors comprised of at least three and at most eighteen members, selected among the shareholders and appointed by the ordinary shareholders' meeting.

Directors can be natural persons or legal entities. Legal entity directors shall, at the time of their appointment, appoint a permanent representative who is subject to the same conditions and obligations and bears the same liability as if he/she were a Director in his/her own name; this without prejudice to the joint and several liabilities with the legal entity he/she represents.

When the legal entity Director terminates the term of his/her permanent representative, he/she must notify the Company without delay by registered mail of his/her decision as well as the identity of the new permanent representative. The same applies in the event of the death or resignation of the permanent representative.

### ARTICLE 12 – TERM OF OFFICE OF DIRECTORS

The directors' term of office is six years.

The renewal of the terms is carried out gradually, in such a way that members of the Board are required to seek re-election on a regular basis in the most equal proportions possible.

Exceptionally, the ordinary shareholders' meeting may elect a Director to serve for a term of two or four years, in order to ensure adequate rotation of Board members.

Directors can be dismissed at any time by the ordinary shareholders' meeting.

They may resign from their term without giving any reason.

Reaching the end of his or her term, each Director may be re-elected.

The age limit for exercising the function of Director is set at 72 years old. The number of directors above the age of 68 may not be more than a third of the number of directors. Once the age limit is reached, the oldest Director is deemed to have resigned from office following the next general meeting.

### ARTICLE 13 – MEETINGS AND PROCEEDING OF THE BOARD – MINUTES

The board of directors is called to meetings by its chairman, as often as the interest of the Company requires, either at the registered office, or at any other location indicated on the notice. Meetings may be called by all means, even verbally.

If no meeting has been held for more than two months, at least one third of the members of the board of directors can request that the chairman calls a Board meeting with a specific agenda.

The chief executive officer can also at any time request that the chairman calls a meeting of the board of directors with a specific agenda.

The chairman must comply with requests that have been made to him in accordance with the two previous paragraphs.

Resolutions are adopted with the quorum and majority required by law. In the event of a tie vote, the chairman shall cast the deciding vote.

For the purposes of calculating a quorum and majority, directors participating in the Board meeting through videoconferencing or other means of telecommunication that allow them to identify themselves and effectively participate shall be considered present.

This rule is not applicable to the adoption of resolutions that require, in accordance with the current legislation, the physical presence of directors.

Sufficient proof of the number of directors in office and of their presence at a meeting of the Board is provided by the production of a copy or an excerpt of the minutes of the Board meeting.

The minutes of the meeting are prepared, and the copies or excerpts are delivered and certified as required by law.

### ARTICLE 14 – POWERS OF THE BOARD

The board of directors determines the strategic direction of the Company's activities and supervises the implementation of such strategies. Subject to the powers expressly attributed to annual shareholders' meetings, and within the limits of the Company's purpose, the Board deals with any issue affecting the Company's operations and settles, through its decisions, all matters concerning the Company.

The Board shall carry out any controls and checks that it considers appropriate.

Each Director receives all the information necessary to perform his or her duties and can request all documents that he or she considers useful.

In its relations with third parties, the Company is responsible for the acts of the board of directors which are not in accordance with the Company's purpose, unless it can prove that the third party knew that the act in question was not in accordance with the Company's purpose or that the third party could not have been unaware of this fact given the circumstances, the sole fact that the Company's bylaws are published does not constitute sufficient evidence.

In addition, without any effect to third parties, unless the Company proves that the third party knew that the acts exceeded those purposes or could not in view of the circumstances have been unaware of it, decisions are submitted to the prior approval of the board of directors:

- a) to establish the strategic guidelines of the Company;
- b) to agree on a business plan;
- c) to agree on the annual budget of the Company;
- d) any expenditure decisions exceeding thirty million euros (€30,000,000);
- e) to grant any pledge, collateral, or other guarantees on the Company's assets outside banking operations;
- f) to authorize all proposals on issuing securities (bonds, other debt and hybrid securities) other than those approved in the budget or the debt issuance program of the Company;
- g) to approve the strategy and the policy in relation to risk-taking and the monitoring, management and reduction of risks;
- h) to examine the results of the review covering the policy, procedures and limits governing liquidity risk that are not included in the statement of risk appetite;
- i) to regularly review outsourced activities as well as the associated risks;
- j) to annually perform a review of the efficiency and effectiveness of the risk management function in terms of positioning, resources and independence.

