BNP PARIBAS
CORPORATE & INSTITUTIONAL BANKING

ADDENDUM DATED 30 SEPTEMBER 2024

If you are in any doubt about any of the contents of this document, you should obtain independent professional advice.

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Non-collateralised Structured Products Addendum to the Base Listing Document dated 11 April 2024 relating to Structured Products to be issued by

BNP PARIBAS ISSUANCE B.V. ("Issuer")

(incorporated in the Netherlands with its statutory seat in Amsterdam)

unconditionally and irrevocably guaranteed by BNP Paribas ("Guarantor")

(incorporated in France with limited liability)

This document includes particulars given in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") for the purpose of giving further information with regard to us, our Guarantor and our standard warrants, inline warrants and callable bull/bear contracts (the "**Structured Products**"). **You must read this document in conjunction with our base listing document dated 11 April 2024 (our "Base Listing Document") (as supplemented by an addendum dated 26 April 2024).**

We and the Guarantor accept full responsibility for the accuracy of the information contained in this document, the addendum dated 26 April 2024 and/or our Base Listing Document and confirms, having made all reasonable enquiries, that to the best of our knowledge and belief there are no other facts the omission of which would make any statement in this document, the addendum dated 26 April 2024 and/or our Base Listing Document misleading.

The Structured Products involve derivatives. Do not invest in them unless you fully understand and are willing to assume the risks associated with them.

The Structured Products are complex products. You should exercise caution in relation to them. Investors are warned that the price of the Structured Products may fall in value as rapidly as it may rise and holders may sustain a total loss of their investment. Prospective purchasers should therefore ensure that they understand the nature of the Structured Products and carefully study the risk factors set out in our Base Listing Document and the relevant launch announcement and supplemental listing document and, where necessary, seek professional advice, before they invest in the Structured Products.

The Structured Products constitute the general unsecured contractual obligations of us and the Guarantor and of no other person. The Structured Products will rank equally among themselves and with all our other unsecured obligations and all other unsecured obligations of the Guarantor (save for those obligations preferred by law) upon liquidation. If you purchase the Structured Products, you are relying upon our creditworthiness and the creditworthiness of the Guarantor and have no rights under the Structured Products against (a) the company which has issued the underlying securities; (b) the fund which has issued the underlying securities, or its trustee (if applicable) or manager; or (c) the index compiler of any underlying index. If we become insolvent or default on our obligations under the Structured Products or our Guarantor becomes insolvent, is subject to the exercise of any resolution power, or defaults on its obligations under the guarantee, you may not be able to recover all or even part of the amount due under the Structured Products (if any). The Guarantor is subject to the exercise of the bail-in powers under the French legislation for implementation of the Bank Recovery and Resolution Directive.

Sponsor
BNP Paribas Securities (Asia) Limited

IMPORTANT INFORMATION

What is this document about?

This document contains (a) supplemental information in relation to us and the Guarantor, (b) an extract of our interim financial statements for the six-month period ended 30 June 2024; and (c) the unaudited consolidated financial statements of the Guarantor for the six-month period ended 30 June 2024. This document is a supplement to our Base Listing Document (as supplemented by an addendum dated 26 April 2024).

You should read this document together with our Base Listing Document (including the addendum dated 26 April 2024 and any other addendum to our Base Listing Document to be issued by us from time to time) and the relevant launch announcement and supplemental listing document (including any addendum to such launch announcement and supplemental listing document to be issued by us from time to time) before investing in any Structured Products.

Placing and sales

No offers, sales, re-sales, transfers or deliveries of any Structured Products, or distribution of any offering material relating to the Structured Products may be made in or from any jurisdiction except in circumstances which will result in compliance with any applicable laws or regulations and which will not impose any obligation on us. In particular, the Structured Products have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), and will not be offered, sold, delivered or traded, at any time, indirectly or directly, in the United States or to, or for the account or benefit of, any U.S. person (as defined in the Securities Act). A further description of certain restrictions on offering and sale of Structured Products and distribution of this document is provided under the section headed "Placing and Sale" in our Base Listing Document.

Where can you read the relevant documents?

Copies of this document, the addendum dated 26 April 2024, our Base Listing Document and the relevant launch announcement and supplemental listing document and other documents set out in the section headed "Where can you read the relevant documents?" in the relevant launch announcement and supplemental listing document are available on the website of the HKEX at *www.hkexnews.hk* and our website at *https://www.bnppwarrant.com*.

本文件，於二零二四年四月二十六日刊發的增編，我們的基本上市文件及有關推出公佈及補充上市文件連同於有關推出公佈及補充上市文件「閣下可在何處閱覽相關文件？」一節所列的其他文件，可於香港交易所披露易網站 (*www.hkexnews.hk*) 以及我們的網站 (*https://www.bnppwarrant.com*) 瀏覽。

What are our and the Guarantor's credit ratings?

The Issuer's long term credit rating is:

Rating agency	*Rating as of 27 September 2024*
S&P Global Ratings	A+ (stable outlook)

The Guarantor's long term credit ratings are:

Rating agency	*Rating as of 27 September 2024*
Moody's Investors Service, Inc.	Aa3 (stable outlook)
S&P Global Ratings	A+ (stable outlook)

Is the Issuer or our Guarantor subject to any litigation?

Save as disclosed in our Base Listing Document, the addendum dated 26 April 2024 and this document, the Issuer, our Guarantor and their respective subsidiaries are not aware of any litigation or claims of material importance pending or threatened against any of them.

Have the Issuer's and the Guarantor's financial positions changed since last financial year-end?

Save as disclosed in the paragraph headed "Have the Issuer's and the Guarantor's financial positions changed since last financial year-end?" on page 5 of our Base Listing Document:

(i) there has been no material adverse change in the financial or trading position of the Issuer since 31 December 2023; and

(ii) there has been no material adverse change in the financial or trading position of our Guarantor since 31 December 2023.

How can you get further information about us and/or the Guarantor?

You may visit *www.bnpparibas.com* to obtain further information about us and/or the Guarantor.

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SUPPLEMENTAL INFORMATION IN RELATION TO US AND THE GUARANTOR

With effect from 12 June 2024, the information relating to the paragraph under the section headed "Authorised representatives" on Page 7 of the Base Listing Document will be changed and replaced as follows:

"Lynn E Lin and Kenny Ko, each of 60th Floor, Two International Finance Centre, 8 Finance Street, Central, Hong Kong, are our authorised representatives and are authorised to accept services of process and notices on our behalf in Hong Kong.".

APPENDIX 1

EXTRACT OF THE INTERIM FINANCIAL STATEMENTS OF THE ISSUER FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

The information set out in this Appendix 1 has been extracted from our interim financial statements for the six-month period ended 30 June 2024. References to page numbers on the following pages are to the page numbers of our interim financial statements.

Our interim financial statements have been prepared in accordance with our usual accounting policies and procedures.

BNP PARIBAS ISSUANCE B.V.

Herengracht 595
1017 CE Amsterdam, the Netherlands
Chamber of Commerce Amsterdam no. 33215278

Interim report and financial statements for the six months period ended 30 June 2024

Independent auditor

Deloitte Accountants B.V.
Gustav Mahlerlaan 2970, P.O. Box 58110, 1040 HC Amsterdam, The Netherlands

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BNP PARIBAS ISSUANCE B.V.

Directors' Report

The Directors present their report and the reviewed financial statements of BNP Paribas Issuance B.V. for six months period ended 30 June 2024.

Principal activity of the company

BNP Paribas Issuance B.V. ('the Company') was incorporated on 10 November 1989 under the law of the Netherlands.

The principal activity of the Company is the issuance of structured products such as warrants, certificates, notes and to enter into hedging agreements with other BNP Paribas companies to hedge against various risks.

Review of business

During the period, the Company continued to issue structured products to private investors worldwide. The proceeds from the sale of the structured products were used to fund the activities of other BNP Paribas S.A. undertakings through certain economic hedging arrangements. The principal purpose of these hedging arrangements is to hedge the Company against various risks associated with the structured product issuance activity. The Company's ultimate controlling company is BNP Paribas S.A.

Strategy and future outlook

BNP Paribas Issuance B.V. is the main issuer of structured products of BNP Paribas Group. The Company operates on all platforms of Global Markets (Europe, Americas and Asia). It is a wholly-owned subsidiary of BNP Paribas S.A. (the Parent) and is fully guaranteed in respect of all its obligations by BNP Paribas S.A. The Company issues secured or unsecured certificates, notes or warrants. The issued securities can be listed on regulated or unregulated markets.

It is expected that the Company will continue to issue structured products.

The Company did not engage in any research and development activities, investment nor financing activities during the six months period ended 30 June 2024 other than those already disclosed in this report, and is not expected to do so during the following year.

Principal risks and uncertainties

The Company's activities are exposed to various risks, which are managed using BNP Paribas' risk management framework. The Company has a low risk appetite and does not enter into unhedged economic positions.

Market risk

The Company takes on exposure to market risks arising from positions in interest rates, currency exchange rates, commodities and equity products, all of which are exposed to general and specific market movements. However, these risks are hedged by swap agreements with BNP Paribas Group companies and OTC option agreements or collateral arrangements and therefore these risks are mitigated in principle.

Credit risk

The Company has a significant concentration of credit risks as all OTC contracts are acquired from its parent and other BNP Paribas Group companies. Taking into consideration the objectives and activities of the Company and the fact that the BNP Paribas Group is under the supervision of the European Central Bank and the Autorité de controle prudentiel et de résolution, Paris, the Directors consider these risks as acceptable. The long term senior debt of BNP Paribas S.A. is rated (A+) by Standard & Poor's and (Aa3) by Moody's.

Liquidity risk

The Company has significant liquidity risk exposure. To mitigate this exposure, the Company entered into netting agreements with its parent and other BNP Paribas Group companies.

Operating result and dividends

The results for the six months period ended 30 June 2024 are set out on page 7 and show the Company's profit for the period after taxation is 64,061 EUR (56,192 EUR for the six months period ended 30 June 2023).

No dividends were paid or proposed during the six months period ended 30 June 2024.

Directors

The Directors of the Company who served during the six months period ended 30 June 2024 and up to the date of signing the financial statements, were:

Edwin Herskovic
Cyril Le Merrer
Folkert Van Asma
Geert Lippens (resigned on 25 March 2024)
Hugo Peek (appointed on 25 March 2024)
Matthew Yandle

The Directors mentioned above are together authorised to represent the Company. The Directors of the Company are employed by the Company. The number of employees is expected to remain stable during the following year.

Statement under the Transparency Directive (as implemented in Dutch law)

According to the Board's best knowledge based on International Financial Reporting Standards (IFRS-EU) as endorsed by the European Union, the attached financial statements present a true and fair view of the assets, liabilities, financial position, and profit of the Company for the the six months period ended 30 June 2024. Accordingly, the interim report, including the directors' report and the financial statements, provides a true and fair view of the Company's position as at 30 June 2024.

As BNP Paribas S.A. fulfils the requirements at group level, the Company is exempted from establishing its own Audit Committee under Article 3a of the Royal Decree of 26 July 2008 adopting EU Directive 2006/43EG. In accordance with the recommendations of the EU Commission, BNP Paribas S.A. has an Audit Committee that is made of independent directors who are not members of the Executive committee.

Independent auditors

As of 30 June 2022, Deloitte Accountants B.V. has been appointed as the independent external auditor of the company.

Amsterdam, 11 September 2024

The Board of Directors,

Signed by

Cyril Le Merrer

Edwin Herskovic

Financial statements

(before profit appropriation)

Balance Sheet

	Notes	30 June 2024	31 December 2023
Assets		€	€
Non-Current Assets			
Financial assets held at fair value through profit and loss	4.1	94,366,932,887	97,094,582,619
Financial assets designated at fair value through profit or loss	4.2	3,823,068,868	2,545,414,411
Financial assets at amortised cost	4.3	-	88,659,779
Total Non-Current Assets		**98,190,001,755**	**99,728,656,809**
Current Assets			
Financial assets held at fair value through profit and loss	4.4	47,421,893,505	25,222,420,892
Financial assets designated at fair value through profit or loss	4.5	460,285,217	1,609,394,850
Financial assets at amortised cost	4.6	-	-
Trade and other receivables	4.7	1,518,486	3,193,007
Cash and cash equivalents	4.8	8,037,602	3,498,827
Total Current Assets		**47,891,734,810**	**26,838,507,576**
Total Assets		**146,081,736,565**	**126,567,164,385**
Liabilities			
Non-Current Liabilities			
Financial liabilities designated at fair value through profit or loss	4.9	85,313,654,338	89,212,731,768
Financial liabilities held at fair value through profit and loss	4.10	12,876,347,417	10,427,265,262
Financial liabilities at amortised cost	4.11	-	88,659,779
Total Non-Current Liabilities		**98,190,001,755**	**99,728,656,809**
Current Liabilities			
Financial liabilities designated at fair value through profit or loss	4.12	42,659,340,667	24,093,437,960
Financial liabilities held at fair value through profit and loss	4.13	5,222,838,055	2,738,377,781
Financial liabilities at amortised cost	4.14	-	-
Trade and other payables	4.15	4,186,446	5,870,946
Current tax liability	4.16	1,284	16,591
Total Current Liabilities		**47,886,366,452**	**26,837,703,278**
Total Liabilities		**146,076,368,207**	**126,566,360,088**

	Notes	30 June 2024	31 December 2023
Equity		€	€
Capital and reserves attributable to equity shareholders of the Company			
Share capital	4.17	4,545,379	45,379
Share premium reserve		-	-
Legal reserve		-	-
Retained earnings		758,918	702,726
Profit for the year		64,061	56,192
Total Equity	4.18	**5,368,358**	**804,297**
Total Liabilities and Equity		**146,081,736,565**	**126,567,164,385**

Income Statement

	Notes	30 June 2024	30 June 2023
		€	€
Net income on financial instruments at FVPL		-	-
Net income on financial instruments at amortised cost		-	-
Fee income and other income		586,089	337,202
Operating expenses		-504,558	-308,434
Net foreign exchange (loss)/gain		-	-
Operating profit	4.19	**81,531**	**28,768**
Bank costs and similar charges		-2,443	506
Profit before corporate income tax		**79,088**	**29,274**
Corporate income tax	4.20	-15,027	-5,562
Profit for the period attributable to equity shareholders (parent)		**64,061**	**23,712**

Statement of Comprehensive Income

There were no other items of comprehensive income or expense other than the profit for the financial period shown above. As a result, the profit for the financial period represents total comprehensive income.

The notes on pages 9 - 32 form an integral part of the financial statements.

Statement of Changes in Equity

Changes for the six month period ended 30 June 2024	Share Capital	Share Premium Reserve	Legal Reserve	Retained Earnings	Undistributed profit	Total
	€	€	€	€	€	€
Balance as at 1 January 2023	**45,379**	**-**	**-**	**702,726**	**-**	**748,105**
Profit for the period	-	-	-	-	23,712	23,712
Balance as at 30 June 2023	**45,379**	**-**	**-**	**702,726**	**23,712**	**771,817**
Profit for the period	-	-	-	-	32,480	32,480
Balance as at 31 December 2023	**45,379**	**-**	**-**	**702,726**	**56,192**	**804,297**
Balance as at 1 January 2024	45,379	-	-	758,918	-	804,297
Profit for the period	-	-	-	-	64,061	64,061
Capital increase	4,500,000	-	-	-	-	4,500,000
Balance as at 30 June 2024	**4,545,379**	**-**	**-**	**758,918**	**64,061**	**5,368,358**

Statement of Cash Flows

Cash and cash equivalents refers to the line item on the balance sheet that reports the value of the Company's assets that are cash or can be converted into cash immediately. Cash equivalents include merely bank accounts.

	Notes	30 June 2024	30 June 2023
Cash flow from operating activities		€	€
Received reimbursed issuing expenses		8,183,343	4,415,834
Received reimbursed operating expenses		126,934	284,820
Paid issuing expenses		-7,877,558	-3,777,814
Paid operating expenses		-327,052	-669,123
Interest income	5	38,672,159	28,747,535
Interest expense	5	-38,672,159	-28,747,535
Transactions with customers and credit institution		137,788	3,153,462
Salaries		-55,610	-
Net taxes (paid/received)		-149,070	-482
Cash flow from / (used in) operating activities		**38,775**	**253,235**
Cash flow from financing activities		€	€
Capital increase		4,500,000	-
Cash flow from / (used in) financing activities		**4,500,000**	**-**
Net increase/(decrease) in cash and cash equivalents		4,538,775	253,235
Net cash and cash equivalents at the beginning of the year		3,498,827	671,576
Net cash and cash equivalents at the end of the year		**8,037,602**	**924,811**

Refer to page 12 for the principles for the preparation of the cash flow statement.

Notes to the financial statements

1. GENERAL INFORMATION

BNP Paribas Issuance B.V. (the Company), having its registered address in Amsterdam, was incorporated under the law of the Netherlands on 10 November 1989 as a private limited liability company.

The Company is registered at the Chamber of Commerce Amsterdam with no. 33215278.

The principal activity of the Company is the issuance of structured products such as warrants, certificates, notes and to enter into hedging agreements with other BNP Paribas companies to hedge against various risks.

All outstanding shares of the Company are owned by BNP Paribas S.A., France (direct and ultimate parent). The Company is a fully consolidated company of the BNP Paribas Group. The financial statements of BNP Paribas S.A. can be found on the website group.bnpparibas.com.

The Company's main activity is the issuance of structured products comprising certificates, warrants and notes, and the hedging of associated risks through hedging agreements with other BNP Paribas companies. The valuation of a structured product will have no impact on the income statement, capital or net assets since the change in valuation of a structured product will have an equal offsetting change in the value of the hedging transaction with other BNP Paribas companies.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

These interim financial statements have been prepared in accordance with IAS 34 "Interim Financial Reporting" and with Part 9 of Book 2 of the Netherlands Civil Code.

All amounts are stated in euros, the reporting currency which is also the functional currency of the Company, unless stated otherwise.

The accounting principles of the Company are summarised below. These accounting principles have all been applied consistently throughout the period and the preceding financial year unless indicated otherwise.

Accounting convention

The accounts are prepared under the historical cost convention, except for the financial instruments that are measured at fair value.

Going concern basis

The Financial Statements have been prepared on a going concern basis. The Company has a master hedging agreement with BNP Paribas Group companies under which issued securities are hedged by swap agreements and OTC option agreements or collateral arrangements. In addition, the Company has an agreement with BNP Paribas Group companies to recharge its operating expenses at a margin of 10%.

Use of estimates and judgements

The preparation of the Financial Statements requires management to exercise its judgement, make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In classifying a financial instrument in the valuation hierarchy, judgement is applied in determining whether one or more inputs are observable and significant to the fair value measurement. A financial instrument's categorisation within the valuation hierarchy is based on the lowest level of input that is significant to the fair value measurement. For instruments classified in levels 2 and 3, management judgement must be applied to assess the appropriate models and level of valuation adjustments.

Details on the Company's level 3 financial instruments are set out in the notes to the balance sheet.

Financial instruments

Financial assets and liabilities are recognised on the balance sheet when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are derecognised when those contractual provisions are expired or transferred.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

The fair values of the hedging agreements are calculated the same way as their related issued securities.

Amortised cost

Financial assets are measured at amortised cost if :
- they are held under a business model with the objective of collecting contractual cash flows ("Hold to Collect");
- they have contractual terms under which cash flows are solely payments of principal and interest ("SPPI");
- they are not designated as measured at fair value.

Fair value

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

Fair value through profit or loss

Financial assets and financial liabilities are measured at fair value through profit or loss (FVTPL) if they are held for trading. A financial asset or a financial liability is defined as “held for trading” if it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term, or forms part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit taking.

Designated at fair value through profit or loss

Financial assets and financial liabilities are designated as measured at fair value through profit or loss only if the designation:

- Eliminates or significantly reduces a measurement or recognition inconsistency;
- Or applies to a group of financial assets, financial liabilities or both that the Company manages and evaluates on a fair value basis;
- Relates to an instrument that contains an embedded derivative unless the embedded derivative does not significantly modify the cash flows required by the contract or when a similar hybrid instrument is considered that separation of the embedded derivative is prohibited.

Offsetting financial assets and financial liabilities

No financial assets and liabilities have been offset on the balances as at 30 June 2024.

Impairment of financial assets

The Company has a significant concentration of credit risks as all hedging contracts are acquired from its parent Company and other group companies. Taking into consideration the objectives and activities of the Company and the fact that the BNP Paribas Group is under supervision of the European Central Bank and the *Autorité de controle prudentiel et de résolution*, Paris, the Management Board considers these risks as acceptable. The long term senior debt of BNP Paribas Group is rated (A+) by Standard & Poor's and (Aa3) by Moody's.

Despite the significant credit risk, the Company does not impair its financial assets as the credit risk is fully transferred to its parent entity by entering into hedge agreements with BNP Paribas SA.

The Company does not hold any Traditional Credit Products (TCP) instruments. Non-TCP consists of financial assets measured at amortised cost which include trade and other receivables and cash instruments. The non-TCP are receivables from companies of the BNP Paribas Group.

Recognition of income and expenses

The net result of financial instruments includes capital gains or losses, currency results, interest income and expense or changes in fair value on the issued securities and related hedging contracts. As the Company enters into a swap agreement with a BNP Paribas Group Company and an OTC option on exactly the same terms and conditions of the issued security or a collateral arrangement on each issue of securities, there is a complete hedge of the economic risk of the Company. Therefore, the net result of the financial instruments equals zero and is recorded on a net basis. The gross results on fair value measuring and interest income / costs will be presented separately (see note 4.19).

Fee income, other income and operating expenses are taken in the period to which they relate. Profits are recognised in the period they are realised; losses are taken as soon as they are foreseeable.

If securities are exercised against the Company, the Company fulfils its obligation by exercising the related swap agreements or OTC contracts entered into with companies of the BNP Paribas Group. Issued securities and related swap agreements and OTC contracts are released simultaneously. Issued securities not exercised at maturity and the related swap agreements and OTC contracts are released without any further future obligation to the Company.

Net result financial instruments

The net result for financial instruments includes capital gains and losses, currency results, interest income and expense and changes in fair value on the issued securities and related swap agreements and OTC contracts. As the Company enters into an OTC option or swap agreement with a BNP Paribas Group company on exactly the same terms and conditions of the issued security at each issue of securities, there is a complete hedge of the economic risk of the Company. Therefore, the net result on the financial instruments equals zero and is recorded on a net basis.

Currencies

The functional currency of the Company is the Euro.

Balance sheet items denominated in currencies other than the Euro are translated at the rate of exchange prevailing on the balance sheet date. Transactions in foreign currencies (not concerning derivatives) during the reporting period have been incorporated at the rate of settlement.

The premiums of the issued securities and the cost of the related swap agreements are denominated in different currencies. Moreover, the underlying contracts of the securities have their own currency denominations, which are often based on a basket of currencies. The net effect of the currency risk is nil though, as this risk is completely hedged.

Corporate income tax

Tax on the Profit and Loss for the period is calculated by applying the applicable rates for the financial year. Income tax payable on taxable profits (current tax) is recognised as an expense in the period in which the profits arise. Income tax recoverable on tax allowable losses is recognised as a current tax asset only to the extent that it is regarded as recoverable by offset against taxable profits arising in the current or prior period. Current tax is measured using tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

Cash and cash equivalents

Cash and cash equivalents comprise cash and demand deposits with banks, net of outstanding bank overdrafts, along with highly liquid investments, with original maturities of three months or less, that are readily convertible to known amounts of cash and subject to insignificant risk of change in value.

Share capital

The share capital of the Company consists of ordinary shares, classified as equity.

3. PRINCIPLES FOR PREPARATION OF THE CASH FLOW STATEMENT

The cash flow statement is prepared according to the direct method and consists of cash only.

Netting agreements between the Company and the BNP Paribas Group companies have been drawn up for all cash flows resulting from securities and hedging agreements to avoid that payments have to be made for these flows.

4. NOTES TO THE BALANCE SHEET AND INCOME STATEMENT

Measurement of the fair value of financial instruments

The Company establishes securities programmes and issues securities such as warrants, notes and certificates exercisable pursuant to the terms and conditions of such securities programmes. The BNP Paribas Group companies have agreed to purchase the securities at the same time. The BNP Paribas Group companies distribute the securities to third parties. BNP Paribas S.A. acts as guarantor for the securities programmes towards the investors.

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

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

When issued, securities are publicly offered or privately placed. Sometimes, privately placed securities are listed on the secondary market. Listed securities are listed on stock exchanges in and outside of the European Union; the related OTC contracts are not listed. The majority of the issued securities are not traded actively in active markets.

No accrued interest is presented on the balance sheet because the accrued interest is part of the market value of the derivatives as disclosed on the balance sheet. The net result on the derivatives equals zero and is recorded on a net basis in the profit and loss account, see note 4.19.

Description of the main instruments on each level

The following section provides a description of the instruments at each level in the hierarchy.

Level 1: fair values are determined using directly quoted prices in active markets for identical assets and liabilities. Characteristics of an active market include the existence of a sufficient frequency and volume of activity and of readily available prices.

Level 2: the Level 2 stock of securities is composed of securities which are less liquid than Level 1 securities. Fair values are determined based on valuation techniques for which significant inputs are observable market data, either directly or indirectly. These techniques are regularly calibrated and the inputs are corroborated with information from active markets.

Derivatives classified in Level 2 comprise mainly the following instruments:

- Vanilla instruments such as interest rate swaps, caps, floors and swaptions, credit default swaps, equity/foreign exchange (FX)/commodities forwards and options;

- Structured derivatives for which model uncertainty is not significant, such as exotic FX options, mono- and multi-underlying equity/funds derivatives, single curve exotic interest rate derivatives and derivatives based on structured rates.

The above derivatives are classified in Level 2 when there is a documented stream of evidence supporting one of the following:

- Fair value is predominantly derived from prices or quotations of other Level 1 and Level 2 instruments, through standard market interpolation or stripping techniques whose results are regularly corroborated by real transactions;

- Fair value is derived from other standard techniques such as replication or discounted cash flows that are calibrated to observable prices, that bear limited model risk and enable an effective offset of the risks of the instrument through trading Level 1 or Level 2 instruments;

- Fair value is derived from more sophisticated or proprietary valuation techniques but is directly evidenced through regular back-testing using external market-based data.

Determining whether an over-the-counter (OTC) derivative is eligible for Level 2 classification involves judgement. Consideration is given to the origin, transparency and reliability of external data used, and the amount of uncertainty associated with the use of models. It follows that the Level 2 classification criteria involve multiple analysis axis within an “observability zone” whose limits are determined by i) a predetermined list of product categories and ii) the underlying and maturity bands. These criteria are regularly reviewed and updated, together with the applicable valuation adjustments, so that the classification by level remains consistent with the valuation adjustment policy.

Level 3: fair values are determined using valuation techniques for which significant inputs are unobservable or cannot be corroborated by market-based observations, due, for instance, to the illiquidity of the instrument and significant model risk. An unobservable input is a parameter for which there is no market data available and that is therefore derived from proprietary assumptions about what other market participants would consider when assessing fair value. The assessment of whether a product is illiquid or subject to significant model risks is a matter of judgment. The level in the fair value hierarchy within which the asset or liability is categorised in its entirety is based upon the lowest level input that is significant to the entire fair value. All given estimated fair values are related to the market conditions prevailing at the year's end; the future values may differ.

Vanilla derivatives are classified in Level 3 when the exposure is beyond the observation zone for rate curves or volatility surfaces, or relates to less liquid markets such as tranches on old credit index series or emerging markets interest rates markets.

These vanilla derivatives are subject to valuation adjustments linked to uncertainty about liquidity, specialised by the nature of underlying and liquidity bands.

Structured derivatives classified in Level 3 predominantly comprise structured derivatives, of which are hybrid products (FX/Interest Rates hybrids, Equity hybrids), credit correlation products, prepayment sensitive products, some stock basket optional products and some interest rate optional instruments.

The table below presents the assets and liabilities reported at fair value by major product category and fair value hierarchy.

At 30 June 2024	**Level 1**	**Level 2**	**Level 3**	**Total**
	€	€	€	€
Financial assets held at fair value through profit and loss:				
Funded and unfunded OTC as well as reverse repurchase agreements	-	81,375,242,842	60,413,583,550	141,788,826,392
Non-current assets (remaining maturity over 1 year)				*94,366,932,887*
Current assets (remaining maturity less than 1 year)				*47,421,893,505*
Financial assets designated at fair value through profit or loss:				
Bonds	-	-	4,283,354,085	4,283,354,085
Non-current assets (remaining maturity over 1 year)				*3,823,068,868*
Current assets (remaining maturity less than 1 year)				*460,285,217*
Total Financial Assets	**-**	**81,375,242,842**	**64,696,937,635**	**146,072,180,477**
Financial liabilities held at fair value through profit and loss:				
Warrants	-	6,745,087,064	11,354,098,408	18,099,185,472
Non-current liabilities (remaining maturity over 1 year)				*12,876,347,417*
Current liabilities (remaining maturity less than 1 year)				*5,222,838,055*
Financial liabilities designated at fair value through profit or loss:				
Medium term notes and Certificates	-	74,630,155,778	53,342,839,227	127,972,995,005
Non-current liabilities (remaining maturity over 1 year)				*85,313,654,338*
Current liabilities (remaining maturity less than 1 year)				*42,659,340,667*

Total Financial Liabilities	**-**	**81,375,242,842**	**64,696,937,635**	**146,072,180,477**

At 31 December 2023	Level 1	Level 2	Level 3	Total
	€	€	€	€
Financial assets held at fair value through profit and loss:				
Funded and unfunded OTC as well as reverse repurchase agreements	-	75,941,069,514	46,375,933,997	122,317,003,511
Non-current assets (remaining maturity over 1 year)				*97,094,582,619*
Current assets (remaining maturity less than 1 year)				*25,222,420,892*
Financial assets designated at fair value through profit or loss:				
Bonds	-	-	4,154,809,261	4,154,809,261
Non-current assets (remaining maturity over 1 year)				*2,545,414,411*
Current assets (remaining maturity less than 1 year)				*1,609,394,850*
Total Financial Assets	**-**	**75,941,069,514**	**50,530,743,258**	**126,471,812,772**
Financial liabilities held at fair value through profit and loss:				
Warrants	-	3,974,441,751	9,191,201,292	13,165,643,043
Non-current liabilities (remaining maturity over 1 year)				*10,427,265,262*
Current liabilities (remaining maturity less than 1 year)				*2,738,377,781*
Financial liabilities designated at fair value through profit or loss:				
Medium term notes and Certificates	-	71,966,627,763	41,339,541,966	113,306,169,729
Non-current liabilities (remaining maturity over 1 year)				*89,212,731,768*
Current liabilities (remaining maturity less than 1 year)				*24,093,437,960*
Total Financial Liabilities	**-**	**75,941,069,514**	**50,530,743,258**	**126,471,812,772**

Valuation process

BNP Paribas Group has retained the fundamental principle that it should have a unique and integrated processing chain for producing and controlling the valuation of financial instruments that are used for the purpose of daily risk management and financial reporting. All these processes are based on a common economic valuation which is a core component of business decisions and risk management strategies.

Economic value is composed of mid-market value, to which valuation adjustments may be added.

Mid-market value is derived from external data or valuation techniques that maximise the use of observable and market-based data. Mid-market value is a theoretical additive value which does not take account of i) the direction of the transaction or its impact on the existing risks in the portfolio, ii) the nature of the counterparties, and iii) the aversion of a market participant to particular risks inherent in the instrument, the market in which it is traded, or the risk management strategy.

Valuation adjustments take into account valuation uncertainty and include market and credit risk premiums to reflect costs that could be incurred in case of an exit transaction in the principal market.

Fair value generally equals economic value, subject to limited adjustments, such as own credit adjustments, which are specifically required by IFRS standards.

The valuation adjustment for counterparty credit risk (CVA) and own-credit risk for derivatives (DVA) are deemed to be unobservable components of the valuation framework and therefore classified in Level 3. This does not impact, in general cases, the classification of individual transactions into the fair value hierarchy. However, a specific process allows to identify individual deals for which the marginal contribution of these adjustments and related uncertainty is significant and justifies classifying these transactions in Level 3.

The table below provides the range of values of main unobservable inputs for the valuation of Level 3 financial instruments. The ranges displayed correspond to a variety of different underlying instruments and are meaningful only in the context of the valuation technique implemented by BNP Paribas. The weighted averages, where relevant and available, are based on fair values, nominal amounts or sensitivities.

The main unobservable parameters used for the valuation of debt issued in Level 3 are equivalent to those of their economic hedge derivative. Information on those derivatives, displayed in the following table, is also applicable to these debts.

Risk classes	Balance Sheet valuation (in millions of euros)		Main product types composing the Level 3 stock within the risk class	Valuation technique used for the product types considered	Main unobservable inputs for the product types considered	Range of unobservable input across Level 3 population considered	Weighted average
	Asset	Liability					
Repurchase agreements	5,791	-	Long-term repo and reverse-repo agreements	Proxy techniques, based amongst other on the funding basis of a benchmark bond pool, that is actively traded and representative of the repo underlying	Long-term repo spread on private bonds (High Yield, High Grade) and on ABS	0 bp to 93 bp	29 bp (a)
			Hybrid Forex / Interest rates derivatives	Hybrid Forex interest rate option pricing model	Correlation between FX rate and interest rates. Main currency pairs are EUR/JPY, USD/JPY, AUD/JPY	-25% to 48%	0.23% (a)
			Hybrid inflation rates / Interest rates derivatives	Hybrid inflation interest rate option pricing model	Correlation between interest rates and inflation rates mainly in Europe.	22% to 41%	34%

Interest rate derivatives	11,366	-	Floors and caps on inflation rate or on the cumulative inflation (such as redemption floors), predominantly on European and French inflation	Inflation pricing model	Volatility of cumulative inflation	1.3% to 11.7%	(b)
					Volatility of the year-on-year inflation rate	0.3% to 2.6%	
			Forward Volatility products such as volatility swaps, mainly in euros	Interest rates option pricing model	Forward volatility of interest rates	0.5% to 0.9%	(b)
			Balance-guaranteed fixed rate, basis or cross currency swaps, predominantly indexed on European collateral pools	Prepayment modelling Discounted cash flows	Constant prepayment rates	0% to 25%	0.4% (a)
Credit derivatives	18,766	-	Collateralised Debt Obligations and index tranches for inactive index series	Base correlation projection technique and recovery modelling	Base correlation curve for bespoke portfolios	18% to 85%	(b)
					Recovery rate variance for single name underlyings	0% to 25 %	(b)
			N-to-default baskets	Credit default mode	Default correlation	50% to 83%	56% (a)
			Single name Credit Default Swaps (other than CDS on ABs and loans indices)	Stripping, extrapolation and interpolation	Credit default spreads beyond observation limit (10 years)	N.A	99 bp
					Illiquid credit default spread curves (across main tenors)	2 bp to 1,436 bp (1)	101 bp ©
Equity derivatives	111,902	-	Simple and complex derivatives on multiunderlying baskets on stocks	Various volatility option models	Unobservable equity volatility	7% to 130% (2)	23% (d)
					Unobservable equity correlation	11% to 100%	62% (c)

For Level 3 financial instruments, the following movements occurred during the first half of 2024:

Level 3	**Assets**		**Liabilities**	
	FVPL	**FVPL designated**	**FVPL**	**FVPL designated**
At 31 December 2023	**46,375,933,996**	**4,154,809,261**	**9,191,201,292**	**41,339,541,965**
Purchases	9,966,897,736	133,950,059	-	-
Issues	-	-	420,457,707	9,680,390,088
Change in unrealised gain/loss	971,686,033	91,320,071	1,771,639,449	-708,633,345
Sales	-9,017,061,658	-96,725,306	-	-
Settlements	-	-	-437,819,557	-8,675,967,407
Transfers to L3	12,483,354,187	-	408,710,546	12,074,643,641
Transfers from L3	-367,226,744	-	-91,029	-367,135,715
At 30 June 2024	**60,413,583,550**	**4,283,354,085**	**11,354,098,408**	**53,342,839,227**

Sensitivity of fair value to reasonably possible changes in level 3 assumptions

Financial instruments issued by the Company are hedged against various risk, including price risk, by entering into hedging agreements with other BNP Paribas group companies. Hence, the use of unobservable inputs would not impact neither the income nor the equity of the Company. As a result, as at 30 June 2024, no sensitivity analysis for level 3 financial instruments is disclosed.

4.1 Financial assets held at fair value through profit and loss (Non-current).

Financial assets held at fair value through profit or loss consist of derivatives and non-derivative financial instruments (funded and unfunded OTC as well as reverse repurchase agreements) with a remaining maturity of more than 1 year. Below is the relevant balance.

Financial assets held at fair value through profit and loss	30 June 2024	31 December 2023
	€	€
Non-current assets (remaining maturity over 1 year)	94,366,932,887	97,094,582,619

4.2 Financial assets designated at fair value through profit or loss (Non-current)

Financial assets designated at fair value through profit or loss consist of bonds with a remaining maturity of more than 1 year. Below is the relevant balance.

Financial assets designated at fair value through profit or loss	30 June 2024	31 December 2023
	€	€
Non-current assets (remaining maturity over 1 year)	3,823,068,868	2,545,414,411

4.3 Financial assets at amortised cost (Non-current)

Financial assets at amortised cost consist of repo transactions between the Company and BNP Paribas group with a remaining maturity of more than 1 year. Below is the relevant balance.

Since the exposure is to BNP Paribas and is collateralised, the Expected Credit Loss ("ECL") can be disregarded as not significant.

Financial assets at amortised cost	30 June 2024	31 December 2023
	€	€
Non-current assets (remaining over 1 year)	-	88,659,779

4.4 Financial assets held at fair value through profit and loss (Current)

Financial assets held at fair value through profit or loss consist of derivatives and non-derivative financial instruments (funded and unfunded OTC as well as reverse repurchase agreements) with a remaining maturity up to 1 year. Below is the relevant balance.

Financial assets held at fair value through profit and loss	30 June 2024	31 December 2023
	€	€
Current assets (remaining maturity lower than 1 year)	47,421,893,505	25,222,420,892

4.5 Financial assets designated at fair value through profit or loss (Current)

Financial assets designated at fair value through profit or loss consist of bonds with a remaining maturity up to 1 year. Below is the relevant balance.

Financial assets designated at fair value through profit or loss	30 June 2024	31 December 2023
	€	€
Current assets (remaining maturity less than 1 year)	460,285,217	1,609,394,850

4.6 Financial assets at amortised cost (Current)

Financial assets at amortised costs consist of repo transactions between the Company and BNP Paribas group with a remaining maturity lower than 1 year. Below is the relevant balance.

Since the exposure is to BNP Paribas and is collateralised, the Expected Credit Loss ("ECL") can be disregarded as not significant.

Financial Assets at amortised cost	30 June 2024	31 December 2023
	€	€
Current assets (remaining maturity lower than 1 year)	-	-

4.7 Trade and other receivables

Trade and other receivables include only amounts falling due within one year.

Since the exposure basically is to BNP Paribas, the Expected Credit Loss ("ECL") can be disregarded as not significant.

	30 June 2024	31 December 2023
	€	€
Amounts falling due within one year		
Amounts owed by intragroup companies	1,518,486	3,193,007
Trade and other receivables (others)	-	-
Total	**1,518,486**	**3,193,007**

<u>Current tax asset</u>

There are no current tax assets at the date of the reporting period.

4.8 Cash and cash equivalents

The balance stated below considers the position with regard to current bank accounts held by BNP Paribas.

	30 June 2024	31 December 2023
	€	€
Cash receivables	-	-
Cash held with BNP intragroup companies	8,037,602	3,498,827
Cash held with third parties	-	-
Bank overdraft	-	-
Balances due to BNP Paris intragroup companies	-	-
Balances due to third parties	-	-
Net cash and cash equivalents as reported in the cash flow statement	**8,037,602**	**3,498,827**

4.9 Financial liabilities designated at fair value through profit or loss (Non-current)

Financial liabilities designated at fair value through profit or loss consist of medium-term notes and certificates with a remaining maturity of more than 1 year. Below is the relevant balance.

Financial liabilities designated at fair value through profit or loss	30 June 2024	31 December 2023
	€	€
Non-current liabilities (remaining maturity over 1 year)	85,313,654,338	89,212,731,768

4.10 Financial liabilities held at fair value through profit or loss (Non-current)

Financial liabilities held at fair value through profit or loss consist of warrants with a remaining maturity of more than 1 year. Below is the relevant balance.

Financial liabilities held at fair value through profit or loss	30 June 2024	31 December 2023
	€	**€**
Non-current liabilities (remaining maturity over 1 year)	12,876,347,417	10,427,265,262

4.11 Financial liabilities at amortised cost (Non-current)

Financial assets at amortised cost consist of medium-term notes related to ‘Resonance’ transactions (securitization) with a remaining maturity of more than 1 year. Below is the relevant balance.

Financial liabilities at amortised cost	30 June 2024	31 December 2023
	€	€
Non-current liabilities (remaining maturity over 1 year)	-	88,659,779

4.12 Financial liabilities designated at fair value through profit or loss (Current)

Financial liabilities designated at fair value through profit or loss consist of medium-term notes and certificates with a remaining maturity up to 1 year. Below is the relevant balance.

Financial liabilities designated at fair value through profit or loss	**30 June 2024**	**31 December 2023**
	€	€
Current liabilities (remaining maturity lower than 1 year)	42,659,340,667	24,093,437,960

4.13 Financial liabilities held at fair value through profit or loss (Current)

Financial liabilities held at fair value through profit or loss consist of warrants with a remaining maturity up to 1 year. Below is the relevant balance.

Financial liabilities held at fair value through profit or loss	**30 June 2024**	**31 December 2023**
	€	€
Current liabilities (remaining maturity lower than 1 year)	5,222,838,055	2,738,377,781

4.14 Financial liabilities at amortised cost (Current)

Financial assets at amortised costs consist of medium-term notes related to 'Resonance' transactions (securitization) with a remaining maturity lower than 1 year. Below is the relevant balance.

Financial liabilities at amortised cost	**30 June 2024**	**31 December 2023**
	€	€
Current assets (remaining maturity lower than 1 year)	-	-

4.15 Trade and other payables

Trade and other payables consist of amounts falling due within one year.

	30 June 2024	**31 December 2023**
	€	€
Amounts falling due within one year		
Amounts owed to intragroup companies	150,962	1,861,658
Trade and other payables (others)	4,035,484	4,009,287
Total	**4,186,446**	**5,870,946**

4.16 Current tax liability

The current tax liabilities consists of tax payables due to the Dutch Tax Authority.

	30 June 2024	31 December 2023
	€	€
Corporate income tax	1,284	16,591
Total	**1,284**	**16,591**

4.17 Share capital

The authorised and issued share capital is fully paid. The relevant amounts are stated below.

Authorised share capital	
31 December 2023: Ordinary shares 45 379 shares of €1 each	45,379
Capital increase of 4,500,000 shares of €1 each	4,500,000
30 June 2024: Share capital of 4,545,379 shares of €1 each	**4,545,379**

Issued and fully paid share capital	
31 December: 2023 Ordinary shares 45 379 shares of €1 each	45,379
Capital increase of 4,500,000 shares of €1 each	4,500,000
30 June 2024: Share capital of 4,545,379 shares of €1 each	**4,545,379**

4.18 Total equity (managed capital)

The Company's managed capital as at 30 June 2024 consists entirely of its issued share capital of 4,545,379 EUR, retained earnings of 758,918 EUR and profit for the year of 64,061 with a total capital of 5,368,358 EUR.

There are no external requirements applicable with regard to the Company's managed capital.

