

STELLANTIS

BANQUE STELLANTIS FRANCE



2023
ANNUAL REPORT

CONTENTS

Message from the CEO	1
2023 key figures	2
1. Management report	3
1.1 Activities of the Banque Stellantis France Group	4
1.2 Analysis of operational results	12
1.3 Financial situation	17
1.4 Risk factors and regulatory capital adequacy - Pillar III	22
1.5 Corporate governance – General information concerning Banque Stellantis France	116
1.6 Statement of non-financial performance (SNFP) – Corporate social responsibility (CSR)	127
2. Consolidated financial statements as at 31 December 2023	181
2.1 Consolidated balance sheet	182
2.2 Consolidated income statement	183
2.3 Net income and gains and losses recognized directly in equity	184
2.4 Consolidated statement of changes in equity	185
2.5 Consolidated statement of cash flows	186
2.6 Notes to the consolidated financial statements	187
2.7 Report of the statutory auditors on the consolidated financial statements	229
3. Banque Stellantis France financial statements as at 31 December 2023	233
3.1 Management report and 2023 results of operations	234
3.2 Balance sheet and off-balance sheet	237
3.3 Income statement	239
3.4 Notes to the financial statements	240
3.5 Report of the statutory auditors on the financial statements	253
Statement by the person responsible for the 2023 Annual Report	256

Message from the CEO

In a market that is increasingly competitive and affected by unprecedented transformations, Banque Stellantis France continued to grow with operating income of €461 million, up by 1.5%.

With just over 2.15 million vehicles registered, the French market is up by 14.7% compared to 2022. In this market, Peugeot and Citroën occupy the second and third places on the podium with a market share of 14.2% and 8.4% respectively. The new STELLANTIS brands achieved significant gains: +26.5% for Alfa Romeo, +24.8% for Jeep, +19.7% for Opel and +5.7% for Fiat.

As a preamble, we should recall that 2023 will be an historic year for our company. PSA Banque France has become Banque Stellantis France. Since 3 April 2023, our scope of operation has changed as we provide all financing for end users in all STELLANTIS brand dealer networks in France with the exception of professional and corporate long-term leasing. The latter is entrusted to Leasys for new production.

In addition, we also manage all wholesale financing for the STELLANTIS brand dealer networks.

Finally, it should also be noted that Banque Stellantis France has acquired the automotive financing companies in Belgium, Luxembourg and the Netherlands.

The Bank's strategy remains the same, that of supporting the commercial strategy of each of the brands in order to win over and retain all types of customers.



In an environment marked by a continuous and exceptional change in refinancing, Banque Stellantis France was able to further improve its commercial performance, particularly for individuals in new and used vehicles. The Bank's various refinancing strategies, the expansion of deposit collection in Germany, Spain and the Netherlands, the completion of two new bond issues and the placement of a new securitisation transaction have enabled us to maintain a consistent gross margin, ensuring long-term profitability on our outstandings.

This strong commercial performance is accompanied by the usual excellent performance in the placement rate of our complementary insurance products.

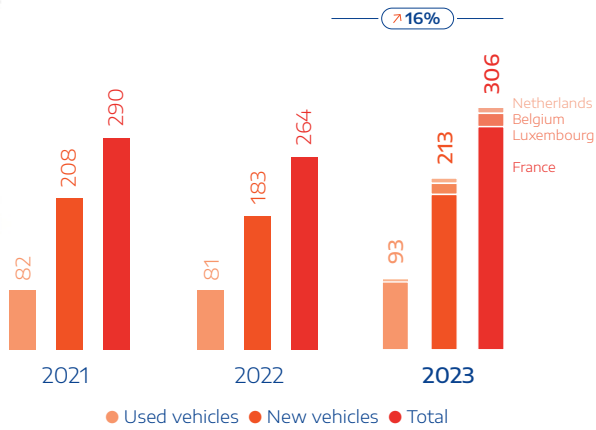
This performance generated record revenue of €5.2 billion in France, an increase of more than 13%.

2024 should be the year of consolidation of performance with our historical brands and convergence for new brands.

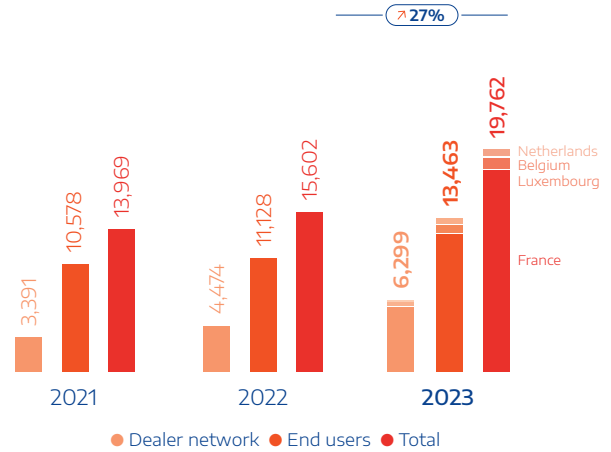
Laurent AUBINEAU
Chief Executive Officer

2023 key figures

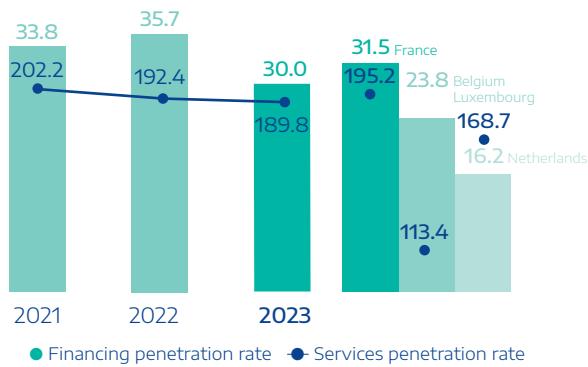
EVOLUTION OF VEHICLES FINANCED FOR END USERS
(in thousands of vehicles)



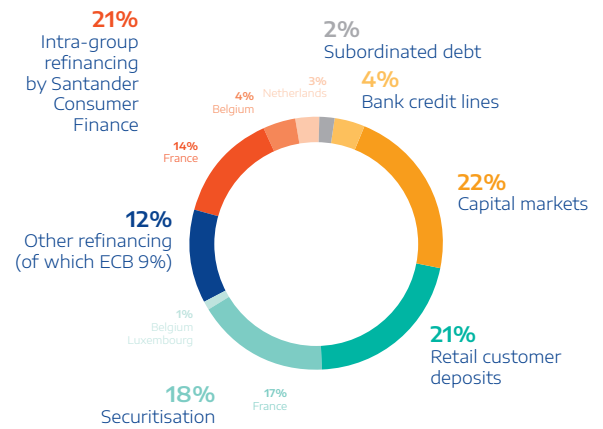
EVOLUTION OF OUTSTANDING LOANS TO END USERS AND DEALER NETWORK
(in million euros)



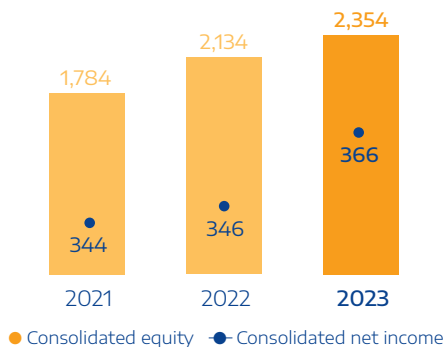
FINANCING AND SERVICE PENETRATION RATES
(in % of new vehicle sales for the STELLANTIS brands / in % of financing contracts)



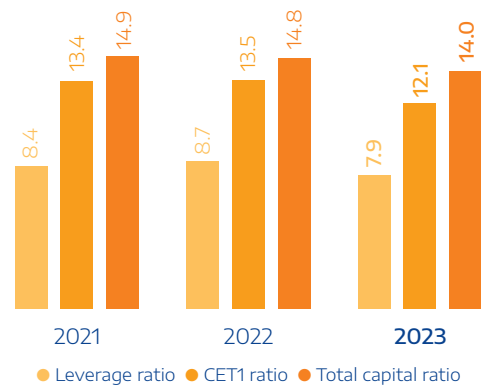
FUNDING SOURCES AS AT 31 DECEMBER 2023



EQUITY AND NET PROFIT
(in million euros)



CAPITAL RATIOS
(in %)



1

Management report

1.1	Activities of the Banque Stellantis France Group	4	1.5	Corporate governance – General information concerning Banque Stellantis France	116
1.1.1	Summary of financial information	4	1.5.1	Banque Stellantis France overview	116
1.1.2	Activities of the Banque Stellantis France Group	5	1.5.2	Shareholder – Structure of share capital	116
1.2	Analysis of operational results	12	1.5.3	Board of Directors and management bodies	117
1.2.1	Vehicle sales of STELLANTIS	12	1.5.4	Information about the administrative and management bodies	118
1.2.2	Commercial activity on the Banque Stellantis France Group	12	1.5.5	Executive officers' remuneration	122
1.2.3	Results of operations	15	1.5.6	Diversity policy applicable to the selection of members of the management body	122
1.3	Financial situation	17	1.5.7	Persons responsible for auditing the accounts	123
1.3.1	Assets	17	1.5.8	Investments	123
1.3.2	Provisions for non-performing loans	17	1.5.9	Intra-group agreements	123
1.3.3	Refinancing policy	18	1.5.10	Resolutions presented to the Ordinary General Meeting of 28 March 2024, as proposed by the Board of Directors on 13 February 2024, concerning Banque Stellantis France and consolidated financial statements	124
1.3.4	Liquidity security	20	1.6	Statement of non-financial performance (SNFP) – Corporate social responsibility (CSR)	127
1.3.5	Credit ratings	21	1.6.1	Sustainable development context	127
1.3.6	Outlook for 2024	21	1.6.2	Business model	128
1.4	Risk factors and regulatory capital adequacy – Pillar III	22	1.6.3	Dialogue with stakeholders and materiality matrix	130
1.4.1	Risk factors	24	1.6.4	Banque Stellantis France Group CSR strategy	132
1.4.2	Governance and risk management systems	35	1.6.5	Mapping of the main non-financial risks and challenges	134
1.4.3	Capital management and regulatory capital adequacy	41	1.6.6	Existing governance, programmes and policies	138
1.4.4	Leverage ratio	54	1.6.7	Environmental challenges	142
1.4.5	Credit Risk	59	1.6.8	Societal challenges	163
1.4.6	Liquidity and funding risk	91	1.6.9	Social challenges	167
1.4.7	Encumbered assets	96	1.6.10	Business ethics and governance	171
1.4.8	Currency and interest rate risks	98	1.6.11	Appendices	173
1.4.9	Market risk	100	1.6.12	Report by the Independent Third-Party Organisation on the consolidated Non-Financial Statement included in the Management Report	178
1.4.10	Securitisation	100			
1.4.11	Operational risks	105			
1.4.12	Remuneration policy	107			
1.4.13	Pillar III - Disclosures statement	115			

1.1 Activities of the Banque Stellantis France Group

1.1.1 Summary of financial information

The financial information presented in this annual report has been prepared in accordance with "IFRS" (International Financial Reporting Standards) adopted by the European Union member countries.

The consolidated financial statements were certified as at 31 December 2023 by the Statutory Auditors of Banque Stellantis France Group, PricewaterhouseCoopers Audit and Mazars.

Consolidated income statement

(in million euros)	2023	2022	Change in %
Net banking revenue	685	643	6.5%
General operating expenses and equivalent	(195)	(166)	17.5%
Cost of risk	(29)	(23)	26.1%
Operating income	461	454	1.5%
Other non-operating income	40	(3)	-
Pre-tax income	501	451	11.1%
Income taxes	(135)	(105)	28.6%
NET INCOME	366	346	5.8%

Consolidated balance sheet

(in million euros)	31 December 2023	31 December 2022	Change in %
Assets			
Cash, central banks, post office banks	1,838	848	116.7%
Financial assets	25	283	(91.2%)
Loans and advances to credit institutions	801	622	28.8%
Customer loans and receivables	19,762	15,602	26.7%
Tax assets	25	43	(41.9%)
Other assets	583	171	240.9%
Property and equipment	97	15	-
Intangible assets	37	-	-
TOTAL ASSETS	23,168	17,584	31.8%
Liabilities			
Financial liabilities	28	4	-
Deposits from credit institutions	7,022	5,509	27.5%
Due to customers	4,401	3,372	30.5%
Debt securities	7,309	5,022	45.5%
Tax liabilities	703	582	20.8%
Other liabilities	1,050	806	30.3%
Subordinated debt	301	155	94.2%
Equity	2,354	2,134	10.3%
TOTAL LIABILITIES	23,168	17,584	31.8%

Outstanding loans by customer segment

(in million euros)	31 December 2023	31 December 2022	Change in %
Dealer network	6,299	4,474	40.8%
End users	13,463	11,128	21.0%
TOTAL CUSTOMER LOANS AND RECEIVABLES	19,762	15,602	26.7%

1.1.2 Activities of the Banque Stellantis France Group

1.1.2.1 Presentation

Stellantis Financial Services Europe, a financing company of STELLANTIS (formed through the merger of the PSA and FCA groups in January 2021), specialising in automotive financing, and Santander Consumer Finance, the subsidiary of Banco Santander, specialising in consumer finance, signed, on 10 July 2014, a framework agreement on the creation of a banking partnership covering 11 countries in Europe, then on 31 March 2022, following the announcement at the end of 2021 of the project to restructure the European configuration of STELLANTIS's financing activities, in order to offer coherent and attractive financing offers to all customers, dealers and distributors of STELLANTIS brands.

Since 3 April 2023, Santander Consumer Finance has carried out the financing activities through joint ventures co-owned with STELLANTIS (with the exception of professional and corporate long-term leasing) in France, Italy, Spain, Belgium, Poland, the Netherlands and, through a commercial agreement in Portugal, and is the exclusive partner of STELLANTIS in this business and in these countries.

PSA Banque France thus became "Banque Stellantis France" and the scope of operation of the Group expands as it becomes the financing arm for all STELLANTIS brands (Peugeot, Citroën, DS and now Opel, Fiat, Abarth, Alfa Romeo, Jeep, Maserati and Ram) distributed in France, for all financing techniques and all types of customers, with the exception of professional and corporate long-term leasing.

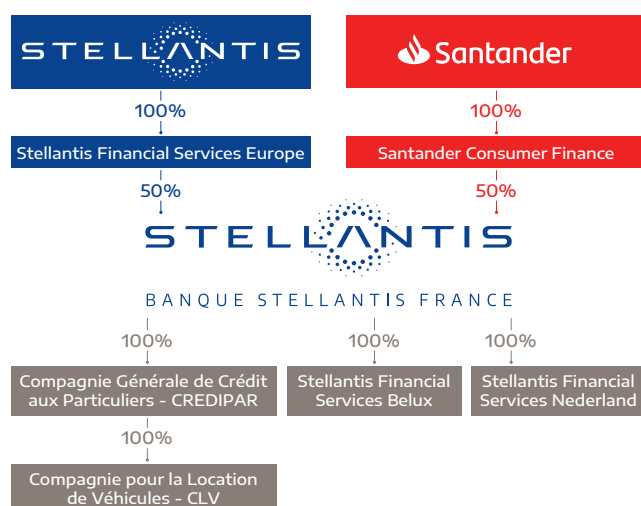
A. Organisation

Banque Stellantis France is 50/50 controlled by Stellantis Financial Services Europe and by Santander Consumer Finance, and is fully consolidated into the Santander Group.

Then, on 30 May 2023, Banque Stellantis France acquired the shares of Stellantis Financial Services Belux and Stellantis Financial Services Nederland from Stellantis Financial Services España (the 50/50 joint-venture in Spain between Stellantis Financial Services Europe and Santander Consumer Finance). The Banque Stellantis France Group now consolidates, with no impact on their commercial activity, both automotive financing companies operating in Belgium, Luxembourg and the Netherlands.

The cooperation with Santander Consumer Finance enhances the activities of the Banque Stellantis France Group, thanks to more competitive financial offers dedicated to customers and dealer networks of STELLANTIS brands. A full range of insurance products and services enables customers to benefit from a global and coherent offer at the point of sale. The Banque Stellantis France Group also provides the dealer networks of the STELLANTIS brands, with financing for their stock of vehicles (new and used) and spare parts, as well as other financing solutions such as working capital.

STRUCTURE OF THE BANQUE STELLANTIS FRANCE GROUP



Banque Stellantis France is a credit institution and 100% parent company:

- in France, of CREDIPAR, which itself holds 100% of CLV;
- and since 30 May 2023, of Stellantis Financial Services Belux and Stellantis Financial Services Nederland, both automotive financing companies operating in Belgium, Luxembourg and the Netherlands.

The Banque Stellantis France Group is established and operates across the French territory from its registered office at 2-10, boulevard de l'Europe, Poissy (78300), and its three agencies (Grand Paris, Lyon and Rennes) and since 30 May 2023, in Belgium, Luxembourg and the Netherlands.

B. Organisation of the cooperation between Stellantis Financial Services Europe and Santander Consumer Finance

The cooperation between Stellantis Financial Services Europe and Santander Consumer Finance is organised within the Banque Stellantis France Group through a shared governance.

The governance rule of the committees implemented in the context of the cooperation in all areas (sales, risk, finance, etc.) is compatible with the corporate governance regulatory framework.

C. Business model and strategy

Backed by its economic model based on its proximity with the different STELLANTIS brands, and their historical dealer network, and by the financial support of the Santander Group, the Banque Stellantis France Group has demonstrated its ability to react effectively in complex environment (Covid-19 pandemic, shortage of semiconductors, geopolitical tensions, logistical issues, etc.) and to expand its scope of activity to the networks of all the STELLANTIS brands.

The main levers implemented by the Banque Stellantis France Group are:

- **an extended, structured and customised selection of financing solutions.** A comprehensive offering has been developed to meet the needs of the various dealer networks and their customers. A close relationship with the commercial networks, thanks to committed local teams, helps the Banque Stellantis France Group develop financing solutions and services packages specifically designed to address their needs. Since April 2023, these teams have expanded their scope of operation to the Opel, Fiat, Abarth, Alfa Romeo, Jeep, Maserati, Ram networks. The Banque Stellantis France offer has also been proposed in the Aramis network specialised in the purchase of new vehicles (all brands) or refurbished used vehicles, either online, by phone, or from its own network. Aramis is a company of STELLANTIS;
- **a privileged relationship with the brands of STELLANTIS and their dealer networks.** Financing, insurance and services solutions are marketed through the STELLANTIS dealer networks, with a global approach by packaging the financing proposal with the sale of the vehicle. Vehicle renewal rates for these brands are usually higher when customers finance their vehicles via the Banque Stellantis France Group. These solutions are generally developed for all energies on the market and certain offers can also support specific strategies, such as the electrification of the brands or also the development of vehicles that do not require a driver's license;
- **a cutting-edge information system integrated into the point of sale which adapts to be as close as possible to ongoing business in the networks.** The Banque Stellantis France Group's information systems are integrated with those of the STELLANTIS brands, enabling the dealers of these brands to make a global commercial proposal that encompasses the vehicle, its financing solution as well as any ancillary services. Eligible customers can thus obtain a decision concerning their financing application directly from the vehicle's dealer. This information system has been opened up to the dealer networks of the other brands financed since April 2023;

- **diversified insurance and service offerings with a high added value.** End users have various insurance options and services, related to the vehicle or ancillary to its financing, proposed either at the same time as the financing offers or during the period of vehicle detention. The idea of a "one-stop shopping" approach is to make financing, insurance, and services overall more attractive for customers. This offering takes into account in the changing nature of customer behaviour seeking greater mobility;

- **an optimal use of digital tools for the benefit of the customer experience and the relationship with the point of sale.** In order to support changes in customer habits when choosing a vehicle, the Banque Stellantis France Group proposes online solutions such as calculators on the websites of the brands and of the dealer networks. The Peugeot, Citroën and DS brands benefit from the digital distribution channel launched in coordination with the Banque Stellantis France Group during the Covid-19 pandemic. This channel was rolled out in 2023 on the SPOTICAR label and is being implemented for the other brands as well as for the CERTIFIED label. It offers a complete solution for the sale and financing of new or used vehicles, either 100% online or with a closing of the sale at the point of sale. In addition, online or phone help services are implemented to instantly answer to any questions customers may have in order to finalise their application;

- **a diversified refinancing policy.** The Banque Stellantis France Group benefits from funding raised on capital markets (negotiable debt securities and bond issues under EMTN programme), provided by securitisation transactions, retail savings inflow from customers, access to the refinancing operations of the European Central Bank (ECB) and bilateral bank credit lines, in addition to intra-group financing provided directly by Santander Consumer Finance.

Although it fully benefits from its status as a dedicated financial partner of STELLANTIS, the Banque Stellantis France Group operates according to an independent management structure focused on the success of its activities while ensuring a rigorous control of its own risks. As for commercial policy, it is closely aligned with the marketing and business strategy of the brands of STELLANTIS.

The asset management system relies on a robust retail credit acceptance policy based on an internally-developed credit scoring method, and high standards of credit analysis for corporate financing.

1.1.2.2 Product and service offerings

The Banque Stellantis France Group offers financing, insurance and services in France, and since May 2023, in Belgium, Luxembourg and the Netherlands, as well as savings for retail customers in France, and since 2023 in Germany and then in Spain and in the Netherlands:

- **financing for end users represents 68% of outstanding loans as at 31 December 2023.** Individuals are offered a range of solutions including instalment loans for the purchase of new and used vehicles, as well as leasing solutions with or without a purchase option. The offer continues to be enhanced in order to adapt to the new behaviour of individuals who are looking for global mobility solutions related to their use. Vehicles are at the heart of their mobility, but it must be part of their ecosystem which encompasses all means of transport at their disposal. The Banque Stellantis France Group is also developing offers to meet this new demand for flexibility, in particular through long-term leases (LLD) without time commitment on combustion-powered and electric vehicles or tailor-made leases that allow flexible monthly payments, depending on the use of the vehicle.

These solutions are also available for professional customers with a wide range of services aimed at companies of all sizes via finance lease solutions, along with services that make life easier for drivers and fleet managers;

- **financing for the dealer network represents 32% of outstanding loans as at 31 December 2023.** Financing solutions are available to the dealer networks for STELLANTIS brands for financing their stock of new and used vehicles, spare parts, as well as other solutions for financing their working capital and their investments;
- **insurance products and services.** An extensive range of services and insurance products designed for end users is offered:
 - insurance related to the financing such as death/disability insurance, hospitalisation or unemployment insurance, or financial loss insurance covering the total loss of the financed vehicle (theft or accident). The Banque Stellantis France Group continues to roll out its flexibility strategy with LOCAVIE. This service, which gives customers peace of mind in case of family-related events (marriage, birth, death, etc.) or short-term budget disruptions (hospitalisation, job loss, etc.) has been a real success

A. Loan portfolios

Financing activities and outstanding loans are analysed by portfolio based on the following customer segments:

- end-user loans primarily consist of financing for the acquisition of vehicles by individuals and companies, either through instalment loans or leasing contracts;

with customers since its launch mid-2021. In addition, the death/disability insurance offer continues to adapt and to grow in the professional customer segment. In 2023, Banque Stellantis France Group also strengthened its financial loss products, which enable insured customers to cope with a total loss of their vehicle while ensuring the continuity of their mobility,

- insurance policies relating to the vehicle, such as car insurance or warranty extensions for new and used vehicles, assistance services including mobility solutions and additional services relating, for example, to the maintenance of vehicles and to the electric vehicle offer. Specific formulas for connected vehicles are also offered and are very popular with customers.

The Banque Stellantis France Group is also supporting deployment of the SPOTICAR and CERTIFIED used vehicles brands of STELLANTIS by offering, since the end of 2021, a range of dedicated warranty and maintenance extension products as well as an innovative connected car insurance offer: "Drive & Connect", developed and distributed by its insurance and broker partners and available for new and used vehicles of the Peugeot, Citroën and DS and now Opel brands. This offer, distributed in partnership with AXA France, won the 2022 Argus d'Or award for "Best Affinity/ Collaborative Insurance" and is gradually being extended to the other brands.

At the same time, specific insurance policies have been put in place in recent years to support companies and protect their business, such as guarantee on transported equipment or on operating losses incurred when vehicles are off-road. At the end of 2021, a connected insurance solution for small fleets (less than nine vehicles) was added to the range of products and services available to professionals, based on the connected insurance model for individuals.

The whole range of products and services is evolving to support the different STELLANTIS strategies, from electrification to vehicles that do not require a driving licence or different projects focusing on "Mobility as a service";

- **retail savings.** The "Distingo par PSA Banque" retail savings business consists of savings accounts and term deposits. Since 2023, and for its tenth anniversary, the "Distingo par PSA Banque" brand became "Distingo Bank" and took on an international dimension with the launch of its offering in Germany, and then in Spain and in the Netherlands.

- dealer loans granted to the STELLANTIS brand dealer network correspond to financing of the stock of new vehicles (NV), used vehicles (UV) and spare parts. This segment also includes loans and leases provided to dealers to finance vehicles and equipment used in their everyday activity, financing of working capital requirement, treasury loans, property loans to finance their premises and other types of products, including current accounts.

B. End-user financing

The Banque Stellantis France Group finances the purchase and leasing, with or without a purchase option, of new and used vehicles by individual customers and companies (with the exception of professional and corporate long-term leasing) through the dealer networks of STELLANTIS brands. Financing solutions include insurance and services that protect the customer and/or its vehicle.

The Banque Stellantis France Group is also the exclusive financial partner of the Citroën AMI quadricycle and the Fiat TOPOLINO launched by the end of 2023, and the partner of Aramis, a STELLANTIS network specialising in the sale of new and used vehicles.

In 2023, the Banque Stellantis France Group supported the launch of the new models and since April 2023 of all STELLANTIS brands by providing dedicated loyalty offers including financing, insurance, and service packages, in particular through leasing solutions.

Interest rates proposed to customers are generally fixed.

Promotional offers supported by brands may also be proposed to customers in order to boost vehicle sales or encourage the marketing of certain models. The usual credit-scoring and pricing procedures are applied to this type of financing.

Marketing policy and penetration rate

The Banque Stellantis France Group works closely in a privileged partnership with the Peugeot, Citroën and DS dealer networks and since April 2023 with those of the other STELLANTIS brands. In 2023, it financed 30.0% of new vehicles registered in France by the Peugeot, Citroën and DS brands, along with the other STELLANTIS brands from April 2023, then also in Belgium, Luxembourg and the Netherlands from May 2023.

Financing solutions are marketed through these dealer networks, with a comprehensive approach in order to propose to end users, at the time of sale of a vehicle, a financing, insurance and service package. These solutions are evolving according to customers' needs for simple and easy mobility.

The Banque Stellantis France Group's information systems are integrated with that of the brands, allowing the dealer network to conduct the negotiation and customer contracting processes with strong responsiveness. This "one-stop shopping" ability is definitely an advantage that is valued by customers. Eligible customers can thus obtain a decision on their financing application directly from the dealer. This integrated information management system is also a key factor in driving down costs and application processing time. Electronic signature is possible for individuals and professional customers whose signatory is also an executive. This approach designed to ease the customer experience and the interface with the point of sale shows the desire of the Banque Stellantis France Group to be the preferred partner for its customers.

To support the communication and offers of STELLANTIS brands on their websites, the Banque Stellantis France has developed tools for simulating financing that are available on brand and on dealer network sites. Initiated in 2017, when an online financing solution was put in place, then in 2019 through integrated decisions for orders of STELLANTIS

vehicles available in stock, digital solution services continued to evolve to meet customer needs. Individual customers are offered for example the possibility of configuring, ordering and financing their new vehicle online (depending on the brand) while also promoting relations with a point of sale in the brand networks.

Penetration rate are measured by dividing the number of new financing contracts for new vehicles by the number of passenger vehicles and utility vehicles registered in France, in Belgium, in Luxembourg and in the Netherlands by STELLANTIS. The number of new registered vehicles includes vehicles purchased with cash, therefore without financing. Since April 2023, the Banque Stellantis France Group is available to the networks of the other STELLANTIS brands and the penetration rate is also monitored as a performance indicator on these new businesses.

End-user instalment loans for new and used vehicles

End-user instalment loans mainly consist of fixed monthly payments covering the amortisation of principal and accrued interest. In some cases, customers may also be offered balloon loans, which feature a last instalment that is larger than the previous ones. In such cases, the owner of the vehicle financed by the loan has the option to sell his vehicle back to the dealer at the end of the contract for an amount equal to the last payment (balloon payment) in accordance with the commitment to buy back the vehicle signed by the dealer when the vehicle was sold.

The financing may be total or partial. The borrower can indeed opt to make a personal contribution covering a portion of the vehicle price and using financing for the remaining amount. In all cases, the amount of financing cannot exceed 100% of the price of the vehicle, including options and accessories. Many customers (mainly individuals) choose to partially finance the purchase price of their vehicle.

Loan terms typically range from one to six years. Instalments are generally monthly. In some cases it is however possible to postpone the first instalment for 60 to 90 days. The borrower may early prepay at any time. The customer may be charged a fee in such case.

Vehicle financing granted by the Banque Stellantis France Group may come with guarantees, depending on the type of vehicle financed and/or the risk profile of the customer, whether an individual or a company.

The Banque Stellantis France Group may request a third-party surety. For professional customers, a pledge on the company or business assets may also be required.

Lease activities to end users

Lease activities include for individuals long-term leasing as well as leasing with a purchase option and finance leases for professionals. These different types of leases are recorded as financial leases in the Banque Stellantis France Group's consolidated financial statements, and are included in customer loans and receivables. Leased vehicles are not recorded as fixed assets in the consolidated financial statements prepared according to international accounting standards.

Thus, the Banque Stellantis France Group purchases vehicles from dealers and leases them to end-user customers. Leases are mainly granted for one to five years. The Banque Stellantis France Group remains the owner of the vehicle throughout the term of the lease. At the end of a lease with a purchase option or finance lease, the customer has the choice of exercising its purchase option or returning the vehicle. As for long-term leases, the dealer or in some cases the manufacturer itself is committed to repurchase the vehicle from the Banque Stellantis France Group when it is returned by the customer at the end of the contract, at a price determined at the inception of the contract. This repurchase price of the vehicle corresponds to the estimated residual value of the vehicle at the end of the leasing period. As a result of the vehicle buy-back commitment, the Banque Stellantis France Group does not bear risk linked to the return and any change in its value at the end of the lease (the dealer or manufacturer complying with their buy-back obligation). The amount that the dealer or manufacturer pays to the Banque Stellantis France Group is not affected by any fees the customer may incur if the vehicle is not in a satisfactory condition or has exceeded the contractual mileage. However, the Banque Stellantis France Group will generally bear the risk on the resale value of the vehicle if during the leasing period of the vehicle, the customer stops the payment of his rents. The vehicle's buy-back price set in advance by the dealer or manufacturer may not be enough to offset the loss of future payments not made by the customer. The long-term lease contracts therefore include a compensation clause for the financial loss in case of early termination of the contract.

Underwriting, payments and collection

The Banque Stellantis France Group has established differentiated credit scores for:

- financing on new vehicles or used vehicles;
- financing granted to individual or professional customers;
- different types of financing solutions: loans or leasing.

The data used to assess borrower's counterparty risk are taken from information and/or documents provided directly by customers and, as applicable, enhanced with data from internal databases set up from detailed profiles of customers and their payment histories. Information on customers is verified using various databases made available by public organisations (such as Banque de France). For professional

customers, the Banque Stellantis France Group uses various sources of public and commercial information to verify their credit worthiness. When the Banque Stellantis France Group refuses financing applications, it maintains records for six months that will result in automatic alerts if the same customer reapplies for financing during this period.

Instalments and lease payments are generally settled by direct debit. In cases of non-payment, a second debit order is initiated in order to automatically deal with as many arrears as possible. For residual non-payments, reminder notices are issued or the customer is called within few days after the payment incident, and this process is routinely repeated until the incident is resolved. The Banque Stellantis France Group uses both in-house amicable collection teams to attempt to resolve such incidents, and an external service provider who supports the in-house team by managing the first steps of the process.

If any unpaid amounts remain outstanding after 65 days, the pre-litigation collection teams take over the management of these payment incidents. Letters are sent to customers, and backed up by phone calls. According to the elements of the case and the information provided by the customer, the collection teams determine the most appropriate solution for the customer's situation in order to collect the unpaid amounts. They may request a specialist in home collection to intervene with the client or establish consolidated debt arrangements, and if no other solution is possible, to repossess the financed vehicle requiring or not a court order, thereby terminating the contract.

After recovering the vehicle, the Banque Stellantis France Group follows existing legal procedures (e.g. auctions) to sell the vehicle.

For any past-dues exceeding 150 days, the contract is accelerated, and the litigation teams will attempt to recover the total financing balance by first attempting an ultimate amicable arrangement with the customers, before launching more binding procedures or seizing the vehicle if that could not be done previously.

When past-dues remain beyond 48 months, (in case of credit loans), or 24 months, (in case of leasing) after the acceleration of the contract, the collection and litigation teams request for the intervention of specialised external suppliers to recover the past-dues or, as applicable, proceed with the assignment of the receivables.

C. Financing for the dealer network

The Banque Stellantis France Group provides financing solutions for stocks of new, demonstration and used vehicles, as well as spare parts, held by dealers of the STELLANTIS brands. In addition to this main activity, other types of financing are also offered to dealers of these brands, to meet their operating (working capital, current accounts, etc.) or investment requirements.

D. Insurance products and services

Over the years, the Banque Stellantis France Group has expanded its product range by offering insurance products and services developed with:

- “Stellantis Insurance”, the insurance business line that has been 50/50 held by Stellantis Financial Services Europe and Santander Consumer Finance since 2015 has been marketing borrower insurance products, financial loss coverage, as well as used car warranty extensions under the SPOTICAR label since early 2022 and the CERTIFIED label since June 2023. These products adapt to the changing needs of customers and support the Banque Stellantis France Group’s mobility and flexibility strategies;
- “Automobile Insurance by Stellantis Insurance”, the car insurance programme dedicated to the STELLANTIS brands distributed by the partner brokers of the Banque Stellantis France Group and mainly provided by the AXA Group, enables to offer flexible and innovative automobile insurance solutions to all customers and for all STELLANTIS models. This programme also supports the launch of new vehicles and strengthens the different STELLANTIS strategies for both financed and non-financed customers. In June 2022, this programme along with its partners won the Argus d’Or award for “Best Affinity/Collaborative Insurance” for its “Drive & Connect” offer;
- partner insurers that market roadside assistance programmes;
- brands of STELLANTIS for vehicle-related services developed and distributed by STELLANTIS, such as maintenance contracts and connected services.

Thus, the Banque Stellantis France Group offers to its end users, whether packaged or not with the financing, a full range of personal and vehicle-related insurance products and services.

The aim of the 360° offer is to provide a comprehensive approach to the sale of the vehicle, its financing and optional extra services in a single contact at the vehicle’s point of sale. Bundled offers, which may include several services, in addition to the separate offer of services, allow for even

Credit lines may also be granted to dealers to finance their vehicle buy-back obligations in the case of leases and balloon loans. The financing covers the full buy-back price of the vehicle for the dealers, within the global limit set for each dealer. Regular and at least annual reviews of the solvency and overall financial position of the dealers are carried out by the Banque Stellantis France Group so that credit limits can be adjusted if necessary.

more competitive terms while providing the customer and the vehicle with optimal protection and adapting to ever greater needs for flexibility and freedom.

Thus, very specific offers have been developed that include financing, insurance, and additional services, such as “Pack Perspectives” for Peugeot, Pro Pack for all brands or “Trust & Go” with SPOTICAR.

The Banque Stellantis France Group also complements its offer, in line with the multichannel distribution strategy, by enabling customers to buy a wide range of products and services related to the vehicle, its maintenance or its insurance at the point of sale or online.

In 2023, the Banque Stellantis France Group continued to develop innovative financing offers and designed in the spirit of “Mobility as a service”. Thus, after Flex & Free, in partnership with the Peugeot brand, the Banque Stellantis France Group launched the “tailor-made lease” which helps customers make the transition to electric vehicles by ensuring an ever more flexible adaptation to their uses. This product has been launched on flagship vehicles such as e-208 or e-2008 or even e-308 and is a real success using the vehicle’s connected data. A subscription solution was launched in December 2023 with SPOTICAR and the range of products to meet evolving customer needs will continue to expand in the future.

In addition to these financial products, which combine connectivity and flexibility, the Banque Stellantis France Group also develops ever more flexible services with its partners, either with:

- LOCAVIE, an innovative service that allows customers experiencing life-changing events (job loss, marriage, birth, etc.) to return their vehicle from the third month, terminating their financing contract with no notice or penalty;
- or with the connected car insurance offered to individuals and professionals, which uses the data of the vehicle’s native inner unit and is enriched by specific guarantees for electric vehicles.

E. Retail savings market

Managing the retail savings business enables the Banque Stellantis France Group to compete in the online savings market while at the same time diversifying its refinancing sources. Passbooks and fixed-rate term deposits were intended only for individuals and tax residents of France. In

2023, and for its tenth anniversary, the “*Distingo par PSA Banque*” brand became “Distingo Bank” and took on an international dimension with the launch of its offering in Germany, then in Spain and in the Netherlands.

1.1.2.3 Positioning

The status of the Banque Stellantis France Group, the financial partner of the STELLANTIS brands in France, and since May 2023 in Belgium, Luxembourg and the Netherlands, allows for a close relationship with their dealer networks and naturally gives it a privileged positioning therein. Consequently, the Group is able to meet the financing needs of customers at points of sale, in close connection with the marketing policy of the brands. Furthermore, the Banque Stellantis France Group stands apart from its competitors by virtue of the specific nature of the products and services it offers to end users through its “one-stop shopping” solutions. With these products and services co-designed with brands, each customer’s needs can instantly be met at the point of sale. This close relationship with the brands enables the Banque Stellantis France Group to support STELLANTIS in deploying its policy as a major player in its customers’ mobility.

The dealers of the STELLANTIS brands are not contractually bounded to use the Banque Stellantis France Group for their own needs or customer financing. This means that the Banque Stellantis France Group must compete with its main competitors, being commercial banks, consumer credit institutions and professional hire companies, in these two business segments. Moreover, the option given to end-user customers to purchase their vehicle in cash or with an unsecured loan (such as a personal loan) is another form of competition.

1.1.2.4 Employees

As at 31 December 2023, the overall workforce of the Banque Stellantis France Group stood at 911 employees (excluding work-study), or the full-time equivalent of 866 employees with an additional 50 apprentices on fixed-term contracts.

1.1.2.5 Real estate

The Banque Stellantis France Group does not own any real estate, neither for its registered office nor for its local offices, which are rented.

1.1.2.6 Legal proceedings and investigations

The Banque Stellantis France Group complies with applicable laws and regulations. Most of legal proceedings consist of disputes relating to non-payments by end-user customers and, to a lesser extent, by dealers, in the course of the day-to-day financing activities.

1.2 Analysis of operational results

Main Banque Stellantis France Group's business consists in providing financing solutions for the acquisition of new vehicles of the STELLANTIS brands and used vehicles by individual and professional customers (with the exception of professional and corporate long-term leasing), and financing vehicles and spare parts stocks for STELLANTIS brand dealers. The Banque Stellantis France Group's net banking

revenue is derived primarily from net interest income on customer loans and leases. The sale of insurance products and other services offered to customers of STELLANTIS brands also contributes to its net banking revenue.

The operating income of the Banque Stellantis France Group for the 2023 financial year amounted to €461 million, compared to the €454 million in 2022.

1.2.1 Vehicle sales of STELLANTIS

In 2023, sales in France of passenger and light utility vehicles of Peugeot, Citroën, DS, Opel, Fiat, Abarth, Alfa Romeo, Jeep, Maserati, Ram rose by 2.2% to 634,305 units, representing a market share of 29.4% (down to 3.7% compared to December 2022).

Peugeot declined compared to last year with passenger car sales down by 1.7% for a total of 241,512 units, despite three models placed among the ten best-selling models in France: the 208 (4.9% market share) is the second best-selling vehicle in France in 2023, the 2008 (2.8%) retains the fifth position and the 308 remains in seventh place (2.6%). Sales of light utility vehicles totalled 63,783 units, up 7.3% compared to 2022.

Citroën recorded 181,006 vehicle registrations in France, representing a decline of 2.2% on the previous year. This figure breaks down into 125,932 passenger cars and 55,074 light utility vehicles. In the passenger car category, the C3 remains the fourth best-selling car in France with a market share of 3.4%.

The Opel brand, with 43,237 passenger cars, recorded the largest increase with 19.9% for a market share of 2.4%. In the light utility vehicle market, with 8,639 vehicles sold, the brand grew by 18.6%.

With 23,372 passenger car registrations at the end of 2023, the DS brand recorded an increase of 11.5%, with a passenger car market share of 1.3%, unchanged since 2022.

Lastly, the Fiat brand achieved a 2.3% share of the passenger car market with 40,336 units sold. 19,686 light utility vehicles were sold, down 3.0% compared to 2022.

The Abarth, Alfa Romeo, Jeep, Maserati, Ram brands have a market share of 0.6%.

On Belgian and Luxembourg markets, the number of passenger cars and light utility vehicles registered in Belgium and Luxembourg amounted to 605,000 units for 2023, up by 27% compared to 2022, with 105,000 vehicles for STELLANTIS, an increase of 3.8%.

In the Netherlands, in 2023, the total number of registrations of passenger and light utility vehicles reached 440,000 units compared to 371,600 units in 2022, an increase of 16% with stable registrations at 64,450 vehicles for the vehicles of STELLANTIS brands.

1.2.2 Commercial activity on the Banque Stellantis France Group

1.2.2.1 End-user financing

In 2023, the Banque Stellantis France Group saw an increase of 15.8% in financing volumes for new and used vehicles to end users, from 263,867 to 305,687 financing contracts subscribed, for a total production of €5,848 million, up to €1,232 million or 26.7% compared to 2022, explained by:

- the contribution of new brands to new financing in the amount of €602 million, of which €434 million in France;
- the disposal in April of the professional and corporate long-term lease activity, reducing the production of new financing by €306 million compared to 2022;
- the increase in the average amount financed in France by more than €1,200 compared to 2022;
- the contribution of €601 million from Belgium, Luxembourg and the Netherlands for all brands, of which €431 million for the Peugeot, Citroën and DS brands.

The Banque Stellantis France Group financed 212,529 new vehicles of the STELLANTIS brands in 2023, through loan or lease agreements, representing an increase of 16.4% (of which 12% in France excluding the long-term lease activity that was stopped) compared to 2022.

Banque Stellantis France Group's new vehicle penetration rate was 30.0% in 2023 with:

- 31.5% for France, down 4.2 points compared to 2022, as the Banque Stellantis France Group ended the professional and corporate long-term lease activity from April 2023;
- 23.8% in Belgium and Luxembourg and 16.2% in the Netherlands in 2023 over the eight-month period from May to December.

Used vehicle financing volumes increased by 14.7% compared to 2022, with 93,158 financing contracts, including 3,607 financing contracts in Belgium, Luxembourg and the Netherlands in 2023.

End-user financing outstandings increased by 21.0%, from €11,128 million to €13,463 million. More than half of this increase is due to the contribution of the Belgian and Dutch subsidiaries of €1,256 million. The increase in outstandings in France was 9.7% with the contribution of the newly integrated brands.