The board of directors can grant any representative of its choice a delegation of powers within the limit of its powers under law or these bylaws.

## **ARTICLE 15 – REMUNERATION OF THE BOARD OF DIRECTORS**

An ordinary shareholders' meeting may allocate to the board of directors a fixed annual remuneration in the form of attendance fees, the amount of which it shall determine. This remuneration remains applicable until an ordinary shareholders' meeting decides otherwise.

The board of directors shall allocate this remuneration in the proportions that it considers appropriate.

## **ARTICLE 16 – CHAIRMAN OF THE BOARD OF DIRECTORS**

The board of directors elects, from among its individual members, a chairman and determines his or her remuneration. It also sets the chairman's term of office, which may not exceed his or her term as Director. He is eligible for re-election.

The chairman's term must expire no later than the end of the ordinary shareholders' meeting that follows the date on which the chairman reaches the age of 68.

The chairman represents the board of directors. He or she organizes and directs the work of the Board, and reports to the general meeting on such work. The chairman verifies that the Company's decision-making bodies function properly and ensures, in particular, that the directors are able to fulfill their responsibilities.

The Board may confer on one or more of its members or on third parties, whether or not they are shareholders, special mandates for one or more specific purposes.

It may also appoint one or more committees, the structure and roles of which it shall determine. These committees, which can include both directors and third parties chosen for their expertise, study the questions that the Board or the chairman submits for their review.

In these various cases, the Board may allocate special remuneration to the appointed directors.

## **ARTICLE 17 – EXECUTIVE MANAGEMENT**

The Company's Executive Management is directed, under his or her responsibility, by an individual appointed by the board of directors with the title of chief executive officer. The positions of chairman of the board of directors and chief executive officer may not be held by the same person.

The board of directors shall appoint the chief executive officer, determine the period for which the chief executive officer is appointed and, if applicable, the limitation of his/her powers beyond the provisions laid down in Article 14 of these bylaws.

The chief executive officer has the broadest powers to act in all circumstances in the name of the Company, within the limits of its purpose, and subject to the specific powers expressly attributed to general meetings by law and to the specific powers of the board of directors.

The chief executive officer represents the Company in its relationships with third parties. The Company is responsible for the acts of the chief executive officer which are not in accordance with the Company's purpose, unless it can prove that the third party knew that the act in question was not in accordance with the Company's purpose, or that the third party could not have been unaware of this fact in light of the circumstances. The sole fact that the Company's bylaws are published does not constitute sufficient proof.

On the recommendation of the chief executive officer, the board of directors can appoint one or more individuals, whether directors or not, to assist the chief executive officer, with the title of deputy chief executive officer. The number of deputy chief executive officers may not exceed five. The scope and duration of the powers of the deputy chief executive officers shall be determined by the board of directors with the consent of the chief executive officer.

With respect to third parties, deputy chief executive officers have the same powers as the chief executive officer.

The board of directors determines the remuneration of the chief executive officer and the deputy chief executive officers.

The chief executive officer and, if they have been appointed, deputy chief executive officers, even if not members of the Board, are invited to the meetings of the board of directors.

The duties of the chief executive officer and deputy chief executive officer must cease no later than the end of the ordinary shareholders' meeting that follows the date at which the person reaches the age of 68.

The chief executive officer may be removed at any time by the board of directors. The same applies, on the recommendation of the chief executive officer, to the deputy chief executive officers. If the removal is decided without just cause, it may result in legal damages.

If the chief executive officer resigns, or cannot carry out his or her duties, the deputy chief executive officers retain, unless the Board decides otherwise, their positions and the responsibilities assigned to them until a new chief executive officer is appointed.

## ARTICLE 18 – NON-VOTING DIRECTORS

The ordinary shareholders' meeting may, on the recommendation of the board of directors, appoint up to four non-voting directors.

The term of a non-voting director is six years. They may be re-appointed.

The renewal of the terms is carried out gradually, in such a way that non-voting directors are required to seek re-election on a regular basis in the most equal proportions possible.

Exceptionally, the ordinary shareholders' meeting may elect non-voting directors to serve for a term of two or four years, in order to ensure adequate rotation.