4.19 Operating profit

Net income on financial instruments at fair value through Profit and Loss

Net income on financial instruments measured at fair value through profit and loss include all profit and loss items relating to financial instruments held at fair value through profit and loss and financial instruments designated at fair value through profit and loss.

Net income on financial instruments at amortised cost

Net income on financial instruments measured at amortised cost include all profit and loss items relating to financial instruments measured at amortised cost.

Fee income and other income

Fee income and other income include recharged operating expenses increased with an up-count of 10%, based on cost plus agreements with BNP Paribas Group companies concluded for an indefinite period of time. These costs have been or will be invoiced to BNP Paribas Group companies:

- BNP Paribas S.A. receives all fee and commission income from its other businesses.
- The Company reimburses all fees and commission expenses that are paid by other BNP Paribas.

Auditor's remuneration

	30 June 2024	30 June 2023
	€	€
Audit fees	61,757	17,500

The Audit fees amount as of 30 June 2024 is covering the review of the interim financial statements and the audit of the year-end financial statements.

4.20 Corporate income tax

	30 June 2024	30 June 2023
	€	€
Current tax	15,027	5,562
Tax on profit on ordinary activities	**15,027**	**5,562**
Profit for the year before tax	79,087	29,274
Tax calculated at applicable tax rates	15,027	5,562
Income tax expense	**15,027**	**5,562**

The standard tax rate in the Netherlands is 25.8% (2023: 25.8%). A tax rate of 19% (2023: 19%) is applied to the first 200,000 EUR (2023: 200,000 EUR). The effective tax rate is therefore 19% in 2024.

4.21 Related party transactions

Related parties consist of:

- Directors and shareholders of the Company
- Other BNP Paribas Group companies

Key Management personel remuneration

The Director of the Company who served from the start of the year 2023 and up to 20 December 2023 was BNP Paribas Finance B.V. For the period ended 30 June 2024, no management fee was charged to the Company (for the six months period ended 30 June 2023 : 32,250 EUR).

In 2023, the Company appointed 5 Directors in replacement of BNP Paribas Finance B.V. The Directors are employed by the Company and received a total remuneration of 88,565 EUR for the six months period ended 30 June 2024 (25,712 for 2023).

The scope of Key management personel per IAS 24 paragraph 17 is the same as the scope of art. 2:383 of DCC. There are no loans, advanced payments and guarantees granted to the Directors.

As at 30 June 2024, the Company has 5 employees, among which 4 are based in the Netherlands and 1 outside of the Netherlands.

The Company does not have a supervisory board.

Related party transactions with other BNP Paribas Group companies

Outstanding balances	30 June 2024	31 December 2023
	€	€
Financial assets held at fair value through profit or loss	141,788,826,392	122,317,003,511
Financial assets designated at fair value through profit or loss	4,283,354,085	4,154,809,261
Financial assets at amotised costs	-	88,659,779
Trade and other receivables	1,518,486	3,193,007
Cash and cash equivalents	8,037,602	3,498,827
Trade and other payables	-150,962	-1,861,658
Total	**146,081,585,603**	**126,565,302,727**

Income and expenses	30 June 2024	31 December 2023
	€	€
Fee income	578,865	799,252
Other income		
Operating expenses	-206,361	-442,065
Bank costs and similar changes	-2,443	5,818
Total	**370,061**	**363,005**

For the off-balance related party transactions, reference is made to note 8: Commitments contingencies and off-balance items.

4.22 Valuation adjustments (CVA and DVA)

Credit Valuation Adjustment

Financial assets held at fair value through profit and loss predominantly represent derivatives and fully funded OTC financial instruments with other BNP Paribas companies. Credit valuation adjustments (“CVA”) are necessary to reflect counterparty credit quality in the valuation of assets measured at fair value.

CVA for financial assets at fair value through profit and loss for the six months period ended 30 June 2024 is a loss amounting to 287,731,719 EUR (a loss of 5,562,969 for the six months period ended 30 June 2023) which is fully offset by an equal and opposite amount in financial liabilities at fair value through profit or loss.

Debit Valuation Adjustment

Debit valuation adjustments are necessary to reflect the credit quality of the Company in the valuation of such financial liabilities at fair value through profit and loss. The directors consider that the Company is fully hedged and that there would, in the normal course of business, be no impact on the results of the Company due to movements in the fair value of the financial liabilities at fair value through profit or loss.

The amount of change attributable to changes in its own credit and funding risk in the financial liabilities at fair value through profit or loss and held at fair value through profit or loss for the six months period ended 30 June 2024 is a gain amounting to 287,731,719 EUR (a gain of 5,562,969 for the six months period ended 30 June

2023). This is fully offset by an equal and opposite amount in financial assets at fair value through profit or loss.

5. NOTES TO THE CASH FLOW STATEMENT

In general, it is assumed that the securities and the related swap agreements and OTC contracts are exercised at the exercise dates mentioned in the final terms of the securities against the fair value as determined. Netting agreements between the Company and the BNP Paribas Group companies have been drawn up for all flows resulting from securities. OTC contracts, swap agreements and collateral arrangements to avoid that payments have to be made for these flows. Conditions that could influence future cash flows will therefore have no impact on the cash flow of the Company.

Received interest and paid interest and fees

These cash flows relate to repack transactions (notes issued by the Company backed by bonds). The Company receives monthly interest and pays fees to the BNP Paribas Group companies. The remainder is paid as interest to the noteholders. The relevant amount with regard to the six months period ended 30 June 2024 is 38,672,159 EUR for interest income as well as interest expenses (28,747,535 EUR for the half year 2023).

6. FINANCIAL RISK MANAGEMENT

Risk management is central to the banking business and is one of the cornerstones of operations for the BNP Paribas Group. BNP Paribas Group has an internal control system covering all types of risks to which the Group may be exposed, organised around three lines of defence:

- As the first line of defence, internal control is the business of every employee, and the heads of the operational activities are responsible for establishing and running a system for identifying, assessing and managing risks according to the standards defined by the functions exercising independent control in respect of the second line of defence.

- The main control functions within BNP Paribas ensuring the second line of defence are the Compliance and Risk Functions. Their heads report directly to the Chief Executive Officer of BNP Paribas Group and account for the performance of their missions to the Board of directors via its specialised committees.

- General Inspection provides a third line of defence. It is responsible for periodic control.

The BNP Paribas Group has a strong risk and compliance culture. Executive Management has chosen to include the risk culture in three of its key corporate culture documents:

- Code of conduct: The Group adopted a new Code of conduct in 2016. It applies to all employees and defines the rules for our conduct in line with the core values of our corporate culture. For example, employees are reminded in the Code of conduct that the Group's interests are protected by responsible risk-taking in a strict control environment. The Code of conduct also includes rules for protecting customers' interests, financial security, market integrity and professional ethics, which all play an important role in mitigating compliance and reputation risks.

- Responsibility Charter: Executive Management drew up a formal Responsibility Charter, inspired by the Group's core values (the "BNP Paribas Way"), management principles and code of conduct. One of the four commitments is "Being prepared to take risks, while ensuring close risk control". The Group sees rigorous risk control as part of its responsibility, both to clients and to the financial system as a whole. The Bank's decisions on the commitments it makes are reached after a rigorous and concerted process, based on a strong, shared risk culture which pervades all levels of the Group. This is true both for risks linked to lending activities, where loans are granted only after in-depth analysis of the borrower's situation and the project to be financed, and for market risks arising from transactions with clients – these are assessed on a daily basis, tested against stress scenarios, and subject to limits. As a strongly diversified group, both in terms of geography and businesses. BNP Paribas is able to balance risks and their consequences as they materialise. The Group is organised and managed in such a way that any difficulties arising in one business area will not jeopardise another in the Bank.

- The Group's mission and commitments: The mission of BNP Paribas is to finance the economy and advise its clients, by supporting them with their projects, their investments, and the management of their savings, guided by strong ethical principles. Through these activities, BNP Paribas wants to have a positive impact on stakeholders and on society, and be one of the most trustworthy players in the sector. BNP Paribas' 12 commitments as a Responsible Bank include in particular the commitment to apply the highest ethical standards and rigorously manage environmental, social, and governance risks.

The following sections outline the key risks that are inherent in the Company's business activities.

Credit risk

BNP Paribas Group's credit risk is defined as the probability of a borrower or counterparty defaulting on its obligations to the BNP Paribas Group. Probability of default along with the recovery rate of the loan or debt in the event of default are essential elements in assessing credit quality. In accordance with the European Banking Authority recommendations, this category of risk also includes risks on equity investments, as well as those related to insurance activities.

The Company has a significant concentration of credit risks as all hedging contracts are acquired from its parent Company and other group companies. Taking into consideration the objectives and activities of the Company and the fact that the BNP Paribas Group is under supervision of the European Central Bank and the Autorité de controle prudentiel et de resolution, Paris, Management Board considers these risks as acceptable. The long term senior debt of BNP Paribas Group is rated (A+) by Standard & Poor's and (Aa3) by Moody's.

Expected credit losses ('ECLs') related to the assets at amortised cost can be disregarded as not significant, since these relate to a reverse repo with BNP Paribas Group and are collateralised by government bonds. The counterparty has a low probability of default and in the event of default the loss given default is expected to be limited (due to the collateral), accordingly the ECL is regarded as not significant.

The maximum exposure to credit risk ("gross credit exposure") of the Company as at the reporting date is the carrying amount of the financial assets held in the statement of financial position. The table below includes financial instruments subject to ECL and not subject to ECL. Those financial instruments that bear credit risk but are not subject to ECL are subsequently measured at fair value. Where the Company enters into credit enhancements, including receiving cash as collateral and master netting agreements, to manage the credit exposure on these financial instruments, the financial effect of the credit enhancements is also disclosed below. The net credit exposure represents the credit exposure remaining after the effect of the credit enhancements.

Collateral and other credit enhancements

The Company has entered into collateral arrangements with other BNP Paribas Group undertakings to mitigate credit risk. Collateral held is managed in accordance with the BNP Paribas Group's guidelines and the relevant underlying agreements.

30 June 2024	**Gross credit exposure**	**Credit enhancements**	**Net credit exposure**
Class	€	€	€
Subject to ECL			
Financial assets at amortised cost	-	-	-
Trade and other receivables	1,518,486	-	1,518,486
Cash and cash equivalents	8,037,602	-	8,037,602

Not subject to ECL			
Financial assets at fair value	146,072,180,477	-4,637,437,236	141,434,743,241
Total assets	**146,081,736,565**	**-4,637,437,236**	**141,444,299,329**

31 December 2023	**Gross credit exposure**	**Credit enhancements**	**Net credit exposure**
Class	€	€	€
Subject to ECL			
Financial assets at amortised cost	88,659,779	-88,659,779	-
Trade and other receivables	3,193,007	-	3,193,007
Cash and cash equivalents	3,498,827	-	3,498,827
Not subject to ECL			
Financial assets at fair value	126,471,812,772	-4,395,598,679	122,076,214,093
Total assets	**126,567,164,385**	**-4,484,258,458**	**122,082,905,927**

Market risk

The BNP Paribas Group's market risk is the risk of loss of value caused by an unfavourable trend in prices or market parameters. The parameters affecting market risk include, but are not limited to exchange rates, prices of securities and commodities (whether the price is directly quoted or obtained by reference to a comparable asset), the price of derivatives on an established market and all benchmarks that can be derived from market quotations such as interest rates, credit spreads, volatility or implicit correlations or other similar parameters. The Company takes on exposure to market risks arising from positions in interest rates, currency exchange rates, commodities and equity products, all of which are exposed to general and specific market movements. However, these risks are hedged by swap agreements with the BNP Paribas Group companies and OTC option agreements or collateral arrangements and therefore these risks are mitigated in principle.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to honour its commitments or unwind or offset a position due to market conditions or specific factors within a specified period of time and at a reasonable cost. It reflects the risk of not being able to cope with net cash outflows, including collateral requirements, over short- to long-term horizons. The Company has liquidity risk exposures, but has netted this exposure by entering into netting agreements with its parent Company and other group companies.

In the following maturity analysis of financial assets and financial liabilities, derivative contracts and other financial instruments held at FVTPL are disclosed according to their earliest contractual maturity; all such amounts are presented at their fair value, consistent with how these financial instruments are managed. All other amounts represent undiscounted cash flows receivable and payable by the Company arising from its financial assets and financial liabilities to the earliest contractual maturities as at the reporting dates. This presentation is considered by the Company to appropriately reflect the liquidity risk arising from these financial assets and financial liabilities, presented in a way that is consistent with how the liquidity risk in these financial assets and financial liabilities is managed by the Company.

In certain instances, securities contain early redemption clauses such as callability features. The total amount in question is €15,461,581,628 (11%). No early redemption was applicable for 95% of the securities as per 31 December 2023.

Under IFRS 7, it is recommended that financial liabilities are allocated to the earliest period in which the entity can be required to pay, whenever the counterparty has a choice of when an amount is paid. Securities that include an issuer put option are disclosed in the following tables using their closest possible redemption date.

30 June 2024

Financial assets as at 30 June 2024

	On demand	Less than 1 year	1 year – 2 years	2 years – 5 years	Greater than 5 years	Total
	€	€	€	€	€	€
Financial assets held at FVTPL	-	47,421,893,505	18,341,387,496	39,485,634,095	36,539,911,296	141,788,826,392
Financial assets designated at FVTPL	-	460,285,217	325,282,919	2,281,305,688	1,216,480,261	4,283,354,085
Financial assets at AC	-	-	-	-	-	-
Trade & other receivables	-	1,518,486	-	-	-	1,518,486
Cash & cash equivalents	8,037,602	-	-	-	-	8,037,602
Total	**8,037,602**	**47,883,697,208**	**18,666,670,415**	**41,766,939,783**	**37,756,391,556**	**146,081,736,565**

Financial liabilities as at 30 June 2024

	On demand	Less than 1 year	1 year – 2 years	2 years – 5 years	Greater than 5 years	Total
	€	€	€	€	€	€
Financial liabilities designated at FVTPL	-	42,659,340,667	17,474,052,250	38,131,865,283	29,707,736,805	127,972,995,005
Financial liabilities held at FVTPL	-	5,222,838,055	1,192,618,165	3,635,074,501	8,048,654,751	18,099,185,472
Financial liabilities at AC	-	-	-	-	-	-
Trade & other payables	-	4,186,446	-	-	-	4,186,446
Current tax liability	-	1,284	-	-	-	1,284
Total	**-**	**47,886,366,452**	**18,666,670,415**	**41,766,939,783**	**37,756,391,556**	**146,076,368,207**

31 December 2023

Financial assets as at 31 December 2023

	On demand	Less than 1 year	1 year – 2 years	2 years – 5 years	Greater than 5 years	Total
	€	€	€	€	€	€
Financial assets held at FVTPL	-	25,222,420,892	20,523,844,250	37,160,950,523	39,409,787,846	122,317,003,511
Financial assets designated at FVTPL	-	1,609,394,849	462,789,460	828,436,506	1,254,188,446	4,154,809,261
Financial assets at AC	-	-	-	59,503,200	29,156,579	88,659,779
Trade & other receivables	-	3,193,007	-	-	-	3,193,007
Cash & cash equivalents	3,498,827	-	-	-	-	3,498,827
Total	**3,498,827**	**26,835,008,748**	**20,986,633,710**	**38,048,890,229**	**40,693,132,871**	**126,567,164,385**

Financial liabilities as at 31 December 2023

	On demand	Less than 1 year	1 year – 2 years	2 years – 5 years	Greater than 5 years	Total
	€	€	€	€	€	€
Financial liabilities designated at FVTPL	-	24,093,437,960	19,838,801,094	35,740,250,977	33,633,679,697	113,306,169,728
Financial liabilities held at FVTPL	-	2,738,377,781	1,147,832,616	2,249,136,052	7,030,296,595	13,165,643,044
Financial liabilities at AC	-	-	-	59,503,200	29,156,579	88,659,779
Trade & other payables	-	5,870,946	-	-	-	5,870,946
Current tax liability	-	16,591	-	-	-	16,591
Total	**-**	**26,837,703,278**	**20,986,633,710**	**38,048,890,229**	**40,693,132,871**	**126,566,360,088**

7. NON-FINANCIAL RISK MANAGEMENT

Compliance risk

Compliance risk is defined as the risk of legal, administrative or disciplinary sanctions, of significant financial loss or reputational damage that a bank may suffer as a result of failure to comply with national or European laws and regulations, codes of conduct and standards of good practice applicable to banking and financial activities, or instructions given by leaders, particularly in application of guidelines issued by a supervisory body. The compliance risk is a sub-category of operational risk. Moreover, certain of its implications can involve more than a purely financial loss and may actually damage the institution's reputation. Reputation risk is the risk of damaging the Group's image, the trust placed in a corporation by customers, counterparties, suppliers, employees, shareholders, supervisors and any other stakeholder whose trust is an essential condition for the corporation to carry out its day-to-day operations. Reputation risk is primarily contingent on all the other risks borne by the Group, specifically the effective or potential materialisation of a credit, market risk, an operational, compliance, environmental, social or legal risk, as well as any violation of a law, a regulation of the Group's Code of conduct or procedure. Responsibility for controlling the risk of non-compliance lies primarily with the activities and business lines. In this context, the Compliance Function manages the system for monitoring non-compliance risks for the scope of all of the Group's businesses in France and abroad. Hierarchically integrated on a global basis. Compliance brings together all employees reporting to the function. Compliance is organised based on its guiding principles (independence, integration, decentralisation and subsidiarity of the function, dialogue with the business lines, a culture of excellence) through local teams.

Legal risk

The Group Legal Function is an independent function of the BNP Paribas Group and is hierarchically integrated with all the Group's legal teams. Group Legal is responsible for interpreting the laws and regulations applicable to the Group's activities and for providing legal guidance and advice to the Group in a manner that meets the highest standards of excellence and integrity. Group Legal is responsible for legal risk management. The Group Legal Function provides Executive Officers and the Board of directors of the Group with reasonable assurance that legal risks are monitored, controlled and mitigated at the Group level. It is responsible for the management (including prevention) of legal risks within the Group through its advisory and control roles. Legal risk refers to the potential loss to the BNP Paribas Group, whether financial or reputational, which impacts or could impact one or more entities of the BNP Paribas Group and/or its employees, business lines, operations, products and/or its services, and results from:

- Non-compliance with a law or regulation or a change in law(s) or regulation(s) (including a change in the interpretation or application of a law or regulation by a court or competent authority and any requirement of any regulatory or supervisory authority);
- A dispute (including all forms of alternative/extrajudicial dispute resolution and court orders) or an investigation or inquiry by a regulatory or supervisory authority (with implications for Group Legal);
- A contractual deficiency;
- A non-contractual matter.

The Group Legal Function is responsible for:

- The prevention of any failure or deficiency in a legal process that may involve the risk of a penalty, reputational risk or financial loss, in all areas (legal risk by nature);
- Management of risk relating to a conflict with a counterparty, a customer, a third party or a regulatory body, resulting from a deficiency or default that could be attributable to the Group in the course of its operations (legal risk as a consequence).

Tax risk

In each country where it operates. BNP Paribas is bound by specific local tax regulations applicable to companies engaged, for example, in banking, insurance or financial services. The Tax Function ensures at a global level that the tax risk is managed throughout all of the transactions conducted by the Group. In view of the financial and reputational stakes. Finance and Compliance are involved in the tax risk monitoring process. The Group Tax Department carries out the tax function and calls on the assistance of tax managers in certain businesses and in the main geographical areas where the Group operates (as well as tax correspondents in other geographical areas where the Group operates). In ensuring the coherence of the Group's tax practices and the global tax risk monitoring, the Group Tax Department:

- Has drawn up procedures covering all divisions, designed to ensure that tax risks are identified, addressed and controlled appropriately;
- Has implemented a process of feedback aimed at contributing to the control of local tax risk;
- Reports to Executive Management on tax risk developments;
- Oversees tax-related operational risks and the internal audit recommendations fall within the Tax Function's scope of responsibility.

A Tax Coordination Committee, involving Finance and Compliance and, on an as-needed basis, the businesses, is tasked with analysing the main tax issues with respect to the transactions the Group performs.

Cybersecurity and Technology risks

The use and protection of data and technologies are determining factors for the Bank's activity and its transformation process. While the Bank continues the roll-out of Digital Banking (for the Group's customers and partners) and Digital Working (for the Group's employees), it must incorporate new technology and innovative risk management practices and establish new working practices. This introduces new technological risks in the cyber security arena. Technology management and information systems security is part of the Group's cyber security strategy. This strategy is focused on the preservation of the most sensitive data. regularly adapting both its internal processes and procedures, and its employee training and awareness to contend with increasingly sophisticated and varied threats.

To reinforce its technology and the protection of data, the Group has adopted a comprehensive approach to cyber security management through its three lines of defence:

- Operational entities are the first line of defence. Since 2015, the Group has introduced across all of the entities a transformation programme based on the international standard NIST (National Institute of Standards and Technology). This programme is regularly updated, taking into account new threats and recent incidents identified around the world.

- As a second line of defence, the team dedicated to managing cybersecurity and technological risk within RISK ORM and under the responsibility of the Group Chief Operational Risk Officer, is tasked with the following in relation to Operational Risk Officers:
    - Presenting the Group's cyber security and technology risk position to the Group Executive Committee, the Board of directors, and the supervisory authorities.
    - Monitoring the transformation programme across the entire group.
    - Integrating the cyber security and technology risk aspects into all major projects within the Group.
    - Ensuring that policies, principles and major projects take aspects of cyber security and technology risk into consideration.
    - Monitoring existing risks and identifying new threats are likely to have a negative impact on the Group's business.
    - Overseeing third-party information systems risks within a strengthened framework.
    - Conducting independent assessment campaigns on priority objectives.
    - Taking measures to assess and improve the Group's ability to respond to failings and incidents.

- As the third line of defence, the role of General Inspection is to:
    - Assess the processes put in place to manage ICT risks (related to information and communication technologies), as well as associated controls and governance.
    - Check for compliance with laws and regulations.

- Propose areas of improvement to support the mechanisms put in place.

The Group is responding to new technological and cybersecurity risks as follows:

- Availability and continuity risks: BNP Paribas relies heavily on communication and information systems across all its business activities. Any breach in the security of these systems could lead to failures or interruptions in the systems used to manage customer relations or to record transactions (deposits, services and loans) and could incur major costs to recover and verify compromised data. The Group regularly manages, and revises its crisis management and recovery plans (rate of existence of a business continuity plan validated at 31 December 2021: 89.08%), by testing its data recovery services and the robustness of its information systems, using various scheduled stress scenarios;

- Security risks: the Bank is vulnerable to cybersecurity risk, or risk caused by malicious and/or fraudulent acts, committed with the intention of manipulating information (confidential, bank/insurance, technical or strategic data), processes and users, which may result in material losses for the Group's subsidiaries, employees, partners and customers. The Group continually reassesses the threats as they evolve and mitigates risks detected at a good time by means of taking effective counter measures;

- Change-related risks: the Group's information systems are changing rapidly in the light of digital transformation. These risks, identified during the systems' design or modification phases, are regularly assessed to ensure that the proposed solutions are consistent with the needs of the Group's business lines;

- Data integrity risks: confidentiality of customer data and transaction integrity are areas covered by the same systems set up in response to Regulation (EU) No. 2016/679 of 27 April 2016 (General Data Protection Regulation – GDPR) intended to provide the Group's customers with a service that meets their expectations;

- Third-party information systems risks: the Bank is exposed to risks of financial default, breaches or operational capacity constraints when it interacts with third parties, including customers, financial intermediaries and other market operators. The Group's three lines of defence constitute the management framework of these risks at every step of integration until the end of the relationship with such third parties.

The Group deploys significant resources to identify, measure and control its risks and implements various techniques to manage its risk profile. The Covid outbreak in 2020 increased the Group's dependence on digital technologies. In order to have the capacity to work remotely and to allow the Group to continue operating despite the high risk of cybercrime, the Group invested in IT upgrades to increase the bandwidth of the network and ensure the stability of the remote access infrastructure. At the same time, teams in charge of cybersecurity have strengthened their surveillance capabilities to improve detection and respond to threats more quickly. The processes and tools in place were complemented with cyber security reviews and specific support to businesses along with communication of actions to employees.

8. COMMITMENTS CONTINGENCIES AND OFF-BALANCE ITEMS

The Company has issued securities with pledged collateral. The value of the pledged collateral as at 30 June 2024 amounts to 4,637,437,236 EUR and as at 31 December 2023 amounts to 11,771,135,160 EUR.

9. SUBSEQUENT EVENTS

No subsequent event that could have significantly impacted the financial statements of the Company have occurred since 30 June 2024 and to the date of this report.

Board of Directors

Amsterdam, 11 September 2024
The Board of Directors,

Signed by

Cyril Le Merrer

Edwin Herskovic

Other Information

Statutory arrangements concerning the appropriation of profits

Paragraphs 1 and 2 of article 19 of the articles of association:
19.1 The allocation of profits accrued in a financial year shall be determined by the Shareholders' Body. If the Shareholders' Body does not adopt a resolution regarding the allocation of the profits prior to or at latest immediately after the adoption of the annual accounts, the profits will be reserved.
19.2 Distribution of profits shall be made after adoption of the annual accounts if permissible under the law given the contents of the annual accounts.

The Shareholders’ Body is defined as the body of the Company consisting of shareholders entitled to vote.

Independent auditor’s review report

The independent auditor’s review report is recorded on the next page.

APPENDIX 2

THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GUARANTOR FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

The information set out in this Appendix 2 is the unaudited consolidated financial statements of the Guarantor for the six-month period ended 30 June 2024. References to page numbers on the following pages are to the page numbers of the Guarantor's unaudited consolidated financial statements.

The Guarantor's unaudited consolidated financial statements have been prepared in accordance with the Guarantor's usual accounting policies and procedures.

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BNP PARIBAS

The bank
for a changing
world

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CONSOLIDATED FINANCIAL STATEMENTS

Prepared in accordance with IFRS as adopted by the European Union

The Board of directors of BNP Paribas examined the Group condensed consolidated interim financial statements on 23 July 2024.
The condensed consolidated financial statements of the BNP Paribas Group are presented for the first halves 2024 and 2023. In accordance with Annex I of European Delegated Regulation (EU) n° 2019/980 as amended by Delegated Regulation (EU) n° 2020/1273, the first half 2022 is provided in the amendment, registered on 27 July 2023 under number D.23-0143-A02, to the Universal registration document filed with the Autorité des Marchés Financiers on 24 March 2023 under number D.23-0143.

On 18 December 2021, the Group concluded an agreement with BMO Financial Group for the sale of 100% of its retail and commercial banking activities in the United States operated by the BancWest cash-generating unit. The terms of this transaction fall within the scope of application of IFRS 5 relating to groups of assets and liabilities held for sale (see note 7.e *Discontinued activities*) leading to isolate the “Net income from discontinued activities” on a separate line. A similar reclassification is made in the statement of net income and changes in assets and liabilities recognised directly in equity and in the cash flow statement.
Following the receipt of regulatory approvals, the transaction was finalised on 1 February 2023.

PROFIT AND LOSS ACCOUNT FOR THE FIRST HALF OF 2024

In millions of euros	Notes	First half 2024	First half 2023
Interest income	2.a	42,401	36,135
Interest expense	2.a	(32,829)	(27,079)
Commission income	2.b	8,091	7,400
Commission expense	2.b	(2,680)	(2,474)
Net gain on financial instruments at fair value through profit or loss	2.c	6,027	5,898
Net gain on financial instruments at fair value through equity	2.d	202	119
Net gain on derecognised financial assets at amortised cost		49	54
Net income from insurance activities	5.a	1,210	1,184
of which Insurance revenue		*4,779*	*4,379*
Insurance service expenses		*(3,683)*	*(3,297)*
Investment return		*6,721*	*6,102*
Net finance income or expenses from insurance contracts		*(6,607)*	*(6,000)*
Income from other activities	2.e	11,022	8,949
Expense on other activities	2.e	(8,740)	(6,791)
REVENUES FROM CONTINUING ACTIVITIES		**24,753**	**23,395**
Operating expenses	2.f	(13,946)	(14,967)
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets		(1,167)	(1,113)
GROSS OPERATING INCOME FROM CONTINUING ACTIVITIES		**9,640**	**7,315**
Cost of risk	2.g	(1,392)	(1,201)
Other net losses for risk on financial instruments	2.h	(96)	(130)
OPERATING INCOME FROM CONTINUING ACTIVITIES		**8,152**	**5,984**
Share of earnings of equity-method entities		385	327
Net gain on non-current assets	2.i	22	124
Goodwill	4.j	226	-
PRE-TAX INCOME FROM CONTINUING ACTIVITIES		**8,785**	**6,435**
Corporate income tax from continuing activities	2.j	(2,052)	(1,869)
NET INCOME FROM CONTINUING ACTIVITIES		**6,733**	**4,566**
Net income from discontinued activities	7.e	-	2,947
NET INCOME		**6,733**	**7,513**
Net income attributable to minority interests		235	268
NET INCOME ATTRIBUTABLE TO EQUITY HOLDERS		**6,498**	**7,245**
Basic earnings per share	7.a	5.32	5.64
Diluted earnings per share	7.a	5.32	5.64

STATEMENT OF NET INCOME AND CHANGES IN ASSETS AND LIABILITIES RECOGNISED DIRECTLY IN EQUITY

In millions of euros	First half 2024	First half 2023
Net income for the period	**6,733**	**7,513**
Changes in assets and liabilities recognised directly in equity	**(114)**	**420**
Items that are or may be reclassified to profit or loss	**150**	**(26)**
- Changes in exchange differences	481	(84)
- Changes in fair value of financial assets at fair value through equity		
Changes in fair value recognised in equity	*(171)*	*290*
Changes in fair value reported in net income	*(48)*	*3*
- Changes in fair value of investments of insurance activities		
Changes in fair value recognised in equity	*(2,825)*	*1,144*
Changes in fair value reported in net income	*123*	*215*
- Changes in fair value of contracts of insurance activities	2,470	(991)
- Changes in fair value of hedging instruments		
Changes in fair value recognised in equity	*(407)*	*(142)*
Changes in fair value reported in net income	*1*	*(1)*
- Income tax	200	(168)
- Changes in equity-method investments, after tax	326	(124)
- Changes in discontinued activities, after tax	-	(168)
Items that will not be reclassified to profit or loss	**(264)**	**446**
- Changes in fair value of equity instruments designated as at fair value through equity	18	28
- Debt remeasurement effect arising from BNP Paribas Group issuer risk	(562)	249
- Remeasurement gains (losses) related to post-employment benefit plans	90	40
- Income tax	123	(92)
- Changes in equity-method investments, after tax	67	102
- Changes in discontinued activities, after tax	-	119
Total	**6,619**	**7,933**
- Attributable to equity shareholders	6,291	7,605
- Attributable to minority interests	328	328

BALANCE SHEET AT 30 JUNE 2024

In millions of euros, at	Notes	30 June 2024	31 December 2023
ASSETS			
Cash and balances at central banks		184,461	288,259
Financial instruments at fair value through profit or loss			
Securities	4.a	308,256	211,634
Loans and repurchase agreements	4.a	275,205	227,175
Derivative financial instruments	4.a	278,668	292,079
Derivatives used for hedging purposes		26,562	21,692
Financial assets at fair value through equity			
Debt securities	4.b	57,141	50,274
Equity securities	4.b	1,660	2,275
Financial assets at amortised cost			
Loans and advances to credit institutions	4.d	48,361	24,335
Loans and advances to customers	4.d	872,147	859,200
Debt securities	4.d	137,899	121,161
Remeasurement adjustment on interest-rate risk hedged portfolios		(4,683)	(2,661)
Investments and other assets related to insurance activities	5.c	267,395	257,098
Current and deferred tax assets	4.h	6,253	6,556
Accrued income and other assets	4.i	174,871	170,758
Equity-method investments		7,219	6,751
Property, plant and equipment and investment property		47,875	45,222
Intangible assets		4,372	4,142
Goodwill	4.j	5,596	5,549
TOTAL ASSETS		**2,699,258**	**2,591,499**
LIABILITIES			
Deposits from central banks		3,637	3,374
Financial instruments at fair value through profit or loss			
Securities	4.a	99,377	104,910
Deposits and repurchase agreements	4.a	351,110	273,614
Issued debt securities	4.a	98,017	83,763
Derivative financial instruments	4.a	264,751	278,892
Derivatives used for hedging purposes		40,046	38,011
Financial liabilities at amortised cost			
Deposits from credit institutions	4.f	89,008	95,175
Deposits from customers	4.f	1,003,053	988,549
Debt securities	4.g	201,431	191,482
Subordinated debt	4.g	26,912	24,743
Remeasurement adjustment on interest-rate risk hedged portfolios		(14,247)	(14,175)
Current and deferred tax liabilities	4.h	3,470	3,821
Accrued expenses and other liabilities	4.i	149,182	143,673
Liabilities related to insurance contracts	5.d	227,865	218,043
Financial liabilities related to insurance activities	5.c	18,553	18,239
Provisions for contingencies and charges	4.k	9,326	10,518
TOTAL LIABILITIES		**2,571,491**	**2,462,632**
EQUITY			
Share capital, additional paid-in capital and retained earnings		*119,111*	*115,809*
Net income for the period attributable to shareholders		*6,498*	*10,975*
Total capital, retained earnings and net income for the period attributable to shareholders		**125,609**	**126,784**
Changes in assets and liabilities recognised directly in equity		(3,427)	(3,042)
Shareholders' equity		**122,182**	**123,742**
Minority interests	7.b	**5,585**	**5,125**
TOTAL EQUITY		**127,767**	**128,867**
TOTAL LIABILITIES AND EQUITY		**2,699,258**	**2,591,499**

CASH FLOW STATEMENT FOR THE FIRST HALF OF 2024

In millions of euros	Notes	First half 2024	First half 2023
Pre-tax income from continuing activities		**8,785**	**6,435**
Pre-tax income from discontinued activities		**-**	**3,666**
Non-monetary items included in pre-tax net income and other adjustments		**10,987**	**6,895**
Net depreciation/amortisation expense on property, plant and equipment and intangible assets		3,511	2,999
Impairment of goodwill and other non-current assets		(10)	(18)
Net addition to provisions		126	993
Variation of assets/liabilities related to insurance contracts		1,786	(2,627)
Share of earnings of equity-method entities		(385)	(327)
Net income from investing activities		(97)	(3,634)
Net income (expense) from financing activities		(440)	94
Other movements		6,496	9,415
Net decrease related to assets and liabilities generated by operating activities		**(112,930)**	**(39,819)**
Net decrease (increase) related to transactions with customers and credit institutions		(5,353)	9,556
Net decrease related to transactions involving other financial assets and liabilities		(97,928)	(41,007)
Net decrease related to transactions involving non-financial assets and liabilities		(8,146)	(6,948)
Taxes paid		(1,503)	(1,420)
NET DECREASE IN CASH AND CASH EQUIVALENTS GENERATED BY OPERATING ACTIVITIES		**(93,158)**	**(22,823)**
Net increase related to acquisitions and disposals of consolidated entities		2,082	9,874
Net decrease related to property, plant and equipment and intangible assets		(1,047)	(1,193)
NET INCREASE IN CASH AND CASH EQUIVALENTS RELATED TO INVESTING ACTIVITIES		**1,035**	**8,681**
Decrease in cash and cash equivalents related to transactions with shareholders		(8,349)	(5,445)
Increase in cash and cash equivalents generated by other financing activities		821	1,577
NET DECREASE IN CASH AND CASH EQUIVALENTS RELATED TO FINANCING ACTIVITIES		**(7,528)**	**(3,868)**
EFFECT OF MOVEMENT IN EXCHANGE RATES ON CASH AND CASH EQUIVALENTS		**(2,596)**	**(4,386)**
NET DECREASE IN CASH AND CASH EQUIVALENTS		**(102,247)**	**(22,396)**
of which net increase in cash and cash equivalents from discontinued activities		-	9,909
Balance of cash and cash equivalent accounts at the start of the period		**282,579**	**317,698**
Cash and amounts due from central banks		288,279	318,581
Due to central banks		(3,374)	(3,054)
On demand deposits with credit institutions		8,352	11,927
On demand loans from credit institutions	4.f	(10,770)	(12,538)
Deduction of receivables and accrued interest on cash and cash equivalents		92	163
Cash and cash equivalent accounts classified as "Assets held for sale"		-	2,619
Balance of cash and cash equivalent accounts at the end of the period		**180,332**	**295,302**
Cash and amounts due from central banks		184,481	302,769
Due to central banks		(3,637)	(5,805)
On demand deposits with credit institutions		11,922	11,233
On demand loans from credit institutions	4.f	(12,218)	(13,262)
Deduction of receivables and accrued interest on cash and cash equivalents		(216)	367
NET DECREASE IN CASH AND CASH EQUIVALENTS		**(102,247)**	**(22,396)**

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Capital and retained earnings				Changes in assets and liabilities recognised directly in equity that will not be reclassified to profit or loss				
In millions of euros	Share capital and additional paid-in-capital	Undated super subordinated notes	Non-distributed reserves	Total	Financial assets designated as at fair value through equity	Own-credit valuation adjustment of debt securities designated as at fair value through profit or loss	Remeasurement gains (losses) related to post-employment benefit plans	Discontinued activities	Total
Balance at 31 December 2022	**26,190**	**11,800**	**86,866**	**124,856**	**585**	**119**	**540**	**(119)**	**1,125**
Appropriation of net income for 2022			**(4,744)**	**(4,744)**					**-**
Increases in capital and issues		1,670	(2)	1,668					-
Movements in own equity instruments	(2,092)	(17)	117	(1,992)					-
Remuneration on undated super subordinated notes			(329)	(329)					-
Impact of internal transactions on minority shareholders (note 7.b)			(21)	(21)					-
Movements in consolidation scope impacting minority shareholders (note 7.b)				-					-
Change in commitments to repurchase minority shareholders' interests			(5)	(5)					-
Other movements			1	1					-
Realised gains or losses reclassified to retained earnings			(95)	(95)	**(20)**	(4)		119	95
Changes in assets and liabilities recognised directly in equity				-	**115**	186	29		330
Net income of first half 2023			**7,245**	**7,245**					**-**
Balance at 30 June 2023	**24,098**	**13,453**	**89,033**	**126,584**	**680**	**301**	**569**	**-**	**1,550**
Increases in capital and issues				-					-
Reductions or redemptions of capital	(4,983)		(17)	(5,000)					-
Movements in own equity instruments	2,087	19	(335)	1,771					-
Share-based payment plans			(8)	(8)					-
Remuneration on undated super subordinated notes			(325)	(325)					-
Movements in consolidation scope impacting minority shareholders (note 7.b)				-					-
Acquisitions of additional interests or partial sales of interests (note 7.b)			1	1					-
Change in commitments to repurchase minority shareholders' interests			14	14					-
Other movements			(5)	(5)					-
Realised gains or losses reclassified to retained earnings			22	22	(14)	(4)	(4)		(22)
Changes in assets and liabilities recognised directly in equity				-	189	(151)	(134)		(96)
Net income of second half 2023			**3,730**	**3,730**					**-**
Balance at 31 December 2023	**21,202**	**13,472**	**92,110**	**126,784**	**855**	**146**	**431**	**-**	**1,432**
Appropriation of net income for 2023			**(5,198)**	**(5,198)**					**-**
Reductions or redemptions of capital	(1,051)	(1,326)	(62)	(2,439)					-
Movements in own equity instruments	2	(30)	235	207					-
Remuneration on undated super subordinated notes			(370)	(370)					-
Impact of internal transactions on minority shareholders (note 7.b)				-					-
Movements in consolidation scope impacting minority shareholders (note 7.b)				-					-
Acquisitions of additional interests or partial sales of interests (note 7.b)			8	8					-
Change in commitments to repurchase minority shareholders' interests			(2)	(2)					-
Other movements			(57)	(57)					-
Realised gains or losses reclassified to retained earnings			178	178	(170)	(8)			(178)
Changes in assets and liabilities recognised directly in equity				-	102	(414)	42		(270)
Net income of first half 2024			**6,498**	**6,498**					**-**
Balance at 30 June 2024	**20,153**	**12,116**	**93,340**	**125,609**	**787**	**(276)**	**473**	**-**	**984**

BETWEEN 1 JANUARY 2023 AND 30 JUNE 2024

Changes in assets and liabilities recognised directly in equity that may be reclassified to profit or loss						Total shareholders' equity	Minority interests *(note 7.b)*	Total equity
Exchange differences	Financial assets at fair value through equity	Financial investments and contracts of insurance activities	Derivatives used for hedging purposes	Discontinued activities	Total			
(3,190)	(511)	(1,462)	251	168	(4,744)	121,237	4,773	126,010
					-	**(4,744)**	**(179)**	**(4,923)**
					-	1,668	298	1,966
					-	(1,992)		(1,992)
					-	(329)		(329)
					-	(21)	21	-
					-	-	(91)	(91)
					-	(5)	(147)	(152)
					-	1		1
					-	-		-
(270)	171	335	(157)	(168)	(89)	241	60	301
					-	**7,245**	**268**	**7,513**
(3,460)	(340)	(1,127)	94		(4,833)	123,301	5,003	128,304
					-		18	18
					-	(5,000)		(5,000)
					-	1,771		1,771
					-	(8)	1	(7)
					-	(325)	(3)	(328)
					-	-	1	1
					-	1	(12)	(11)
					-	14	(78)	(64)
					-	(5)		(5)
					-	-		-
31	(18)	155	191		359	263	32	295
					-	**3,730**	**163**	**3,893**
(3,429)	(358)	(972)	285		(4,474)	123,742	5,125	128,867
					-	**(5,198)**	**(334)**	**(5,532)**
					-	(2,439)		(2,439)
					-	207		207
					-	(370)	(4)	(374)
					-	-		-
					-	-	263	263
					-	8	193	201
					-	(2)	12	10
					-	(57)	2	(55)
					-	-		-
536	(140)	(35)	(298)		63	(207)	93	(114)
					-	**6,498**	**235**	**6,733**
(2,893)	(498)	(1,007)	(13)	-	(4,411)	122,182	5,585	127,767

NOTES TO THE FINANCIAL STATEMENTS
Prepared in accordance with IFRS as adopted by the European Union

1. SUMMARY OF MATERIAL ACCOUNTING POLICIES APPLIED BY THE GROUP

1.a APPLICABLE ACCOUNTING STANDARDS

The consolidated financial statements of the BNP Paribas Group have been prepared in accordance with international accounting standards (International Financial Reporting Standards – IFRS), as adopted for use in the European Union[1]. Accordingly, certain provisions of IAS 39 on hedge accounting have been excluded.

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 “Interim Financial Reporting”. Some information on the nature and extent of risks relating to financial instruments as required by IFRS 7 “Financial Instruments: Disclosures” are presented in the update A02 of the Universal Registration Document. This information provides credit risk exposures and related impairment broken down according to whether the underlying loans are performing or non performing, by geographic area and by industry. This information is an integral part of the notes to the BNP Paribas Group’s consolidated financial statements at 30 June 2024.

- Further to the Pillar II recommendations of the Organisation for Economic Cooperation and Development (OECD) in relation to the international tax reform, the European Union adopted on 14 December 2022 the 2022/2523 directive instituting a minimum corporate income tax for international groups, effective 1 January 2024. This directive was transposed in France in December 2023 by 2024 Finance Act.

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

  Based on the available information, the impact of the Pillar II reform is non-material for the Group. Income before tax and corporate income tax by country are presented in chapter 8 of the 2023 Universal registration document (part 8.6, section II. *Profit and Loss account items and headcount by country*).

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

The introduction of other standards, amendments and interpretations that are mandatory as from 1 January 2024, in particular the amendment to IFRS 16 on Lease liabilities in a sale and lease back, had no effect on the Group’s financial statements at 30 June 2024.