The tables below show the main indicators of the Banque Stellantis France's end-user financing activity in 2023.

Production of new end-user financing for new and used vehicles

	2023	2022	Change in %
Number of new contracts	305,687	263,867	15.8%
<i>of which France</i>	280,278	263,867	6.2%
<i>of which Belgium, Luxembourg</i>	17,592	-	-
<i>of which the Netherlands</i>	7,817	-	-
Amount of production (in million euros)	5,848	4,616	26.7%
<i>of which France</i>	5,247	4,616	13.7%
<i>of which Belgium, Luxembourg</i>	407	-	-
<i>of which the Netherlands</i>	194	-	-

Outstanding loans to end users

(in million euros)	31 December 2023	31 December 2022	Change in %
Outstanding loans	13,463	11,128	21.0%
<i>of which France</i>	12,207	11,128	9.7%
<i>of which Belgium, Luxembourg</i>	754	-	-
<i>of which the Netherlands</i>	502	-	-

1.2.2.2 Dealer network financing

In 2023, outstanding loans to the dealer network of the STELLANTIS brands rose by 40.8% compared to December 2022, due to the integration of the dealer network of the other STELLANTIS brands financed by Banque Stellantis France from April 2023 and to the consolidation from May

2023 of the two automotive financing companies operating in Belgium, Luxembourg and the Netherlands.

The table below shows the outstanding loans granted to dealers.

Total outstanding loans to dealer network

(in million euros)	31 December 2023	31 December 2022	Change in %
Outstanding loans	6,299	4,474	40.8%
<i>of which France</i>	5,846	4,474	30.7%
<i>of which Belgium, Luxembourg</i>	301	-	-
<i>of which the Netherlands</i>	152	-	-

In addition, STELLANTIS strengthened its partnership with its multi-brand dealer network in Europe to enhance customer experience and simplify the overall customer journey with the signing of new sales and aftersales contracts in Europe in 2023. Thus, Belgium, Luxembourg and the Netherlands have already adopted the "New Retailer Model" since 4 September 2023. Dealers become then commissioned agents and brands now finance demonstration vehicles at points of sale. France should implement this new model by 2026.

1.2.2.3 Insurance and services

In 2023, the number of insurance and service contracts increased by 14.3% compared to the previous year, with 580,284 new contracts subscribed compared to 507,565 in 2022, in particular with contracts related to the financing of vehicles of the new brands and those of the Belgian and Dutch subsidiaries.

The Banque Stellantis France Group sold an average of 1.9 insurance or service contracts to each customer having taken out financing.

The tables below show the main indicators for the Banque Stellantis France Group's insurance and services activities.

Production of new insurance and service contracts

(in number of contracts)	2023	2022	Change in %
Financing-related insurances	265,273	236,849	12.0%
<i>of which France</i>	259,064	236,849	9.4%
<i>of which Belgium, Luxembourg</i>	3,859	-	-
<i>of which the Netherlands</i>	2,350	-	-
Car insurance and vehicle-related services	315,011	270,716	16.4%
<i>of which France</i>	288,050	270,716	6.4%
<i>of which Belgium, Luxembourg</i>	16,123	-	-
<i>of which the Netherlands</i>	10,838	-	-
INSURANCES	580,284	507,565	14.3%
<i>of which France</i>	547,114	507,565	7.8%
<i>of which Belgium, Luxembourg</i>	19,982	-	-
<i>of which the Netherlands</i>	13,188	-	-

Penetration rate on financing

(in %)	2023	2022	Change in pts
Financing-related insurances	86.8	89.4	(2.6 pts)
<i>of which France</i>	92.4	89.4	3.1 pts
<i>of which Belgium, Luxembourg</i>	21.9	-	-
<i>of which the Netherlands</i>	30.1	-	-
Car insurance and vehicle-related services	103.1	103.0	0.1 pt
<i>of which France</i>	102.8	103.0	(0.2 pt)
<i>of which Belgium, Luxembourg</i>	91.5	-	-
<i>of which the Netherlands</i>	138.6	-	-
INSURANCES	189.8	192.4	(2.5 PTS)
<i>of which France</i>	195.2	192.4	2.8 pts
<i>of which Belgium, Luxembourg</i>	113.4	-	-
<i>of which the Netherlands</i>	168.7	-	-

1.2.2.4 Retail savings business

In 2023, and for its tenth anniversary, the “Distingo par PSA Banque” brand became “Distingo Bank” and took on an international dimension with the launch of its offering in Germany in the middle of the year, then in Spain and the Netherlands at the end of the year.

“Distingo Bank” confirms its societal commitment with the launch of its eco-designed website and its first Green term deposit, dedicated to the financing of electric vehicles only.

Those different initiatives have contributed to the performance of 2023.

Savings outstandings increased by 30.6% in 2023 to reach €3,995 million at the end of the year, an increase of €936 million compared to the end of 2022.

Retail savings business

(in million euros)	31 December 2023	31 December 2022	Change in %
Savings outstandings	3,995	3,059	30.6%
<i>of which France</i>	3,393	3,059	10.9%
<i>of which Germany</i>	367	-	-
<i>of which the Netherlands</i>	228	-	-
<i>of which Spain</i>	7	-	-

1.2.3 Results of operations

Net income

(in million euros)	2023	2022	Change in %
Net banking revenue	685	643	6.5%
<i>of which end users</i>	410	461	(11.1%)
<i>of which dealer network</i>	76	44	72.7%
<i>of which insurance and services</i>	139	127	9.4%
<i>of which unallocated and other*</i>	60	11	445.5%
General operating expenses and equivalent	(195)	(166)	17.5%
Cost of risk	(29)	(23)	26.1%
<i>of which end users</i>	(47)	(16)	193.8%
<i>of which dealer network</i>	18	(7)	(357.1%)
Operating income	461	454	1.5%
Other non-operating income	40	(3)	-
Pre-tax income	501	451	11.1%
Income taxes	(135)	(105)	28.6%
NET INCOME	366	346	5.8%

* Mainly represents the funding cost adjustment, reflecting the fact that interest expenses are distributed by customer segment according to average refinancing levels, and with the assumption that customer outstandings are refinanced at 100% by debt.

1.2.3.1 Net banking revenue

Net banking income mainly consists of net income on loans and leases to end-user customers and dealer networks, as well as on insurance products and other services offered to customers.

It amounted to €685 million as at 31 December 2023, up 6.5% compared to €643 million as at 31 December 2022, notably with the contribution of the Belgian and Dutch subsidiaries for €53 million.

1.2.3.2 General operating expenses

General operating expenses and equivalent amounted to €195 million as at 31 December 2023 compared to €166 million as at end of December 2022. This €29 million increase is mainly related to the costs of extending financing

1.2.3.3 Cost of risk

The consolidated cost of risk (including Belgium, Luxembourg and the Netherlands) was €29 million as at 31 December 2023, i.e. 0.16% of average net outstanding loans. The cost of risk in France was €28 million (i.e. 0.17% of average net outstanding loans) compared to €23 million as at 31 December 2022 (0.17% of average net outstanding loans). All the performing and non-performing loans were provisioned.

In 2023, the cost of risk was impacted by several factors:

- in May 2023, then in October 2023, recalibrations of the IFRS 9 models, generating a total additional provision of €5 million. These recalibrations are based on a forward-looking approach, including projections of macroeconomic indicators. These were updated in the third quarter of 2023;
- in May and October 2023, the downward revaluation of the amount of the post-model IFRS 9 adjustment provision recorded in 2022 to deal with the context of inflation. This provision was taken to €1.5 million in December 2023 compared to €5.5 million in December 2022, i.e. a decrease of €4 million. As a reminder, this post-model adjustment provision is based on the observation of the rising default rate due to inflation and the end of government aid related to Covid-19. It is intended to cover future doubtful loans of individuals and SMEs;
- in October 2023, a reversal of the entire specific provision of €13.5 million for the dealer networks. This provision was

1.2.3.4 Consolidated income

The Banque Stellantis France Group's pre-tax income as at 31 December 2023 stood at €501 million, an increase of 11.1% compared to 31 December 2022. Consolidated net income for the 2023 financial year amounted to €366 million.

While the increase in interest rates during 2023 had a negative impact on the margin on end user financing, the dealer network activity showed strong growth with the integration of the networks of the new STELLANTIS brands and the Belgian and Dutch subsidiaries (€29 million for end users and €12 million for the Belgian and Dutch dealer networks).

The margin on insurance and services rose by 9.4% with €139 million as at 31 December 2023 compared to 2022, of which €8 million for the Belgian and Dutch subsidiaries.

to all STELLANTIS brands from April 2023 and the consolidation of the Belgian and Dutch entities. The cost to income ratio thus increased from 25.8% to 28.4%.

recorded in 2021 to cover the risk that the Banque Stellantis France Group could bear as part of the restructuring of the networks through the termination of dealer contracts for the brands' vehicles, announced by STELLANTIS in May 2021, with two years prior notice. At end October 2023, after the end of the notice period, given the absence of default events and in view of the signature of fixed-term contracts expiring in 2024 with the few dealers who have not finalised the sale of their business in order to leave the STELLANTIS brands' dealer networks, Banque Stellantis France Group decided to reverse this entire provision of €13.5 million and to record a few provisions allocated to the few remaining cases. As at 31 December 2023, the total of specific provisions for dealers whose distribution contracts remain to be terminated amounted to €10.8 million.

The cost of risk on end-user financing activities thus amounted to €47 million for 2023 compared to €16 million for 2022. For the dealer network financing activity, the cost of risk was positive at €18 million compared to €7 million in 2022, thanks to the reversal of a specific provision of €13.5 million following the agreement between STELLANTIS and the terminated dealers as well as the decrease in the provision following an agreement to buy back a dealer in difficulty in the first half of 2023.

The effective corporate tax rate stood at 26.2% of taxable earnings, compared to 22.8% for 2022. The corporate income tax rate in 2023 was 25.8% (see Note 30.3 – Banque Stellantis France Group tax proof). The income tax burden for 2023 was €135 million.

1.3 Financial situation

1.3.1 Assets

Total assets of the Banque Stellantis France Group as at 31 December 2023 stood by €23,168 million, up by 31.8% compared to 31 December 2022.

Total outstanding financing amounted to €19,762 million, an increase of 26.7% compared to 31 December 2022. End-user

loans were up by 21.0% and dealer network financing increased by 40.8% due to the extension of financing to all brands of STELLANTIS since April 2023 and the consolidation of the two automotive financing companies operating in Belgium, Luxembourg and in the Netherlands since May 2023.

1.3.2 Provisions for non-performing loans

Impairment losses are deducted from the carrying value of loans and receivables as they are recorded, as soon as there is a revealing indication of risk. The procedures for the recognition of impairment charges on outstanding loans are described in Note 2.C.4.4. When a loan or receivable is considered definitively unrecoverable, it is written off as a loss on the income statement. Any provision for previously-recognised impairment loss is then also reversed through the income statement. If collections are made on receivables after their write-off, these will also be entered as revenue on the income statement. All of these entries are recognised in the income statement under the cost of risk heading.

The table shown in Note 29.1 details all loans, including sound loans with past-due instalments (delinquent loans) and non-performing loans with their related impairment amounts, as at 31 December 2023 and 2022.

IFRS 9

On 1 January 2018, the Banque Stellantis France Group adopted IFRS 9, which changed its financial asset impairment method.

Since 1 January 2021, the Banque Stellantis France Group has been applying the new European rules related to default ("new default definition"), introduced by the European Banking Authority (EBA) under Article 178 of Regulation (EU) No. 575/2013, in order to standardise the approaches of credit institutions among the countries of the European Union. Since the application of the new default definition, the Banque Stellantis France Group has pursued a project to align this prudential approach and IFRS 9, for implementation on 1 January 2022.

The current impairment model is based on an estimate of "expected credit losses". This model is based on the risk parameters such as probability of default (PD) and loss given default (LGD). Impairments are classified into three levels or "stages" in accordance with the principles of the IFRS 9 standard:

- "stage 1" contains assets without risk deterioration or with an insignificant risk deterioration since origination.

Impairment of receivables in "stage 1" is the amount of one-year expected losses;

- "stage 2" contains assets with a significant risk deterioration since origination. Therefore, the amount of allocated provisions will be the amount of expected losses over the remaining term of the assets;
- "stage 3" contains assets with an objective evidence of loss as for example non-performing loans. Impairment of these assets will aim at covering expected losses over the remaining term.

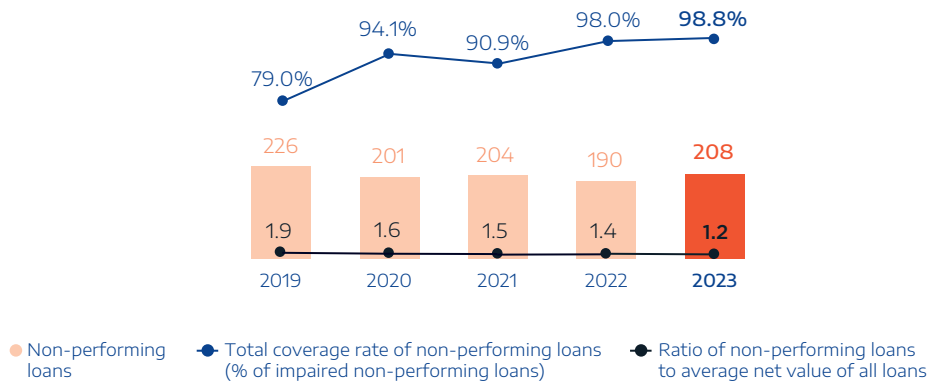
In accordance with IFRS 9, the Banque Stellantis France Group implements:

- provisioning of assets throughout their residual life, once there is a significant risk deterioration;
- creation of a "stage 2" assessing outstanding for corporate loans, with the aim to define specific provision for assets whose credit risk was significantly downgraded. It should be noted that there was already a similar approach, though based exclusively on the age of the past-due items, to the retail and SME loan portfolio;
- the use of a forward-looking approach, for estimating the expected loss.

For financing to individual customers and small and medium-sized companies, provisions for impairment on outstanding loans are calculated according to the classification of receivables by "stage" and the associated risk parameters. Following the introduction of a new definition of default, the stages of the recovery process based on the number of days past due are now integrated into the "stage" classification.

In addition, for dealer network financing and corporate financing, each delinquent loan is analysed to determine if it presents an aggravated risk situation. If so, the loan is classified as non-performing ("stage 3") and impairment charges are recorded on the income statement. Statistical impairment of sound or delinquent loans is also carried out on all corporate portfolios in order to cover the expected losses as per the risk assessment model.

NON-PERFORMING LOANS ON THE TOTAL PORTFOLIO
(in million euros, except percentage)



The consolidated risk profile (integrating Belgium, Luxembourg and the Netherlands) remained favourable with a ratio of non-performing loans decreasing to 1.2% as at 31 December 2023 compared to 1.4% as at 31 December 2022:

- non-performing loans increased by €48 million for end users, including €24 million as a result of the integration of Belgium, Luxembourg and the Netherlands;
- non-performing loans for dealer customers decreased by €30 million, following an agreement to buy back a dealer in difficulty during the first half of 2023 and the reversal of the specific provision of €13.5 million following the

agreement between STELLANTIS and the terminated dealers. The Banque Stellantis France Group did not record any new dealers in default in 2023.

The total coverage rate for non-performing loans improved to 98.8% in 2023 compared to 98.0% in 2022 (provisions for impairment increasing by €19 million in 2023, from €187 million in 2022 to €206 million, for an increase of €18 million in doubtful loans in 2023). The coverage rate of total “stage 3” non-performing loans increased from 57% to 60% at the end of December 2023 (see Note 29.1 of the consolidated financial statements).

1.3.3 Refinancing policy

The Banque Stellantis France Group has an adequate capital structure which results in a solid capital ratio strengthened by the quality of its assets.

The refinancing strategy of the Banque Stellantis France Group is based on diversifying its sources of liquidity, while ensuring that the maturities of its assets and liabilities are consistent. Since the creation of the partnership between Stellantis Financial Services Europe and Santander Consumer Finance in early 2015, the Banque Stellantis France Group had the opportunity to secure different sources of funding:

- on 2 February 2015, the day the joint venture was created in France, the financing granted by Stellantis Financial Services Europe (formerly Banque PSA Finance) to the entities of the Banque Stellantis France Group was substituted by refinancing provided by Santander Consumer Finance, in addition to the existing funding provided by securitisation transactions publicly placed among investors;
- on 1 April 2015, the “Distingo” deposit business (retail savings accounts and term deposit accounts) covering French customers has been transferred by Stellantis Financial Services Europe to Banque Stellantis France;
- from June 2015, bilateral credit lines were established with various banks;
- since September 2015, the Banque Stellantis France Group as an approved credit institution has access (through the remittance of assets as collateral by its subsidiary CREDIPAR) to the refinancing operations of the European Central Bank (ECB);

- in June 2016, issuance programmes of negotiable debt securities (short- and medium-term) and medium-term notes (EMTN) were launched to allow access to the capital markets. The first negotiable debt securities of the Banque Stellantis France Group were issued at end of the first half of 2016 and the first EMTN bond issue was launched in January 2017. Nine bonds (including an issue in January 2024) were issued, each for an amount of €500 million, of which four were still outstanding at the end of 2023 after the redemption of the first issue in January 2020, the fourth in April 2022, the second in October 2022 and the third in April 2023. In January 2023, a first Green Bond issue with a three-year maturity was carried out;
- in July 2016, a securitisation programme of leases with a purchase option was set up, followed in July 2017 by a securitisation programme of long-term leases. A public securitisation transaction of leases with a purchase option was placed on the markets in November 2018, followed by a second one in June 2021 and a third in October 2023;
- following the acquisition at the end of May 2023 of the Stellantis Financial Services Belux entity, the Banque Stellantis France Group also benefits from a securitisation programme of Belgian loan financing receivables, set up by the entity in 2019.

As at 31 December 2023, the refinancing of the Banque Stellantis France Group was split as follows:

- 4% from drawn bank loans;
- 22% from negotiable debt security and EMTN bond issuances on the capital markets;
- 21% from repayable funds from the public in relation to deposit activity;
- 18% of securitisation transactions placed along with repurchase agreements from 2023;

- 12% from other external refinancing, of which 9% from the European Central Bank (participation in the TLTRO-III operations);
- 21% from intra-group credit lines granted by Santander Consumer Finance;
- 2% of subordinated debt subscribed in equal parts by each of the two shareholders.

The following table and graphs show a breakdown of the funding sources as at 31 December 2023 compared to 31 December 2022 and 31 December 2021.

FUNDING SOURCES

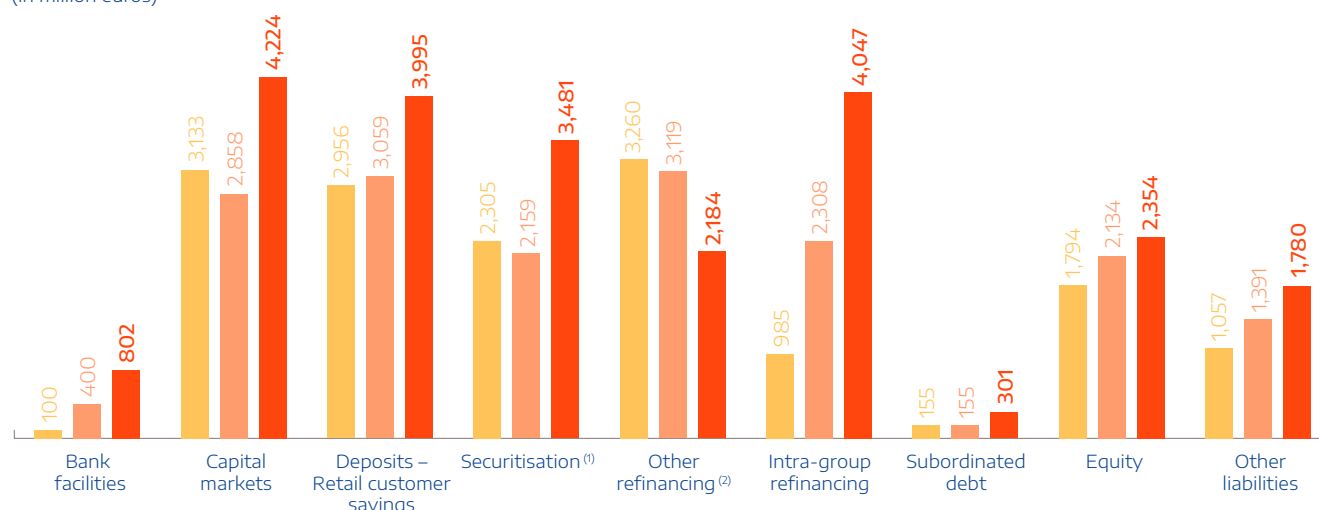
(in million euros)	31 December 2023		31 December 2022		31 December 2021	
Bank facilities	802	4%	400	3%	100	1%
Capital markets	4,224	22%	2,858	20%	3,133	24%
Deposits – Retail customer savings	3,995	21%	3,059	22%	2,956	23%
Securitisation ⁽¹⁾	3,481	18%	2,159	15%	2,305	18%
<i>of which as repurchase agreement and Belgian operation</i>	395	2%	-	-	-	-
Other refinancing ⁽²⁾	2,184	12%	3,119	23%	3,260	25%
External funding	14,686	77%	11,595	83%	11,754	91%
Intra-group refinancing	4,047	21%	2,308	16%	985	8%
Subordinated debt	301	2%	155	1%	155	1%
Equity	2,354		2,134		1,794	
Other liabilities	1,780		1,391		1,057	
BALANCE SHEET TOTAL	23,168		17,584		15,734	

(1) Securitisation includes the securitisations placed and since 2023, repurchase agreement and Belgian operation.

(2) Of which refinancing through the ECB (participation in TLTRO-III operations) for a total of €1,725 million as at 31 December 2023 and dealer deposits.

FUNDING SOURCES

(in million euros)



● 31 December 2021 ● 31 December 2022 ● 31 December 2023

Total outstandings from funding sources increased by €4,976 million (of which €1,709 million following the acquisition of Stellantis Financial Services Belux and Stellantis Financial Services Nederland), along with the increase of €4,160 million in outstanding customer loans and receivables and €975 million in HQLA.

Outstanding bank financing (in the form of drawn bilateral lines) rose to €802 million as at 31 December 2023, with the reinstatement of loans that matured in 2020, 2021 and 2022 and the extension to new bank counterparties.

Outstanding financing on the capital markets increased by €1,366 million as at 31 December 2023, in particular following the two bond issues carried out in 2023 and the issues under the NEU CP programme of close to €2 billion, after the upward revision of the issue ceiling of this programme in June 2023.

Outstandings in the retail savings business increased to €3,995 million, up by €936 million with the launch in 2023 of the offer in Germany, then in Spain and the Netherlands.

As at 31 December 2023, the refinancing by securitisation of French receivables of the Banque Stellantis France Group was based on six transactions set up by its subsidiary CREDIPAR for a total amount of receivables sold to securitisation structures of €7,496 million (see Note 8.4 of the consolidated financial statements):

- the Auto ABS French Loans Master monthly issuance programme (notified STS), restructured in May 2023 for an additional five-year revolving period. Senior securities are mainly used as collateral with the European Central Bank, and the remainder are used for placement with third parties, or as part of repurchase agreements;
- the monthly Auto ABS DFP Master Compartment France 2013 programme restructured in September 2020 for an additional five-year revolving period. Senior notes are used as collateral at the European Central Bank;
- the Auto ABS French LT Leases Master monthly issuance programme (STS notified), restructured in November 2021 for an additional two-year revolving period and a financing commitment of €600 million, in the amortisation phase since November 2023;
- the Auto ABS French Leases Master Compartment 2016 monthly issuance programme (STS notified), restructured in November 2023 for an additional two-year revolving period and a financing commitment of €1,650 million;

1.3.4 Liquidity security

The Banque Stellantis France Group is seeking the most relevant balance between security in terms of liquidity and optimisation of its refinancing costs. It borrows the resources required for its business continuity and balances assets and liabilities by managing exposure to interest rate risk through the use of interest rate swaps.

Almost 70% of financing as at 31 December 2023 had an initial maturity of 12 months or more.

The average maturity of the medium- and long-term financing put in place in 2023 is around 2.9 years, in particular with the three-year bond issue in January and the three-and-a-half year bond issue in July.

The bank credit lines drawn as at 31 December 2023 come with no collateral, default or similar covenants, beyond usual market practice. Three events could trigger the cancellation of these credit lines:

- if Stellantis Financial Services Europe and Santander Consumer Finance do no longer directly or indirectly hold 50% each of the shares of Banque Stellantis France;
- the loss by the Banque Stellantis France Group of its status as a bank;

- the second public transaction Auto ABS French Leases 2021 (notified STS) with a one-year revolving period, having issued €800 million of senior notes rated AAAsf/AAAsf in June 2021, in the amortisation phase since July 2022;
- the third public transaction Auto ABS French Leases 2023 (notified STS) with a one-year revolving period, having issued €450 million of senior notes rated AAAsf/AAAsf in October 2023.

Financing from securitisation transactions on French receivables was up with an outstanding amount of €3,084 million, supplemented by the implementation of a first securities repurchase agreement on the basis of securities issued by Auto ABS French Loans Master, in the amount of €83.9 million as at 31 December 2023.

The refinancing by securitisation of Belgian customer receivables is based, as at 31 December 2023, on the Auto ABS Belgium Loans 2019 programme restructured in October 2022 for an additional two-year revolving period and a maximum financing of €350 million, of which €311 million in financing at the end of 2023.

Furthermore, the Banque Stellantis France Group benefits from collateralised financing obtained from the European Central Bank under the TLTRO-III refinancing operations, for a total participation decreased to €1,725 million (see Note 14 of the consolidated financial statements) after quarterly repayments starting from June 2023.

Finally, the outstanding amount of subordinated loans has increased to €300 million following the early repayment option exercised for two loans established in December 2017 for a total amount of €155 million and their replacement by two new loans in February 2023 totalling €210 million, and two additional loans in December 2023 totalling €90 million (see Note 19 of the consolidated accounts).

- the non-compliance with the regulatory level for the Common Equity Tier One ratio.

In addition, the Banque Stellantis France Group has:

- sound financial security, which is based on the support of Santander Consumer Finance;
- a €2,727 million liquidity reserve as at 31 December 2023 in the form of,
 - High-Quality Liquid Assets, composed exclusively of reserves with the Central Bank for €1,785 million, and thus Level 1, under the Liquidity Coverage Ratio (LCR) classification,
 - the possibility of additional drawing from the European Central Bank of €942 million based on assets deposited as collateral (composed of senior notes from securitisation, self-retained by CREDIPAR and of eligible credit claims remitted through TRICP channel (see Note 22 of the consolidated financial statements)).

As at 31 December 2023, the Banque Stellantis France Group had €874 million in financing commitments granted to customers and €2 million in guarantee commitments to customers (see Note 22 of the consolidated financial statements).

1.3.5 Credit ratings

After having downgraded the credit rating outlook of Banque Stellantis France to negative in April 2020 in the context of the Covid-19 pandemic, Standard & Poor's Global Ratings revised it to stable on 24 June 2021 and affirmed the BBB+ rating.

On 29 May 2019, Moody's Investors Service upgraded Banque Stellantis France's long-term credit rating to A3, with a stable outlook.

For more details, please refer to the "Credit Ratings" section of the website of Banque Stellantis France Group (<https://www.banque-stellantis-france.com/en/financial-information/rating-banque-stellantis-france>).

Any rating update, whether positive or negative, may affect the bank's ability to obtain financing on the market in the short-, medium-, and long-term.

Credit rating as at 31 December 2023

(in million euros)		Active programmes	Programme sizes as at 31 December 2023	Total amount outstanding of debt securities as at 31 December 2023
Moody's	S&P	Short term		
P2	A-2	NEU CP	3,000	1,972.5
		Long term		
A3	BBB+	NEU MTN	1,000	210
A3	BBB+	EMTN	4,000	2,000

1.3.6 Outlook for 2024

For the entire Banque Stellantis France Group, 2023 was the last year of the three-year strategic plan: AMES. A new three-year strategic plan was defined in early 2024 by the Executive Management and the Executive Committee for the entire Banque Stellantis France Group. This new plan, called **ETRE** (BEING), is based on the following four pillars, the common objective of which is to continue the Group's transformation and to establish its leading position in the competitive automotive financing market:

- **Together** (*Ensemble* in French): build a sustainable future together by promoting the ecological transition and supporting the financing of electric vehicles;
- **Transform**: become a "tech" captive through the use of new tools and channels, the development of new products and services, the search for new skills and the definition of new processes;
- **Realise**: realise the Group's potential in terms of performance and profitability while preserving its fundamentals of margins, volumes and risk management;
- **Experience**: constantly listen to all customers by offering the best possible experience.

After reorganising the STELLANTIS Group's financing activities in early April 2023, Banque Stellantis France Group will continue to support the development of the historic Peugeot, Citroën and DS brands in 2024 and deliver the same commitment, expertise and products for the benefit of the newly financed brands, namely Opel, Fiat, Abarth, Alfa Romeo, Jeep, Maserati and Ram as well as their dealer networks.

This support will be reflected in the implementation of innovative products promoting the energy transition of the STELLANTIS brands along with customer loyalty, in particular for used vehicles with the resale of "low carbon" vehicles.

This support will be particularly expected and crucial in France, for all STELLANTIS brands which plan to participate, from January 2024, in the French government's "electric leasing" programme, the aim of which is to make electric vehicles accessible to moderate income customers, with a maximum monthly lease payment of €100 to €150, depending on the model, obtained through a public subsidy.

Customer loyalty and satisfaction will also remain at the heart of the Banque Stellantis France Group's projects and actions in 2024, which will make every effort to improve the customer experience by continuing its policy of digitalisation of all its processes in order to further promote the rate of customer vehicle renewals with the STELLANTIS brands as well as the associated financing products offered by the Banque Stellantis France Group.

Lastly, in 2024, Banque Stellantis France Group will also continue its strategy of diversifying its funding sources and in particular savings collection, including in other European countries, which is a stable source of refinancing, particularly during crisis periods. In this respect, a direct savings collection activity will be initiated in Germany and in other countries in Europe, similar to the one carried out by Banque Stellantis France in France and alongside the savings collection started in 2023 in Germany, Spain and the Netherlands, in partnership with Raisin.

1.4 Risk factors and regulatory capital adequacy - Pillar III

This section of the management report presents the main risks to which the Banque Stellantis France Group is exposed in the course of its business activities and which could have, according to its estimates and if they materialise, a material adverse impact on its business, its profitability and financial position, its solvency or its ability to refinance itself. Information is provided on the Banque Stellantis France Group's risk appetite, the associated risk monitoring and management systems and the regulatory capital.

The purpose of this section is to respond to:

- the disclosure obligations under Part Eight of Regulation (EU) 575/2013 on prudential requirements for credit institutions and investment firms (CRR), as amended by Regulation (EU) 2019/876, known as "CRR II";
- Directive (EU) 2013/36 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (CRD IV), amended by Directive (EU) 2019/878, known as "CRD V";

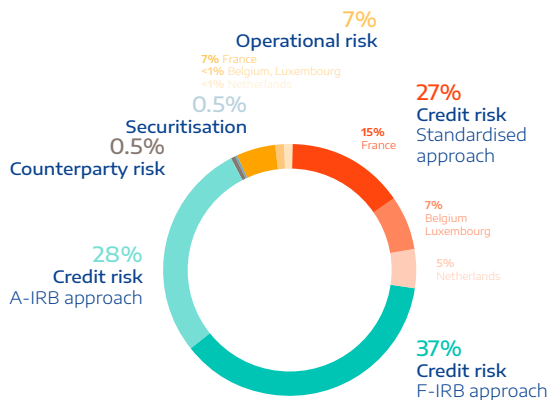
- implementing Regulation (EU) 2021/637 which provides the statements/disclosure templates under Part Eight of the CRR to improve the comparability of information from credit institutions under the third pillar of the Basel Committee's agreement on market discipline;
- Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published with a view to the admission of securities to trading on a regulated market (Prospectus 3);
- ESMA guidelines on the format of risk factors that issuers must publish in their prospectus (ESMA 31-62-1293).

The Pillar III information is published annually, with disclosure of key metrics half-yearly. No material, proprietary or confidential information is omitted.

The main categories of risks specific to the Banque Stellantis France Group's business can be assessed using weighted assets or specific indicators, as for liquidity risk.

REGULATORY CAPITAL REQUIREMENT BY TYPE OF RISK

(as a % of total RWA as at 31 December 2023: €15,611 million)



CREDIT RISK EXPOSURES BY TYPE OF COUNTERPARTY

(as a % of total net exposures as at 31 December 2023: €24,188 million)

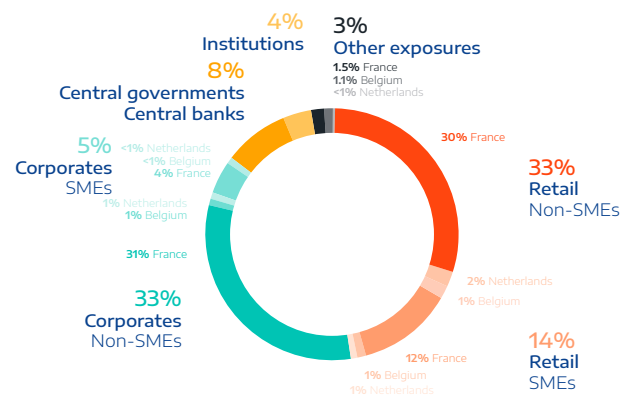


TABLE EU KM1 – KEY METRICS

This table provides an overview of key prudential regulatory metrics under Regulation (EU) 575/2013 of the European Parliament and of the Council of 26 June 2013 (CRR), amended by Regulation (EU) 2019/876, in application of points (a) to (g) of Article 447 CRR “Disclosure of key metrics” and in application of point (b) of Article 438 CRR “Disclosure of own funds requirements and risk-weighted exposure amounts”. It also includes certain information on the requirements of Pillar II (in particular P2R).

(in million euros)		31/12/2023	30/06/2023	31/12/2022
Available own funds (amounts)				
1	Common Equity Tier 1 (CET1) capital	1,891	1,887	1,623
2	Tier 1 capital	1,891	1,887	1,623
3	Total capital	2,191	2,097	1,777
Risk-weighted exposure amounts				
4	Total risk exposure amount	15,611	15,056	11,991
Capital ratios (as a percentage of risk-weighted exposure amount)				
5	Common Equity Tier 1 ratio (%)	12.1%	12.5%	13.5%
6	Tier 1 ratio (%)	12.1%	12.5%	13.5%
7	Total capital ratio (%)	14.0%	13.9%	14.8%
Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)				
EU-7a	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	1.5%	1.5%	1.5%
EU-7b	<i>of which: to be made up of CET1 capital (percentage points)</i>	0.8%	0.8%	0.8%
EU-7c	<i>of which: to be made up of Tier 1 capital (percentage points)</i>	1.1%	1.1%	1.1%
EU-7d	Total SREP own funds requirements (%)	9.5%	9.5%	9.5%
Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)				
8	Capital conservation buffer (%)	2.5%	2.5%	2.5%
EU-8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	0.0%	0.0%	0.0%
9	Institution specific countercyclical capital buffer (%)	0.5%	0.5%	0.0%
EU-9a	Systemic risk buffer (%)	0.0%	0.0%	0.0%
10	Global Systemically Important Institution buffer (%)	0.0%	0.0%	0.0%
EU-10a	Other Systemically Important Institution buffer (%)	0.0%	0.0%	0.0%
11	Combined buffer requirement (%)	3.0%	3.0%	2.5%
EU-11a	Overall capital requirements (%)	12.5%	12.5%	12.0%
12	CET1 available after meeting the total SREP own funds requirements (%)	3.0%	3.7%	4.7%
Leverage ratio				
13	Total exposure measure	23,885	22,071	18,620
14	Leverage ratio (%)	7.9%	8.6%	8.7%
Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)				
EU-14a	Additional own funds requirements to address the risk of excessive leverage (%)	0.0%	0.1%	0.1%
EU-14b	<i>of which: to be made up of CET1 capital (percentage points)</i>	0.0%	0.1%	0.1%
EU-14c	Total SREP leverage ratio requirements (%)	3.0%	3.1%	3.1%
Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)				
EU-14d	Leverage ratio buffer requirement (%)	0.0%	0.0%	0.1%
EU-14e	Overall leverage ratio requirement (%)	3.0%	3.1%	3.1%

1 Management report

Risk factors and regulatory capital adequacy - Pillar III

(in million euros)		31/12/2023	30/06/2023	31/12/2022
Liquidity Coverage Ratio				
15	Total high-quality liquid assets (HQLA) (Weighted value – average)	1,233	998	820
EU-16a	Cash outflows – Total weighted value	1,484	1,378	1,195
EU-16b	Cash inflows – Total weighted value	2,702	1,733	1,040
16	Total net cash outflows (adjusted value)	371	366	326
17	Liquidity coverage ratio (%)	334%	281%	268%
Net Stable Funding Ratio				
18	Total available stable funding	15,672	14,935	12,812
19	Total required stable funding	14,812	14,179	12,174
20	NSFR ratio (%)	106%	105%	105%

1.4.1 Risk factors

The Banque Stellantis France Group is exposed to various risk factors related to its status as a credit institution operating in the banking and automotive sectors, to changes in the macroeconomic, financial and now health environment in which it operates, and to changes in the legislative and regulatory framework applicable to it.

The risks specific to its business are therefore presented below within four categories with three levels of severity (low, medium and high risk), in accordance with the provisions of Article 16 of Regulation (EU) 2017/1129 (Prospectus 3) of 14 June 2017 applicable to risk factors since 21 July 2019.

Within each category, the risks that the Banque Stellantis France Group currently considers to be the most significant are listed first, on the basis of an assessment of their probability of occurrence and potential impact, while mentioning (to the extent possible) quantitative information on these risks. Risk management policies were taken into account in the assessment of the materiality of the various risks.

Risks related to the environment in which the Banque Stellantis France Group operates	Severity level
1) Risk related to STELLANTIS's business	High
2) Risk related to the competitive environment	Medium
3) Legal, regulatory and tax risks	Medium
4) Risk related to regulations on resolution procedures	Medium
5) Environmental, social and governance (ESG) risks, in particular those related to climate change	Medium
Credit and counterparty risks	Severity level
6) Credit and concentration risks	Medium
7) Counterparty risk	Low
Financial risks	Severity level
8) Liquidity and funding risk	Medium
9) Risk related to the funding cost	Medium
10) Interest rate risk	Medium
Operational and non-compliance risks	Severity level
11) Risk related to information systems, cybersecurity, data protection and business continuity	Medium
12) Fraud risk	Medium
13) Non-compliance risk	Medium
14) Reputation and image risk	Low

Risks related to the environment in which the Banque Stellantis France Group operates

This risk category includes risks related to changes in the macroeconomic, financial and now health environment, market conditions as well as the legislative and regulatory framework applicable to the Banque Stellantis France Group in relation to compliance with regulations and laws governing its banking activities or several standards (environmental, social and governance).

1. The operating income and financial position of Banque Stellantis France Group depend on the activity and strategy of the car manufacturer STELLANTIS and are mainly based on the sales volumes of STELLANTIS brand vehicles in France and, since May 2023, in Belgium, Luxembourg and the Netherlands that Banque Stellantis France Group finances as well as on the marketing policy of these brands.

Banque Stellantis France Group's predominant activity, as a financing company of STELLANTIS, consists of financing sales of vehicles of all STELLANTIS brands in France, Belgium, Luxembourg and the Netherlands. Since April 2023, the Banque Stellantis France Group has extended its financing activity to all STELLANTIS brands, including those of Fiat and Opel, with the sole exception of professional and corporate long-term leasing. It represents approximately 70% of the Group's net banking revenue in 2023, with the rest coming from insurance and related services it offers. The Banque Stellantis France Group financed 30% of new vehicles registered in 2023 in France, Belgium, Luxembourg and the Netherlands with 31.5% in the French market alone. The business of the Banque Stellantis France Group is closely dependent on that of STELLANTIS and, in particular, on its ability to sell vehicles (i.e. the sales volumes of STELLANTIS brands, as well as the marketing policies, which may also include the financing transactions carried out by the Banque Stellantis France Group).

As a result, the Banque Stellantis France Group will be exposed to the same categories of risks as STELLANTIS, i.e.:

- A deteriorated macroeconomic and geopolitical environment, marked by inflation and armed conflicts:
 - war between Ukraine and Russia since the beginning of 2022, the extent and duration of which, two years later, are still very uncertain but whose economic and financial impacts have affected the international economy with inflationary tensions on the prices of commodities and energy prices,
 - conflict in the Middle East at the end of 2023 with repercussions on international logistics,
 - requiring Central Banks to accelerate the pace of the normalisation of their monetary policy by sharply raising their key rates (increase of 450 bps in the euro zone since mid-2023 before stabilisation since September 2023) in order to fight against the return of inflation. The entire economy had thus to adapt to higher interest rates (for the first time since 2011 in the euro zone);
- industrial and logistical risks affecting STELLANTIS's ability to produce and deliver vehicles, in compliance with customer commitments (shortage of semiconductors in 2021, logistics delivery problems in 2022);

Please refer to Section 1.4.3 "Capital management and regulatory capital adequacy" for more information on the regulatory requirements of the Banque Stellantis France Group for its banking activities under Basel III prudential regulations.

- risks related to climate change;
- the risks of epidemics and pandemics, such as the Covid-19 pandemic disrupting STELLANTIS's supply chains as well as its commercial and production activity with a 23.8% drop in new vehicle registrations in France in 2020. The activity of the Banque Stellantis France Group was then marked in 2020 by a decline of 6.6% in the production of new financing and by 14.6% in the number of new financing applications granted to end users, and tensions in international logistics chains, with a shortage of semiconductors, causing delays in automotive production: the financing of new, demonstration and used vehicle inventories in the dealer network thus fell by 10.2% in 2020, then by 12.7% in 2021);

which would partially or totally paralyse its activities.

Any adverse impact on the business of STELLANTIS in France in connection with the occurrence of these risks may have a significant impact on the level of activity of the Banque Stellantis France Group, and therefore on its operating income and financial position (*for more details, please refer to the description of the risks to which STELLANTIS is exposed in the "Risk Factors" section of its 2023 Annual Report*).

The business of the Banque Stellantis France Group relies significantly on STELLANTIS's ability to develop and launch new vehicles while ensuring their marketing. In this respect, the Banque Stellantis France Group prepares its business plan on the basis of STELLANTIS's sales forecasts. However, the decision to develop new vehicle models, new types of engine and launch them is based on marketing and profitability studies carried out several years before their actual launch. In the context of an increasingly sensitive and competitive automotive market, STELLANTIS's forecasts could prove to be less realistic, which would alter the level of activity in the future and the operating income of the Banque Stellantis France Group.

The sales volumes achieved in France, Belgium, Luxembourg and the Netherlands by the STELLANTIS brands could be affected by a change in the product mix in favour of certain vehicles and/or certain engines, by competitiveness with regard to sales prices (growing importance of American and Asian competition on electric vehicles) and by consumer demand for the purchase or lease of new or used vehicles. In addition to these factors, vehicle sales volumes could be impacted by government policies intended to support the purchase of new vehicles, particularly electric ones.