The age limit for exercising the function of non-voting director is set at 72 years old. The number of non-voting directors above the age of 68 may not be more than a third of the number of non-voting directors in office. Once the age limit is reached, the oldest non-voting director is deemed to have resigned from office following the next general meeting.

Non-voting directors are responsible for ensuring that bylaws are strictly applied.

Non-voting directors attend meetings of the board of directors and have an advisory role.

The board of directors determines their remuneration in the context of the attendance fees awarded by the general meeting.

## Section IV: Company Audits

### ARTICLE 19 – STATUTORY AUDITORS

The general shareholders' meeting shall appoint one or more statutory auditors in accordance with the law.

### ARTICLE 20 – SPECIFIC CONTROLLER

Under the conditions stipulated by law and by the legislation

applicable to a *Société de Crédit Foncier*, and after obtaining the opinion of the board of directors, the chief executive officer shall appoint one specific controller and a substitute.

The specific controller and, if applicable, the substitute shall perform the duties assigned to them by the laws governing the *Sociétés de Crédit Foncier*.

## Section V: General meetings

### ARTICLE 21 – GENERAL MEETINGS

general shareholders' meetings shall be called and shall deliberate under the conditions stipulated by law.

An ordinary shareholders' meeting must be held within five months of the fiscal year-end.

Meetings shall be held at the registered office or at another location stated in the notice of meeting.

Any shareholder may participate personally, or by proxy, in general meetings with proof of identity and ownership of shares in the form of a record in his name on the Company's books five days before the date of the general meeting.

He may also vote by email under the conditions stipulated by law.

Shareholders who participate in general meetings by videoconference or telecommunication means that enable them to be identified shall be considered present for calculating the quorum and the majority.

general meetings shall be chaired by the chairman of the board of directors or, in his or her absence, by a Director specially authorized for that purpose by the Board. Otherwise, the general meeting shall appoint a chairman.

An attendance sheet shall be kept under the conditions stipulated by law.

Minutes of general meetings shall be drawn up and copies shall be certified and issued pursuant to law.

### ARTICLE 22 – DELIBERATIONS OF GENERAL MEETINGS

Ordinary and extraordinary shareholders' meetings ruling with the quorum and majority set by law shall exercise the powers that are conferred to them by law.

## Section VI: Annual financial statements – Distribution of earnings

### ARTICLE 23 – FISCAL YEAR

The Company's fiscal year starts on January 1 and ends on December 31.

The board of directors may change the closing date of the fiscal year if it determines such a change to be in the Company's best interest.

As an exception, the first fiscal year started on December 22, 1998, from the registration date, and ended on December 31, 1998.

### ARTICLE 24 – DISTRIBUTION OF EARNINGS

If the financial statements for a given fiscal year, as approved by the general meeting, show distributable earnings as defined by law, shareholders shall decide either to attribute them to one or more reserve accounts, the allocation and use of which it determines, or to retained earnings, or to distribute them.

After noting the existence of the reserves at its disposal, the general meeting may decide to distribute amounts drawn from those reserves. In such a case, the decision shall specify the reserve accounts from which the distributed amounts are to be drawn.

## 5. LEGAL INFORMATION

### Bylaws

However, dividends shall be withdrawn first from the distributable earnings for the fiscal year.

The above provisions shall apply if non-voting preferred shares are created.

The general meeting also has the right to grant each shareholder an option to receive payment either in the form of cash or in shares for all or part of the dividend or interim dividend to be distributed.

## Section VII: Dissolution – Liquidation – Disputes

### ARTICLE 25 – DISSOLUTION AND LIQUIDATION

At the expiration of the Company or in the event of early dissolution, the general meeting shall determine the method of liquidation and shall appoint one or more liquidators, whose powers it shall determine and who shall perform their duties pursuant to law.

### ARTICLE 26 – DISPUTES

All disputes that might arise during the legal life of the Company or at the time of liquidation, either between the shareholders, regarding the interpretation or execution of these bylaws or between

the Company and its shareholders, shall be adjudicated as required by law and shall be subject to the jurisdiction of the competent courts of the place of the registered office.

To this effect, in the case of a dispute, any shareholder is bound to designate an address for service of process within the area of jurisdiction of the court of the registered office and any assignments or notifications will be duly issued to this elected domicile.

Failing an election of domicile, the assignments and notifications will be validly issued to the Public Prosecutor's office in the county court in the location of the registered office.