The Group did not early adopt any of the new standards, amendments, and interpretations adopted by the European Union, when the application in 2024 was optional.

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

1.b CONSOLIDATION

1.b.1 SCOPE OF CONSOLIDATION

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

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

1.b.2 CONSOLIDATION METHODS

Exclusive control

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

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

Structured entities are entities established so that they are not governed by voting rights, for instance when those voting rights relate to administrative tasks only, whereas the relevant activities are directed by means of contractual arrangements. They often have the following features or attributes: restricted activities, a narrow and well-defined objective and insufficient equity to permit them to finance their activities without subordinated financial support.

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

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

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

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

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

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

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

Joint control

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

Significant influence

Companies over which the Group exercises significant influence or associates are accounted for by the equity method. Significant influence is the power to participate in the financial and operating policy decisions of a company without exercising control. Significant influence is presumed to exist when the Group holds, directly or indirectly, 20% or more of the voting rights of a company. Interests of less than 20% can be included in the consolidation scope if the Group effectively exercises significant influence. This is the case for example for entities developed in partnership with other associates, where the BNP Paribas Group participates in strategic decisions of the enterprise through representation on the Board of directors or equivalent governing body, or exercises influence over the enterprise's operational management by supplying management systems or senior managers, or provides technical assistance to support the enterprise's development.

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

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

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

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

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

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

1.b.3 CONSOLIDATION RULES

- **Elimination of intragroup balances and transactions**

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

By way of exception, amendments to IAS 32 and IFRS 9 allow intra-group assets to be retained in the balance sheet if they are held as underlying components of direct participating contracts. These assets are measured at fair value through profit or loss. These are:

- own shares by amendment to IAS 32 ;
- financial liabilities issued by the entity in amendment to IFRS 9.

These provisions are applied by the Group's insurance entities that issue direct participating contracts, the underlying elements of which include securities issued by the Group either directly or through consolidated investment entities.

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

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

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

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

Differences arising from the translation of balance sheet items and profit and loss items are recorded in shareholders' equity under "Exchange differences", and in "Minority interests" for the portion attributable to outside investors. Under the optional treatment permitted by IFRS 1, the Group has reset to zero all translation differences, by booking all cumulative translation differences attributable to shareholders and to minority interests in the opening balance sheet at 1 January 2004 to retained earnings.

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

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

1.b.4 BUSINESS COMBINATIONS AND MEASUREMENT OF GOODWILL

- **Business combinations**

Business combinations are accounted for using the purchase method.

Under this method, the acquiree's identifiable assets and liabilities assumed are measured at fair value at the acquisition date except for non-current assets classified as assets held for sale which are accounted for at fair value less costs to sell.

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

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

Any contingent consideration is included in the cost, as soon as control is obtained, at fair value on the date when control was acquired. Subsequent changes in the value of any contingent consideration recognised as a financial liability are recognised through profit or loss.

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

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

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

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

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

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

Specificities relating to insurance contracts acquired through business combinations are set out in note 1.g.2 in the paragraph *Recognition and derecognition*.

- **Measurement of goodwill**

The BNP Paribas Group tests goodwill for impairment on a regular basis.

- Cash-generating units

The BNP Paribas Group has split all its activities into cash-generating units[2] representing major business lines. This split is consistent with the Group's organisational structure and management methods, and reflects the independence of each unit in terms of results and management approach. It is reviewed on a regular basis in order to take account of events likely to affect the composition of cash-generating units, such as acquisitions, disposals and major reorganisations.

- Testing cash-generating units for impairment

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

- Recoverable amount of a cash-generating unit

The recoverable amount of a cash-generating unit is the higher of the fair value of the unit less costs to sell, and its value in use.

[2] As defined by IAS 36.

Fair value is the price that would be obtained from selling the unit at the market conditions prevailing at the date of measurement, as determined mainly by reference to actual prices of recent transactions involving similar entities or on the basis of stock market multiples for comparable companies.

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

1.c TRANSLATION OF FOREIGN CURRENCY TRANSACTIONS

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

- **Monetary assets and liabilities[3] expressed in foreign currencies**

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

- **Non-monetary assets and liabilities expressed in foreign currencies**

Non-monetary assets may be measured either at historical cost or at fair value. Non-monetary assets expressed in foreign currencies are translated using the exchange rate at the date of the transaction (i.e. date of initial recognition of the non-monetary asset) if they are measured at historical cost, and at the closing rate if they are measured at fair value.

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

1.d FINANCIAL INFORMATION IN HYPERINFLATIONARY ECONOMIES

The Group applies IAS 29 to the presentation of the accounts of its consolidated subsidiaries located in countries whose economies are in hyperinflation.

IAS 29 presents a number of quantitative and qualitative criteria to assess whether an economy is hyperinflationary, including a cumulative, three-year inflation rate approaching or exceeding 100%.

All non-monetary assets and liabilities of subsidiaries in hyperinflationary countries, including equity and each line of the income statement has been restated on the basis of changes in the Consumer Price Index (CPI). This restatement between 1 January and the closing date resulted in the recognition of a gain or loss in its net monetary situation, recognised under "Net gain on non-current assets". Financial statements of these subsidiaries are translated into euros at the closing rate.

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

In accordance with the provisions of the IFRIC's decision of March 2020 on classifying the effects of indexation and translation of accounts of subsidiaries in hyperinflationary economies, the Group has opted to present these effects (including the net book value effect at the date of the initial application of IAS 29) within changes in assets and liabilities recognised directly through equity related to exchange differences.

Since 1 January 2022, the Group has applied IAS 29 to the presentation of the accounts of its consolidated subsidiaries located in Türkiye.

1.e NET INTEREST INCOME, COMMISSIONS AND INCOME FROM OTHER ACTIVITIES

1.e.1 NET INTEREST INCOME

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

The effective interest rate is the rate that ensures that the discounted estimated future cash flows through the expected life of the financial instrument or, when appropriate, a shorter period, is equal to the carrying amount of the asset or liability in the balance sheet. The effective interest rate measurement takes into account all fees received or paid that are an integral part of the effective interest rate of the contract, transaction costs, and premiums and discounts.

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

1.e.2 COMMISSIONS AND INCOME FROM OTHER ACTIVITIES

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

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

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

Commission

The Group records commission income and expense in profit or loss either:

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

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

- at a point in time when the service is rendered, in other cases. These include, for example, distribution fees received, loan syndication fees remunerating the arrangement service, advisory fees, *etc*.

Income from other activities

Income from property development as well as income from services provided in connection with lease contracts is recorded under “Income from other activities” in the income statement.

As regards property development income, the Group records it in profit or loss:

- over time, when the performance obligation creates or enhances an asset over which the customer obtains control as it is created or enhanced (e.g. work in progress controlled by the client on the land on which the asset is located, *etc.*), or where the service performed does not create an asset that the entity could otherwise use and gives it an enforceable right to payment for performance completed to date. This is the case for contracts such as VEFA (sale in the future state of completion) in France.
- at completion in other cases.

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

1.f FINANCIAL ASSETS AND LIABILITIES

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

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

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

1.f.1 FINANCIAL ASSETS AT AMORTISED COST

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

Business model criterion

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

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

Cash flow criterion

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

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

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

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

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

Regulated rates meet the cash flow criterion when they provide consideration that is broadly consistent with the passage of time and do not expose to risks or volatility in the contractual cash flows that would be inconsistent with those of a basic lending arrangement (example: loans granted in the context of *Livret A* savings accounts).

Some contractual clauses may change the timing or the amount of cash flows. Early redemption options do not call into question the cash flow criterion if the prepayment amount substantially represents the principal amount outstanding and the interest thereon, which may include reasonable compensation for the early termination of the contract. For example, as regards loans to retail customers, the compensation limited to 6 months of interest or 3% of the capital outstanding is considered reasonable. Actuarial penalties, corresponding to the present value of the difference between the residual contractual cash flows of the loan, and their reinvestment in a loan to a similar counterparty or in the interbank market for a similar residual maturity are also considered as reasonable, even when the compensation can be positive or negative (i.e. “symmetric” compensation). An option that permits the issuer or the holder of a financial instrument to change the interest rate from floating to fixed rate does not breach the cash flow criterion if the fixed rate is determined at origination, or if it represents the time value of money for the residual maturity of the instrument at the date of exercise of the option. Clauses included in financing granted to encourage the sustainable development of companies which adjust the interest margin depending on the achievement of environmental, social or governance (ESG) objectives and disclosed in Chapter 7 of the Universal registration document, do not call into question the cash flow criterion when such an adjustment is considered to be minimal. Structured instruments indexed to ESG market indices do not meet the cash flow criterion.

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

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

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

Recognition

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

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

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

1.f.2 FINANCIAL ASSETS AT FAIR VALUE THROUGH SHAREHOLDERS’ EQUITY

Debt instruments

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

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

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

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

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

Equity instruments

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

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

1.f.3 FINANCING AND GUARANTEE COMMITMENTS

Financing and financial guarantee commitments that are not recognised at fair value through profit or loss are presented in the note relating to financing and guarantee commitments. They are subject to the measurement of a loss allowance for expected credit losses. These loss allowances are presented under “Provisions for contingencies and charges”.

The Group may issue performance guarantees in conjunction with integral indemnity agreements that provide the Group the right to claim back any amounts paid out from the party whose non-performance would have led to the guarantee being called. This type of commitment exposes the Group to credit risk and therefore results in the recognition of expected credit losses.

1.f.4 REGULATED SAVINGS AND LOAN CONTRACTS

Home savings accounts (*Comptes Épargne-Logement* – “CEL”) and home savings plans *(Plans d’Épargne Logement* – “PEL”) are government-regulated retail products sold in France. They combine a savings phase and a loan phase which are inseparable, with the loan phase contingent upon the savings phase.

These products contain two types of obligations for BNP Paribas: an obligation to pay interest on the savings for an indefinite period, at a rate set by the government at the inception of the contract (in the case of PEL products) or at a rate reset every six months using an indexation formula set by law (in the case of CEL products); and an obligation to lend to the customer (at the customer’s option) an amount contingent upon the rights acquired during the savings phase, at a rate set at the inception of the contract (in the case of PEL products) or at a rate contingent upon the savings phase (in the case of CEL products).

The Group’s future obligations with respect to each generation (in the case of PEL products, a generation comprises all products with the same interest rate at inception; in the case of CEL products, all such products constitute a single generation) are measured by discounting potential future earnings from at-risk outstandings for that generation.

At-risk outstandings are estimated on the basis of a historical analysis of customer behaviour, and are equivalent to:

- for the loan phase: statistically probable loans outstanding and actual loans outstanding;
- for the savings phase: the difference between statistically probable outstandings and minimum expected outstandings, with minimum expected outstandings being deemed equivalent to unconditional term deposits.

Earnings for future periods from the savings phase are estimated as the difference between the investment rate and the fixed savings interest rate on at-risk savings outstanding for the period in question. Earnings for future periods from the loan phase are estimated as the difference between the refinancing rate and the fixed loan interest rate on at-risk loans outstanding for the period in question.

The investment rate for savings and the refinancing rate for loans are derived from the swap yield curve and from the spreads expected on financial instruments of similar type and maturity. Spreads are determined on the basis of actual spreads on fixed-rate home loans in the case of the loan phase and products offered to individual clients in the case of the savings phase. In order to reflect the uncertainty of future interest rate trends, and the impact of such trends on customer behaviour models and on at-risk outstandings, the obligations are estimated using the Monte-Carlo method.

Where the sum of the Group’s estimated future obligations with respect to the savings and loan phases of any generation of contracts indicates a potentially unfavourable situation for the Group, a provision is recognised (with no offset between generations) in the balance sheet in “Provisions for contingencies and charges”. Movements in this provision are recognised as interest income in the profit and loss account.

1.f.5 IMPAIRMENT OF FINANCIAL ASSETS MEASURED AT AMORTISED COST AND DEBT INSTRUMENTS MEASURED AT FAIR VALUE THROUGH SHAREHOLDERS' EQUITY

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

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

General model

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

- 12-month expected credit losses (“stage 1”): if at the reporting date, the credit risk of the financial instrument has not increased significantly since its initial recognition, this instrument is impaired at an amount equal to 12-month expected credit losses (resulting from the risk of default within the next 12 months).
- Lifetime expected credit losses for non-impaired assets (“stage 2”): the loss allowance is measured at an amount equal to the lifetime expected credit losses if the credit risk of the financial instrument has increased significantly since initial recognition, but the financial asset is not considered credit-impaired or doubtful.
- Lifetime expected credit losses for credit-impaired or doubtful financial assets (“stage 3”): the loss allowance is also measured for an amount equal to the lifetime expected credit losses.

This general model is applied to all instruments within the scope of IFRS 9 impairment, except for purchased or originated credit-impaired financial assets and instruments for which a simplified model is used (see below).

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

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

Definition of default

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

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

Credit-impaired or doubtful financial assets

Definition

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

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

Specific cases of purchased or originated credit-impaired assets

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

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

Simplified model

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

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

Significant increase in credit risk

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

Assessment of deterioration is based on the comparison of the probabilities of default derived from the ratings on the date of initial recognition with those existing at the reporting date.

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

In the consumer credit specialist business, a significant increase in credit risk is also considered when a past due event has occurred within the last 12 months, even if it has since been regularised.

The approaches applied to assess the significant increase in credit risk are detailed in note 2.g *Cost of risk*.

Measurement of expected credit losses

Expected credit losses are defined as an estimate of credit losses (i.e. the present value of all cash shortfalls) weighted by the probability of occurrence of these losses over the expected life of the financial instruments. They are measured on an individual basis, for all exposures.

In practice, for exposures classified in stage 1 and stage 2, expected credit losses are measured as the product of the probability of default (“PD”), loss given default (“LGD”) and exposure at default (“EAD”), discounted at the effective interest rate of the exposure (EIR). They result from the risk of default within the next 12 months (stage 1), or from the risk of default over the maturity of the facility (stage 2). In the consumer credit specialist business, because of the specificity of credit exposures, the methodology used is based on the probability of transition to term forfeiture, and on discounted loss rates after term forfeiture. These parameters are measured on a statistical basis for homogeneous populations.

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

The methodology developed is based on existing concepts and methods (in particular the Basel framework) on exposures for which capital requirement for credit risk is measured according to the IRBA methodology. This method is also applied to portfolios for which capital requirement for credit risk is measured according to the standardised approach. Besides, the Basel framework has been adjusted in order to be compliant with IFRS 9 requirements, in particular the use of forward-looking information.

Maturity

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

Probabilities of Default (PD)

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

The determination of the PD is based on the Group's internal rating system, which is described in chapter 5 of the Universal registration document (section 5.4 *Credit risk – Credit risk management policy*). This section describes how environmental, social and governance (ESG) risks are taken into account in credit and rating policies, notably with the introduction of a new tool: the *ESG Assessment*.

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

1-year PDs are derived from long term average regulatory "through the cycle" PDs to reflect the current situation ("Point in Time" or "PIT").

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

Loss Given Default (LGD)

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

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

For guaranteed loans, the guarantee is considered as integral to the loan agreement if it is embedded in the contractual clauses of the loan, or if it was granted concomitantly to the loan, and if the expected reimbursement amount can be attached to a loan in particular (i.e. absence of pooling effect by means of a tranching mechanism, or the existence of a global cap for a whole portfolio). In such case, the guarantee is taken into account when measuring the expected credit losses. Otherwise, it is accounted for as a separate reimbursement asset.

The LGD used for IFRS 9 purposes is derived from the Basel LGD parameters. It is adjusted for downturn and conservatism margins (in particular regulatory margins), except for margins for model uncertainties.

Exposure At Default (EAD)

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

Forward-looking information

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

The approaches applied to take into account forward-looking information when measuring expected credit losses are detailed in note 2.g *Cost of risk*.

Write-offs

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

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

Recoveries through the repossession of the collateral

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

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

Restructuring of financial assets for financial difficulties

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

For restructurings not resulting in derecognition of the financial asset, the restructured asset’s gross carrying amount is reduced to the discounted amount, using the original effective interest rate of the asset, of the new expected future flows. The change in the gross carrying amount of the asset is recorded in the income statement in “Cost of risk”.

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

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

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

Probation periods

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

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

1.f.6 COST OF RISK

Cost of risk includes the following items of profit or loss:

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

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

1.f.7 FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

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

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

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

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

Financial liabilities designated as at fair value through profit or loss

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

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

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

1.f.8 FINANCIAL LIABILITIES AND EQUITY INSTRUMENTS

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

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

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

Debt securities and subordinated debt

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

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

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

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

Equity instruments

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

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

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

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

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

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

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

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

1.f.9 HEDGE ACCOUNTING

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1.f.10 DETERMINATION OF FAIR VALUE

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

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

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

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

- Level 1: fair values are determined using directly quoted prices in active markets for identical assets and liabilities. Characteristics of an active market include the existence of a sufficient frequency and volume of activity and of readily available prices;
- Level 2: fair values are determined based on valuation techniques for which significant inputs are observable market data, either directly or indirectly. These techniques are regularly calibrated and the inputs are corroborated with information from active markets;
- Level 3: fair values are determined using valuation techniques for which significant inputs are unobservable or cannot be corroborated by market-based observations, due for instance to illiquidity of the instrument and significant model risk. An unobservable input is a parameter for which there are no market data available and that is therefore derived from proprietary assumptions about what other market participants would consider when assessing fair value. The assessment of whether a product is illiquid or subject to significant model risks is a matter of judgment.

The level in the fair value hierarchy within which the asset or liability is categorised in its entirety is based upon the lowest level input that is significant to the entire fair value.

For financial instruments disclosed in Level 3 of the fair value hierarchy, and marginally some instruments disclosed in Level 2, a difference between the transaction price and the fair value may arise at initial recognition. This "Day One Profit" is deferred and released to the profit and loss account over the period during which the valuation parameters are expected to remain non-observable. When parameters that were originally non-observable become observable, or when the valuation can be substantiated in comparison with recent similar transactions in an active market, the unrecognised portion of the day one profit is released to the profit and loss account.

1.f.11 DERECOGNITION OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Derecognition of financial assets

The Group derecognises all or part of a financial asset when the contractual rights to the cash flows of the asset expire, or when the Group transfers the asset – either on the basis of a transfer of the contractual rights to its cash flows, or by retaining the contractual rights to receive the cash flows of the asset while assuming an obligation to pay the cash flows of the asset under an eligible pass-through arrangement – as well as substantially all the risks and rewards of the asset.
Where the Group has transferred the cash flows of a financial asset but has neither transferred nor retained substantially all the risks and rewards of ownership of the financial asset and has not in practice retained control of the financial asset, the Group derecognises the financial asset and then records separately, if necessary, an asset or liability representing the rights and obligations created or held as part of the transfer of the asset. If the Group has retained control of the financial asset, it maintains it on its balance sheet to the extent of its continuing involvement in that asset.
Upon the derecognition of a financial asset in its entirety, a gain or loss on disposal is recognised in the profit and loss account for an amount equal to the difference between the carrying amount of the asset and the value of the consideration received, adjusted where appropriate for any unrealised gain or loss previously recognised directly in equity.
If all these conditions are not met, the Group retains the asset in its balance sheet and recognises a liability for the obligations arising on the transfer of the asset.

Derecognition of financial liabilities

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

Repurchase agreements and securities lending/borrowing

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

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

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

1.f.12 OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES

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

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

1.g INSURANCE ACTIVITIES

1.g.1 INVESTMENTS RELATED TO INSURANCE ACTIVITIES

IFRS 9 is applied in the same way as other Group entities (see note 1.f).

Investments of insurance activities include investment property which are measured at fair value as underlying assets of direct participating contracts.

1.g.2 INSURANCE CONTRACTS

The Group applies IFRS 17 to insurance contracts issued, reinsurance contracts issued and held, and discretionary investment contracts issued (if the entity also issues insurance contracts).

The main insurance contracts issued by the Group correspond to:

- contracts covering risks related to persons or property: creditor protection insurance contracts, protection contracts, contracts covering other non-life risks (automobile, multi-risk housing, etc.). These contracts are measured according to the general measurement model (Building Block Approach - BBA) or the premium allocation approach (PAA) for contracts eligible for this method ;
- life or savings contracts: euro-denominated and multiple saving contracts (invested in a general fund and in unit-linked accounts) with or without insurance risk including a discretionary participating component and unit-linked contracts with a floor guarantee in the event of death. These contracts are measured using the variable fee approach (VFA).

A reinsurance contract (or treaty) is an insurance contract by which an insurer (ceding company or cedent) transfers part of its risks to a reinsurer. The Group acts as reinsurer by accepting risks related to persons or property from external insurers and as ceding company by transferring such risks to external reinsurers. Contracts may be proportional or non-proportional depending on the nature of the risks and the appetite for the risk accepted or retained. They are measured either according to the general model or according to the premium allocation approach since the standard prohibits the use of the variable fee approach for reinsurance contracts.

Investment contracts without discretionary participating features and without insurance risk backed by unit-linked underlying assets are measured at fair value through profit or loss in accordance with IFRS 9.

The methods for measuring and recognising these various contracts according to the measurement model adopted are set out below.

These contracts are described in note 5.d “*Assets and liabilities related to insurance contracts”*.

- *Prior separation of components covered by other standards and not closely related*

When insurance or investment contracts with discretionary participation include components, which would fall within the scope of another standard if they were separate contracts, an analysis must be carried out to determine whether these components should be accounted for separately. Thus:

- an embedded derivative is separated from the host insurance contract and accounted for under IFRS 9 when its economic characteristics and risks are not closely related to those of the host contract;
- an investment component corresponds to the amount that the insurer is required to repay to the insured in all cases whether the insured event occurs or not. It is separated from the host insurance contract and accounted for under IFRS 9 when it is distinct from the host insurance contract and when equivalent contracts could be sold separately in the same market or legal area. It is not separated if it is closely linked to the host contract. Changes in a non-distinct investment component (and in particular related payments) are not recognised in the profit and loss account;
- a promise to transfer to the policyholder distinct goods or services other than the services of the insurance contract is separated from the host insurance contract and accounted for under IFRS 15.

- *Insurance contracts*

An insurance contract is a contract under which a party, the issuer, assumes a significant insurance risk for another party, the policyholder, by agreeing to indemnify the policyholder if a specified uncertain future event, the insured event, is detrimental to the policyholder.

An insurance risk is significant if, and only if, an insured event can cause the insurer to pay significant additional amounts in any scenario, excluding scenarios that are devoid of commercial substance. A contract transfers a significant insurance risk only if there is a scenario with a commercial substance in which there is a possibility that the issuer will incur a loss based on the present value.

The insurance risks covered by Group entities are:

- either risks related to physical person: mortality (guarantees in the event of death), longevity (guarantees in the event of survival, e.g. life annuities), morbidity (guarantees in the event of disability), permanent disability, health (medical coverage), unemployment of physical persons,
- or risks of damage to property and civil liability.

Life or savings contracts issued by Group entities are qualified as insurance contracts if they include a risk in the event of survival (pension contracts with compulsory annuities) or a risk in the event of death (unit-linked contracts with a floor guarantee in the event of death and savings contracts with a guarantee of an additional amount payable in the event of death). In the absence of such risks, these contracts are investment contracts with or without discretionary participating features.

- *Investment contracts with discretionary participating features*

Investment contracts do not expose the insurer to significant insurance risk. They are within the scope of IFRS 17 if they are issued by entities that also issue insurance contracts.

Discretionary participation is defined as the contractual right to receive, in addition to an amount that is not at the issuer’s discretion, additional amounts that are likely to represent a significant portion of the total benefits provided under the contract. Benefits, for which the timing or amount is contractually left to the issuer’s discretion and that are contractually based on the returns arising from a defined set of contracts or type of contract or on the realised and/or unrealised investment returns from a defined set of assets held by the issuer, or the result of the entity or fund issuing the contract.

Savings contracts invested in a euro-denominated fund and multiple saving contracts invested in unit-linked assets and in a euro-denominated fund are considered by the Group as investment contracts with discretionary participating features, measured using the variable fee approach.

Accounting and measurement

- *Aggregation of contracts*

Insurance contracts are accounted and measured by groups of contracts within portfolios of contracts covering similar risks and managed together. Groups of contracts are determined according to their expected profitability at inception: onerous contracts, profitable contracts with a low risk of becoming onerous, and others. A group of contracts may contain only contracts issued no more than one year apart (corresponding to an annual "cohort"), except where the optional exemption provided for in the European regulation applies, which is the case for life-savings contracts, as described below.

For creditor protection insurance, personal protection insurance and other non-life risks, the Group uses the following discriminatory criteria when constructing portfolios of homogeneous contracts: legal entity, nature of the risks and partner, distributor. The reinsurance contracts accepted shall follow the same principles.

For life and savings contracts, the Group uses the following criteria for portfolios of homogeneous contracts: legal entity, product and underlying assets. Savings and retirement contracts are classified in separate portfolios (including in the period prior to the transition) due to the existence of a risk of longevity in retirement contracts.

For reinsurance contracts held, the Group uses the following criteria: legal entity, underlying item and counterparty. A portfolio can sometimes correspond to a single reinsurance treaty.

- *Recognition and derecognition*

A group of insurance contracts (or reinsurance contracts issued) is recognised from the earliest of the following dates: the beginning of the period of coverage of the group of contracts, the date on which the first payment of a policyholder in the group becomes due (or, in the absence of such a date, when the first payment is received) and, in the case of a group of onerous contracts, the date on which the group becomes onerous.

A group of reinsurance contracts held is recognised from the beginning of the period of coverage of the group of reinsurance contracts held or, if the reinsurance was contracted in anticipation of the coverage of an underlying group of onerous insurance contracts, on the first recognition of that onerous group.

On initial recognition of portfolios of insurance contracts acquired as part of a business combination or a separate transfer, groups of contracts acquired are treated as if the contracts had been issued at the date of the transaction. The consideration received or paid in exchange for the contracts is treated as an approximation of the premiums received for the purpose of calculating the contractual service margin at initial recognition from this amount. In the case of a business combination within the scope of IFRS 3, the consideration received or paid is the fair value of the contracts at that date. For business combinations that have occurred since the first application of IFRS 17, this fair value has been determined by projecting the liabilities valuation under the Solvency 2 prudential approach which constitutes a market benchmark. For onerous contracts, the excess of the fulfilment cash flows over the consideration paid or received is recognised in the goodwill (or the profit resulting from an acquisition on advantageous terms) if it is a business combination and in a separate transfer, in the profit and loss account. For profitable contracts, the difference is recorded as a contractual service margin. In addition, an asset for cash flows related to acquisition costs must be recognised, for its fair value, for the acquisition costs related to the renewal of existing insurance contracts or for the acquisition costs already paid by the acquired company for future contracts.

An insurance contract shall be derecognised when the obligation it covers is extinguished, by payment or maturity, or if the terms of the contract are amended in such a way that the accounting treatment of the contract would have been substantially different if those amendments had originally existed. The derecognition of a contract entails the adjustment of the fulfilment cash flows, the contractual services margin and the coverage units of the group in which it was included.

- **General measurement model (Building Block Approach – BBA)**

- *Characteristics*

The general model for the measurement of insurance contracts is the best estimate of the future cash flows to be paid or received necessary to meet contractual obligations. This estimate should reflect the different possible scenarios and the effect of the options and guarantees included in the contracts within the limit or "contract boundary".

The determination of this contract boundary requires an analysis of the rights and obligations arising from the contract and, in particular, of the insurer's ability to change its price to reflect the risks. This leads, for example, to the exclusion of tacit renewals if the tariff can be amended or to the inclusion of such renewals if not.

Cash flows are discounted to reflect the time value of money. They correspond only to cash flows attributable to insurance contracts either directly or through allocation methods: premiums, acquisition and contract management costs, claims and benefits, indirect costs, taxes and depreciation of tangible and intangible assets.

The cash flows estimate is supplemented by an explicit risk adjustment to cover the uncertainty of cash flows for non-financial risk. These two elements constitute the fulfilment cash flows of the contracts. A contractual service margin is added representing the expected gain or loss on future services related to a group of contracts.

If the contractual service margin is positive, it is shown on the balance sheet within the insurance contract's measurement and amortised as the services are rendered; if negative, it is recognised immediately in the income statement. The original loss (or "loss component") is monitored extra-accounting to allow for the subsequent recognition of the insurance service revenue.

Acquisition costs are deducted from the contractual service margin of the group of contracts to which they relate and amortised over the coverage period of contracts.

At each reporting date, the carrying amount of a group of insurance contracts is the sum of the liabilities for the remaining coverage which include the fulfilment cash flows related to future services (best estimate and risk adjustment) and the contractual service margin remaining at that date, and of the liabilities for incurred claims which include the best estimate of the cash flows and the risk adjustment, excluding any contractual service margin. The assumptions used to estimate future cash flows and the non-financial risks adjustment are updated, as well as the discount rate, to reflect the situation at the reporting date.

The contractual service margin is adjusted for changes in the estimates of non-financial assumptions related to future services, capitalised at inception rate, and then amortised in the income statement for services rendered over the period in the insurance service revenue. In the case of contracts which become onerous, after consumption of the contractual service margin, the loss is recognised in the reporting period. In the case of onerous contracts that become profitable again as a result of favourable changes in assumptions, the contractual service margin is only reconstitued after offsetting the loss component

The release of expected fulfillment flows (cash flow estimates and risk adjustments) for the period, except for the amount allocated to the loss component, is recorded in insurance service revenue. The change in estimates related to past service (cash flow estimates and risk adjustments) is recognised in "Insurance service expenses".

The Group includes the change in the adjustment for non-financial risk related to past and current services in its entirety in the "Insurance service result".

The Group records in equity the effect of the change in the discount rate on the cash flows. The expense of unwinding the discount is recorded in "Insurance financial income or expenses" based on the initial rate (the inception rate for the liability for remaining coverage, and the rate at claims occurrence date for the liability for incurred claims). The difference between the value of liabilities discounted at the rate fixed at initial date and the value of those same liabilities estimated using current discount rate is recognised in equity. The effect on liabilities of changes in financial variables, in particular the indexation of benefits under the contract, is also recognised in equity.

The discount rate is based on the risk-free rate adjusted for the illiquidity of the liabilities. For protection, the liquidity premium is currently valued at zero due to the short settlement period for claims on the main risks covered.

The risk adjustment is determined using the quantile method.

The coverage unit used to amortise the contractual service margin is derived from the risk premium earned during the period.

-Contracts concerned

Contracts covering personal or property risks (creditor protection insurance, protection and other non-life risks) are measured according to the general model when the contract boundary, expected changes in cash flows and the time value effect over the coverage period do not make them eligible under the simplified approach, or by operational choice (a single measurement model for short and long contracts).

- **Measurement model for contracts with direct participation features (Variable Fee Approach – VFA)**

- Characteristics

Direct participating contracts are insurance or investment contracts for which:

- the contractual terms specify that the policyholder is entitled to a share of a clearly defined portfolio of underlying assets;
- the insurer expects to pay the policyholder a sum corresponding to a substantial portion of the return on the fair value of the underlying assets;
- the insurer expects that any change in the amounts to be paid to the policyholder is, in a substantial proportion, attributable to the change in the fair value of the underlying assets.

Compliance with these conditions is monitored on the underwriting date and is not reviewed later.

For these contracts, for which the insurer has to pay the policyholder an amount corresponding to the fair value of clearly identified underlying assets, less a variable compensation, a specific model (called the "Variable Fee Approach") has been developed by adapting the general model.

At each reporting date, liabilities related to these contracts are adjusted for the return earned and changes in the fair value of the underlying assets: the policyholders' share is recorded in the contract fulfilment cash flows against insurance financial income or expense and the insurer's share corresponding to the variable fee is included in the contractual service margin.

The contractual service margin is also adjusted for the effect of changes in cash flows that do not vary according to the returns on the underlying assets and that relate to future services: estimation of cash flows, risk adjustment, changes in the time value effect of money and changes in the financial risks that do not result from the underlying assets (for example, the effect of financial guarantees).

Changes in the fulfillment cash flows that do not change in connection with the yields of underlying assets and that relate to past service events are recognised in the profit and loss account. This is the case for management fees and attributable costs.

Acquisition cash flows are deducted from the contractual service margin of the group of contracts to which they relate and amortised over the coverage period of the contracts, as in the general model.

Due to the mechanism for allocating the change in the value of the underlying assets between the policyholders and the insurer, the result of these contracts is in principle mainly represented by the release of the fulfilment cash flows and the amortisation of the contractual service margin. When the underlying assets fully support the liabilities and are measured at fair value through profit or loss, the financial result under these contracts should be nil. The Group has chosen the option of reclassifying in shareholders' equity the change in the liabilities related to the underlying assets that are not measured at fair value through profit or loss.

Life and savings contracts meeting the above definition of direct participating contracts are valued using the variable fee approach. When these contracts include a surrender value, it meets the definition of a non-distinct investment component and changes in that investment component (including related payments) are therefore not recognised in the income statement.

The Group has chosen to apply the option introduced by the European regulation not to divide the portfolios of participating contracts based on intergenerational mutualisation by annual cohort. As a result of this choice, the assessment of the onerousness is made on the basis of the portfolio and not on the basis of the annual cohorts.

The contract boundary includes future payments as long as the applicable pricing is not modifiable (e.g. acquisition or management loadings), as well as the annuity phase in service when contracts provide for a mandatory annuity.

The discount rate is based on the risk-free rate, extrapolated over the duration exceeding the period for which observable data are available and adjusted by a liquidity premium on the basis of the underlying assets to reflect the illiquidity of the liabilities.

The risk adjustment is determined using the cost of capital method without considering the risk of mass lapses, including future payments and considering only attributable costs.

The coverage unit used to amortise the contractual service margin is the change in savings due to policyholders (determined at present value), adjusted to take into account the impact of the real return on financial or property assets compared with the actuarial neutral risk projection.

-Contracts concerned

Insurance contracts and investment contracts with discretionary participating features backed by pools of underlying assets commonly referred to as “general funds” or “policyholders’ funds” that correspond to pools of assets isolated analytically, contractually or in regulation, as well as unit-linked contracts with a floor guarantee in case of death and multiple saving contracts backed by assets such as a “general fund” are measured using the variable fee approach.

The option provided for in the European regulation related to the annual cohort exemption is applied to insurance contracts and investment contracts with discretionary participation features where the policyholders’ profit-sharing is mutualised between the different generations of policyholders: these are euro-denominated or multiple saving contracts including a euro-denominated fund, in France, Italy and Luxembourg.

The liabilities for incurred claims are measured using the variable fee approach if it is sensitive to changes in the value of the underlying assets and the general model if it is not.

- **Simplified measurement model (Premium Allocation Approach – PAA)**

- Characteristics

Short-term contracts (less than one year) may be measured using a simplified approach known as the premium allocation approach, also applicable to longer-term contracts if it leads to results similar to those of the general model in terms of liability for the remaining coverage.

Contracts with a long contract boundary, where significant changes in cash flows are expected over the coverage period, or where the time value effect over the coverage period is material, are not eligible for the simplified approach.

For profitable contracts, the liability for the remaining coverage corresponds to the deferral of premiums collected according to a profile representing the remaining coverage at the reporting date. For onerous contracts, deferred premiums are supplemented by an estimate of the expected loss over the coverage period. Liabilities for incurred claims are valued according to the general model. In this case, the method used to determine the risk adjustment is the same as for the general model.

The Group has chosen the option of deferring acquisition costs over the coverage duration and therefore presenting them as a deduction of the deferred premiums, except where the coverage of the contracts coincides with the calendar year or the deferred acquisition costs are not material.

Liabilities for incurred claims are discounted if the expected settlement of claims takes place after one year from the date of occurrence. The discount expense is recognised in insurance financial income or expenses as in the general model. In this case, the option to classify the effect of changes in the discount rate into equity is also applicable. The Group has retained this option for the liabilities for incurred claims.

At each reporting date, the adjustment of liabilities for remaining coverage and for incurred claims is recognised in profit or loss.

- Contracts concerned

Creditor protection insurance, personal protection insurance and other non-life insurance contracts, are measured using the simplified approach if the conditions are met (unless the general model is chosen for operational reasons).

- **Treatment of the reinsurance**

-Reinsurance contracts issued (reinsurance accepted)

Reinsurance accepted shall be treated as insurance contracts issued, either in the general model or in the simplified model, depending on the duration of the reinsurance contracts.

The Group accepts mainly risks corresponding to those it covers as a direct insurer under proportional or non-proportional treaties.

-Reinsurance contracts held (reinsurance ceded)

The reinsurance ceded is also treated according to the general or simplified model, but the equivalent of the contractual service margin represents the expected gain or loss on the reinsurance and may be positive or negative. If a reinsurance contract offsets the losses of an underlying group of onerous contracts, the reinsurance gain is recognised immediately in profit or loss. This “loss recovery component” is used to record amounts that are subsequently presented in net income.

In addition, contract execution flows include the reinsurer’s risk of non-performance.

The Group cedes on reinsurance the risks it wishes to hedge (for example, non-proportional treaties covering peak risk, the risk of accumulation or exceeding the desired retention) or under the risk-sharing framework of proportional treaties for technical or commercial reasons.

The reinsurance contracts held are measured by the Group using the simplified approach or the general model.

Presentation in the balance sheet and in the profit and loss

The Group has chosen to present the investments of insurance activities and their results separately from the financial assets and liabilities of banking activities.

Financial income or expenses from issued insurance contracts are presented separately between the profit and loss account and shareholders’ equity for portfolios for which this breakdown has been deemed relevant, as allowed by the standard. For the Protection contracts liabilities measured under the general model and for the liabilities for incurred claims arising from contracts measured under the simplified model, this choice for portfolios classification was made by taking into account both the effects in the profit and loss account of the undiscounting of the liabilities and the accounting treatment of the assets backing them. For contracts measured using the variable fee approach, this choice was made to offset any accounting mismatch that may exist in the profit and loss account between the effect of changes in fair value from insurance or investment liabilities and that from the underlying assets when these are not recognised at fair value through profit or loss.

Insurance contracts may be distributed and managed by non-insurance entities of the Group that are remunerated as such by commissions paid by insurance entities. The measurement model for insurance contracts requires projecting in the contract fulfilment cash flows the acquisition and management costs that will be paid in the future and presenting in the profit and loss account, the release of the estimated costs for the period on the one hand, and on the other, the actual costs. For commissions between consolidated companies in the Group, the Group restates the internal margin on the balance sheet and in the profit and loss account (in the breakdown of insurance liabilities and the related results between cash flows and contractual service margin) by presenting as insurance service expenses the portion of the general expenses (excluding internal margins) of the banking entities that can be attributed to the insurance activity. The internal distributors’ margins are determined based on standardised management data for each of the related networks.

Effect of accounting estimates in interim financial statements

The Group has elected under IFRS 17 to record in its annual financial statements the effects of changes in accounting estimates relating to insurance contracts issued or held, without taking into account estimates previously made in its interim financial statements.

1.h PROPERTY, PLANT, EQUIPMENT AND INTANGIBLE ASSETS

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

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

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

Investment property is recognised at cost, except for those held as underlying assets under participating direct contracts (as amended by IAS 40), which are measured at fair value through profit or loss and presented in the balance sheet under “Investments related to insurance activities” (see note 1.g.1).

Property, plant and equipment and intangible assets are initially recognised at purchase price plus directly attributable costs, together with borrowing costs where a long period of construction or adaptation is required before the asset can be brought into service. By way of exception, property occupied by the holder entity that is an underlying component of direct participating contracts is measured at fair value (by amendment to IAS 16).

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

Subsequent to initial recognition, property, plant and equipment and intangible assets are measured at cost less accumulated depreciation or amortisation and any impairment losses.

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

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

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

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

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

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

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

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

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

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

1.i LEASES

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

1.i.1 GROUP COMPANY AS LESSOR

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

- **Finance leases**

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

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

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

- **Operating leases**

An operating lease is a lease under which substantially all the risks and rewards of ownership of an asset are not transferred to the lessee.

The asset is recognised under property, plant and equipment in the lessor’s balance sheet and depreciated on a straight-line basis over its useful life. The depreciable amount excludes the residual value of the asset. The lease payments are taken to the profit and loss account in full on a straight-line basis over the lease term. Lease payments and depreciation expenses are taken to the profit and loss account under “Income from other activities” and “Expense on other activities”.

1.i.2 GROUP COMPANY AS LESSEE

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

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

- the lease term corresponds to the non-cancellable period of the contract, together with periods covered by an extension option if the Group is reasonably certain to exercise this option. In France, the standard commercial lease contract is the so-called “three, six, nine” contract for which the maximum period of use is nine years, with a first non-cancellable period of three years followed by two optional extension periods of three years each; hence, depending on the assessment, the lease term can be of three, six or nine years. When investments like fittings or fixtures are performed under the contract, the lease term is aligned with their useful lives. For tacitly renewable contracts, with or without an enforceable period, related right of use and lease liabilities are recognised based on an estimate of the reasonably foreseeable economic life of the contracts, minimal occupation period included;

- the discount rate used to measure the right of use and the lease liability is assessed for each contract as the interest rate implicit in the lease, if that rate can be readily determined, or more generally based on the incremental borrowing rate of the lessee at the date of signature. The incremental borrowing rate is determined considering the average term (duration) of the contract;
- when the contract is modified, a new assessment of the lease liability is made taking into account the new residual term of the contract, and therefore a new assessment of the right of use and the lease liability is established.

1.j ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

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

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

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

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

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

1.k EMPLOYEE BENEFITS

Employee benefits are classified into four categories:

- short-term benefits, such as salary, annual leave, incentive plans, profit-sharing and additional payments;
- long-term benefits, including compensated absences, long-service awards, and other types of cash-based deferred compensation;
- termination benefits;
- post-employment benefits, including top-up banking industry pensions and retirement bonuses in France and pension plans in other countries, some of which are operated through pension funds.

- **Short-term benefits**

The Group recognises an expense when it has used services rendered by employees in exchange for employee benefits.

- **Long-term benefits**

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

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

- **Termination benefits**

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

- **Post-employment benefits**

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

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

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

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

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

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

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

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

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

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

1.l SHARE-BASED PAYMENTS

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

- **Stock option and share award plans**

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

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

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

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

- **Share price-linked cash-settled deferred compensation plans**

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

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

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

1.m PROVISIONS RECORDED UNDER LIABILITIES

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

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

1.n CURRENT AND DEFERRED TAX

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

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

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

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

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

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

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

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

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

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

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

1.o CASH FLOW STATEMENT

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

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

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

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

1.p USE OF ESTIMATES IN THE PREPARATION OF THE FINANCIAL STATEMENTS

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

This applies in particular to:

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

2. NOTES TO THE PROFIT AND LOSS ACCOUNT FOR THE FIRST HALF OF 2024

2.a NET INTEREST INCOME

The BNP Paribas Group includes in “Interest income” and “Interest expense” all income and expense calculated using the effective interest method (interest, fees and transaction costs) from financial instruments measured at amortised cost and financial instruments measured at fair value through equity.

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

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

In the case of a negative interest rates related to loans and receivables or deposits from customers and credit institutions, they are accounted for in interest expense or interest income respectively.