In addition, STELLANTIS, through its wholly owned subsidiary Stellantis Financial Services Europe, is involved in the decisions of the Banque Stellantis France Group, in particular development plans, marketing strategies and product offers. Some members of the Board of Directors of the Banque Stellantis France Group are also executives of Stellantis Financial Services Europe, such as the Chief Executive Officer of Stellantis Financial Services Europe. Although the Banque Stellantis France Group is commercially integrated into STELLANTIS with the resulting significant advantage for it, it is possible that the interests and strategies of the two entities may ultimately diverge.

Thus, the strategic, commercial and financial ties between STELLANTIS and the Banque Stellantis France Group, as well as the concentration of the Banque Stellantis France Group's activity on the financing of the sales of the automotive group brands, make its business highly dependent on STELLANTIS. This indirectly exposes it to external factors affecting STELLANTIS.

2. Increased competition in its business sector could adversely affect the Banque Stellantis France Group's operating income and financial position.

The Banque Stellantis France Group operates in the banking sector in a highly competitive environment, particularly in terms of financing, whether in the form of loans or leases, granted to individuals or companies. The main competitors of the Banque Stellantis France Group are other automotive manufacturers' financing companies, banking subsidiaries and, more recently, independent players. It finances nearly one in three new STELLANTIS brand vehicles registered (30% of new vehicles registered in 2023 in France, Belgium, Luxembourg and the Netherlands).

The Banque Stellantis France Group has long-standing partnerships with the Peugeot, Citroën and DS dealers of STELLANTIS, but they may no longer continue to support the financing of vehicle acquisitions by their customers, in particular after the reorganisation by STELLANTIS of its distribution network and the implementation of a new distribution model: "New Retailer Model" in Belgium, Luxembourg and the Netherlands. If the Banque Stellantis France Group were unable to maintain these partnerships, due to competition from other players, business volume and therefore its operating income could be affected.

Furthermore, since the restructuring of STELLANTIS's financial partnerships in April 2023 with the extension of financing activity to all STELLANTIS's brands (new brand contribution for €602 million, of which €434 million in France in 2023), the Banque Stellantis France needs to improve its business relationships with the dealers of these newly financed brands.

In competition with well-established financial institutions, the Banque Stellantis France Group is convinced that price, along with the level and quality of service and the strength of its customer relationship, are major competitive advantages. If it cannot maintain its penetration rate, there could be a negative effect on its operating income. Competitors of the Banque Stellantis France Group, a number of which are part of major automotive groups, could be

tempted to compete aggressively in terms of price. If the terms and conditions of the Banque Stellantis France Group's financing offers were too different from those of its competitors, it could lose customers and/or part of its business volume. Customers may seek financing from competitors on identical or even better terms than those offered by the Banque Stellantis France Group. As a result, the Banque Stellantis France Group may not maintain its penetration rate, which would have a negative effect on its operating income. Following the downward pressure on prices introduced by its competitors, whether to maintain or increase its market share, could adversely affect the Banque Stellantis France Group's margins and impact its operating income and financial position.

In addition, the Banque Stellantis France Group must also face competition from independent suppliers for the products and services through the insurances, guarantees and roadside assistance it offers, which could affect its profitability.

As a result, increased competitive pressure could have a negative effect on the volume of financing granted, revenues and margin of the Banque Stellantis France Group, and therefore on its operating income and financial position.

3. The Banque Stellantis France Group operates in a highly regulated environment and is subject to an extensive legislative, supervisory and regulatory framework in France. The current or future legislative and regulatory changes could have a significant effect on the business of the Banque Stellantis France Group and on its financial position with the potentially incurred costs, as well as on the financial and economic environment in which it operates.

The Banque Stellantis France Group is subject to extensive regulation and supervision. In this respect, the rules applicable to the Banque Stellantis France Group as a credit institution and, in particular, related to its status as a bank are mainly intended to limit its exposure to risk, preserve its financial stability and strength and protect its customers, depositors, creditors and investors.

Among the current or future regulatory changes that have or may have a significant impact on the Banque Stellantis France Group are:

- the implementation and strengthening of regulatory and prudential requirements applicable to credit institutions, primarily the Basel III prudential rules on minimum capital requirements (*please refer to Section 1.4.3 "Capital management and regulatory capital adequacy" below for more details*) and on liquidity, risk diversification, governance as defined in particular by Regulation (EU) 575/2013 (CRR) on prudential requirements applicable to credit institutions (as amended by Regulation (EU) 2019/876 (CRR II) then by Regulation (EU) 2020/873 concerning certain adjustments to be made in response to the Covid-19 pandemic) and Directive (EU) 2013/36 (CRD IV) concerning access to the activity of credit institutions and their prudential supervision as transposed into domestic law (as amended by Directive (EU) 2019/878 (CRD V)).

Under these regulations, the Banque Stellantis France Group must comply with requirements in terms of minimum capital ratio, risk diversification, liquidity, and regulatory reporting. With regard to CRR II, the main measures came into force on 28 June 2021 and relate in particular to:

- the application of the stable funding ratio: the NSFR (Net Stable Funding Ratio) is a long-term liquidity ratio (reliable liabilities and capital over the time horizon considered by the NSFR, which extends to one year, divided by the required stable funding due to liquidity characteristics and residual maturities of assets over this same horizon) that the Banque Stellantis France Group is required to respect at a level of at least 100%. As at 31 December 2023, the Banque Stellantis France Group's NSFR amounted to 106%, with €15,672 million in stable funding available,
- the calculation of large exposures: the Banque Stellantis France Group applies only the level of Tier 1 capital as the basis for calculating limits,
- the standardised approach is the one used to calculate the counterparty credit risk (SA-CCR) related to interest rate derivatives. The counterparty credit risk amounted to €21 million as at 31 December 2023, i.e. 0.1% of Banque Stellantis France Group RWA.

As at 31 December 2023, the Banque Stellantis France Group had CET1 capital of €1,891 million (i.e. a CET1 ratio of 12.1%) and total regulatory capital of €2,191 million (i.e. a total capital ratio of 14.0%).

A new definitive regulation of the CRR III/CRD VI banking package, aimed at transposing into European law the last part of the Basel Committee's reforms (BCBS) should be published in the Official Journal of the European Union (OJEU) during the first half of 2024 and the majority of the provisions should come into force on 1 January 2025;

- the requirements specific to the joint supervision of the European Central Bank (ECB) and the *Autorité de contrôle prudentiel et de résolution* (ACPR) in France;
- uncertainties related to monetary, interest rate and liquidity policy;
- the strengthening of internal control, risk management and transparency requirements related to its activity;
- the strengthening of the powers of the competent authorities in the fight against money laundering and the financing of terrorism; in particular through the creation of a new European authority to combat money laundering and the financing of terrorism, endorsed by the European Council and Parliament under a provisional agreement dated 13 December 2023;
- the General Data Protection Regulation (GDPR), which came into force on 25 May 2018, designed to change the European data privacy environment and improve data protection for individuals in the European Union. It applies to all banks providing services to European citizens and sets heavy fines for non-compliance;
- new information disclosure requirements, particularly in terms of sustainability;
- implementation of a European regulatory framework for sustainable finance:
 - > with the Regulation (EU) 2020/852 of 18 June 2020 ("Taxonomy Regulation") which establishes a

framework to promote sustainable investments applicable from 1 January 2022, and

- > with the Delegated Regulation (EU) 2021/2178 of 6 July 2021 ("taxonomy disclosures delegated act") which specifies the content and presentation of the information that companies must publish on their economic activities that are environmentally sustainable. In particular, it defines the Green Asset Ratio (GAR) as the main key performance indicator which shows the proportion of exposures related to activities aligned with the taxonomy (financing of electric and hybrid vehicles) in the total assets of the credit institution. In 2023, the Green Asset Ratio of aligned activities was 8.2% of aligned assets;
- in accordance with the texts transposing the Corporate Sustainability Reporting Directive (CSRD) and gradually applicable since 1 January 2024, in order to understand the impact of Banque Stellantis France Group's activity on ESG issues and the way in which these issues affect the changes in its business, results and financial position;
- the provisions of the consumer credit regulations to which the Banque Stellantis France Group is subject under the 2008 European Consumer Credit Directive. This directive and French consumer protection legislation regulate matters such as consumer advertising, information to the borrower about the interest rate and loan conditions, verifications prior to the granting of credit and the possibility of cancelling financing contracts and repaying early;
- the usual corporate tax rules to which the Banque Stellantis France Group is subject and which can be complex. Changes in current tax rules, uncertainty as to the interpretation of changes in laws and their impact on the Banque Stellantis France Group could affect its business, net income and financial position.

Compliance with these regulations requires the implementation of significant control measures. Any breach of compliance could lead to financial sanctions, in addition to damaging the image of the Banque Stellantis France Group, or the imposed suspension of its activities, or even the withdrawal of its authorisations granted to conduct its activities (including its banking license), which could significantly affect its business and operating income.

This regulatory framework is of an evolving nature and a growing complexity, which increase the uncertainty about the future impacts on the business and profitability of the Banque Stellantis France Group. The measures relating to the banking sector could be further modified, extended or strengthened. This evolving regulatory framework has an impact on the financial and economic environment in which the Group operates. It is impossible to predict with precision what additional measures will be adopted or to determine their exact content and, given the complexity and uncertainty of a number of these measures, to precisely determine the future effects, or in some cases, the potential consequences of these measures for the Banque Stellantis France Group. The effect of these measures could negatively impact the business of the Banque Stellantis France Group (which will have to adapt to these new constraints) and its financial position (with the costs of bringing its activities into compliance, such as, for example, the strengthening of capital requirements applicable to the Group's activities or liquidity requirements).

4. The Banque Stellantis France Group is subject to regulations relating to bank resolution procedures, which could have a negative effect on its activities, results and financial position and the value of its financial instruments.

Directive 2014/59/EU of the European Parliament and of the Council of the European Union of 15 May 2014 establishes a framework for the recovery and resolution of credit institutions, known as the “BRRD”. This provides the authorities with a set of tools enabling them to intervene sufficiently early and quickly in an institution considered to be in default, so as to ensure the continuity of the institution’s essential financial and economic functions while minimising the impact of its failure on the economy and the financial system (including taxpayers’ exposure to losses) and protecting customers’ funds and assets. The Single Resolution Mechanism (SRM), the second pillar of the Banking Union, was defined in 2014 by Regulation No. 806/2014 establishing rules and a uniform procedure for the resolution of credit institutions in the context of single resolution mechanism and a Single Resolution Fund (SRF), financed by banking institutions via an annual contribution.

The BRRD directive was revised on 20 May 2019 (BRRD 2) with the introduction of a minimum requirement for the MREL (Minimum Requirement for own funds and Eligible Liabilities) ratio applicable from 1 January 2024, together with an intermediate requirement applicable since 1 January 2022.

This European framework introduced a system for the prevention and resolution of banking crises and the SRM organises the sharing of powers between the Single Resolution Board (SRB), which is endowed with significant centralised powers in order to take any measures necessary for the resolution of a credit institution, and the national resolution authorities (the ACPR in France).

The various resolution tools are the separation of assets, the creation of a bridging institution, the separation of performing assets and toxic assets as well as an internal bail-in mechanism. This bail-in process supports losses, with certain exceptions, in accordance with the order of priority of receivables as defined in France in the French Monetary and Financial Code (in particular Article L. 613-30-3). Losses would be supported firstly by shareholders, then by holders of Tier 1 capital instruments (Additional Tier 1) and Tier 2 (subordinated Tier 2 debt), then by holders of non-preferred senior bonds, and lastly by holders of preferred senior bonds in accordance with the creditor hierarchy in normal insolvency proceedings. The implementation of this process may result in the total or partial impairment of debt securities or their conversion into equity securities, leading to a risk of capital loss for the holders of these securities. The implementation of other resolution measures such as the modification of the terms of the debt instruments (including modification of the maturity and/or the amount of interest payable and/or temporary suspension of payments imposed), the interruption of the listing and admission to trading of financial instruments could also affect the value of the instruments issued by Banque Stellantis France Group and subscribed by its investors.

The application of any measure under the French provisions implementing the BRRD with regard to the Banque Stellantis France Group could have a significant negative impact on its ability to meet its obligations under any financial instrument and, consequently, holders of securities could suffer losses.

The Banque Stellantis France Group is consolidated within the Banco Santander resolution entity and monitors the MREL ratio on a consolidated basis after approval from the regulator, obtained at the end of 2022. As at 31 December 2023, the Banque Stellantis France Group did not hold any debt instruments eligible for the MREL, nor any additional Tier 1 capital. Tier 2 capital amounted to €300 million.

The applicable framework as described above is under development and measures to strengthen the so-called banking crisis management and deposit guarantee framework could lead the Banque Stellantis France Group to increase its annual contribution to the SRF as well as having to adapt the breakdown of its various liability instruments according to the hierarchy of creditors in the context of normal insolvency proceedings with a negative effect on its results and financial position.

5. Environmental, social and governance (ESG) risks and, in particular, those related to climate change are likely to impact the activities, operating income, financial position and reputation of the Banque Stellantis France Group.

ESG risks correspond to the effects that can be caused by climate and environmental events, social and societal changes as well as governance failures in the functioning and conduct of the activities of the Banque Stellantis France Group, which can also impact its customers. They are seen as factors that may exacerbate traditional categories of risk (credit and counterparty risks, operational and non-compliance risks, reputational risk as well as liquidity and funding risk).

The Banque Stellantis France Group is thus exposed to environmental risks, and in particular to risks related to climate change, through its automotive financing business. Climate risks include the physical risk (direct impact of climate change with the multiplication of extreme weather events on people and property) and transition risk (resulting from the process of transition to a low-carbon economy, marked by the appearance of new regulatory constraints, technological disruptions or changes in consumer preferences).

The Banque Stellantis France Group could be exposed to physical climate risk impacting its ability to maintain its services in geographical areas impacted by extreme events (such as the flooding of its registered office in Poissy, based near the Seine), as well as by the negative impact that extreme weather events would have on its customers’ business or even directly on the financed vehicles.

The Banque Stellantis France Group could also be exposed to transition risk through its loan portfolio on its customers subject to more stringent regulations or affected by technological disruptions leading to lower profitability and significant decline in their revenues following a change in their customers’ purchasing behaviour or additional costs related to the application of new environmental standards. It could also be exposed to a reputational risk if its commitments to the transition were considered insufficient by its stakeholders, in particular by investors who contribute to its funding.

The implementation of a European regulatory framework for sustainable finance also increases non-financial reporting obligations. Thus, pursuant to Regulation (EU) 2020/852 of 18 June 2020 ("Taxonomy Regulation") and its various delegated acts of 2021 by the European Commission establishing the criteria for determining whether an economic activity is considered sustainable, the Banque Stellantis France Group publishes in its Non-Financial Performance Statement the share of its financing aligned on this taxonomy (electric and hybrid vehicles) with the Green Asset Ratio (GAR) of aligned activities, which amounted to 8.2% in 2023.

Credit and counterparty risks

As a credit institution, the Banque Stellantis France Group is exposed to the risk of insolvency of its customers and dealers in the distribution network of the STELLANTIS brands, as well as its financial counterparties, i.e. default by a borrower (mainly non-payment of monthly instalments of a loan or lease) or a counterparty of its obligations to the Banque Stellantis France Group in accordance with the agreed terms.

Credit risk has an impact on the Banque Stellantis France Group's consolidated financial statements due to the losses recorded in the income statement because, even if it has the ability to recover and resell the financed vehicle, the resale value may not offset the amount of losses due to default.

However, the Banque Stellantis France Group does not carry any residual value risk (net resale value of an asset at the end of a finance lease or lease that is lower than the estimate) due to the existence of commitments to buy back vehicles at the end of the lease period, mainly from dealers or STELLANTIS brands.

6. The Banque Stellantis France Group is exposed to the credit risk of customers and dealers in the distribution network of the STELLANTIS brands, which may be increased by the risk of concentration, particularly on the largest dealers or companies. Late or insufficient provisions for credit risk exposure or a significant increase in new provisions may affect its operating income and financial position.

The Banque Stellantis France Group is exposed to credit risk with respect to many customers in the course of its day-to-day financing activities for individuals and companies, according to specific acceptance policies adapted to the credit risk of customer types:

- for financing granted to individuals, small and medium-sized companies, either applications are automatically authorised by a risk analysis expert system, or they require an additional assessment procedure by a credit analyst. The data or information used comes from external or internal databases such as payment histories (in the case of the renewal of a financing following the purchase of a new vehicle). As at 31 December 2023, the Banque Stellantis France Group's risk-weighted assets for this credit risk exposure category amounted to €6,137 million (of which €5,258 million in France,

In addition, the Banque Stellantis France Group is exposed to social and governance risks of its own but also those of its customers, such as compliance with labour law, human resources management and workplace health and safety issues, ethics or transparency, particularly in terms of governance (for example, the fight against money laundering) that may trigger the non-compliance, reputation and credit risks of the Banque Stellantis France Group or worsen those risks.

All of these risks could have an impact on the business, results and reputation of the Banque Stellantis France Group in the short or longer term.

As at 31 December 2023, the Banque Stellantis France Group's risk-weighted assets related to credit risk represented €14,395 million, i.e. 92% of the Group's RWA (of which €12,625 million in France i.e. 81% of the Group's RWA, €1,091 million in Belgium and Luxembourg, i.e. 7% of the Group's RWA and €679 million in the Netherlands, i.e. 4% of the Group's RWA). Total outstanding loans and receivables due from customers amounted to €19,762 million (of which €18,053 million in France, €1,055 million in Belgium and Luxembourg and €654 million in the Netherlands).

Please refer to Section 1.4.5 "Credit risk" for more information on the Banque Stellantis France Group's exposure to credit and counterparty risk.

€503 million in Belgium and Luxembourg, and €376 million in the Netherlands);

- for the large corporate financing portfolio, which also includes public bodies and dealers of STELLANTIS brand network, all decisions are governed by strict rules on the delegation of powers over the maximum possible loan limits. The approval of the financing may also be made at the level of the credit committees of the Banque Stellantis France Group or its shareholders. As at 31 December 2023, the Banque Stellantis France Group's risk-weighted assets for this credit risk exposure category amounted to €7,449 million (of which €6,807 million in France, €390 million in Belgium and Luxembourg, and €252 million in the Netherlands).

As part of its financing activity, the Banque Stellantis France Group regularly records provisions for credit losses, which are recorded in the income statement under "Cost of risk", in order to anticipate the occurrence of credit losses and reduce the volatility of its results:

- for individuals, the provisioning method is based on the use of statistical models based on historical analysis of losses and the recovery rate of the affected receivables as well as on forward-looking data;

- for corporate customers, provisions are based on the most up-to-date assessment of the recoverability of the granted amounts.

In both cases, provisions are recognised for sound, delinquent and non-performing loans. In 2023, the cost of risk amounted to €29 million (0.16% of average net outstandings) and non-performing loans to €208 million. The ratio of non-performing loans decreased slightly to 1.2% of the average outstanding loans and the total coverage rate of these non-performing loans was 98.8%.

The sudden change in the interest rate environment has not yet had a significant impact on the credit quality of assets with a cost of risk and a ratio of non-performing loans to outstandings remaining at relatively low levels, but the macroeconomic situation (in particular the effect of inflation) could have an impact on provisions for credit risk. The current level of inflation affects the purchasing power of households while companies are impacted by the tightening of financial conditions and their level of activity. This risk could also increase in the future following changes in the context. Real estate prices, unemployment or consumer confidence, and other factors such as an epidemic or pandemic could also change consumer behaviour compared to current credit risk management techniques used.

Consequently, if customer default rates were to increase compared to the rates previously used for provisions, the Banque Stellantis France Group could have to record significant additional charges and provisions for non-performing or irrecoverable loans, which would have a material adverse effect on the cost of risk, income and financial position of the Banque Stellantis France Group.

Credit risk is increased when exposures are concentrated on a particular borrower, counterparty or business sector. The Banque Stellantis France Group is significantly exposed to STELLANTIS and the largest dealers in the STELLANTIS dealer network, as well as to the risk of sectoral concentration on corporate fleet financing:

- as at 31 December 2023, the outstanding loans of the Banque Stellantis France Group to STELLANTIS stood at €370 million, representing 19.6 % of Tier 1 regulatory capital;
- on the same date, the Banque Stellantis France Group's ten main outstanding loans, other than those to STELLANTIS, totalled €2,702 million. These ten main outstanding loans break down into the following counterparty categories:
 - banks : €203 million,
 - insurers : €824 million,
 - dealer network (with no financial ties to STELLANTIS): €1,322 million,
 - corporates (excluding dealer network): €353 million.

As at 31 December 2023, no net exposure to a single counterparty exceeded 25% of Tier 1 regulatory capital (application of CRR II).

Please refer to Section 1.4.5.3 "Diversification of credit risk/ concentration risk" for more information on the concentration of the Banque Stellantis France Group's exposures.

The default of one or more major counterparties could impact its business and lead the Banque Stellantis France Group to incur losses with a material adverse effect on its cost of risk, income and financial position, even when economic conditions are generally favourable.

7. The Banque Stellantis France Group is exposed to counterparty risk through its relationships with other financial counterparties.

The Banque Stellantis France Group is in contact with various financial counterparties to carry out its activities, particularly in the context of cash management or interest rate derivative transactions to hedge its balance sheet. The counterparty risk is the expression of credit risk on the occasion of these market transactions or settlements, the counterparty being unable to fulfil its obligations to pay the Banque Stellantis France Group the expected flows.

However, the Banque Stellantis France Group has a limited number of financial counterparties, all of which are first-rate banking counterparties, and since the implementation of the EMIR regulation, the vast majority of interest rate derivatives are cleared centrally with the LCH Clearnet clearing house via a clearing member.

Exposures to derivatives are valued using the SA-CCR standardised approach. As at 31 December 2023, the counterparty risk calculated using this approach amounted €21 million, i.e. 0.1% of the Group's RWA.

Please refer to Section 1.4.5.7 "Counterparty risk" for more information on the Banque Stellantis France Group's exposure to counterparty risk.

Financial risks

Financial risks include:

- the risk that the Banque Stellantis France Group will not have the necessary resources to fulfil its commitments within a determined timeframe (liquidity risk). It reflects the risk of not being able to meet net cash outflows over all horizons, from the short term to the long term;
- one that would prevent it from financing the development of its activities according to its planned commercial objectives and at a competitive funding cost (funding risk and risk related to the funding cost);

8. The Banque Stellantis France Group is exposed to liquidity and funding risk, which may materially affect its liquidity position, its ability to honour its obligations to its counterparties and the development of its business if access to its various funding sources was disrupted.

This risk is inherent in the exercise of the financing activities of the Banque Stellantis France Group, which is dependent on its access to funding and liquidity sources and may therefore increase due to various factors that it cannot control, such as: phenomena deeply affecting the financial markets (serious market disruptions/dislocation, tensions on the money and bond markets). In order to avoid any excessive dependence on a particular source of funding, the Banque Stellantis France Group has developed a diversified funding structure based on access to different sources of liquidity.

However, it cannot guarantee that it will be able to maintain its level of funding in the event of tensions on one of them:

- if access to the capital markets (money and bond markets) were limited because they are the first source of funding for the Banque Stellantis France Group with a proportion of 22% of total funding at the end of 2023. As at 31 December 2023, the Banque Stellantis France had raised a total amount of €4,224 million on the capital markets;
- the retail customer deposit activity is highly competitive between the many traditional or online financial institutions to attract and hold deposits. The Banque Stellantis France Group must attract new customers from other existing and already well-established institutions. The inability to compete successfully with its competitors could limit the diversification of the Banque Stellantis France Group's sources of funding (retail customer deposits being the second largest, representing 21% at the end of 2023) and could harm the development of its business. Retail customer deposits amounted to €3,995 million at the end of 2023 compared to €3,059 million in 2022 after the launch of the international offer (in Germany, then in Spain and the Netherlands in 2023). However, as inflation may affect customers' savings capacity, the Banque Stellantis France Group may not be able to maintain a satisfactory level of customer deposits. In addition, the speed at which interest rates have been rising since mid-2022 (+450 bps for the European Central Bank deposit rate in September 2023 compared to June 2022) leads to increases in the rates proposed on the offers deposits (passbook accounts and

- and also the risk of loss related to unfavourable changes in market parameters (interest rate risk mainly because the Banque Stellantis France Group has no foreign currency business that could expose it to currency risk).

Please refer to Section 1.4.6 "Liquidity and funding risk" for more information on the Banque Stellantis France Group's exposure to liquidity and funding risk.

Please refer to Section 1.4.8.2 "Interest rate risk" for more information on the Banque Stellantis France Group's exposure to interest rate risk.

term accounts) affecting the profitability of the Banque Stellantis France Group;

- after the intra-group financing provided by Santander Consumer Finance for 21% of total funding sources in 2023, the securitisation by the Banque Stellantis France Group of some of its portfolios of receivables granted to individual or corporate customers represents its fourth funding source with a proportion of 18% at the end of 2023. Financing from placed securitisation transactions increased from €2,159 million at the end of 2022 to €3,481 million at the end of 2023. An unexpected and exceptional deterioration in the quality of the assets transferred or a sharp drop in the production of new financing granted that limits the ability to replenish transactions during the revolving period with a sufficient amount of new receivables, could lead to the activation of triggers and potentially an early amortisation, resulting in a loss of funding and greater difficulty in issuing new transactions on the Auto ABS market;
- for several years, the European Central Bank had taken exceptional measures to facilitate the access of financial institutions to liquidity, in particular by cutting rates to historically low levels and implementing a programme of TLTRO (Targeted Longer-Term Refinancing Operations). Since 2015, Banque Stellantis France Group has participated in various TLTRO transactions with a total amount of €1,725 million at the end of 2023 (9% of total refinancing sources) after the first repayments from June 2023, which now represents its fifth funding source. But in the current context of high inflation, the European Central Bank has begun to wind down its accommodating policy by raising its key interest rates several times since mid-2022 and by announcing a tightening of TLTRO-III conditions, while not proposing the new system to replace it. This has had an adverse impact on the Banque Stellantis France Group's funding costs and could also affect its ability to access liquidity.

Liquidity risk is assessed by the Banque Stellantis France Group using various internal and regulatory indicators, such as:

- the Liquidity Coverage Ratio (LCR): this short-term liquidity ratio aims to ensure that a bank has sufficient liquid assets to cover its net cash outflows over a period of 30 days under severe stress. During 2023, the LCR ratio remained above 100%;

1 Management report

Risk factors and regulatory capital adequacy - Pillar III

- the Net Stable Funding Ratio (NSFR): this longer-term liquidity ratio compares funding requirements with stable resources over a one-year horizon. During 2023, the NSFR ratio remained above 100%.

With an average monthly amount of liquid assets (HQLA) of €1,233 million, the average LCR for the 2023 was 334%, compared to the required regulatory threshold of 100%.

Regarding the NSFR, it stood at 106% as at 31 December 2023.

At the end of 2023, the total liquidity reserve amounted to €2,727 million.

Please refer to Section 1.4.6 "Liquidity and funding risk" for more information on the various indicators used to monitor the Banque Stellantis France Group's exposure to liquidity and funding risk.

9. The Banque Stellantis France Group's access to certain forms of funding at an optimal cost may be made more difficult or even temporarily impossible in the event of a resurgence of financial crises, a deterioration in economic conditions or a downgrading of the Banque Stellantis France Group's credit ratings, increasing credit spread risk, which may have a material adverse effect on its funding cost, operating income and financial position.

In order to finance its activities at the best possible rates under normal conditions, the Banque Stellantis France Group has developed a diversified funding structure based on access to various sources of liquidity. If the Group were no longer able to access the money and bond markets on acceptable terms with the issuance of new debt securities or were to face cash outflows such as a significant drop in customer deposits, the Banque Stellantis France Group would have to resort to more expensive funding sources that would reduce its net interest margin, thus negatively impacting its financial results. Thus, faced with the significant uncertainties related to the Covid-19 pandemic, the secondary levels of the Banque Stellantis France Group's credit spreads had increased significantly (by more than 200 bps in March 2020) at the beginning of the pandemic in the first half of 2020, making conditions for access to capital markets less acceptable.

The level of these spreads may also be impacted by the downgrading of the Banque Stellantis France Group's credit ratings by the two rating agencies, Moody's Investors Service or Standard & Poor's Global Ratings, who assess the Group. Although the rating of the Banque Stellantis France Group was improved to BBB+ by Standard & Poor's Global Ratings in December 2018 and to A3 by Moody's Investors Service in May 2019, a future deterioration in its liquidity position, credit risk, capital adequacy or profitability could lead rating agencies to downgrade their current ratings.

In the context of the Covid-19 pandemic, Standard & Poor's Global Ratings revised on 15 April 2020 the outlook for Banque Stellantis France's credit rating from stable to negative while confirming the long-term credit rating at BBB+, before restoring the outlook to stable on 24 June 2021.

10. The Banque Stellantis France Group is exposed to structural interest rate risk resulting from an unfavourable change in financial market interest rates or rates offered for retail customer deposits that would negatively impact its operating income and its financial position.

The Banque Stellantis France Group generates a significant portion of its results in the form of a net interest margin and is therefore exposed to changes in the absolute level of interest rates in the euro zone, as well as to the shape of the rate curve. After a prolonged period of low interest rates, the inflationary environment led the European Central Bank to rapidly increase its key rates (increase of +450 bps for the deposit rate in September 2023 compared to mid-2022), impacting the cost of variable-rate refinancing as well as the new refinancing of Banque Stellantis France Group. The scales of customer financing offers have been adapted but within the existing restrictions on the possible revision of loan rates (usury rates).

The interest rate risk for the Banque Stellantis France Group arises from the mismatch between its assets and its liabilities measured by the price adjustment differential (repricing gap) between interest-earning assets and interest-bearing liabilities:

- the financing granted to customers is mainly in the form of fixed-rate loans or leases with a maximum duration of 72 months, while the financing of the dealer networks does not exceed 12 months and is therefore renewed/readjusted in price during the year;
- the Banque Stellantis France Group refinances itself with fixed-rate financial instruments (bonds, intra-group loans, term and demand deposits, fixed rate NEU CP, fixed rate securitisations) and with variable/revisable rate funding sources (variable-rate securitisations, variable-rate NEU MTN, variable-rate NEU CP, bank credit lines, TLTRO-III, repurchase agreements, subordinated debt, intra-group loans).

The Banque Stellantis France Group uses two indicators to measure its interest rate risk and control its exposure within the sensitivity limits defined in compliance with its risk appetite framework:

- the sensitivity of the net interest margin (NIM) to changes in interest rates under various stress scenarios, calculated on the basis of a static balance sheet and taking into account the price readjustment of new financing production;
- the sensitivity of the market value of equity (MVE) to changes in interest rates representing the impact on the net present value of assets and liabilities.

As at 31 December 2023, to the worst-case scenario of a rise or fall of parallel rates of +/-100 bps:

- the NIM sensitivity stood at -€2 million; and
- the MVE sensitivity stood at -€41 million.

Please refer to Section 1.4.8.2 "Interest rate risk" for more information on the various indicators used to monitor the Banque Stellantis France Group's exposure to interest rate risk.

Interest rate risk monitoring is based on the repricing gap to decide on hedging programmes. Their cost depends on the steepening of the existing yield curve when they are put in place and they may not always prove to be the most appropriate in view of a highly volatile interest rate environment, which could affect the operating income of the Banque Stellantis France Group and its financial position.

Operational and non-compliance risks

Operational risk is the risk of loss resulting from failing or inadequate internal processes, or from external events, whether accidental, deliberate or natural. Internal processes include those involving personnel and IT systems. Fires, natural disasters (floods, earthquakes, etc.) or epidemics are examples of external events. Operational risk includes risks related to information systems, fraud risks, legal and non-compliance risks, as well as reputational risks.

11. The Banque Stellantis France Group is exposed to risks related to the security and reliability of its IT systems to ensure the continuation of its business.

Information systems are essential to the Banque Stellantis France Group's operational processes, from the acceptance of loans to the management of all loans and receivables.

The proper functioning of financial control, accounting and other data collection and processing systems is essential to the Banque Stellantis France Group's business and its ability to be competitive. In addition, the Banque Stellantis France Group has entered into framework agreements with Stellantis Financial Services Europe on the supply of information systems and IT services and benefits from the STELLANTIS cybersecurity risk alert and prevention system, which makes it possible to ensure proper control of these risks.

The risk related to difficulties in keeping all information systems fully operational following a disruptive event with or without material damage (cyberattack, natural disaster such as a flood, epidemic, or pandemic) may adversely affect the Banque Stellantis France Group's capacities to continue its activities, despite the activation of the Business Continuity Plan.

Losses may result from inadequate personnel, inadequate or failed processes or internal control systems, or from external events that interrupt day-to-day business. The Banque Stellantis France Group is exposed to the risk of inadequate design of its controls and procedures or to the risk that these may be circumvented such that its data and/or customer files are incomplete, not recoverable, or not securely stored. And this, even though the Banque Stellantis France Group works with its customers, service providers, counterparties and other third parties to develop secure data and information processing, storage and transmission capacities with the aim of preventing information security risks.

Any interruption or failure of the Banque Stellantis France Group's IT systems could result in significant loss of customer information or an interruption in the continuation of its business.

Lastly, any breach of IT security could expose the Banque Stellantis France Group, outside of legal proceedings, to the disclosure or alteration of confidential information that would impact its reputation and thus undermine its customers' confidence and its profitability.

As at 31 December 2023, the risk-weighted assets of the Banque Stellantis France related to operational risk amounted to €1,142 million (of which €1,038 million in France, €59 million in Belgium and Luxembourg, €45 million in the Netherlands), using the standardised approach methodology of Basel regulations, i.e. 7.3% of the Group's RWA (of which 6.6% in France, 0.4% in Belgium and Luxembourg, 0.3% in the Netherlands).

Please refer to Section 1.4.11 "Operational risks" for more information on the Banque Stellantis France Group's exposure to operational risks.

12. The Banque Stellantis France Group is exposed to the risk of fraud, mainly external fraud that can cause losses due to non-payment of monthly instalments on loans granted or leases.

As a credit institution granting financing to its customers, the Banque Stellantis Group is exposed to the risk of fraud. This risk may arise from the inadequacy or failure of internal processes, staff or information systems in the process of accepting financing and in the monitoring of its payment/repayment in monthly instalments, but fraud mainly occurs when customers request financing. The credit granting process relies heavily on documents provided by potential customers, such as proof of income and bank details to organise direct debits, by-laws (for companies) or identity documents. A risk will arise when entering into a financing contract if a customer has previously provided false documents or impersonated someone else.

Despite the systems in place, the Banque Stellantis France Group may not be able to detect certain frauds leading to non-payment of loans with the impossibility of recovering them, which would result in economic losses.

13. The Banque Stellantis France is exposed to the risk of non-compliance with the risk of paying damages or fines following legal or regulatory proceedings that could negatively impact its operating income and financial position.

The Banque Stellantis France Group is exposed to legal and non-compliance risk, which is the risk of legal, administrative or disciplinary sanctions, significant financial loss or damage to reputation, arising from non-compliance with provisions specific to its banking and financial activities, whether of a legislative or regulatory nature, or professional and ethical standards, or instructions from the executive body taken in application of the guidelines of the supervisory body.

The risk factors are linked to an incorrect interpretation of the texts or an insufficient application of them in terms of operating methods, procedures or internal instructions.

In the course of its ordinary activities, the Banque Stellantis France Group may be involved in various types of litigation, in particular civil, administrative, tax, criminal and arbitration disputes relating to non-compliance with the aforementioned provisions.

In these cases of default, the Banque Stellantis France Group is exposed to several consequences that could affect its business:

- a legal impact, when a regulatory or legal action that may result in fines or penalties is brought against the Banque Stellantis France Group or its employees;
- a financial impact, in the event of damage to the Banque Stellantis France Group's net income or potential future gains or in the event of loss of investor confidence; and
- an impact on the reputation likely to harm the image or brands of the Banque Stellantis France Group: for example, bad press or discussions on social networks, a loss of customer confidence or a decline in employee engagement.

In particular, due to its direct affiliation with Stellantis Financial Services Europe as well as Santander Consumer Finance (and consequently the STELLANTIS and Santander groups), the Banque Stellantis France Group may also be impacted by the risk of non-compliance to which these two groups are exposed. This could have a commercial impact in case of adverse events that significantly disrupt the operation of the Banque Stellantis France Group, such as embargoes or site closures.

14. Any damage to the reputation or image of the Banque Stellantis France Group could affect its competitive position with a loss of business from its customers and a loss of confidence on the part of its counterparties and investors, which is likely to have an adverse effect on its operating income or financial position.

Reputational risk is the risk of damage to the trust that its customers, counterparties, suppliers, employees, shareholders, supervisor or any other third party have in a company whose trust is a necessary condition for normal operation of business. For the Banque Stellantis France Group, reputation and image risk consists mainly of:

- a specific risk, corresponding to reputation and image risk, particularly with end-user customers, dealer networks of STELLANTIS brands, third-party banks and supervisory authorities (excluding internal image risk);
- possible repercussions of an operational incident.

The image and reputation risk is to a large extent related to risks already incurred and identified by the Banque Stellantis France Group.

Because of its direct affiliation with Stellantis Financial Services Europe and Santander Consumer Finance (and consequently to the STELLANTIS and Santander groups), the reputation and image of the Banque Stellantis France Group may also be influenced by the reputation and image of these two groups.

Any damage to the reputation and image of the Banque Stellantis France Group could affect its business due to a loss of confidence on the part of its customers, counterparties and investors, with an adverse effect on its operating income or its financial position.

1.4.2 Governance and risk management systems

Since the creation of the cooperation between Stellantis Financial Services Europe (formerly, Banque PSA Finance) and Santander Consumer Finance, the Banque Stellantis France Group has adopted a robust and efficient organisation to monitor and control its risks at all levels of the institution through risk identification and risk assessment, including those of non-compliance, implemented within all the various business lines, including for outsourced activities.

The Banque Stellantis France Group has a strong risk awareness approach among its employees with a continuous training and education programme on the appropriate risk profile. Risk management involves the identification, measurement, control and monitoring of risks, which are carried out by the Risk Department. The Chief Risk Officer is a member of the Executive Committee, which enables him to periodically inform the effective managers, as well as regularly reporting on his assignments to the Board of Directors and the Audit and Risk Committee.

1.4.2.1 Risk Appetite Framework

On the basis of the identification and assessment of risks, their performance and the risk strategy defined by the Board of Directors of the Banque Stellantis France Group, the Risk Department proposes and formalises a Risk Appetite Framework (RAF) approved by the Board of Directors. This Risk Appetite Framework serves as a reference when defining strategic and commercial objectives as well as during annual and multi-year budgeting exercises to ensure that they maintain the Group within the risk profile desired by the Board of Directors.

It also includes:

- the principle of setting alert thresholds and limits in line with the Banque Stellantis France Group's regulatory obligations for all strategic risks identified during the risk identification assessment. This is to ensure that risks are limited by establishing objective and verifiable limits with a management, control and reporting infrastructure that guarantees their effectiveness;
- the definition of the roles of each player in risk management and accountability of all Banque Stellantis France Group management to comply with the general risk management policy;
- the principles governing the escalation of alerts to the appropriate level and the timely treatment of any breach of defined limits;

Risk governance covers in particular their management, the validation of measurement methods or models and the setting of the desirable level of risk.

This governance is based, first of all, on a mapping and an annual additional assessment of all risks and the level to which the Banque Stellantis France Group is exposed, and an assessment of their potential criticality given the management policies adopted, regulatory obligations, the economic and competitive environment, as well as its business model.

- the independence of the Risk Management and Control function in relation to other business lines and the separation between the departments that generate risks and those responsible for controlling and monitoring them. The latter have sufficient authority and direct access to management and the bodies responsible for defining the risk strategy. This principle results in a three-level control structure (see Section 1.4.2.2 "Organisation of risk management" below);
- anticipation and predictability: the assessment of risks has an essentially anticipatory function;
- the risk culture in the organisation, so that all attitudes, values, skills and instructions relating to the business are integrated into all processes.

The Risk Appetite Framework is regularly reviewed and incorporates, if necessary, new indicators with limits intended for the control of risks whose occurrence or criticality would appear or increase in the Banque Stellantis France Group's course of business.

The Risk Appetite Framework defined by the Board of Directors constitutes the general risk management policy by setting the guidelines and limits to be respected within the Banque Stellantis France Group.

Within this general framework, risk appetite corresponds to the overall level and types of risks that the Board of Directors of the Banque Stellantis France Group is prepared to assume, in line with the regulations, the bank's ability to cope with risks, and with regard to strategic and commercial objectives.

1.4.2.2 Organisation of risk management

1.4.2.2.1 Risk management and control system

In the organisation of risk management, the Banque Stellantis France Group adopts the three lines of defence of the risk management and control system:

- the operational or commercial functions, which are exposed primarily to risks, constitute the first level of control or first line of defence. They apply the procedures defined by the Risk Department and validated by the Board of Directors describing the various controls to be carried out in order to ensure the maintenance of an appropriate environment for the control of each of the risks associated with a business activity or function. They propose levels of appetite and limits, which, after validation by the various competent committees, are implemented, as well as the mechanisms to manage risks and keep them in line with the company's risk appetite;

- the second line of defence or second level of control is the risk management and control function and the compliance verification function performed by the permanent control team. Permanent control ensures that the risks identified in the regularly updated mapping are effectively controlled, comply with the guidelines of the European Banking Authority (EBA) and are managed in accordance with the defined level of risk appetite;
- internal audit is the third line of defence and, as the last level of control of the Banque Stellantis France Group, regularly assesses the policies, methods and procedures to ensure that they are adequate and effectively implemented.

There is a sufficient degree of separation between the risk control function, the internal control function and the internal audit function, to ensure that their functions are performed independently.

Risk Management and Control function

The Risk Management and Control function is independent of the other operational functions. The Risk Department conducts risk measurement and monitoring work and has direct access to the management and governance bodies responsible for establishing and supervising the strategy and the proper application of risk policies in line with the Risk Appetite Framework defined by the Board of Directors.

Using the Risk Identification and Assessment (RIA) process, the Risk Management and Control function identifies and assesses all the risks to which the bank may be exposed or could be exposed in the future.

This process introduces the risk management and control approach. It is divided into quantitative and qualitative parts:

- half-yearly Risk Performance Assessment: assess current risk exposure and determine performance through parameter and threshold indicators;

- Control Environment: assess the level of adequacy of the risk environment with the objectives of the Banque Stellantis France Group, by identifying any weaknesses and areas for improvement.

The risk mapping is reviewed at least annually by the Risk Management and Control function, which lists all the risks to which the Banque Stellantis France Group is exposed as a result of its automotive financing business. The last update was dated 20 December 2023. It helps to verify the robustness of the Banque Stellantis France Group's control system, by comparing the gross risks identified, the losses related to these risks as well as the results of the second-level controls and finally the residual risk.

Internal control

In accordance with the amended Order of 3 November 2014 on the internal control of credit institutions, the internal control system implemented by Banque Stellantis France Group is based on:

- a first level of control, which is carried out by the operational units;
- compliance verification functions carried out by the permanent control and periodic control teams, both of which report directly to the Chief Executive Officer, who is responsible for the consistency and effectiveness of both second-level internal control (permanent control, i.e. the compliance verification function) and third-level internal control (internal audit).