## Material contracts

As of the date of publication of this financial information, with the exception of the agreements referred to in the present chapter, Compagnie de Financement Foncier has not entered into any material contracts other than those entered into in the normal course of business.

## Outlook for Compagnie de Financement Foncier

### RECENT EVENTS

The Company has not recorded any recent events that significantly impact the evaluation of its solvency.

### TRENDS

No significant deterioration has affected the Company's outlook since its last financial report was audited and published.

No known trend, uncertainty, claim, commitment or event is reasonably likely to have a negative material influence on the Company's outlook.

### CONTROL

To the Company's knowledge, no agreement exists of which the implementation at a later date could lead to a change in control of the Company.

### MATERIAL EVENTS

The financial statements of Compagnie de Financement Foncier for the 2024 fiscal year were approved by the board of directors on January 31, 2025. With the exception of the information given in the sub-section "Post-balance sheet event" in the Management report, no material changes have occurred affecting the financial or commercial position of Compagnie de Financement Foncier, between December 31, 2024 (year-end) and March 19, 2025, (date on which this Document was filed with the AMF).

## Additional information

- No potential conflicts of interest exist between the duties of members of the board of directors towards Compagnie de Financement Foncier and their private interests and/or other duties.
- As of December 31, 2024, there were no exceptional events or legal disputes (government, legal or arbitration procedures) likely

to have or to have had a material impact on Compagnie de Financement Foncier's financial position, operations, results or assets.

- Compagnie de Financement Foncier conducts itself and its corporate entities operate according to the corporate governance framework applicable in France.

# Notice of General Meeting and Report of the Board to the Meeting

## Report of the Board of Directors

### ORDINARY SHAREHOLDERS' MEETING OF MAY 7, 2025

Dear Shareholders,

The ordinary shareholders' meeting, after having reviewed the reports of the board of directors and the statutory auditors, is called to vote on the draft resolutions presented by the Board.

- The purpose of the **first resolution** is to approve the parent company financial statements for the year ended December 31, 2024.
- The **second resolution** relates to the allocation of income.

The profit of €86,279,458.33, plus retained earnings of €54,756,313.86, for a total of €141,035,772.19, is allocated as follows:

Allocated to legal reserves: €4,313,972.92

Dividend: €86,482,121.40.

Retained earnings: €50,239,677.87

- The **third resolution** relates to the power given to the board of directors to put in place an option for receiving all or part of any interim dividend payments in shares in respect of the dividend for 2025.

- The **fourth resolution** relates to agreements governed by Article L. 225-38 of the French commercial code.
- The **fifth to seventh resolutions** relate to the individual remuneration of executive corporate officers for the fiscal year ended December 31, 2024.
- The **eighth to tenth resolutions** relate to the approval of the principles and criteria for the determination, distribution and allocation composing the total remuneration and the benefits of any kind attributable to the chairman of the Board, chief executive officer and deputy chief executive officer in respect of their office for the 2025 fiscal year.
- The **eleventh resolution** concerns the appointment of a statutory auditor to certify sustainability information.
- The **twelfth resolution** relates to the consultation, pursuant to Article L. 511-73 of the French monetary and financial code, regarding the overall package of all kinds of remuneration, paid to the persons referred to in Article L. 511-71 of the French monetary and financial code, for the fiscal year ended December 31, 2024.
- The **last resolution** relates to powers to accomplish formalities.

## Resolutions Submitted to the General Meeting

### FIRST RESOLUTION: APPROVAL OF THE INDIVIDUAL FINANCIAL STATEMENTS

The general meeting, having considered the Management report of the board of directors and the report of the statutory auditors, approves the annual financial statements for the fiscal year ended December 31, 2024 as presented and that show a profit of €86,279,458.33.

Consequently, the general shareholders' meeting grants full and unconditional discharge to the members of the board of directors for this fiscal period.

The general meeting takes note that the financial statements for the past fiscal year do not include any non-tax deductible expenses as per Article 39-4 of the French General Tax Code.

### SECOND RESOLUTION: ALLOCATION OF INCOME

The general meeting, having noted the existence of a profit of €86,279,458.33, resolves to allocate this profit, plus retained earnings of €54,756,313.86, *i.e.* a total of €141,035,772.19, as follows:

Allocated to legal reserves: €4,313,972.92.