In millions of euros	First half 2024			First half 2023		
	Income	Expense	Net	Income	Expense	Net
Financial instruments at amortised cost	**35,462**	**(27,070)**	**8,392**	**29,770**	**(21,158)**	**8,612**
Deposits, loans and borrowings	30,472	(20,076)	10,396	26,480	(16,115)	10,365
Repurchase agreements	418	(673)	(255)	246	(448)	(202)
Finance leases	1,485	(52)	1,433	1,068	(49)	1,019
Debt securities	3,087		3,087	1,976		1,976
Issued debt securities and subordinated debt		(6,269)	(6,269)		(4,546)	(4,546)
Financial instruments at fair value through equity	**1,384**	**-**	**1,384**	**925**	**-**	**925**
Financial instruments at fair value through profit or loss (Trading securities excluded)	**126**	**(587)**	**(461)**	**126**	**(631)**	**(505)**
Cash flow hedge instruments	**1,918**	**(1,027)**	**891**	**2,094**	**(863)**	**1,231**
Interest rate portfolio hedge instruments	**3,511**	**(4,107)**	**(596)**	**3,220**	**(4,395)**	**(1,175)**
Lease liabilities	**-**	**(38)**	**(38)**		**(32)**	**(32)**
Total interest income/(expense)	**42,401**	**(32,829)**	**9,572**	**36,135**	**(27,079)**	**9,056**

Net interest income notably includes an expense of EUR 36 million for the first half 2024, compared with EUR 833 million for the first half 2023, due to the adjustment of economic hedges consecutive to the changes in the TLTRO terms and conditions mentioned below.

Net interest income includes funding costs related to Global Markets, whose revenues are mainly accounted for in "Net gain on financial instruments at fair value through profit or loss" (see note 2.c), as well as to Arval, whose income from operating leases is presented in note 2.e.
The evolution of the net interest income is therefore to be analysed in conjunction with those observed for these lines.

Interest income on individually impaired loans amounted to EUR 154 million for the first half 2024, compared with EUR 161 million for the first half 2023.

The Group subscribed to the TLTRO III (*Targeted Longer-Term Refinancing Operations*) programme, as modified by the Governing Council of the European Central Bank in March 2020, in December 2020 and in October 2022 (see note 4.f). The Group achieved the lending performance thresholds that enabled it to benefit from favourable interest rate conditions applicable for each of the reference period, namely:

- over the two special interest periods (i.e. from June 2020 to June 2022): the average deposit facility rate ("DFR") -50 basis points, or -1%;
- over the next period (i.e. from June 2022 to November 2022): the average of the DFR between the TLTRO III initial date of subscription and 22 November 2022, i.e., for the main draws, -0.36% for the June 2020 tranche and -0.29% for the March 2021 tranche;
- over the last period (since 23 November 2022): the average of the DFR between 23 November 2022 and the redemption date. The average effective interest rate for the latter period was 3.3% (1.64% until 31 December 2022, 3.31% for the year 2023 and 4 % for the first half 2024). For tranches not yet matured, the average effective interest rate applied for the first half 2024 was 3.97%.

This floating interest rate is considered as a market rate since it is applicable to all financial institutions meeting the lending criteria defined by the European Central Bank. The effective interest rate of these financial liabilities is determined for each reference period, its two components (reference rate and margin) being adjustable; it corresponds to the nominal interest rate. The addition of the last interest period in October 2022 is part of the European Central Bank's monetary policy and is therefore not considered a contractual amendment according to IFRS 9 but a revision of the market rate.

2.b COMMISSION INCOME AND EXPENSE

In millions of euros	First half 2024			First half 2023		
	Income	Expense	Net	Income	Expense	Net
Customer transactions	2,643	(703)	1,940	2,422	(581)	1,841
Securities and derivatives transactions	1,364	(967)	397	1,227	(923)	304
Financing and guarantee commitments	633	(52)	581	568	(88)	480
Asset management and other services	2,688	(169)	2,519	2,581	(176)	2,405
Others	763	(789)	(26)	602	(706)	(104)
Commission income and expense	**8,091**	**(2,680)**	**5,411**	**7,400**	**(2,474)**	**4,926**
- of which net commission income related to trust and similar activities through which the Group holds or invests assets on behalf of clients, trusts, pension and personal risk funds or other institutions	*1,603*	*(166)*	*1,437*	*1,618*	*(273)*	*1,345*
- of which commission income and expense on financial instruments not measured at fair value through profit or loss	*1,687*	*(158)*	*1,529*	*1,572*	*(226)*	*1,346*

2.c NET GAIN ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

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

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

In millions of euros	First half 2024	First half 2023
Financial instruments held for trading	**5,902**	**7,600**
Interest rate and credit instruments	(580)	1,188
Equity financial instruments	5,929	3,945
Foreign exchange financial instruments	2,807	3,624
Loans and repurchase agreements	(2,899)	(2,031)
Other financial instruments	645	874
Financial instruments designated as at fair value through profit or loss	**(279)**	**(2,047)**
Other financial instruments at fair value through profit or loss	**275**	**236**
Impact of hedge accounting	**129**	**109**
Fair value hedging derivatives	3,301	1,320
Hedged items in fair value hedge	(3,172)	(1,211)
Net gain on financial instruments at fair value through profit or loss	**6,027**	**5,898**

Gains and losses on financial instruments designated as at fair value through profit or loss are mainly related to instruments for which changes in value may be compensated by changes in the value of economic hedging derivative financial instruments held for trading.

Net gain on financial instruments held for trading during the first halves of 2024 and 2023 includes a non-material amount related to the ineffective portion of cash flow hedges.

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

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

2.d NET GAIN ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH EQUITY

In millions of euros	First half 2024	First half 2023
Net gain on debt instruments	138	48
Dividend income on equity instruments	64	71
Net gain on financial instruments at fair value through equity	**202**	**119**

Interest income from debt instruments is included in note 2.a *Net interest income*, and impairment losses related to potential issuer default are included in note 2.g *Cost of risk*.

2.e NET INCOME FROM OTHER ACTIVITIES

In millions of euros	First half 2024			First half 2023		
	Income	Expense	Net	Income	Expense	Net
Net income from investment property	26	(11)	15	30	(13)	17
Net income from assets held under operating leases	9,648	(7,693)	1,955	7,514	(5,639)	1,875
Net income from property development activities	156	(144)	12	266	(242)	24
Other net income	1,192	(892)	300	1,139	(897)	242
Total net income from other activities	**11,022**	**(8,740)**	**2,282**	**8,949**	**(6,791)**	**2,158**

2.f OPERATING EXPENSES

In millions of euros	First half 2024	First half 2023
Salary and employee benefit expense for banking activities	(8,937)	(8,942)
Other operating expenses for banking activities	(5,173)	(6,166)
of which external services and other operating expenses	*(4,231)*	*(4,276)*
of which taxes and contributions (1)	*(942)*	*(1,890)*
Insurance activities non attributable costs (note 5.b)	(386)	(380)
Reclassification of expenses incurred by internal distributors attributable to insurance contracts	550	521
Operating expenses	**(13,946)**	**(14,967)**

(1) Contributions to the Single Resolution Fund, including exceptional contributions, amounted to EUR 5 million for the first half of 2024 compared with EUR 1,002 million for the first half of 2023.

Taxes and contributions, including those related to insurance activities, amounted to EUR 1,011 million for the first half of 2024 (compared with EUR 1,953 million for the first half of 2023).

Expenses directly attributable to insurance contracts are presented in “Net income from insurance activities”. These costs consist mainly of distribution commissions paid for the acquisition of the contracts and other costs necessary for handling the contracts. They are included in the fulfilment expenses within the “Insurance service result” (see note 5.a).

Expenses attributable to insurance contracts include the operating expenses incurred by the Group banking networks to distribute insurance contracts. Related costs are assessed on the basis of the commissions paid by the insurance entities to the internal distributors less their margin. These costs are excluded from “Operating expenses” to be included in the contracts fulfilment cash flows through the “Reclassification of expenses incurred by internal distributors attributable to insurance contracts”.

Operating costs not directly attributable to insurance contracts are included in “Operating expenses”.

Reconciliation by type and by function of insurance activities operating expenses is presented in note 5.b.

2.g COST OF RISK

The general model for impairment described in note 1.f.5 used by the Group relies on the following two steps:

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

Both steps rely on forward-looking information.

Significant increase in credit risk

At 31 December 2022, BNP Paribas revised its criteria for assessing the significant increase in credit risk in line with the recommendations issued by the European Banking Authority and the European Central Bank.

Under these criteria, credit risk is assumed to have significantly increased, and the asset is classified in stage 2, if the probability of default to maturity of the instrument has increased at least threefold since its origination. This relative variation criterion is supplemented by an absolute variation criterion of the default probability of 400 basis points.

Furthermore, for all portfolios (except for the consumer credit specialist business):

- the facility is assumed to be in stage 1 when its 1-year “Point in Time” probability of default (PiT PD), including forward-looking information, is below 0.3% at the reporting date, since changes in probability of default due to credit downgrades in this zone are not material, and therefore not considered “significant”;
- when the 1-year PiT PD is greater than 20% at the reporting date, given the Group’s credit issuance practices, the deterioration is considered significant, and the facility is classified in stage 2 (as long as the facility is not credit-impaired).

In the consumer credit specialist business, the existence of a payment incident during the last 12 months, potentially regularised, is considered to be an indication of significant increase in credit risk and the facility is therefore classified in stage 2.

Credit risk is assumed to have increased significantly since initial recognition and the asset is classified in stage 2 in the event of late payment of more than 30 days or restructuring due to financial difficulties (as long as the facility is not credit-impaired). Since 31 December 2023, performing corporate clients placed under credit watch are systematically downgraded to stage 2.

In 2022, the internal ratings of the Russian counterparties (including the sovereign rating) were systematically downgraded to take into account the geopolitical situation of the country, thus leading to the transfer of their outstandings to stage 2. However, given the Group's limited level of exposure to this country, this deterioration had no significant effect on the cost of risk.

Forward-Looking Information

The Group considers forward-looking information both when assessing significant increase in credit risk and when measuring Expected Credit Losses (ECL).

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

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

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

The Group's setup is broken down by sector to take into account the heterogeneity of sectoral dynamics when assessing the probability of default for corporates.

Forward-looking information is also considered when determining the significant deterioration in credit risk. As a matter of fact, the probabilities of default used as the basis for this assessment include forward-looking multi-scenario information in the same way as for the calculation of the expected losses.

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

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

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

Macroeconomic scenarios

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

- a baseline scenario, which describes the most likely path of the economy over the projection horizon. This scenario is updated on a quarterly basis and is prepared by the Group Economic Research department in collaboration with various experts within the Group. Projections are designed for each key market of the Group (France, Italy, Belgium, the United States, and the eurozone) using key macroeconomic variables (Gross Domestic Product - GDP - and its components, unemployment rate, consumer prices, interest rates, foreign exchange rates, oil prices, real estate prices, *etc.*) which are key drivers for modeling risk parameters used in the stress test process;
- an adverse scenario, which describes the impact of the materialisation of some of the risks weighing on the baseline scenario, resulting in a much less favourable economic path than in the baseline scenario. The GDP shock is applied with varying magnitudes, but simultaneously, to the economies under consideration. Generally, these assumptions are broadly consistent with those proposed by the regulators. The calibration of shocks on other variables (e.g. unemployment, consumer prices, interest rates, etc.) is based on models and expert judgment;
- a severely adverse scenario, which is an aggravated version of the adverse scenario;

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

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

Baseline scenario

Global activity expanded at a satisfactory pace in early 2024. In the eurozone, activity rebounded after a sluggish end to 2023, with a broad-based improvement across the region. On the downside, difficulties in the real estate market remained acute in several economies. In the United States, despite a slight deceleration, the economy proved resilient in early 2024.

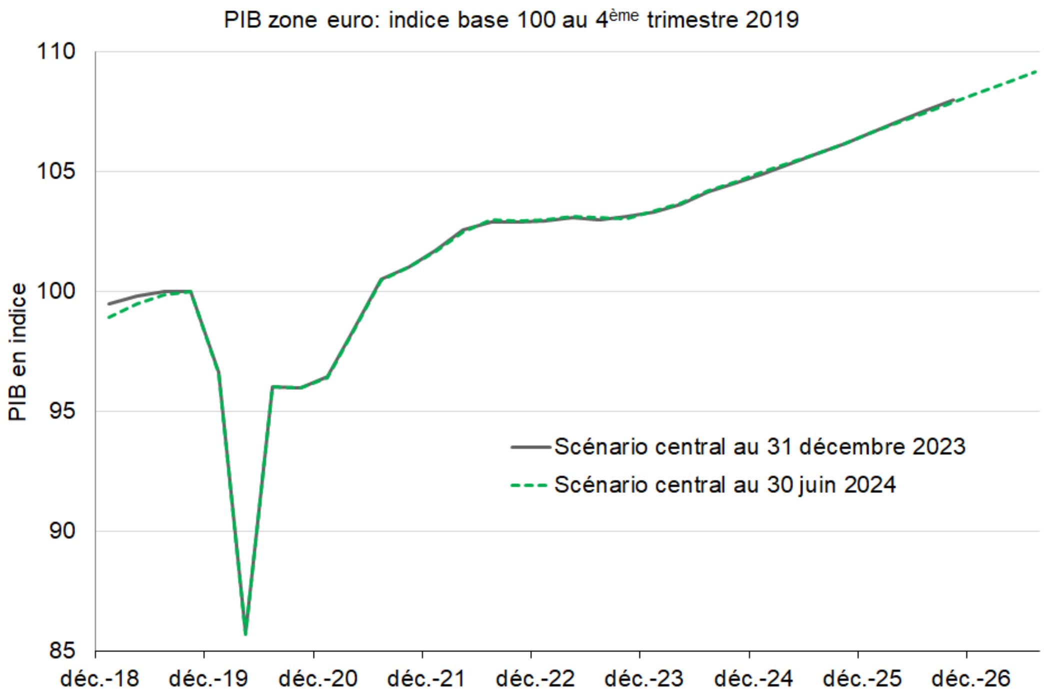
Looking ahead, the gradual moderation in inflation is expected to allow stronger consumer spending, further supporting growth. In 2024, activity is expected to grow on average by 0.9% in the eurozone and by 2.2% in the United States (compared with +0.8% and +0.7% respectively as of 31 December 2023).

After receding rapidly last year, inflation has moderated more slowly recently in the United States and, to a lesser extent, in the eurozone. Services inflation has proved resilient, partly reflecting tight labour market conditions. The declining trend in inflation is expected to continue over the rest of the year, albeit at a gradual pace.

In this context, main central banks are assumed to start or pursue their monetary easing cycle in 2024 and 2025. The European Central Bank started its rate cut cycle in June, while the US Federal Reserve is expected to follow suit by the end of the year. Overall, due to the relative persistence of inflation, the pace of monetary easing is now expected to be more gradual than was anticipated a few months ago.

Over the 2025-2027 period, the baseline scenario assumes quite stable paths of growth (close to 1.5% in the eurozone), inflation (close to 2%, i.e., central bank targets), and interest rates in Europe and the United States.

The graph below presents a comparison of eurozone GDP projections used in the baseline scenario for the calculation of ECLs on 30 June 2024 and 31 December 2023.



- **Macroeconomic variables, baseline scenario at 30 June 2024**

(annual averages)	2023	2024	2025	2026
GDP growth rate				
Eurozone	0.5%	0.9%	1.6%	1.6%
France	0.9%	1.0%	1.5%	1.5%
Italy	1.0%	1.0%	1.1%	1.3%
Belgium	1.5%	1.2%	1.4%	1.5%
United States	2.5%	2.2%	1.7%	1.9%
Unemployment rate				
Eurozone	6.6%	6.6%	6.5%	6.2%
France	7.4%	7.5%	7.3%	6.8%
Italy	7.7%	7.7%	7.7%	7.6%
Belgium	5.5%	5.7%	5.7%	5.5%
United States	3.6%	3.9%	3.8%	3.5%
Inflation rate				
Eurozone	5.5%	2.2%	2.0%	2.1%
France	5.7%	2.4%	2.0%	2.1%
Italy	6.0%	1.2%	2.0%	2.0%
Belgium	2.3%	3.2%	1.7%	2.1%
United States	4.1%	2.8%	1.9%	2.2%
10-year sovereign bond yields				
Germany	2.43%	2.45%	2.50%	2.50%
France	2.96%	2.95%	3.00%	3.00%
Italy	4.18%	3.92%	4.00%	4.00%
Belgium	3.06%	2.97%	3.00%	3.00%
United States	3.93%	4.35%	4.00%	4.00%

Adverse and severely adverse scenarios

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

The following main risks are identified:

- **Geopolitical risks.** Geopolitical tensions can weigh on the global economy through various channels, such as shocks on commodity prices, financial markets, business confidence, supply chains and trade. These developments are likely to lead simultaneously to higher inflation and a slowdown in activity, further complicating the task of central banks.
- **Trade and globalisation.** International tensions have increased in recent years, in particular between China and the United States, leading to some fragmentation of the global economy. These tensions are unlikely to dissipate suddenly and could lead to higher tariff and non-tariff trade barriers between main economic areas (e.g. United States, China, and the European Union).
- **Public finances.** Numerous governments face a combination of elevated debt-to-GDP ratios, higher borrowing costs and moderate growth in 2024. This constitutes a challenging environment for public finances at a time when governments have to face major structural challenges (climate action, defence capabilities, age-related outlays). In some countries, these combined developments could lead in some countries to market tensions (widening sovereign bond spreads) and affect activity through several channels (higher interest rates, higher taxes).
- **Climate policy issues.** While the effects of climate change have convinced many governments of the need to implement some measures and create incentives to accelerate the transition to a low-carbon economy, the implementation of such measures is often politically complicated and can lead to waves of protest and uncertainties detrimental to activity.

The adverse and severe scenarios assume the materialisation of these identified latent risks from the third quarter of 2024. While downside risks are shared by these scenarios, the impacts are assumed to be markedly higher in the severely adverse scenario, due to both more pronounced direct shocks notably higher commodity prices, and the development of a negative spiral between key driving factors (activity, public debt, bond yields, equity markets).

Among the considered countries, GDP levels in the adverse scenario stand between 7.9% and 11% lower than in the baseline scenario at the end of the shock period. In particular, this deviation reaches 9% on average in both the eurozone and the United States.

In the severe scenario, GDP levels stand between 11.6% and 16.1% lower than in the baseline scenario at the end of the shock period. This deviation reaches 13.2% in both the eurozone and the United States.

Scenario weighting and cost of risk sensitivity

At 30 June 2024, the weight of the favourable scenario considered by the Group was 29%, and 16% for the adverse scenario and 5% for the severe scenario. At 31 December 2023, the weight of the favourable scenario was 33%, 12% for the adverse scenario and 5% for the severe scenario.

The sensitivity of the amount of expected credit losses for all financial assets at amortised cost or at fair value through equity and credit commitments is assessed by comparing the estimated expected credit losses resulting from the weighting of the above scenarios with that resulting from each of the two main scenarios:

- an increase in ECL of 21%, or EUR 950 million according to the adverse scenario (23% at 31 December 2023);
- a decrease in ECL of 13%, or EUR 600 million according to the favourable scenario (12% at 31 December 2023).

Post-model adjustments

Post-model adjustments are made when system limitations are identified in a particular context, for instance, in the case of insufficient statistical data to reflect the specific situation in the models. Post-model adjustments are also considered to take into account, where applicable, the consequences of climatic events on expected credit losses.

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

All of these adjustments represent 4.3% of the total amount of expected credit losses at 30 June 2024, compared with 4.5% at 31 December 2023.

- **Cost of credit risk for the period**

In millions of euros	First half 2024	First half 2023
Net allowances to impairment	(1,297)	(1,052)
Recoveries on loans and receivables previously written off	130	113
Losses on irrecoverable loans	(225)	(262)
Total cost of risk for the period	**(1,392)**	**(1,201)**

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

In millions of euros	First half 2024	First half 2023
Cash and balances at central banks	(1)	(4)
Financial instruments at fair value through profit or loss	(55)	(11)
Financial assets at fair value through equity	(1)	4
Financial assets at amortised cost	(1,410)	(1,251)
Loans and receivables	*(1,387)*	*(1,266)*
Debt securities	*(23)*	*15*
Other assets	(3)	(7)
Financing and guarantee commitments and other items	78	68
Total cost of risk for the period	**(1,392)**	**(1,201)**
Cost of risk on unimpaired assets and commitments	*398*	*320*
of which stage 1	*14*	*(1)*
of which stage 2	*384*	*321*
Cost of risk on impaired assets and commitments - stage 3	*(1,790)*	*(1,521)*

- **Credit risk impairment**

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

In millions of euros, at	31 December 2023	Net allowance to impairment	Impairment provisions used	Changes in scope, exchange rates and other items	30 June 2024
Assets impairment					
Amounts due from central banks	20	1		(1)	20
Financial instruments at fair value through profit or loss	108	49		10	167
Financial assets at fair value through equity	121	1			122
Financial assets at amortised cost	17,715	1,324	(1,684)	207	17,562
Loans and receivables	*17,611*	*1,302*	*(1,684)*	*208*	*17,437*
Debt securities	*104*	*22*		*(1)*	*125*
Other assets	30	4	(1)	16	49
Total impairment of financial assets	**17,994**	**1,379**	**(1,685)**	**232**	**17,920**
of which stage 1	*1,966*	*23*	*(1)*	*(13)*	*1,975*
of which stage 2	*2,429*	*(317)*	*(22)*	*(1)*	*2,089*
of which stage 3	*13,599*	*1,673*	*(1,662)*	*246*	*13,856*
Provisions recognised as liabilities					
Provisions for commitments	883	(82)	(44)	10	767
Other provisions	387		(20)	(2)	365
Total provisions recognised for credit commitments	**1,270**	**(82)**	**(64)**	**8**	**1,132**
of which stage 1	*269*	*(40)*		*2*	*231*
of which stage 2	*301*	*(67)*		*3*	*237*
of which stage 3	*700*	*25*	*(64)*	*3*	*664*
Total impairment and provisions	**19,264**	**1,297**	**(1,749)**	**240**	**19,052**

Change in impairment by accounting category and asset type during the previous period

In millions of euros, at	31 December 2022	Net allowance to impairment	Impairment provisions used	Changes in scope, exchange rates and other items	30 June 2023
Assets impairment					
Amounts due from central banks	21	4		(5)	20
Financial instruments at fair value through profit or loss	108	10		(2)	116
Financial assets at fair value through equity	130	(4)		(5)	121
Financial assets at amortised cost	18,511	1,116	(1,374)	(203)	18,050
Loans and receivables	*18,381*	*1,131*	*(1,374)*	*(193)*	*17,945*
Debt securities	*130*	*(15)*		*(10)*	*105*
Other assets	43	6	(13)	3	39
Total impairment of financial assets	**18,813**	**1,132**	**(1,387)**	**(212)**	**18,346**
of which stage 1	*2,074*	*34*	*(1)*	*(52)*	*2,055*
of which stage 2	*2,881*	*(296)*	*(1)*	*(48)*	*2,536*
of which stage 3	*13,858*	*1,394*	*(1,385)*	*(112)*	*13,755*
Provisions recognised as liabilities					
Provisions for commitments	980	(89)	(1)	(20)	870
Other provisions	450	9	(24)	(30)	405
Total provisions recognised for credit commitments	**1,430**	**(80)**	**(25)**	**(50)**	**1,275**
of which stage 1	*326*	*(32)*		*3*	*297*
of which stage 2	*338*	*(27)*		*(12)*	*299*
of which stage 3	*766*	*(21)*	*(25)*	*(41)*	*679*
Total impairment and provisions	**20,243**	**1,052**	**(1,412)**	**(262)**	**19,621**

Changes in impairment of financial assets at amortised cost during the period

In millions of euros	Impairment on assets subject to 12-month Expected Credit Losses (Stage 1)	Impairment on assets subject to lifetime Expected Credit Losses (Stage 2)	Impairment on doubtful assets (Stage 3)	Total
At 31 December 2023	**1,938**	**2,416**	**13,361**	**17,715**
Net allowance to impairment	**20**	**(317)**	**1,621**	**1,324**
Financial assets purchased or originated during the period	357	117		474
Financial assets derecognised during the period [1]	(191)	(349)	(371)	(911)
Transfer to stage 2	(89)	1,033	(164)	780
Transfer to stage 3	(14)	(512)	1,114	588
Transfer to stage 1	93	(403)	(27)	(337)
Other allowances / reversals without stage transfer [2]	(136)	(203)	1,069	730
Impairment provisions used	**(1)**	**(21)**	**(1,662)**	**(1,684)**
Changes in exchange rates	**4**	**4**	**71**	**79**
Changes in scope of consolidation and other items	**(17)**	**(5)**	**150**	**128**
At 30 June 2024	**1,944**	**2,077**	**13,541**	**17,562**

[1] including disposals

[2] including amortisation

Changes in impairment of financial assets at amortised cost during the previous period

In millions of euros	Impairment on assets subject to 12-month Expected Credit Losses (Stage 1)	Impairment on assets subject to lifetime Expected Credit Losses (Stage 2)	Impairment on doubtful assets (Stage 3)	Total
At 31 December 2022	**2,035**	**2,860**	**13,616**	**18,511**
Net allowance to impairment	**32**	**(291)**	**1,375**	**1,116**
Financial assets purchased or originated during the period	309	104		413
Financial assets derecognised during the period [1]	(157)	(180)	(316)	(653)
Transfer to stage 2	(136)	1,095	(111)	848
Transfer to stage 3	(18)	(498)	1,124	608
Transfer to stage 1	141	(509)	(31)	(399)
Other allowances / reversals without stage transfer [2]	(107)	(303)	709	299
Impairment provisions used	**(1)**	**(2)**	**(1,371)**	**(1,374)**
Changes in exchange rates	**(12)**	**(19)**	**(46)**	**(77)**
Changes in scope of consolidation and other items	**(30)**	**(30)**	**(66)**	**(126)**
At 30 June 2023	**2,024**	**2,518**	**13,508**	**18,050**

[1] including disposals

[2] including amortisation

2.h OTHER NET LOSSES FOR RISK ON FINANCIAL INSTRUMENTS

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

The effect on expected cash flows due to these risks is now considered as a change in the contract's cash flows, in accordance with IFRS 9 B5.4.6, and is recorded as a decrease in the gross value of the asset. It was previously recognised separately in accordance with IAS 37 in "Provisions for risks and charges" (see note 4.k). Expected losses on derecognised financial instruments, as is the case when loans have been repaid, continue to be recognised in accordance with IAS 37.

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

In the first half of 2024, the expense thus recognised related to mortgage loans in Poland amounting to EUR 49 million (compared with EUR 130 million at 30 June 2023) and the losses related to the act on assistance to borrowers in Poland amounting to EUR 47 million.

2.i NET GAIN ON NON-CURRENT ASSETS

In millions of euros	First half 2024	First half 2023
Gain or loss on investments in consolidated undertakings (note 7.d)	170	118
Gain or loss on tangible and intangible assets	(6)	85
Results from net monetary position	(142)	(79)
Net gain on non-current assets	**22**	**124**

According to IAS 29 in connection with the hyperinflation situation of the economy in Türkiye, the line "Results from net monetary positions" mainly includes the effect of the evolution of the consumer price index in Türkiye on the valuation of non-monetary assets and liabilities (- EUR 293 million) and on income from the Turkish government bonds portfolio indexed to inflation and held by Turk Ekonomi Bankasi AS (+ EUR 152 million, reclassified from interest margin) during the first half of 2024 (respectively - EUR 208 million and + EUR 129 million during the first half of 2023).

2.j CORPORATE INCOME TAX

In millions of euros	First half 2024	First half 2023
Net current tax expense	(1,109)	(1,189)
Net deferred tax expense	(943)	(680)
Corporate income tax expense	**(2,052)**	**(1,869)**

3. SEGMENT INFORMATION

The Group is composed of three operating divisions:

- **Corporate & Institutional Banking (CIB)** which covers Global Banking, Global Markets and Securities Services;

- **Commercial, Personal Banking & Services (CPBS)** which covers Commercial & Personal banking in the eurozone, with Commercial & Personal Banking in France (CPBF), Commercial & Personal Banking in Italy (BNL bc), Commercial & Personal Banking in Belgium (CPBB) and Commercial & Personal Banking in Luxembourg (CPBL); Commercial & Personal banking outside the eurozone, which is organised around Europe-Mediterranean, to cover Central and Eastern Europe and Türkiye. Lastly, it also covers specialised businesses, (Arval, BNP Paribas Leasing Solutions, BNP Paribas Personal Finance, BNP Paribas Personal Investors and New Digital Businesses like Nickel, Floa, Lyf);

- **Investment & Protection Services (IPS)** which covers Insurance (BNP Paribas Cardif), Wealth and Asset Management (BNP Paribas Asset Management, BNP Paribas Wealth Management and BNP Paribas Real Estate), Management of the BNP Paribas Group's portfolio of unlisted and listed industrial and commercial investments (BNP Paribas Principal Investments).

Other Activities mainly include activities related to the Group's central treasury function, some costs related to cross-business projects, the residential mortgage lending business of Personal Finance (a significant part of which is managed in run-off), and certain investments.

They also include non-recurring items resulting from applying the rules on business combinations. In order to provide consistent and relevant economic information for each core business, the impact of amortising fair value adjustments recognised in the net equity of entities acquired and restructuring costs incurred in respect to the integration of entities, have been allocated to the "Other Activities" segment. The same applies to transformation, adaptation and IT reinforcement costs relating to the Group's savings programmes.

In addition, Other Activities carry the impact, related to the application of IFRS 17, of the reclassification as a deduction from revenues of the operating expenses "attributable to insurance contracts" of the Group's business lines (other than Insurance) that distribute insurance contracts (i.e., internal distributors), in order not to disrupt the readability of their financial performance. This is also the case for the impact of the volatility on the financial result generated by the recognition at fair value through profit or loss of assets backing insurance entities' equity or non-participating contracts. In the event of divestment connected to this portfolio, the realised gains or losses are allocated to the revenues of the Insurance business line.

Inter-segment transactions are conducted at arm's length. The segment information presented comprises agreed inter-segment transfer prices.

The capital allocation is carried out on the basis of risk exposure, taking into account various conventions relating primarily to the capital requirement of the business as derived from the risk-weighted asset calculations required under capital adequacy rules. Normalised equity income by segment is determined by attributing to each segment the income of its allocated equity. The capital allocation to segments is based on a minimum of 11 % of weighted assets. The breakdown of balance sheet by core business follows the same rules as the breakdown of the profit or loss by core business.

In order to be comparable with the presentation format used since 1 January 2024, the first half 2023 of this note has been restated for the following effects as if they had occurred on 1 January 2023.

- Taking into account the end of the ramp-up of the Single Resolution Fund (SRF) as from 1 January 2024, and the assumption of a similar contribution to local banking taxes at an estimated amount around EUR 200 million per year from 2024.
    - Regarding the 2023 net income, the contribution to the SRF (EUR 1,002 million) was entirely allocated to the divisions and business lines. The restatement entails reallocating approximately EUR 800 million not intended to continue from 2024 to the "Other Activities" segment, and allocating only the EUR 200 million mentioned above to the divisions and business lines.

- Since the fourth quarter of 2023, "Other net charges for risk on financial instruments" is an accounting line item separate from "cost of risk". It records expenses relating to risks which call into question the validity or enforceability of financial instruments granted. The restatement entails reclassifications of EUR 130 million of the profit and loss account from Europe-Mediterranean business line to Other Activities.

- **Income by business segment**

	First half 2024						First half 2023					
In millions of euros	Revenues	Operating expenses	Cost of risk [1]	Operating income	Non-operating items	Pre-tax income	Revenues	Operating expenses	Cost of risk [1]	Operating income	Non-operating items	Pre-tax income
Corporate & Institutional Banking	**9,158**	**(5,230)**	**201**	**4,128**	**4**	**4,132**	**8,871**	**(5,157)**	**78**	**3,791**	**2**	**3,793**
Global Banking	3,045	(1,445)	221	1,821	3	1,823	2,879	(1,388)	86	1,577	3	1,580
Global Markets	4,684	(2,728)	(20)	1,935	(1)	1,934	4,676	(2,735)	(9)	1,931	(2)	1,929
Securities Services	1,429	(1,057)		372	3	375	1,315	(1,033)	1	283	1	284
Commercial, Personal Banking & Services	**13,079**	**(8,264)**	**(1,642)**	**3,173**	**145**	**3,317**	**13,094**	**(7,933)**	**(1,249)**	**3,913**	**203**	**4,116**
Commercial & Personal Banking in the eurozone	***6,623***	***(4,708)***	***(537)***	***1,379***	***9***	***1,387***	***6,734***	***(4,598)***	***(429)***	***1,706***	***2***	***1,708***
Commercial & Personal Banking in France[2]	3,123	(2,199)	(356)	569	(1)	568	3,214	(2,210)	(222)	782		782
BNL banca commerciale[2]	1,405	(896)	(167)	341		341	1,321	(830)	(178)	313	(3)	310
Commercial & Personal Banking in Belgium[2]	1,795	(1,463)	(17)	315	10	325	1,916	(1,414)	(27)	476	5	481
Commercial & Personal Banking in Luxembourg[2]	300	(150)	4	153		153	283	(145)	(2)	135		136
Commercial & Personal Banking in the rest of the world	***1,437***	***(990)***	***(152)***	***295***	***23***	***318***	***1,229***	***(772)***	***25***	***482***	***164***	***646***
Europe-Mediterranean[2]	1,437	(990)	(152)	295	23	318	1,229	(772)	25	482	164	646
Specialised businesses	***5,020***	***(2,567)***	***(953)***	***1,499***	***112***	***1,612***	***5,131***	***(2,562)***	***(845)***	***1,724***	***37***	***1,761***
Personal Finance	2,562	(1,437)	(803)	322	140	462	2,615	(1,498)	(721)	396	62	458
Arval & Leasing Solutions	1,931	(772)	(105)	1,054	(26)	1,028	2,028	(737)	(72)	1,219	(21)	1,199
New Digital Businesses & Personal Investors[2]	527	(357)	(46)	124	(2)	122	489	(328)	(52)	109	(4)	105
Investment & Protection Services	**2,892**	**(1,762)**	**(2)**	**1,128**	**83**	**1,211**	**2,839**	**(1,762)**	**(3)**	**1,074**	**125**	**1,199**
Insurance	1,132	(409)		723	90	812	1,081	(405)		676	105	781
Wealth Management	850	(600)		250		250	805	(591)	(2)	212		212
Asset Management[3]	910	(753)	(2)	155	(6)	149	953	(767)	(1)	186	20	206
Other Activities - excl. restatement related to insurance activities	**175**	**(406)**	**(45)**	**(276)**	**401**	**125**	**(839)**	**(1,749)**	**(157)**	**(2,744)**	**121**	**(2,623)**
Other Activities - restatement related to insurance activities	**(551)**	**550**		**(1)**		**(1)**	**(570)**	**521**		**(49)**		**(49)**
of which volatility	(1)			(1)		(1)	(49)			(49)		(49)
of which attributable costs to internal distributors	(550)	550					(521)	521				
Total continuing activities	**24,753**	**(15,113)**	**(1,488)**	**8,152**	**633**	**8,785**	**23,395**	**(16,080)**	**(1,331)**	**5,984**	**451**	**6,435**

[1] including "Other net losses for risk on financial instruments".

[2] Commercial & Personal Banking in France, BNL banca commerciale, Commercial & Personal Banking in Belgium, Commercial & Personal Banking in Luxembourg, Europe-Mediterranean and Personal Investors after the reallocation within Wealth and Asset Management of one-third of the Wealth Management activities in France, Italy, Belgium, Luxembourg, Germany, Türkiye and Poland.

[3] including Real Estate and Principal Investments.

- **Net commission income by business segment**

In millions of euros	First half 2024	First half 2023
Corporate & Institutional Banking	**1,202**	**1,004**
Global Banking	934	732
Global Markets	(448)	(491)
Securities Services	716	763
Commercial, Personal Banking & Services	**3,632**	**3,392**
Commercial & Personal Banking in the eurozone	***2,632***	***2,562***
Commercial & Personal Banking in France [1]	1,536	1,462
BNL banca commerciale [1]	542	526
Commercial & Personal Banking in Belgium [1]	511	530
Commercial & Personal Banking in Luxembourg [1]	43	44
Commercial & Personal Banking in the rest of the world	***281***	***201***
Europe-Mediterranean [1]	281	201
Specialised businesses	***719***	***629***
Personal Finance	404	366
Arval & Leasing Solutions	33	34
New Digital Businesses & Personal Investors[1]	282	229
Investment & Protection Services	**955**	**906**
Insurance	(180)	(191)
Wealth Management	421	374
Asset Management [2]	714	723
Other activities - excl. restatement related to insurance activities	**172**	**145**
Other activities - restatement related to insurance activities	**(550)**	**(521)**
Total Group	**5,411**	**4,926**

[1] Commercial & Personal Banking in France, BNL banca commerciale, Commercial & Personal Banking in Belgium, Commercial & Personal Banking in Luxembourg, Europe-Mediterranean and Personal Investors after the reallocation within Wealth and Asset Management of one-third of the Wealth Management activities in France, Italy, Belgium, Luxembourg, Germany, Türkiye and Poland.

[2] including Real Estate and Principal Investments.

4. NOTES TO THE BALANCE SHEET AT 30 JUNE 2024

4.a FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial assets and financial liabilities at fair value through profit or loss consist of held-for-trading transactions - including derivatives -, of certain assets and liabilities designated by the Group as at fair value through profit or loss at the time of issuance and of non-trading instruments whose characteristics prevent their accounting at amortised cost or at fair value through equity.

In millions of euros, at	30 June 2024				31 December 2023			
	Financial instruments held for trading	Financial instruments designated as at fair value through profit or loss	Other financial assets at fair value through profit or loss	Total	Financial instruments held for trading	Financial instruments designated as at fair value through profit or loss	Other financial assets at fair value through profit or loss	Total
Securities	296,643	1,876	9,737	308,256	202,225	549	8,860	211,634
Loans and repurchase agreements	272,765		2,440	275,205	224,700		2,475	227,175
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	**569,408**	**1,876**	**12,177**	**583,461**	**426,925**	**549**	**11,335**	**438,809**
Securities	99,377			99,377	104,910			104,910
Deposits and repurchase agreements	348,869	2,241		351,110	271,486	2,128		273,614
Issued debt securities (note 4.g)		98,017		98,017		83,763		83,763
of which subordinated debt		*779*		*779*		*735*		*735*
of which non subordinated debt		*97,238*		*97,238*		*83,028*		*83,028*
FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS	**448,246**	**100,258**		**548,504**	**376,396**	**85,891**		**462,287**

Detail of these assets and liabilities is provided in note 4.c.

- **Financial liabilities designated as at fair value through profit or loss**

Financial liabilities at fair value through profit or loss mainly consist of issued debt securities, originated and structured on behalf of customers, where the risk exposure is managed in combination with the hedging strategy. These types of issued debt securities contain significant embedded derivatives, which changes in value may be compensated by changes in the value of economic hedging derivatives.

The redemption value of debt issued and designated as at fair value through profit or loss at 30 June 2024 was EUR 98,161 million (EUR 89,910 million at 31 December 2023).

- **Other financial assets measured at fair value through profit or loss**

Other financial assets at fair value through profit or loss are financial assets not held for trading:

- debt instruments that do not meet the criteria defined by IFRS 9 to be classified as financial instruments at “fair value through equity” or at “amortised cost”:
  - their business model is not to “collect contractual cash flows” nor “collect contractual cash flows and sell the instruments”; and/or
  - their cash flows are not solely repayments of principal and interest on the principal amount outstanding.
- equity instruments that the Group did not choose to classify as at “fair value through equity”.

DERIVATIVE FINANCIAL INSTRUMENTS

The majority of derivative financial instruments held for trading are related to transactions initiated for trading purposes. They may result from market-making or arbitrage activities. BNP Paribas actively trades in derivatives. Transactions include trades in “ordinary” instruments such as credit default swaps, and structured transactions with complex risk profiles tailored to meet the needs of its customers. The net position is in all cases subject to limits.

Some derivative instruments are also contracted to hedge financial assets or financial liabilities for which the Group has not documented a hedging relationship, or which do not qualify for hedge accounting under IFRS.

In millions of euros, at	30 June 2024		31 December 2023	
	Positive market value	Negative market value	Positive market value	Negative market value
Interest rate derivatives	129,808	105,586	133,500	105,976
Foreign exchange derivatives	108,566	100,522	119,094	118,126
Credit derivatives	8,342	9,757	8,427	10,320
Equity derivatives	26,062	44,128	24,067	38,027
Other derivatives	5,890	4,758	6,991	6,443
Derivative financial instruments	**278,668**	**264,751**	**292,079**	**278,892**

The table below shows the total notional amount of trading derivatives. The notional amounts of derivative instruments are merely an indication of the volume of the Group’s activities in financial instruments markets, and do not reflect the market risks associated with such instruments.

In millions of euros, at	30 June 2024				31 December 2023			
	Exchange-traded	Over-the-counter, cleared through central clearing houses	Over-the-counter	Total	Exchange-traded	Over-the-counter, cleared through central clearing houses	Over-the-counter	Total
Interest rate derivatives	1,058,924	17,798,523	7,365,829	26,223,276	1,327,902	14,448,396	6,811,394	22,587,692
Foreign exchange derivatives	41,798	195,382	10,717,408	10,954,588	57,625	173,339	8,980,659	9,211,623
Credit derivatives		393,842	421,125	814,967		357,964	465,403	823,367
Equity derivatives	1,365,741		743,034	2,108,775	1,130,554		638,904	1,769,458
Other derivatives	116,727		93,172	209,899	119,024		84,251	203,275
Derivative financial instruments	**2,583,190**	**18,387,747**	**19,340,568**	**40,311,505**	**2,635,105**	**14,979,699**	**16,980,611**	**34,595,415**

As part of its *Client Clearing* activity, the Group guarantees the risk of default of its clients to central counterparties. The corresponding notional amount is EUR 1,123 billion at 30 June 2024 (EUR 1,197 billion at 31 December 2023).

4.b FINANCIAL ASSETS AT FAIR VALUE THROUGH EQUITY

In millions of euros, at	30 June 2024		31 December 2023	
	Fair value	of which changes in value recognised directly to equity	Fair value	of which changes in value recognised directly to equity
Debt securities	**57,141**	**(804)**	**50,274**	**(585)**
Governments	26,720	(377)	23,334	(207)
Other public administrations	18,499	(177)	16,188	(117)
Credit institutions	8,998	(247)	7,388	(248)
Others	2,924	(3)	3,364	(13)
Equity securities	**1,660**	**591**	**2,275**	**767**
Total financial assets at fair value through equity	**58,801**	**(213)**	**52,549**	**182**

Debt securities at fair value through equity include EUR 107 million classified as stage 3 at 30 June 2024 (EUR 109 million at 31 December 2023). For these securities, the credit impairment recognised in the profit and loss account has been charged to the negative changes in value recognised in equity amounting to EUR 102 million at 30 June 2024 (unchanged compared with 31 December 2023).

The option to recognise certain equity instruments at fair value through equity was retained in particular for shares held through strategic partnerships and shares that the Group is required to hold in order to carry out certain activities.

During the first half of 2024, the Group sold one of these investments and a net gain of + EUR 164 million was transferred to “retained earnings” (- EUR 2 million for the first half of 2023).

4.c MEASUREMENT OF THE FAIR VALUE OF FINANCIAL INSTRUMENTS

VALUATION PROCESS

BNP Paribas has retained the fundamental principle that it should have a unique and integrated processing chain for producing and controlling the valuations of financial instruments that are used for the purpose of daily risk management and financial reporting. All these processes are based on a common economic valuation which is a core component of business decisions and risk management strategies.

Economic value is composed of mid-market value, to which valuation adjustments are made.

Mid-market value is derived from external data or valuation techniques that maximise the use of observable and market-based data. Mid-market value is a theoretical additive value which does not take account of i) the direction of the transaction or its impact on the existing risks in the portfolio, ii) the nature of the counterparties, and iii) the aversion of a market participant to particular risks inherent in the instrument, the market in which it is traded, or the risk management strategy.

Valuation adjustments take into account valuation uncertainty and include market and credit risk premiums to reflect costs that could be incurred in case of an exit transaction in the principal market.