The Banque Stellantis France Group's fundamental principles underpinning the organisation and implementation of internal control are set out in an internal control charter. The internal control charter determines the organisational structures, resources, scopes of action and tasks, as well as the functioning procedures of the Banque Stellantis France Group's control system.

Internal control system

First-level controls, the foundation of the internal control system

These controls are located within the operational structures. Controls are carried out by all employees as part of their daily activities, in application of procedures integrating the various

controls to be carried out, or by employees dedicated to these functions within these structures. The first-level controls are monitored by permanent control.

Permanent control

Second-level control is composed of an autonomous team of three people and their manager, none of whom has an operational function, and it reports to the Secretary General, who is also responsible for the compliance verification function.

The Permanent Control Department is responsible for various missions:

- the control of operations, internal procedures and systems ensuring the prevention and permanent monitoring of non-compliance risks;
- permanent control of the operational risks of Group entities, including risks related to information technology or outsourced services.

Operational risk control missions cover:

- the recurring assessment of the level of control of operational risks achieved by the systems implemented in the Group's entities, as well as in service providers;
- the exercise of specific second-level controls in all structures;
- the coordination of a certification system for the self-assessment of first-level controls, by which operational managers certify the execution and results of key controls on major risks. This system covers the accounting,

Periodic control

Periodic control, a third-level control, independently verifies the quality, effectiveness and compliance of internal control, risk management and governance processes and systems.

It is carried out by the internal audit team composed of five people and the Audit Director in the form of one-off missions conducted according to a four-year plan covering all the organisations and entities of the Banque Stellantis France Group, including subcontracting.

Monitoring of the system by the deliberative and executive bodies

The internal control system is monitored by the deliberative and executive bodies, in particular during the meeting of the Banque Stellantis France Group Audit and Risk Committee that is held at least quarterly and which deals with subjects relating to the three entities of the Group, namely Banque Stellantis France itself, CREDIPAR and CLV.

The Board of Directors oversees the management of the main risks incurred by the Banque Stellantis France Group as a whole and ensures the reliability of the internal control system. Through the Audit and Risk Committee, it reviews the main findings from risk monitoring and periodic and permanent control work.

The Banque Stellantis France Group Audit and Risk Committee prioritises its missions according to the risks identified in each of the entities that make it up. Among its prerogatives are the planning, supervision and review of internal audits and the controls carried out by permanent control, as well as the review of the work of the Statutory Auditors. It is also responsible for monitoring plans to resolve potential weaknesses, mainly related to first-level deficiencies, in the business line process control environment identified by the external auditors.

refinancing and treasury activities as well as the security of access to the Banque Stellantis France Group's main IT applications;

- the formalisation and follow-up of recommendations;
- the collection, analysis and monitoring of operational incidents.

The risk mapping is reviewed each year by the risk management and control function, which lists all the risks to which the Banque Stellantis France Group is exposed. It helps to verify the robustness of the Banque Stellantis France Group's control system, by comparing the risks identified, the losses related to these risks as well as the results of the second-level controls.

In accordance with the amended Order of 3 November 2014 and the guidelines of the European Banking Authority (EBA), the "Report on Internal Control and Risk Measurement and Monitoring" (RACI) for the 2023 financial year was communicated to the Directors for opinion, and then, sent to the French Prudential Supervisory and Resolution Authority (*Autorité de Contrôle Prudentiel et de Résolution, ACPR*) on 29 March 2024. A special RACI called "Internal Control Report on the fight against money laundering and the financing of terrorism (AML-CFT) and the freezing of assets" for 2023 will be filed with the ACPR before 30 April 2024.

The Banque Stellantis France Group was the subject of 14 audit missions in 2023.

By reporting on its activities to the effective managers, the Board of Directors and the Audit and Risk Committee, internal audit contributes to the improvement of the processes and risk management of the Banque Stellantis France Group.

The Audit and Risk Committee also ensures compliance with regulatory requirements, such as those defined by the Basel III agreements, and the implementation of measures to comply with these standards. Lastly, the Audit and Risk Committee reviews the consolidated financial statements and the respective financial statements of the Banque Stellantis France Group entities in accordance with the accounting policies used.

If necessary, the Audit and Risk Committee may ask to consult the Chairman of the Board of Directors of Banque Stellantis France Group, the Chief Executive Officers and the Statutory Auditors or any other person useful to the performance of its duties. Several times a year, the Chairman of the Audit and Risk Committee meets with the representatives of periodic and permanent controls and those of the Risk Department.

The executive body, and in particular the Chief Executive Officer, is responsible for defining and implementing the internal control system. Through the Control and Compliance Committee, it monitors its proper functioning and ensures the adequacy of missions and resources.

1 Management report

Risk factors and regulatory capital adequacy - Pillar III

The organisational basis of internal control of the Banque Stellantis France Group

The control processes are based on a set of regular controls carried out by means of delegations applicable to the operating entities. These delegations concern in particular banking and financial transactions, credit agreements, conditions applied to customers, new products and expenditure commitments.

Within the framework of the Audit and Risk Committee or operational committees, the main guidelines of the Banque Stellantis France Group are specified and implemented. These specific committees deal in particular with credit risks, where changes in arrears and losses are examined and the performance of risk selection tools for the Retail and Corporate (vehicle fleets and distribution networks) portfolios is analysed.

During these committee meetings, the following are also presented for decision:

- changes to the Basel system;
- margins relating to financing activities;

- products and processes, including associated risks;
- financing applications for dealers and corporate fleets examined, either at the level of a Santander Group Credit Committee, or at the level of the Banque Stellantis France Group Loan Committee according to the delegations in force;
- monitoring and reviewing the results of the policy of funding and management of liquidity, interest rate and currency risks;
- the business continuity management system;
- the outsourcing system for certain essential or critical activities and the monitoring of the register of service contracts concerned;
- monitoring of the IT security policy;
- compliance and GDPR-related work.

1.4.2.2.2 Main risk management governance bodies

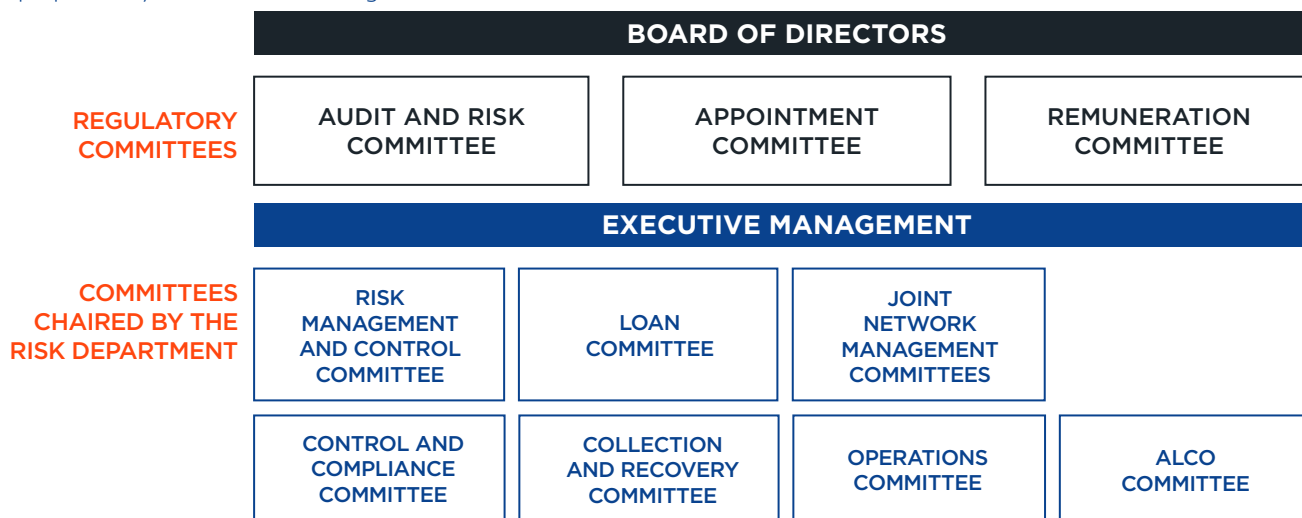
The governance of the Banque Stellantis France Group's risk management is managed at the highest level through two main bodies: the Board of Directors and the Executive Management, which is supported by a set of specialised committees whose scope includes three entities that make up the Banque Stellantis France Group (Banque Stellantis France, CREDIPAR, CLV):

- **the Board of Directors** of each Banque Stellantis France Group entity is the primary guarantor of the Banque Stellantis France Group's internal control system and oversees the management of the main risks incurred by each of the three entities. It determines the guidelines and controls the implementation by the effective managers of the monitoring systems. It regularly approves the limits proposed by the effective managers and sets the criteria

and thresholds for significant incidents brought to its attention;

- **Executives** are responsible for implementing the internal control system. They monitor its proper functioning and ensure the adequacy of missions and resources. They ensure that the heads of "key functions" have the knowledge and skills appropriate for the duties they perform. The Executive Committee met on a weekly basis during the 2023 financial year.

The diversity and recruitment policy for the selection of members of the management body is described in Section 1.5.6. "Diversity policy applicable to the selection of members of the management body".



Chaired by the Risk Department, the risk management committees meet on a regular basis:

- **the Risk Management and Control Committee** reports to Executive Management, on a monthly basis, all of the risk indicators defined in the Risk Appetite Statement as well as other operational indicators covering all aspects of the Banque Stellantis France Group's risks;

- **the Loan Committee** part of the Executive Management, meets on a weekly basis. It is responsible for analysing, validating, modifying or rejecting credit applications. It rules on any guarantees that fall within its delegation and gives a provisional opinion on those beyond this delegation. The latter are intended to be reviewed or approved by the Cooperation Credit Committee;

- **the Joint Network Management Committees** ensure coordinated monitoring of the situation and risks presented by the dealer networks with the brands of STELLANTIS, on a monthly basis.

The Risk Department also participates in the following decision-making committees:

- **the Audit and Risk Committee** assists the Board of Directors on a quarterly basis in the performance of its duty of managing the risks inherent in the Banque Stellantis France Group's commercial activity and in defining its risk appetite. Its main responsibilities concern the control of the risks to which the Banque Stellantis France Group is exposed, as well as the definition of its risk appetite. It assesses the quality of internal control, in particular the consistency of the risk measurement, monitoring and management systems, and proposes additional actions. The Internal Audit Department submits its audit plan annually to the Audit and Risk Committee for approval before presentation to the Board of Directors. In addition, the Internal Audit Department regularly communicates the main conclusions of the audits carried out and the degree of implementation of the recommendations issued. The Audit and Risk Committee met four times during the 2023 financial year;
- **the Control and Compliance Committee**, which meets monthly, is responsible for measuring compliance risks and implementing the means to remedy them. It also assesses the Banque Stellantis France Group's compliance policy;
- **the Operations Committee** presents on a monthly basis the performance of the Operations Department and in particular the volume of acceptances by score origin, fraud suffered and avoided, the achievements of the After-sales and Customer Contact Departments, as well as the progress of projects and related action plans;
- **the Collection and Recovery Committee** presents on a monthly basis the status of arrears by bucket and customer segment, the performance of out-of-court collection, litigation and auction services. This committee also presents the action plans and the progress of projects affecting the Collections Department;

1.4.2.3 Risk profile

The risk profile is determined by all the risks inherent to the activities of the Banque Stellantis France Group, which are identified in the Group's risk mapping and which are regularly assessed and reviewed.

The RIA process (see Section 1.4.2.2.1 "Risk management and control system") is used to identify and assess risk profiles. This is taken into account to develop and implement rules for managing these risks, in particular to align decisions impacting the commercial strategy in line with the level of risk appetite approved by the Board of Directors and the Group's strategy.

The Banque Stellantis France Group's risk profile is expressed using key indicators, qualitative areas inherent to the Group's strategy and activities, which are not quantified at this stage, and alert thresholds and limits defined in a manner consistent with the key indicators.

- **the ALCO Committee** (Asset and Liability Management Committee) is intended to assist the Executive Committee on a monthly basis in the management of the funding of the Banque Stellantis France Group, the asset-liability management of the Group as well as the management of structural interest rate risk and liquidity risk.

The members of the executive body are either involved in these committees or informed of their content, the items on their agenda and the decisions taken.

The other regulatory committees (in addition to the Audit and Risk Committee) of the Banque Stellantis France Group, for the three entities that make it up, are as follows:

- **the Appointment Committee** is responsible for recommending to the Board of Directors the appointments of the effective managers, the Chief Executive Officer, the Deputy Chief Executive Officer and the Chief Risk Officer, and the Chief Compliance Officer. All decisions regarding the appointment of the persons holding the aforementioned functions must be taken independently. The Appointment Committee met four times in the 2023 financial year;
- **the Remuneration Committee** assists the Board of Directors in the implementation and management of the overall remuneration policy in accordance with the regulations in force and in particular Article L. 511-102 of the French Monetary and Financial Code, taking into account, in particular, the need to prevent excessive risk-taking. When preparing its opinions, the Remuneration Committee takes into account the long-term interests of the shareholders and other stakeholders of the Banque Stellantis France Group. The Remuneration Committee met six times during the 2023 financial year.

An Executive Committee dedicated to fraud now meets once every two months since the end of 2021.

Regulatory solvency risk/capital

The solvency risk reflects the risk of a shortfall in the Banque Stellantis France Group's capital that no longer enables it to meet regulatory requirements and/or its internal commercial objectives.

Its monitoring aims to ensure that risk appetite takes into account, maintains and preserves the Group's capital, while maintaining a safety margin in relation to regulatory requirements, both in the baseline scenario and stressed scenarios.

Credit risk

Credit risk results from the inability of a customer to meet the payment or other obligations of a financing contract entered into with the Banque Stellantis France Group.

It is assessed for the Retail and Corporate portfolios based on risk indicators (cost of risk, default coverage rate, etc.) in line with the Group's strategic and commercial plan.

1 Management report

Risk factors and regulatory capital adequacy - Pillar III

Concentration risk

The concentration risk comes from a significant accumulation of exposures on certain categories, sectors, or markets.

Its monitoring aims to determine the maximum level of concentration that the bank is prepared to take in the course of its business, in accordance with its strategic plan.

Liquidity and funding risk

The liquidity risk would result from the fact that the Banque Stellantis France Group does not have sufficient liquidity to meet its commitments within the allotted time, and cannot satisfactorily access sources of funding and liquidity for the financial year to carry out its financing activity.

Its monitoring makes it possible to determine the minimum level of liquidity that the Group must maintain in order to constantly meet all net cash payments/outflows related to its activity, both in normal and stressed situations.

1.4.2.4 Risk appetite statement

Risk appetite is translated at the operational level by limits and associated alert thresholds defined in the Risk Appetite Statement. The indicators used to define these limits may be qualitative and/or quantitative and cover the major risks of the Banque Stellantis France Group, in line with its regulatory obligations.

The Risk Appetite Statement is presented at least every quarter to the Board of Directors of the Banque Stellantis France Group and guarantees compliance with all the limits set, or the implementation of action plans if not. Risk management governance provides for decision-making by collegiate bodies by including in the decision-making process

Volatility of income linked to changes in interest rates

The interest rate risk arises from possible losses due to changes in interest rates on the structure of the Banque Stellantis France Group's equity.

Its monitoring limits the potential negative volatility of income. These are forecasted in the Banque Stellantis France Group's strategic plan, in both normal and stressed situations.

Operational risk

Operational risks are the risks of losses resulting from failing or inadequate internal processes (failure of information systems, personnel) or external events with a low probability but with a potentially significant impact. It notably includes IT and information system security risks, fraud, non-compliance with the associated risk of sanctions and reputation.

a variety of methodological points of view proportionate to the potential impact of the decision and the complexity of the factors involved.

The Risk Department, which controls risk appetite, prepares this report on the basis of continuous monitoring and management. This report is submitted for review to the Risk Management and Control Committee which, if necessary, will propose corrective measures to adapt the risk appetite to the risk profile.

The Board of Directors of the Banque Stellantis France Group makes an annual statement on risk appetite via a formal declaration.

1.4.2.5 Adequacy of the institution's systems with respect to risks

At its meeting of 19 December 2023, after having reviewed the Bank's position with regard to the risk appetite thresholds and limits established for 2023, the Board of Directors of the Banque Stellantis France Group validated, based on all the information

submitted to it, its thresholds and limits for the year 2024 and their adequacy with the risk profile and the strategy of the Banque Stellantis France Group.

1.4.2.6 Stress test system

The stress tests, or tests in the event of crises, are an integral part of the Banque Stellantis France Group's risk management system. The stress tests contribute to the forward-looking management of risks and the assessment of the adequacy of the level of capital, while meeting regulatory requirements.

The stress tests include:

- the **annual exercise as part of the ICAAP (Internal Capital Adequacy Assessment Process)**: this measures the potential risks for the determination of the capital requirement under Pillar II. ICAAP is mainly carried out by the Finance Department and the Risk Department with contributions from the various other departments. The ICAAP report is approved by the Board of Directors. The entire ICAAP exercise is simulated using a baseline scenario which is based on provisional plans (budget and medium-term plan) and a stress scenario built from data derived from the use of forward-looking statistical models,

specific analyses and historical data. It also includes idiosyncratic events specific to the business of the Banque Stellantis France Group and its environment;

- the **stress tests relating to credit risk**: the models of stress tests, specific to the Banque Stellantis France Group, which had been developed in 2016, were adapted following the implementation of IFRS 9. The models are based on parameters and portfolios;
- the **monthly liquidity stress test exercise**: this determines the liquidity time horizon for business continuity according to various crisis scenarios;
- the **other regulatory stress tests**: this typology of stress tests includes all requests from the European Central Bank (ECB), the European Banking Authority (EBA) or from another supervisor. In 2022, the Banque Stellantis France Group contributed for the first time to the Santander Group's climate change stress test exercise.

1.4.3 Capital management and regulatory capital adequacy

1.4.3.1 Scope and application

The prudential scope used to calculate the solvency ratio is identical to the scope of consolidation described in the notes to the IFRS Financial Statements (Note 1.C) of the 2023 Annual Report.

Since 1 January 2014, the Banque Stellantis France Group has been subject to compliance with the prudential regulations defined by the Basel III agreements: Regulation (EU) 575/2013 of the European Parliament and of the Council (CRR), as amended by Regulation (EU) 2019/876 (CRR II), and Directive 2013/36/EU (CRD IV), as amended by Directive (EU) 2019/878 (CRD V).

Note that, in principle, banking institutions must be subjected to a two-fold monitoring process, on a consolidated basis and on an individual basis. However, on 29 January 2015, the French Prudential Supervisory Authority (*Autorité de Contrôle Prudentiel et de Résolution*, ACPR) endorsed the application for exemption that was submitted to it for prudential supervision on an exclusively consolidated basis, as per Regulation CRR Article 7. Since May 2023, the consolidated scope of the Banque Stellantis France Group has been extended to Belgium, Luxembourg and the Netherlands. There are no obstructions to the transfer of regulatory capital between Banque Stellantis France and its subsidiaries.

Transition table from accounting equity to regulatory capital

(in million euros)	31 December 2023	30 June 2023	31 December 2022
Accounting Equity ⁽¹⁾	2,354	2,183	2,134
Share of net income for the year yet to be allocated ⁽²⁾	366	96	346
Distributable income ⁽²⁾	96	-	-
Negative amounts resulting from the calculation of the expected loss	141	142	147
Other intangible assets	37	40	-
Other prudential deductions	15	18	18
Tier 1 regulatory capital	1,891	1,887	1,623
Tier 2 subordinated loans	300	210	154
Tier 1 and Tier 2 regulatory capital	2,191	2,097	1,777

(1) Accounting and prudential equity are equal.

(2) 50% of the consolidated income for the first half of 2023 (€193 million) was included into the regulatory capital up to €96.4 million.

1.4.3.2 Regulatory capital and regulatory capital requirements

The information in this section is not covered by the Statutory Auditors' opinion on the consolidated financial statements.

The regulatory capital is broken down into three tiers (core Tier 1 capital, additional Tier 1 capital, and Tier 2 capital) composed of equity or debt instruments, which are subjected to regulatory adjustments. The Banque Stellantis France Group has Tier 1 and 2 capital instruments.

Tier 1 capital instruments are composed of the following:

- share capital and the corresponding issuance premiums;
- retained earnings and other reserves;
- components of income recognised directly in equity.

Regulatory deductions made to this regulatory capital include the following items:

- share of income for the financial year yet to be allocated;
- estimated amounts of projected dividend distributions;

- adjustments to CET1 due to prudential filters;
- negative difference between recognised impairment and the expected losses statistically calculated for Risk Weighted Assets (RWA) stated using the Internal Rating Based (IRB) method;
- securitisation positions which can be subject to a 1.250% risk weight;
- other intangible assets;
- insufficient hedging of non-performing exposures;
- other prudential deductions corresponding to the contributions of the Banque Stellantis France Group to the French Deposit Insurance and Resolution Fund (*Fonds de Garantie des Dépôts et de Résolution*, FGDR) and the Single Resolution Fund (SRF) deducted from Tier 1 regulatory capital.

1 Management report

Risk factors and regulatory capital adequacy - Pillar III

Tier 2 capital instruments are composed exclusively of subordinated debt.

A total of three levels of solvency ratio are calculated:

- the core Tier 1 capital ratio or CET1 ratio;
- the Tier 1 capital ratio or T1 ratio;

- the total capital ratio.

These ratios are calculated by dividing each category of the Group's regulatory capital by the sum of risk-weighted assets.

Table EU CCYB1 – Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer

This table provides the geographical distribution of the exposure amounts and risk-weighted exposure amounts of its credit exposures used as a basis for the calculation of the countercyclical capital buffer, in application of point (a) of Article 440 CRR "Disclosure of countercyclical capital buffers".

(in million euros)	General credit exposures		Relevant credit exposures – Market risk			Securitisation exposures Exposure value for non-trading book	Total exposure value
	Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models			
Germany	0	-	-	-	-	-	0 ...
Belgium	1,305	-	-	-	-	-	1,305 ...
Spain	40	-	-	-	-	-	40
France	3,693	15,101	-	-	-	752	19,546
Luxembourg	4	-	-	-	-	-	4
Netherlands	820	-	-	-	-	-	820
TOTAL	5,862	15,101	-	-	-	752	21,715 ...

(in million euros)	Own fund requirements				Risk-weighted exposure amounts	Own fund requirements weights (%)	Counter-cyclical buffer rate (%)
	Relevant credit risk exposures – Credit risk	Relevant credit exposures – Market risk	Relevant credit exposures – Securitisation positions in the non-trading book	Total			
Germany ...	0	-	-	0	0	0.0%	0.75%
Belgium	84	-	-	84	1,054	7.3%	0.00%
Spain	1	-	-	1	8	0.1%	0.00%
France	1,005	-	-	1,011	12,638	88.1%	0.50%
Luxembourg	0	-	-	0	2	0.0%	0.50%
Netherlands ...	52	-	-	52	646	4.5%	1.00%
TOTAL ...	1,142	-	-	6	1,148	14,348	100.0%

Table EU CCYB2 – Amount of institution-specific countercyclical capital buffer

This table provides the amount of the institution-specific countercyclical capital buffer, in application of point (b) of Article 440 CRR "Disclosure of countercyclical capital buffers".

(in million euros)

Total risk exposure amount	15,611
Institution specific countercyclical capital buffer rate	0.5%
INSTITUTION SPECIFIC COUNTERCYCLICAL CAPITAL BUFFER REQUIREMENT	76

From April 7, 2023, the High Council for Financial Stability (HCSF) raised the countercyclical capital buffer from 0% to 0.5% in France. It increased to 1% from 2 January 2024

Table EU CC1 – Composition of regulatory own funds

This table provides a breakdown of the constituent elements of regulatory own funds, in application of points (a), (d), (e) and (f) of Article 437 CRR “Disclosure of own funds”.

(in million euros)	Amounts	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
Common Equity Tier 1 (CET1) capital: instruments and reserves		
1 Capital instruments and the related share premium accounts	738	(a)
<i>of which: Instrument type 1</i>	738	
<i>of which: Instrument type 2</i>	-	
<i>of which: Instrument type 3</i>	-	
2 Retained earnings	303	(b)
3 Accumulated other comprehensive income (and other reserves)	947	(b), (c)
EU-3a Funds for general banking risk	-	
4 Amount of qualifying items referred to in Article 484 (3) CRR and the related share premium accounts subject to phase out from CET1	-	
5 Minority interests (amount allowed in consolidated CET1)	-	
EU-5a Independently reviewed interim profits net of any foreseeable charge or dividend	96	
6 Common Equity Tier 1 (CET1) capital before regulatory adjustments	2,084	
Common Equity Tier 1 (CET1) capital: regulatory adjustments		
7 Additional value adjustments (negative amount)	-	
8 Intangible assets (net of related tax liability) (negative amount)	(37)	
9 Not applicable	-	
10 Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) CRR are met) (negative amount)	-	
11 Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	(0)	
12 Negative amounts resulting from the calculation of expected loss amounts	(141)	
13 Any increase in equity that results from securitised assets (negative amount)	-	
14 Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	-	
15 Defined-benefit pension fund assets (negative amount)	-	
16 Direct, indirect and synthetic holdings by an institution of own CET1 instruments (negative amount)	-	
17 Direct, indirect and synthetic holdings of the CET 1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	
18 Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	
19 Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	
20 Not applicable	-	
EU-20a Exposure amount of the following items which qualify for a RW of 1,250%, where the institution opts for the deduction alternative	(2)	
EU-20b <i>of which: qualifying holdings outside the financial sector (negative amount)</i>	-	
EU-20c <i>of which: securitisation positions (negative amount)</i>	(2)	
EU-20d <i>of which: free deliveries (negative amount)</i>	-	
21 Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met) (negative amount)	-	
22 Amount exceeding the 17.65% threshold (negative amount)	-	
23 <i>of which: direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities</i>	-	
24 Not applicable	-	

1 Management report

Risk factors and regulatory capital adequacy - Pillar III

(in million euros)	Amounts	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
25 <i>of which: deferred tax assets arising from temporary differences</i>	-	
EU-25a Losses for the current financial year (negative amount)	-	
EU-25b Foreseeable tax charges relating to CET1 items except where the institution suitably adjusts the amount of CET1 items insofar as such tax charges reduce the amount up to which those items may be used to cover risks or losses (negative amount)	-	
26 Not applicable	-	
27 Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount)	-	
27a Other regulatory adjustments	(13)	
28 Total regulatory adjustments to Common Equity Tier 1 (CET1)	(193)	
29 Common Equity Tier 1 (CET1) capital	1,891	
Additional Tier 1 (AT1) capital: instruments		
30 Capital instruments and the related share premium accounts	-	
31 <i>of which: classified as equity under applicable accounting standards</i>	-	
32 <i>of which: classified as liabilities under applicable accounting standards</i>	-	
33 Amount of qualifying items referred to in Article 484 (4) CRR and the related share premium accounts subject to phase out from AT1	-	
EU-33a Amount of qualifying items referred to in Article 494a(1) CRR subject to phase out from AT1	-	
EU-33b Amount of qualifying items referred to in Article 494b(1) CRR subject to phase out from AT1	-	
34 Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties	-	
35 <i>of which: instruments issued by subsidiaries subject to phase out</i>	-	
36 Additional Tier 1 (AT1) capital before regulatory adjustments	-	
Additional Tier 1 (AT1) capital: regulatory adjustments		
37 Direct, indirect and synthetic holdings by an institution of own AT1 instruments (negative amount)	-	
38 Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	
39 Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	
40 Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	-	
41 Not applicable	-	
42 Qualifying T2 deductions that exceed the T2 items of the institution (negative amount)	-	
42a Other regulatory adjustments to AT1 capital	-	
43 Total regulatory adjustments to Additional Tier 1 (AT1) capital	-	
44 Additional Tier 1 (AT1) capital	-	
45 Tier 1 capital (T1 = CET1 + AT1)	1,891	
Tier 2 (T2) capital: instruments		
46 Capital instruments and the related share premium accounts	300	(d)
47 Amount of qualifying items referred to in Article 484(5) CRR and the related share premium accounts subject to phase out from T2 as described in Article 486(4) CRR	-	
EU-47a Amount of qualifying items referred to in Article 494a(2) CRR subject to phase out from T2	-	
EU-47b Amount of qualifying items referred to in Article 494b(2) CRR subject to phase out from T2	-	
48 Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties	-	

(in million euros)	Amounts	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
49 <i>of which: instruments issued by subsidiaries subject to phase out</i>	-	
50 Credit risk adjustments	-	
51 Tier 2 (T2) capital before regulatory adjustments	300	
Tier 2 (T2) capital: regulatory adjustments		
52 Direct, indirect and synthetic holdings by an institution of own T2 instruments and subordinated loans (negative amount)	-	
53 Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	
54 Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	
54a Not applicable	-	
55 Direct, indirect and synthetic holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	-	
56 Not applicable	-	
EU-56a Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution (negative amount)	-	
EU-56b Other regulatory adjustments to T2 capital	-	
57 Total regulatory adjustments to Tier 2 (T2) capital	-	
58 Tier 2 (T2) capital	300	
59 Total capital (TC = T1 + T2)	2,191	
60 Total Risk exposure amount	15,611	
Capital ratios and requirements including buffers		
61 Common Equity Tier 1 capital	12.1%	
62 Tier 1 capital	12.1%	
63 Total capital	14.0%	
64 Institution CET1 overall capital requirements	8.3%	
65 <i>of which: capital conservation buffer requirement</i>	2.5%	
66 <i>of which: countercyclical capital buffer requirement</i>	0.5%	
67 <i>of which: systemic risk buffer requirement</i>	0.0%	
EU-67a <i>of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer requirement</i>	0.0%	
EU-67b <i>of which: additional own funds requirements to address the risks other than the risk of excessive leverage</i>	0.8%	
68 Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements	3.0%	
National minima (if different from Basel III)		
69 Not applicable	-	
70 Not applicable	-	
71 Not applicable	-	
Amounts below the thresholds for deduction (before risk weighting)		
72 Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	-	
73 Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 17.65% thresholds and net of eligible short positions)	-	
74 Not applicable	-	

1 Management report

Risk factors and regulatory capital adequacy - Pillar III

(in million euros)	Amounts	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
75 Deferred tax assets arising from temporary differences (amount below 17.65% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met)	4	
Applicable caps on the inclusion of provisions in Tier 2		
76 Credit risk adjustments included in T2 in respect of exposures subject to standardised approach (prior to the application of the cap)	-	
77 Cap on inclusion of credit risk adjustments in T2 under standardised approach	-	
78 Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	-	
79 Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	-	
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2014 and 1 Jan 2022)		
80 Current cap on CET1 instruments subject to phase out arrangements	-	
81 Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-	
82 Current cap on AT1 instruments subject to phase out arrangements	-	
83 Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-	
84 Current cap on T2 instruments subject to phase out arrangements	-	
85 Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-	

Table EU CC2 – Reconciliation of regulatory own funds to balance sheet in the audited financial statements

This table enables to identify the differences between the scope of accounting consolidation and the scope of regulatory consolidation, and to show the link between the balance sheet in published financial statements and the numbers that are used in the composition of capital disclosure table EU CC1, in application of point (a) of Article 437 CRR “Disclosure of own funds”.

(in million euros)	Balance sheet as in published financial statements as at 31/12/2023	Under regulatory scope of consolidation as at 31/12/2023	Reference
Assets - Breakdown by asset classes according to the balance sheet in the published financial statements			
Cash, central banks	1,838	1,838	
Financial assets at fair value through profit or loss	25	25	
Hedging instruments	5	5	
Financial assets at fair value through Equity	-	-	
Loans and advances to credit institutions at amortised cost	801	801	
Customer loans and receivables at amortised cost	19,762	19,762	
Fair value adjustments to finance receivables portfolios hedged against interest rate risk	11	11	
Current tax assets	21	21	
Deferred tax assets	4	4	
Accruals and other assets	567	567	
Property and equipment	97	97	
Intangible assets	37	37	
TOTAL ASSETS	23,168	23,168	
Liabilities - Breakdown by liability classes according to the balance sheet in the published financial statements			
Central banks	-	-	
Financial liabilities at fair value through profit or loss	22	22	
Hedging instruments	6	6	
Deposits from credit institutions	7,022	7,022	
Due to customers	4,401	4,401	
Debt securities	7,309	7,309	
Insurance contracts issued	4	4	
Current tax liabilities	7	7	
Deferred tax liabilities	696	696	
Accruals and other liabilities	1,026	1,026	
Provisions	20	20	
Subordinated debt	301	301	(d)
Equity	2,354	2,354	
TOTAL LIABILITIES	23,168	23,168	
Shareholders' Equity			
Equity attributable to equity holders of the parent	2,354	2,354	
Share capital and other reserves	757	757	(a)
Consolidated reserves	1,600	1,600	(b)
of which: Net income - equity holders of the parent	366	366	
Gains and losses recognised directly in Equity	(3)	(3)	(c)
Minority interests	-	-	
TOTAL SHAREHOLDERS' EQUITY	2,354	2,354	

1 Management report

Risk factors and regulatory capital adequacy - Pillar III

1.4.3.2.1 Regulatory capital

As at 31 December 2023, the Basel III (CRD IV) Tier 1 capital ratio in respect of Pillar I stood at 12.1% and the total capital ratio was 14.0%. Basel III Tier 1 regulatory capital amounted to €1,891 million at the closing date of financial year 2023,

taking into account the deduction of the difference between recognised impairment and expected losses of -€141 million on IRB scope. The regulatory capital requirement stood at €1,249 million as at 31 December 2023.

Group capital requirement and risk-weighted assets

(in million euros)	RWA					Capital requirements	RWA					Capital requirements
	31/12/2023						30/06/2023					31/12/2022
	Total	of which: France	of which: Belgium, Luxembourg	of which: the Netherlands	Total	Total	of which: France	of which: Belgium, Luxembourg	of which: the Netherlands	Total	France	Capital requirements
Credit risk	14,395	12,625	1,091	679	1,152	13,878	11,939	1,168	771	1,110	10,910	872
Standardised approach	4,151	2,381	1,091	679	332	3,581	1,642	1,168	771	286	1,343	107
Sovereigns, central banks, and administrations	18	18	0	0	1	18	18	0	0	1	16	1
Institutions	197	169	3	25	16	157	149	7	1	13	156	13
Corporate	1,617	975	390	252	129	1,526	670	503	353	122	429	34
Retail	1,725	846	503	376	138	1,357	458	535	364	108	390	31
Other assets	594	373	195	26	48	523	347	123	53	42	352	28
Foundation Internal Ratings-Based approach (F-IRB)	5,832	5,832	0	0	467	6,021	6,021	-	-	482	5,401	432
Corporate	5,832	5,832	0	0	467	6,021	6,021	-	-	482	5,401	432
Advanced Internal Ratings-Based approach (A-IRB)	4,412	4,412	0	0	353	4,276	4,276	-	-	342	4,166	333
Retail	4,412	4,412	0	0	353	4,276	4,276	-	-	342	4,166	333
Securitisation exposures in the banking book (after the cap)	74	74	0	0	6	90	90	-	-	7	112	9
Operational risk (standardised approach)	1,142	1,038	59	45	91	1,088	973	65	50	87	969	78
Market risk	0	0	0	0	0	-	-	-	-	-	-	-
TOTAL RISKS	15,611	13,737	1,150	724	1,249	15,056	13,002	1,233	821	1,204	11,991	959
Tier 1 regulatory capital	1,891					1,887					1,623	
Tier 1 capital ratio	12.1%					12.5%					13.5%	
Total regulatory capital	2,191					2,097					1,777	
Total capital ratio	14.0%					13.9%					14.8%	

Core CET1 capital

Core capital corresponds to the share capital and associated issue premiums, reserves, income net of taxes before allocation and other items of accumulated comprehensive income and minority interests after application of the transitional provisions for the prudential filters.

The core CET1 capital of the Banque Stellantis France Group accounted for 86% of total regulatory capital at the end of December 2023 and totalled €1,891 million.

AT1 capital

AT1 regulatory capital consists of equity instruments net of any repayment incentives or obligations in accordance with Articles 51 and 52 of the CRR. The Banque Stellantis France Group does not hold any such instruments.

T2 capital

T2 regulatory capital consists of subordinated debt instruments with a minimum duration of five years with no early repayment during the first five years, in accordance with Articles 62 and 63 of the CRR. They amounted to €300 million as at 31 December 2023 in the subordinated loan category, following two loans whose treatment must be identical and simultaneous (impairment and/or conversion).

Pursuant to Article 64 of the CRR, amortisation is calculated on the carrying amount of these Tier 2 capital instruments in the final five years prior to their contractual maturity.

Eligible liabilities ("MREL")

The Banque Stellantis France Group is consolidated as part of the Banco Santander resolution entity and applies the MREL ratio (Minimum Requirement for Own Funds and Eligible Liabilities) on a consolidated basis after approval from the regulator at the end of 2022. The Banque Stellantis France Group holds no debt instruments eligible for the MREL as at 31 December 2023.

Table EU CCA – Main features of regulatory own funds instruments and eligible liabilities instruments

This table provides a description of the main features of regulatory own funds instruments and eligible liabilities instruments, in application of points (b) and (c) of Article 437 CRR “Disclosure of own funds”.

	Qualitative or quantitative information			
1 Issuer	Banque Stellantis France	Banque Stellantis France	Banque Stellantis France	Banque Stellantis France
2 Unique identifier	Stellantis Financial Services Europe Subordinated Loan 2023-1	Santander Consumer Finance Subordinated Loan 2023-1	Stellantis Financial Services Europe Subordinated Loan 2023-2	Santander Consumer Finance Subordinated Loan 2023-2
2a Public or private placement	Private	Private	Private	Private
3 Governing law(s) of the instrument	French	French	French	French
3a Contractual recognition of write down and conversion powers of resolution authorities	Yes	Yes	Yes	Yes
Regulatory treatment				
4 Current treatment taking into account, where applicable, transitional CRR rules	Tier 2 (T2) capital	Tier 2 (T2) capital	Tier 2 (T2) capital	Tier 2 (T2) capital
5 Post-transitional CRR rules	Tier 2 (T2) capital	Tier 2 (T2) capital	Tier 2 (T2) capital	Tier 2 (T2) capital
6 Eligible at solo/(sub-) consolidated/solo & (sub-) consolidated	Sub-consolidated	Sub-consolidated	Sub-consolidated	Sub-consolidated
7 Instrument type (types to be specified by each jurisdiction)	Subordinated loan	Subordinated loan	Subordinated loan	Subordinated loan
8 Amount recognised in regulatory capital or eligible liabilities (Currency in million, as of most recent reporting date)	€105 million	€105 million	€45 million	€45 million
9 Nominal amount of instrument	€105 million	€105 million	€45 million	€45 million
EU-9a Issue price	Not applicable	Not applicable	Not applicable	Not applicable
EU-9b Redemption price	Not applicable	Not applicable	Not applicable	Not applicable
10 Accounting classification	Liabilities at amortised cost	Liabilities at amortised cost	Liabilities at amortised cost	Liabilities at amortised cost
11 Original date of issuance	28 February 2023	28 February 2023	20 December 2023	20 December 2023
12 Perpetual or dated	Dated	Dated	Dated	Dated
13 Original maturity date	28 February 2033	28 February 2033	20 December 2033	20 December 2033
14 Issuer call subject to prior supervisory approval	Yes	Yes	Yes	Yes
15 Optional call date, contingent call dates and redemption amount	From 28 February 2028 with notional amount repayment - subject to a similar treatment in the subordinated loan « Santander Consumer Finance Subordinated Loan 2023-01 »	From 28 February 2028 with notional amount repayment - subject to a similar treatment in the subordinated loan « Stellantis Financial Services Europe Subordinated Loan 2023-01 »	From 20 December 2028 with notional amount repayment - subject to a similar treatment in the subordinated loan « Santander Consumer Finance Subordinated Loan 2023-02 »	From 20 December 2028 with notional amount repayment - subject to a similar treatment in the subordinated loan « Stellantis Financial Services Europe Subordinated Loan 2023-02 »
16 Subsequent call dates, if applicable	Possibility of repayment at any date after 28 February 2028	Possibility of repayment at any date after 28 February 2028	Possibility of repayment at any date after 20 December 2028	Possibility of repayment at any date after 20 December 2028

		Qualitative or quantitative information			
Coupons/dividends					
17	Fixed or floating dividend/coupon	Floating	Floating	Floating	Floating
18	Coupon rate and any related index	E3M+2.6%	E3M+2.6%	E3M+2.71%	E3M+2.71%
19	Existence of a dividend stopper	No	No	No	No
EU-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Mandatory	Mandatory	Mandatory	Mandatory
EU-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Mandatory	Mandatory	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No	No	No	No
22	Non-cumulative or cumulative	Cumulative	Cumulative	Cumulative	Cumulative
23	Convertible or non-convertible	Non convertible*	Non convertible*	Non convertible*	Non convertible*
24	If convertible, conversion trigger(s)	Not applicable	Not applicable	Not applicable	Not applicable
25	If convertible, fully or partially	Not applicable	Not applicable	Not applicable	Not applicable
26	If convertible, conversion rate	Not applicable	Not applicable	Not applicable	Not applicable
27	If convertible, mandatory or optional conversion	Not applicable	Not applicable	Not applicable	Not applicable
28	If convertible, specify instrument type convertible into	Not applicable	Not applicable	Not applicable	Not applicable
29	If convertible, specify issuer of instrument it converts into	Not applicable	Not applicable	Not applicable	Not applicable
30	Write-down features	No*	No*	No*	No*
31	If write-down, write-down trigger(s)	Not applicable	Not applicable	Not applicable	Not applicable
32	If write-down, full or partial	Not applicable	Not applicable	Not applicable	Not applicable
33	If write-down, permanent or temporary	Not applicable	Not applicable	Not applicable	Not applicable
34	If temporary write-down, description of write-up mechanism	Not applicable	Not applicable	Not applicable	Not applicable
34a	Type of subordination (only for eligible liabilities)	Not applicable	Not applicable	Not applicable	Not applicable
EU-34b	Ranking of the instrument in normal insolvency proceedings	Subordinated	Subordinated	Subordinated	Subordinated
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Senior	Senior	Senior	Senior
36	Non-compliant transitioned features	No	No	No	No
37	If yes, specify non-compliant features	Not applicable	Not applicable	Not applicable	Not applicable
37a	Link to the full term and conditions of the instrument (signposting)	Not applicable (private contract)	Not applicable (private contract)	Not applicable (private contract)	Not applicable (private contract)

* Regulatory provisions apply – i.e. depreciation or conversion into ordinary shares as decided by the regulator.

1.4.3.2.2 Regulatory capital requirements

Regulatory requirements are determined in accordance with the laws and transitional provisions applicable as of 1 January 2014 to credit institutions and investment companies as published in the Official Journal of the European Union on 26 June 2013: Regulation (EU) No. 575/2013 (CRR) and Directive 2013/36/EU (CRD IV).

On 6 April 2009, the ACPR authorised Stellantis Financial Services Europe to use the Advanced Internal Ratings-Based Approach (A-IRB) to calculate the regulatory capital requirement for the Retail portfolio, and the Foundation Internal Ratings-Based Approach (F-IRB) for the Corporate portfolio. This measure has been applied to the entities of the Banque Stellantis France Group since 1 January 2009.