Dividend: €86,482,121.40.

Retained earnings: €50,239,677.87.

The dividend per share for each of the 96,091,246 shares comprising the share capital is therefore fixed at €0.90.

Pursuant to Article 243 bis of the French general tax code, it is specified that the total dividend proposed is eligible for the 40% discount available to individuals who are resident in France for tax purposes, provided for in Article 158-3 of the French general tax code.

The dividend payment date is set for June 25, 2025. Pursuant to Article 24 of the bylaws, the general meeting decides to grant each shareholder the possibility of choosing to receive payment of the dividend in shares. New shares will have the same features and the same rights as the shares that gave the entitlement to the dividend. Their vesting date is set for January 1, 2025.

The issuance price of the new shares will be equal to the amount of share capital after allocation, as shown in the balance sheet as of December 31, 2024 approved by the general meeting in the first resolution set forth above, divided by the number of existing shares.

It stands at €20.33 per share.

The number of shares that can be allocated to shareholders who have chosen to receive payment of the balance of the dividend in shares will be determined in function of the calculated price. It is understood that shareholders cannot receive the dividend to which they are entitled partly in shares and partly in cash.

## 5. LEGAL INFORMATION

### Resolutions Submitted to the General Meeting

If the dividends thus determined do not give rise to a whole number of shares, shareholders who have chosen to receive payment in shares may subscribe for the nearest whole number of shares below the dividend payable, with the balance being paid in cash or the nearest whole number above the dividend payable, with the shareholder paying the difference in cash.

Shareholders must make their choice between June 1, 2025 and June 15, 2025.

Any shareholder who has not exercised his or her option by June 15, 2025 at the latest will receive the dividends in cash on the dividend payment date of June 25, 2025.

The general meeting gives full powers to the board of directors to record the number of shares issued and the corresponding capital increase and to amend Article 6 of the bylaws accordingly.

Pursuant to Article 47 of the act of July 12, 1965 and Article 243 bis of the French General Tax Code, it is recalled that the dividend and total earnings per share have evolved as follows over the last three fiscal years:

Fiscal year	Number of shares	Total earnings per share	Dividends paid*
2021	158,591,246	€0.66841	€0.66841
2022	96,091,246	€1.24788	€1.24788
2023	96,091,246	€1.23667	€1.23667

\* Eligible for the 40% discount provided for in Article 158-3 of the French General Tax Code.

### THIRD RESOLUTION: DIVIDENDS PAID IN SHARES

The general meeting, pursuant to Article 24 of the bylaws and Articles L. 232-12, L. 232-18 and L. 232-20 of the French commercial code, authorizes the board of directors to consider allowing shareholders to receive all or part of any interim dividends for the 2025 fiscal year in shares and to establish the terms thereof, pursuant to the regulations in force.

### FOURTH RESOLUTION: AGREEMENTS REFERRED TO IN ARTICLE L. 225-38 OF THE FRENCH COMMERCIAL CODE

The general meeting, having considered the statutory auditors' special report concerning the agreements referred to in Article L. 225-38 of the French Commercial Code, approves the conclusions of said report.

### FIFTH RESOLUTION: APPROVAL OF THE INDIVIDUAL REMUNERATION OF MR ÉRIC FILLIAT, CHAIRMAN OF THE BOARD OF DIRECTORS, EXECUTIVE CORPORATE OFFICER FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

The general meeting, acting in accordance with the quorum and majority requirements for ordinary shareholders' meetings, hereby expresses a favorable opinion on the remuneration due or allocated for the fiscal year ended December 31, 2024 to Mr Éric FILLIAT, chairman of the board of directors.

### SIXTH RESOLUTION: APPROVAL OF THE INDIVIDUAL REMUNERATION OF MR OLIVIER AVIS, CHIEF EXECUTIVE OFFICER FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

The general meeting, acting in accordance with the quorum and majority requirements for ordinary shareholders' meetings, hereby expresses a favorable opinion on the remuneration due or allocated for the fiscal year ended December 31, 2024 to Mr Olivier AVIS, chief executive officer, executive corporate officer as presented in the financial report.