Fair value generally equals the economic value, subject to limited adjustments, such as own credit adjustments, which are specifically required by IFRS standards.

The main valuation adjustments are presented in the section below.

VALUATION ADJUSTMENTS

Valuation adjustments retained by BNP Paribas for determining fair values are as follows:

Bid/offer adjustments: the bid/offer range reflects the additional exit cost for a price taker and symmetrically the compensation sought by dealers to bear the risk of holding the position or closing it out by accepting another dealer's price.

BNP Paribas assumes that the best estimate of an exit price is the bid or offer price, unless there is evidence that another point in the bid/offer range would provide a more representative exit price.

Input uncertainty adjustments: when the observation of prices or data inputs required by valuation techniques is difficult or irregular, an uncertainty exists on the exit price. There are several ways to gauge the degree of uncertainty on the exit price such as measuring the dispersion of the available price indications or estimating the possible ranges of the inputs to a valuation technique.

Model uncertainty adjustments: these relate to situations where valuation uncertainty is due to the valuation technique used, even though observable inputs might be available. This situation arises when the risks inherent in the instruments are different from those available in the observable data, and therefore the valuation technique involves assumptions that cannot be easily corroborated.

Future Hedging Costs adjustments (FHC): this adjustment applies to positions that require dynamic hedging throughout their lifetime leading to additional bid/offer costs. Calculation methods capture these expected costs in particular based on the optimal hedging frequency.

Credit valuation adjustment (CVA): the CVA adjustment applies to valuations and market quotations whereby the credit worthiness of the counterparty is not reflected. It aims to account for the possibility that the counterparty may default and that BNP Paribas may not receive the full fair value of the transactions.

In determining the cost of exiting or transferring counterparty risk exposures, the relevant market is deemed to be an inter-dealer market. However, the determination of CVA remains judgemental due to i) the possible absence or lack of price discovery in the inter-dealer market, ii) the influence of the regulatory landscape relating to counterparty risk on the market participants' pricing behaviour and iii) the absence of a dominant business model for managing counterparty risk.

The CVA model is grounded on the same exposures as those used for regulatory purposes. The model attempts to estimate the cost of an optimal risk management strategy based on i) implicit incentives and constraints inherent in the regulations in force and their evolutions, ii) market perception of the probability of default, and iii) default parameters used for regulatory purposes.

Funding valuation adjustment (FVA): when valuation techniques are used for the purpose of deriving fair value, funding assumptions related to the future expected cash flows are an integral part of the mid-market valuation, notably through the use of appropriate discount rates. These assumptions reflect what the Bank anticipates as being the effective funding conditions of the instrument that a market participant would consider. This notably takes into account the existence and terms of any collateral agreement. In particular, for non- or imperfectly collateralised derivative instruments, they include an explicit adjustment to the interbank interest rate.

Own-credit valuation adjustment for debts (OCA) and for derivatives (debit valuation adjustment - DVA): OCA and DVA are adjustments reflecting the effect of credit worthiness of BNP Paribas, on respectively the value of debt securities designated as at fair value through profit or loss and derivatives. Both adjustments are based on the expected future liability profiles of such instruments. The own credit worthiness is inferred from the market-based observation of the relevant bond issuance levels. The DVA adjustment is determined after taking into account the Funding Valuation Adjustment (FVA).

Thus, the carrying value of debt securities designated as at fair value though profit or loss is increased by EUR 372 million at 30 June 2024, compared with a decrease in value of EUR 198 million at 31 December 2023, i.e. a + EUR 570 million variation over the first half recognised directly in equity that will not be reclassified to profit or loss.

INSTRUMENT CLASSES AND CLASSIFICATION WITHIN THE FAIR VALUE HIERARCHY FOR ASSETS AND LIABILITIES MEASURED AT FAIR VALUE

As explained in the summary of significant accounting policies (note 1.f.10), financial instruments measured at fair value are categorised into a fair value hierarchy consisting of three levels.

	30 June 2024											
	Financial instruments held for trading				Instruments at fair value through profit or loss not held for trading				Financial assets at fair value through equity			
In millions of euros, at	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Securities	**260,379**	**35,369**	**895**	**296,643**	**2,573**	**1,272**	**7,768**	**11,613**	**52,651**	**5,430**	**720**	**58,801**
Governments	110,265	14,045	29	124,339	1,861			1,861	24,309	2,363	48	26,720
Other debt securities	23,812	20,598	739	45,149	17	391	375	783	27,372	2,854	195	30,421
Equities and other equity securities	126,302	726	127	127,155	695	881	7,393	8,969	970	213	477	1,660
Loans and repurchase agreements	**-**	**272,571**	**194**	**272,765**	**-**	**993**	**1,447**	**2,440**	**-**	**-**	**-**	**-**
Loans		7,730		7,730		993	1,447	2,440				
Repurchase agreements		264,841	194	265,035				-				
FINANCIAL ASSETS AT FAIR VALUE	**260,379**	**307,940**	**1,089**	**569,408**	**2,573**	**2,265**	**9,215**	**14,053**	**52,651**	**5,430**	**720**	**58,801**
Securities	**97,868**	**1,268**	**241**	**99,377**	**-**	**-**	**-**	**-**				
Governments	70,386	51		70,437				-				
Other debt securities	9,277	1,199	239	10,715				-				
Equities and other equity securities	18,205	18	2	18,225				-				
Borrowings and repurchase agreements	**-**	**347,362**	**1,507**	**348,869**	**-**	**2,064**	**177**	**2,241**				
Borrowings		5,474		5,474		2,064	177	2,241				
Repurchase agreements		341,888	1,507	343,395				-				
Issued debt securities *(note 4.g)*	**-**	**-**	**-**	**-**	**13**	**66,264**	**31,740**	**98,017**				
Subordinated debt *(note 4.g)*				-		779		779				
Non subordinated debt *(note 4.g)*				-	13	65,485	31,740	97,238				
FINANCIAL LIABILITIES AT FAIR VALUE	**97,868**	**348,630**	**1,748**	**448,246**	**13**	**68,328**	**31,917**	**100,258**				

	31 December 2023											
	Financial instruments held for trading				Instruments at fair value through profit or loss not held for trading				Financial assets at fair value through equity			
In millions of euros, at	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Securities	**171,172**	**30,482**	**571**	**202,225**	**1,205**	**1,079**	**7,125**	**9,409**	**44,707**	**7,095**	**747**	**52,549**
Governments	80,933	14,291	10	95,234	225			225	19,919	3,367	48	23,334
Other debt securities	19,776	15,747	439	35,962	327	363	380	1,070	23,218	3,515	207	26,940
Equities and other equity securities	70,463	444	122	71,029	653	716	6,745	8,114	1,570	213	492	2,275
Loans and repurchase agreements	**-**	**224,512**	**188**	**224,700**	**-**	**913**	**1,562**	**2,475**	**-**	**-**	**-**	**-**
Loans		8,441		8,441		913	1,562	2,475				
Repurchase agreements		216,071	188	216,259				-				
FINANCIAL ASSETS AT FAIR VALUE	**171,172**	**254,994**	**759**	**426,925**	**1,205**	**1,992**	**8,687**	**11,884**	**44,707**	**7,095**	**747**	**52,549**
Securities	**102,913**	**1,955**	**42**	**104,910**	**-**	**-**	**-**	**-**				
Governments	69,811	398		70,209								
Other debt securities	9,670	1,544	41	11,255								
Equities and other equity securities	23,432	13	1	23,446								
Borrowings and repurchase agreements	**-**	**270,854**	**632**	**271,486**	**-**	**1,973**	**155**	**2,128**				
Borrowings		4,846		4,846		1,973	155	2,128				
Repurchase agreements		266,008	632	266,640								
Issued debt securities *(note 4.g)*	**-**	**-**	**-**	**-**	**14**	**60,132**	**23,617**	**83,763**				
Subordinated debt *(note 4.g)*						735		735				
Non subordinated debt *(note 4.g)*					14	59,397	23,617	83,028				
FINANCIAL LIABILITIES AT FAIR VALUE	**102,913**	**272,809**	**674**	**376,396**	**14**	**62,105**	**23,772**	**85,891**				

Fair values of derivatives are broken down by dominant risk factor, namely interest rate, foreign exchange, credit and equity. Derivatives used for hedging purposes are mainly interest rate derivatives.

In millions of euros, at	30 June 2024							
	Positive market value				Negative market value			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Interest rate derivatives	835	127,421	1,552	129,808	881	102,761	1,944	105,586
Foreign exchange derivatives	47	107,602	917	108,566	41	100,440	41	100,522
Credit derivatives		7,610	732	8,342		8,275	1,482	9,757
Equity derivatives	10	23,372	2,680	26,062	7	37,139	6,982	44,128
Other derivatives	1,233	4,582	75	5,890	1,006	3,714	38	4,758
Derivative financial instruments not used for hedging purposes	**2,125**	**270,587**	**5,956**	**278,668**	**1,935**	**252,329**	**10,487**	**264,751**
Derivative financial instruments used for hedging purposes	**-**	**26,562**	**-**	**26,562**	**-**	**40,046**	**-**	**40,046**

In millions of euros, at	31 December 2023							
	Positive market value				Negative market value			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Interest rate derivatives	734	131,382	1,384	133,500	714	103,334	1,928	105,976
Foreign exchange derivatives	18	118,300	776	119,094	16	118,065	45	118,126
Credit derivatives		7,663	764	8,427		8,697	1,623	10,320
Equity derivatives	15	21,177	2,875	24,067	659	31,222	6,146	38,027
Other derivatives	586	6,365	40	6,991	607	5,769	67	6,443
Derivative financial instruments not used for hedging purposes	**1,353**	**284,887**	**5,839**	**292,079**	**1,996**	**267,087**	**9,809**	**278,892**
Derivative financial instruments used for hedging purposes	**-**	**21,692**	**-**	**21,692**	**-**	**38,011**	**-**	**38,011**

Transfers between levels may occur when an instrument fulfils the criteria defined, which are generally market and product dependent. The main factors influencing transfers are changes in the observation capabilities, passage of time, and events during the transaction lifetime. The timing of recognising transfers is determined at the beginning of the reporting period.

During the first half of 2024, transfers between Level 1 and Level 2 were not significant.

DESCRIPTION OF MAIN INSTRUMENTS IN EACH LEVEL

The following section provides a description of the instruments in each level in the hierarchy. It describes notably instruments classified in Level 3 and the associated valuation methodologies.
For main trading book instruments and derivatives classified in Level 3, further quantitative information is provided about the inputs used to derive fair value.

Level 1

This level encompasses all derivatives and securities that are quoted continuously in active markets.

Level 1 includes notably equity securities and liquid bonds, shortselling of these instruments, derivative instruments traded on organised markets (futures, options, *etc.*). It includes shares of funds and UCITS, for which the net asset value is calculated on a daily basis.

Level 2

The Level 2 stock of securities is composed of securities which are less liquid than the Level 1 bonds. They are predominantly corporate debt securities, government bonds, mortgage backed securities, fund shares and short-term securities such as certificates of deposit. They are classified in Level 2 notably when external prices for the same security can be regularly observed from a reasonable number of market makers that are active in this security, but these prices do not represent directly tradable prices. This comprises amongst other, consensus pricing services with a reasonable number of contributors that are active market makers as well as indicative runs from active brokers and/or dealers. Other sources, such as primary issuance market, may also be used where relevant.

Repurchase agreements are classified predominantly in Level 2. The classification is primarily based on the observability and liquidity of the repo market, depending on the underlying collateral and the maturity of the repo transaction.

Debts issued designated as at fair value through profit or loss, are classified in the same level as the one that would apply to the embedded derivative taken individually. The issuance spread is considered observable.

Derivatives classified in Level 2 comprise mainly the following instruments:

- vanilla instruments such as interest rate swaps, caps, floors and swaptions, credit default swaps, equity/foreign exchange (FX)/commodities forwards and options;
- structured derivatives for which model uncertainty is not significant such as exotic FX options, mono- and multi-underlying equity/funds derivatives, single curve exotic interest rate derivatives and derivatives based on structured rates.

The above derivatives are classified in Level 2 when there is a documented stream of evidence supporting one of the following:

- fair value is predominantly derived from prices or quotations of other Level 1 and Level 2 instruments, through standard market interpolation or stripping techniques whose results are regularly corroborated by real transactions;
- fair value is derived from other standard techniques such as replication or discounted cash flows that are calibrated to observable prices, that bear limited model risk and enable an effective offset of the risks of the instrument through trading Level 1 or Level 2 instruments;
- fair value is derived from more sophisticated or proprietary valuation techniques but is directly evidenced through regular back-testing using external market-based data.

Determining whether an over-the-counter (OTC) derivative is eligible for Level 2 classification involves judgement. Consideration is given to the origin, transparency and reliability of external data used, and the amount of uncertainty associated with the use of models. It follows that the Level 2 classification criteria involve multiple analysis axis within an “observability zone” whose limits are determined by i) a predetermined list of product categories and ii) the underlying and maturity bands. These criteria are regularly reviewed and updated, together with the applicable valuation adjustments, so that the classification by level remains consistent with the valuation adjustment policy.

Level 3

Level 3 securities of the trading book mainly comprise units of funds and unlisted equity shares measured at fair value through profit or loss or through equity.

Unlisted private equities are systematically classified as Level 3, with the exception of UCITS with a daily net asset value, which are classified in Level 1 of the fair value hierarchy.

Shares and other unlisted variable income securities in Level 3 are valued using one of the following methods: a share of revalued net book value, multiples of comparable companies, future cash flows method, multi-criteria approach.

Repurchase agreements, mainly long-term or structured repurchase agreements on corporate bonds and ABS: the valuation of these transactions requires proprietary methodologies given the bespoke nature of the transactions and the lack of activity and price discovery in the long-term repo market. The curves used in the valuation are corroborated using available data such as recent long-term repo trade data and price enquiry data. Valuation adjustments applicable to these exposures are commensurate with the degree of uncertainty inherent in the modelling choices and amount of data available.

Debts issued designated as at fair value through profit or loss, are classified in the same level as the one that would apply to the embedded derivative taken individually. The issuance spread is considered observable.

Derivatives

Vanilla derivatives are classified in Level 3 when the exposure is beyond the observation zone for rate curves or volatility surfaces, or relates to less liquid markets such as tranches on old credit index series or emerging markets interest rates markets. The main instruments are:

- ***Interest rate derivatives***: exposures mainly comprise swap products in less liquid currencies. Classification is driven by the lower liquidity of some maturities, while observation capabilities through consensus may be available. The valuation technique is standard, and uses external market information and extrapolation techniques.
- ***Credit derivatives (CDS)***: exposures mainly comprise CDSs beyond the maximum observable maturity and, to a much lesser extent, CDSs on illiquid or distressed names and CDSs on loan indices. Classification is driven by the lack of liquidity while observation capabilities may be available notably through consensus. Level 3 exposures also comprise CDS and Total Return Swaps (TRS) positions on securitised assets. These are priced along the same modelling techniques as the underlying bonds, taking into consideration the funding basis and specific risk premium.
- ***Equity derivatives***: exposures essentially comprise long dated forward or volatility products or exposures where there is a limited market for optional products. The marking of the forward curves and volatility surfaces beyond the maximum observable maturity relies on extrapolation techniques. However, when there is no market for model input, volatility or forward is generally determined on the basis of proxy or historical analysis.
  Similarly, long-term transactions on equity baskets are also classified in Level 3, based on the absence of equity correlation observability on long maturities.

These vanilla derivatives are subject to valuation adjustments linked to uncertainty on liquidity, specialised by nature of underlying and liquidity bands.

Structured derivatives classified in Level 3 predominantly comprise hybrid products (FX/Interest Rates hybrids, Equity hybrids), credit correlation products, prepayment-sensitive products, some stock basket optional products and some interest rate optional instruments. The main exposures are described below, with insight into the related valuation techniques and on the source of uncertainty:

- ***Structured interest rate options*** are classified in Level 3 when they involve currencies where there is not sufficient observation or when they include a quanto feature where the pay-off is measured with a forex forward fixed rate (except for the main currencies). Long term structured derivatives are also classified in Level 3.
- ***Hybrid FX/Interest rate products*** essentially comprise a specific product family known as Power Reverse Dual Currency (PRDC) when there is material valuation uncertainty. When valuation of PRDCs requires sophisticated modelling of joint behaviour of FX and interest rate, and is notably sensitive to the unobservable FX/ interest rate correlations, such products are classified as Level 3. PRDCs valuations are corroborated with recent trade data and consensus data.
- ***Securitisation swaps*** mainly comprise fixed-rate swaps, cross-currency or basis swaps whose notional is indexed to the prepayment behaviour of some underlying portfolio. The estimation of the maturity profile of securitisation swaps is corroborated by statistical estimates using external historical data.
- ***Forward volatility options*** are generally products whose pay-off is indexed to the future variability of a rate index such as volatility swaps. These products involve material model risk as it is difficult to infer forward volatility information from market-traded instruments. The valuation adjustment framework is calibrated to the uncertainty inherent in the product, and to the range of uncertainty from the existing external consensus data.
- ***Inflation derivatives*** classified in Level 3 mainly comprise swap products on inflation indices that are not associated with a liquid indexed bond market, optional products on inflation indices (such as caps and floors) and other forms of inflation indices involving optionality on the inflation indices or on the inflation annual rate. Valuation techniques used for inflation derivatives are predominantly standard market models. Proxy techniques are used for a few limited exposures. Although the valuations are corroborated through monthly consensus data, these products are classified as Level 3 due to their lack of liquidity and some uncertainties inherent in the calibration.
- The valuation of ***bespoke CDO*** requires correlation of default events when there is material valuation uncertainty. This information is inferred from the active index tranche market through a proprietary projection technique and involves proprietary extrapolation and interpolation techniques. Multi-geography CDO further require an additional correlation assumption. Finally, the bespoke CDO model also involves proprietary assumptions and parameters related to the dynamic of the recovery factor. CDO modelling is calibrated on the observable index tranche markets, and is regularly back-tested against consensus data on standardised pools. The uncertainty arises from the model risk associated with the projection and geography mixing technique, and the uncertainty of associated parameters, together with the recovery modelling.
- ***N to Default baskets*** are other forms of credit correlation products, modelled through standard copula techniques. The main inputs required are the pair-wise correlations between the basket components which can be observed in the consensus and the transactions. Linear baskets are considered observable.
- ***Equity and equity-hybrid correlation products*** are instruments whose pay-off is dependent on the joint behaviour of a basket of equities/indices leading to a sensitivity of the fair value measurement to the correlation amongst the basket components. Hybrid versions of these instruments involve baskets that mix equity and non-equity underlyings such as commodity indices, or foreign exchange rates. Only a subset of the Equity/index correlation matrix is regularly observable and traded, while most cross-asset correlations are not active. Therefore, classification in Level 3 depends on the composition of the basket, the maturity, and the hybrid nature of the product. The correlation input is derived from a proprietary model combining historical estimators, and other adjustment factors, that are corroborated by reference to recent trades or external data. The correlation matrix is essentially available from consensus services, and when a correlation between two underlying instruments is not available, it might be obtained from extrapolation or proxy techniques.

These structured derivatives are subject to specific valuation adjustments to cover uncertainties linked to liquidity, parameters and model risk.

Valuation adjustments (CVA, DVA and FVA)

The valuation adjustment for counterparty credit risk (CVA), own-credit risk for derivatives (DVA) and the explicit funding valuation adjustment (FVA) are deemed to be unobservable components of the valuation framework and therefore classified in Level 3. This does not impact, in general cases, the classification of individual transactions into the fair value hierarchy. However, a specific process allows to identify individual deals for which the marginal contribution of these adjustments and related uncertainty is significant and justifies classifying these transactions in Level 3.

The table below provides the range of values of main unobservable inputs for the valuation of Level 3 financial instruments. The ranges displayed correspond to a variety of different underlying instruments and are meaningful only in the context of the valuation technique implemented by BNP Paribas. The weighted averages, where relevant and available, are based on fair values, nominal amounts or sensitivities.

The main unobservable parameters used for the valuation of debt issued in Level 3 are equivalent to those of their economic hedge derivative. Information on those derivatives, displayed in the following table, is also applicable to these debts.

Risk classes	Balance Sheet valuation *(in millions of euros)*		Main product types composing the Level 3 stock within the risk class	Valuation technique used for the product types considered	Main unobservable inputs for the product types considered	Range of unobservable input across Level 3 population considered	Weighted average
	Asset	Liability					
Repurchase agreements	194	1,507	Long-term repo and reverse-repo agreements	Proxy techniques, based amongst other on the funding basis of a benchmark bond pool, that is actively traded and representative of the repo underlying	Long-term repo spread on private bonds (High Yield, High Grade) and on ABS	0 bp to 93 bp	29 bp (a)
Interest rate derivatives	1,552	1,944	Hybrid Forex / Interest rates derivatives	Hybrid Forex interest rate option pricing model	Correlation between FX rate and interest rates. Main currency pairs are EUR/JPY, USD/JPY, AUD/JPY	-25% to 48%	0.23% (a)
			Hybrid inflation rates / Interest rates derivatives	Hybrid inflation interest rate option pricing model	Correlation between interest rates and inflation rates mainly in Europe.	22% to 41%	34%
			Floors and caps on inflation rate or on the cumulative inflation (such as redemption floors), predominantly on European and French inflation	Inflation pricing model	Volatility of cumulative inflation	1.3% to 11.7%	(b)
					Volatility of the year-on-year inflation rate	0.3% to 2.6%	
			Forward Volatility products such as volatility swaps, mainly in euros	Interest rates option pricing model	Forward volatility of interest rates	0.5% to 0.9%	(b)
			Balance-guaranteed fixed rate, basis or cross currency swaps, predominantly indexed on European collateral pools	Prepayment modelling Discounted cash flows	Constant prepayment rates	0% to 25%	0.4% (a)
Credit derivatives	732	1,482	Collateralised Debt Obligations and index tranches for inactive index series	Base correlation projection technique and recovery modelling	Base correlation curve for bespoke portfolios	18% to 85%	(b)
					Recovery rate variance for single name underlyings	0% to 25 %	(b)
			N-to-default baskets	Credit default model	Default correlation	50% to 83%	56% (a)
			Single name Credit Default Swaps (other than CDS on ABs and loans indices)	Stripping, extrapolation and interpolation	Credit default spreads beyond observation limit (10 years)	N.A.	99 bp
					Illiquid credit default spread curves (across main tenors)	2 bp to 1,436 bp (1)	101 bp (c)
Equity derivatives	2,680	6,982	Simple and complex derivatives on multi-underlying baskets on stocks	Various volatility option models	Unobservable equity volatility	7% to 130% (2)	23% (d)
					Unobservable equity correlation	11% to 100%	62% (c)

(1) The upper bound of the range relates to building, retail and services sector issuers that represent an insignificant portion of the balance sheet (CDS with illiquid underlying instruments).
(2) The underlyings with implied volatility greater than 50% have a very limited exposure.
(a) Weights based on relevant risk axis at portfolio level
(b) No weighting, since no explicit sensitivity is attributed to these inputs
(c) Weighting is not based on risks, but on an alternative methodology in relation with the Level 3 instruments (present value or notional)
(d) Simple averaging

TABLE OF MOVEMENTS IN LEVEL 3 FINANCIAL INSTRUMENTS

For Level 3 financial instruments, the following movements occurred during the first half of 2024:

In millions of euros	Financial assets				Financial liabilities		
	Financial instruments at fair value through profit or loss held for trading	Financial instruments at fair value through profit or loss not held for trading	Financial assets at fair value through equity	TOTAL	Financial instruments at fair value through profit or loss held for trading	Financial instruments designated as at fair value through profit or loss	TOTAL
At 31 December 2023	**6,598**	**8,687**	**747**	**16,032**	**(10,483)**	**(23,772)**	**(34,255)**
Purchases	769	771		**1,540**			**-**
Issues				**-**		(6,080)	**(6,080)**
Sales	(361)	(433)		**(794)**	33		**33**
Settlements [(1)]	(3,061)	22	(18)	**(3,057)**	(3,052)	4,005	**953**
Transfers to Level 3	390		59	**449**	(2,667)	(6,119)	**(8,786)**
Transfers from Level 3	(550)	(36)	(49)	**(635)**	412	256	**668**
Gains (or losses) recognised in profit or loss with respect to transactions expired or terminated during the period	1,393	162		**1,555**	(576)	46	**(530)**
Gains (or losses) recognised in profit or loss with respect to unexpired instruments at the end of the period	1,869			**1,869**	4,100	(253)	**3,847**
Items related to exchange rate movements	(2)	42	(6)	**34**	(2)		**(2)**
Changes in fair value of assets and liabilities recognised in equity			(13)	**(13)**			**-**
At 30 June 2024	**7,045**	**9,215**	**720**	**16,980**	**(12,235)**	**(31,917)**	**(44,152)**

[(1)] For the assets, includes redemptions of principal, interest payments as well as cash inflows and outflows relating to derivatives. For the liabilities, includes principal redemptions, interest payments as well as cash inflows and outflows relating to derivatives the fair value of which is negative.

Transfers out of Level 3 of derivatives include mainly the update of the observability tenor of certain yield curves, and of market parameters related to repurchase agreements and credit transactions but also the effect of derivatives becoming only or mainly sensitive to observable inputs due to the shortening of their lifetime.

Transfers into Level 3 of instruments at fair value reflect the effect of the regular update of the observability zones.

Transfers have been reflected as if they had taken place at the beginning of the reporting period.

The Level 3 financial instruments may be hedged by other Level 1 and Level 2 instruments, the gains and losses of which are not shown in this table. Consequently, the gains and losses shown in this table are not representative of the gains and losses arising from management of the net risk on all these instruments.

SENSITIVITY OF FAIR VALUE TO REASONABLY POSSIBLE CHANGES IN LEVEL 3 ASSUMPTIONS

The following table summarises those financial assets and financial liabilities classified as Level 3 for which alternative assumptions in one or more of the unobservable inputs would change fair value significantly.

The amounts disclosed are intended to illustrate the range of possible uncertainty inherent to the judgement applied when estimating Level 3 parameters, or when selecting valuation techniques. These amounts reflect valuation uncertainties that prevail at the measurement date, and even though such uncertainties predominantly derive from the portfolio sensitivities that prevailed at that measurement date, they are not predictive or indicative of future movements in fair value, nor do they represent the effect of market stress on the portfolio value.

In estimating sensitivities, BNP Paribas either remeasured the financial instruments using reasonably possible inputs, or applied assumptions based on the valuation adjustment policy.

For the sake of simplicity, the sensitivity on cash instruments that are not relating to securitised instruments was based on a uniform 1% shift in the price. More specific shifts were however calibrated for each class of the Level 3 securitised exposures, based on the possible ranges of the unobservable inputs.

For derivative exposures, the sensitivity measurement is based on the credit valuation adjustment (CVA), the explicit funding valuation adjustment (FVA) and the parameter and model uncertainty adjustments related to Level 3.

Regarding the credit valuation adjustment (CVA) and the explicit funding valuation adjustment (FVA), the uncertainty was calibrated based on prudent valuation adjustments described in the technical standard “Prudent Valuation” published by the European Banking Authority. For other valuation adjustments, two scenarios were considered: a favourable scenario where all or portion of the valuation adjustment is not considered by market participants, and an unfavourable scenario where market participants would require twice the amount of valuation adjustments considered by BNP Paribas for entering into a transaction.

In millions of euros, at	30 June 2024		31 December 2023	
	Potential impact on income	Potential impact on equity	Potential impact on income	Potential impact on equity
Debt securities	+/-7	+/-2	+/-6	+/-2
Equities and other equity securities	+/-75	+/-5	+/-68	+/-5
Loans and repurchase agreements	+/-27		+/-20	
Derivative financial instruments	+/-567		+/-586	
Interest rate and foreign exchange derivatives	*+/-194*		*+/-218*	
Credit derivatives	*+/-80*		*+/-94*	
Equity derivatives	*+/-290*		*+/-271*	
Other derivatives	*+/-3*		*+/-3*	
Sensitivity of Level 3 financial instruments	**+/-676**	**+/-7**	**+/-680**	**+/-7**

DEFERRED MARGIN ON FINANCIAL INSTRUMENTS MEASURED USING TECHNIQUES DEVELOPED INTERNALLY AND BASED ON INPUTS PARTLY UNOBSERVABLE IN ACTIVE MARKETS

Deferred margin on financial instruments (“Day One Profit”) primarily concerns the scope of financial instruments eligible for Level 3 and to a lesser extent some financial instruments eligible for Level 2 where valuation adjustments for uncertainties regarding parameters or models are not negligible compared with the initial margin.

The Day One Profit is calculated after setting aside valuation adjustments for uncertainties as described previously and released to profit or loss over the expected period for which the inputs will be unobservable. The unamortised amount is included under “Financial instruments at fair value through profit or loss” as a reduction in the fair value of the relevant transactions.

In millions of euros	Deferred margin at 31 December 2023	Deferred margin on transactions during the period	Margin taken to the profit and loss account during the period	Deferred margin at 30 June 2024
Interest rate and foreign exchange derivatives	167	37	(36)	168
Credit derivatives	225	79	(65)	239
Equity derivatives	381	195	(201)	375
Other instruments	11	166	(161)	16
Financial instruments	**784**	**477**	**(463)**	**798**

4.d FINANCIAL ASSETS AT AMORTISED COST

- **Detail of loans and advances by nature**

In millions of euros, at	30 June 2024			31 December 2023		
	Gross value	Impairment (note 2.g)	Carrying amount	Gross value	Impairment (note 2.g)	Carrying amount
Loans and advances to credit institutions	**48,447**	**(86)**	**48,361**	**24,434**	**(99)**	**24,335**
On demand accounts	11,092	(2)	11,090	7,252	(6)	7,246
Loans[1]	19,899	(84)	19,815	12,267	(93)	12,174
Repurchase agreements	17,456		17,456	4,915		4,915
Loans and advances to customers	**889,498**	**(17,351)**	**872,147**	**876,712**	**(17,512)**	**859,200**
On demand accounts	50,835	(2,708)	48,127	46,733	(2,752)	43,981
Loans to customers	787,098	(13,431)	773,667	780,638	(13,593)	767,045
Finance leases	50,871	(1,212)	49,659	48,842	(1,167)	47,675
Repurchase agreements	694		694	499		499
Total loans and advances at amortised cost	**937,945**	**(17,437)**	**920,508**	**901,146**	**(17,611)**	**883,535**

[1] Loans and advances to credit institutions include term deposits made with central banks.

- **Detail of debt securities by type of issuer**

In millions of euros, at	30 June 2024			31 December 2023		
	Gross value	Impairment (note 2.g)	Carrying amount	Gross value	Impairment (note 2.g)	Carrying amount
Governments	67,480	(31)	67,449	62,659	(11)	62,648
Other public administration	22,390	(3)	22,387	16,288	(2)	16,286
Credit institutions	12,526	(2)	12,524	10,318	(2)	10,316
Others	35,628	(89)	35,539	32,000	(89)	31,911
Total debt securities at amortised cost	**138,024**	**(125)**	**137,899**	**121,265**	**(104)**	**121,161**

- **Detail of financial assets at amortised cost by stage**

In millions of euros, at	30 June 2024			31 December 2023		
	Gross Value	Impairment (note 2.g)	Carrying amount	Gross Value	Impairment (note 2.g)	Carrying amount
Loans and advances to credit institutions	**48,447**	**(86)**	**48,361**	**24,434**	**(99)**	**24,335**
Stage 1	47,876	(10)	47,866	23,673	(19)	23,654
Stage 2	496	(6)	490	679	(13)	666
Stage 3	75	(70)	5	82	(67)	15
Loans and advances to customers	**889,498**	**(17,351)**	**872,147**	**876,712**	**(17,512)**	**859,200**
Stage 1	794,830	(1,900)	792,930	777,190	(1,906)	775,284
Stage 2	69,187	(2,067)	67,120	74,214	(2,399)	71,815
Stage 3	25,481	(13,384)	12,097	25,308	(13,207)	12,101
Debt securities	**138,024**	**(125)**	**137,899**	**121,265**	**(104)**	**121,161**
Stage 1	137,694	(34)	137,660	120,991	(12)	120,979
Stage 2	148	(4)	144	94	(5)	89
Stage 3	182	(87)	95	180	(87)	93
Total financial assets at amortised cost	**1,075,969**	**(17,562)**	**1,058,407**	**1,022,411**	**(17,715)**	**1,004,696**

4.e IMPAIRED FINANCIAL ASSETS (STAGE 3)

The following tables present the carrying amounts of impaired financial assets carried at amortised cost and of impaired financing and guarantee commitments, as well as related collateral and other guarantees.

The amounts shown for collateral and other guarantees correspond to the lower of the value of the collateral or other guarantee and the value of the secured assets.

In millions of euros, at	30 June 2024			
	Impaired financial assets (Stage 3)			Collateral received
	Gross value	Impairment	Net	
Loans and advances to credit institutions (note 4.d)	75	(70)	5	
Loans and advances to customers (note 4.d)	25,481	(13,384)	12,097	7,473
Debt securities at amortised cost (note 4.d)	182	(87)	95	
Total amortised-cost impaired assets (stage 3)	**25,738**	**(13,541)**	**12,197**	**7,473**
Financing commitments given	1,167	(109)	1,058	310
Guarantee commitments given	953	(190)	763	201
Total off-balance sheet impaired commitments (stage 3)	**2,120**	**(299)**	**1,821**	**511**

In millions of euros, at	31 December 2023			
	Impaired financial assets (Stage 3)			Collateral received
	Gross value	Impairment	Net	
Loans and advances to credit institutions (note 4.d)	82	(67)	15	
Loans and advances to customers (note 4.d)	25,308	(13,207)	12,101	7,720
Debt securities at amortised cost (note 4.d)	180	(87)	93	
Total amortised-cost impaired assets (stage 3)	**25,570**	**(13,361)**	**12,209**	**7,720**
Financing commitments given	889	(96)	793	263
Guarantee commitments given	769	(218)	551	135
Total off-balance sheet impaired commitments (stage 3)	**1,658**	**(314)**	**1,344**	**398**

The following table presents the changes in gross exposures of stage 3 assets (EU CR2):

Gross value In millions of euros	First half 2024	First half 2023
Impaired exposures (Stage 3) at opening balance	**25,570**	**25,517**
Transfer to stage 3	4,601	4,547
Transfer to stage 1 or stage 2	(1,067)	(965)
Assets written off	(1,870)	(1,618)
Other changes	(1,496)	(1,435)
Impaired exposures (Stage 3) at closing balance	**25,738**	**26,046**

4.f FINANCIAL LIABILITIES AT AMORTISED COST DUE TO CREDIT INSTITUTIONS AND CUSTOMERS

In millions of euros, at	30 June 2024	31 December 2023
Deposits from credit institutions	**89,008**	**95,175**
On demand accounts	12,218	10,770
Interbank borrowings (1)	40,173	54,825
Repurchase agreements	36,617	29,580
Deposits from customers	**1,003,053**	**988,549**
On demand deposits	534,495	542,133
Savings accounts	156,914	152,636
Term accounts and short-term notes	309,708	292,491
Repurchase agreements	1,936	1,289

(1) Interbank borrowings from credit institutions include term borrowings from central banks, of which EUR 32 million of TLTRO III at 30 June 2024 compared with EUR 18 billion at 31 December 2023 (see note 2.a Net Interest Income).

4.g DEBT SECURITIES AND SUBORDINATED DEBT

This note covers all issued debt securities and subordinated debt measured at amortised cost and designated as at fair value through profit or loss.

- **Debt securities designated at fair value through profit or loss (note 4.a)**

Issuer / Issue date In millions of euros, at	Currency	Original amount in foreign currency (millions)	Date of call or interest step-up	Interest rate	Interest rate reset	Conditions precedent for coupon payment (1)	30 June 2024	31 December 2023
Debt securities							**97,238**	**83,028**
Subordinated debt							**779**	**735**
- Redeemable subordinated debt			(2)				**17**	**18**
- Perpetual subordinated debt							**762**	**717**
BNP Paribas Fortis Dec. 2007(3)	EUR	3,000	Dec.-14	3-month Euribor +200 bp		A	762	717

(1) Conditions precedent for coupon payment:

A Coupon payments are halted should the issuer have insufficient capital or the underwriters become insolvent or when the dividend declared for Ageas shares falls below a certain threshold.

(2) After agreement from the banking supervisory authority and at the issuer's initiative, redeemable subordinated debt issues may contain a call provision authorising the Group to redeem the securities prior to maturity by repurchasing them in the stock market, via public tender offers, or in the case of private placements over the counter. Debt issued by BNP Paribas SA or foreign subsidiaries of the Group via placements in the international markets may be subject to early redemption of the capital and early payment of interest due at maturity at the issuer's discretion on or after a date stipulated in the issue particulars (call option), or in the event that changes in the applicable tax rules oblige the BNP Paribas Group issuer to compensate debt-holders for the consequences of such changes. Redemption may be subject to a notice period of between 15 and 60 days, and is in all cases subject to approval by the banking supervisory authorities.

(3) Convertible And Subordinated Hybrid Equity-linked Securities (CASHES) issued by BNP Paribas Fortis (previously Fortis Banque) in December 2007.
The CASHES are perpetual securities but may be exchanged for Ageas (previously Fortis SA/NV) shares at the holder's sole discretion at a price of EUR 239.40. However, as of 19 December 2014, the CASHES will be automatically exchanged into Ageas shares if their price is equal to or higher than EUR 359.10 for twenty consecutive trading days. The principal amount will never be redeemed in cash. The rights of the CASHES holders are limited to the Ageas shares held by BNP Paribas Fortis and pledged to them.
Ageas and BNP Paribas Fortis have entered into a Relative Performance Note (RPN) contract, the value of which varies contractually so as to offset the impact on BNP Paribas Fortis of the relative difference between changes in the value of the CASHES and changes in the value of the Ageas shares.
Since 1 January 2022, the liability is no longer eligible to prudential own funds.

- **Debt securities and subordinated debt measured at amortised cost**

Issuer / Issue date In millions euros, at	Currency	Original amount in foreign currency (millions)	Date of call or interest step-up	Interest rate	Interest rate reset	Conditions precedent for coupon payment [1]	30 June 2024	31 December 2023
Debt securities							**201,431**	**191,482**
- Debt securities in issue with an initial maturity of less than one year							**86,783**	**75,743**
Negotiable debt securities							86,783	75,743
- Debt securities in issue with an initial maturity of more than one year							**114,648**	**115,739**
Negotiable debt securities							30,735	30,592
Bonds							83,913	85,147
Subordinated debt							**26,912**	**24,743**
- Redeemable subordinated debt			[2]				**22,599**	**21,662**
- Undated subordinated notes							**4,054**	**2,852**
BNP Paribas SA Oct. 85[5]	EUR	305	-	TMO - 0,25%	-	B	254	254
BNP Paribas SA Sept. 86 [5][7]	USD	500	-	Libor 6 month + 0,075%	-	C	-	248
BNP Paribas Cardif Nov. 14	EUR	1,000	Nov.-25	4.032%	Euribor 3 month + 393 bp	D	1,000	998
BNP Paribas SA Aug. 23[6]	USD	1,500	Aug.-28	8.500%	CMT + 4,354%	E	1,400	1,352
BNP Paribas SA Feb. 24[6]	USD	1,500	Aug.-31	8.000%	CMT +3,727%	E	1,400	
- Participating notes							**225**	**225**
BNP Paribas SA July 84 [3][5]	EUR	337	-	[4]	-		219	219
Others							6	6
- Expenses and commission, related debt							**34**	**4**

[1] Conditions precedent for coupon payment:

B Payment of the interest is mandatory, unless the Board of directors decides to postpone these payments after the Shareholders' General Meeting has officially noted that there is no income available for distribution, where this occurs within the 12-month period preceding the due date for payment of the interest. Interest payments are cumulative and are payable in full once dividend payments resume.

C Payment of the interest is mandatory, unless the Board of directors decides to postpone these payments after the Shareholders' General Meeting has validated the decision not to pay out a dividend, where this occurs within the 12-month period preceding the due date for payment of the interest. Interest payments are cumulative and are payable in full once dividend payments resume. The bank has the option of resuming payment of interest arrears, even where no dividend is paid out.

D Payment of the interest is mandatory, except for cases of regulatory deficiency, in agreement with the regulator, or of suspension of payments. Interest payments are cumulative and are payable in full, once coupon payments resume, or, if these events occur before, when the issuance is redeemed or when the issuer is liquidated.

E Payment of the interest is at full discretion and could be cancelled in whole or in part if the relevant regulator notifies based on its assessment of the financial and solvency situation of the issuer. Interest Amounts on the Notes will be non-cumulative, once coupon payments resume.

[2] See reference relating to "Debt securities at fair value through profit or loss".

[3] The participating notes issued by BNP Paribas SA may be repurchased as provided for in the law of 3 January 1983. The number of notes in the market is 1,434,092.

[4] Depending on net income subject to a minimum of 85% of the TMO rate and a maximum of 130% of the TMO rate.

[5] As from 31 December 2023, these securities are no longer eligible to prudential own funds.

[6] The instruments issued by BNP Paribas SA in August 2023 and February 2024 are contingent convertible securities classified as financial liabilities in accounting and eligible to Additional Tier 1 capital (see note 1.f.8). The distribution from these instruments is recognised directly as a reduction from equity.

[7] This instrument have been fully redeemed on 28 March 2024.

4.h CURRENT AND DEFERRED TAXES

In millions of euros, at	30 June 2024	31 December 2023
Current taxes	3,158	2,942
Deferred taxes	3,095	3,614
Current and deferred tax assets	**6,253**	**6,556**
Current taxes	2,281	2,725
Deferred taxes	1,189	1,096
Current and deferred tax liabilities	**3,470**	**3,821**

4.i ACCRUED INCOME/EXPENSE AND OTHER ASSETS/LIABILITIES

In millions of euros, at	30 June 2024	31 December 2023
Guarantee deposits and bank guarantees paid	119,049	119,187
Collection accounts	815	773
Accrued income and prepaid expenses	5,907	5,400
Other debtors and miscellaneous assets	49,100	45,398
Total accrued income and other assets	**174,871**	**170,758**
Guarantee deposits received	89,514	87,612
Collection accounts	5,079	3,124
Accrued expense and deferred income	8,792	8,265
Lease liabilities	3,066	3,058
Other creditors and miscellaneous liabilities	42,731	41,614
Total accrued expense and other liabilities	**149,182**	**143,673**

4.j GOODWILL

In millions of euros, at	First half 2024
Carrying amount at start of period	**5,549**
Acquisitions	120
Divestments	(84)
Impairment recognised during the period	-
Exchange rate adjustments	11
Carrying amount at end of period	**5,596**
Gross value	8,681
Accumulated impairment recognised at the end of period	(3,085)

Goodwill by cash-generating unit is as follows:

In millions of euros	Carrying amount		Recognised impairment		Acquisitions	
	30 June 2024	31 December 2023	First half 2024	First half 2023	First half 2024	First half 2023
Corporate & Institutional Banking	**1,291**	**1,275**	**-**	**-**	**-**	**-**
Global Banking	*279*	*277*				
Global Markets	*557*	*549*				
Securities Services	*455*	*449*				
Commercial, Personal Banking & Services	**2,999**	**3,058**	**-**	**-**	**30**	**170**
Arval	*637*	*633*				*27*
Leasing Solutions	*147*	*147*				
Personal Finance	*1,367*	*1,432*			*30*	*143*
Personal Investors	*564*	*562*				
New Digital Businesses	*220*	*220*				
Other	*64*	*64*				
Investment & Protection Services	**1,303**	**1,213**	**-**	**-**	**90**	**9**
Asset Management	*199*	*197*				*9*
Insurance	*388*	*299*			*90*	
Real Estate	*405*	*404*				
Wealth Management	*311*	*313*				
Other Activities	**3**	**3**	**-**	**-**	**-**	**-**
Total goodwill	**5,596**	**5,549**	**-**	**-**	**120**	**179**
Negative goodwill			226			
Change in value of goodwill recognised in the profit and loss account			**226**	**-**		

4.k PROVISIONS FOR CONTINGENCIES AND CHARGES

- **Provisions for contingencies and charges by type**

In millions of euros, at	31 December 2023	Net additions to provisions	Provisions used	Changes in value recognised directly in equity	Effect of movements in exchange rates and other movements	30 June 2024
Provisions for employee benefits	6,509	241	(615)	(112)	113	6,136
Provisions for home savings accounts and plans	48	(5)	-		-	43
Provisions for credit commitments *(note 2.g)*	1,270	(82)	(64)		8	1,132
Provisions for litigations	1,005	53	(201)		(16)	841
Other provisions for contingencies and charges	1,686	(4)	(459)		(49)	1,174
Total provisions for contingencies and charges	**10,518**	**203**	**(1,339)**	**(112)**	**56**	**9,326**

In 2023, the Group modified its accounting policy relating to the risk of loss of cash flows on financial instruments granted that are not linked to the counterparty's default, such as legal risks calling into question the validity or enforceability of such contracts (see note 2.h).