In the context of the implementation of the cooperation between Stellantis Financial Services Europe and Santander Consumer Finance in 2015, the two partners aimed to keep using the internal ratings models developed by Stellantis Financial Services Europe, after review and validation of these models by Santander Group's Internal Validation Team, and after approval by the competent supervisory authorities.

As such, the Banque Stellantis France Group's internal rating system was inspected by the European Central Bank, further to which the Banque Stellantis France Group received authorisation in 2017 to maintain the internal rating methods originally developed by Stellantis Financial Services Europe for calculating risk-weighted assets (RWA). Since 2019, following the implementation of a first synthetic risk transfer

transaction and a second one in 2022, the senior securities held by CREDIPAR have been assessed using the SEC IRB approach.

All of the data used to model and calculate credit risk are extracted from the management accounting systems. The latter feed into the common risk databases: BRC (the central risk database for Retail customers) and BUIC (the Corporate customer database) that are used to uniformly track all risk parameters applicable to the Banque Stellantis France Group. From May 2023, the consolidated scope of Banque Stellantis France Group was extended to Belgium, Luxembourg and the Netherlands, for which only the standardised approach is used.

The information from the risk management databases feeds the central regulatory capital management tool (Risk Authority).

At the same time, some accounting data are also integrated with this central tool. After reconciling management and statutory accounting data, the minimum capital requirement is calculated using the aforementioned tools, and regulatory capital reports are produced.

Operational risk is measured using the standardised approach. Thus, the minimum capital requirement is calculated by applying a 12% ratio to retail net banking income and a 15% ratio to non-retail net banking income from other asset segments.

Table EU OV1 – Overview of total risk exposure amounts

This table provides an overview of total RWA forming the denominator of the risk-based capital requirements, in application of point (d) of Article 438 CRR “Disclosure of own funds requirements and risk-weighted exposure amounts”.

(in million euros)		Total risk exposure amounts (TREA)		Total own funds requirements
		31/12/2023	30/06/2023	31/12/2023
1	Credit risk (excluding CCR)	14,374	13,862	1,150
2	of which the standardised approach	4,130	3,565	330
3	of which the Foundation IRB (F-IRB) approach	5,832	6,021	467
4	of which slotting approach	-	-	-
EU-4a	of which equities under the simple risk-weighted approach	-	-	-
5	of which the Advanced IRB (A-IRB) approach	4,412	4,276	353
6	Counterparty credit risk - CCR	21	16	2
7	of which the standardised approach	13	15	1
8	of which internal model method (IMM)	-	-	-
EU-8a	of which exposures to a CCP	0	1	0
EU-8b	of which credit valuation adjustment - CVA	-	-	-
9	of which other CCR	8	-	1
10	Not applicable	-	-	-
11	Not applicable	-	-	-
12	Not applicable	-	-	-
13	Not applicable	-	-	-
14	Not applicable	-	-	-
15	Settlement risk	-	-	-
16	Securitisation exposures in the non-trading book (after the cap)	74	90	6
17	of which SEC-IRBA approach	74	90	6
18	of which SEC-ERBA (including IAA)	-	-	-
19	of which SEC-SA approach	-	-	-
EU-19a	of which 1,250%/deduction	-	-	-
20	Position, foreign exchange and commodities risks (Market risk)	-	-	-
21	of which the standardised approach	-	-	-
22	of which IMA	-	-	-
EU-22a	Large exposures	-	-	-
23	Operational risk	1,142	1,088	91
EU-23a	of which basic indicator approach	-	-	-
EU-23b	of which standardised approach	1,142	1,088	91
EU-23c	of which advanced measurement approach	-	-	-
24	Amounts below the thresholds for deduction (subject to 250% risk weight)*	4	14	0
25	Not applicable	-	-	-
26	Not applicable	-	-	-
27	Not applicable	-	-	-
28	Not applicable	-	-	-
29	TOTAL	15,611	15,056	1,249

* The data provided on this line is for information purposes only, since the amount indicated here is also included in line 1, where institutions are asked to provide information on credit risk (OJEU of 21 April 2021).

1 Management report

Risk factors and regulatory capital adequacy - Pillar III

Risk Weighted Assets (RWA) for credit risk, market risk and operational risk were €15,611 million as at 31 December 2023, compared to €15,056 million as at 30 June 2023.

The increase in RWA in France, i.e. €13,737 million as at 31 December 2023, compared with €13,002 million at 30 June 2023, reflects the growth in the Banque Stellantis France Group's overall activity with financing of all STELLANTIS brands since April 2023 and the launch of the deposit

1.4.3.2.3 Management of internal capital

The capital policy, approved by the Group's two shareholders, determines the criteria to be applied to define the internal capital objectives of the Banque Stellantis France Group and identify the share capital required to comply with regulatory ratios (Pillar I and Pillar II) and the Return On Equity (ROE).

The internal capital requirement corresponds to the minimum capital threshold the management of the Banque Stellantis France Group believes it needs to manage its risk profile and strategy.

1.4.4 Leverage ratio

The leverage ratio compares Tier 1 regulatory capital (the numerator) to an exposure consisting of the balance sheet items and off-balance sheet items which are not risk-weighted (denominator). It applies to the scope of consolidation of the Banque Stellantis France Group, which has expanded to Belgian and Dutch subsidiaries since May 2023.

The leverage ratio is not sensitive to risk factors and, as such, is considered to be a measure that complements the solvency and liquidity management system already making it possible to control balance sheet growth.

The risk of excessive leverage may lead to the implementation of corrective measures not provided for by the financial and capital trajectory, including the sale of assets. The leverage ratio is part of the risk management system. This ratio is included in a dashboard presented to the Board on a monthly basis. Monthly monitoring therefore ensures that the leverage ratio is in line with the target set by the Banque Stellantis France Group.

As at 31 December 2023, the leverage ratio stood at 7.9% (compared to 8.6% as at 30 June 2023).

Compared to 30 June 2023, the regulatory capital (in the numerator) increased by €94 million.

Tier 1 capital increased by €4 million overall due to:

- a €2 million decrease in equity;
- a €3 million rise in intangible assets;
- a €2 million rise related to the deduction of securitisation positions subject to a risk weighting of 1,250%;

collection activity in Germany since the end of June 2023, mitigated by two SRT transactions implemented in 2019 and in 2022 on the Retail portfolio of traditional loans and guarantees used to mitigate concentration risk. In addition, the consolidation of the Belgian and Dutch companies from May 2023 increased RWAs respectively by €1,150 million and €724 million as at 31 December 2023.

The dividend distribution policy defines the criteria to establish the profit which can be distributed by the Banque Stellantis France Group to its two shareholders: Stellantis Financial Services Europe and Santander Consumer Finance.

It is proposed and approved by the ALCO Committee as part of internal capital management. It is consistent with the risk profile of the Group and is intended to meet regulatory requirements.

- a €1 million rise in the negative difference between the amount of impairment and expected losses calculated by the statistical method for risk-weighted assets (RWA) using the internal rating based method (IRB).

Tier 2 capital increased by €90 million, following the issuance of two subordinated loans on 20 December 2023.

Compared to 30 June 2023, the leverage exposure (in the denominator) showed an overall increase of €1,815 million with:

- a €62 million decrease in exposures to derivatives and securities financing transactions (SFTs) and gross collateral posted on derivatives, following the application of the SA-CCR calculation in accordance with CCR II, on forward financial instruments which went from €6,710 million at 30 June 2023 to €6,450 million as at 31 December 2023;
- the implementation of a repurchase agreement in December 2023 which generated an exposure of €15 million in respect of the SFT surcharge for counterparty credit risk;
- a €7 million rise in regulatory adjustments;
- a €146 million rise in off-balance sheet exposures in accordance with Article 429 septies of the CRR;
- a €1,709 million impact in balance sheet exposures excluding derivatives and securities financing, related to the current activities of the Banque Stellantis France Group extended to Belgian and Dutch subsidiaries.

This ratio is included in the risk dashboard sent quarterly to the Audit and Risk Committee and the Board of Directors. Even if this ratio is higher than the regulatory requirements, the internal limit aims for a level higher than 6%.

Table EU LR1 – LRSUM – Summary reconciliation of accounting assets and leverage ratio exposures

This table reconciles the total assets in the published financial statements to the leverage ratio exposure measure, in application of point (b) Article 451(1) CRR “Disclosure of the leverage ratio”.

(in million euros)

	Applicable amount	
1	Total assets as per published financial statements	23,168
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	-
3	(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	-
4	(Adjustment for temporary exemption of exposures to central banks (if applicable))	-
5	(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the total exposure measure in accordance with point (i) of Article 429a(1) CRR)	-
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	-
7	Adjustment for eligible cash pooling transactions	-
8	Adjustment for derivative financial instruments	36
9	Adjustment for securities financing transactions (SFTs)	(1)
10	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	821
11	(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	0
EU-11a	(Adjustment for exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)	-
EU-11b	(Adjustment for exposures excluded from the total exposure measure in accordance with point (j) of Article 429a(1) CRR)	-
12	Other adjustments	(139)
13	TOTAL EXPOSURE MEASURE	23,885

1 Management report

Risk factors and regulatory capital adequacy - Pillar III

Table EU LR2 – LRCom – Leverage ratio common disclosure

This table provides a detailed breakdown of the components of the leverage ratio denominator, as well as a information on the actual leverage ratio, minimum requirements and buffers, in application of points (a) and (b) Article 451(1) CRR and Article 451(3) CRR "Disclosure of the leverage ratio", taking into account, where applicable, point (c) Article 451(1) and Article 451(2) CRR.

(in million euros)		CRR leverage ratio exposures	
		31/12/2023	30/06/2023
On-balance sheet exposures (excluding derivatives and SFTs)			
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	23,184	21,475
2	Gross-up for derivatives collateral provided, where deducted from the balance sheet assets pursuant to the applicable accounting framework	6	31
3	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)		-
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)		-
5	(General credit risk adjustments to on-balance sheet items)		-
6	(Asset amounts deducted in determining Tier 1 capital)	(182)	(189)
7	Total on-balance sheet exposures (excluding derivatives and SFTs)	23,008	21,317
Derivative exposures			
8	Replacement cost associated with SA-CCR derivatives transactions (ie net of eligible cash variation margin)	14	55
EU-8a	Derogation for derivatives: replacement costs contribution under the simplified standardised approach	-	-
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	27	23
EU-9a	Derogation for derivatives: Potential future exposure contribution under the simplified standardised approach	-	-
EU-9b	Exposure determined under Original Exposure Method	-	-
10	(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)	-	-
EU-10a	(Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)	-	-
EU-10b	(Exempted CCP leg of client-cleared trade exposures) (Original Exposure Method)	-	-
11	Adjusted effective notional amount of written credit derivatives	-	-
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-	-
13	Total derivatives exposures	41	78
Securities financing transaction (SFT) exposures			
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	15	-
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	(15)	-
16	Counterparty credit risk exposure for SFT assets	15	-
EU-16a	Derogation for SFTs: Counterparty credit risk exposure in accordance with Articles 429e(5) and 222 CRR	-	-
17	Agent transaction exposures	-	-
EU-17a	(Exempted CCP leg of client-cleared SFT exposure)	-	-
18	Total securities financing transaction exposures	15	-
Other off-balance sheet exposures			
19	Off-balance sheet exposures at gross notional amount	1,637	1,586
20	(Adjustments for conversion to credit equivalent amounts)	(816)	(911)
21	(General provisions deducted in determining Tier 1 capital and specific provisions associated with off-balance sheet exposures)	-	-
22	Off-balance sheet exposures	821	676
Excluded exposures			
EU-22a	(Exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)	-	-
EU-22b	(Exposures exempted in accordance with point (j) of Article 429a(1) CRR (on and off balance sheet))	-	-
EU-22c	(Excluded exposures of public development banks (or units) - Public sector investments)	-	-
EU-22d	(Excluded exposures of public development banks (or units) - Promotional loans)	-	-

(in million euros)		CRR leverage ratio exposures	
		31/12/2023	30/06/2023
EU-22e	(Excluded passing-through promotional loan exposures by non-public development banks (or units))	-	-
EU-22f	(Excluded guaranteed parts of exposures arising from export credits)	-	-
EU-22g	(Excluded excess collateral deposited at triparty agents)	-	-
EU-22h	(Excluded CSD related services of CSD/institutions in accordance with point (o) of Article 429a(1) CRR)	-	-
EU-22i	(Excluded CSD related services of designated institutions in accordance with point (p) of Article 429a(1) CRR)	-	-
EU-22j	(Reduction of the exposure value of pre-financing or intermediate loans)	-	-
EU-22k	(Total exempted exposures)	-	-
Capital and total exposure measure			
23	Tier 1 capital	1,891	1,887
24	Total exposure measure	23,885	22,071
Leverage ratio			
25	Leverage ratio (%)	7.9%	8.6%
EU-25	Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans) (%)	7.9%	8.6%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) (%)	7.9%	8.6%
26	Regulatory minimum leverage ratio requirement (%)	3.0%	3.0%
EU-26a	Additional own funds requirements to address the risk of excessive leverage (%)	0.0%	0.1%
EU-26b	<i>of which: to be made up of CET1 capital</i>	0.0%	0.1%
27	Leverage ratio buffer requirement (%)	0.0%	0.0%
EU-27a	Overall leverage ratio requirement (%)	3.0%	3.1%
Choice on transitional arrangements and relevant exposures			
EU-27b	Choice on transitional arrangements for the definition of the capital measure	-	-
Disclosure of mean values			
28	Mean of daily values of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	-	-
29	Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	-	-
30	Total exposure measure (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	23,885	22,071
30a	Total exposure measure (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	23,885	22,071
31	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	7.9%	8.6%
31a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	7.9%	8.6%

1 Management report

Risk factors and regulatory capital adequacy - Pillar III

Table EU LR3 – LRSpl – Split-up of on-balance sheet exposures (excluding derivatives, SFTS and exempted exposures)

This table provides a breakdown of the leverage ratio on-balance total exposure measure in application of point (b) Article 451(1) CRR “Disclosure of the leverage ratio”.

(in million euros)		CRR leverage ratio exposures
EU-1	TOTAL ON-BALANCE SHEET EXPOSURES (EXCLUDING DERIVATIVES, SFTS, AND EXEMPTED EXPOSURES), OF WHICH:	23,184
EU-2	Trading book exposures	-
EU-3	Banking book exposures, of which:	23,184
EU-4	<i>Covered bonds</i>	-
EU-5	<i>Exposures treated as sovereigns</i>	1,954
EU-6	<i>Exposures to regional governments, MDB, international organisations and PSE, not treated as sovereigns</i>	73
EU-7	<i>Institutions</i>	346
EU-8	<i>Secured by mortgages of immovable properties</i>	-
EU-9	<i>Retail exposures</i>	10,695
EU-10	<i>Corporates</i>	8,131
EU-11	<i>Exposures in default</i>	129
EU-12	<i>Other exposures (eg equity, securitisations, and other non-credit obligation assets)</i>	1,856

1.4.5 Credit Risk

1.4.5.1 Credit risk exposure

Exposure at default (EAD) includes credit exposures as recorded in the balance sheet and off-balance sheet including the Belgian and Dutch subsidiaries since May 2023.

The Banque Stellantis France Group uses three levels of classification of receivables (stages) and determines impairments on an individual or collective basis as described in Section 1.3.2 "Provisions for non-performing loans".

The segmentation of the Banque Stellantis France Group's business portfolios follow the Basel classification: the two

business units, Fleet (financing of corporate and government vehicle fleets) and Wholesale (financing of STELLANTIS dealer networks) are exclusively dedicated to the Basel Corporate – Banks – Local authorities – Sovereigns portfolios, while the Retail financing business (Individuals, SMEs) makes up the Basel Retail portfolio.

The rating systems in this framework are also split into Retail and Corporate. The resulting parameters (PD, LGD, EAD) are those used to calculate the regulatory capital requirements for credit risk.

Total net amount of exposures

The table below presents the total amounts of net exposures as at 31 December 2023 by exposure class.

(in million euros)	Net Value of exposures as at 31/12/2023			
	Total	of which France	of which Belgium, Luxembourg	of which the Netherlands
Central governments or central banks	-	-	-	-
Institutions	-	-	-	-
Corporates	7,045	7,045	-	-
<i>of which: Specialised lending</i>	-	-	-	-
<i>of which: SMEs</i>	706	706	-	-
Retail	8,924	8,924	-	-
<i>Secured by real estate property</i>	-	-	-	-
<i>SMEs</i>	-	-	-	-
<i>Non-SMEs</i>	-	-	-	-
<i>Qualifying revolving</i>	-	-	-	-
<i>Other retail</i>	8,924	8,924	-	-
<i>SMEs</i>	2,590	2,590	-	-
<i>Non-SMEs</i>	6,334	6,334	-	-
Equity	-	-	-	-
Total IRB approach	15,929	15,929	-	-
Central governments or central banks	1,954	1,939	13	2
Regional governments or local authorities	74	72	2	0
Public sector entities	-	-	-	-
Multilateral development banks	-	-	-	-
International organisations	-	-	-	-
Institutions	424	361	10	53
Corporates	2,167	1,575	338	254
<i>of which: SMEs</i>	544	312	178	54
Retail	2,465	1,208	718	539
<i>of which: SMEs</i>	801	369	268	164
Secured by mortgages on immovable property	0	0	-	-
<i>of which: SMEs</i>	-	-	-	-
Exposures in default	47	12	33	2
Items associated with particularly high risk	-	-	-	-
Covered bonds	-	-	-	-
Claims on institutions and corporates with a short-term credit assessment	454	454	-	0
Collective investments undertakings	-	-	-	-
Equity exposures	-	-	-	-
Other exposures	674	367	261	46
Total standardised approach	8,259	5,988	1,375	896
TOTAL	24,188	21,917	1,375	896

1 Management report

Risk factors and regulatory capital adequacy - Pillar III

Table EU CR1 – Performing and non-performing exposures and related provisions

This table provides a comprehensive view of the quality of performing and non-performing exposures and related provisions, including their related accumulated impairment, provisions and negative fair value changes due to credit risk and amounts of collateral and financial guarantees received by exposure class, in application of points (c) and (e) of Article 442 CRR “Disclosure of exposures to credit risk and dilution risk”.

(in million euros)	Gross carrying amount/ nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Collateral and financial guarantees received			
	Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions			Accu- mulated partial write-off	On performing exposures	On non performing exposures	
		of which stage 1	of which stage 2		of which stage 2	of which stage 3		of which stage 1	of which stage 2		of which stage 2	of which stage 3				
Cash balances at central banks and other demand deposits	2,639	2,639	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances	19,707	18,327	1,368	260	51	199	(78)	(32)	(45)	(128)	(3)	(118)	-	11,266	93	
Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
General governments	82	79	2	5	2	2	(0)	(0)	(0)	(2)	(1)	(1)	-	76	3	
Credit institutions	2	2	0	-	-	-	(0)	(0)	-	-	-	-	-	2	-	
Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-financial corporations	11,389	10,280	1,099	140	32	99	(48)	(18)	(29)	(60)	(1)	(52)	-	5,878	80	
<i>of which SMEs</i>	4,442	4,200	238	109	13	90	(22)	(14)	(9)	(53)	(1)	(48)	-	3,242	46	
Households	8,234	7,966	267	115	17	98	(30)	(14)	(16)	(66)	(1)	(65)	-	5,310	10	
Debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
General governments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Off-balance sheet exposures	1,945	872	2	2	-	2	2	2	0	1	-	1	-	-	-	-
Central banks	1,070	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
General governments	1	1	-	-	-	-	0	0	-	0	-	0	-	-	-	-
Credit institutions	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-financial corporations	414	412	2	2	-	2	2	2	0	1	-	1	-	-	-	-
Households	459	459	-	-	-	-	0	0	-	-	-	-	-	-	-	-
TOTAL	24,291	21,388	1,370	262	51	201	(76)	(30)	(45)	(127)	(3)	(117)	-	11,266	93	

Table EU CR1-A – maturity of exposures

This table provides the breakdown of net exposure values by residual maturity and exposure class, in application of point (g) of Article 442 CRR “Disclosure of exposures to credit risk and dilution risk”.

(in million euros)	Net exposure value					Total
	On demand	≤ 1 year	> 1 year ≤ 5 years	> 5 years	No stated maturity	
Loans and advances	-	9,819	9,168	100	675	19,762
Debt securities	-	-	-	-	-	-
TOTAL	-	9,819	9,168	100	675	19,762

Table EU CQ1 – Credit quality of forborne exposures

This table provides an overview of the quality of forborne exposures, in application of point (c) of Article 442 CRR “Disclosure of exposures to credit risk and dilution risk”.

(in million euros)	Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	
	Performing forborne	Non-performing forborne		On performing forborne exposures	On non performing forborne exposures	of which collateral and financial guarantees received on non-performing exposures with forbearance measures		
		of which defaulted	of which impaired					
Cash balances at central banks and other demand deposits	-	-	-	-	-	-	-	-
Loans and advances	8	25	25	25	(1)	(16)	4	2
Central banks	-	-	-	-	-	-	-	-
General governments	-	0	0	0	-	(0)	-	-
Credit institutions	-	-	-	-	-	-	-	-
Other financial corporations	-	-	-	-	-	-	-	-
Non-financial corporations	0	5	5	5	(0)	(4)	1	-
Households	8	20	20	20	(1)	(12)	3	-
Debt Securities	-	-	-	-	-	-	-	-
Loan commitments given	-	-	-	-	-	-	-	-
TOTAL	8	25	25	25	(1)	(16)	4	2

1 Management report

Risk factors and regulatory capital adequacy - Pillar III

Table EU CQ3 – Credit quality of performing and non-performing exposures by past due days

This table provides an ageing analysis of accounting past due exposures, in application of point (d) of Article 442 CRR “Disclosure of exposures to credit risk and dilution risk”.

(in million euros)	Gross carrying amount/nominal amount												
	Performing exposures			Non-performing exposures									of which defaulted
	Not past due or past due ≤ 30 days	Past due > 30 days ≤ 90 days		Unlikely to pay that are not past due or are past due ≤ 90 days	Past due > 90 days ≤ 180 days	Past due > 180 days ≤ 1 year	Past due > 1 year ≤ 2 years	Past due > 2 years ≤ 5 years	Past due > 5 years ≤ 7 years	Past due > 7 years			
Cash balances at central banks and other demand deposits	2,639	2,639	-	-	-	-	-	-	-	-	-	-	
Loans and advances	19,707	19,657	50	260	104	40	36	40	36	3	1	260	
Central banks	-	-	-	-	-	-	-	-	-	-	-	-	
General governments	82	82	0	5	4	0	0	0	0	0	0	5	
Credit institutions	2	2	0	-	-	-	-	-	-	-	-	-	
Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	
Non-financial corporations	11,389	11,369	20	140	70	22	17	17	9	3	1	140	
<i>of which SMEs</i>	4,442	4,427	15	109	43	21	17	16	8	3	1	109	
Households	8,234	8,204	30	115	30	18	18	22	27	0	0	115	
Debt securities	-	-	-	-	-	-	-	-	-	-	-	-	
Central banks	-	-	-	-	-	-	-	-	-	-	-	-	
General governments	-	-	-	-	-	-	-	-	-	-	-	-	
Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	
Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	
Non-financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	
Off-balance sheet exposures	1,945			2								0	
Central banks	1,070			-								-	
General governments	1			-								0	
Credit institutions	0			-								-	
Other financial corporations	-			-								-	
Non-financial corporations	414			2								0	
Households	459			-								-	
TOTAL	24,291	22,296	50	262	104	40	36	40	36	3	1	260	

1.4.5.2 Credit risk management

Credit risk is the risk of loss resulting from the inability of a customer to meet the payment or other obligations of a contract entered into with the Banque Stellantis France Group. While the Group is generally able to take back and resell the financed vehicle following a payment default, the resale price of a vehicle may not be sufficient to cover the loss incurred as a result of payment default. In addition, contractually, the Banque Stellantis France does not bear any residual value risk in view of the commitments to buy back vehicles by the car dealers or the brands themselves.

Regardless of the prudent customer selection policy, the level of credit risk is influenced by the economic environment, both in terms of defaults and the market value of vehicles that are recovered and sold on the secondary market.

1.4.5.2.1 Credit risk measurement

The risk is measured on a daily basis.

At the time financing is granted, the risk measurement is based on internal rating models developed and backtested by risk experts. Customer selection is based on rating models (for Corporate customers) or score decision-making tools (for Retail customers), both managed and controlled by the Risk Department of the Banque Stellantis France Group with the support of the shareholders, Stellantis Financial Services Europe and Santander Consumer Finance. Decision-making systems are configured according to the characteristics of the automotive market, thus optimising its efficiency and ensuring its compliance. Monitoring is carried out on a very regular basis to measure the effectiveness of the tools used.

For financing granted to individual customers and small and medium-sized companies (qualified as Retail customers), either the lending decisions are automatic, or they require additional analyses requested within the framework of the expert risk analysis systems or carried out at the initiative of the credit analyst. The models are enriched with data from external databases, or internal information such as the payment behaviour of a customer (in the event of renewal of financing following the purchase of a new vehicle). Monitoring of Retail lending decisions is submitted to the Banque Stellantis France Loan Committee or the Cooperation Credit Committee depending on the level of delegation.

For the Corporate portfolios (consisting of large companies and public entities and of the dealer network of STELLANTIS' brands), the granting decisions follow the same approach and go until the approval of the local Loan Committee or the Cooperation Credit Committee managed by the shareholders.

The brand dealer network portfolio is closely monitored and supervised by the Joint Network Management committees with the brands of STELLANTIS.

1.4.5.2.2 Credit risk management

Credit risk management is based in particular on:

- a product offering that sets out the legal nature of the product and the associated guarantees, the maximum duration of the product, the minimum contribution level, step-up amounts, if applicable, and residual values;
- a verification of the risk of over-invoicing of the financed amount as well as a verification of double financing;

- loans granted that may be subject to certain conditions (contribution rate, guarantee, etc.);
- a strict loan granting procedure and strict delegation rules;
- a verification, before the financing is set up, of the supporting documents requested for the granting of the loan, including any guarantees that were conditional on the granting of the loan.

In addition, for the Corporate dealer portfolios:

- the setting of credit lines and the associated validity periods. The credit lines are individualised by financial product and are not fungible with each other, except in the case of stock financing;
- collective guarantee schemes or guarantees taken at the time of entering into a relationship, at the time of the renewal of lines or in the event of a deterioration in the level of risk between two renewals of credit lines. Guarantees may be personal, relate to identified assets or be given by credit insurers or in the form of bank guarantees;
- daily monitoring of any payment incidents;
- a graduated alert system ranging from placing on watch to default, including in the form of conditional default, i.e. even in the absence of any arrears;
- qualification of the entire portfolio according to the Santander Consumer Finance methodology, which consists of defining a general credit strategy according to the risk profile of each Corporate customer;
- a system that triggers a new dealer rating according to changes in financial or commercial indicators of its activity;
- stock audits, the frequency of which depends on the risk profile of the dealer as well as the retention of registration documents for certain used vehicle financing or at certain dealers;
- and lastly, network financing contracts which provide that, at any time, according to the provisions in force, the financed vehicles may be pledged.

1.4.5.2.3 Credit risk monitoring

For the Retail business, risk monitoring covers:

- changes in the quality of financing applications and the quality of new financing production;
- changes in arrears by type of customer and origin of the request (brand, point of sale, acceptance entity);
- payment behaviour indicators by type of financing, customer segment, year of production, etc.;
- the Basel portfolio contract risk measurement indicators.

The risk monitoring indicators are analysed by Banque Stellantis France Group analysts. The risk areas identified may lead to changes in the measurement or control of the risk.

For the Corporate portfolios, risk monitoring is mainly carried out via:

- monitoring the drawdowns of credit lines;
- the regular monitoring of the financial position and interim results of the counterparty in absolute value and in relative value compared to the overall results of the network;

1 Management report

Risk factors and regulatory capital adequacy - Pillar III

- the monitoring of payment incidents and unpaid debts and their resolution;
- the monitoring, through automatic reporting of information, of potentially serious events such as cessations of activity, restructuring or court-ordered liquidations;
- monitoring of credit line drawdowns, any payment incidents and findings from stock audits for network financing;
- the close monitoring of dealers appearing in the watch list or in a situation of default or conditional default and/or for which the strategy defined by the Banque Stellantis France Group in terms of credit is to reduce or withdraw from the financing;
- an internal Corporate Dealer Monitoring Committee with the Risk Management and Control Committee meeting on a monthly basis, in which the representatives in charge of managing the STELLANTIS's brands participate without voting rights.

Cross-functional risk monitoring is also carried out on an ongoing basis by the risk management and control function. Very regular monitoring (quantitative and qualitative) on credit risk is carried out on all portfolios and communicated within the Banque Stellantis France and to shareholders. Credit risk control and monitoring across all portfolios (Retail and Corporate) are supervised by the Risk Management and Control Committee and their results are reported monthly to Executive Management through this committee.

1.4.5.3 Diversification of credit/concentration risk

1.4.5.3.1 Risk factors

The concentration risk comes from a significant accumulation of exposures on certain categories, sectors, or markets.

The Banque Stellantis France Group is subject to several types of concentration risk:

- concentration risk related to the granting of credit to individuals;
- and sectorial concentration risk for credit transactions.

1.4.5.3.2 Concentration risk measurement, management and monitoring

The individual concentration risk is governed by internal limits and the regulatory limit of 25% of Tier 1 regulatory capital, in accordance with the Risk Appetite Framework.

The level of concentration risk is measured by concentration indices for sectorial and individual concentration risks in credit transactions. Risk limits have been set for the risks of individual concentration, sector concentration and the concentration of credit institutions granting bank lines to Banque Stellantis France entities.

Depending on their nature, concentration risk limits are presented monthly to the Risk Management and Control Committee and to the various supervisory bodies of the Banque Stellantis France Group.

The Banque Stellantis France Group closely monitors the level of its commitments to STELLANTIS.

As at 31 December 2023, the outstanding loans of the Banque Stellantis France Group to STELLANTIS stood at €370 million, representing 19.6% of Tier 1 regulatory capital.

On the same date, the Banque Stellantis France Group's ten main outstanding loans, other than those to STELLANTIS, totalled €2,702 million.

These ten main outstanding loans break down into the following counterparty categories:

- banks : €203 million ;
- insurers : €824 million ;
- dealer network (with no financial ties to STELLANTIS) : €1,322 million ;
- corporates (excluding dealer network) : €353 million (transport and construction sector).

As at 31 December 2023, there was no net exposure on a single counterparty in excess of 25% of Tier 1 regulatory capital. This is partly made possible by the implementation of three credit insurance policies with three leading insurers to partially cover the risk related to the financing of vehicle stocks and spare parts financed by the Banque Stellantis France Group.

1.4.5.4 Standardised approach

Central governments and central banks, banking institutions and local authorities are assessed using the standardised approach for calculating regulatory capital requirements.

In order to calculate the capital requirement for credit risk using the standardised approach, the Banque Stellantis France Group's external rating system consists of assigning a short-/long-term rating to each counterparty based on three External Credit Assessment Institutions (ECAI): by order of priority Standard & Poor's, Moody's and Fitch.

The reconciliation of these ratings with the credit quality steps provided for by the regulations complies with the supervisory requirements. ECAs are used for the following exposure categories: governments and central banks, banking institutions and local authorities.

The counterparty's step and weighting are determined according to its rating. This weighting is associated with the asset issued by the counterparty. Currently, according to the decision tree, all banks in relation with the Banque Stellantis France Group are in step 2, with a weighting of 20%. For the following counterparties: multinational banks, sovereign central bank, without rating, the French rating (i.e. AA, or step 1) is used. In fact, the weighting applicable to the sovereign central bank is 0%. The weighting applicable to multinational banks is 20%. For exposures without a rating, the Banque Stellantis France relies on the decision tree of unlisted counterparties.

Beyond this framework, the use of an external rating that is not directly applicable is non-existent. For unrated exposures, the Banque Stellantis France applies the regulatory weightings, in accordance with the provisions mentioned in the CRR. Exposures from Belgium, Luxembourg and the Netherlands are treated exclusively under the standardised approach.

Mapping tables

These tables specify the correspondence between the credit risk assessments of external credit assessment institutions and the credit quality steps set out in Regulation (EU) 575/2013 for the purposes of Article 16 of the Commission Implementing Regulation (EU) 2016/1799 amended by the Commission Implementing Regulation (EU) 2021/2005 of 16 November 2021, entered into force on 6 December 2021.

Credit quality step	1	2	3	4	5	6
STANDARD & POOR'S GLOBAL RATINGS EUROPE LIMITED						
Long-term issuer credit rating scale	AAA, AA	A	BBB	BB	B	CCC, CC, R, SD/D
Long-term issue credit rating scale	AAA, AA	A	BBB	BB	B	CCC, CC, C, D
Insurer financial strength rating scale	AAA, AA	A	BBB	BB	B	CCC, CC, SD/D, R
Long-term Financial Institution Resolution Counterparty Ratings	AAA, AA	A	BBB	BB	B	CCC, CC, SD, D
Mid-Market Evaluation rating scale		MM1	MM2	MM3, MM4	MM5, MM6	MM7, MM8, MMD
Short-term issuer credit rating scale	A-1+	A-1	A-2, A-3	B, C, R, SD/D		
Short-term issue credit rating scale	A-1+	A-1	A-2, A-3	B, C, D		
Short-term Financial Institution Resolution Counterparty Ratings	A-1+	A-1	A-2, A-3	B, C, SD/D		
MOODY'S INVESTORS SERVICE						
Global long-term rating scale	Aaa, Aa	A	Baa	Ba	B	Caa, Ca, C
Global short-term rating scale	P-1	P-2	P-3	NP		
FITCH RATINGS IRELAND LIMITED						
Long-term issuer default rating scale	AAA, AA	A	BBB	BB	B	CCC, CC, C, RD, D
Corporate finance obligations – long-term rating scale	AAA, AA	A	BBB	BB	B	CCC, CC, C
Long-term international Insurer Financial Strength rating scale	AAA, AA	A	BBB	BB	B	CCC, CC, C
Derivative counterparty rating scale	AAA dcr, AA dcr	A dcr	BBB dcr	BB dcr	B dcr	CCC dcr, CC dcr, C dcr
Short-term rating scale	F1+	F1	F2, F3	B, C, RD, D		
Short-term IFS rating scale	F1+	F1	F2, F3	B, C		

1 Management report

Risk factors and regulatory capital adequacy - Pillar III

Standardised approach (STD)

The Banque Stellantis France Group uses the standardised approach for the following exposure categories :

- central governments and central banks;
- regional and local governments;
- public sector entities;
- international organisations;
- institutions;
- exposures of non-dealer agents of the STELLANTIS network;

- outstandings resulting from free payment offers to customers at points of sale;
- outstandings from dealer networks other than Peugeot, Citroën and DS to retail customers as well as to the exclusive dealers of these networks.

From May 2023, the consolidated scope of Banque Stellantis France Group was extended to Belgium, Luxembourg and the Netherlands. Exposures from these countries are exclusively treated using the standardised approach.

Table EU CR4 – Standardised approach – Credit risk exposure and CRM effects

This table illustrates the effects of credit risk mitigation techniques on capital requirement calculations under the standardised approach for credit risk by exposure class, in application of points (g), (h) and (i) of Article 453 CRR “Disclosure of the use of credit risk mitigation techniques” and point (e) of Article 444 CRR “Disclosure of the use of the Standardised Approach”.

RWA density provides a synthetic metric on the riskiness of each portfolio.

Exposure classes (in million euros)	Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWA and RWA density	
	On-balance- sheet exposures	Off-balance- sheet exposures	On-balance- sheet exposures	Off-balance- sheet exposures	RWA	RWA density (%)
Central governments or central banks	1,954	0	1,954	0	-	0%
Regional government or local authorities	74	1	74	1	15	20%
Public sector entities	-	-	-	-	-	-
Multilateral development banks	-	-	-	-	-	-
International organisations	-	-	-	-	-	-
Institutions	346	0	346	0	84	24%
Corporates	1,174	992	2,151	83	1,506	67%
Retail	2,155	310	2,153	310	1,704	69%
Secured by mortgages on immovable property	0	-	0	-	0	0%
Exposures in default	45	2	45	2	59	124%
Exposures associated with particularly high risk	-	-	-	-	-	-
Covered bonds	-	-	-	-	-	-
Institutions and corporates with a short-term credit assessment	455	-	455	-	91	20%
Collective investment undertakings	-	-	-	-	-	-
Equity	-	-	-	-	-	-
Other items	662	12	662	2	671	101%
TOTAL	6,865	1,317	7,840	398	4,130	50%

Table EU CR5 – Standardised approach

This table presents the breakdown of credit risk exposures under the standardised approach by asset class and risk weight (corresponding to the riskiness attributed to the exposure according to standardised approach), in application of point (e) of Article 444 CRR “Disclosure of the use of the Standardised Approach”.

Exposure classes (in million euros)	Risk weight															Total	of which unrated	
	0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	250%	370%	1250%	Others			
Central governments or central banks	1,954	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,954	1,954
Regional government or local authorities	-	-	-	-	75	-	-	-	-	-	-	-	-	-	-	-	75	75
Public sector entities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Institutions	-	-	-	-	296	-	50	-	-	-	-	-	-	-	-	-	346	296
Corporates	-	-	-	-	415	-	562	-	-	1,258	-	-	-	-	-	-	2,234	1,258
Retail exposures	-	-	-	-	-	-	-	-	2,463	-	-	-	-	-	-	-	2,463	2,463
Exposures secured by mortgages on immovable property	-	-	-	-	-	-	-	-	-	0	-	-	-	-	-	-	0	0
Exposures in default	-	-	-	-	-	-	-	-	-	24	23	-	-	-	-	-	47	47
Exposures associated with particularly high risk	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Covered bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Exposures to institutions and corporates with a short-term credit assessment	-	-	-	-	455	-	-	-	-	-	-	-	-	-	-	-	455	-
Units or shares in collective investment undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other items	-	-	-	-	-	-	-	-	-	584	-	4	-	-	76	664	664	
TOTAL	1,954	-	-	-	1,240	-	612	-	2,463	1,866	23	4	-	-	76	8,238	6,756	

1.4.5.5 Advanced approach (article 452)

1.4.5.5.1 Scope of application of the internal ratings (IRB)

In 2017, the Governing Council of the European Central Bank confirmed the authorisation granted to Banque Stellantis France Group to use an approach based on internal ratings to calculate its weighted exposure amounts based on the following procedures

New models and IRB parameters, based on the new definition of default and meeting the new standards for modelling and estimates issued by the European Banking Authority (EBA), were approved in early 2022 by the European Central Bank (ECB) and implemented in June 2022 by the Banque Stellantis France Group.

All data in the tables below result from the application of these new models and parameters.

Advanced approach (A-IRB)

The exposures managed under the advanced approach are those of retail customers (Retail portfolios) which includes all financing (loans and leases) granted to natural persons (Individuals and Professionals) and SMEs whose outstanding amount does not exceed €500,000. The segmentations of the models are as follows:

(in million euros)	Portfolios	Pattern	EAD post CCF and CRM	RWA	Model description
PD	Households	PD – households	6,406	3,129	Statistical model with a long-term average PD
		PD – SMEs with financial data	894	390	Statistical model with a long-term average PD
	PME	PD – SMEs without financial data	1,730	887	Statistical model with a long-term average PD
		PD – households	16	6	Statistical model with a long-term average PD
TOTAL			9,046	4,412	

(in million euros)	Portfolios	Pattern	EAD post CCF and CRM	RWA	Model description
EAD	Retail	CCF – on-balance sheet outstanding	8,734	4,187	By applying a 100% CCF
		CCF – off-balance sheet outstanding	312	225	By applying a 100% CCF
TOTAL			9,046	4,412	

(in million euros)	Portfolios	Pattern	EAD post CCF and CRM	RWA	Model description
LGD	Performing portfolio	LGD – loans – new cars	214	101	Statistical model applying a LGD in low cycle conditions
		LGD – loans – used cars	1,044	729	Statistical model applying a LGD in low cycle conditions
		LGD – leasing with a purchase option	6,012	2,463	Statistical model applying a LGD in low cycle conditions
		LGD – long-term lease	1,620	863	Statistical model applying a LGD in low cycle conditions
	Defaulted portfolio	LGD of the defaulted portfolio	156	256	Statistical model applying a LGD in low cycle conditions
TOTAL			9,046	4,412	

Foundation approach (F-IRB)

F-IRB approach applies to exposures on Fleets Portfolio (SMEs and Large Corporate companies) and Wholesale

portfolio (dealer network and affiliates to STELLANTIS). The models are segmented as follows:

(in million euros)	Portfolios	Pattern	EAD post-CCF and CRM	RWA	Model description
PD	Fleets	Rating fleets	1,627	1,783	Statistical model with a long-term average PD
	Wholesale	Rating Wholesale	4,348	3,936	Statistical model with a long-term average PD
	SMEs	PD – SMEs with financial data	28	40	Statistical model with a long-term average PD
		PD – SMEs without financial data	52	73	Statistical model with a long-term average PD
TOTAL			6,055	5,832	

1.4.5.5.2 Description of the internal rating models

All of Banque Stellantis France Group's internal rating models are based on the regulatory definition of default, namely: payment default within 90 days, or a strong presumption of non-payment of future maturities; these models have been adapted to the new definition of default issued by the European Banking Authority (EBA) in its guidelines of

September 2016, and applied from 1 January 2021. These new IRB models and parameters were validated, in the beginning of 2022, by the European Central Bank (ECB) and implemented by the Banque Stellantis France Group in June 2022.

1.4.5.5.2.1. Advanced internal rating models: Retail customers

PD model

Retail customer PD models are built on a long history of Banque Stellantis France Group customer profile and payment behaviour data. They are assessed on the basis of a significant default rate history in order to obtain a medium to long-term estimate of the probability of default.

PDs are calculated for each rating grade for three types of customers: individuals, SMEs that disclose their financial information and SMEs that do not disclose it publicly. Within each of these categories, exposures are ranked according to their credit risk using a specific behaviour score, then assigned to a grade (homogeneous risk class).

PDs are affected by a regulatory floor of 0.03%.

1 Management report

Risk factors and regulatory capital adequacy - Pillar III

Outstanding by grade of PD

(in million euros)	Households	SMEs with financial data	SMEs without financial data	Total
[0.03%-0.10%[-	-	-	-
[0.10%-0.25%[-	-	-	-
[0.25%-0.50%[	332	-	-	332
[0.50%-0.75%[	2,199	156	-	2,355
[0.75%-1.75%[	2,305	276	351	2,932
[1.75%-2.50%[	511	191	458	1,160
[2.50%-5.00%[	345	101	671	1,117
[5.00%-10.00%[	-	126	116	242
[10.00%-20.00%[	115	5	25	145
[20.00%-30.00%[	532	16	-	548
[30.00% -100.00%[	-	4	55	59
100% (default)	83	19	54	156
TOTAL	6,422	894	1,730	9,046

LGD model

Three LGD models apply to retail customer exposures:

- the first model, known as the LGD on performing loans, applies to all performing exposures (not in default). These exposures are segmented into three categories, depending on the type of automotive financing involved: new vehicle loan, used vehicle loan, vehicle lease financing;
- the second model, known as the default LGD, applies to defaulted exposures;
- the third model, known as the ELBE model, also applies to exposures in default and estimates the probable final loss, based on current economic conditions.