### SEVENTH RESOLUTION: APPROVAL OF THE INDIVIDUAL REMUNERATION OF MR PAUL DUDOIT, DEPUTY CHIEF EXECUTIVE OFFICER FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

The general meeting, acting in accordance with the quorum and majority requirements for ordinary shareholders' meetings, hereby expresses a favorable opinion on the remuneration due or allocated for the fiscal year ended December 31, 2024 to Mr Paul DUDOIT, deputy chief executive officer, executive corporate officer as presented in the financial report.



**EIGHTH RESOLUTION: APPROVAL OF THE INDIVIDUAL REMUNERATION OF MR ÉRIC FILLIAT, CHAIRMAN OF THE BOARD OF DIRECTORS FOR THE 2025 FISCAL YEAR**

The general meeting, voting under the quorum and majority conditions required for ordinary shareholders' meetings, gives a favorable opinion on the remuneration paid to Mr Éric FILLIAT, chairman of the board of directors, scheduled for the 2025 fiscal year.

**NINTH RESOLUTION: APPROVAL OF THE INDIVIDUAL REMUNERATION OF MR OLIVIER AVIS, CHIEF EXECUTIVE OFFICER FOR THE 2025 FISCAL YEAR**

The general meeting, voting under the quorum and majority conditions required for ordinary shareholders' meetings, gives a favorable opinion on the remuneration paid to Mr Olivier AVIS, chief executive officer, scheduled for the 2025 fiscal year.

**TENTH RESOLUTION: APPROVAL OF THE INDIVIDUAL REMUNERATION OF MR PAUL DUDOUIT, DEPUTY CHIEF EXECUTIVE OFFICER FOR THE 2025 FISCAL YEAR**

The general meeting, voting under the quorum and majority conditions required for ordinary shareholders' meetings, gives a favorable opinion on the remuneration paid to Mr Paul DUDOUIT, deputy chief executive officer, scheduled for the 2025 fiscal year.

**ELEVENTH RESOLUTION: APPOINTMENT OF A STATUTORY AUDITOR TO CERTIFY SUSTAINABILITY INFORMATION**

The general meeting, voting on the quorum and majority conditions for ordinary shareholders' meetings, appoints FORVIS MAZARS SA, represented by Laurence KARAGULIAN, as statutory auditor responsible for certifying sustainability information, for a period of three fiscal years, corresponding to the remainder of their term of office as statutory auditor. Their term of office will expire at the general meeting called to approve the financial statements for the 2027 fiscal year.

**TWELFTH RESOLUTION: THE CONSULTATION, PURSUANT TO ARTICLE L. 511-73 OF THE FRENCH MONETARY AND FINANCIAL CODE, REGARDING THE OVERALL PACKAGE OF ALL KINDS OF REMUNERATION, PAID TO THE PERSONS REFERRED TO IN ARTICLE L. 511-71 OF THE FRENCH MONETARY AND FINANCIAL CODE, FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024**

The general meeting, consulted pursuant to Article L. 511-73 of the French monetary and financial code, acting in accordance with the quorum and majority requirements for ordinary shareholders' meetings, having considered the report of the board of directors, expresses a favorable opinion on the null remuneration package for the fiscal year ended December 31, 2024 to the persons referred to in Article L. 511-71 of the French Monetary and Financial Code, either with respect to the office of chief executive officer or of deputy chief executive officer.

**THIRTEENTH RESOLUTION: POWERS**

The general meeting gives full powers to the bearer of a copy or excerpt of the minutes of this meeting for the accomplishment of all filing and publication formalities.

## 5. LEGAL INFORMATION

Statutory auditors' special report on related-party agreements

# Statutory auditors' special report on related-party agreements

(Annual General Meeting for the approval of the financial statements for the year ended December 31, 2024)

*This is a free translation into English of the Statutory Auditors' special report on related-party agreements issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.*

To the Shareholders,  
**Compagnie de Financement Foncier**  
182 avenue de France  
75013 PARIS

In our capacity as Statutory Auditors of Compagnie de Financement Foncier, we hereby report to you on related-party agreements.

It is our responsibility to report to shareholders, based on the information provided to us, on the main terms and conditions of agreements that have been disclosed to us or that we may have identified as part of our engagement, as well as the reasons given as to why they are beneficial for the Company, without commenting on their relevance or substance or identifying any undisclosed agreements. Under the provisions of article R.225-31 of the French Commercial Code (*Code de commerce*), it is the responsibility of the shareholders to determine whether the agreements are appropriate and should be approved.