The effect on expected cash flows due to these risks is now considered as a change in the contract's cash flows, in accordance with IFRS 9 B5.4.6, and is recorded as a decrease in the gross value of the asset. It was previously recognised separately in accordance with IAS 37 in "Provisions for risks and charges". Expected losses on derecognised financial instruments, as is the case when loans have been repaid, continue to be recognised in accordance with IAS 37.

As a result, EUR 313 million previously presented in "Provisions for litigations" were deducted from "Financial assets at amortised cost".

As of 31 December 2023, reserves related to the uncertainty on the residual value of Arval's vehicles previously recognised as a decrease in assets were included in "Other provisions for contingencies and charges".

4.l OFFSETTING OF FINANCIAL ASSETS AND LIABILITIES

The following tables present the amounts of financial assets and liabilities before and after offsetting. This information, required by IFRS 7, aims to enable the comparability with the accounting treatment applicable in accordance with generally accepted accounting principles in the United States (US GAAP), which are less restrictive than IAS 32 as regards offsetting.

"Amounts set off on the balance sheet" have been determined according to IAS 32. Thus, a financial asset and a financial liability are offset and the net amount presented on the balance sheet when, and only when, the Group has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Amounts set off derive mainly from repurchase agreements and derivative instruments traded with clearing houses.

The "impacts of master netting agreements and similar agreements" are relative to outstanding amounts of transactions within an enforceable agreement, which do not meet the offsetting criteria defined by IAS 32. This is the case of transactions for which offsetting can only be performed in case of default, insolvency or bankruptcy of one of the contracting parties.

"Financial instruments given or received as collateral" include guarantee deposits and securities collateral recognised at fair value. These guarantees can only be exercised in case of default, insolvency or bankruptcy of one of the contracting parties.

Regarding master netting agreements, the guarantee deposits received or given in compensation for the positive or negative fair values of financial instruments are recognised in the balance sheet in accrued income or expenses and other assets or liabilities.

In millions of euros, at 30 June 2024	Gross amounts of financial assets	Gross amounts set off on the balance sheet	Net amounts presented on the balance sheet	Impact of Master Netting Agreements (MNA) and similar agreements	Financial instruments received as collateral	Net amounts
Assets						
Financial instruments at fair value through profit or loss						
Securities	308,256		308,256			308,256
Loans and repurchase agreements	494,375	(219,170)	275,205	(35,188)	(222,055)	17,962
Derivative financial instruments (including derivatives used for hedging purposes)	909,796	(604,566)	305,230	(204,777)	(55,709)	44,744
Financial assets at amortised cost	1,059,575	(1,168)	1,058,407	(2,321)	(14,645)	1,041,441
of which repurchase agreements	*19,318*	*(1,168)*	*18,150*	*(2,321)*	*(14,645)*	*1,184*
Accrued income and other assets	174,871		174,871		(41,666)	133,205
of which guarantee deposits paid	*119,049*		*119,049*		*(41,666)*	*77,383*
Other assets not subject to offsetting	577,289		577,289			577,289
TOTAL ASSETS	**3,524,162**	**(824,904)**	**2,699,258**	**(242,286)**	**(334,075)**	**2,122,897**

In millions of euros, at 30 June 2024	Gross amounts of financial liabilities	Gross amounts set off on the balance sheet	Net amounts presented on the balance sheet	Impact of Master Netting Agreements (MNA) and similar agreements	Financial instruments given as collateral	Net amounts
Liabilities						
Financial instruments at fair value through profit or loss						
Securities	99,377		99,377			99,377
Deposits and repurchase agreements	570,280	(219,170)	351,110	(33,798)	(296,677)	20,635
Issued debt securities	98,017		98,017			98,017
Derivative financial instruments (including derivatives used for hedging purposes)	909,363	(604,566)	304,797	(204,777)	(45,019)	55,001
Financial liabilities at amortised cost	1,093,229	(1,168)	1,092,061	(3,711)	(32,576)	1,055,774
of which repurchase agreements	*39,721*	*(1,168)*	*38,553*	*(3,711)*	*(32,576)*	*2,266*
Accrued expense and other liabilities	149,182		149,182		(49,876)	99,306
of which guarantee deposits received	*89,514*		*89,514*		*(49,876)*	*39,638*
Other liabilities not subject to offsetting	476,947		476,947			476,947
TOTAL LIABILITIES	**3,396,395**	**(824,904)**	**2,571,491**	**(242,286)**	**(424,148)**	**1,905,057**

In millions of euros, at 31 December 2023	Gross amounts of financial assets	Gross amounts set off on the balance sheet	Net amounts presented on the balance sheet	Impact of Master Netting Agreements (MNA) and similar agreements	Financial instruments received as collateral	Net amounts
Assets						
Financial instruments at fair value through profit or loss						
Securities	211,634		211,634			211,634
Loans and repurchase agreements	462,109	(234,934)	227,175	(28,383)	(181,529)	17,263
Derivative financial instruments (including derivatives used for hedging purposes)	890,604	(576,833)	313,771	(213,517)	(51,325)	48,929
Financial assets at amortised cost	1,005,096	(400)	1,004,696	(676)	(4,325)	999,695
of which repurchase agreements	*5,814*	*(400)*	*5,414*	*(676)*	*(4,325)*	*413*
Accrued income and other assets	170,758		170,758		(40,664)	130,094
of which guarantee deposits paid	*119,187*		*119,187*		*(40,664)*	*78,523*
Other assets not subject to offsetting	663,465		663,465			663,465
TOTAL ASSETS	**3,403,666**	**(812,167)**	**2,591,499**	**(242,576)**	**(277,843)**	**2,071,080**

In millions of euros, at 31 December 2023	Gross amounts of financial liabilities	Gross amounts set off on the balance sheet	Net amounts presented on the balance sheet	Impact of Master Netting Agreements (MNA) and similar agreements	Financial instruments given as collateral	Net amounts
Liabilities						
Financial instruments at fair value through profit or loss						
Securities	104,910		104,910			104,910
Deposits and repurchase agreements	508,548	(234,934)	273,614	(26,113)	(231,737)	15,764
Issued debt securities	83,763		83,763			83,763
Derivative financial instruments (including derivatives used for hedging purposes)	893,736	(576,833)	316,903	(213,517)	(41,756)	61,630
Financial liabilities at amortised cost	1,084,124	(400)	1,083,724	(2,946)	(26,145)	1,054,633
of which repurchase agreements	*31,269*	*(400)*	*30,869*	*(2,946)*	*(26,145)*	*1,778*
Accrued expense and other liabilities	143,673		143,673		(46,631)	97,042
of which guarantee deposits received	*87,612*		*87,612*		*(46,631)*	*40,981*
Other liabilities not subject to offsetting	456,045		456,045			456,045
TOTAL LIABILITIES	**3,274,799**	**(812,167)**	**2,462,632**	**(242,576)**	**(346,269)**	**1,873,787**

5. NOTES RELATED TO INSURANCE ACTIVITIES

5.a NET INCOME FROM INSURANCE ACTIVITIES

The various income and expenses of insurance contracts are broken down in the “Net income from insurance activities” as follows:

- “Insurance revenue” includes revenue from insurance activities related to groups of insurance contracts issued. Insurance revenue reflects the provision of services relating to a group of contracts in an amount corresponding to the consideration to which the insurer expects to be entitled in exchange for those services;
- “Insurance service expenses”: actual charges attributable to insurance contracts incurred over the period, changes related to past and current service, amortisation of acquisition costs, and the loss component for onerous contracts;
- “Investment return”;
- “Net finance income or expenses from insurance contracts” includes the change in the carrying amount of insurance contracts resulting from the undiscounting effect, and the financial risk including changes in financial assumptions.

In millions of euros	First half 2024	First half 2023
Insurance revenue	4,779	4,379
Insurance service expenses (1)	(3,683)	(3,297)
Investment return	6,721	6,102
Net finance income or expenses from insurance contracts	(6,607)	(6,000)
Net income from insurance activities	**1,210**	**1,184**

(1) Insurance service expenses include attributable expenses which amounted to - EUR 2,066 million for the first half of 2024, compared with - EUR 1,822 million for the first half of 2023 (see note 5.b).

- **Insurance service result**

“Insurance service result” includes:

- “Insurance revenue”: for contracts under the variable fee approach and under the building block approach, it represents the release of fulfilment insurance contracts cash flows over the period (excluding changes in investment component and the amount allocated to the loss component), change in the non-financial risk adjustment, amortisation of the contractual service margin for services provided over the period, the amount allocated for the amortisation of acquisition cost, and for the general measurement model specifically, experience adjustments related to premiums.

  For contracts under the variable fee approach, the amortisation of the margin on contractual services is determined after adjusting the difference between the real-world expected financial return and the risk-neutral projection. The main financial assumptions underlying the calculation of the real-world expected financial return are those adopted by the Group over the horizon of the strategic plan. Beyond this horizon, the interest rate and return assumptions used are determined in line with those underlying the risk-neutral projection.
  The recovery of insurance acquisition cash flows corresponds to the portion of the premiums that relate to recovering these cash flows and the same amount is recognised as an expense on the line “Amortisation of insurance acquisition cash flows”.

  For contracts under the simplified measurement model, revenue represents expected cash-flows over the period.

- “Insurance service expenses” includes incurred and past claims expenses of the period (excluding repayments of investment component) and other expenses that have been incurred related to insurance activities. Other insurance service expenses include the amortisation of insurance acquisition cash flows; changes that relate to past services and changes that relate to future services. This line also includes the operating expenses and depreciation and amortisation attributable to insurance contracts.

- "Net expenses from reinsurance contracts held" are service expenses from reinsurance net of amounts recovered from reinsurers.

In millions of euros	First half 2024	First half 2023
Contracts not measured under the premium allocation approach	**2,732**	**2,711**
Changes in the liability for remaining coverage	1,127	1,088
Change in the risk adjustment	65	53
Contractual service margin	955	893
Recovery of insurance acquisition cash flows	585	677
Contracts measured under the premium allocation approach	**2,047**	**1,668**
Insurance revenue	**4,779**	**4,379**
Incurred claims and expenses	(2,012)	(1,834)
Amortisation of insurance acquisition cash flows	(1,439)	(1,320)
Changes that relate to past service	36	12
Loss component recognised in profit or loss	(43)	(65)
Net expenses from reinsurance contracts held	(225)	(90)
Insurance service expenses	**(3,683)**	**(3,297)**
INSURANCE SERVICE RESULT	**1,096**	**1,082**

- **Financial result**

"Financial Result" includes "Investment return" and "Net finance income or expenses from insurance contracts."

"Investment return" includes net income from financial instruments and from investment properties.

"Changes in fair value of underlying items of direct participation contracts" reflects the changes in value of underlying investments, for the amount which was not recognised directly in equity, and excluding the portion of these changes adjusting the contract service margin.

"Other insurance financial expenses" measured under the general model and under the simplified model represent the change in technical liabilities arising from financial risks (discount rates variations, forex rates, time value and financial variations expected in the contracts) for the amount which was not recognised directly in equity.

In millions of euros	First half 2024	First half 2023
Net interest income	1,286	1,205
Net gain on financial instruments at fair value through equity	(94)	(187)
Net gain on debt instruments	*(146)*	*(194)*
Dividend income on equity instruments	*52*	*8*
Net gain on financial instruments at fair value through profit and loss	5,142	5,101
Cost of risk	4	25
Investment property income	423	(7)
Share of earnings of equity-method investments	2	(3)
Other expenses	(42)	(32)
Investment return	**6,721**	**6,102**
Changes in fair value of underlying items of direct participation contracts	(6,539)	(5,999)
Other insurance financial expenses	(68)	(1)
Net finance income or expenses from insurance contracts	**(6,607)**	**(6,000)**
FINANCIAL RESULT	**114**	**102**

5.b RECONCILIATION OF EXPENSES BY TYPE AND BY FUNCTION

In millions of euros	First half 2024	First half 2023
Commissions and other expenses	(1,439)	(1,115)
Expenses incurred by internal distributors (see note 2.f)	(550)	(521)
Salary and employee benefit expense	(420)	(399)
Taxes and contributions	(69)	(63)
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets	(62)	(20)
Total expenses by type	**(2,540)**	**(2,118)**
Acquisition cash flows incurred over the period	1,528	1,237
Amortisation of acquisition cash flows	(1,440)	(1,321)
Total expenses by type adjusted for acquisition cash flows amortisation effect	**(2,452)**	**(2,202)**
-Insurance contracts attributable expenses (see note 5.a)	(2,066)	(1,822)
-Insurance activities non attributable costs (see note 2.f)	(386)	(380)

Acquisition cash flows over the period are deducted from total expenses and amortised over the coverage period of the contracts.

5.c INVESTMENTS, OTHER ASSETS AND FINANCIAL LIABILITIES RELATED TO INSURANCE ACTIVITIES

- **Investments and other assets related to insurance activities**

In millions of euros, at	30 June 2024	31 December 2023
Derivative financial instruments	1,809	1,658
Derivatives used for hedging purposes	46	36
Financial assets at fair value through profit or loss	159,735	156,758
Financial assets at fair value through equity	96,593	89,139
Financial assets at amortised cost	1,090	1,267
Investment properties	7,233	7,491
Equity-method investments	83	89
Assets related to insurance activities (note 5.d)	806	660
Investments and other assets related to insurance activities	**267,395**	**257,098**

- **Financial liabilities related to insurance activities**

"Financial liabilities related to insurance activities" includes unit-linked investment contracts without discretionary participating features. Those contracts are measured under IFRS 9 at fair value through profit or loss.

In millions of euros, at	30 June 2024	31 December 2023
Derivative financial instruments	1,137	1,138
Derivatives used for hedging purposes	269	152
Deposit at fair value through profit or loss	1,033	1,063
Debt representative of shares of consolidated funds held by third parties	6,569	5,802
Investment contracts without discretionary participation feature - Unit-linked contracts	8,619	8,427
Other debts	926	1,657
Financial liabilities related to insurance activities	**18,553**	**18,239**

- **Measurement of the fair value of financial instruments**

The criteria for allocating instruments to each level of the fair value hierarchy, the measurement methods, and the principles governing transfers between levels are those presented in note 4.c for the Group's financial instruments.

In millions of euros, at	30 June 2024				31 December 2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets designated as at fair value through profit or loss	**94,354**	**49,390**	**15,991**	**159,735**	**85,585**	**56,294**	**14,879**	**156,758**
Equity instruments	88,013	34,401	15,890	138,304	79,269	41,846	14,779	135,894
Debt securities	6,341	14,405	42	20,788	6,316	13,740	41	20,097
Loans		584	59	643		708	59	767
Financial assets at fair value through equity	**84,743**	**11,835**	**15**	**96,593**	**81,018**	**8,106**	**15**	**89,139**
Equity instruments	1,130			1,130	646			646
Debt securities	83,613	11,835	15	95,463	80,372	8,106	15	88,493
Derivative financial instruments	**-**	**1,839**	**16**	**1,855**	**2**	**1,678**	**14**	**1,694**
FINANCIAL ASSETS MEASURED AT FAIR VALUE	**179,097**	**63,064**	**16,022**	**258,183**	**166,605**	**66,078**	**14,908**	**247,591**
Financial liabilities designated at fair value through profit or loss	**3,588**	**11,724**	**909**	**16,221**	**2,625**	**12,039**	**628**	**15,292**
Deposit at fair value through profit or loss		1,033		1,033		1,063		1,063
Debt representative of shares of consolidated funds held by third parties	3,588	2,981		6,569	2,625	3,177		5,802
Investment contracts without discretionary participation feature - Unit-linked contracts		7,710	909	8,619		7,799	628	8,427
Derivative financial instruments	**-**	**1,297**	**109**	**1,406**	**127**	**977**	**186**	**1,290**
FINANCIAL LIABILITIES MEASURED AT FAIR VALUE	**3,588**	**13,021**	**1,018**	**17,627**	**2,752**	**13,016**	**814**	**16,582**

Level 1 includes notably equity securities and liquid bonds, derivative instruments traded on organised markets (futures, options, etc.), shares of funds and UCITS, for which the net asset value is calculated on a daily basis.

Level 2 includes equity securities, government bonds, corporate debt securities, shares of funds and UCITS, and over-the-counter derivatives.

Level 3 includes units of funds and unlisted equity shares which are mainly company shares and venture capital.

- **Table of movements in Level 3 financial instruments**

For Level 3 financial instruments, the following movements occurred during the first half of 2024:

	Financial assets			Financial liabilities	
In millions of euros	Financial instruments at fair value through profit or loss	Financial assets at fair value through equity	Total	Financial instruments at fair value through profit or loss	Total
At 31 December 2023	**14,893**	**15**	**14,908**	**(814)**	**(814)**
Purchases	1,384	1	1,385		-
Sales	(528)	(2)	(530)		-
Settlements	(52)		(52)	82	82
Transfers to Level 3	250		250		-
Transfers from Level 3	(301)		(301)		-
Gains recognised in profit or loss	184		184	(281)	(281)
Items related to exchange rate movement and changes in scope of consolidation	177		177	(5)	(5)
Changes in fair value of assets and liabilities recognised in equity		1	1		-
At 30 June 2024	**16,007**	**15**	**16,022**	**(1,018)**	**(1,018)**

- **Financial assets at fair value through equity**

	30 June 2024		31 December 2023	
In millions of euros, at	Fair value	of which changes in value recognised directly to equity	Fair Value	of which changes in value recognised directly to equity
Debt securities	95,463	(7,815)	88,493	(5,154)
Equity securities	1,130	94	646	70
Total financial assets at fair value through equity	**96,593**	**(7,721)**	**89,139**	**(5,084)**

The option to recognise certain equity instruments at fair value through equity was retained in particular for shares held through strategic partnerships and shares that the Group is required to hold in order to carry out certain activities.

During the first half of 2024, the Group sold several of these investments and a net gain of EUR 6 million was transferred to “retained earnings” (EUR 22 million for the first half of 2023).

- **Investment properties fair value**

The fair value of investment properties amounts to EUR 7.2 billion at 30 June 2024, compared with EUR 7.5 billion at 31 December 2023.

The entire non-listed real estate portfolio is appraised by one or more independent third parties. Experts have professional rules for carrying out these assessments.

For buildings that are directly held, experts use three main methods:

- the method by which similar transactions are compared;
- the rate of return method (rate applied to a rental basis);
- the discounted cash flows method.

The final value retained by the expert may be a compromise between these three methods.

- **Fair value of financial instruments carried at amortised cost**

In millions of euros, at	30 June 2024					31 December 2023				
	Estimated fair value				Carrying value	Estimated fair value				Carrying value
	Level 1	Level 2	Level 3	Total		Level 1	Level 2	Level 3	Total	
Loans and receivables	-	1,057	30	1,087	1,090	-	1,242	24	1,266	1,267

5.d ASSETS AND LIABILITIES RELATED TO INSURANCE CONTRACTS

The main contracts issued by the Group are (see note 1.g.2):

- Insurance contracts covering risks related to persons or property measured under the general model (building block approach - BBA) or the premium allocation approach (PAA) for contracts eligible under this approach;
- life or savings contracts measured under the variable fee approach (VFA);
- reinsurance contracts issued measured under the general model or the premium allocation approach.

Reinsurance contracts held are also measured under the general model or the premium allocation approach.

Insurance and reinsurance contracts issued and reinsurance contracts held are presented on the assets or liabilities side of the balance sheet according to the overall position of the portfolios to which they belong. They are presented separately according to their valuation model: allocation method or other models (general model and variable fee approach). Reinsurance contracts held are isolated.

In millions of euros, at	30 June 2024			31 December 2023		
	Assets	Liabilities	Net (Assets) or Liabilities	Assets	Liabilities	Net (Assets) or Liabilities
Insurance contracts not measured under the premium allocation approach	21	225,305	225,284	22	215,689	215,667
Insurance contracts measured under the premium allocation approach	187	2,557	2,370	84	2,354	2,270
Reinsurance contracts held	598	3	(595)	554	-	(554)
Assets and liabilities related to insurance contracts	**806**	**227,865**	**227,059**	**660**	**218,043**	**217,383**

Tables below show movements in carrying amounts of insurance contracts and do not include reinsurance contracts held.

- **Movements in carrying amounts of insurance contracts - remaining coverage and incurred claims**

Insurance contracts issued, excluding reinsurance contracts In millions of euros	Remaining coverage		Incurred claims	Total net liabilities
	Excluding loss component	Loss component		
NET (ASSETS) OR LIABILITIES AT 31 DECEMBER 2022	**205,437**	**152**	**3,962**	**209,551**
Insurance service result: (income) or expenses	(15,298)	41	14,085	(1,172)
of which insurance revenue	*(4,380)*			*(4,380)*
of which insurance service expenses	*1,177*	*41*	*1,990*	*3,208*
of which investment component	*(12,095)*		*12,095*	*-*
Net finance (income) or expenses from insurance contracts [2]	6,984	1	14	6,999
Total changes recognised in profit and loss and in equity	(8,314)	42	14,099	5,827
Premiums received for insurance contracts issued	13,347			13,347
Insurance acquisition cash flows	(1,094)			(1,094)
Claims and other service expenses paid			(13,728)	(13,728)
Total cash flows	12,253	-	(13,728)	(1,475)
Changes in scope of consolidation and other items	(570)	(26)	(29)	(625)
NET (ASSETS) OR LIABILITIES AT 30 JUNE 2023	**208,806**	**168**	**4,304**	**213,278**
Insurance service result: (income) or expenses	(15,204)	(18)	13,802	(1,420)
of which insurance revenue	*(4,565)*			*(4,565)*
of which insurance service expenses	*1,158*	*(18)*	*2,005*	*3,145*
of which investment component	*(11,797)*		*11,797*	*-*
Net finance (income) or expenses from insurance contracts [2]	7,633	1	51	7,685
Total changes recognised in profit and loss and in equity	(7,571)	(17)	13,853	6,265
Premiums received for insurance contracts issued	12,781			12,781
Insurance acquisition cash flows	(1,191)			(1,191)
Claims and other service expenses paid			(13,726)	(13,726)
Total cash flows	11,590	-	(13,726)	(2,136)
Changes in scope of consolidation and other items	199	19	312	530
NET (ASSETS) OR LIABILITIES AT 31 DECEMBER 2023 [1]	**213,024**	**170**	**4,743**	**217,937**
Insurance service result: (income) or expenses	(13,406)	20	12,065	(1,321)
of which insurance revenue	*(4,779)*			*(4,779)*
of which insurance service expenses	*1,289*	*20*	*2,149*	*3,458*
of which investment component	*(9,916)*		*9,916*	*-*
Net finance (income) or expenses from insurance contracts [2]	4,072	2	81	4,155
Total changes recognised in profit and loss and in equity	(9,334)	22	12,146	2,834
Premiums received for insurance contracts issued	16,770			16,770
Insurance acquisition cash flows	(1,379)			(1,379)
Claims and other service expenses paid			(12,276)	(12,276)
Total cash flows	15,391	-	(12,276)	3,115
Changes in scope of consolidation and other items	3,595	(1)	174	3,768
NET (ASSETS) OR LIABILITIES AT 30 JUNE 2024 [1]	**222,676**	**191**	**4,787**	**227,654**

[1] Including receivables and liabilities attributable to insurance contracts for a net asset of EUR 685 million at 30 June 2024, compared with a net asset of EUR 549 million at 31 December 2023.

[2] Including finance income and expenses recognised directly in equity.

- **Movements in carrying amounts of insurance contracts not measured under the premium allocation approach – analysis by measurement component**

Insurance contracts issued not measured under the premium allocation approach, excluding reinsurance contracts In millions of euros	Present value of future cash flows	Non-financial risk adjustment	Contractual service margin	Total
NET (ASSETS) OR LIABILITIES AT 31 DECEMBER 2022	189,422	1,048	17,065	207,535
Insurance service result: (income) or expenses	(2,039)	389	694	(956)
of which changes related to future services - new contracts	*(800)*	*57*	*759*	*16*
of which changes related to future services - change in estimation	*(1,183)*	*408*	*828*	*53*
of which changes related to current service [2]	*15*	*(43)*	*(893)*	*(921)*
of which changes related to past service	*(71)*	*(33)*		*(104)*
Net finance (income) or expenses from insurance contracts [3]	6,947	11	23	6,981
Total changes recognised in profit and loss and in equity	4,908	400	717	6,025
Premiums received for insurance contracts issued	11,559			11,559
Insurance acquisition cash flows	(459)			(459)
Claims and other service expenses paid	(12,999)			(12,999)
Total cash flows	(1,899)	-	-	(1,899)
Changes in scope of consolidation and other items	(415)	(52)	47	(420)
NET (ASSETS) OR LIABILITIES AT 30 JUNE 2023	192,016	1,396	17,829	211,241
Insurance service result: (income) or expenses	365	161	(1,533)	(1,007)
of which changes related to future services - new contracts	*(364)*	*33*	*348*	*17*
of which changes related to future services - change in estimation	*736*	*194*	*(949)*	*(19)*
of which changes related to current service	*17*	*(60)*	*(932)*	*(975)*
of which changes related to past service	*(24)*	*(6)*		*(30)*
Net finance (income) or expenses from insurance contracts [3]	7,563	(3)	28	7,588
Total changes recognised in profit and loss and in equity	7,928	158	(1,505)	6,581
Premiums received for insurance contracts issued	11,062			11,062
Insurance acquisition cash flows	(433)			(433)
Claims and other service expenses paid	(12,995)			(12,995)
Total cash flows	(2,366)	-	-	(2,366)
Changes in scope of consolidation and other items	211	49	(49)	211
NET (ASSETS) OR LIABILITIES AT 31 DECEMBER 2023 [1]	197,789	1,603	16,275	215,667
Insurance service result: (income) or expenses	(2,398)	189	1,203	(1,006)
of which changes related to future services - new contracts	*(886)*	*73*	*829*	*16*
of which changes related to future services - change in estimation	*(1,491)*	*189*	*1,329*	*27*
of which changes related to current service [2]	*42*	*(55)*	*(955)*	*(968)*
of which changes related to past service	*(63)*	*(18)*		*(81)*
Net finance (income) or expenses from insurance contracts [3]	4,041	12	27	4,080
Total changes recognised in profit and loss and in equity	1,643	201	1,230	3,074
Premiums received for insurance contracts issued	14,485			14,485
Insurance acquisition cash flows	(483)			(483)
Claims and other service expenses paid	(11,394)			(11,394)
Total cash flows	2,608	-	-	2,608
Changes in scope of consolidation and other items	3,781	16	138	3,935
NET (ASSETS) OR LIABILITIES AT 30 JUNE 2024 [1]	205,821	1,820	17,643	225,284

[1] Including receivables and liabilities attributable to insurance contracts for a net asset of EUR 272 million at 30 June 2024, compared with a net asset of EUR 501 million at 31 December 2023.
[2] Including an experience adjustment that amounted to - EUR 44 million for the first half of 2024 and to - EUR 18 million for the first half of 2023.
[3] Including finance income and expenses recognised directly in equity.

- **Discount rates and adjustment for non-financial risk**

The table below presents the average discount rates used in the measurement of savings and protection contracts for the main horizons of the euro curve.

	30 June 2024		31 December 2023	
	Savings	Protection	Savings	Protection
1 year	4.25%	3.43%	4.00%	3.36%
5 years	3.58%	2.77%	2.96%	2.32%
10 years	3.54%	2.73%	3.03%	2.39%
15 years	3.57%	2.76%	3.10%	2.47%
20 years	3.47%	2.66%	3.04%	2.41%
40 years	3.27%		3.04%	

- For savings contracts measured under the variable fee approach, the discounting rate consists of the risk-free rate, extrapolated over the duration exceeding the period for which observable data are available and adjusted for a liquidity premium determined based on the underlying assets and reflecting the illiquidity of liabilities. The average liquidity premium all savings portfolios combined (in France, Italy and Luxembourg) is 0.79% at 30 June 2024 compared with 0.65% at 31 December 2023.

The risk adjustment is determined according to the cost of capital method, without taking into account the risk of massive lapses, including future payments, and considering only attributable expenses. It is measured within a confidence range of 60% and 70%. This one corresponds to a level of confidence of 65% at 30 June 2024 (unchanged compared with 31 December 2023).

- For protection contracts measured under the general model and for liabilities for incurred claims under the simplified approach, the discounting rate consists of the risk-free rate adjusted to reflect the illiquidity of liabilities. For protection, the liquidity premium is currently valued at zero due to the short settlement period for claims on the main risks covered.

The level of confidence used in determining the adjustment for non-financial risks for the main countries is 70% (based on the quantile method).

6. FINANCING AND GUARANTEE COMMITMENTS

6.a FINANCING COMMITMENTS GIVEN OR RECEIVED

In millions of euros, at	30 June 2024	31 December 2023
Financing commitments given		
- to credit institutions	**4,531**	**3,650**
- to customers	**363,761**	**365,821**
Confirmed financing commitments	329,180	328,678
Other commitments given to customers	34,581	37,143
Total financing commitments given	**368,292**	**369,471**
of which stage 1	*351,017*	*353,147*
of which stage 2	*15,763*	*14,857*
of which stage 3	*1,167*	*889*
of which insurance activities	*345*	*578*
Financing commitments received		
- from credit institutions	**74,491**	**69,596**
- from customers	**2,751**	**3,185**
Total financing commitments received	**77,242**	**72,781**

6.b GUARANTEE COMMITMENTS GIVEN BY SIGNATURE

In millions of euros, at	30 June 2024	31 December 2023
Guarantee commitments given		
- to credit institutions	**73,729**	**63,132**
- to customers	**123,133**	**127,203**
Property guarantees	2,075	2,403
Sureties provided to tax and other authorities, other sureties	66,037	66,791
Other guarantees	55,021	58,009
Total guarantee commitments given	**196,862**	**190,335**
of which stage 1	*185,983*	*177,315*
of which stage 2	*9,307*	*11,701*
of which stage 3	*953*	*769*
of which insurance activities	*619*	*550*

The Group's annual contribution to the European Union's Single Resolution Fund may be partly in the form of an irrevocable payment commitment (IPC) guaranteed by a cash deposit of the same amount.
Where the resolution of an institution involves the fund, the fund may call all or part of the IPC received.
The irrevocable payment commitment is qualified as contingent liabilities. A provision is established if the probability of a commitment call by the fund exceeds 50%. Since this probability is estimated to be below this threshold, no provision was recognised by the Group at 30 June 2024.

These commitments amounted to EUR 1,263 million at 30 June 2024 (compared with EUR 1,261 million at 31 December 2023).

Cash provided as collateral is remunerated and recognised as a financial asset at amortised cost.

6.c SECURITIES COMMITMENTS

In connection with the settlement date accounting for securities, commitments representing securities to be delivered or securities to be received are the following:

In millions of euros, at	30 June 2024	31 December 2023
Securities to be delivered	40,553	23,159
Securities to be received	42,681	21,384

7. ADDITIONAL INFORMATION

7.a CHANGES IN SHARE CAPITAL AND EARNINGS PER SHARE

At 30 June 2024, the share capital of BNP Paribas SA amounted to EUR 2,261,621,342 and was divided into 1,130,810,671 shares. The nominal value of each share is EUR 2 (compared with 1,147,477,409 at 31 December 2023).

- **Ordinary shares issued by BNP Paribas and held by the Group**

	Proprietary transactions		Trading transactions [1]		Total	
	Number of shares	Carrying amount (in millions of euros)	Number of shares	Carrying amount (in millions of euros)	Number of shares	Carrying amount (in millions of euros)
Shares held at 31 December 2022	**721,971**	**38**	**159,670**	**8**	**881,641**	**46**
Acquisitions	36,882,027	2,103			36,882,027	2,103
Net movements			(195,968)	(11)	(195,968)	(11)
Shares held at 30 June 2023	**37,603,998**	**2,141**	**(36,298)**	**(3)**	**37,567,700**	**2,138**
Acquisitions	49,972,210	2,897			49,972,210	2,897
Capital decrease	(86,854,237)	(5,000)			(86,854,237)	(5,000)
Net movements			260,856	16	260,856	16
Shares held at 31 December 2023	**721,971**	**38**	**224,558**	**13**	**946,529**	**51**
Acquisitions	16,666,738	1,055			16,666,738	1,055
Capital decrease	(16,666,738)	(1,055)			(16,666,738)	(1,055)
Net movements			(32,432)	(2)	(32,432)	(2)
Shares held at 30 June 2024	**721,971**	**38**	**192,126**	**11**	**914,097**	**49**

[1] Transactions realised in the framework of an activity of trading and arbitrage transactions on equity indices.

During the first half of 2024, BNP Paribas SA bought back on the market then cancelled 16,666,738 of its own shares in accordance with the Board of Directors' decision of 31 January 2024 to proceed to the share buyback of EUR 1,055 million.

At 30 June 2024, the Group holds 914,097 BNP Paribas shares representing an amount of EUR 49 million, which were deducted from equity.

- **Undated super subordinated notes eligible as Tier 1 regulatory capital**

BNP Paribas SA has issued undated super subordinated notes which pay a fixed, fixed adjustable or floating-rate coupon and are redeemable at the end of a fixed period and thereafter at each coupon date or every five years.

On 11 January 2023, BNP Paribas SA issued undated super subordinated notes for an amount of EUR 1,250 million which pay a 7.375% fixed-rate coupon. These notes could be redeemed at the end of a period of 7 years. If the notes are not redeemed in 2030, a mid-swap rate EUR 5-year coupon will be paid half-yearly. This issue is eligible to Additional Tier 1 capital.

On 28 February 2023, BNP Paribas SA issued undated super subordinated notes for an amount of SGD 600 million which pay a 5.9% fixed-rate coupon. These notes could be redeemed at the end of a period of 5 years. If the notes are not redeemed in 2028, a SGD SORA 5-year rate coupon will be paid half-yearly. This issue is eligible to Additional Tier 1 capital.

On 25 March 2024, BNP Paribas SA redeemed the March 2019 issue, for an amount of USD 1,500 million, at the first call date. These notes paid a 6.625% fixed-rate coupon.

The following table summarises the characteristics of these various issues:

Date of issue	Currency	Amount (in millions of currency units)	Coupon payment date	Rate and term before 1st call date		Rate after 1st call date
August 2015	USD	1,500	semi-annual	7.375%	10 years	USD 5-year swap + 5.150%
November 2017	USD	750	semi-annual	5.125%	10 years	USD 5-year swap +2.838%
August 2018	USD	750	semi-annual	7.000%	10 years	USD 5-year swap + 3.980%
July 2019	AUD	300	semi-annual	4.500%	5.5 years	AUD 5-year swap + 3.372%
February 2020	USD	1,750	semi-annual	4.500%	10 years	US 5-year CMT + 2.944%
February 2021	USD	1,250	semi-annual	4.625%	10 years	US 5-year CMT + 3.340%
January 2022	USD	1,250	semi-annual	4.625%	5 years	US 5-year CMT + 3.196%
August 2022	USD	2,000	semi-annual	7.750%	7 years	US 5-year CMT + 4.899%
September 2022	EUR	1,000	semi-annual	6.875%	7.25 years	EUR 5-year Mid-swap + 4.645%
November 2022	USD	1,000	semi-annual	9.250%	5 years	US 5-year CMT + 4.969%
January 2023	EUR	1,250	semi-annual	7.375%	7 years	EUR 5-year Mid-swap + 4.631%
February 2023	SGD	600	semi-annual	5.900%	5 years	SGD SORA 5-year + 2.674%
Total euro-equivalent historical value at 30 June 2024		**12,116**[(1)]				

[(1)] Net of shares held in treasury by Group entities

BNP Paribas has the option of not paying interest due on these undated super subordinated notes. Unpaid interest is not carried forward.

For notes issued before 2015, the absence of coupon payment is conditional on the absence of dividend payment on BNP Paribas SA ordinary shares or on undated super subordinated note equivalents during the previous year. Interest due is payable once dividend payment on BNP Paribas SA ordinary shares resumes.

The contracts relating to these undated super subordinated notes contain a loss absorption clause. Under the terms of this clause, in the event of insufficient regulatory capital, the nominal value of the notes may be reduced in order to serve as a new basis for the calculation of the related coupons until the capital deficiency is made up and the nominal value of the notes is increased to its original amount.

The proceeds from these issues are recorded in equity under “Capital and retained earnings”. In accordance with IAS 21, issues denominated in foreign currencies are recognised at their historical value based on their translation into euros at the issue date. Interest on the instruments is treated in the same way as dividends.

At 30 June 2024, the BNP Paribas Group held EUR 42 million of undated super subordinated notes which were deducted from shareholders’ equity.

- **Earnings per share**

Basic earnings per share are calculated by dividing the net income for the period attributable to holders of ordinary shares by the weighted average number of ordinary shares outstanding during the period. The net income attributable to ordinary shareholders is determined by deducting the net income attributable to holders of preferred shares.

Diluted earnings per share correspond to the net income for the period attributable to holders of ordinary shares, divided by the weighted average number of shares outstanding as adjusted for the maximum effect of the conversion of dilutive equity instruments into ordinary shares. In-the-money stock subscription options are taken into account in the diluted earnings per share calculation, as are performance shares granted under the Global Share-based Incentive Plan. Conversion of these instruments would have no effect on the net income figure used in this calculation. All stock option and performance share plans are expired.

	First half 2024	First half 2023
Net profit used to calculate basic and diluted earnings per ordinary share *(in millions of euros)* [(1)]	**6,051**	**6,929**
Weighted average number of ordinary shares outstanding during the year	**1,137,648,633**	**1,227,539,873**
Effect of potentially dilutive ordinary shares	-	-
Weighted average number of ordinary shares used to calculate diluted earnings per share	**1,137,648,633**	**1,227,539,873**
Basic earnings per share (in euros)	**5.32**	**5.64**
of which continuing activities (in euros)	5.32	3.23
of which discontinued activities (in euros)	-	2.41
Diluted earnings per share (in euros)	**5.32**	**5.64**
of which continuing activities (in euros)	5.32	3.23
of which discontinued activities (in euros)	-	2.41

(1) The net profit used to calculate basic and diluted earnings per share is the net profit attributable to equity shareholders, adjusted for the remuneration on the undated super subordinated notes issued by BNP Paribas SA (treated as preferred share equivalents), which for accounting purposes is handled as dividends, as well as the related foreign exchange gain or loss impact recognised directly in shareholders' equity in case of repurchase.

The dividend per share paid in 2024 out of the 2023 net income amounted to EUR 4.60 (against EUR 3.90 out of the 2022 net income).

The distribution amounted to EUR 5,198 million, against EUR 4,744 million paid in 2023.

This distribution is raised to 60% of the 2023 net income with a share buyback programme of EUR 1,055 million, realised during the first half of 2024.

7.b MINORITY INTERESTS

In millions of euros	Capital and retained earnings	Changes in assets and liabilities recognised directly in equity that will not be reclassified to profit or loss	Changes in assets and liabilities recognised directly in equity that may be reclassified to profit or loss	Minority interests
Balance at 31 December 2022	**4,714**	**21**	**38**	**4,773**
Appropriation of net income for 2022	**(179)**			**(179)**
Increases in capital and issues	298			298
Impact of internal transactions on minority shareholders	21			21
Movements in consolidation scope impacting minority shareholders	(91)			(91)
Change in commitments to repurchase minority shareholders' interests	(147)			(147)
Other movements				-
Changes in assets and liabilities recognised directly in equity		(3)	63	60
Net income of first half 2023	**268**			**268**
Balance at 30 June 2023	**4,884**	**18**	**101**	**5,003**
Increases in capital and issues	18			18
Share-based payment plans	1			1
Remuneration on undated super subordinated notes	(3)			(3)
Movements in consolidation scope impacting minority shareholders	1			1
Acquisitions of additional interests or partial sales of interests	(12)			(12)
Change in commitments to repurchase minority shareholders' interests	(78)			(78)
Other movements				-
Changes in assets and liabilities recognised directly in equity		(2)	34	32
Net income of second half 2023	**163**			**163**
Balance at 31 December 2023	**4,974**	**16**	**135**	**5,125**
Appropriation of net income for 2023	**(334)**			**(334)**
Increases in capital and issues				-
Share-based payment plans				-
Remuneration on undated super subordinated notes	(4)			(4)
Impact of internal transactions on minority shareholders	-			-
Movements in consolidation scope impacting minority shareholders	263			263
Acquisitions of additional interests or partial sales of interests	193			193
Change in commitments to repurchase minority shareholders' interests	12			12
Other movements	2			2
Realised gains or losses reclassified to retained earnings		6	87	93
Net income of first half 2024	**235**			**235**
Balance at 30 June 2024	**5,341**	**22**	**222**	**5,585**

- **Main minority interests**

The assessment of the material nature of minority interests is based on the contribution of the relevant subsidiaries to the Group balance sheet (before elimination of intra-group balances and transactions) and to the Group profit and loss account.

In millions of euros	30 June 2024	First half 2024						
	Total assets before elimination of intra-group transactions	Revenues	Net income	Net income and changes in assets and liabilities recognised directly in equity	Minority shareholders' interest (%)	Net income attributable to minority interests	Net income and changes in assets and liabilities recognised directly in equity - attributable to minority interests	Dividends paid to minority shareholders
Contribution of the entities belonging to the BGL BNP Paribas group	98,805	988	315	315	34%	108	108	171
Other minority interests						127	220	167
TOTAL						235	328	338

In millions of euros	31 December 2023	First half 2023						
	Total assets before elimination of intra-group transactions	Revenues	Net income	Net income and changes in assets and liabilities recognised directly in equity	Minority shareholders' interest (%)	Net income attributable to minority interests	Net income and changes in assets and liabilities recognised directly in equity - attributable to minority interests	Dividends paid to minority shareholders
Contribution of the entities belonging to the BGL BNP Paribas group	97,504	964	321	349	34%	101	114	137
Other minority interests						167	214	42
TOTAL						268	328	179

There are no particular contractual restrictions on the assets of BGL BNP Paribas related to the presence of the minority shareholder.