These models are derived from statistical models, based on the observation of the loss rates of defaulted exposures. These loss rates take into account all economic losses incurred, and include in particular the costs of recovering receivables due, as well as the cost of carrying outstandings throughout the recovery period.

The calculated LGD (LGD on performing loans and default LGD), or "downturn", is calibrated on the highest loss rates observed between those of the low economic cycle years and the most recent years. In addition to these observed loss rates (weighted by number of contracts), capital buffers are added, in particular incorporating the average volatility of these loss rates.

The loss rates are observed at the end of a five-year recovery period (representative of over 90% of the recovery flows). The recovery processes in progress which have not reached five years are extended to five years to prevent any estimation bias.

Outstanding by grade of LGD

(in million euros)	EAD post-CRM and post-CCF
34.9%	6,012
44.7%	214
49.8%	1,620
51.0%	450
60.2%	594
TOTAL	8,890

Note: average LGDs are calculated by model and 100% PDs are excluded from this table.

CCF models

The Banque Stellantis France Group does not use a conversion factor model for its Retail exposures carried on the bank's balance sheet, the financing being credited in full

to the customer's account. Contracts not yet enforced but accepted (recognised in the bank's off-balance sheet) are automatically assigned a conversion factor of 100%.

1.4.5.5.2 Internal foundation rating models: Corporate customers

Two PD models are used for corporates, each based on a specific rating model:

- the rating assigned to Corporate Wholesale is based on a statistical model, which includes financial and behavioural data analysis, and is used by the analysts. The model is specifically adapted to the automotive market of the STELLANTIS dealers;
- the principle is similar for Corporate Fleets, but the rating model is different: it is based on a financial analysis of the rated company (standard ratios and general opinion of the risk analyst), its payment behaviour and its Banque de France rating. A breakdown of the group rating is carried out for all of its subsidiaries based on spread parameters compared to those of the parent company, to determine ratings for each subsidiary.

Each of the two PD models assigns an average probability of default to each rating, based on the average of default rates observed over a long history, including low periods of economic cycles. For portfolios with a low number of observed defaults, capital buffers are added to the estimated PD to cover the uncertainties and volatility of default rate observations.

Outstanding by rating

(in million euros)	Fleets	Wholesale	Total
[0.03%-0.10%[-	-	-
[0.10%-0.25%[-	-	-
[0.25%-0.50%[	384	2,483	2,867
[0.50%-0.75%[	259	-	259
[0.75%-1.75%[	640	1,176	1,816
[1.75%-2.50%[	15	-	15
[2.50%-5.00%[	10	-	10
[5.00%-10.00%[	335	630	965
[10.00%-20.00%[	3	38	41
[20.00%-30.00%[	42	-	42
[30.00%-100.00%[	3	14	17
100% (default)	16	7	23
TOTAL	1,707	4,348	6,055

1.4.5.5.3 Overview of the internal rating models

The average parameters applied to internal ratings are presented in the table below:

Retail	A-IRB	PD average*	LGD average	LGD of defaulted outstandings
	Households	3.2%		
	SMEs	4.2%	40.3%	85.0%
Corporate	F-IRB	PD average*		
	Fleets	2.6%		
	Wholesale	1.6%		

* 100% PDs are not included in this calculation.

1 Management report

Risk factors and regulatory capital adequacy - Pillar III

1.4.5.5.3 Internal rating process

Retail customers are rated automatically: the PD and LGD models are computed every month for all customers, within a data warehouse recording all Banque Stellantis France Group's financing contracts.

Corporate customers are scored by the Banque Stellantis France Group's risk analysts at least once a year (or more often depending on their risk level), and they attribute them a rating. An average long-term default probability is assigned to each rating. It is based on the default rates observed over a long period.

Note that the risk analysts have access to *Banque de France's* external ratings for their Corporate customers (FIBEN rating). This rating is also included in the rating models.

The ratings assigned are not exclusively used to calculate the weighted exposure amounts: they are more broadly used as part of the Banque Stellantis France Group's risk management policy (definition and monitoring of the bank's risk appetite; loan granting and/or renewal) for the calculation of the expected profitability thresholds (Retail) and single credit transactions (Corporate) and to determine provisions for the impairment of receivables.

Lastly, a number of management and control reports use the Basel II rating as a characteristic and/or as a segmentation factor.

1.4.5.5.4 Internal rating system quality

The overall quality of the internal rating system is guaranteed by the following:

Governance of internal rating models

The Banque Stellantis France Group applies the governance principles of the models established by the Santander Group, based on an organisation with three lines of defence. The development of the models and their IT implementation are carried out by dedicated employees of Stellantis Financial Services Europe, according to methodological standards established by the Santander Group:

- the first line of defence, independent of the developers, is made up of the owners of the models, belonging to the Banque Stellantis France Group's Risk Department, and responsible for the construction and day-to-day monitoring of the models, as well as the validation of compliance of their implementation in IT systems. The Credit Risk Control function, part of the same Risk Department, ensures a second level of quality control of internal rating models, and assesses the risk of the models that come from them;
- the second line of defence is provided by the Santander Group's independent Internal Model Validation function, which is responsible for periodically validating internal models and parameters. This body is also in charge of validating any modification/evolution relating to the models;
- the third line of defence is provided by the Banque Stellantis France Group's Internal Audit Department, which examines the complete environment of the internal models during its annual missions.

The conclusions of these three lines of defence are regularly communicated to the Risk Management and Control Committee.

Before its effective implementation, each model or each change is reviewed and approved by dedicated committees (Santander Group Model Committees, Banque Stellantis France Group's Risk Management and Control Committee).

According to the materiality of the change, the model is sent to the European Central Bank for approval.

Data quality

A permanent control of the data quality is carried out, and where necessary corrective actions are carried out, in order to guarantee that the models are applied correctly and on data that complies in all respects with their statistical construction.

Model and parameter monitoring

Internal rating systems are backtested fully on an annual basis, and monitored more often as part of dedicated monitoring.

The backtesting is carried out by Stellantis Financial Services Europe, by analysts who are independent of the rating model construction teams. It is then analysed within a dedicated structure of the Banque Stellantis France Group, housed within the Risk Department, which is also independent of the construction teams as well as the internal rating teams (risk analysts).

At the same time, monthly monitoring of the quality of the data used in the rating enables the Banque Stellantis France Group to ensure the relevance of these models.

The backtesting of models and parameters relate in particular to:

- the overall performance of the model;
- the stability of the variables (stability over time of the distribution of variables by bucket), of the rating score (PD models) and of the segmentation (LGD models and ELBE);
- the performance of the variables (variable predictability, contribution to the model);
- the stability of the risk classes (via the migration matrices), their performance, and their homogeneity (model calibration quality);
- the suitability of the parameter (comparison of the parameter with the values observed for the default, conversion and loss rates).

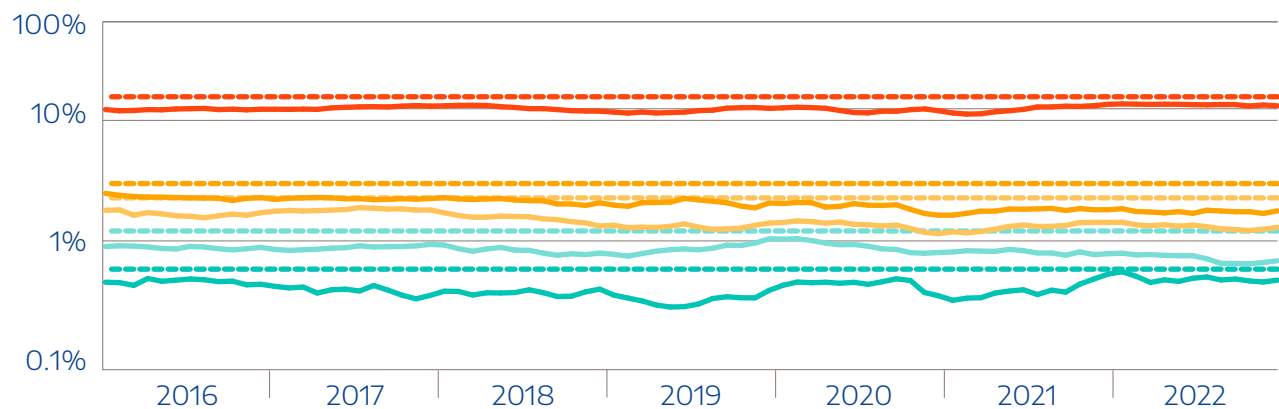
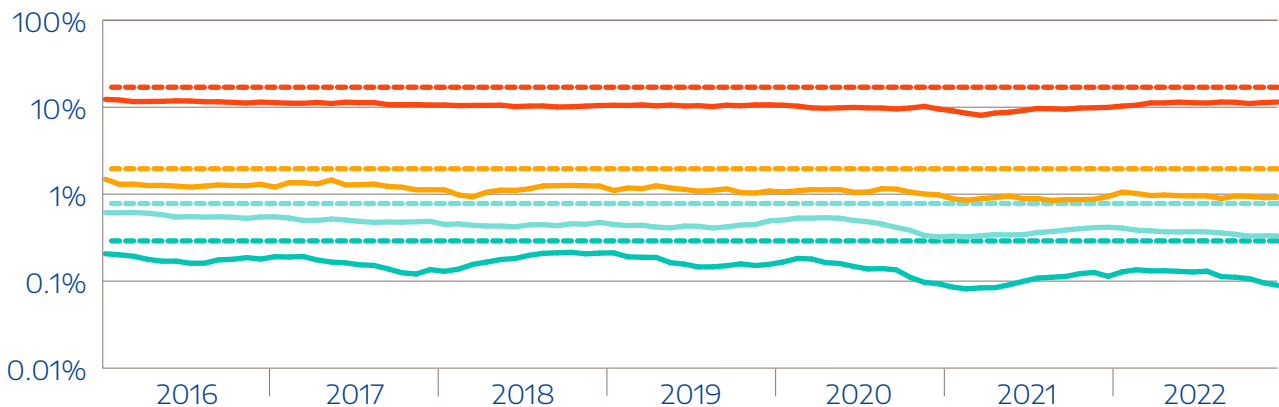
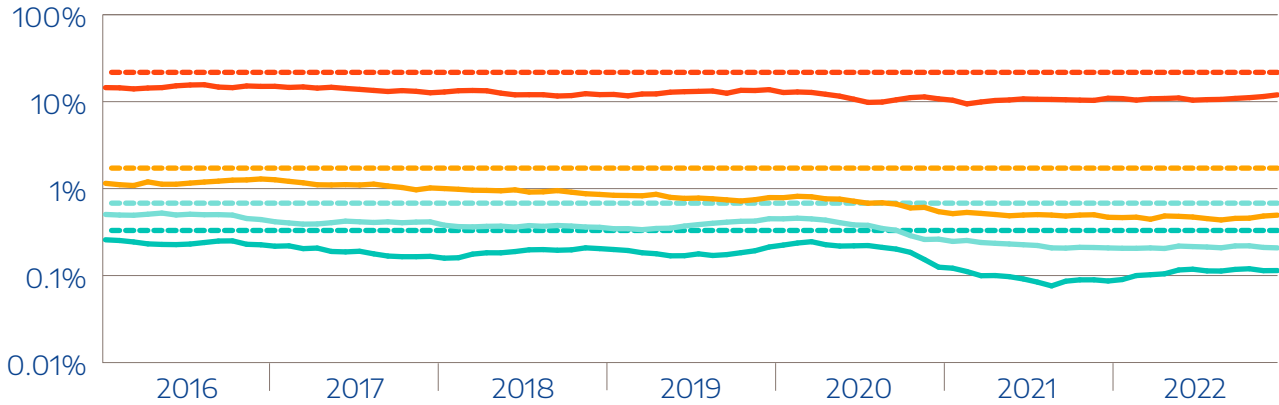
The parameters appear to be sufficiently prudent in the latest backtesting exercises.

A quarterly management report on all internal rating models is sent to the Board of Directors of the Banque Stellantis France Group, as well as to the Risk Management and Control Committee; this reporting, prepared by the entity that owns the internal rating models, presents the general mapping of these models, as well as a summary of the quality of each model (conclusions of the backtesting exercises, and all recommendations and action plans and remediation of any deficiencies).

Retail customers - PD of individuals

For individuals, due to the implementation of the new IRB models in June 2022, the data is now segmented into three categories:

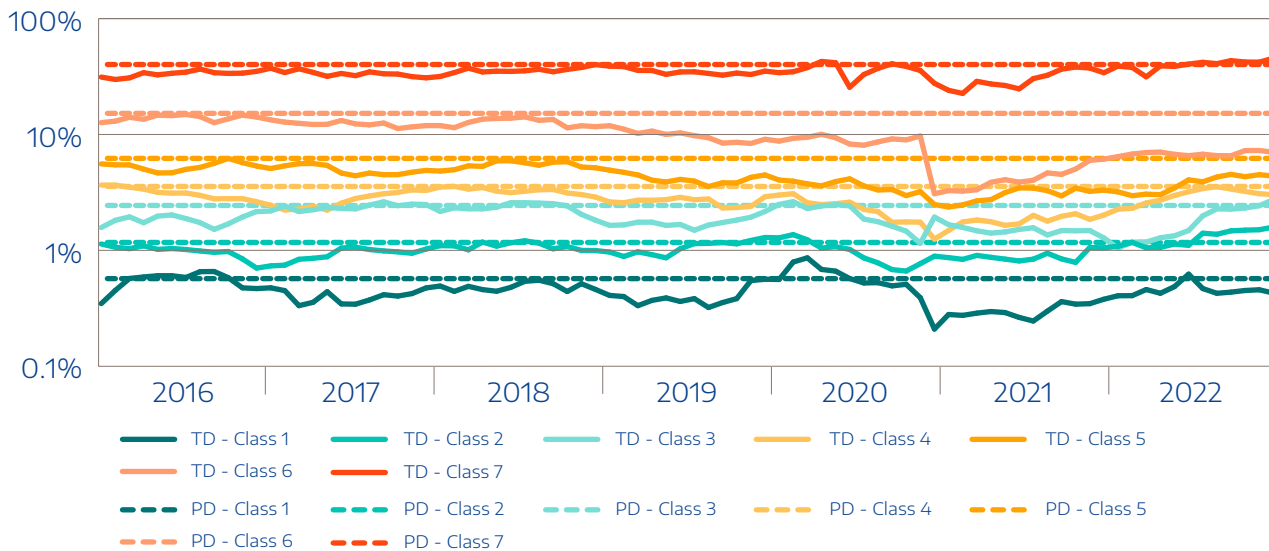
- private owners – new vehicles;
- private owners – used vehicles;
- non-owner individuals.



1 Management report

Risk factors and regulatory capital adequacy - Pillar III

Retail customers - PD of SMEs with financial information



Retail customers - PD of SMEs without financial information

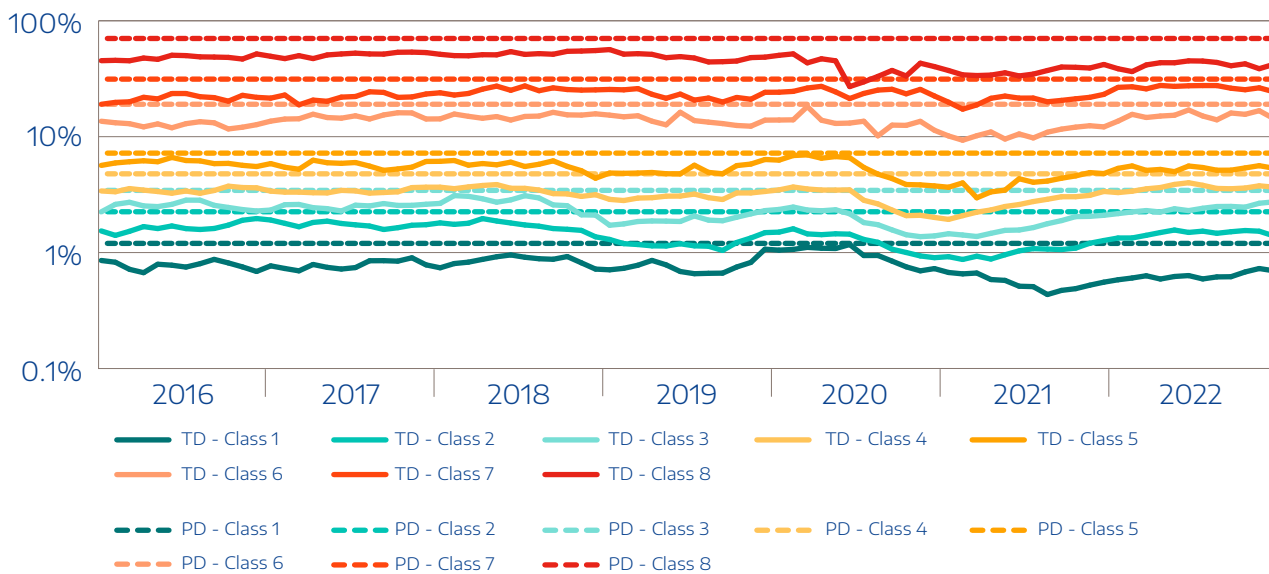


Table EU CR6 – IRB approach – Credit risk exposures by exposure class and PD range

This table provides the main parameters used for the calculation of capital requirements for IRB approach in order to enhance the transparency of RWA calculations and the reliability of regulatory measures, in application of points (g), (i) to (v) of Article 452 CRR “Disclosure of the use of the IRB Approach to credit risk”.

(in million euros)	PD range	On-balance sheet exposures	Off-balance sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
A-IRB Retail - SMEs	0.00 to <0.15	-	-	-	-	-	-	-	-	-	-	-	-
	0.00 to <0.10	-	-	-	-	-	-	-	-	-	-	-	-
	0.10 to <0.15	-	-	-	-	-	-	-	-	-	-	-	-
	0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-	-
	0.25 to <0.50	1	-	-	1	0.3%	97	41.6%	0	0	18.6%	0	(0)
	0.50 to <0.75	145	17	100%	162	0.6%	3,642	41.4%	0	42	26.0%	0	(1)
	0.75 to <2.50	1,250	34	100%	1,284	1.6%	52,179	44.0%	0	539	42.0%	9	(8)
	0.75 to <1.75	612	21	100%	633	1.1%	23,470	44.4%	0	240	37.8%	3	(4)
	1.75 to <2.50	638	13	100%	651	2.1%	28,709	43.6%	0	299	46.0%	6	(4)
	2.50 to <10.00	964	50	100%	1,014	4.8%	48,505	42.5%	0	511	50.4%	21	(7)
	2.50 to <5.00	732	40	100%	772	4.1%	37,129	42.2%	0	380	49.2%	13	(5)
	5.00 to <10.00	232	10	100%	242	7.0%	11,376	43.4%	0	131	54.1%	8	(2)
	10.00 to <100.00	105	1	100%	106	35.3%	6,475	42.0%	0	83	77.5%	16	(1)
	10.00 to <20.00	30	0	100%	30	18.4%	1,636	41.2%	0	22	71.6%	2	(0)
	20.00 to <30.00	17	1	100%	18	22.7%	1,317	43.1%	0	14	81.5%	2	(0)
	30.00 to <100.00	58	-	-	58	47.9%	3,522	42.1%	0	47	79.3%	12	(1)
	100.00 (default)	73	-	-	73	100.0%	4,074	80.4%	0	108	149.4%	50	(33)
Subtotal		2,538	102	100%	2,640	6.8%	114,972	44.2%	0	1,283	48.6%	96	(50)

1 Management report

Risk factors and regulatory capital adequacy - Pillar III

(in million euros)	PD range	On-balance sheet exposures	Off-balance sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
A-IRB Retail - Other	0.00 to <0.15	-	-	-	-	-	-	-	-	-	-	-	-
	0.00 to <0.10	-	-	-	-	-	-	-	-	-	-	-	-
	0.10 to <0.15	-	-	-	-	-	-	-	-	-	-	-	-
	0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-	-
	0.25 to <0.50	331	-	0%	331	0.3%	84,701	42.9%	0	82	24.8%	0	(2)
	0.50 to <0.75	2,193	-	0%	2,193	0.7%	150,157	36.1%	0	710	32.4%	5	(7)
	0.75 to <2.50	2,809	-	0%	2,809	1.4%	269,595	40.7%	0	1,359	48.4%	16	(11)
	0.75 to <1.75	2,299	-	0%	2,299	1.3%	219,923	40.2%	0	1,050	45.7%	11	(9)
	1.75 to <2.50	510	-	0%	510	2.2%	49,672	43.3%	0	309	60.6%	5	(2)
	2.50 to <10.00	344	-	0%	344	3.3%	33,158	42.0%	0	216	62.8%	5	(2)
	2.50 to <5.00	344	-	0%	344	3.3%	33,158	42.0%	0	216	62.8%	5	(2)
	5.00 to <10.00	-	-	-	-	-	-	-	-	-	-	-	-
	10.00 to <100.00	436	210	100%	646	20.4%	44,645	40.1%	0	615	95.2%	53	(1)
	10.00 to <20.00	101	14	100%	115	17.0%	10,214	46.5%	0	118	102.5%	9	(0)
	20.00 to <30.00	335	196	100%	531	21.2%	34,431	38.8%	0	497	93.6%	44	(1)
30.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-	-	
100.00 (default)	83	-	0%	83	100.0%	12,561	88.9%	0	147	177.1%	62	(49)	
Subtotal		6,196	210	100%	6,406	4.4%	594,817	39.9%	0	3,129	48.8%	141	(72)
TOTAL A-IRB		8,734	312	100%	9,046		709,789		0	4,412	48.8%	237	(122)

(in million euros)	PD range	On-balance sheet exposures	Off-balance sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
F-IRB Corporates - SMEs	0.00 to <0.15	-	-	-	-	-	-	-	-	-	-	-	-
	0.00 to <0.10	-	-	-	-	-	-	-	-	-	-	-	-
	0.10 to <0.15	-	-	-	-	-	-	-	-	-	-	-	-
	0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-	-
	0.25 to <0.50	254	0	75%	254	0.4%	131	45.0%	0	125	49.0%	0	(0)
	0.50 to <0.75	37	1	75%	38	0.6%	81	45.0%	0	21	54.3%	0	(0)
	0.75 to <2.50	219	2	75%	221	1.6%	404	45.0%	0	173	78.4%	2	(1)
	0.75 to <1.75	219	2	75%	221	1.6%	404	45.0%	0	173	78.4%	2	(1)
	1.75 to <2.50	0	0	0%	0	0.0%	0	0.0%	0	0	0.0%	0	(0)
	2.50 to <10.00	174	1	75%	175	5.7%	365	45.0%	0	204	116.9%	4	(1)
	2.50 to <5.00	0	0	0%	0	0.0%	0	0.0%	0	0	0.0%	0	(0)
	5.00 to <10.00	174	1	75%	175	5.7%	365	45.0%	0	204	116.9%	4	(1)
	10.00 to <100.00	16	0	75%	16	24.2%	167	45.0%	0	27	175.3%	2	(0)
	10.00 to <20.00	0	0	0%	0	0.0%	1	0.0%	0	0	0.0%	0	(0)
	20.00 to <30.00	13	0	75%	13	22.1%	111	45.0%	0	23	177.6%	1	(0)
	30.00 to <100.00	3	0	75%	3	34.2%	55	45.0%	0	4	164.6%	1	(0)
	100.00 (default)	11	0	0%	11	100.0%	59	45.0%	0	-	0.0%	5	(8)
Subtotal		711	4	75%	715	4.2%	1,207	45.0%	0	550	76.9%	13	(10)

1 Management report

Risk factors and regulatory capital adequacy - Pillar III

(in million euros)	PD range	On-balance sheet exposures	Off-balance sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
F-IRB Corporates - Other	0.00 to <0.15	-	-	-	-	-	-	-	-	-	-	-	-
	0.00 to <0.10	-	-	-	-	-	-	-	-	-	-	-	-
	0.10 to <0.15	-	-	-	-	-	-	-	-	-	-	-	-
	0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-	-
	0.25 to <0.50	3,250	8	75%	2,613	0.4%	1,123	45.0%	3	1,850	70.8%	5	(12)
	0.50 to <0.75	221	1	75%	221	0.6%	442	45.0%	3	186	84.2%	1	(1)
	0.75 to <2.50	1,865	22	75%	1,610	1.1%	1,796	45.0%	3	1,653	102.6%	8	(5)
	0.75 to <1.75	1,850	22	75%	1,595	1.1%	1,499	45.0%	3	1,633	102.3%	8	(5)
	1.75 to <2.50	15	0	75%	15	2.1%	297	45.0%	3	20	135.4%	0	(0)
	2.50 to <10.00	863	2	75%	800	5.8%	1,202	45.0%	3	1,374	171.8%	21	(3)
	2.50 to <5.00	10	0	75%	10	4.1%	193	45.0%	3	16	162.4%	0	(0)
	5.00 to <10.00	853	2	75%	790	5.9%	1,009	45.0%	3	1,358	171.9%	21	(3)
	10.00 to <100.00	84	1	75%	84	22.4%	381	45.0%	3	219	259.6%	9	(0)
	10.00 to <20.00	41	0	75%	41	17.2%	46	45.0%	3	100	245.7%	3	(0)
	20.00 to <30.00	29	0	75%	29	22.1%	281	45.0%	3	83	281.1%	3	(0)
	30.00 to <100.00	14	1	75%	14	38.0%	54	45.0%	3	36	255.1%	3	(0)
	100.00 (default)	11	1	75%	12	100.0%	87	45.0%	3	-	0.0%	5	(6)
Subtotal		6,294	35	75%	5,340	2.0%	5,031	45.0%	2.5	5,282	98.9%	49	(27)
TOTAL F-IRB		7,005	39	75%	6,055		6,238		2.2	5,832	96.3%	62	(37)

Table EU CR6-A – Scope of the use of IRB and SA approaches

This table presents the breakdown of exposure value subject to the Standardised Approach or to the IRB Approach between the exposure classes as defined under the IRB Approach, in application of point (b) of 452 CRR “Disclosure of the use of the IRB Approach to credit risk”.

(in million euros)	Exposure value as defined in Article 166 CRR for exposures subject to IRB approach	Total exposure value for exposures subject to the Standardised approach and to the IRB approach	Percentage of total exposure value subject to the permanent partial use of the SA (%)	Percentage of total exposure value subject to IRB Approach (%)	Percentage of total exposure value subject to a roll-out plan (%)
Central governments or central banks	-	1,984	100%	-	-
<i>of which: Regional governments or local authorities</i>		-	-	-	-
<i>of which: Public sector entities</i>		-	-	-	-
Institutions	-	942	100%	-	-
Corporates	7,034	8,320	15.4%	84.6%	-
<i>of which: Corporates - Specialised lending, excluding slotting approach</i>		-	-	-	-
<i>of which: Corporates - Specialised lending under slotting approach</i>		-	-	-	-
Retail	9,046	11,557	21.7%	78.3%	-
<i>of which: Retail – Secured by real estate SMEs</i>		-	-	-	-
<i>of which: Retail – Secured by real estate non-SMEs</i>		-	-	-	-
<i>of which: Retail – Qualifying revolving</i>		-	-	-	-
<i>of which: Retail – Other SMEs</i>		3,468	23.9%	76.1%	-
<i>of which: Retail – Other non-SMEs</i>		8,089	20.8%	79.2%	-
Equity	-	-	-	-	-
Other non-credit obligation assets	-	671	100%	-	-
TOTAL	16,080	23,474	31.5%	68.5%	-

1 Management report

Risk factors and regulatory capital adequacy - Pillar III

Table EU CR7 – IRB approach – Effect on the RWAs of credit derivatives used as CRM techniques

This table illustrates the effect of credit derivatives on the IRB approach capital requirements' calculations, in application of point (j) of Article 453 CRR "Disclosure of the use of credit risk mitigation techniques".

(in million euros)	Pre-credit derivatives RWA	Actual RWA
Exposures under F-IRB	5,832	5,832
Central governments and central banks	-	-
Institutions	-	-
Corporates	5,832	5,832
<i>of which: Corporates - SMEs</i>	550	550
<i>of which: Corporates - Specialised lending</i>	-	-
Exposures under A-IRB	4,412	4,412
Exposures under A-IRB	-	-
Institutions	-	-
Corporates	-	-
<i>of which: Corporates - SMEs</i>	-	-
<i>of which: Corporates - Specialised lending</i>	-	-
Retail	4,412	4,412
<i>of which: Retail – SMEs - Secured by immovable property collateral</i>	-	-
<i>of which: Retail – non-SMEs - Secured by immovable property collateral</i>	-	-
<i>of which: Retail – Qualifying revolving</i>	-	-
<i>of which: Retail – SMEs - Other</i>	1,282	1,282
<i>of which: Retail – Non-SMEs - Other</i>	3,129	3,129
TOTAL (INCLUDING F-IRB EXPOSURES AND A-IRB EXPOSURES)	10,244	10,244

Table EU CR7-A – IRB approach – Disclosure of the extent of the use of CRM techniques

This table provides granular information on credit risk mitigation (CRM) techniques, separately for exposures under foundation approach (F-IRB) and advanced approach (A-IRB), in application of point (g) of Article 453 CRR “Disclosure of the use of credit risk mitigation techniques”.

Foundation Internal Ratings-Based Approach (F-IRB)

Total exposures	Credit risk Mitigation techniques										Credit risk Mitigation methods in the calculation of RWAs				
	Funded credit Protection (FCP)										Unfunded credit Protection (UFCP)		RWA with substitution effects (both reduction and substitution effects)		
	Part of exposures covered by Financial Collaterals (%)	Part of exposures covered by Other eligible collaterals (%)			Part of exposures covered by Other funded credit protection (%)			Part of exposures covered by Guarantees (%)	Part of exposures covered by Credit Derivatives (%)	RWA without substitution effects (reduction effects only)	RWA with substitution effects (both reduction and substitution effects)				
Part of exposures covered by Immoveable property Collaterals (%)		Part of exposures covered by Receivables (%)	Part of exposures covered by Other physical collateral (%)	Part of exposures covered by Cash on deposit (%)	Part of exposures covered by Life insurance policies (%)	Part of exposures covered by Instruments held by a third party (%)									
(in million euros)															
Central governments and central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Corporates	7,044	0%	0%	0%	0%	0%	0%	0%	0%	0%	13.9%	0%	5,978	5,832	
<i>of which: Corporates – SMEs</i>	716	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	696	550	
<i>of which: Corporates – Specialised lending</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<i>of which: Corporates – Other</i>	6,328	0%	0%	0%	0%	0%	0%	0%	0%	0%	15.5%	0%	5,282	5,282	
TOTAL	7,044	0%	0%	0%	0%	0%	0%	0%	0%	0%	13.9%	0%	5,978	5,832	

1 Management report

Risk factors and regulatory capital adequacy - Pillar III

Advanced Internal Ratings-Based Approach (A-IRB)

Total exposures (in million euros)	Credit risk Mitigation techniques											Credit risk Mitigation methods in the calculation of RWAs		
	Funded credit Protection (FCP)									Unfunded credit Protection (UFCP)				
	Part of exposures covered by Financial Collaterals (%)	Part of exposures covered by Other eligible collaterals (%)			Part of exposures covered by Other funded credit protection (%)			Part of exposures covered by Instruments held by a third party (%)	Part of exposures covered by Guarantees (%)	Part of exposures covered by Credit Derivatives (%)	RWA without substitution effects (reduction effects only)	RWA with substitution effects (both reduction and substitution effects)		
		Part of exposures covered by Immovable property Collaterals (%)	Part of exposures covered by Receivables	Part of exposures covered by Other physical collateral (%)	Part of exposures covered by Cash on deposit (%)	Part of exposures covered by Life insurance policies (%)								
Central governments and central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Corporates	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>of which: Corporates – SMEs</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>of which: Corporates – Specialised lending</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>of which: Corporates – Other</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retail	9,046	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	4,779	4,412
<i>of which: Retail – Immovable property SMEs</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>of which: Retail – Immovable property non-SMEs</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>of which: Retail – Qualifying revolving</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>of which: Retail – Other SMEs</i>	2,640	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1,650	1,283
<i>of which: Retail – Other non-SMEs</i>	6,406	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	3,129	3,129
TOTAL	9,046	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	4,779	4,412

Table EU CR8 – RWA flow statements of credit risk exposures under the IRB approach

This table provides the variations in the risk-weighted exposure amounts of the current disclosure period compared to the immediately preceding disclosure period that result from the use of the IRB Approach, including an outline of the key drivers explaining those variations, in application of points (h) of Article 438 CRR “Disclosure of own funds requirements and risk-weighted exposure amounts”.

(in million euros)	Risk weighted exposure amount	
Risk weighted exposure amount as at the end of the previous reporting period	30 June 2023	10,297
Asset size (+/-)		(580)
Asset quality (+/-)		(81)
Model updates (+/-)		-
Methodology and policy (+/-)		-
Acquisitions and disposals (+/-)		-
Foreign exchange movements (+/-)		-
Other (+/-)		-
Risk weighted exposure amount as at the end of the reporting period	30 September 2023	9,636

(in million euros)	Risk weighted exposure amount	
Risk weighted exposure amount as at the end of the previous reporting period	30 September 2023	9,636
Asset size (+/-)		701
Asset quality (+/-)		(93)
Model updates (+/-)		-
Methodology and policy (+/-)		-
Acquisitions and disposals (+/-)		-
Foreign exchange movements (+/-)		-
Other (+/-)		-
Risk weighted exposure amount as at the end of the reporting period	31 December 2023	10,244

Table EU CR9 – IRB approach – back-testing of pd per exposure class (fixed PD scale)

This table provides backtesting data to validate the reliability of PD calculations, in application of point (h) of Article 452 CRR “Disclosure of the use of the IRB Approach to credit risk”.

In particular, the table compares the PDs used in IRB capital calculations. These PDs are grouped by fixed level and presenting the effective default rates of obligors. For an easier comparability of the information published by the different institutions, the PD scale used in this table is based on fixed and pre-defined levels reflecting the PD levels in the table EU CR6.

Advanced Internal Ratings-Based Approach

(in million euros)	PD range	Number of obligors at the end of previous year		Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
			of which: number of obligors which defaulted in the year				
A-IRB Retail – SMEs	0.00 to <0.15	-	-	-	-	-	-
	<i>0.00 to <0.10</i>	-	-	-	-	-	-
	<i>0.10 to <0.15</i>	-	-	-	-	-	-
	0.15 to <0.25	-	-	-	-	-	-
	0.25 to <0.50	129	-	0.0%	0.3%	0.3%	-
	0.50 to <0.75	11,368	22	0.2%	0.6%	0.6%	0.5%
	0.75 to <2.50	92,702	1,094	1.2%	1.6%	1.7%	1.3%
	<i>0.75 to <1.75</i>	43,392	361	0.8%	1.1%	1.1%	1.0%
	<i>1.75 to <2.50</i>	49,310	733	1.5%	2.1%	2.2%	1.7%
	2.50 to <10.00	77,587	2,684	3.5%	4.8%	4.9%	3.7%
	<i>2.50 to <5.00</i>	58,752	1,871	3.2%	4.1%	4.1%	3.3%
	<i>5.00 to <10.00</i>	18,835	813	4.3%	7.0%	7.1%	5.0%
	10.00 to <100.00	9,401	1,998	21.3%	35.3%	34.8%	20.2%
	<i>10.00 to <20.00</i>	2,076	281	13.5%	18.4%	18.3%	12.6%
	<i>20.00 to <30.00</i>	2,740	181	6.6%	22.7%	22.8%	9.3%
	<i>30.00 to <100.00</i>	4,585	1,536	33.5%	47.9%	49.5%	32.9%
	100.00 (default)	5,911	5,911	100.0%	100.0%	100.0%	100.0%
A-IRB Retail – Other	0.00 to <0.15	-	-	-	-	-	-
	<i>0.00 to <0.10</i>	-	-	-	-	-	-
	<i>0.10 to <0.15</i>	-	-	-	-	-	-
	0.15 to <0.25	-	-	-	-	-	-
	0.25 to <0.50	93,655	96	0.1%	0.3%	0.3%	0.2%
	0.50 to <0.75	151,465	349	0.2%	0.7%	0.7%	0.5%
	0.75 to <2.50	269,034	1,582	0.6%	1.4%	1.4%	1.0%
	<i>0.75 to <1.75</i>	218,922	1,005	0.5%	1.3%	1.2%	0.8%
	<i>1.75 to <2.50</i>	50,112	577	1.2%	2.2%	2.2%	1.7%
	2.50 to <10.00	33,003	601	1.8%	3.3%	3.3%	2.6%
	<i>2.50 to <5.00</i>	33,003	601	1.8%	3.3%	3.3%	2.6%
	<i>5.00 to <10.00</i>	-	-	-	-	-	-
	10.00 to <100.00	46,139	4,319	9.4%	20.4%	20.1%	14.1%
	<i>10.00 to <20.00</i>	10,760	895	8.3%	17.0%	17.0%	11.4%
	<i>20.00 to <30.00</i>	35,379	3,424	9.7%	21.2%	21.0%	15.0%
	<i>30.00 to <100.00</i>	-	-	-	-	-	-
	100.00 (default)	12,573	12,573	100.0%	100.0%	100.0%	100.0%

Foundation Internal Ratings-Based Approach

(in million euros)	PD range	Number of obligors at the end of previous year		Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
			of which: number of obligors which defaulted in the year				
F-IRB Corporates – SMEs	0.00 to <0.15	-	-	-	-	-	-
	<i>0.00 to <0.10</i>	-	-	-	-	-	-
	<i>0.10 to <0.15</i>	-	-	-	-	-	-
	0.15 to <0.25	-	-	-	-	-	-
	0.25 to <0.50	131	-	0.0%	0.4%	0.4%	0.1%
	0.50 to <0.75	81	1	1.2%	0.6%	0.6%	0.1%
	0.75 to <2.50	404	-	0.0%	1.6%	1.7%	0.7%
	<i>0.75 to <1.75</i>	404	-	0.0%	1.6%	1.7%	0.7%
	<i>1.75 to <2.50</i>	-	-	-	-	-	-
	2.50 to <10.00	365	11	3.0%	5.7%	5.7%	1.9%
	<i>2.50 to <5.00</i>	-	-	-	-	-	-
	<i>5.00 to <10.00</i>	365	11	3.0%	5.7%	5.7%	1.9%
	10.00 to <100.00	167	9	5.4%	24.2%	26.0%	5.4%
	<i>10.00 to <20.00</i>	1	-	0.0%	-	17.1%	6.8%
	<i>20.00 to <30.00</i>	111	8	7.2%	22.1%	22.1%	5.0%
	<i>30.00 to <100.00</i>	55	1	1.8%	34.2%	34.2%	3.6%
100.00 (default)	59	59	100.0%	100.0%	100.0%	100.0%	
F-IRB Corporates – Other	0.00 to <0.15	-	-	-	-	-	-
	<i>0.00 to <0.10</i>	-	-	-	-	-	-
	<i>0.10 to <0.15</i>	-	-	-	-	-	-
	0.15 to <0.25	-	-	-	-	-	-
	0.25 to <0.50	1,065	-	0.0%	0.4%	0.4%	0.0%
	0.50 to <0.75	467	1	0.2%	0.6%	0.6%	0.4%
	0.75 to <2.50	2,146	1	0.1%	1.1%	1.6%	0.3%
	<i>0.75 to <1.75</i>	1,880	1	0.1%	1.1%	1.5%	0.3%
	<i>1.75 to <2.50</i>	266	-	0.0%	2.1%	2.1%	0.0%
	2.50 to <10.00	1,467	20	1.4%	5.8%	5.7%	1.4%
	<i>2.50 to <5.00</i>	190	-	0.0%	4.1%	4.1%	0.0%
	<i>5.00 to <10.00</i>	1,277	20	1.6%	5.9%	5.9%	1.4%
	10.00 to <100.00	694	12	1.7%	22.4%	24.6%	5.5%
	<i>10.00 to <20.00</i>	59	-	0.0%	17.2%	17.2%	6.5%
	<i>20.00 to <30.00</i>	505	11	2.2%	22.1%	22.1%	5.7%
	<i>30.00 to <100.00</i>	130	1	0.8%	38.0%	37.9%	3.1%
100.00 (default)	169	169	100.0%	100.0%	100%	100.0%	

1.4.5.6 Credit risk mitigation techniques

As part of its regulatory obligations, the Banque Stellantis France Group strives to reduce its credit risk whenever possible. To do so, in addition to the quality of the counterparty and of the application file, which are essential elements of decision-making, the Group also seeks guarantees to limit its losses in the event of counterparty default.

Guarantees intended solely to mitigate credit risk

These guarantees can take the form of:

- personal collateral provided by a natural person or legal entity, notably a joint and several guarantee, first demand guarantee, letter of intent or commitment for a third party, etc.;
- a security right, notably lenders' liens, mortgages, pledging of business assets, pledging of securities, pledging of mortgages, etc.;
- various commitments, notably commitments to continue leases, commitments to take back vehicles at any time, etc.

Guarantees for credit mitigation and associated RWA reduction

As part of the application of Article 453 point (b) of the Capital Requirement Regulation (CRR) and since 2019, the Banque Stellantis France Group has set up diversified credit insurance policies with leading insurers to partially hedge the risk related to vehicles and spare parts stock financing transactions for the main dealers financed by the Banque Stellantis France Group. These insurance policies enable the Banque Stellantis France Group to reduce its exposure to concentration risk in the context of large exposures regime for the customers concerned while reducing the associated RWA by substituting those of credit insurers for the amount of net cover obtained and according to their credit rating assigned by ECAs (substitution principle in force since June 2021 with the application of CRR II):

- in France:
 - the first policy, which was signed with an insurer rated respectively A1/AA- by Moody's and Fitch, hedges the risks of new, demonstration and used vehicles stock financing of the dealers of the STELLANTIS brand networks in the gross amount of €233 million and €216 million net as at 31 December 2023, with an associated RWA reduction of €74 million,
 - the second policy, signed with another insurer, rated AA by Standard & Poor's, hedges the risks:
 - > of financing the spare parts stocks of 26 dealers financed by the Banque Stellantis France Group, in the total gross amount of €242 million and €213 million net as at 31 December 2023, with an associated RWA reduction of €131 million,
 - > of new, demonstration and used vehicle stock financing of dealers of the STELLANTIS brand networks in the gross amount of €95 million and €85 million net as at 31 December 2023, with an associated RWA reduction of €49 million,

For this purpose, the Group has implemented standards for guarantee types, a procedure and rules for selection of guarantors it will accept.

Two types of guarantee are implemented within the Banque Stellantis France Group:

- those contributing solely to risk mitigation;
- those that also reduce the associated RWA.

These guarantees can also make it possible to consolidate a file and reverse an initial refusal.

Guarantees are never taken into account in the calculation of the grading of the customer and are not used to reduce the RWA of the underlying loans.

The guarantees must have a financial value, if possible quantified or at least quantifiable, and be legally valid. However, these guarantees are not exercised by the Banque Stellantis France Group.