Where applicable, it is also our responsibility to provide shareholders with the information required by article R.225-31 of the French Commercial Code in relation to the implementation during the year of agreements already approved by the Annual General Meeting.

We performed the procedures that we deemed necessary in accordance with professional standards applicable in France to such engagements.

### AGREEMENTS TO BE SUBMITTED FOR THE APPROVAL OF THE ANNUAL GENERAL MEETING

#### AGREEMENTS AUTHORIZED AND ENTERED INTO DURING THE YEAR

We were not informed of any agreements authorized and entered into during the year to be submitted for the approval of the Annual General Meeting pursuant to the provisions of article L.225-38 of the French Commercial Code.

#### AGREEMENTS ALREADY APPROVED BY THE ANNUAL GENERAL MEETING

We were not informed of any agreement already approved by the Annual General Meeting which remained in force during the year.

Neuilly-sur-Seine and Paris-La-Défense, March 19, 2025

#### The statutory auditors

**PricewaterhouseCoopers**  
Aurore PRANDI

**Audit Forvis Mazars**  
Laurence KARAGULIAN

**SA Deloitte & Associés**  
Charlotte VANDEPUTTE



## 6. ADDITIONAL INFORMATION

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## 6. ADDITIONAL INFORMATION

Persons responsible for the universal registration document and auditing the financial statements

# Persons responsible for the universal registration document and auditing the financial statements

## Person responsible for financial information

Olivier AVIS  
Chief executive officer  
Compagnie de Financement Foncier

Address: 182, avenue de France – 75013 Paris  
Telephone: +33 (0)1 58 73 58 34

## Statement from the person responsible for the 2024 universal registration document

I certify, that the information provided in this 2024 Universal Registration Document is, to my knowledge, true to fact and that no information has been omitted that would change the interpretation of the information provided.

I further certify that, to the best of my knowledge, the annual and financial statements have been prepared in compliance with the

applicable set of accounting standards and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company, and that the management report included in chapter 3 provides a true and fair view of the evolution and results of the business and of the financial position of the Company, together with a description of the main risks and uncertainties they face.

Paris, March 19, 2025

The Chief executive officer of Compagnie de Financement Foncier

**Olivier AVIS**

## Persons responsible for auditing the financial statements

### PRINCIPAL

#### FORVIS MAZARS SA

Represented by Ms Laurence KARAGULIAN  
Address: Tour Exaltis – 61, rue Henri Regnault – 92400 Courbevoie  
784 824 153 RCS (Trade and Companies Register) Nanterre  
Member of the Compagnie Régionale des Commissaires aux comptes de Versailles et du Centre (Regional Association of Statutory Auditors of Versailles and Centre)  
Start of first term: May 9, 2022  
Length of term: six fiscal years  
End of term: at the end of the general meeting called to approve the financial statements for the 2027 fiscal year.

#### DELOITTE AND ASSOCIATES

Represented by Ms Charlotte VANDEPUTTE  
Address: 6 place de la Pyramide – 92908 Paris-La Défense Cedex  
572 028 041 RCS (Trade and Companies Register) Nanterre  
Member of the Compagnie Régionale des Commissaires aux comptes de Versailles et du Centre (Regional Association of Statutory Auditors of Versailles and Centre)  
Start of first term: May 6, 2024  
Length of term: six fiscal years  
End of term: at the end of the general meeting called to approve the financial statements for the 2029 fiscal year.

### PRICEWATERHOUSECOOPERS AUDIT

Represented by Ms Aurore PRANDI  
Address: 63, rue de Villiers – 92200 Neuilly-sur-Seine  
302 474 572 RCS (Trade and Companies Register) Paris  
Member of the Compagnie Régionale des Commissaires aux comptes de Versailles et du Centre (Regional Association of Statutory Auditors of Versailles and Centre)  
Start of first term: June 30, 2003  
Length of term: six fiscal years  
End of term: at the end of the general meeting called to approve the financial statements for the 2025 fiscal year.

## Specific controllers

### PRINCIPAL

#### CAILLIAU DEDOIT & ASSOCIÉS

Represented by Mr Laurent Brun

Address: 19, rue Clément-Marot – 75008 Paris

Date of assent from the ACPR: November 17, 2022

RCS (Trade and Companies Register) number: 722 012 051

Start of first term: June 29, 2004

Length of term: four years

Expiration of term: after submission of the report and certified statements relating to the fiscal year ending December 31, 2026.