- **Internal restructuring that led to a change in minority shareholders' interest in the equity of subsidiaries**

In millions of euros	First half 2024		First half 2023	
	Attributable to shareholders	Minority interests	Attributable to shareholders	Minority interests
TEB Finansman				
Internal sale from BNPP Personal Finance to TEB Holding, raising the Group interest rate to 72.5%.			(22)	22
Others			1	(1)
Total	-	-	(21)	21

- **Acquisitions of additional interests and partial sales of interests leading to changes in minority interests in the equity of subsidiaries**

In millions of euros	First half 2024		First half 2023	
	Attributable to shareholders	Minority interests	Attributable to shareholders	Minority interests
BNP Paribas Bank Polska Partial disposal of 6% of the total share, decreasing the Group's share to 81.26%	7	196		
Other	1	(3)		
Total	**8**	**193**	**-**	**-**

- **Commitments to repurchase minority shareholders' interests**

In connection with the acquisition of certain entities, the Group granted minority shareholders put options on their holdings.
The total value of these commitments, which are recorded as a reduction in shareholders' equity, amounted to EUR 467 million at 30 June 2024, compared with EUR 510 million at 31 December 2023.

7.c LEGAL PROCEEDINGS AND ARBITRATION

BNP Paribas (the "Bank") is party as a defendant in various claims, disputes and legal proceedings (including investigations by judicial or supervisory authorities) in a number of jurisdictions arising in the ordinary course of its business, including *inter alia* in connection with its activities as market counterparty, lender, employer, investor and taxpayer.

The related risks have been assessed by the Bank and are subject, where appropriate, to provisions disclosed in note 4.k *Provisions for contingencies and charges*; a provision is recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle an obligation arising from a past event and a reliable estimate can be made of the amount of the obligation.

The main contingent liabilities related to pending legal, governmental, or arbitral proceedings as of June 30, 2024 are described below. The Bank currently considers that none of these proceedings is likely to have a material adverse effect on its financial position or profitability; however, the outcome of legal or governmental proceedings is by definition unpredictable.

The Bank and certain of its subsidiaries are defendants in several actions pending before the United States Bankruptcy Court for the Southern District of New York brought by the Trustee appointed for the liquidation of Bernard L. Madoff Investment Securities LLC ("BLMIS"). These actions, known generally as "clawback claims", are similar to those brought by the BLMIS Trustee under the U.S. Bankruptcy Code and New York state law against numerous institutions, and seek recovery of amounts allegedly received by BNP Paribas entities from BLMIS or indirectly through BLMIS-related "feeder funds" in which BNP Paribas entities held interests.
As a result of certain decisions of the Bankruptcy Court and the United States District Court between 2016 and 2018, the majority of the BLMIS Trustee's actions were either dismissed or substantially narrowed. However, those decisions were either reversed or effectively overruled by subsequent decisions of the United States Court of Appeals for the Second Circuit issued on 25 February 2019 and 30 August 2021. As a result, the BLMIS Trustee refiled certain of these actions and, as of end May 2023, had asserted claims amounting in the aggregate to approximately USD 1.2 billion. As of end June 2024, following the dismissal of certain of the BLMIS Trustee's actions or claims, the aggregate amount of the claims stood at approximately USD 1.1 billion. BNP Paribas has substantial and credible defenses to these actions and is defending against them vigorously.

Litigation was brought in Belgium by minority shareholders of the previous Fortis Group against the Société fédérale de Participations et d'Investissement, Ageas and BNP Paribas seeking (amongst other things) damages from BNP Paribas as restitution for part of the BNP Paribas Fortis shares that were contributed to BNP Paribas in 2009, on the ground that the transfer of these shares was null and void. On 29 April 2016, the Brussels Commercial court decided to stay the proceedings until the resolution of the pending Fortis criminal proceeding in Belgium. The criminal proceeding, in which the Public Prosecutor had requested a dismissal, is definitively closed, as the Council Chamber of the Brussels Court of first instance issued on 4 September 2020 a ruling (which since became final) that the charges were time-barred. Certain minority shareholders are continuing the civil proceedings against BNP Paribas and the Société fédérale de Participations et d'Investissement before the Brussels Commercial court; BNP Paribas continues to defend itself vigorously against the allegations of these shareholders. Hearings on the matter before the Brussels Commercial court are scheduled for September and October 2024.

On 26 February 2020, the Paris Criminal Court found BNP Paribas Personal Finance guilty of misleading commercial practice and concealment of this practice. BNP Paribas Personal Finance was ordered to pay a fine of EUR 187,500 and damages and legal fees to the civil plaintiffs. On 28 November 2023, the Paris Court of Appeals upheld the Paris Criminal Court's decision relating to misleading commercial practice and the concealment of those practices. As for the damages owed to the civil plaintiffs, though the Paris Court of Appeals adjusted the calculation methodology, the majority of the damages had already been paid by provisional enforcement of the Paris Criminal Court's judgment. An agreement was also entered into with the Consommation Logement Cadre de Vie association to settle the case with customers wishing to do so.

Like many other financial institutions in the banking, investment, mutual funds and brokerage sectors, the Bank has received or may receive requests for information from, or be subject to investigations by supervisory, governmental or self-regulatory agencies. The Bank responds to such requests, and cooperates with the relevant authorities and regulators and seeks to address and remedy any issues that may arise.

In 2023, BNP Paribas premises (along with those of other financial institutions) were searched by the French financial prosecutor's office; BNP Paribas was informed that the office had opened a preliminary investigation relating to French securities transactions.

There are no other legal, governmental or arbitral proceedings (including any such proceedings which are pending or threatened) that could have, or during the last twelve months have had, significant effects on the Bank's financial condition or profitability.

7.d BUSINESS COMBINATIONS AND LOSS OF CONTROL OR SIGNIFICANT INFLUENCE

Operations of the first half of 2024

- **UkrSibbank**

The easing of a number of restrictions previously imposed by the National Bank of Ukraine made it possible to re-establish the conditions for exercising control as defined by IFRS 10, which had the effect of changing the consolidation method from equity method to full consolidation method.

This change of consolidation method was reflected in the increase in the Group's balance sheet of EUR 3 billion, in particular in financial assets at amortised cost and led to the recognition of a badwill of EUR 226 million.

- **Cetelem SA de CV**

On 27 March 2024, BNP Paribas Personal Finance sold 80% of its stake of its Mexican subsidiary Cetelem SA de CV.

The Group BNP Paribas lost exclusive control of this entity but kept a significant influence.

This partial disposal is accompanied by an agreement for the future disposal of the residual interest, thereby depriving the Group of the return on the shares held, and leading to the recognition of a debt.

The loss of control led to the recognition of a net gain on disposal of EUR 118 million and to a decrease the Group's balance sheet by EUR 3 billion, in particular in financial assets at amortised cost.

- **BCC Vita SpA**

On 15 May 2024, BNP Paribas Cardif SA acquired 51% of the capital of BCC Vita, together with a purchase agreement of 19% additional holding.

BNP Paribas Group acquired exclusive control of this entity to the extent of 70% and the entity was consolidated in full consolidation method.

This operation resulted in the increase of the Group's balance sheet at the acquisition date by EUR 4 billion, in particular in investments in insurance activities.

The goodwill related to this operation was EUR 90 million.

Operation of the first half of 2023

- **Partnership with Stellantis**

On 3 April 2023, BNP Paribas Personal Finance became the exclusive partner of Stellantis captive company in its financing activities across three strategic markets: Germany, Austria and the United Kingdom.

This operation involved the purchase of three entities in these three countries, in conjunction with the sale of activities to various Stellantis joint ventures in France, Italy and Spain.

This restructuring increased the Group's balance sheet by EUR 8 billion, in particular in financial assets at amortised cost, and led to the recognition of a net gain on disposal of EUR 54 million and of a goodwill of EUR 173 million.

7.e DISCONTINUED ACTIVITIES

On 18 December 2021, BNP Paribas concluded an agreement with BMO Financial Group for the sale of 100% of its retail and commercial banking activities in the United States, operated by the BancWest cash-generating unit, for a total consideration of USD 16.3 billion in cash.

The transaction was closed on 1 February 2023 following receipt of all regulatory approvals by BMO Financial Group.

The net capital gain on the disposal amounted to EUR 2.9 billion, recognised in net income from discontinued activities in 2023.

7.f FAIR VALUE OF FINANCIAL INSTRUMENTS CARRIED AT AMORTISED COST

The information supplied in this note must be used and interpreted with the greatest caution for the following reasons:

- these fair values are an estimate of the value of the relevant instruments at 30 June 2024. They are liable to fluctuate from day to day as a result of changes in various parameters, such as interest rates and credit quality of the counterparty. In particular, they may differ significantly from the amounts actually received or paid on maturity of the instrument. In most cases, the fair value is not intended to be realised immediately, and in practice might not be realised immediately. Consequently, this fair value does not reflect the actual value of the instrument to BNP Paribas as a going concern;

- most of these fair values are not meaningful, and hence are not taken into account in the management of the commercial banking activities which use these instruments;
- estimating a fair value for financial instruments carried at historical cost often requires the use of modelling techniques, hypotheses and assumptions that may vary from bank to bank. This means that comparisons between the fair values of financial instruments carried at historical cost as disclosed by different banks may not be meaningful;
- the fair values shown below do not include the fair values of finance lease transactions, non-financial instruments such as property, plant and equipment, goodwill and other intangible assets such as the value attributed to demand deposit portfolios or customer relationships. Consequently, these fair values should not be regarded as the actual contribution of the instruments concerned to the overall valuation of the BNP Paribas Group.

In millions of euros, at 30 June 2024	Estimated fair value				Carrying value
	Level 1	Level 2	Level 3	Total	
FINANCIAL ASSETS					
Loans and advances to credit institutions and customers [1]		121,862	726,501	848,363	870,849
Debt securities at amortised cost *(note 4.d)*	101,219	32,012	2,341	135,572	137,899
FINANCIAL LIABILITIES					
Deposits from credit institutions and customers		1,091,913		1,091,913	1,092,061
Debt securities *(note 4.g)*	77,626	126,208		203,834	201,431
Subordinated debt *(note 4.g)*	21,032	6,250		27,282	26,912

(1) Finance leases excluded

In millions of euros, at 31 December 2023	Estimated fair value				Carrying value
	Level 1	Level 2	Level 3	Total	
FINANCIAL ASSETS					
Loans and advances to credit institutions and customers [1]		91,565	719,554	811,119	835,860
Debt securities at amortised cost *(note 4.d)*	88,984	29,720	989	119,693	121,161
FINANCIAL LIABILITIES					
Deposits from credit institutions and customers		1,083,782		1,083,782	1,083,724
Debt securities *(note 4.g)*	77,165	115,102		192,267	191,482
Subordinated debt *(note 4.g)*	17,128	7,588		24,716	24,743

(1) Finance leases excluded

The valuation techniques and assumptions used by BNP Paribas ensure that the fair value of financial assets and liabilities carried at amortised cost is measured on a consistent basis throughout the Group. Fair value is based on prices quoted in an active market when these are available. In other cases, fair value is determined using valuation techniques such as discounting of estimated future cash flows for loans, liabilities and debt securities at amortised cost, or specific valuation models for other financial instruments as described in note 1, *Summary of significant accounting policies applied by the BNP Paribas Group*. The description of the fair value hierarchy levels is also presented in the accounting principles (see note 1.f.10). In the case of loans, liabilities and debt securities at amortised cost that have an initial maturity of less than one year (including demand deposits) or of most regulated savings products, fair value equates to carrying amount. These instruments have been classified in Level 2, except for loans to customers, which are classified in Level 3.

7.g SCOPE OF CONSOLIDATION

BNP Paribas, a *société anonyme* (Public Limited Company), registered in France, is the Group's lead company, which holds key positions in its three operating divisions: Corporate & Institutional Banking (CIB), Commercial, Personal Banking & Services (CPBS) and Investment & Protection Services (IPS).

During the year, the parent company did not change its name. BNP Paribas has its principal place of business in France and its head office is located at 16 boulevard des Italiens 75009 Paris, France.

			30 June 2024				31 December 2023			
Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	BNP Paribas SA	France	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	BNPP SA (Argentina branch)	Argentina	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Australia branch)	Australia	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Austria branch)	Austria	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Bahrain branch)	Bahrain	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Belgium branch)	Belgium	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Bulgaria branch)	Bulgaria	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Canada branch)	Canada	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Czech Republic branch)	Czech Rep.	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Denmark branch)	Denmark	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Finland branch)	Finland	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Germany branch)	Germany	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Greece branch)	Greece	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Guernsey branch)	Guernsey	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Hong Kong branch)	Hong Kong	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Hungary branch)	Hungary	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (India branch)	India	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Ireland branch)	Ireland	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Italy branch)	Italy	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Japan branch)	Japan	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Jersey branch)	Jersey	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Kuwait branch)	Kuwait	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Luxembourg branch)	Luxembourg	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Malaysia branch)	Malaysia	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Monaco branch)	Monaco	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Netherlands branch)	Netherlands	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Norway branch)	Norway	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Philippines branch)	Philippines	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Poland branch)	Poland	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Portugal branch)	Portugal	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Qatar branch)	Qatar	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Republic of Korea branch)	Rep. of Korea	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Romania branch)	Romania	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Saudi Arabia branch)	Saudi Arabia	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Singapore branch)	Singapore	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (South Africa branch)	South Africa	Full	100.0%	100.0%		Full	100.0%	100.0%	

Business	Name	Country	30 June 2024				31 December 2023			
			Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	BNPP SA (Spain branch)	Spain	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Sweden branch)	Sweden	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Switzerland branch)	Switzerland	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Taiwan branch)	Taiwan	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Thailand branch)	Thailand	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (United Arab Emirates branch)	United Arab Emirates	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (United Kingdom branch)	UK	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (United States branch)	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Viet Nam branch)	Viet Nam	Full	100.0%	100.0%		Full	100.0%	100.0%	
CORPORATE & INSTITUTIONAL BANKING										
EMEA (Europe, Middle East, Africa)										
France										
	Austin Finance[s]	France								S4
	BNPP Financial Markets	France	Full[1]	100.0%	100.0%		Full[1]	100.0%	100.0%	
	Eurotitrisation	France	Equity	22.0%	22.0%		Equity	22.0%	22.0%	V4
	Exane	France								S4
	Exane (Germany branch)	Germany								S4
	Exane (Italy branch)	Italy								S4
	Exane (Spain branch)	Spain								S4
	Exane (Sweden branch)	Sweden								S4
	Exane (Switzerland branch)	Switzerland								S4
	Exane (United Kingdom branch)	UK								S4
	Exane Asset Management	France	Equity	35.0%	35.0%		Equity	35.0%	35.0%	V2
	Exane Derivatives	France								S4
	Exane Derivatives (Switzerland branch)	Switzerland								S4
	Exane Derivatives (United Kingdom branch)	UK								S4
	Exane Derivatives Gerance	France								S4
	Exane Finance	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	FCT Juice[t]	France	Full	-	-		Full	-	-	
	Financière des Italiens[s]	France								S4
	Financière du Marché Saint Honoré	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Optichamps[s]	France								S4
	Parilease	France	Full[1]	100.0%	100.0%		Full[1]	100.0%	100.0%	
	Participations Opéra[s]	France								S4
	Services Logiciels d'Intégration Boursière	France	Equity[3]	66.6%	66.6%		Equity[3]	66.6%	66.6%	
	Services Logiciels d'Intégration Boursière (Portugal branch)	Portugal	Equity[3]	66.6%	66.6%		Equity[3]	66.6%	66.6%	E2
	SNC Taitbout Participation 3	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Société Orbaisienne de Participations	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Uptevia SA	France	Equity[3]	50.0%	50.0%		Equity[3]	50.0%	50.0%	E3
Other European countries										
	Allfunds Group PLC	UK	Equity	12.3%	12.2%	V4	Equity	12.1%	12.0%	
	Aries Capital DAC	Ireland	Full	100.0%	0.0%		Full	100.0%	0.0%	
	AssetMetrix	Germany	Equity	22.9%	22.9%	V4	Equity	22.3%	22.3%	V4
	BNP PUK Holding Ltd	UK	Full	100.0%	100.0%		Full	100.0%	100.0%	

Business	Name	Country	30 June 2024 Method	30 June 2024 Voting (%)	30 June 2024 Interest (%)	30 June 2024 Ref.	31 December 2023 Method	31 December 2023 Voting (%)	31 December 2023 Interest (%)	31 December 2023 Ref.
	BNPP Bank JSC	Russia	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Emissions Und Handels GmbH	Germany	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Fund Administration Services Ireland Ltd	Ireland	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Ireland Unlimited Co	Ireland	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Islamic Issuance BV	Netherlands	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Issuance BV	Netherlands	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Net Ltd	UK	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Prime Brokerage International Ltd	Ireland	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Suisse SA	Switzerland	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Suisse SA (Guernsey branch)	Guernsey	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Technology LLC	Russia				S1	Full	100.0%	100.0%	
	BNPP Trust Corp UK Ltd	UK	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Vartry Reinsurance DAC	Ireland	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Diamante Re SRL	Italy	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Ejesur SA	Spain								S1
	Exane Solutions Luxembourg SA	Luxembourg	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Expo Atlantico EAII Investimentos Imobiliarios SA[s]	Portugal	Full	-	-		Full	-	-	
	Expo Indico EIII Investimentos Imobiliarios SA[s]	Portugal	Full	-	-		Full	-	-	
	FScholen	Belgium	Equity(3)	50.0%	50.0%		Equity(3)	50.0%	50.0%	
	Greenstars BNPP	Luxembourg	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Kantox European Union SL	Spain	Full	100.0%	100.0%		Full	100.0%	100.0%	V1/D3
	Kantox Holding Ltd	UK	Full	100.0%	100.0%		Full	100.0%	100.0%	V1/D3
	Kantox Ltd	UK	Full	100.0%	100.0%		Full	100.0%	100.0%	V1/D3
	Madison Arbor Ltd[t]	Ireland	Full	-	-		Full	-	-	
	Matchpoint Finance PLC[t]	Ireland	Full	-	-		Full	-	-	
	Ribera Del Loira Arbitrage	Spain	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Securasset SA	Luxembourg	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Single Platform Investment Repackaging Entity SA	Luxembourg	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Utexam Logistics Ltd	Ireland								S3
	Utexam Solutions Ltd	Ireland								S3
Middle East										
	BNPP Investment Co KSA	Saudi Arabia	Full	100.0%	100.0%		Full	100.0%	100.0%	
AMERICAS										
	Banco BNPP Brasil SA	Brazil	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Canada Corp	Canada	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Capital Services Inc	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Colombia Corporacion Financiera SA	Colombia	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP EQD Brazil Fund Fundo de Investmento Multimercado[s]	Brazil	Full	-	-		Full	-	-	
	BNPP Financial Services LLC	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP FS LLC	USA				S1	Full	100.0%	100.0%	
	BNPP IT Solutions Canada Inc	Canada	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Mexico Holding	Mexico	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Mexico SA Institucion de Banca Multiple	Mexico	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Proprietario Fundo de Investimento Multimercado[s]	Brazil	Full	-	-		Full	-	-	

			30 June 2024				31 December 2023			
Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	BNPP RCC Inc	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Securities Corp	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP US Investments Inc	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP US Wholesale Holdings Corp	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP USA Inc	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP VPG Brookline Cre LLC[s]	USA	Full	-	-		Full	-	-	
	BNPP VPG EDMC Holdings LLC[s]	USA	Full	-	-		Full	-	-	
	BNPP VPG Express LLC[s]	USA	Full	-	-		Full	-	-	
	BNPP VPG I LLC[s]	USA	Full	-	-		Full	-	-	
	BNPP VPG II LLC[s]	USA	Full	-	-		Full	-	-	
	BNPP VPG III LLC[s]	USA	Full	-	-		Full	-	-	
	BNPP VPG IV LLC[s]	USA	Full	-	-		Full	-	-	E2
	BNPP VPG Master LLC[s]	USA	Full	-	-		Full	-	-	
	Dale Bakken Partners 2012 LLC	USA								S2
	Decart Re Ltd	Bermuda	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	FSI Holdings Inc	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Starbird Funding Corp[t]	USA	Full	-	-		Full	-	-	
PACIFIC ASIA										
	Andalan Multi Guna PT	Indonesia	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Bank BNPP Indonesia PT	Indonesia	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Arbitrage Hong Kong Ltd	Hong Kong	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP China Ltd	China	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Finance Hong Kong Ltd	Hong Kong	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Fund Services Australasia Pty Ltd	Australia	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Fund Services Australasia Pty Ltd (New Zealand branch)	New Zealand	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Global Securities Operations Private Ltd	India								S4
	BNPP India Holding Private Ltd	India	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP India Solutions Private Ltd	India	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Malaysia Berhad	Malaysia	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Securities Asia Ltd	Hong Kong	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Securities India Private Ltd	India	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Securities Japan Ltd	Japan	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Securities Korea Co Ltd	Rep. of Korea	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Securities Taiwan Co Ltd	Taiwan	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Sekuritas Indonesia PT	Indonesia	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BPP Holdings Pte Ltd	Singapore	Full	100.0%	100.0%		Full	100.0%	100.0%	
COMMERCIAL, PERSONAL BANKING & SERVICES										
COMMERCIAL & PERSONAL BANKING IN THE EUROZONE										
Commercial & Personal Banking in France										
	2SF - Société des Services Fiduciaires	France	Equity(3)	33.3%	33.3%		Equity(3)	33.3%	33.3%	
	Banque de Wallis et Futuna	France	Full(1)	51.0%	51.0%		Full(1)	51.0%	51.0%	
	BNPP Antilles Guyane	France	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	BNPP Développement	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Développement Oblig	France	Full	100.0%	100.0%		Full	100.0%	100.0%	

			30 June 2024				31 December 2023			
Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	BNPP Factor	France	Full[1]	100.0%	100.0%		Full[1]	100.0%	100.0%	
	BNPP Factor (Portugal branch)	Portugal	Full[1]	100.0%	100.0%		Full[1]	100.0%	100.0%	E2
	BNPP Factor (Spain branch)	Spain	Full[1]	100.0%	100.0%		Full[1]	100.0%	100.0%	
	BNPP Factor Sociedade Financeira de Credito SA	Portugal								S4
	BNPP Nouvelle Calédonie	France	Full[1]	100.0%	100.0%		Full[1]	100.0%	100.0%	
	BNPP Réunion	France	Full[1]	100.0%	100.0%		Full[1]	100.0%	100.0%	
	Compagnie pour le Financement des Loisirs	France	Full[1]	100.0%	100.0%		Full[1]	100.0%	100.0%	
	Copartis	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Euro Securities Partners	France								S2
	GIE Ocean	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Jivago Holding	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Partecis	France	Equity[3]	50.0%	50.0%		Equity[3]	50.0%	50.0%	
	Paylib Services	France	Equity	14.3%	14.3%		Equity	14.3%	14.3%	
	Portzamparc	France	Full[1]	100.0%	100.0%		Full[1]	100.0%	100.0%	
BNL banca commerciale										
	Banca Agevolarti SPA (Ex- Artigiancassa SPA)	Italy	Full	100.0%	100.0%		Full	100.0%	100.0%	V1
	Banca Nazionale Del Lavoro SPA	Italy	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP BNL Equity Investment SPA	Italy	Full	100.0%	100.0%	E1				
	EMF IT 2008 1 SRL[t]	Italy	Full	-	-		Full	-	-	
	Era Uno SRL[t]	Italy	Full	-	-		Full	-	-	
	Eutimm SRL	Italy	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Financit SPA	Italy	Full	60.0%	60.0%		Full	60.0%	60.0%	
	Immera SRL[t]	Italy	Full	-	-		Full	-	-	
	International Factors Italia SPA	Italy	Full	99.9%	99.9%	V1	Full	99.7%	99.7%	
	Permicro SPA	Italy	Equity	21.9%	21.9%		Equity	21.9%	21.9%	
	Servizio Italia SPA	Italy	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Sviluppo HQ Tiburtina SRL	Italy	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Tierre Securitisation SRL[t]	Italy	Full	-	-		Full	-	-	
	Vela OBG SRL[t]	Italy	Full	-	-		Full	-	-	
	Vela RMBS SRL[t]	Italy								S3
	Worldline Merchant Services Italia SPA	Italy	Equity	20.0%	20.0%		Equity	20.0%	20.0%	
Commercial & Personal Banking in Belgium										
	Axepta BNPP Benelux	Belgium	Full	100.0%	99.9%		Full	100.0%	99.9%	
	Bancontact Paytoniq Company	Belgium	Equity	22.5%	22.5%		Equity	22.5%	22.5%	
	BASS Master Issuer NV[t]	Belgium	Full	-	-		Full	-	-	
	Batopin	Belgium	Equity	25.0%	25.0%		Equity	25.0%	25.0%	
	Belgian Mobile ID	Belgium	Equity	12.2%	12.2%		Equity	12.2%	12.2%	
	BNPP Commercial Finance Ltd	UK	Full	100.0%	99.9%		Full	100.0%	99.9%	
	BNPP Factor AS	Denmark	Full	100.0%	99.9%		Full	100.0%	99.9%	
	BNPP Factor GmbH	Germany	Full	100.0%	100.0%	V4	Full	100.0%	99.9%	
	BNPP Factoring Support	Netherlands	Full	100.0%	99.9%		Full	100.0%	99.9%	
	BNPP Fortis	Belgium	Full	99.9%	99.9%		Full	99.9%	99.9%	
	BNPP Fortis (Spain branch)	Spain	Full	99.9%	99.9%		Full	99.9%	99.9%	
	BNPP Fortis (United States branch)	USA	Full	99.9%	99.9%		Full	99.9%	99.9%	

			30 June 2024				31 December 2023			
Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	BNPP Fortis Factor NV	Belgium	Full	100.0%	99.9%		Full	100.0%	99.9%	
	BNPP Fortis Film Finance	Belgium	Full	100.0%	99.9%		Full	100.0%	99.9%	
	BNPP Fortis Funding SA	Luxembourg	Full	100.0%	99.9%		Full	100.0%	99.9%	
	BNPP FPE Belgium	Belgium	Full	100.0%	99.9%		Full	100.0%	99.9%	
	BNPP FPE Expansion	Belgium	Full	100.0%	99.9%		Full	100.0%	99.9%	
	BNPP FPE Management	Belgium	Full	100.0%	99.9%		Full	100.0%	99.9%	
	Bpost Banque	Belgium				S4	Full	100.0%	99.9%	
	Credissimo	Belgium	Full	100.0%	99.9%		Full	100.0%	99.9%	
	Credissimo Hainaut SA	Belgium	Full	99.7%	99.7%		Full	99.7%	99.7%	
	Crédit pour Habitations Sociales	Belgium	Full	81.7%	81.6%		Full	81.7%	81.6%	
	BNPPF Credit Brokers (Ex- Demetris NV)	Belgium	Full	100.0%	99.9%		Full	100.0%	99.9%	
	Epimede[s]	Belgium	Equity	-	-		Equity	-	-	
	Esmee Master Issuer[t]	Belgium	Full	-	-		Full	-	-	
	Immobilière Sauveniere SA	Belgium	Full	100.0%	99.9%		Full	100.0%	99.9%	
	Isabel SA NV	Belgium	Equity	25.3%	25.3%		Equity	25.3%	25.3%	
	Microstart	Belgium	Full	42.3%	76.8%		Full	42.3%	76.8%	
	Private Equity Investments (a)	BE/FR/LU	FV	-	-		FV	-	-	
	Sagip	Belgium	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Sowo Invest SA NV	Belgium	Full	87.5%	87.5%		Full	87.5%	87.5%	
Commercial & Personal Banking in Luxembourg										
	BGL BNPP	Luxembourg	Full	66.0%	65.9%		Full	66.0%	65.9%	
	BGL BNPP (Germany branch)	Germany	Full	66.0%	65.9%		Full	66.0%	65.9%	
	BNPP Lease Group Luxembourg SA	Luxembourg	Full	100.0%	65.9%		Full	100.0%	65.9%	
	BNPP SB Re	Luxembourg	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cofhylux SA	Luxembourg								S4
	Compagnie Financière Ottomane SA	Luxembourg	Full	97.4%	97.4%	V4	Full	97.3%	97.3%	
	Le Sphinx Assurances Luxembourg SA	Luxembourg	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Luxhub SA	Luxembourg	Equity	28.0%	18.5%		Equity	28.0%	18.5%	
	Visalux	Luxembourg	Equity	25.2%	16.6%		Equity	25.2%	16.6%	V3
COMMERCIAL & PERSONAL BANKING OUTSIDE THE EUROZONE										
Europe-Mediterranean										
	Bank of Nanjing	China	Equity	14.9%	14.9%	V1/V3	Equity	13.8%	13.8%	V3
	Banque Internationale pour le Commerce et l'Industrie de la Côte d'Ivoire	Ivory Coast								S2
	Banque Internationale pour le Commerce et l'Industrie du Sénégal	Senegal								S2
	Banque Marocaine pour le Commerce et l'Industrie	Morocco	Full	67.0%	67.0%		Full	67.0%	67.0%	
	Banque Marocaine pour le Commerce et l'Industrie Banque Offshore	Morocco	Full	100.0%	67.0%		Full	100.0%	67.0%	
	Bantas Nakit AS	Türkiye	Equity(3)	33.3%	16.7%		Equity(3)	33.3%	16.7%	
	BDSI	Morocco	Full	100.0%	96.4%		Full	100.0%	96.4%	
	BGZ Poland ABS1 DAC[t]	Ireland	Full	-	-		Full	-	-	
	BICI Bourse	Ivory Coast								S2
	BMCI Leasing	Morocco	Full	86.9%	58.2%		Full	86.9%	58.2%	
	BNPP Bank Polska SA	Poland	Full	81.3%	81.3%	V2	Full	87.3%	87.3%	V3
	BNPP El Djazair	Algeria	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Faktoring Spolka ZOO	Poland	Full	100.0%	100.0%		Full	100.0%	100.0%	

			30 June 2024				31 December 2023			
Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	BNPP Fortis Yatirimlar Holding AS	Türkiye	Full	100.0%	99.9%		Full	100.0%	99.9%	
	BNPP Group Service Center SA	Poland	Full	100.0%	81.3%	V3	Full	100.0%	87.3%	V3
	BNPP IRB Participations	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Yatirimlar Holding AS	Türkiye	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Dreams Sustainable AB	Sweden				S2	Full	57.5%	57.5%	
	Joint Stock Company Ukrsibbank	Ukraine	Full	60.0%	60.0%	D1	Equity	60.0%	60.0%	
	TEB ARF Teknoloji Anonim Sirketi	Türkiye	Full	100.0%	72.5%		Full	100.0%	72.5%	
	TEB Faktoring AS	Türkiye	Full	100.0%	72.5%		Full	100.0%	72.5%	
	TEB Finansman AS	Türkiye	Full	100.0%	72.5%		Full	100.0%	72.5%	V3
	TEB Holding AS	Türkiye	Full	50.0%	50.0%		Full	50.0%	50.0%	
	TEB SH A	Kosovo	Full	100.0%	50.0%		Full	100.0%	50.0%	
	TEB Yatirim Menkul Degerler AS	Türkiye	Full	100.0%	72.5%		Full	100.0%	72.5%	
	Turk Ekonomi Bankasi AS	Türkiye	Full	100.0%	72.5%		Full	100.0%	72.5%	
BancWest										
	BancWest Holding Inc	USA								S2
	BancWest Holding Inc Grantor Trust ERC Subaccount[s]	USA								S2
	Bancwest Holding Inc Umbrella Trust[s]	USA								S2
	BancWest Investment Services Inc	USA								S2
	Bank of the West	USA								S2
	Bank of the West Auto Trust 2019-1[t]	USA								S2
	Bank of the West Auto Trust 2019-2[t]	USA								S2
	BNPP Leasing Solutions Canada Inc	Canada								S2
	BOW Auto Receivables LLC[t]	USA								S2
	BWC Opportunity Fund 2 Inc[t]	USA								S2
	BWC Opportunity Fund Inc[t]	USA								S2
	CFB Community Development Corp	USA								S2
	Claas Financial Services LLC	USA								S2
	Commercial Federal Affordable Housing Inc	USA								S2
	First Santa Clara Corp[s]	USA								S2
	United California Bank Deferred Compensation Plan Trust[s]	USA								S2
	Ursus Real Estate Inc	USA								S2
SPECIALISED BUSINESSES										
Personal Finance										
	Alpha Crédit SA	Belgium	Full	100.0%	99.9%		Full	100.0%	99.9%	
	Auto ABS UK Loans PLC[t]	UK				S3	Full	-	-	E3
	AutoFlorence 1 SRL[t]	Italy	Full	-	-		Full	-	-	
	AutoFlorence 2 SRL[t]	Italy	Full	-	-		Full	-	-	
	AutoFlorence 3 SRL[t]	Italy	Full	-	-		Full	-	-	E2
	Autonoria 2019[t]	France				S1	Full	-	-	
	Autonoria DE 2023[t]	France	Full	-	-		Full	-	-	E2
	Autonoria Spain 2019[t]	Spain	Full	-	-		Full	-	-	
	Autonoria Spain 2021 FT[t]	Spain	Full	-	-		Full	-	-	
	Autonoria Spain 2022 FT[t]	Spain	Full	-	-		Full	-	-	
	Autonoria Spain 2023 FT[t]	Spain	Full	-	-		Full	-	-	E2

Business	Name	Country	30 June 2024 Method	30 June 2024 Voting (%)	30 June 2024 Interest (%)	30 June 2024 Ref.	31 December 2023 Method	31 December 2023 Voting (%)	31 December 2023 Interest (%)	31 December 2023 Ref.
	Axa Banque Financement	France	Equity	35.0%	35.0%		Equity	35.0%	35.0%	
	Banco Cetelem SA	Brazil								S4
	Banco Cetelem SA	Spain	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BGN Mercantil E Servicos Ltda	Brazil	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Personal Finance	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Personal Finance (Austria branch)	Austria	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Personal Finance (Bulgaria branch)	Bulgaria								S1
	BNPP Personal Finance (Czech Republic branch)	Czech Rep.	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Personal Finance (Portugal branch)	Portugal	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Personal Finance (Romania branch)	Romania	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Personal Finance (Slovakia branch)	Slovakia	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Personal Finance BV	Netherlands	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Personal Finance South Africa Ltd	South Africa	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BON BNPP Consumer Finance Co Ltd	China	Equity	33.1%	33.1%		Equity	33.1%	33.1%	V1/V4
	Cafineo	France	Full[1]	51.0%	50.8%		Full[1]	51.0%	50.8%	
	Carrefour Banque	France	Equity	40.0%	40.0%		Equity	40.0%	40.0%	
	Central Europe Technologies SRL	Romania	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Cetelem America Ltda	Brazil				S4	Full	100.0%	100.0%	
	Cetelem Business Consulting Shanghai Co Ltd	China	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Cetelem Gestion AIE	Spain	Full	100.0%	96.0%		Full	100.0%	96.0%	
	Cetelem SA de CV	Mexico	Equity	20.0%	0.0%	S2	Full	100.0%	100.0%	
	Cetelem Servicios Informaticos AIE	Spain	Full	100.0%	81.0%		Full	100.0%	81.0%	
	Cetelem Servicos Ltda	Brazil	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Cofica Bail	France	Full[1]	100.0%	100.0%		Full[1]	100.0%	100.0%	
	Cofiplan	France	Full[1]	100.0%	100.0%		Full[1]	100.0%	100.0%	
	Creation Consumer Finance Ltd	UK	Full	100.0%	99.9%		Full	100.0%	99.9%	V3
	Creation Financial Services Ltd	UK	Full	100.0%	99.9%		Full	100.0%	99.9%	V3
	Crédit Moderne Antilles Guyane	France	Full[1]	100.0%	100.0%		Full[1]	100.0%	100.0%	
	Crédit Moderne Océan Indien	France	Full[1]	97.8%	97.8%		Full[1]	97.8%	97.8%	
	Domofinance	France	Full[1]	55.0%	55.0%		Full[1]	55.0%	55.0%	
	E Carat 10[t]	France								S1
	E Carat 11 PLC[t]	UK								S3
	E Carat 12 PLC[t]	UK	Full	-	-		Full	-	-	
	Ecarat De SA[t]	Luxembourg	Full	-	-	E2				
	Ekspres Bank AS	Denmark	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Ekspres Bank AS (Norway branch)	Norway	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Ekspres Bank AS (Sweden branch)	Sweden	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Eos Aremas Belgium SA NV	Belgium	Equity	50.0%	49.9%		Equity	50.0%	49.9%	
	Evollis	France	Equity	49.2%	49.2%		Equity	49.2%	49.2%	V4
	Findomestic Banca SPA	Italy	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Florence Real Estate Developments SPA	Italy	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Florence SPV SRL[t]	Italy	Full	-	-		Full	-	-	
	GCC Consumo Establecimiento Financiero de Credito SA	Spain	Full	51.0%	51.0%		Full	51.0%	51.0%	
	Genius Auto Finance Co Ltd	China	Equity[3]	25.0%	25.0%		Equity[3]	25.0%	25.0%	V1

			30 June 2024				31 December 2023			
Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	International Development Resources AS Services SA	Spain	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Iqera Services	France								S2
	Loisirs Finance	France	Full[1]	51.0%	51.0%		Full[1]	51.0%	51.0%	
	Magyar Cetelem Bank ZRT	Hungary	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Neuilly Contentieux	France	Full	95.9%	95.6%		Full	95.9%	95.6%	
	Noria 2018-1[t]	France								S1
	Noria 2020[t]	France								S1
	Noria 2021[t]	France	Full	-	-		Full	-	-	
	Noria 2023[t]	France	Full	-	-		Full	-	-	E2
	Noria Spain 2020 FT[t]	Spain	Full	-	-		Full	-	-	
	Opel Finance NV	Netherlands								S3
	Opel Finance SA	Switzerland	Full	100.0%	50.0%		Full	100.0%	50.0%	
	PBD Germany Auto Lease Master SA[t]	Luxembourg	Full	-	-		Full	-	-	E3
	Personal Finance Location	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	PF Services GmbH	Germany	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Phedina Hypotheken 2010 BV[t]	Netherlands	Full	-	-		Full	-	-	
	RCS Botswana Pty Ltd	Botswana	Full	100.0%	100.0%		Full	100.0%	100.0%	
	RCS Cards Pty Ltd	South Africa	Full	100.0%	100.0%		Full	100.0%	100.0%	
	RCS Investment Holdings Namibia Pty Ltd	Namibia	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Securitisation funds Genius (d)[t]	China	Equity[3]	-	-		Equity[3]	-	-	E3
	Securitisation funds UCI and RMBS Prado (b)[t]	Spain	Equity[3]	-	-		Equity[3]	-	-	
	Securitisation funds Wisdom (e)[t]	China	Equity[3]	-	-		Equity[3]	-	-	E3
	Servicios Financieros Carrefour EFC SA	Spain	Equity	37.3%	40.0%		Equity	37.3%	40.0%	
	Stellantis Bank SA	France	Full	50.0%	50.0%		Full	50.0%	50.0%	
	Stellantis Bank SA (Austria branch)	Austria	Full	50.0%	50.0%		Full	50.0%	50.0%	
	Stellantis Bank SA (Germany branch)	Germany	Full	50.0%	50.0%		Full	50.0%	50.0%	
	Stellantis Bank SA (Italy branch)	Italy								S1
	Stellantis Bank SA (Spain branch)	Spain								S1
	Stellantis Financial Services UK Ltd	UK	Full	100.0%	50.0%		Full	100.0%	50.0%	E3
	Union de Creditos Inmobiliarios SA	Spain	Equity[3]	50.0%	50.0%		Equity[3]	50.0%	50.0%	
	United Partnership	France	Equity[3]	50.0%	50.0%		Equity[3]	50.0%	50.0%	
	Vauxhall Finance Ltd	UK	Full	100.0%	50.0%		Full	100.0%	50.0%	
	XFERA Consumer Finance EFC SA	Spain	Full	51.0%	51.0%		Full	51.0%	51.0%	
	Zhejiang Wisdom Puhua Financial Leasing Co Ltd	China	Equity[3]	25.0%	25.0%		Equity[3]	25.0%	25.0%	V1
Arval										
	Artel	France				S4	Full[2]	100.0%	99.9%	
	Arval AB	Sweden	Full[2]	100.0%	99.9%		Full[2]	100.0%	99.9%	
	Arval AS	Denmark	Full[2]	100.0%	99.9%		Full[2]	100.0%	99.9%	
	Arval AS Norway	Norway	Full[2]	100.0%	99.9%		Full[2]	100.0%	99.9%	
	Arval Austria GmbH	Austria	Full[2]	100.0%	99.9%		Full[2]	100.0%	99.9%	
	Arval Belgium NV SA	Belgium	Full[2]	100.0%	99.9%		Full[2]	100.0%	99.9%	
	Arval Brasil Ltda	Brazil	Full[2]	100.0%	99.9%		Full[2]	100.0%	99.9%	
	Arval BV	Netherlands	Full[2]	100.0%	99.9%		Full[2]	100.0%	99.9%	
	Arval CZ SRO	Czech Rep.	Full[2]	100.0%	99.9%		Full[2]	100.0%	99.9%	

Business	Name	Country	30 June 2024 Method	30 June 2024 Voting (%)	30 June 2024 Interest (%)	30 June 2024 Ref.	31 December 2023 Method	31 December 2023 Voting (%)	31 December 2023 Interest (%)	31 December 2023 Ref.
	Arval Deutschland GmbH	Germany	Full[(2)]	100.0%	99.9%		Full[(2)]	100.0%	99.9%	
	Arval Fleet Services	France	Full[(2)]	100.0%	99.9%		Full[(2)]	100.0%	99.9%	
	Arval Fleet Services (succ. Monaco)	Monaco	Full[(2)]	100.0%	99.9%		Full[(2)]	100.0%	99.9%	
	Arval Hellas Car Rental SA	Greece	Full[(2)]	100.0%	99.9%		Full[(2)]	100.0%	99.9%	
	Arval LLC	Russia	Full[(2)]	100.0%	99.9%		Full[(2)]	100.0%	99.9%	
	Arval Luxembourg SA	Luxembourg	Full[(2)]	100.0%	99.9%		Full[(2)]	100.0%	99.9%	
	Arval Magyarorszag KFT	Hungary	Full[(2)]	100.0%	99.9%		Full[(2)]	100.0%	99.9%	
	Arval Maroc SA	Morocco	Full[(2)]	100.0%	89.0%		Full[(2)]	100.0%	89.0%	
	Arval OY	Finland	Full[(2)]	100.0%	99.9%		Full[(2)]	100.0%	99.9%	
	Arval Relsa Colombia SAS	Colombia	Full[(2)]	100.0%	99.9%		Full[(2)]	100.0%	99.9%	V1/D2
	Arval Relsa SPA	Chile	Full[(2)]	100.0%	99.9%		Full[(2)]	100.0%	99.9%	V1/D2
	Arval Schweiz AG	Switzerland	Full[(2)]	100.0%	99.9%		Full[(2)]	100.0%	99.9%	
	Arval Service Lease	France	Full[(2)]	100.0%	99.9%		Full[(2)]	100.0%	99.9%	
	Arval Service Lease Aluger Operational Automoveis SA	Portugal	Full[(2)]	100.0%	99.9%		Full[(2)]	100.0%	99.9%	
	Arval Service Lease Italia SPA	Italy	Full[(2)]	100.0%	99.9%		Full[(2)]	100.0%	99.9%	
	Arval Service Lease Polska SP ZOO	Poland	Full[(2)]	100.0%	99.9%		Full[(2)]	100.0%	99.9%	
	Arval Service Lease Romania SRL	Romania	Full[(2)]	100.0%	99.9%		Full[(2)]	100.0%	99.9%	
	Arval Service Lease SA	Spain	Full[(2)]	100.0%	99.9%		Full[(2)]	100.0%	99.9%	
	Arval Slovakia SRO	Slovakia	Full[(2)]	100.0%	99.9%		Full[(2)]	100.0%	99.9%	
	Arval Trading	France	Full[(2)]	100.0%	99.9%		Full[(2)]	100.0%	99.9%	
	Arval UK Group Ltd	UK	Full[(2)]	100.0%	99.9%		Full[(2)]	100.0%	99.9%	
	Arval UK Leasing Services Ltd	UK	Full[(2)]	100.0%	99.9%		Full[(2)]	100.0%	99.9%	
	Arval UK Ltd	UK	Full[(2)]	100.0%	99.9%		Full[(2)]	100.0%	99.9%	
	BNPP Fleet Holdings Ltd	UK	Full[(2)]	100.0%	99.9%		Full[(2)]	100.0%	99.9%	
	Cent ASL	France	Full[(2)]	100.0%	99.9%		Full[(2)]	100.0%	99.9%	
	Cofiparc	France	Full[(2)]	100.0%	99.9%		Full[(2)]	100.0%	99.9%	
	Comercializadora de Vehiculos SA	Chile	Full[(2)]	100.0%	99.9%		Full[(2)]	100.0%	99.9%	V1/D2
	FCT Pulse France 2022[t]	France	Full[(2)]	-	-		Full[(2)]	-	-	
	Greenval Insurance DAC	Ireland	Full[(2)]	100.0%	99.9%		Full[(2)]	100.0%	99.9%	
	Locadif	Belgium	Full[(2)]	100.0%	99.9%		Full[(2)]	100.0%	99.9%	
	Louveo	France	Full[(2)]	100.0%	99.9%		Full[(2)]	100.0%	99.9%	
	Personal Car Lease BV	Netherlands								S4
	Public Location Longue Durée	France	Full[(2)]	100.0%	99.9%		Full[(2)]	100.0%	99.9%	
	Rentaequipos Leasing Peru SA	Peru	Full[(2)]	100.0%	99.9%		Full[(2)]	100.0%	99.9%	V1/D2
	Rentaequipos Leasing SA	Chile	Full[(2)]	100.0%	99.9%		Full[(2)]	100.0%	99.9%	V1/D2
	TEB Arval Arac Filo Kiralama AS	Türkiye	Full[(2)]	100.0%	75.0%		Full[(2)]	100.0%	75.0%	
	Terberg Busines Lease Group BV	Netherlands								S4
	Terberg Leasing Justlease Belgium BV	Belgium	Full[(2)]	100.0%	99.9%		Full[(2)]	100.0%	99.9%	
Leasing Solutions										
	Aprolis Finance	France	Full	51.0%	42.3%		Full	51.0%	42.3%	
	Artegy	France	Full	100.0%	83.0%		Full	100.0%	83.0%	
	BNL Leasing SPA	Italy	Full	100.0%	95.5%		Full	100.0%	95.5%	
	BNPP 3 Step IT	France	Full	51.0%	42.3%		Full	51.0%	42.3%	
	BNPP 3 Step IT (Belgium branch)	Belgium	Full	51.0%	42.3%		Full	51.0%	42.3%	