- a third policy, arranged with another insurer rated A+ by Standard & Poor's, covers the risk of new, demonstration and used vehicles stock financing, in the total gross amount of €357 million gross and €310 million net, as at 31 December 2023, with an associated RWA reduction of €108 million,
 - a fourth policy since August 2023, arranged with a new insurer rated A by Standard & Poor's, covers the risk of new, demonstration and used vehicles inventory financing, in the total amount of €44 million gross and €38 million net, as at 31 December 2023, with an associated €9 million reduction in RWA;
 - a fifth policy since September 2023, arranged with a new insurer rated AA by Standard & Poor's, covers the risk of new, demonstration and used vehicles inventory financing, in the total amount of €134 million gross and €118 million net, as at 31 December 2023, with an associated €78 million reduction in RWA.
- Belgium and Luxembourg also benefit from €8 million of guarantees, not activated as at 31 December 2023.

In order to mitigate the exposure to risk and save on the capital resources consumed, the Banque Stellantis France Group carried out synthetic SRT (Significant Risk Transfer) transactions during the 2019 and 2022 financial years. These transactions enabled the transfer of part of the risk on the portfolio to investors. The portfolio consists of instalment loans granted to consumers in France for the purchase of new and used vehicles which have a relatively high RWA level, primarily as a result of the high proportion of used vehicles. Thanks to these transactions, RWA were reduced by €357 million as at 31 December 2023.

These guarantees, intended to mitigate the Banque Stellantis France Group's credit risk, have been subject to a legal opinion as to their validity and enforceability.

Table EU CR3 – CRM techniques overview: Disclosure of the use of credit risk mitigation techniques

This table provides information on the extent of use of credit risk mitigation (CRM) techniques by an institution in application of point (f) of Article 453 CRR “Disclosure of the use of credit risk mitigation techniques”.

(in million euros)	Unsecured carrying amount	Secured carrying amount			
			Of which secured by collateral	Of which secured by financial guarantees	Of which secured by credit derivatives
Loans and advances	21,420	11,359	10,172	1,186	-
Debt securities	1	-	-	-	-
TOTAL	21,421	11,359	10,172	1,186	-
<i>of which: non-performing exposures</i>	260	93	93	-	-
<i>of which: defaulted</i>	260	0	-	-	-

1.4.5.7 Counterparty risk

Counterparty risk corresponds to the exposure of credit risk on market, investment and/or settlement transactions. It corresponds to the risk that the financial counterparty may not be able to honour its obligations to the entities of the Banque Stellantis France Group.

The counterparty risk of the Banque Stellantis France Group is also directly or indirectly related to the Santander Group, with which the derivatives are either treated bilaterally, or cleared in the clearing house via the Santander Group acting as clearing member for the Banque Stellantis France Group. These derivatives transactions with or via the Santander Group are subject to a limit exemption. However, bilateral derivative transactions with other bank counterparties generate counterparty and concentration risk and must comply with internal limits that are reviewed at least once a year and subject to Santander Group approval. Exposures to derivatives are valued using the SA-CCR standardised approach.

The Banque Stellantis France Group implements several counterparty risk mitigation mechanisms:

- systematic signature of bilateral framework netting agreements (ISDA/FBF) for hedging interest rate derivatives traded with counterparties selected as leading financial institutions;
- signature of AFTB framework agreements for delivered repurchase agreements;
- daily exchange of collateral with the LCH Clearnet clearing house via a clearing member for centrally cleared transactions, in accordance with the European EMIR regulation;
- daily or weekly exchange of collateral directly with the counterparty for contracts not cleared centrally, in application of the European EMIR regulation or for securities repurchase transactions.

The counterparty risk is mitigated and shared between the different members of the clearing house via auction when a counterparty defaults (no general or specific wrong way risk).

The Banque Stellantis France Group has no collateral to provide if its credit rating were downgraded.

The Banque Stellantis France Group has no further relevant risk management objectives and policies related to counterparty credit risk other than those described above.

The calculated counterparty risk is not material for the Banque Stellantis France Group at €21 million out of a total RWA of €15 611 million as at 31 December 2023:

- €21 million under the SA-CCR approach (see table EU CCR1), of which €8 million related to REPO transaction of December 2023;
- and €0 million related to exposures to eligible central counterparties (see table EU CCR8).

1 Management report

Risk factors and regulatory capital adequacy - Pillar III

Table EU CCR1 – Analysis of CCR exposure by approach

This table provides a comprehensive view of the methods used to calculate counterparty credit risk regulatory requirements and the main parameters used for each method, in application of points (f), (g) and (k) of Article 439 CRR “Disclosure of exposures to counterparty credit risk”. This table excludes exposures to a central counterparty (Section 9 of Chapter 6 of Title II of Part Three CRR) as defined for the purposes of table EU CCR8.

(in million euros)		Replacement cost (RC)	Potential future exposure (PFE)	EEPE	Alpha used for computing regulatory exposure value	Exposure value pre-CRM	Exposure value post-CRM	Exposure value	RWA
EU-1	EU - Original Exposure Method (for derivatives)	-	-		1.4	-	-	-	-
EU-2	EU - Simplified SA-CCR (for derivatives)	-	-		1.4	-	-	-	-
1	SA-CCR (for derivatives)	11	7		1.4	57	26	26	13
2	IMM (for derivatives and SFTs)			-	-	-	-	-	-
2a	<i>of which: securities financing transactions netting sets</i>			-		-	-	-	-
2b	<i>of which: derivatives and long settlement transactions netting sets</i>			-		-	-	-	-
2c	<i>of which: from contractual cross-product netting set</i>			-		-	-	-	-
3	Financial collateral simple method (for SFTs)					-	-	-	-
4	Financial collateral comprehensive method (for SFTs)					99	15	15	8
5	VaR for SFTs					-	-	-	-
6	TOTAL					156	41	41	21

Table EU CCR3 – Standardised approach – CCR exposures by regulatory exposure class and risk weights

This table provides a breakdown of counterparty credit risk exposures calculated in accordance with Chapter 6 of Part Three, Title II CRR and risk weighted in accordance with Chapter 3 of Part Three, Title I by portfolio (type of counterparties) and by risk weight (riskiness attributed according to standardised approach), in application of point (e) of Article 444 CRR “Disclosure of the use of the Standardised Approach”.

(in million euros)	Risk weight											Total exposure value
	0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Others	
Central governments or central banks	-	-	-	-	-	-	-	-	-	-	-	-
Regional government or local authorities	-	-	-	-	-	-	-	-	-	-	-	-
Public sector entities	-	-	-	-	-	-	-	-	-	-	-	-
Multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-	-	-	-
Institutions	-	36	-	-	0	41	-	-	-	-	-	77
Corporates	-	-	-	-	-	-	-	-	-	-	-	-
Retail	-	-	-	-	-	-	-	-	-	-	-	-
Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-
Other items	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPOSURE VALUE	-	36	-	-	0	41	-	-	-	-	-	77

Table EU CCR5 – Composition of collateral for CCR exposures

This table provides a breakdown of all types of collateral posted or received to support or reduce exposures the counterparty credit risk related to derivative transactions or to SFTs, including transactions cleared through a CCP, in application of point (e) of Article 439 CRR “Disclosure of exposures to counterparty credit risk”.

Collateral type	Collateral used in derivative transactions				Collateral used in SFTs			
	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received		Fair value of posted collateral	
	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated
(in million euros)								
Cash – domestic currency	107	13	19	-	-	84	-	-
Cash – other currencies	-	-	-	-	-	-	-	-
Domestic sovereign debt	-	-	-	-	-	-	-	-
Other sovereign debt	-	-	-	-	-	-	-	-
Government agency debt	-	-	-	-	-	-	-	-
Corporate bonds	-	-	-	-	-	-	-	-
Equity securities	-	-	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-	-	99
TOTAL	107	13	19	-	-	84	-	99

1 Management report

Risk factors and regulatory capital adequacy - Pillar III

Table EU CCR8 – exposures to CCPs

This table provides an overview of exposure value to central counterparties, in application of point (i) of Article 439 CRR “Disclosure of exposures to counterparty credit risk”.

(in million euros)

	Exposure value	RWA
Exposures to QCCPs (total)		0
Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	31	0
(i) OTC derivatives	31	0
(ii) Exchange-traded derivatives	-	-
(iii) SFTs	-	-
(iv) Netting sets where cross-product netting has been approved	-	-
Segregated initial margin	-	
Non-segregated initial margin	5	0
Prefunded default fund contributions	-	-
Unfunded default fund contributions	-	-
Exposures to non-QCCPs (total)		-
Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	-	-
(i) OTC derivatives	-	-
(ii) Exchange-traded derivatives	-	-
(iii) SFTs	-	-
(iv) Netting sets where cross-product netting has been approved	-	-
Segregated initial margin	-	
Non-segregated initial margin	-	-
Prefunded default fund contributions	-	-
Unfunded default fund contributions	-	-

1.4.6 Liquidity and funding risk

Risk factors

The Banque Stellantis France Group refinances itself with funding raised on the capital markets (negotiable debt securities and bond issuances under EMTN programmes) and provided by securitisation transactions, retail savings inflows from customers, access to the refinancing operations of the European Central Bank (ECB) and bilateral bank credit lines, in addition to the intra-group funding provided directly by Santander Consumer Finance. Liquidity risk is therefore one of the main financial risks to which the Group is exposed.

This risk arises from the possibility that, over a given period, the bank might not be able to fulfil its commitments in due time due to external factors (global financial market situation, inter-bank liquidity crises, etc.) or internal parameters (related, for example, to the Group's rating by the rating agencies).

The main objectives of liquidity risk management are therefore to:

- reduce as much as possible the negative effects of any market developments that could impact the Group's funding capacity;
- manage to respond to seasonal variations in funding sources and customer credit applications;
- be able to respond quickly to changes in economic cycles that affect the availability and the demand for funds;

- overcome the consequences of a given crisis situation.

These are supported by the following implementation principles:

- establish stable liquidity requirements on the balance sheet in the medium- and long-term;
- diversify funding sources in terms of instruments and markets;
- comply with the specific obligations established by the regulatory authorities.

The analysis and monitoring of liquidity risk is based on the following assumptions:

- balance sheet at the end of the period with the assumption of contractual or standard outflow; and
- taking into account behavioural data, such as early repayment assumptions.

Since February 2016, the Banque Stellantis France Group has benefited from a favourable opinion from the European Central Bank on the request for an exemption from the application of liquidity requirements on an individual basis submitted to it pursuant to Article 8 of Regulation (EU) 575/2013 (CRR). The liquidity subgroup consists of the Banque Stellantis France, CREDIPAR, CLV entities, and, since May 2023, Stellantis Financial Services Belux and Stellantis Financial Services Nederland entities.

Liquidity risk governance

The **Board of Directors** sets the refinancing policy and the risk profile and monitors compliance with the level of risk tolerance.

The **Risk Department** assesses the level of risk management and monitors compliance with limits and their consumption. The results of the controls are reported monthly to the Risk Management and Control Committee and to the ALCO Committee.

The **ALM Department** provides a first-level control to ensure overall compliance with the internal and regulatory liquidity limits in balance sheet management processes, including forecasts, notably for the budget.

The **Treasury, Refinancing and Means of Payment Department** ensures compliance with the limits and thresholds defined and the compliance of transactions with the liquidity risk policy.

Liquidity risk measurement, management and monitoring

With reference to the standard methodology of both shareholder groups, the main liquidity risk assessment

indicators are calculated on a monthly basis. These indicators are broken down into two categories:

Internal liquidity risk management indicators

- **liquidity gap:** the liquidity gap is defined as the difference between asset flows and liability flows for a given period. Liquidity gaps enable the determination, by maturity, of the gaps between Group asset items and liability commitments in order to:

- measure the gaps between resources and uses,
- ensure that the funding needs that bridge these gaps are covered at all times, with an average maturity of the liabilities/funding that is greater than that of the assets to be financed;

Average maturity of balance-sheet items

(in months)	31 December 2023	31 December 2022
Assets	12.5	12.6
Liabilities	18.5	18.4

1 Management report

Risk factors and regulatory capital adequacy - Pillar III

- **liquidity reserve:** this includes cash deposited with the *Banque de France* and available assets (not used as a guarantee or collateral) to be used to meet cash outflows under stress. This reserve is made up of:
 - high-quality liquid assets (HQLA) as defined by the Basel Committee for the calculation of the LCR. The HQLA of the Banque Stellantis France Group consists solely of cash deposited with the *Banque de France*, with the exception of its minimum reserves,
- non-HQLA-eligible assets with the Banque de France deposited as collateral and giving an additional drawing right with it (in the form of self-subscribed senior notes of securitisation transactions and of credit claims remitted through the TRICP channel);

Liquidity reserve

(in million euros)	31 December 2023	31 December 2022
Central bank deposits (excluding mandatory reserves)	1,785	810
HQLA securities available (after haircut)	0	0
Other available central bank-eligible assets (after haircut)	942	139
TOTAL LIQUIDITY RESERVE	2,727	949

- **liquidity stress tests:** they provide estimates of the time (liquidity horizon) from the liquidity gap, during which the Banque Stellantis France Group can ensure the continuity of its business by using its liquidity reserve to absorb different types of cash outflows according to several crisis scenarios. Each of these scenarios includes assumptions of deposit flight, loss of access to new funding, potential collateral calls, realisation of off-balance sheet commitments, partial unavailability of certain elements of the liquidity reserve as well as new loan production forecasts. These stress tests are included in the construction of provisional funding plans, with respect to a minimum timeframe. They are also the starting point for the Liquidity Contingency Plan prepared annually, which describes the measures that may be implemented during the various crisis scenarios to obtain additional liquidity. The ALCO Committee and the Risk Committee are informed each month of the liquidity horizon;
- **Early Warning Indicators (EWI):** this system of early warning indicators for liquidity risk, composed of quantitative and qualitative indicators, makes it possible to identify in advance situations of liquidity stress or potential weaknesses in liquidity or refinancing needs. Gradual alert levels are defined, enabling specific action plans to be drawn up if necessary;
- **Key Intraday Warning Indicators (KIWI):** intraday liquidity risk management and monitoring indicators;
- **other liquidity indicators:** additional liquidity indicators that complement the “traditional” indicators and measure other liquidity risk factors not covered elsewhere. These indicators notably include measures of concentration (such as the main counterparties financed and the concentration of network financing, etc.).

Regulatory indicators

- **Basel liquidity ratios** such as the Liquidity Coverage Ratio (LCR) and the Net Stable Funding Ratio (NSFR) as part of the European CRR requirements (Capital Requirements Regulation). The LCR and NSFR ratios are mandatory and supervised by the regulators:
 - the LCR ratio is calculated monthly and disclosed to the French Prudential Supervisory and Resolution Authority (*Autorité de Contrôle Prudentiel et de Résolution, ACPR*). The average level of the ratio during the 2023 financial year was 334%. The LCR ratio is proactively managed by the Finance Department based on expected and/or highly predictable cash outflows. The Banque Stellantis France Group’s cash inflows mainly come from commercial and financial assets. Cash outflows are mainly due to maturing financing liabilities and operating debts, deposit flight and liquidity requirement related to derivative transactions,
 - the NSFR is calculated monthly and sent quarterly to the ACPR. It stood at 106% as at 31 December 2023. The NSFR is proactively managed by the Finance Department, taking into account the stable funding requirement required to finance long-term assets (mainly loans to end-user customers);
- in addition to the previous indicators, to increase the effective monitoring of liquidity and comply with the prudential requirement of the European Commission, the Banque Stellantis France Group has implemented additional liquidity monitoring through monthly reports (Additional Liquidity Monitoring Metrics) since 2016.

The Banque Stellantis France Group has a strengthened liquidity risk management system in line with the recommendations of the European Banking Authority (EBA). The 2023 ILAAP (Internal Liquidity Adequacy Assessment Process) report will be approved by the Board of Directors in the first half of 2024.

Table EU LIQ1 – Quantitative information of LCR

This table presents the breakdown of cash outflows and cash inflows, as well as the available high-quality liquid assets (HQLA), as measured and defined according to the LCR standard (simple averages of month-end observations over the twelve months preceding the end of each quarter), in application of Article 451a(2) CRR "Disclosure of liquidity requirements".

Scope of consolidation: consolidated (in million euros)		Total unweighted value (average)				Total weighted value (average)			
Quarter ending on	31/03/23	30/06/23	30/09/23	31/12/23	31/03/23	30/06/23	30/09/23	31/12/23	
Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12	
HIGH-QUALITY LIQUID ASSETS									
Total high-quality liquid assets (HQLA)					944	998	1,035	1,233	
CASH - OUTFLOWS									
Retail deposits and deposits from small business customers, of which:	3,079	3,108	3,159	3,307	344	345	348	358	
<i>Stable deposits</i>									
<i>Less stable deposits</i>	3,079	3,108	3,159	3,307	344	345	348	358	
Unsecured wholesale funding	594	663	630	664	436	517	485	511	
<i>Operational deposits (all counterparties) and deposits in networks of cooperative banks</i>	204	189	188	198	51	47	47	50	
<i>Non-operational deposits (all counterparties)</i>	213	264	269	264	208	259	264	259	
<i>Unsecured debt</i>	177	210	173	202	177	210	173	202	
Secured wholesale funding					0	0	0	0	
Additional requirements	982	961	943	949	211	222	224	243	
<i>Outflows related to derivative exposures and other collateral requirements</i>	122	134	137	152	122	134	137	152	
<i>Outflows related to loss of funding on debt products</i>	17	20	24	31	17	20	24	31	
<i>Credit and liquidity facilities</i>	844	807	783	766	72	68	64	60	
Other contractual funding obligations	290	337	393	422	247	294	347	373	
Other contingent funding obligations	-	-	-	-	-	-	-	-	
TOTAL CASH OUTFLOWS					1,238	1,378	1,404	1,484	
CASH - INFLOWS									
Secured lending (e.g. reverse repos)	-	-	-	-	-	-	-	-	
Inflows from fully performing exposures	1,836	1,948	2,137	2,263	1,127	1,451	1,871	2,263	
Other cash inflows	297	320	380	439	244	282	361	439	
(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)					-	-	-	-	
(Excess inflows from a related specialised credit institution)					-	-	-	-	
TOTAL CASH INFLOWS	2,133	2,268	2,517	2,702	1,371	1,733	2,232	2,702	
<i>Fully exempt inflows</i>	-	-	-	-	-	-	-	-	
<i>Inflows subject to 90% cap</i>	-	-	-	-	-	-	-	-	
<i>Inflows subject to 75% cap</i>	2,133	2,268	2,517	2,702	1,371	1,733	2,232	2,702	
TOTAL ADJUSTED VALUE									
LIQUIDITY BUFFER					944	998	1,035	1,233	
TOTAL NET CASH OUTFLOWS					320	366	351	371	
LIQUIDITY COVERAGE RATIO (%)					300%	281%	295%	334%	

1 Management report

Risk factors and regulatory capital adequacy - Pillar III

Table EU LIQ2 – Net stable funding ratio

This table provides quantitative information about Net Stable Funding Ratio (NSFR), in application of Article 451a(3) CRR “Disclosure of liquidity requirements”.

(in million euros)		Unweighted value by residual maturity				Weighted Value
		No maturity	< 6 months	6 months to < 1 year	≥ 1 year	
AVAILABLE STABLE FUNDING (ASF) ITEMS						
1	Capital items and instruments	2,354	-	-	300	2,654
2	Own funds	2,354	-	-	300	2,654
3	Other capital instruments		-	-	-	-
4	Retail deposits		3,739	151	142	3,643
5	Stable deposits		-	-	-	-
6	Less stable deposits		3,739	151	142	3,643
7	Wholesale funding		4,286	3,496	6,917	8,816
8	Operational deposits		272	0	0	7
9	Other wholesale funding		4,015	3,496	6,917	8,809
10	Interdependent liabilities		-	-	-	-
11	Other liabilities		1,121	151	483	558
12	NSFR derivative liabilities					
13	All other liabilities and capital instruments not included in the above categories		1,121	151	483	558
14	TOTAL AVAILABLE STABLE FUNDING (ASF)					15,672
REQUIRED STABLE FUNDING (RSF) ITEMS						
15	Total high-quality liquid assets (HQLA)					-
EU-15a	Assets encumbered for a residual maturity of one year or more in a cover pool		-	-	-	-
16	Deposits held at other financial institutions for operational purposes		243	-	-	121
17	Performing loans and securities		8,069	2,883	9,366	14,165
18	Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut		-	-	-	-
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		505	10	46	102
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		7,564	2,874	9,319	14,063
21	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		27	13	44	49
22	Performing residential mortgages, of which:		-	-	-	-
23	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		-	-	-	-
24	Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products		-	-	-	-
25	Interdependent assets		-	-	-	-

(in million euros)		Unweighted value by residual maturity				Weighted Value
		No maturity	< 6 months	6 months to < 1 year	≥ 1 year	
26	Other assets		577	1	219	483
27	Physical traded commodities				-	-
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs					
29	NSFR derivative assets		24			
30	NSFR derivative liabilities before deduction of variation margin posted		27			1
31	All other assets not included in the above categories		526	1	219	482
32	Off-balance sheet items		836	-	-	42
33	TOTAL RSF					14,812
34	NET STABLE FUNDING RATIO (%)					106%

Ability to access several external funding and liquidity sources

In addition to the financial support provided by Santander Consumer Finance in the form of intra-group funding, the Banque Stellantis France Group has also diversified funding and liquidity sources to support the growth of its business activities:

- a €4 billion EMTN programme for the issuance of Notes in order to refinance part of its medium-and long-term needs;
- a NEU CP issue programme of €3 billion to refinance part of its short-term needs;
- a NEU MTN issue programme of €1 billion to complete the refinancing of its medium-term needs;
- four securitisation warehouse programmes for all of receivables portfolios (traditional loans, leasing with a purchase option, leases and financing of the dealer network vehicle stock) and standalone transactions;
- deposits with the collection of retail savings;
- access to refinancing from the European Central Bank with participation in several TLTRO operations;
- bank loans including subordinated loans.

1.4.7 Encumbered assets

Balance sheet assets and assets received as collateral that have been used as a pledge, guarantee or enhancement for a Banque Stellantis France Group's financial operation from which they cannot be freely withdrawn are considered as encumbered.

The main operations encumbering assets are as follows:

- assets assigned to securitisation vehicles when these assets have not been derecognised;

- assets (retained securitisation notes) used as collateral for European Central Bank refinancing operations, or used in repurchase agreements, as well as guarantee deposits.

Self-subscribed notes are not considered to be encumbered if they are not used as collateral or pledged.

Table EU AE1 – Encumbered and unencumbered assets

This table provides quantitative information on the encumbered and unencumbered assets, in application of Article 443 CRR “Disclosure of encumbered and unencumbered assets”.

(in million euros)	Carrying amount of encumbered assets		Fair value of encumbered assets		Carrying amount of unencumbered assets		Fair value of unencumbered assets	
		of which notionally eligible EHQLA and HQLA		of which notionally eligible EHQLA and HQLA		of which EHQLA and HQLA		of which EHQLA and HQLA
Assets of the disclosing institution	7,918	-			15,249	1,785		
Equity instruments	-	-			5	-	5	-
Debt securities	-	-	-	-	1	-	1	-
<i>of which: covered bonds</i>	-	-	-	-	-	-	-	-
<i>of which: securitisations</i>	-	-	-	-	-	-	-	-
<i>of which: issued by general governments</i>	-	-	-	-	-	-	-	-
<i>of which: issued by financial corporations</i>	-	-	-	-	-	-	-	-
<i>of which: issued by non-financial corporations</i>	-	-	-	-	1	-	1	-
Other assets	7,918	-			15,244	1,785		

Table EU AE2 – Collateral received and own debt securities issued

This table provides quantitative information concerning collateral received and own debt securities issued, in application of Article 443 CRR “Disclosure of encumbered and unencumbered assets”.

(in million euros)	Fair value of encumbered collateral received or own debt securities issued		Unencumbered	
		of which notionally eligible EHQLA and HQLA	Fair value of collateral received or own debt securities issued available for encumbrance	of which EHQLA and HQLA
Collateral received by the disclosing institution	-	-	-	-
Loans on demand	-	-	-	-
Equity instruments	-	-	-	-
Debt securities	-	-	-	-
<i>of which: covered bonds</i>	-	-	-	-
<i>of which: securitisations</i>	-	-	-	-
<i>of which: issued by general governments</i>	-	-	-	-
<i>of which: issued by financial corporations</i>	-	-	-	-
<i>of which: issued by non-financial corporations</i>	-	-	-	-
Loans and advances other than loans on demand	-	-	-	-
Other collateral received	-	-	-	-
Own debt securities issued other than own covered bonds or securitisations	-	-	-	-
Own covered bonds and securitisations issued and not yet pledged			322	-
TOTAL COLLATERAL RECEIVED AND OWN DEBT SECURITIES ISSUED	7,918	-		

Table EU AE3 – Sources of encumbrance

This table provides quantitative information on sources of encumbrance, in application of Article 443 CRR “Disclosure of encumbered and unencumbered assets”.

(in million euros)	Matching liabilities, contingent liabilities or securities lent	Assets, collateral received and own debt securities issued other than covered bonds and securitisations encumbered
Carrying amount of selected financial liabilities	5,247	7,918

Table EU AE4 – Accompanying narrative information

The additional descriptive information on the encumbered assets complies with Article 443 of the CRR, “Disclosure on encumbered and unencumbered assets”.

The sale of receivables to securitisation transactions allows the Banque Stellantis France Group to diversify its funding sources, through the issuance of ABS.

The use of credit claims (TRICP) or securities as collateral can also occur as part of ECB monetary policy operations.

1.4.8 Currency and interest rate risks

1.4.8.1 Currency risk

The Banque Stellantis France Group has no activity in foreign currencies that could expose the bank to currency risk.

Nevertheless, in case of foreign exchange positions, the hedging of transactions in currencies would be validated by the competent committee.

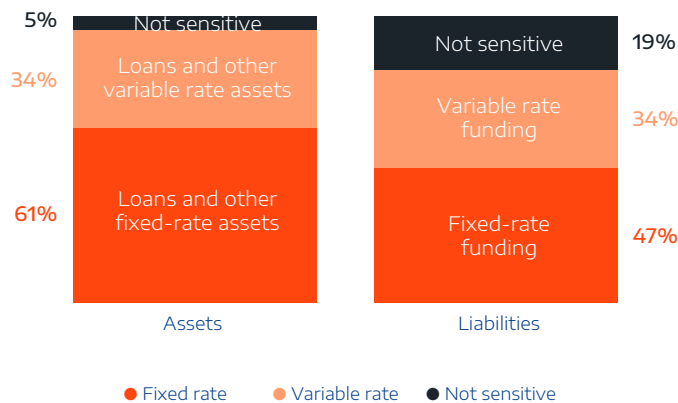
1.4.8.2 Interest rate risk

Risk factors

The interest rate risk is the potential for loss due to the impact of interest rate movements on the structure of the entity's equity (through revenues, expenses, assets, liabilities and other balance-sheet transactions).

The financing granted to customers is primarily in the form of fixed-rate loans or lease offers with a maximum duration of 72 months, whereas the financing of the dealer networks

does not exceed 12 months and prices are, therefore, renewed/adjusted during the year. The Banque Stellantis France Group refinances itself with fixed-rate financial instruments (bonds, intra-group loans, term and sight deposits, NEU CP at fixed rate) and with variable/revisable rate funding (securitisations, NEU MTN, NEU CP at variable rate, bank credit lines, TLTRO-III, repurchase agreements, subordinated debt, intra-group loans).



The Banque Stellantis France Group's objective is to limit the negative effects of market rates evolution on its profits and economic value, and to increase its security and solidity. To adjust the borrowing rate structure to the customer loan structure, guided flexibility is allowed in hedging the interest rate risk.

The policy in terms of interest rate risk tends to be conservative and avoids any speculation. Its purpose is to control and supervise interest rate risk positions within sensitivity limits in accordance with the defined risk appetite.

The management of interest rate risk consists of compliance with this policy and ensuring it with regular controls and hedging measures.

The interest rate swap portfolio is the key element used to hedge exposure to the balance sheet rate risk.

Interest rate measurement, management and monitoring

Interest rate risk can primarily affect the net interest margin and the market value of the Banque Stellantis France Group's regulatory capital. Management of the interest rate risk is governed by sensitivity limits in accordance with risk appetite.

The main risk evaluation indicators are calculated on a monthly basis:

- **the interest rate gap:** this is a repricing gap in which the assets and liabilities are placed on the review date (variable rate) and on their maturity date (fixed rate). The gap corresponds to the difference between interest-earning assets and interest-bearing liabilities over the given periods, including off-balance sheet amounts;

- **the sensitivity of the Net Interest Margin (NIM)** (Net Interest Margin) measures the additional losses or profits on the bank's interest margin, caused by a change in interest rates within the next 12, 24 or 36 months. Evaluation of the sensitivity of the Net Interest Margin is a short-term approach and is based on the analysis from interest rate gap tools;
- **the sensitivity of the market value of equity (MVE)** is the impact on the present value of the entity's assets and liabilities when the interest rate changes. The concept of the MVE refers to a long-term approach. The sensitivity of the market value of equity is also calculated using interest rate gap analysis.

The interest rate risk measurement tool has been updated to comply with the new directive EBA/GL/2022/14 of the European Banking Authority (EBA) concerning interest rate risk and credit spread risk inherent to non-trading book activities with effective dates of 30 June 2023 and 31 December 2023 respectively.

The interest rate risk monitoring indicators are based on the following assumptions:

- static balance sheet: the amounts that reach maturity are renewed by the new production of an identical quantity, such that the balances remain constant;
- the analysis is based on contractual and conventional maturity and repricing dates;
- the calculations take into account a zero coupon rate curve and various parallel and non-parallel interest rate change scenarios, such as:
 - parallel scenarios at +/- 100 bps; +/- 75 bps; +/- 50 bps and +/- 25 bps (even if interest rate risk limits only apply to +/-100 bps),
 - non-parallel scenarios with steepening, flattening or inversion of the rate curve.

Interest rate risk limits are set by reference to the interest rate risk indicators such as NIM change sensitivity over 12 months or MVE sensitivity in accordance with risk appetite as defined by the Banque Stellantis France Group. The limits are formally approved by the Board of Directors of the Banque Stellantis France Group.

At the same time, as part of risk control, hedging efficiency tests are carried out when setting up new instruments with exposure to interest rate risk.

Lastly, the control of interest rate risk is ensured by the monthly monitoring of these indicators, control of compliance with established limits and any measures to be taken to even better measure, control or monitor this risk category.

This monitoring is subject to monthly management reports to the Asset/Liability Committee (ALCO) and to the Risk Management and Control Committee.

In 2023, all interest rate risk indicators remained compliant with the limits set by the Board of Directors of Banque Stellantis France.

The table below shows the interest rate gap as at 31 December 2023, along with the sensitivity of various indicators to the worst-case risk scenario (parallel scenario) and the supervisor outlier test (SOT).

Interest rate gap as at 31 December 2023

(in million euros)	Total	≤ 1 month	≤ 3 months	≤ 1 year	≤ 2 years	≤ 5 years	> 5 years	Non Sensitive
Assets	23,168	6,004	4,092	3,828	3,686	4,456	28	1,074
Equity and liabilities	23,168	7,760	1,982	3,020	2,985	2,397	792	4,232
Off-balance sheet	0	729	2,803	(1,776)	(1,602)	(159)	4	0
REPRICING GAP	0	(1,026)	4,913	(969)	(900)	1 900	(761)	(3,158)

- at the end of December 2023, NIM sensitivity compared to the worst increase or decrease scenario for parallel rates of 100 bps, was -€2 million;

- at the end of December 2023, MVE sensitivity compared to the worst increase or decrease scenario for parallel rates of 100 bps, was -€41 million.

Table EU IRRBB – Interest rate risk in the banking book (sot for MVE/NIM)

(in million euros)	31 December 2023		31 December 2022*	
	Changes of the market value of equity (MVE)		Changes of the net interest margin (NIM)	
Supervisory shock scenarios	Current period	Last period	Current period	Last period
Parallel shock up	(82)	(14)	(5)	15
Parallel shock down	84	11	(5)	(24)
Steepener shock	33	25	(19)	(21)
Flattener shock	(48)	(28)	22	24
Short rates shock up	(68)	(30)	33	36
Short rates shock down	73	32	(40)	(48)

* only on France perimeter

- interest rate sensitivity stress test exercise: this assesses the impact of parallel and non-parallel rate shocks according to the regulatory requirement. The Banque Stellantis France Group thus calculates the SOT scenarios on a quarterly basis in accordance with Directive EBA/GL/2018/02 from European

Banking Authority (EBA) by applying the dynamic floor to the reference curve. The risks related to potential changes in interest rates affecting the MVE and NIM of the Banque Stellantis France Group's banking book, in accordance with Articles 84 and 98 (5) CRD, are presented in the table above.

1.4.9 Market risk

Risk factors

The policy Banque Stellantis France Group is to refrain from creating exposure to market risk within the meaning of banking regulations. The Banque Stellantis France Group is not authorised to carry out any speculative market activities,

either on behalf of its customers or for its own account. There is, therefore, no market risk with respect to a trading book.

Risk measurement, control and monitoring

The Group consistently ensures compliance with this rule and that the hedging instrument and hedged item are correctly matched.

The governance bodies must be immediately notified of any market risk exposure through the main competent committees.

The Banque Stellantis France Group does not have any speculative activities and does not have a trading book. As a result, monitoring focuses on the limits for structural interest rate risk implemented for the bank portfolio. The derivative rate instrument transactions undertaken are intended to hedge balance sheet items and are not intended for sale in the short-term.

1.4.10 Securitisation

The Banque Stellantis France Group uses securitisation as a source of diversification of its refinancing and, since 2019, as a tool for optimising its regulatory capital requirements. The Banque Stellantis France Group does not sponsor any securitisation transactions. The Banque Stellantis France does not carry out any re-securitisation transactions or NPL (Non-Performing Loans) transactions.

The Banque Stellantis France Group does not invest in securitisation transactions where the underlying receivables are originated by third parties:

- **for its refinancing of receivables on debtors in France,** the Banque Stellantis France Group through its CREDIPAR subsidiary, securitises some of its portfolios of receivables granted to individual or corporate customers located in France.

The Auto ABS French Loans Master, Auto ABS DFP Compartment France 2013, Auto ABS French Leases Master Compartment 2016, Auto ABS French LT Leases Master and Auto ABS French Leases 2021 and Auto ABS French Leases 2023 entities acquire receivables originated by CREDIPAR, a subsidiary of Banque Stellantis France.

CREDIPAR acts as servicer.

CREDIPAR is also the grantor of a pledge on vehicles, whose lease receivables are securitised in the Auto ABS French Leases Master Compartment 2016, Auto ABS French LT Leases Master, Auto ABS French Leases 2021 and Auto ABS French Leases 2023 securitisation transactions.

Banque Stellantis France acts as cash manager for the Auto ABS French LT Leases Master, entered in amortisation phase in November 2023.

None of the entities of the Banque Stellantis France Group provide support to these funds and they are not swap counterparties of these funds.

The notes issued as part of these transactions may be placed either publicly or with a limited pool of investors, in which case CREDIPAR chooses to structure these

transactions within the specific framework created for simple, transparent and standardised securitisations (STS) introduced by European Regulation 2017/2402 of 12 December 2017, or subscribed directly by the Banque Stellantis France Group (via its CREDIPAR subsidiary) in order to be used as eligible collateral with the European Central Bank. For transactions self-subscribed by CREDIPAR, the situation is diverse. The Auto ABS French Loans Master programme is STS notified; the Auto ABS DFP Master Comp France 2013 programme is currently not structured to be STS. As part of its operations, CREDIPAR does not usually mandate rating agencies for transactions placed with a limited pool of investors. CREDIPAR mandates at least two agencies for senior and mezzanine notes of transactions placed on the market (as at 31 December 2023: Auto ABS French Leases 2021 and Auto ABS French Leases 2023 rated by DBRS and S&P) and self-subscribed transactions used as collateral at the ECB (as at 31 December 2023: Auto ABS French Loans Master, rated by Fitch and Moody's; Auto ABS DFP Compartment France 2013, rated by Moody's and S&P). The junior notes of these operations are never rated.

In respect of compliance with its economic retention obligation defined by Regulation (EU) 575/2013 (CRR), CREDIPAR, subscribes to:

- at least 5% of the different classes of notes issued – known as vertical retention – as is the case for Auto ABS French Loans Master, Auto ABS DFP Compartment France 2013, Auto ABS French Leases Master Compartment 2016 transactions,
- or all of the junior notes representing at least 5% of the net economic interest of the transaction, as is the case for Auto ABS French Leases 2021, Auto ABS Leases 2023 and Auto ABS French LT Leases.

Pragmatically, regardless of the retention method used, CREDIPAR subscribes all of the junior notes (first loss tranche) in all these financing transactions, and systematically holds the residual units.

When CREDIPAR refinances itself through traditional securitisation, it uses securitisation transactions (*Fonds Commun de Titrisation*, FCT) to which it assigns its receivables. These funds are special purpose entities that are fully consolidated by the Banque Stellantis France Group as its CREDIPAR subsidiary is exposed to the majority of the risks (mainly credit risk) and benefits from the majority of rewards (net banking revenue). For traditional securitisations (without risk transfer), the outstandings represented by the underlying assets are therefore kept as assets of the Banque Stellantis France Group and the notes placed are recorded as liabilities. The notes self-subscribed by CREDIPAR are eliminated as intra-group transactions;

- **for its refinancing of receivables on debtors in Belgium**, Banque Stellantis France Group, through its subsidiary Stellantis Financial Services Belux, securitises the portfolio of loans granted to customers located in Belgium.

The Auto ABS Belgium Loans 2019 entity acquires receivables originated by Stellantis Financial Services Belux. The latter acts as servicer. This fund is financed by a senior loan granted by a third-party institution and a junior loan granted by Stellantis Financial Services Belux. This private transaction is not rated and has not been structured to be STS. The economic retention obligation defined by Regulation (EU) 575/2013 (CRR) is complied with by Stellantis Financial Services Belux, a junior lender for an amount of at least 5% of the net economic interest of the transaction (so-called horizontal retention).

In the absence of any significant risk transfer under prudential regulations, these French and Belgian transactions have no impact on the Banque Stellantis France Group's regulatory capital. Banque Stellantis France is not required under Article 247(2) of Regulation (EU) 575/2013 (CRR) to calculate risk-weighted exposure amounts for its positions in its securitisations: it continues to include underlying exposures in the calculation of risk-weighted exposure amounts and, where applicable, expected loss amounts as if they had not been securitised. The STS or non-STS classification of these transactions therefore has no impact, and the rating or not by ECAs or by internal valuation of the notes also has no impact;

- **as part of the optimisation of its regulatory capital requirements**, the Banque Stellantis France Group set up two synthetic transactions with a significant credit risk transfer (SRT) on a portfolio of loans to individual customers of its CREDIPAR subsidiary. The first Auto ABS Synthetic French Loans 2019 transaction, launched in 2019, was not structured to obtain the STS qualification. The second Auto ABS Synthetic French Loans 2022 transaction was notified as an STS on its closing in December 2022. As part of these transactions, CREDIPAR did not mandate a rating agency to assess the credit of the various risk tranches.

The risk transfer was carried out by CREDIPAR purchasing protection in the form of a financial guarantee from each of the Auto ABS Synthetic French Loans 2019 and Auto ABS Synthetic French Loans 2022 funds.

CREDIPAR retains a net economic interest of at least 5% in these securitisation transactions through the holding of at least 5% of the nominal value of the selected receivables, in

respect of its economic retention obligation defined by Regulation (EU) 575/2013. The financing of each guarantee was materialised by the subscription by investors of the mezzanine risk position on each securitised portfolio. CREDIPAR bought the residual units issued by this fund.

For synthetic securitisations, there was no assignment of receivables and no notes were issued to materialise the tranches of risks held by CREDIPAR. The amount of the guarantee provided by investors of each transaction (corresponding to the amount of the proceeds of the issue of Class B notes) is deposited in a pledged account for the benefit of the latter. This guarantee is recognised off-balance sheet. Its amount is adjusted on the basis of losses recorded, and in the amortisation phase, according to the amortisation of the referenced securitised portfolio. The payment of the premium for this guarantee is recorded monthly.

The Banque Stellantis France Group has retained the senior and junior risk positions for both transactions, which are subject to a capital requirement calculation: Banque Stellantis France values the senior tranche according to the SEC-IRBA methodology in accordance with Article 254 of Regulation (EU) 575/2013 while the junior tranche does not directly participate in the calculation of risk-weighted assets. Banque Stellantis France uses the option of deduction of the latter from CET1 equity, in accordance with Article 36(1) of the CRR, instead of applying a weighted risk of 1.250%. As at 31 December 2023, risk-weighted assets included €20 million for the senior position in the Auto ABS Synthetic French Loans 2019 transaction and €54 million for the Auto ABS Synthetic French Loans 2022 transaction.

Day-to-day monitoring of operations

The performance and credit quality of the funds' main counterparties are monitored monthly and disclosed to investors. This monitoring makes it possible to detect any deviations in the performance of securitised receivables or the need to replace a counterparty whose credit rating has become insufficient with regard to the (public or implicit) rating of the securitisation notes. An unexpected and exceptional deterioration in the quality of the securitised assets or a sharp drop in the production of new financing granted, limiting capacity to provide securitisation transactions during the revolving period with a sufficient amount of new loans could lead, beyond a certain threshold, to the activation of:

- mechanisms for the early amortisation of transactions, which, in addition to the loss of financing on the transaction(s) affected, could lead to a reputational risk and greater difficulty in placing new transactions on the Auto ABS market;
- sequential amortisation mechanisms for the senior and mezzanine positions of the synthetic transactions, which could lead to greater difficulty in placing new significant risk transfer transactions.

1 Management report

Risk factors and regulatory capital adequacy - Pillar III

Table EU SEC1 – Securitisation exposures in the non-trading book

This table provides securitisation exposures in the non-trading book, in application of point (j) of Article 449 CRR “Disclosure of exposures to securitisation positions”.

(in million euros)	Institution acts as originator						
	Traditional				Synthetic	Subtotal	
	STS	of which SRT	Non-STS	of which SRT		of which SRT	
TOTAL EXPOSURES	-	-	-	-	683	683	683
Retail (total)	-	-	-	-	683	683	683
Residential mortgage	-	-	-	-	-	-	-
Credit card	-	-	-	-	-	-	-
Other retail exposures	-	-	-	-	683	683	683
Re-securitisation	-	-	-	-	-	-	-
Wholesale (total)	-	-	-	-	-	-	-
Loans to corporates	-	-	-	-	-	-	-
Commercial mortgage	-	-	-	-	-	-	-
Lease and receivables	-	-	-	-	-	-	-
Other wholesale	-	-	-	-	-	-	-
Re-securitisation	-	-	-	-	-	-	-

(in million euros)	Institution acts as sponsor				Institution acts as investor			
	Traditional		Synthetic	Subtotal	Traditional		Synthetic	Subtotal
	STS	Non STS			STS	Non-STS		
TOTAL EXPOSURES	-	-	-	-	-	-	-	-
Retail (total)	-	-	-	-	-	-	-	-
Residential mortgage	-	-	-	-	-	-	-	-
Credit card	-	-	-	-	-	-	-	-
Other retail exposures	-	-	-	-	-	-	-	-
Re-securitisation	-	-	-	-	-	-	-	-
Wholesale (total)	-	-	-	-	-	-	-	-
Loans to corporates	-	-	-	-	-	-	-	-
Commercial mortgage	-	-	-	-	-	-	-	-
Lease and receivables	-	-	-	-	-	-	-	-
Other wholesale	-	-	-	-	-	-	-	-
Re-securitisation	-	-	-	-	-	-	-	-

Table EU SEC3 – Securitisation exposures in the non-trading book and associated regulatory capital requirements – institution acting as originator or as sponsor

This table provides information about securitisation exposures in the non-trading book and associated regulatory capital requirements where institution act as originator or as sponsor, in application of points (k) and (i) of Article 449 CRR “Disclosure of exposures to securitisation positions”.