### SUBSTITUTE

#### MR RÉMI SAVOURNIN

Address: 19, rue Clément-Marot – 75008 Paris

Date of assent from the ACPR: January 4, 2019

RCS (Trade and Companies Register) number: 722 012 051

Start of first term: January 1, 2015

Length of term: four years

Expiration of term: after submission of the report and certified statements relating to the fiscal year ending December 31, 2026.

## Documents available to the public

Legal documents concerning Compagnie de Financement Foncier may be consulted at 182, avenue de France – 75013 Paris.

## Cross-reference table

### Incorporation by reference

The 2024 universal registration document should be read and interpreted in conjunction with the documents listed below. These documents are incorporated into this universal registration document and are deemed to form an integral part thereof:

- the 2023 universal registration document filed with the Autorité des marchés financiers (AMF), the French financial markets authority on March 20, 2024 under number D. 24-0145 which includes the Annual financial report, available on the Compagnie de Financement Foncier website: <https://foncier.fr/en/annual-reports>;

- the 2022 universal registration document filed with the AMF on March 21, 2023 under number D. 23-0124, which includes the Annual financial report, available on the Compagnie de Financement Foncier website: <https://foncier.fr/en/annual-reports>.

All documents incorporated by reference in this 2024 universal registration document have been filed with the AMF, and published on the websites of the Issuer (<https://foncier.fr/en/annual-reports/>) and the AMF (<https://www.amf-france.org/en>). The information incorporated by reference should be read in accordance with the following cross-reference table. Any information not included in this cross-reference table but forming part of the documents incorporated by reference is provided solely for information purposes.

## Appendices I and II of Delegated Regulation (EU) 2019/980 of the European Commission supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council

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## Cross-reference table for the Annual financial report and the Management report

Pursuant to Article 212-13 of the General Regulation of the AMF, this universal registration document comprises the information of the Annual financial report referred to in Article L. 451-1-2 of the French Monetary and Financial Code and Article 222-4 of the AMF's general regulation.

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## 6. ADDITIONAL INFORMATION

Cross-reference table

In accordance with Article 19 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017, the following information is incorporated by reference in this universal registration document:

- Compagnie de Financement Foncier's parent company financial statements for the fiscal year ended December 31, 2023 and the statutory auditors' report, presented on pages 87 to 129 of the universal registration document filed with the AMF on March 20, 2024 under number D. 24-0145.

The information can be found using the following link: <https://foncier.fr/en/annual-reports/>

- Compagnie de Financement Foncier's parent company financial statements for the fiscal year ended December 31, 2022 and the statutory auditors' report, presented on pages 141 to 191 of the universal registration document filed with the AMF on March 21, 2023 under number D. 23-0124.

The information can be found using the following link: <https://foncier.fr/en/annual-reports/>

- Compagnie de Financement Foncier's parent company financial statements for the fiscal year ended December 31, 2021 and the statutory auditors' report, presented on pages 133 to 178 of the universal registration document filed with the AMF on March 23, 2022 under number D. 22-0138.

The information can be found using the following link: <https://foncier.fr/en/annual-reports/>

- The Management report for the fiscal year ended December 31, 2023 presented on pages 74 to 86 of the universal registration document filed with the AMF on March 20, 2024 under number D. 24-0145.

The information can be found using the following link: <https://foncier.fr/en/annual-reports/>

- The Management report for the fiscal year ended December 31, 2022 presented on pages 79 to 100 of the universal registration document filed with the AMF on March 21, 2023 under number D. 23-0124.

The information can be found using the following link: <https://foncier.fr/en/annual-reports/>

- The Management report for the fiscal year ended December 31, 2021 presented on pages 75 to 94 of the universal registration document filed with the AMF on March 23, 2022 under number D. 22-0138.

The information can be found using the following link: <https://foncier.fr/en/annual-reports/>

The 2024 universal registration document can be consulted on the websites of the AMF ([www.amf-france.org](http://www.amf-france.org)) and Compagnie de Financement Foncier ([www.foncier.fr](http://www.foncier.fr)).

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**COMPAGNIE DE  
FINANCEMENT FONCIER**