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Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	BNPP 3 Step IT (Germany branch)	Germany	Full	51.0%	42.3%		Full	51.0%	42.3%	
	BNPP 3 Step IT (Italy branch)	Italy	Full	51.0%	42.3%		Full	51.0%	42.3%	
	BNPP 3 Step IT (Netherlands branch)	Netherlands	Full	51.0%	42.3%		Full	51.0%	42.3%	
	BNPP 3 Step IT (Spain branch)	Spain	Full	51.0%	42.3%		Full	51.0%	42.3%	E2
	BNPP 3 Step IT (United Kingdom branch)	UK	Full	51.0%	42.3%		Full	51.0%	42.3%	
	BNPP Finansal Kiralama AS	Türkiye	Full	100.0%	82.5%		Full	100.0%	82.5%	
	BNPP Lease Group	France	Full(1)	100.0%	83.0%		Full(1)	100.0%	83.0%	
	BNPP Lease Group (Germany branch)	Germany	Full(1)	100.0%	83.0%		Full(1)	100.0%	83.0%	
	BNPP Lease Group (Italy branch)	Italy	Full(1)	100.0%	83.0%		Full(1)	100.0%	83.0%	
	BNPP Lease Group (Portugal branch)	Portugal	Full(1)	100.0%	83.0%		Full(1)	100.0%	83.0%	
	BNPP Lease Group (Spain branch)	Spain	Full(1)	100.0%	83.0%		Full(1)	100.0%	83.0%	
	BNPP Lease Group Belgium	Belgium	Full	100.0%	83.0%		Full	100.0%	83.0%	
	BNPP Lease Group Leasing Solutions SPA	Italy	Full	100.0%	95.5%		Full	100.0%	95.5%	
	BNPP Lease Group PLC	UK	Full	100.0%	83.0%		Full	100.0%	83.0%	
	BNPP Lease Group SP ZOO	Poland	Full	100.0%	83.0%		Full	100.0%	83.0%	
	BNPP Leasing Services	Poland	Full	100.0%	81.3%	V3	Full	100.0%	87.3%	V3
	BNPP Leasing Solution AS	Norway	Full	100.0%	83.0%		Full	100.0%	83.0%	
	BNPP Leasing Solutions	Luxembourg	Full	100.0%	83.0%		Full	100.0%	83.0%	
	BNPP Leasing Solutions AB	Sweden	Full	100.0%	83.0%		Full	100.0%	83.0%	
	BNPP Leasing Solutions AS	Denmark	Full	100.0%	83.0%		Full	100.0%	83.0%	
	BNPP Leasing Solutions GmbH	Austria	Full	100.0%	83.0%		Full	100.0%	83.0%	
	BNPP Leasing Solutions IFN SA	Romania	Full	100.0%	83.0%		Full	100.0%	83.0%	
	BNPP Leasing Solutions Ltd	UK	Full	100.0%	83.0%		Full	100.0%	83.0%	
	BNPP Leasing Solutions NV	Netherlands	Full	100.0%	83.0%		Full	100.0%	83.0%	
	BNPP Leasing Solutions Suisse SA	Switzerland	Full	100.0%	83.0%		Full	100.0%	83.0%	
	BNPP Rental Solutions Ltd	UK								S3
	BNPP Rental Solutions SPA	Italy	Full	100.0%	83.0%		Full	100.0%	83.0%	
	Claas Financial Services	France	Full(1)	51.0%	42.3%		Full(1)	51.0%	42.3%	
	Claas Financial Services (Germany branch)	Germany	Full(1)	51.0%	42.3%		Full(1)	51.0%	42.3%	
	Claas Financial Services (Italy branch)	Italy	Full(1)	51.0%	42.3%		Full(1)	51.0%	42.3%	
	Claas Financial Services (Poland branch)	Poland	Full(1)	51.0%	42.3%		Full(1)	51.0%	42.3%	
	Claas Financial Services (Spain branch)	Spain	Full(1)	51.0%	42.3%		Full(1)	51.0%	42.3%	
	Claas Financial Services Ltd	UK	Full	51.0%	42.3%		Full	51.0%	42.3%	
	CNH Industrial Capital Europe	France	Full(1)	50.1%	41.6%		Full(1)	50.1%	41.6%	
	CNH Industrial Capital Europe (Belgium branch)	Belgium	Full(1)	50.1%	41.6%		Full(1)	50.1%	41.6%	
	CNH Industrial Capital Europe (Germany branch)	Germany	Full(1)	50.1%	41.6%		Full(1)	50.1%	41.6%	
	CNH Industrial Capital Europe (Italy branch)	Italy	Full(1)	50.1%	41.6%		Full(1)	50.1%	41.6%	
	CNH Industrial Capital Europe (Poland branch)	Poland	Full(1)	50.1%	41.6%		Full(1)	50.1%	41.6%	
	CNH Industrial Capital Europe (Spain branch)	Spain	Full(1)	50.1%	41.6%		Full(1)	50.1%	41.6%	
	CNH Industrial Capital Europe BV	Netherlands	Full	100.0%	41.6%		Full	100.0%	41.6%	
	CNH Industrial Capital Europe GmbH	Austria	Full	100.0%	41.6%		Full	100.0%	41.6%	
	CNH Industrial Capital Europe Ltd	UK	Full	100.0%	41.6%		Full	100.0%	41.6%	
	ES Finance	Belgium	Full	100.0%	99.9%		Full	100.0%	99.9%	
	FL Zeebrugge[s]	Belgium	Full	-	-		Full	-	-	

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Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	Fortis Lease	France	Full[1]	100.0%	83.0%		Full[1]	100.0%	83.0%	
	Fortis Lease Belgium	Belgium	Full	100.0%	83.0%		Full	100.0%	83.0%	
	Fortis Lease Deutschland GmbH	Germany								S3
	Fortis Lease Iberia SA	Spain								S1
	Fortis Lease Portugal	Portugal								S1
	Fortis Lease UK Ltd	UK	Full	100.0%	83.0%		Full	100.0%	83.0%	
	Fortis Vastgoedlease BV	Netherlands				S3	Full	100.0%	83.0%	
	Heffiq Heftruck Verhuur BV	Netherlands	Full	50.1%	41.5%		Full	50.1%	41.5%	
	JCB Finance	France	Full[1]	100.0%	41.6%		Full[1]	100.0%	41.6%	
	JCB Finance (Germany branch)	Germany	Full[1]	100.0%	41.6%		Full[1]	100.0%	41.6%	
	JCB Finance (Italy branch)	Italy	Full[1]	100.0%	41.6%		Full[1]	100.0%	41.6%	
	JCB Finance Holdings Ltd	UK	Full	50.1%	41.6%		Full	50.1%	41.6%	
	Manitou Finance Ltd	UK	Full	51.0%	42.3%		Full	51.0%	42.3%	
	MGF	France	Full[1]	51.0%	42.3%		Full[1]	51.0%	42.3%	
	MGF (Germany branch)	Germany	Full[1]	51.0%	42.3%		Full[1]	51.0%	42.3%	
	MGF (Italy branch)	Italy	Full[1]	51.0%	42.3%		Full[1]	51.0%	42.3%	
	Natio Energie 2	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Natiocredibail	France	Full[1]	100.0%	100.0%		Full[1]	100.0%	100.0%	
	Pixel 2021[t]	France	Full	-	-		Full	-	-	
	Same Deutz Fahr Finance	France	Full[1]	100.0%	83.0%		Full[1]	100.0%	83.0%	
	SNC Natiocredimurs	France	Full[1]	100.0%	100.0%		Full[1]	100.0%	100.0%	
New Digital Businesses										
	Financière des Paiements Electroniques	France	Full	95.0%	95.0%		Full	95.0%	95.0%	
	Financière des Paiements Electroniques (Belgium branch)	Belgium	Full	95.0%	95.0%		Full	95.0%	95.0%	
	Financière des Paiements Electroniques (Germany branch)	Germany	Full	95.0%	95.0%		Full	95.0%	95.0%	
	Financière des Paiements Electroniques (Portugal branch)	Portugal	Full	95.0%	95.0%		Full	95.0%	95.0%	
	Financière des Paiements Electroniques (Spain branch)	Spain	Full	95.0%	95.0%		Full	95.0%	95.0%	
	Floa	France	Full[1]	100.0%	100.0%		Full[1]	100.0%	100.0%	
	Lyf SA	France	Equity[3]	43.8%	43.8%		Equity[3]	43.8%	43.8%	
	Lyf SAS	France	Equity[3]	50.0%	50.0%		Equity[3]	50.0%	50.0%	V4
Personal Investors										
	Espresso Financial Services Private Ltd	India	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Geojit Technologies Private Ltd	India	Equity	35.0%	35.0%		Equity	35.0%	35.0%	
	Human Value Developers Private Ltd	India	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Sharekhan BNPP Financial Services Ltd	India	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Sharekhan Ltd	India	Full	100.0%	100.0%		Full	100.0%	100.0%	
INVESTMENT & PROTECTION SERVICES										
Insurance										
	AEW Immocommercial[s]	France	FV	-	-		FV	-	-	
	AG Insurance	Belgium	Equity	25.0%	25.0%		Equity	25.0%	25.0%	
	Agathe Retail France	France	FV	33.3%	33.3%		FV	33.3%	33.3%	
	AM Select	Luxembourg	Full[4]	-	-		Full[4]	-	-	E1
	Astridplaza	Belgium	Full[2]	100.0%	98.5%		Full[2]	100.0%	98.5%	
	Batipart Participations SAS	Luxembourg	FV	29.7%	29.7%		FV	29.7%	29.7%	

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Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	BCC Vita SPA	Italy	Full(2)	70.0%	70.0%	E3				
	Becquerel[s]	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Actions Croissance ISR[s]	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Actions Euro ISR[s]	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Actions Monde ISR[s]	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Actions Patrimoine ISR[s]	France	Full(4)	-	-	E1				
	BNPP Actions PME ETI[s]	France				S3	Full(4)	-	-	
	BNPP Aqua[s]	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Best Selection Actions Euro ISR[s]	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Cardif	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Cardif BV	Netherlands	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Cardif Compania de Seguros y Reaseguros SA	Peru	Full(2)	100.0%	100.0%	D1	Equity *	100.0%	100.0%	
	BNPP Cardif Emeklilik AS	Türkiye	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Cardif Hayat Sigorta AS	Türkiye	Equity *	100.0%	100.0%		Equity *	100.0%	100.0%	
	BNPP Cardif Livforsakring AB	Sweden	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Cardif Livforsakring AB (Denmark branch)	Denmark	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Cardif Livforsakring AB (Norway branch)	Norway	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Cardif Pojistovna AS	Czech Rep.	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Cardif Seguros de Vida SA	Chile	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Cardif Seguros Generales SA	Chile	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Cardif Services SRO	Czech Rep.	Full(2)	100.0%	100.0%	D1	Equity *	100.0%	100.0%	
	BNPP Cardif Servicios y Asistencia Ltda	Chile	Full(2)	100.0%	100.0%	D1	Equity *	100.0%	100.0%	
	BNPP Cardif Sigorta AS	Türkiye	Equity *	100.0%	100.0%		Equity *	100.0%	100.0%	
	BNPP Cardif TCB Life Insurance Co Ltd	Taiwan	Equity	49.0%	49.0%		Equity	49.0%	49.0%	
	BNPP Cardif Vita Compagnia di Assicurazione E Riassicurazione SPA	Italy	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Convictions[s]	France	Full(4)	-	-		Full(4)	-	-	
	BNPP CP Cardif Private Debt[s]	France				S3	Full(4)	-	-	
	BNPP Deep Value[s]	France								S3
	BNPP Développement Humain[s]	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Diversiflex[s]	France				S1	Full(4)	-	-	
	BNPP Diversipierre[s]	France	Full(2)	-	-		Full(2)	-	-	
	BNPP Euro Climate Aligned[s]	France	Full(4)	-	-	E1				
	BNPP France Crédit[s]	France	Full(2)	-	-		Full(2)	-	-	
	BNPP Global Senior Corporate Loans[s]	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Indice Amerique du Nord[s]	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Indice France ESG[s]	France	Full(4)	-	-	E1				
	BNPP Infrastructure Investments Fund[s]	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Moderate Focus Italia[s]	France								S3
	BNPP Monétaire Assurance[s]	France								S1
	BNPP Multistratégies Protection 80[s]	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Next Tech[s]	France								S3
	BNPP Protection Monde[s]	France								S3
	BNPP Sélection Dynamique Monde[s]	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Selection Patrimoine Responsable[s]	France	Full(4)	-	-	E1				

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Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	BNPP Smallcap Euroland[s]	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Social Business France[s]	France	Full(4)	-	-		Full(4)	-	-	
	BOB Cardif Life Insurance Co Ltd	China	Equity	50.0%	50.0%		Equity	50.0%	50.0%	
	C Santé[s]	France	FV	-	-		FV	-	-	
	Camgestion Obliflexible[s]	France								S1
	Capital France Hotel	France	Full(2)	98.5%	98.5%		Full(2)	98.5%	98.5%	
	Cardif Alternatives Part I[s]	France	Full(2)	-	-		Full(2)	-	-	
	Cardif Assurance Vie	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurance Vie (Austria branch)	Austria	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurance Vie (Belgium branch)	Belgium	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurance Vie (Bulgaria branch)	Bulgaria	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurance Vie (Germany branch)	Germany	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurance Vie (Italy branch)	Italy	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurance Vie (Netherlands branch)	Netherlands	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurance Vie (Portugal branch)	Portugal	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurance Vie (Romania branch)	Romania	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurance Vie (Spain branch)	Spain	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurance Vie (Switzerland branch)	Switzerland	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurance Vie (Taiwan branch)	Taiwan	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurances Risques Divers	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurances Risques Divers (Austria branch)	Austria	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurances Risques Divers (Belgium branch)	Belgium	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurances Risques Divers (Bulgaria branch)	Bulgaria	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurances Risques Divers (Germany branch)	Germany	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurances Risques Divers (Italy branch)	Italy	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurances Risques Divers (Netherlands branch)	Netherlands	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurances Risques Divers (Poland branch)	Poland	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurances Risques Divers (Portugal branch)	Portugal	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurances Risques Divers (Romania branch)	Romania	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurances Risques Divers (Spain branch)	Spain	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurances Risques Divers (Switzerland branch)	Switzerland	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurances Risques Divers (Taiwan branch)	Taiwan	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Biztosito Magyarorszag ZRT	Hungary				D1	Equity *	100.0%	100.0%	
	Cardif BNPP AM Emerging Bond[s]	France	Full(2)	-	-		Full(2)	-	-	
	Cardif BNPP AM Euro Paris Climate Aligned[s]	France	FV	-	-		FV	-	-	
	Cardif BNPP AM Global Environmental Equity[s]	France	Full(2)	-	-		Full(2)	-	-	
	Cardif BNPP AM Global Senior Corporate Loans[s]	France								S3
	Cardif BNPP AM Sustainable Euro Equity[s]	France	FV	-	-		FV	-	-	
	Cardif BNPP AM Sustainable Europe Equity[s]	France	FV	-	-		FV	-	-	
	Cardif BNPP IP Signatures[s]	France	Full(2)	-	-		Full(2)	-	-	
	Cardif BNPP IP Smid Cap Euro[s]	France	Full(2)	-	-		Full(2)	-	-	
	Cardif Colombia Seguros Generales SA	Colombia	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif CPR Global Return[s]	France	Full(2)	-	-		Full(2)	-	-	
	Cardif do Brasil Seguros e Garantias SA	Brazil	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	

Business	Name	Country	30 June 2024				31 December 2023			
			Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	Cardif do Brasil Vida e Previdencia SA	Brazil	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Edrim Signatures[s]	France	Full(2)	-	-		Full(2)	-	-	
	Cardif El Djazair	Algeria	Equity *	100.0%	100.0%		Equity *	100.0%	100.0%	
	Cardif Forsakring AB	Sweden	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Forsakring AB (Denmark branch)	Denmark	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Forsakring AB (Norway branch)	Norway	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif IARD	France	Full(2)	66.0%	66.0%		Full(2)	66.0%	66.0%	
	Cardif Insurance Co LLC	Russia								S2
	Cardif Insurance Holdings PLC	UK	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Life Insurance Co Ltd	Rep. of Korea	Full(2)	85.0%	85.0%		Full(2)	85.0%	85.0%	
	Cardif Life Insurance Japan	Japan	Full(2)	75.0%	75.0%		Full(2)	75.0%	75.0%	
	Cardif Ltda	Brazil	Full(2)	100.0%	100.0%	D1	Equity *	100.0%	100.0%	
	Cardif Lux Vie	Luxembourg	Full(2)	100.0%	88.6%		Full(2)	100.0%	88.6%	
	Cardif Mexico Seguros de Vida SA de CV	Mexico	Full(2)	100.0%	100.0%	D1	Equity *	100.0%	100.0%	
	Cardif Mexico Seguros Generales SA de CV	Mexico	Full(2)	100.0%	100.0%	D1	Equity *	100.0%	100.0%	
	Cardif Non Life Insurance Japan	Japan	Full(2)	100.0%	75.0%		Full(2)	100.0%	75.0%	
	Cardif Nordic AB	Sweden	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Polska Towarzystwo Ubezpieczen Na Zycie SA	Poland				D1	Equity *	100.0%	100.0%	
	Cardif Retraite	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Seguros SA	Argentina								S2
	Cardif Services AEIE	Portugal				S1	Full(2)	100.0%	100.0%	
	Cardif Servicios SAC	Peru				D1	Equity *	100.0%	100.0%	
	Cardif Support Unipessoal Lda	Portugal	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	E1
	Cardif Vita Convex Fund Eur[s]	France								S1
	Cardimmo	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Carma Grand Horizon SARL	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cedrus Carbon Initiative Trends[s]	France	Full(2)	-	-		Full(2)	-	-	
	Centre Commercial Francilia	France	FV	21.7%	21.7%		FV	21.7%	21.7%	
	CFH Alexanderplatz Hotel SARL	Luxembourg	Full(2)	100.0%	93.5%		Full(2)	100.0%	93.5%	E2
	CFH Algonquin Management Partners France Italia	Italy	Full(2)	100.0%	98.5%		Full(2)	100.0%	98.5%	
	CFH Bercy	France	Full(2)	100.0%	98.5%		Full(2)	100.0%	98.5%	
	CFH Bercy Hotel	France	Full(2)	100.0%	98.5%		Full(2)	100.0%	98.5%	
	CFH Bercy Intermédiaire	France	Full(2)	100.0%	98.5%		Full(2)	100.0%	98.5%	
	CFH Berlin GP GmbH	Germany	Full(2)	100.0%	98.5%		Full(2)	100.0%	98.5%	E2
	CFH Berlin Holdco SARL	Luxembourg	Full(2)	100.0%	98.5%		Full(2)	100.0%	98.5%	
	CFH Boulogne	France	Full(2)	100.0%	98.5%		Full(2)	100.0%	98.5%	
	CFH Cap d'Ail	France	Full(2)	100.0%	98.5%		Full(2)	100.0%	98.5%	
	CFH Hostel Berlin SARL	Luxembourg	Full(2)	100.0%	93.5%		Full(2)	100.0%	93.5%	E2
	CFH Hotel Project SARL	Luxembourg	Full(2)	100.0%	93.5%		Full(2)	100.0%	93.5%	E2
	CFH Milan Holdco SRL	Italy	Full(2)	100.0%	98.5%		Full(2)	100.0%	98.5%	
	CFH Montmartre	France	Full(2)	100.0%	98.5%		Full(2)	100.0%	98.5%	
	CFH Montparnasse	France	Full(2)	100.0%	98.5%		Full(2)	100.0%	98.5%	
	Corosa	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Darnell DAC	Ireland	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	

Business	Name	Country	30 June 2024 Method	30 June 2024 Voting (%)	30 June 2024 Interest (%)	30 June 2024 Ref.	31 December 2023 Method	31 December 2023 Voting (%)	31 December 2023 Interest (%)	31 December 2023 Ref.
	Défense CB3 SAS	France	FV	25.0%	25.0%		FV	25.0%	25.0%	
	Diversipierre DVP 1	France	Full(2)	100.0%	93.6%	V4	Full(2)	100.0%	93.4%	V4
	Diversipierre Germany GmbH	Germany	Equity *	100.0%	93.6%	V4	Equity *	100.0%	93.4%	V4
	DVP European Channel	France	Equity *	100.0%	93.6%	V4	Equity *	100.0%	93.4%	V4
	DVP Green Clover	France	Equity *	100.0%	93.6%	V4	Equity *	100.0%	93.4%	V4
	DVP Haussmann	France	Equity *	100.0%	93.6%	V4	Equity *	100.0%	93.4%	V4
	DVP Heron	France	Equity *	100.0%	93.6%	V4	Equity *	100.0%	93.4%	V4
	Eclair[s]	France								S3
	EP L[s]	France	Full(2)	-	-		Full(2)	-	-	
	EP1 Grands Moulins[s]	France	Equity *	-	-		Equity *	-	-	
	FDI Poncelet	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Fleur SAS	France				S1	FV	33.3%	33.3%	
	Foncière Partenaires[s]	France	FV	-	-		FV	-	-	
	Fonds d'Investissements Immobiliers pour le Commerce et la Distribution	France	FV	25.0%	25.0%		FV	25.0%	25.0%	
	FP Cardif Convex Fund USD[s]	France	Full(2)	-	-		Full(2)	-	-	
	Fundamenta[s]	Italy	Full(2)	-	-		Full(2)	-	-	
	G C Thematic Opportunities II[s]	Ireland								S1
	GIE BNPP Cardif	France	Full(2)	99.7%	99.7%		Full(2)	99.7%	99.7%	V2
	GPinvest 10	France	FV	50.0%	50.0%		FV	50.0%	50.0%	
	Harewood Helena 2 Ltd	UK	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Harmony Prime[s]	France	Full(4)	-	-		Full(4)	-	-	
	Hemisphere Holding	France	Equity	20.0%	20.0%		Equity	20.0%	20.0%	
	Hibernia France	France	Full(2)	100.0%	98.5%		Full(2)	100.0%	98.5%	
	Horizon Development GmbH	Germany	FV	66.7%	64.5%	V4	FV	66.7%	62.9%	
	Icare	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Icare Assurance	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	ID Cologne A1 GmbH	Germany	Equity *	89.2%	86.3%	V4	Equity *	89.2%	86.2%	V1
	ID Cologne A2 GmbH	Germany	Equity *	89.2%	86.3%	V4	Equity *	89.2%	86.2%	V1
	Karapass Courtage	France	Equity *	100.0%	100.0%		Equity *	100.0%	100.0%	
	Korian et Partenaires Immobilier 1	France	FV	24.5%	24.5%		FV	24.5%	24.5%	
	Korian et Partenaires Immobilier 2	France	FV	24.5%	24.5%		FV	24.5%	24.5%	
	Luizaseg Seguros SA	Brazil	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	V1/D4
	Natio Assurance	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Natio Fonds Ampère 1[s]	France	Full(4)	-	-		Full(4)	-	-	
	NCVP Participacoes Societarias SA	Brazil	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	New Alpha Cardif Incubator Fund[s]	France	Full(2)	-	-		Full(2)	-	-	
	OC Health Real Estate GmbH	Germany	FV	35.0%	31.0%		FV	35.0%	31.0%	
	Opéra Rendement[s]	France	Full(2)	-	-		Full(2)	-	-	
	Paris Management Consultant Co Ltd	Taiwan				S3	Equity *	100.0%	100.0%	
	Permal Cardif Co Investment Fund[s]	France	Full(2)	-	-		Full(2)	-	-	
	Pinnacle Pet Holding Ltd	UK	Equity	24.7%	24.7%		Equity	24.7%	24.7%	V3
	Poistovna Cardif Slovakia AS	Slovakia				D1	Equity *	100.0%	100.0%	
	Preim Healthcare SAS[s]	France	FV	-	-		FV	-	-	
	PWH	France	FV	47.5%	47.5%		FV	47.5%	47.5%	

			30 June 2024				31 December 2023			
Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	Reumal Investissements	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Rubin SARL	Luxembourg	FV	50.0%	50.0%		FV	50.0%	50.0%	
	Rueil Ariane	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SAS HVP	France				S4	Full(2)	100.0%	98.5%	
	Schroder European Operating Hotels Fund 1[S]	Luxembourg	FV	-	-		FV	-	-	
	SCI 68/70 rue de Lagny - Montreuil	France	Full(2)	99.9%	99.9%		Full(2)	99.9%	99.9%	
	SCI Alpha Park	France				S2	FV	50.0%	50.0%	
	SCI Batipart Chadesrent	France	FV	20.0%	20.0%		FV	20.0%	20.0%	
	SCI Biv Malakoff	France	FV	23.3%	23.3%		FV	23.3%	23.3%	
	SCI BNPP Pierre I	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI BNPP Pierre II	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Bobigny Jean Rostand	France				S4	Full(2)	100.0%	100.0%	
	SCI Bouleragny	France	FV	50.0%	50.0%		FV	50.0%	50.0%	
	SCI Cardif Logement	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Citylight Boulogne	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Clichy Nuovo	France	FV	50.0%	50.0%		FV	50.0%	50.0%	
	SCI Défense Etoile	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Défense Vendôme	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Etoile du Nord	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Fontenay Plaisance	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Imefa Velizy	France	FV	21.8%	21.8%		FV	21.8%	21.8%	
	SCI Le Mans Gare	France				S4	Full(2)	100.0%	100.0%	
	SCI Nanterre Guilleraies	France				S4	Full(2)	100.0%	100.0%	
	SCI Nantes Carnot	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Odyssée	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Pantin Les Moulins	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Paris Batignolles	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Paris Cours de Vincennes	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Paris Grande Armée	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Paris Turenne	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Portes de Claye	France	Equity	45.0%	45.0%		Equity	45.0%	45.0%	
	SCI Rue Moussorgski	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Rueil Caudron	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Saint Denis Landy	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Saint Denis Mitterrand	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Saint-Denis Jade	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI SCOO	France	FV	46.4%	46.4%		FV	46.4%	46.4%	
	SCI Vendôme Athènes	France	FV	50.0%	50.0%		FV	50.0%	50.0%	
	SCI Villeurbanne Stalingrad	France				S4	Full(2)	100.0%	100.0%	
	Secar	France	FV	55.1%	55.1%		FV	55.1%	55.1%	
	Seniorenzentren Deutschland Holding SARL	Luxembourg	FV	20.0%	17.7%		FV	20.0%	17.7%	
	Seniorenzentren Reinbeck Oberursel München Objekt GmbH	Germany	FV	35.0%	31.0%		FV	35.0%	31.0%	
	Seniorenzentrum Butzbach Objekt GmbH	Germany	FV	35.0%	31.0%		FV	35.0%	31.0%	
	Seniorenzentrum Heilbronn Objekt GmbH	Germany	FV	35.0%	31.0%		FV	35.0%	31.0%	

Business	Name	Country	30 June 2024				31 December 2023			
			Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	Seniorenzentrum Kassel Objekt GmbH	Germany	FV	35.0%	31.0%		FV	35.0%	31.0%	
	Seniorenzentrum Wolfratshausen Objekt GmbH	Germany	FV	35.0%	31.0%		FV	35.0%	31.0%	
	Services Epargne Entreprise	France	Equity	36.8%	36.8%	V1	Equity	35.6%	35.6%	
	SNC Batipart Mermoz	France	FV	25.0%	25.0%		FV	25.0%	25.0%	
	SNC Batipart Poncelet	France	FV	25.0%	25.0%		FV	25.0%	25.0%	
	Société Francaise d'Assurances sur la Vie	France	Equity	50.0%	50.0%		Equity	50.0%	50.0%	
	Société Immobilière du Royal Building SA	Luxembourg	Full[(2)]	100.0%	88.6%		Full[(2)]	100.0%	88.6%	
	Theam Quant Europe Climate Carbon Offset Plan[s]	France	Full[(4)]	-	-		Full[(4)]	-	-	
	Tikehau Cardif Loan Europe[s]	France	Full[(2)]	-	-		Full[(2)]	-	-	
	Valeur Pierre Epargne	France	Full[(2)]	100.0%	100.0%		Full[(2)]	100.0%	100.0%	
	Valtitres FCP[s]	France	FV	-	-		FV	-	-	
	Velizy Holding	France	FV	33.3%	33.3%		FV	33.3%	33.3%	
Wealth Management										
	BNPP Wealth Management Monaco	Monaco				S4	Full[(1)]	100.0%	100.0%	
Asset Management										
	Alfred Berg Kapitalforvaltning AS	Norway	Full	100.0%	73.7%		Full	100.0%	73.7%	V2
	Alfred Berg Kapitalforvaltning AS (Sweden branch)	Sweden	Full	100.0%	73.7%		Full	100.0%	73.7%	V3
	Bancoestado Administradora General de Fondos SA	Chile	Equity	50.0%	49.1%		Equity	50.0%	49.1%	
	Baroda BNPP AMC Private Ltd	India	Equity[(3)]	49.9%	49.0%		Equity[(3)]	49.9%	49.0%	
	BNPP ABC Wealth Management Co Ltd	China	Equity[(3)]	51.0%	50.1%		Equity[(3)]	51.0%	50.1%	E2
	BNPP Agility Capital	France								S4
	BNPP Agility Fund Equity SLP[s]	France	Full[(4)]	-	-		Full[(4)]	-	-	
	BNPP Agility Fund Private Debt SLP[s]	France	Full[(4)]	-	-		Full[(4)]	-	-	
	BNPP AM International Hedged Strategies[s]	France	Full[(4)]	-	-		Full[(4)]	-	-	
	BNPP Asset Management Asia Ltd	Hong Kong	Full	100.0%	98.2%		Full	100.0%	98.2%	
	BNPP Asset Management Be Holding	Belgium	Full	100.0%	98.2%		Full	100.0%	98.2%	
	BNPP Asset Management Brasil Ltda	Brazil	Full	100.0%	99.5%		Full	100.0%	99.5%	
	BNPP Asset Management Europe (Ex- BNPP Asset Management France)	France	Full	100.0%	98.2%		Full	100.0%	98.2%	
	BNPP Asset Management Europe (Austria branch) (Ex- BNPP Asset Management France (Austria branch))	Austria	Full	100.0%	98.2%		Full	100.0%	98.2%	
	BNPP Asset Management Europe (Belgium branch) (Ex- BNPP Asset Management France (Belgium branch))	Belgium	Full	100.0%	98.2%		Full	100.0%	98.2%	
	BNPP Asset Management Europe (Germany branch) (Ex- BNPP Asset Management France (Germany branch))	Germany	Full	100.0%	98.2%		Full	100.0%	98.2%	
	BNPP Asset Management Europe (Italy branch) (Ex- BNPP Asset Management France (Italy branch))	Italy	Full	100.0%	98.2%		Full	100.0%	98.2%	
	BNPP Asset Management Europe (Netherlands branch) (Ex- BNPP Asset Management France (Netherlands branch))	Netherlands	Full	100.0%	98.2%		Full	100.0%	98.2%	
	BNPP Asset Management Holding	France	Full	99.9%	98.2%		Full	99.9%	98.2%	
	BNPP Asset Management Japan Ltd	Japan	Full	100.0%	98.2%		Full	100.0%	98.2%	
	BNPP Asset Management Luxembourg	Luxembourg	Full	99.7%	97.9%		Full	99.7%	97.9%	
	BNPP Asset Management NL Holding NV	Netherlands								S1
	BNPP Asset Management PT	Indonesia	Full	100.0%	98.2%		Full	100.0%	98.2%	
	BNPP Asset Management Services Grouping	France								S1
	BNPP Asset Management Taiwan Co Ltd	Taiwan	Full	100.0%	98.2%		Full	100.0%	98.2%	E1
	BNPP Asset Management UK Ltd	UK	Full	100.0%	98.2%		Full	100.0%	98.2%	
	BNPP Asset Management USA Holdings Inc	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Asset Management USA Inc	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	

			30 June 2024				31 December 2023			
Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	BNPP B Institutional II[s]	Belgium	Full(4)	-	-		Full(4)	-	-	
	BNPP Dealing Services	France	Full	100.0%	98.2%		Full	100.0%	98.2%	
	BNPP Easy[s]	Luxembourg	Full	-	-		Full	-	-	
	BNPP Flexi I[s]	Luxembourg	Full(4)	-	-		Full(4)	-	-	
	BNPP Funds[s]	Luxembourg	Full(4)	-	-		Full(4)	-	-	
	Drypnir AS	Norway	Full	100.0%	0.0%		Full	100.0%	0.0%	
	Dynamic Credit Group BV	Netherlands	Full	75.0%	73.6%		Full	75.0%	73.6%	E3
	Gambit Financial Solutions	Belgium	Full	100.0%	98.2%		Full	100.0%	98.2%	
	Haitong Fortis Private Equity Fund Management Co Ltd	China	Equity	33.0%	32.4%		Equity	33.0%	32.4%	
	Harewood Helena 1 Ltd	UK	Full	100.0%	100.0%		Full	100.0%	100.0%	
	HFT Investment Management Co Ltd	China	Equity	49.0%	48.1%		Equity	49.0%	48.1%	
	Impax Asset Management Group PLC	UK	Equity	13.8%	13.5%		Equity	13.8%	13.5%	
	SME Alternative Financing DAC[s]	Ireland	Full	-	-		Full	-	-	
	Theam Quant[s]	Luxembourg	Full(4)	-	-		Full(4)	-	-	
Real Estate										
	Auguste Thouard Expertise	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Immobilier Promotion	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Immobilier Résidences Services	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate (United Arab Emirates branch)	United Arab Emirates	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Advisory & Property Management Luxembourg SA	Luxembourg	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Advisory & Property Management UK Ltd	UK	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Advisory and Property Management Ireland Ltd	Ireland	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Advisory Italy SPA	Italy	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Advisory Netherlands BV	Netherlands	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Belgium SA	Belgium	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Conseil Habitation & Hospitality	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Consult France	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Consult GmbH	Germany	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Facilities Management Ltd	UK	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Financial Partner	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate GmbH	Germany	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Holding GmbH	Germany	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Investment Management Belgium	Belgium	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Investment Management France	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Real Estate Investment Management Germany GmbH	Germany	Full	94.9%	94.9%		Full	94.9%	94.9%	
	BNPP Real Estate Investment Management Germany GmbH (Italy branch)	Italy	Full	94.9%	94.9%		Full	94.9%	94.9%	
	BNPP Real Estate Investment Management Germany GmbH (Spain branch)	Spain	Full	94.9%	94.9%		Full	94.9%	94.9%	
	BNPP Real Estate Investment Management Germany GmbH (Portugal branch)	Portugal	Full	94.9%	94.9%		Full	94.9%	94.9%	
	BNPP Real Estate Investment Management Italy SPA	Italy	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Real Estate Investment Management Ltd	UK	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Investment Management Luxembourg SA	Luxembourg	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Real Estate Investment Management Luxembourg SA (Italy branch)	Italy	Full	100.0%	100.0%		Full	100.0%	100.0%	E2
	BNPP Real Estate Investment Management Spain SA	Spain	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	

			30 June 2024				31 December 2023			
Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	BNPP Real Estate Investment Management UK Ltd	UK	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Poland SP ZOO	Poland	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Portugal Unipersonal LDA	Portugal	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Property Development & Services GmbH	Germany	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Property Development UK Ltd	UK	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Property Management France SAS	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Property Management GmbH	Germany	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Property Management Italy SRL	Italy	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Singapore Pte Ltd	Singapore	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Spain SA	Spain	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Transaction France	France	Full(2)	97.4%	97.4%	V1	Full(2)	97.2%	97.2%	V1
	BNPP Real Estate Valuation France	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cariboo Development SL	Spain	Equity	65.0%	65.0%		Equity	65.0%	65.0%	
	Construction-Sale Companies (c)	France	Full / Equity(2)	-	-		Full / Equity(2)	-	-	
	Exeo Aura & Echo Offices Lda	Portugal	Equity	31.9%	31.9%		Equity	31.9%	31.9%	
	GIE BNPP Real Estate	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Horti Milano SRL	Italy	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Nanterre Arboretum	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Parker Tower Ltd	UK	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Partner's & Services	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	REPD Parker Ltd	UK	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Sviluppo Residenziale Italia SRL	Italy	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Wapiti Development SL	Spain	Equity	65.0%	65.0%		Equity	65.0%	65.0%	
OTHER BUSINESS UNITS										
Property Companies (Property Used In Operations) and Others										
	Antin Participation 5	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Home Loan SFH	France	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	BNPP Partners for Innovation	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Partners for Innovation Belgium	Belgium	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Partners For Innovation Global Connect	France	Full	100.0%	100.0%	E1				
	BNPP Partners for Innovation Italia SRL	Italy	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Procurement Tech	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Public Sector SA	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	FCT Lafayette 2021[t]	France	Full	-	-		Full	-	-	
	FCT Laffitte 2021[t]	France	Full	-	-		Full	-	-	
	FCT Opéra 2014[t]	France								S1
	FCT Opera 2023[t]	France	Full	-	-		Full	-	-	E2
	FCT Pyramides 2022[t]	France	Full	-	-		Full	-	-	
	GIE Groupement Auxiliaire de Moyens	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	GIE Groupement d'Etudes et de Prestations	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Transvalor	France								S2

(a) At 30 June 2024, 14 Private Equity investment entities unchanged from 31 December 2023

(b) At 30 June 2024, the securitisation funds UCI and RMBS Prado include 13 funds (FCC UCI 11, 12, 14 to 17, RMBS Prado VII to XI, Green Belem I et RMBS Belem No 2) unchanged from 31 December 2023

(c) At 30 June 2024, 100 Construction-sale companies (69 Full and 31 Equity) versus 117 Construction-sale companies (82 Full and 35 Equity) at 31 December 2023

(d) At 30 June 2024, the securitisation funds Genius include 8 funds (Generation 2024-1 Retail Auto Mortgage Loan Securitisation, Generation 2022-3 & 5 Retail Auto Mortgage Loan Securitisation, Generation 2023-1 to 5 Retail Auto Mortgage Loan Securitisation) versus 11 funds (Generation 2021-4 Retail Auto Mortgage Loan Securitisation, Generation 2022-1 to 5 Retail Auto Mortgage Loan Securitisation, Generation 2023-1 to 5 Retail Auto Mortgage Loan Securitisation) at 31 December 2023

(e) At 30 June 2024, the securitisation funds Wisdom include 11 funds (Wisdom Puhua Leasing 2021-3 Asset-Backed Securities, Wisdom Puhua Leasing 2022-1 Asset-Backed Notes, Wisdom Puhua Leasing 2022-1 to 3 Asset-Backed Securities, Wisdom Puhua Leasing 2023-2 Asset-Backed Notes, Wisdom Puhua Leasing 2023-1 & 2 Asset-Backed Securities, Wisdom Puhua Leasing Zhixing 2023-1 & 2 Asset-Backed Notes, Wisdom Puhua Leasing Xinghe 2023-1 Asset-Backed Securities) versus 13 funds (Wisdom Puhua Leasing 2021-2 & 3 Asset-Backed Securities, Wisdom Puhua Leasing 2022-1 Asset-Backed Notes, Wisdom Puhua Leasing 2022-1 to 3 Asset-Backed Securities, Wisdom Puhua Leasing 2023-1 & 2 Asset-Backed Notes, Wisdom Puhua Leasing 2023-1 & 2 Asset-Backed securities, Wisdom Puhua Leasing Zhixing 2023-1 & 2 Asset-Backed Notes, Wisdom Puhua Leasing Xinghe 2023-1 Asset-Backed Securities) at 31 December 2023

Changes in the scope of consolidation

New entries (E) in the scope of consolidation

E1	Passing above consolidation thresholds
E2	Incorporation
E3	Purchase, gain of control or significant influence

Removals (S) from the scope of consolidation

S1	Cessation of activity (dissolution, liquidation, *etc.*)
S2	Disposal, loss of control or loss of significant influence
S3	Passing below consolidation thresholds
S4	Merger, Universal transfer of assets and liabilities

Variance (V) in voting or ownership interest

V1	Additional purchase
V2	Partial disposal
V3	Dilution
V4	Increase in %

Miscellaneous

D1	Consolidation method change not related to fluctuation in voting or ownership interest
D2	Following the additional purchase of interest by the Group, Arval Relsa and its subsidiaries were fully consolidated since the fourth quarter 2023.
D3	Following the additional purchase of interest by the Group, the whole entities Kantox and its subsidiaries were fully consolidated since the fourth quarter 2023.
D4	Following the additional purchase of interest by the Group, Luizaseg Seguros SA was fully consolidated since the fourth quarter 2023.

Equity *	Controlled but non material entities consolidated under the equity method as associates
FV	Joint control or investment in associates measured at fair value through profit or loss
s	Structured entities
t	Securitisation funds

Prudential scope of consolidation

(1)	French subsidiaries for which supervision of prudential requirements is complied with through the supervision on a consolidated basis of BNP Paribas SA, in accordance with article 7.1 of Regulation n°575/2013 of the European Parliament and of the Council.
(2)	Entities consolidated under the equity method in the prudential scope
(3)	Jointly controlled entities under proportional consolidation in the prudential scope
(4)	Collective investment undertaking excluded from the prudential scope.

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