(in million euros)	Exposure values (by RW bands/deductions)					Exposure values (by regulatory approach)				
	≤20% RW	>20% to 50% RW	>50% to 100% RW	> 100% to < 1,250% RW	1,250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1,250% RW/ deductions	
TOTAL EXPOSURES	671	-	-	-	5	671	-	-	5	
Traditional transactions	-	-	-	-	-	-	-	-	-	
Securitisation	-	-	-	-	-	-	-	-	-	
Retail	-	-	-	-	-	-	-	-	-	
of which: STS	-	-	-	-	-	-	-	-	-	
Wholesale	-	-	-	-	-	-	-	-	-	
of which: STS	-	-	-	-	-	-	-	-	-	
Re-securitisation	-	-	-	-	-	-	-	-	-	
Synthetic transactions	671	-	-	-	5	671	-	-	5	
Securitisation	671	-	-	-	5	671	-	-	5	
Retail underlying	671	-	-	-	5	671	-	-	5	
Wholesale	-	-	-	-	-	-	-	-	-	
Re-securitisation	-	-	-	-	-	-	-	-	-	

(in million euros)	RWEA (by regulatory approach)				Capital charge after cap			
	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1,250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1,250% RW/ deductions
TOTAL EXPOSURES	74	-	-	-	6	-	-	-
Traditional transactions	-	-	-	-	-	-	-	-
Securitisation	-	-	-	-	-	-	-	-
Retail	-	-	-	-	-	-	-	-
of which: STS	-	-	-	-	-	-	-	-
Wholesale	-	-	-	-	-	-	-	-
of which: STS	-	-	-	-	-	-	-	-
Re-securitisation	-	-	-	-	-	-	-	-
Synthetic transactions	74	-	-	-	6	-	-	-
Securitisation	74	-	-	-	6	-	-	-
Retail underlying	74	-	-	-	6	-	-	-
Wholesale	-	-	-	-	-	-	-	-
Re-securitisation	-	-	-	-	-	-	-	-

1 Management report

Risk factors and regulatory capital adequacy - Pillar III

Table EU SEC5 – Exposures securitised by the institution - exposures in default and specific credit risk adjustments

This table provides securitised exposures in default and specific credit risk adjustments made during the period, in application of point (l) of Article 449 CRR “Disclosure of exposures to securitisation positions”.

(in million euros)	Exposures securitised by the institution - Institution acts as originator or as sponsor		
	Total outstanding nominal amount	of which exposures in default	Total amount of specific credit risk adjustments made during the period
TOTAL EXPOSURES	8,031	60	-
Retail (total)	2,754	22	-
Residential mortgage	-	-	-
Credit card	-	-	-
Other retail exposures	2,754	22	-
Re-securitisation	-	-	-
Wholesale (total)	5,277	38	-
Loans to corporates	-	-	-
Commercial mortgage	-	-	-
Lease and receivables*	4,082	38	-
Other wholesale	1,195	-	-
Re-securitisation	-	-	-

* The classification of these assets as wholesale customers * is based on the classification implemented in Commission Implementing Regulation (EU) 2021/451 of 17 December 2020. In practice, more than 90% of securitised receivables correspond to Retail exposures.

1.4.11 Operational risks

In accordance with Regulation (EU) 575/2013 of 26 June 2013 and the Order of 3 November 2014, as amended on 28 July, the definition of operational risk covers the "risk of losses resulting from an insufficiency or failure of processes, from personnel and internal systems or from external events".

Operational risk notably includes risks related to events with a low probability of occurrence but with a high impact, risks related to information systems, the risk of internal and external fraud, legal and non-compliance risks and reputational risks.

Risk identification, measurement and management

The risk mapping covering all of the Banque Stellantis France Group's activities identifies and prioritises three levels of operational and non-compliance risk, classified by activity, process and sub-process. They consist of operational risks related to credit risk, such as external fraud and, to a lesser extent, of risks related to activities outsourced to service providers or partners.

Risk management is implemented via mechanisms integrated in working procedures or instructions and is subject to second-level controls by the bank's permanent control function. They may also take the form of decision and discretionary limits rules, as well as specific processes incorporated in IT systems. Business continuity plans have been defined and deployed for premises and information systems. These are tested at least once a year.

The Banque Stellantis France Group's operational risks management system follows the standard operational risk approach.

Information system risk

Information systems are essential to the operational processes of the Banque Stellantis France Group, from credit underwriting to the management of all loans and receivables.

The smooth operation of financial control, accounting and data collection and processing systems is essential to the Banque Stellantis France Group's business and its ability to compete. In addition, the Banque Stellantis France Group has signed framework agreements with Stellantis Financial Services Europe for the supply of information systems and services and benefits from the cybersecurity risk alert and prevention system of STELLANTIS, which enables it to manage the risks.

The risk resulting from the difficulty to ensure that all information systems remain fully functional following a disruptive event, regardless if it results in material damage or not (cyberattack, natural disasters such as flooding, etc.) can have a negative impact on the Banque Stellantis France Group's ability to continue its activities, despite the activation of the Business Continuity Plan.

Losses can result from a personnel mismatch, from an internal control process or system mismatch or failure, or from external events which interrupt day-to-day activities. The Banque Stellantis France Group is exposed to the risk of an insufficiency in the design of its controls and procedures or that they will be bypassed such that its data and/or customer files are incomplete, non-recoverable or not stored securely. This may occur despite the fact that the Banque Stellantis France Group works with its customers, service providers, counterparties and other third parties to develop secure data processing, storage and transmission capabilities in order to avoid information security risks.

Fraud risk

The Banque Stellantis France Group is exposed to the risk of fraud, primarily external fraud resulting in losses due to unpaid loans or rents.

As a credit institution granting loans and leases to its customers, the Banque Stellantis France Group is exposed to the risk of fraud. This risk can result from a mismatch or failure of internal processes or personnel and information systems, but fraud mainly occurs when customers request financing.

The Banque Stellantis France Group's credit granting process depends to a large extent on the documents provided by potential customers (individuals or companies). A risk can arise at the time a financing contract is signed if the customer provides false documents or has stolen another person's identity. This risk has increased recently due to a rise in organised crime and the development of techniques to create false documents (for individuals or companies).

The Banque Stellantis France Group has insurance policies which cover fraud, malicious intent, material damage and operational losses, underwritten by the STELLANTIS Insurance Department.

Non compliance risk

Non-compliance risk is defined as the risk of legal, administrative or disciplinary sanction, significant financial loss, or damage to reputation arising from failure to comply with the provisions governing banking and financial services, including regulatory and statutory provisions, professional standards, ethical standards, or instructions from the executive body pursuant to guidelines issued by the Board.

Risk factors are related to incorrect interpretation of texts or failure to adequately reflect these texts in operating methods, procedures or internal instructions.

As part of its day-to-day activities, the Banque Stellantis France Group can be involved in different types of litigation, notably civil, administrative, tax, criminal and arbitration cases resulting from non-compliance with the above provisions.

In these cases, the Banque Stellantis France Group is exposed to a number of outcomes which may adversely affect its business:

- a legal impact if regulatory or judicial actions resulting in fines or penalties are taken against the Banque Stellantis France or its employees;
- a financial impact in the event of a prejudice affecting the net income of the Banque Stellantis France or its future potential earnings or in the case of investor loss of confidence; and
- a reputational impact with the potential to harm the image or brands of the STELLANTIS: for example, bad press or discussions on social networks, a loss of customer confidence or a decline in employee commitment.

Reputation and image risk

For the Banque Stellantis France Group, reputational and image risk consists mainly of:

- a specific risk, corresponding to reputation and image risk, particularly with end-user customers, STELLANTIS's dealer networks, third-party banks and supervisory authorities (excluding internal image risk);
- possible repercussions of an operational incident.

The image and reputational risk is, to a large extent, related to the risks already identified, covered by the internal control systems: this is notably the case for internal and external fraud and non-compliance risk.

Due to its direct affiliation to Stellantis Financial Services Europe and Santander Consumer Finance (and consequently to the STELLANTIS and Santander groups), the reputation and image of the Banque Stellantis France Group can also be impacted by the reputation and image of its two shareholders.

In particular, due to the fact that it belongs directly to Stellantis Financial Services Europe and Santander Consumer Finance (and, as a result, the STELLANTIS and Santander groups), the Banque Stellantis France Group may also be impacted by the non-compliance risk to which these two groups are exposed. This could have an impact on sales revenue in the case of negative events which significantly disrupt the operations of the Banque Stellantis France Group, such as embargoes and site closures.

Risk is measured upstream via a regulatory watch system which tracks changes and the reasons for sanctions issued collected to assess the impact on customer relationships, the processes and the organisation, the information systems, the scope of activity and, generally, the business model.

The risk of non-compliance is controlled by adapting procedures, instructions or operating methods, detecting people who are exposed politically or whose assets have been frozen, setting materiality criteria and thresholds to identify money-laundering and the financing of terrorism, as well as a report-compilation system. Risks of non-compliance are monitored through the implementation of a programme of first-level controls by the Compliance Department and of second-line controls by the Permanent Control Department. The results of these checks are presented to the Control and Compliance Committee meetings, which are organised on a monthly basis.

A number of systems are implemented to prevent the risk of reputational damage, including:

- compliance with banking secrecy and the obligation for professional confidentiality for which the employees of the Banque Stellantis France Group take special training courses;
- approval of standard letters to customers and advertising messages by the Legal Department;
- monitoring of the quality of customer relations;
- approval of new products by the Risk, Legal, Tax and Compliance Departments;
- the report compilation system;
- a specific system for approving loans to certain sensitive business sectors (the media, arms, sports clubs, etc.) which are delegated to the Banque Stellantis France Board of Directors.

Table EU OR1 – Operational risk own funds requirements and risk- weighted exposure amounts

In application of Article 446 CRR “Disclosure of operational risk management” and Article 454 CRR “Disclosure of the use of the Advanced Measurement Approaches to operational risk”, this table provides information about operational risk own funds requirements under:

- Basic Indicator Approach (BIA);
- Standardised Approach (TSA);
- Alternative Standardised Approach (ASA);
- Advanced Measurement Approach (AMA).

(in million euros)	Relevant indicator			Own funds requirements	Risk exposure amount
	Year-3	Year-2	Last year		
Banking activities subject to basic indicator approach (BIA)	-	-	-	-	-
Banking activities subject to standardised (TSA) / alternative standardised (ASA) approaches	689	735	726	91	1,142
<i>Subject to TSA</i>	689	735	726	-	
<i>Subject to ASA</i>	-	-	-	-	
Banking activities subject to advanced measurement approaches (AMA)	-	-	-	-	-

1.4.12 Remuneration policy

The remuneration policy sets the remuneration framework for employees, executives, control bodies, risk-takers and members of the Board of Directors of the three entities of the Banque Stellantis France Group.

The principles laid down by the Banque Stellantis France Group’s Remuneration Policy take into account shareholders’ guidelines (Santander Consumer Finance and Stellantis Financial Services Europe).

The Board of Directors determines and approves the scope and application of this policy, which was previously proposed jointly by the Remuneration Committee and the Appointment Committee each for the parts that concern it (Article L. 511-72 of the French Monetary and Financial Code).

The first version of the remuneration policy was adopted by a decision of the Board of Directors of Banque Stellantis France at a meeting held on 11 February 2016. It was then reviewed annually in accordance with Article L. 511-72 of the French Monetary and Financial Code. In 2024, the policy was split in two, with a remuneration policy for France and an appointment policy with the opinion of the Board of Directors at its meeting held on 14 November 2023.

The Chief Human Resources Officer is in charge of interpreting the remuneration policy within the Banque Stellantis France Group. He communicates with the Board of Directors and the Remuneration Committee and inform them of the implementation of this policy in accordance with Article L. 511-72 of the French Monetary and Financial Code, and paragraph 28 of the EBA Guidelines from European Banking Authority.

Any deviation from this policy must be submitted for approval to the Banque Stellantis France Remuneration Committee in order to ensure consistency with the Banque Stellantis France Group policy.

The Banque Stellantis France Group has set up a variable remuneration policy that mainly includes an annual bonus in line with individual and collective targets for all employees with permanent contracts who have had a certain period of activity during the year.

All variable remuneration plans must:

- reward performance;
- promote good conduct (respect for the values of the Company “Be one to be first” on the way in which employees must conduct business and make decisions, and the way in which they interact with the customers, the shareholders and the Company); credit, operational and reputational risk management;
- do not promote the sale of a product or service when another product or service is better suited to the customer’s needs (principle aimed at employees with a mission);
- provide for a minimum ratio and a maximum ratio in relation to the fixed remuneration.

The **individual objectives** must take into account the risk at the level of the Banque Stellantis France Group without any incentive to take reprehensible risks, under the responsibility of the managers with risk-takers in their team. In their definition, the objectives meet the “SMART” principle (Specific, Measurable, Ambitious, Realistic and Time-bound).

The **collective objectives** are set at the level of each department and relate to the various ambitions of the strategic plan (in particular on cost control, improvement of customer satisfaction, the management of transformation projects or the implementation of audit recommendations). Collective or individual objectives must not be subject to conflicts of interest with the control missions entrusted to them within the Banque Stellantis France Group. The total variable remuneration must not exceed the ceiling of 100% of fixed remuneration, even in cases of exceptional performance (possible outperformance limited to 150% for some quantitative objectives with the obligation of specifying a challenging threshold). Variable remuneration is only granted to employees if it does not prejudice the Banque Stellantis France Group’s compliance with its capital ratios. In addition, it must be possible for the result of the variable remuneration to be zero if the Banque Stellantis France Group does not achieve at least a percentage of achievement of the objectives set annually.

1 Management report

Risk factors and regulatory capital adequacy - Pillar III

The following trigger thresholds must be reached for the payment of variable remuneration:

- if the Banque Stellantis France Group has not achieved at least 80% of its after-tax profit target;
- if the overall penetration rate of new vehicles is 80% lower than budgeted;
- if the Banque Stellantis France Group benefits from an exceptional public intervention in the event of financial difficulty that could endanger it or if it does not maintain a sufficient level of capital.

Due to the specific nature of Banque Stellantis France's automotive financing and service distribution activities, the variable remuneration policy for risk-takers in this area of activity does not differ from that of other employees and

Breakdown	Payment year	Cash	Virtual shares
Immediate payment of 60%	N+1	30%	30% (cash payment the following year if virtual instrument)
	N+2	5%	5% (cash payment the following year if virtual instrument)
Payment deferred up to 40%	N+3	5%	5% (cash payment the following year if virtual instrument)
	N+4	5%	5% (cash payment the following year if virtual instrument)
	N+5	5%	5% (cash payment the following year if virtual instrument)

The financial instrument, known as the "virtual share", corresponds to a "factor" representing the change in the theoretical value of Banque Stellantis France shares given that it is not possible to refer to a stock market price (the shares of Group entities are not admitted to trading on a regulated market).

The variable remuneration will be granted subject to the condition of presence in the Company and subject to the non-application of the clawback clause or the penalty clause decided by the Remuneration Committee and the Board of Directors.

This section defines the process of identifying, evaluating and reviewing events that may require a correction or a restitution of the variable remuneration of the risk takers depending in particular on the actions or behaviour of the person concerned.

These actions may apply in particular if:

- the person has caused or is responsible for significant losses for the Company;

complies with the terms and conditions of Article L. 511-82 of the French Monetary and Financial Code. In accordance with Article L. 511-75 of the Monetary and Financial Code, personnel performing control functions are paid according to the achievement of the objectives related to their functions and not according to the performance of the controlled activities.

Each year, the Board of Directors reviews the variable remuneration of Executive Management, the members of the Executive Committee and the risk-takers and personnel belonging to the control functions, granted in cash, except in the case of variable remuneration above the threshold of €50,000, the third part of which would result in the form of a financial instrument.

Deferred variable remuneration breaks down as follows:

- the person did not comply with the applicable standards in terms of business ethics, compliance or financial commitment or risk;
- the person committed a serious fault or error generating regulatory sanctions.

In order to determine the size of the correction, events can be classified into three categories:

- minor event: an event that concerns a single person and has a limited risk, financial or reputational impact on the company;
- significant event: an event that concerns a limited number of employees and has a significant risk, financial or reputational impact on the company;
- very significant event: an event that has a significant adverse impact on the company's risk profile, financial performance or reputation.

As Banque Stellantis France is a company whose shares are not admitted to trading on a regulated market, no shareholding is granted to employees and consequently no shareholding requirement is imposed.

Remuneration committee as at 31 December 2023

Name	Position within the Banque Stellantis France Group
Abdou SOW, Chairman	Director of Banque Stellantis France
Rafael MORAL SALARICH	Director and Chairman of the Board of Directors of Banque Stellantis France
Rémy BAYLE	Director of Banque Stellantis France
Hélène BOUTELEAU	Director of Banque Stellantis France

The Remuneration Committee met six times in 2023 in accordance with Article L. 511-73 of the French Monetary and Financial Code.

The overall remuneration policy for Banque Stellantis France Group employees, including that of the 40 identified people who strictly meet the criteria defined in Article L. 511-71 of the French Monetary and Financial Code (of whom only 24 are under contract with CREDIPAR) due to the impact that their function may have on the Group's risk profile is presented at least once a year to the Remuneration Committee for approval.

In accordance with Article L. 511-73 of the French Monetary and Financial Code, the total amount of remuneration of all kinds paid to these persons during the 2023 financial year amounts to a total amount (gross of tax) of €4,150,000.00 broken down into fixed remuneration of €3,229,048, variable remuneration of €622,908, benefits in kind of €67,898 and exceptional items of €294,739, in respect of exceptional items, it being specified that no employee receives annual remuneration exceeding €1 million.

The items presented in the tables below are based on the scope of consolidation in France.

Table EU REM1 – Remuneration awarded for the financial year

This table provides quantitative information on remuneration, broken down by senior management and members of staff whose professional activities have a material impact on the risk profile, in application of points (h) (i) to (ii) of Article 450(1) CRR “Disclosure of remuneration policy”.

(in euros)		MB Supervisory function	MB Management function	Other senior management	Other identified staff
1	Number of identified staff	13*	15	-	17
2	Total fixed remuneration	-*	1,831,386	-	1,397,662
3	<i>of which: cash-based</i>	-	1,831,386	-	1,397,662
4	<i>(Not applicable in the EU)</i>	-	-	-	-
EU-4a	<i>of which: shares or equivalent ownership interests</i>	-	-	-	-
	Fixed remuneration				
5	<i>of which: share-linked instruments or equivalent non-cash instruments</i>	-	-	-	-
EU-5x	<i>of which: other instruments</i>	-	-	-	-
6	<i>(Not applicable in the EU)</i>				
7	<i>of which: other forms</i>	-	-	-	-
8	<i>(Not applicable in the EU)</i>				
9	Number of identified staff	13*	15	-	17
10	Total variable remuneration	-*	454,219	-	168,689
11	<i>of which: cash-based</i>	-	442,619	-	168,689
12	<i>of which: deferred</i>	-	43,639	-	-
EU-13a	<i>of which: shares or equivalent ownership interests</i>	-	11,600	-	-
EU-14 a	<i>of which: deferred</i>	-	11,600	-	-
	Variable remuneration				
EU-13b	<i>of which: share-linked instruments or equivalent non-cash instruments</i>	-	-	-	-
EU-14b	<i>of which: deferred</i>	-	-	-	-
EU-14x	<i>of which: other instruments</i>	-	-	-	-
EU-14y	<i>of which: deferred</i>	-	-	-	-
15	<i>of which: other forms</i>	-	-	-	-
16	<i>of which: deferred</i>	-	-	-	-
17	TOTAL REMUNERATION (2 + 10)	-*	2,285,605	-	1,566,351

* The duties of Director and Chairman of the Board of Directors * do not give rise to the payment of directors' fees.

1 Management report

Risk factors and regulatory capital adequacy - Pillar III

Table EU REM3 – Deferred remuneration

This table provides quantitative information on deferred and retained remuneration, broken down by senior management and members of staff whose professional activities have a material impact on the risk profile, in application of points (h)(iii) to (iv) of Article 450(1) CRR “Disclosure of remuneration policy”.

Deferred and retained remuneration (in euros)	Total amount of deferred remuneration awarded for previous performance periods	of which due to vest in the financial year	of which vesting in subsequent financial years	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in the financial year	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in future performance years	Total amount of adjustment during the financial year due to ex post implicit adjustments (i.e. changes of value of deferred remuneration due to the changes of prices of instruments)	Total amount of deferred remuneration awarded before the financial year actually paid out in the financial year	Total of amount of deferred remuneration awarded for previous performance period that has vested but is subject to retention periods
MB Supervisory function	-	-	-	-	-	-	-	-
Cash-based	-	-	-	-	-	-	-	-
Shares or equivalent ownership interests	-	-	-	-	-	-	-	-
Share-linked instruments or equivalent non-cash instruments	-	-	-	-	-	-	-	-
Other instruments	-	-	-	-	-	-	-	-
Other forms	-	-	-	-	-	-	-	-
MB Management function	328,918	55,239	273,679	-	-	-	55,239	-
Cash-based	107,986	43,639	64,347	-	-	-	43,639	-
Shares or equivalent ownership interests	199,629	11,600	188,029	-	-	-	11,600	-
Share-linked instruments or equivalent non-cash instruments	21,303	-	21,303	-	-	-	-	-
Other instruments	-	-	-	-	-	-	-	-
Other forms	-	-	-	-	-	-	-	-
Other senior management	-	-	-	-	-	-	-	-
Cash-based	-	-	-	-	-	-	-	-
Shares or equivalent ownership interests	-	-	-	-	-	-	-	-
Share-linked instruments or equivalent non-cash instruments	-	-	-	-	-	-	-	-
Other instruments	-	-	-	-	-	-	-	-
Other forms	-	-	-	-	-	-	-	-
Other identified staff	-	-	-	-	-	-	-	-
Cash-based	-	-	-	-	-	-	-	-
Shares or equivalent ownership interests	-	-	-	-	-	-	-	-
Share-linked instruments or equivalent non-cash instruments	-	-	-	-	-	-	-	-
Other instruments	-	-	-	-	-	-	-	-
Other forms	-	-	-	-	-	-	-	-
TOTAL AMOUNT	328,918	55,239	273,679	-	-	-	55,239	-

Table EU REM5 – Information on remuneration of staff whose professional activities have a material impact on risk profile (identified staff)

This table provides quantitative information on remuneration of staff whose professional activities have a material impact on risk profile, broken down by business area, in application of point(g) of Article 450(1) CRR "Disclosure of remuneration policy".

(in euros)	Management body remuneration			Business areas						Total
	MB Supervisory function	MB Management function	Total MB	Investment banking	Retail banking	Asset management	Corporate function	Independent internal control functions	All other	
Total number of identified staff										40 (2)
<i>of which: members of the MB</i>	13 (1)	15	-							
<i>of which: other senior management</i>				-	-	-	-	-	-	
<i>of which: other identified staff</i>				-	17	-	-	-	-	
Total remuneration of identified staff	- (3)	2,595,853	-	-	1,618,741	-	-	-	-	
<i>of which: variable remuneration</i>	-	454,219	-	-	168,689	-	-	-	-	
<i>of which: benefits in kind</i>	-	52,594	-	-	15,105	-	-	-	-	
<i>of which: fixed remuneration</i>	-	1,831,386	-	-	1,397,662	-	-	-	-	
<i>of which: exceptional items</i>	-	257,454	-		37,285					

(1) Total number of directorships in three entities of the Banque Stellantis France Group (Banque Stellantis France : 6, CREDIPAR : 8, CLV : 3), 13 people identified due to the possible presence of the same person on the Board of Directors of several entities.

(2) 40 people identified whose professional activities have a significant impact on the Banque Stellantis France Group (of whom 24 only under contract with CREDIPAR).

(3) The duties of Director and Chairman of the Board of Directors do not give rise to the payment of directors' fees.

1 Management report

Risk factors and regulatory capital adequacy - Pillar III

Cross-reference table

	CRR	Concordance	Tables	Page(s)
Article 431	Disclosure requirements and policies	1.4.5.7 - Counterparty risk 1.4.13 - Pillar III disclosures statement	CCRA	87 - 90 115
Article 432	Non-material, proprietary or confidential information	1.4 - Introduction		22
Article 433	Frequency and scope of disclosures	1.4 - Introduction		22
Article 435	Disclosure of risk management objectives and policies			
1a		1.4.2.2 - Organisation of risk management 1.4.2.6 - Stress test system 1.4.5.2 - Credit risk management 1.4.5.3 - Diversification of credit/concentration risk 1.4.5.7 - Counterparty risk 1.4.6 - Liquidity and funding risk 1.4.8 - Currency and interest rate risk 1.4.9 - Market risk 1.4.11 - Operational risks	OVA + CRA + MRA + ORA	36 - 39 40 63 - 64 64 87 - 90 91 - 96 98 - 99 100 105 - 107
1b		1.4.2.1 - Risk Appetite Framework 1.4.2.2 - Organisation of risk management 1.4.5.2 - Credit risk management 1.4.11 - Operational risks	OVA + CRA + ORA	35 36 - 39 63 - 64 105 - 107
1c		1.4.2.3 - Risk profile 1.4.2.4 - Risk appetite statement 1.4.11 - Operational risks	OVA + ORA	39 - 40 40 105 - 107
1d		1.4.5.6 - Credit risk mitigation techniques 1.4.11 - Operational risks	OVA + CRA + ORA	86 - 87 105 - 107
1e		1.4.2.5 - Adequacy of the institution's systems with respect to risks	OVA	40
1f		1.4.2.3 - Risk profile	OVA + CRA	39 - 40
2a-c		1.4.2.2.2 - Main risk management governance bodies	OVB	38 - 39
2d, e		1.4.2.2.2 - Main risk management governance bodies	OVB	38 - 39
Article 436	Disclosure of the scope of application			
a		1.4 - Introduction		22
b		Not applicable: no difference between the accounting scope and the scope of prudential consolidation	LIA(NA) + LI1(NA) + LI2(NA) + LI3(NA)	
c		Not applicable	LI1(NA) + LI3(NA)	
d		Not applicable	LIA(NA) + LI2(NA)	
e		Not applicable : no PVA	PV1(NA)	
f-h		Not applicable	LIB(NA)	
Article 437	Disclosure of own funds			
a		1.4.3.2 - Regulatory capital and regulatory capital requirements	CC1 + CC2	43 - 46 47
b-c		1.4.3.2.1 - Regulatory capital	CCA	48 - 51
d, e-f		1.4.3.2 - Regulatory capital and regulatory capital requirements	CC1	43 - 46
Article 437a	Disclosure of own funds and eligible liabilities	Not applicable: Banco Santander is the resolution entity		
Article 438	Disclosure of own funds requirements and risk-weighted exposure amounts			
a		1.4.2.6 - Stress test system	OVC	40
b		1.4 - Introduction	KM1	23 - 24
c		Not applicable: no request by the Regulator		
d		1.4.3.2.2 - Regulatory capital requirements 1.4.11 - Operational risks	OV1 + OR1	53 - 54 107

CRR	Concordance	Tables	Page(s)
e	Not applicable : no specialised lending and equity exposure under the simple risk-weighted approach	CR10(NA)	
f-g	Not applicable : no insurance entity	INS1(NA) + INS2(NA)	
h	1.4.5.5 - Advanced approach (article 452)	CR8 + CCR7(NA) + MR2-B(NA)	83
Article 439	Disclosure of exposures to counterparty credit risk		
a-g	1.4.5.7 - Counterparty risk	CCRA + CCR1 + CCR5	87 - 90 88 89
h	Not applicable: no CVA risk	CCR2(NA)	
i	1.4.5.7 - Counterparty risk	CCR8	90
j	Not applicable: no credit derivatives exposures	CCR6(NA)	
k-m	1.4.5.7 - Counterparty risk	CCR1 + CCR3 + CCR4(NA)	88 89
Article 440	Disclosure of countercyclical capital buffers		
a	1.4.3.2 - Regulatory capital and regulatory capital requirements	CCyB1	42
b	1.4.3.2 - Regulatory capital and regulatory capital requirements	CCyB2	42
Article 441	Disclosure of indicators of global systemic importance	Not applicable : the Banque Stellantis France is not subject to a global systemically important bank (G-SIB) buffer	
Article 442	Disclosure of exposures to credit risk and dilution risk		
a-b	1.4.5.1 - Credit risk exposure	CRB	59
c	1.4.5.1 - Credit risk exposure	CR1 + CR2a(NA) + CQ1 + CQ2(NA) + CQ4(NA) + CQ5(NA) + CQ6(NA) + CQ7(NA) + CQ8(NA)	60 61
d	1.4.5.1 - Credit risk exposure	CQ3	62
e	1.4.5.1 - Credit risk exposure	CR1 + CQ1 + CQ4(NA) + CQ5(NA) + CQ7(NA)	60 61
f	1.4.5.1 - Credit risk exposure	CR1 + CR2(NA) + CR2a(NA) + CQ1 + CQ2(NA) + CQ4(NA) + CQ5(NA) + CQ6(NA) + CQ7(NA) + CQ8(NA)	60 61
g	1.4.5.1 - Credit risk exposure	CR1-A	61
Article 443	Disclosure of encumbered and unencumbered assets	1.4.7 - Encumbered assets	AE1 + AE2 + AE3 + AE4
Article 444	Disclosure of the use of the Standardised Approach		
a-d	1.4.5.4 - Standardised approach	CRD	65 - 67
e	1.4.5.4 - Standardised approach 1.4.5.7 - Counterparty risk	CR4 + CR5 + CCR3	66, 67 89
Article 445	Disclosure of exposure to market risk	Not applicable: the Banque Stellantis France Group has no market risk	MR1(NA)
Article 446	Disclosure of operational risk management	1.4.11 - Operational risks	ORA + OR1
Article 447	Disclosure of key metrics	1.4 - Introduction	KM1
Article 448	Disclosure of exposures to interest rate risk on positions not held in the trading book	1.4.8 - Currency and interest rate risk	IRRBBB + IRRBB1
			98 - 99 99

1 Management report

Risk factors and regulatory capital adequacy - Pillar III

	CRR	Concordance	Tables	Page(s)
Article 449	Disclosure of exposures to securitisation positions			
a-i		1.4.10 - Securitisation	SECA	100 - 104
j		1.4.10 - Securitisation	SEC1 + SEC2(NA)	102
j i		1.4.10 - Securitisation	SEC3	103
j ii		Not applicable : the Banque Stellantis France does not act as an investor	SEC4(NA)	
l		1.4.10 - Securitisation	SEC5	104
Article 449a	Disclosure of environmental, social and governance risks (ESG risks)	1.4.1 - Risk factors		24 - 34
Article 450	Disclosure of remuneration policy			
a-f		1.4.12 - Remuneration policy	REMA	107 - 114
g		1.4.12 - Remuneration policy	REM4(NA) + REM5	111
h i-ii		1.4.12 - Remuneration policy	REM1	109
h iii-iv		1.4.12 - Remuneration policy	REM3	110
h v-vii		1.4.12 - Remuneration policy	REM2(NA)	
i		1.4.12 - Remuneration policy	REM4(NA) + REM5	111
j		1.4.12 - Remuneration policy	REMA	107 - 114
Article 451	Disclosure of the leverage ratio			
1a		1.4.4 - Leverage ratio	LR2	56
1b		1.4.4 - Leverage ratio	LR1 + LR2 + LR3	55 - 58
1c		1.4.4 - Leverage ratio	LR2 if applicable	56
1d-e		1.4.4 - Leverage ratio	LRA	54 - 58
2		1.4.4 - Leverage ratio	LR2 if applicable	56
Article 451a	Disclosure of liquidity requirements			
1		1.4.6 - Liquidity and funding risk	LIQA	91 - 96
2		1.4.6 - Liquidity and funding risk	LIQ1	93
3		1.4.6 - Liquidity and funding risk	LIQ2	94
4		1.4.6 - Liquidity and funding risk	LIQA	91 - 96
Article 452	Disclosure of the use of the IRB Approach to credit risk			
a		1.4.5.5.1 - Scope of application of the internal ratings (IRB)	CRE	68 - 69
b		1.4.5.5 - Advanced approach (article 452)	CR6-A	79
c-e		1.4.5.5 - Advanced approach (article 452)	CRE	68 - 85
f		1.4.5.5.2 - Description of the internal rating models 1.4.5.5.3 - Internal rating process	CRE	69 - 71 72
g		1.4.5.5 - Advanced approach (Article 452) 1.4.5.7 - Counterparty risk	CR6 + CCR4(NA)	75 - 78, 89
h		1.4.5.5 - Advanced approach (Article 452)	CR9 + CR9.1(NA)	84 - 85
Article 453	Disclosure of the use of credit risk mitigation techniques			
a-e		1.4.5.6 - Credit risk mitigation techniques	CRC	86 - 87
f		1.4.5.6 - Credit risk mitigation techniques	CR3	87
g		1.4.5.4 - Standardised approach 1.4.5.5 - Advanced approach (Article 452)	CR4 + CR7-A	66 81
h-i		1.4.5.4 - Standardised approach	CR4	66
j		1.4.5.5 - Advanced approach (Article 452)	CR7	80
Article 454	Disclosure of the use of the Advanced Measurement Approaches to operational risk	Not applicable: no Advanced Measurement Approach	ORA + OR1	
Article 455	Use of internal market risk models	Not applicable: the Banque Stellantis France Group has no market risk	MRB(NA) + MR2-A(NA) + MR3(NA) + MR4(NA)	

1.4.13 Pillar III - Disclosures statement

I hereby certify that the Banque Stellantis France Group publishes in the Pillar III report the information required under Part 8 of Regulation (EU) 575/2013 subsequently amended by Regulation (EU) 2019/876 in accordance with the formal policies and procedures, systems and internal controls.

After taking all reasonable steps to this effect, I confirm that the information disclosed as at 31 December 2023 has been subject to the same level of internal verification as the other information provided in the 2023 Annual Report.

Poissy, 13 March 2024



Laurent AUBINEAU

Chief Executive Officer of Banque Stellantis France

1.5 Corporate governance – General information concerning Banque Stellantis France

1.5.1 Banque Stellantis France overview

Company name: Banque Stellantis France

Nationality: French

Registered office: 2-10, boulevard de l'Europe, 78300 Poissy, France Tel.: +33 (0) 1 46 39 65 55

Legal form: limited liability company (*société anonyme*) with a Board of Directors whose shares are not tradable on a regulated market.

Registry and identification number: Banque Stellantis France is registered in the Trade and Companies Register of Versailles.

> **Siren No.:** 652 034 638

> **Siret No.:** 652 034 638 00047

> **APE/NAF business identifier code:** 6419Z

> **LEI:** 969500JK1O192KI3E882

Date of incorporation and duration: Banque Stellantis France (originally SOFIB then PSA Banque France until 2 April 2023) was incorporated on 24 June 1965 and has been registered since 20 July 1965. The expiry date of the Company is 31 December 2064.

The corporate purpose of the Company is the one of a fully-fledged bank.

Financial year: the corporate financial year begins on 1 January and closes as at 31 December of each year.

As an Investment Service Provider (ISP), Banque Stellantis France is subject to the General Regulation of the French Financial Market Authority (*Autorité des Marchés Financiers* (AMF)). The Deputy Chief Executive Officer of Banque Stellantis France, who is accredited by the AMF and holds the required licence, serves as Investment Service Compliance Officer (RCSI) pursuant to Articles 313 *et seq.* of the AMF's General Regulation.

The rules applicable to amendments to the by-laws are those of Article L. 225-96 of the French Commercial Code.

Banque Stellantis France is an approved credit institution mainly supervised by the European bank regulator, the European Central Bank since 2015, and by the French regulator, while continuing to send the required information to the French regulator, the *Autorité de Contrôle Prudentiel et de Résolution*.

1.5.2 Shareholder – Structure of share capital

Shareholders

As at 31 December 2023, the share capital of Banque Stellantis France stood at €144,842,528 divided into 9,052,658 shares with a par value of €16 each, fully paid-up, with equal distribution between:

- Stellantis Financial Services Europe which holds 4,526,329 shares and the same number of voting rights ;
- Santander Consumer Finance which holds 4,526,329 shares and the same number of voting rights.

Stellantis Financial Services Europe is a directly and indirectly held, wholly-owned subsidiary of STELLANTIS (after the merger of the PSA and FCA groups in January 2021) while Santander Consumer Finance is a directly held, wholly-owned subsidiary of Banco Santander. STELLANTIS and Banco Santander are companies whose shares are traded on a regulated market in one or more countries of the European Union and in the United States.

Changes in the distribution of capital during the last three years

There have been no changes in the composition of the share capital of Banque Stellantis France since 2 February 2015.

Listing of securities

Banque Stellantis France's equity securities are not listed on the stock exchange. Nonetheless, certain debt securities (EMTN) are listed on Euronext Paris.

1.5.3 Board of Directors and management bodies

In accordance with the provisions of Article L. 225-18 paragraph 1 of the French Commercial Code, the directors are appointed by the Ordinary General Meeting, on the proposal of the Board of Directors, which itself has candidates proposed by the Appointment Committee. Also, three members of the Board of Directors of Banque Stellantis France are chosen by each of the two shareholders. In the event of a vacancy resulting from the death or resignation of one or more directors, the Board of Directors makes provisional appointments (“co-options”) between two General Meetings, which are then subject to the ratification of the next ordinary general meeting, in accordance with the provisions of Article L. 225-24 of the French Commercial Code. The term of office of the co-opted director is identical to that of his or her predecessor. Also, a director from a shareholder will be replaced by a director from the same shareholder, in order to preserve the balance in the shareholders’ representation within the framework of the Cooperation.

Furthermore, three roles are rotated every three years:

- firstly, the role of Chairman of the Board of Directors, filled by a non-executive director, who is appointed in turn by one then by the other of Banque Stellantis France’s two shareholders, namely Stellantis Financial Services Europe and Santander Consumer Finance;
- the same applies to the positions of Chief Executive Officer and Deputy Chief Executive Officer:
 - a first rotation occurred on 28 August 2017 which expired on 31 August 2020. Accordingly, during that period, the office of Non-Executive Chairman was held by a director appointed by Stellantis Financial Services Europe, Mr Rémy BAYLE. The position of Chief Executive Officer was held by a director appointed by Santander Consumer Finance, Mr Jean-Paul DUPARC, and the position of Deputy Chief Executive Officer was held by a director appointed by Stellantis Financial Services Europe, namely Mr Laurent AUBINEAU,
 - a second rotation became effective on 1 September 2020 with the office of Non-Executive Chairman held this time by a director appointed by Santander Consumer Finance, Mr David TURIÉL LOPEZ, replaced by Mr Rafael MORAL SALARICH on 11 December 2020. Since 1 September 2020, the position of Chief Executive Officer is held by a director appointed by Stellantis Financial Services Europe, Mr Laurent AUBINEAU and the position of Deputy Chief Executive Officer, by a director appointed by Santander Consumer Finance, Mr Jean-Paul DUPARC. The terms of office of the Chief Executive Officer and the Deputy Chief Executive Officer were extended in advance in 2023 until 1 July 2024, in order to favour continuity in the context of the reorganisation of the financing activities. The term of office of the Chairman of the Board of Directors was renewed in 2023 until 2 April 2026.

Mr Rafael MORAL SALARICH’s terms of office as director and Chairman of the Board of Directors, as well as those of the other Banque Stellantis France directors, do not give rise to the payment of directors’ fees.

The Chairman, together with the Board of Directors and its regulatory committees (Appointment Committee, Remuneration Committee and Audit & Risk Committee), monitor the activity of Banque Stellantis France, run by the Chief Executive Officer, the Deputy Chief Executive Officer, the Executive Committee, and the operational committees.

In accordance with Banque Stellantis France Group’s Governance Policy, the Board of Directors meets as often as necessary and at least once per quarter. Notices of meetings of the Board of Directors, including the agenda, are sent within ten calendar days on first notice, three calendar days on second notice and one working day in case of emergency. The preparation of Board meetings is initiated through a dialogue between the General Secretary and the Chairman of the Board, then is the subject of discussions between the General Secretary and the various members of the Executive Committee, at the end of which a presentation document is prepared. The minimum deadline for sending presentations and other documents supporting the agenda is two working days before the Board of Directors’ meeting (except in case of emergency). Meetings are subject to a quorum of two directors (one from the shareholder Santander Consumer Finance, the other from the shareholder Stellantis Financial Services Europe). Decisions are taken by an absolute majority of the members present or represented, it being specified that a director may be represented by another, within the limit of one power of representation per director. Minutes are drawn up at the end of each meeting of the Board of Directors and then signed and transcribed in a register. Attendance at Board of Directors’ meetings is ensured, in particular, thanks to the fact that meetings can be held both face-to-face and by videoconference.

Seven meetings of the Board of Directors were held during the 2023 financial year.

Currently, there is no conflict of interest between the obligations of the members of the management bodies and their private interests with regard to the Banque Stellantis France Group. No agreements have been entered into, either directly or via a third party, between any of the Company officers or shareholders, with the exception of agreements on usual transactions and entered into under normal conditions.

There is no delegation currently valid or used during the 2023 financial year, granted by the General Meeting to the Board of Directors, for any capital increase, capital issuance, or redemption of shares.

Pursuant to Article L. 225-37-4.1° of the French Commercial Code, the following is a list of all mandates or positions held during the 2023 financial year by each of the members of the Board of Directors of Banque Stellantis France.

1.5.4 Information about the administrative and management bodies

1.5.4.1 Board of Directors

List of positions held during the 2023 financial year by the Directors of Banque Stellantis France and the permanent representatives of Directors, and positions that expired during the year

RAFAEL MORAL SALARICH			Committees
 <p>Born on 18 October 1981</p>	<p>Chairman of the Board of Directors</p> <p>First appointed to the Board on 11 December 2020</p> <p>Current term expires in 2026</p>	<p>Director</p> <p>First appointed to the Board on 11 December 2020</p> <p>Current term expires in 2026</p>	<ul style="list-style-type: none"> > Audit and Risk > Appointment > Remuneration
	<p>Other positions held during the 2023 financial year</p> <p>Business Development Director (executive)</p> <ul style="list-style-type: none"> > Santander Consumer Finance S.A. (Spain) <p>Chairman of the Board of Directors and Director</p> <ul style="list-style-type: none"> > Stellantis Financial Services Italia S.p.A. (Italy) <p>Director</p> <ul style="list-style-type: none"> > Compagnie Générale de Crédit aux Particuliers – CREDIPAR (France) > Santander Consumer Bank S.p.A. (Italy) > TimFIN S.p.A. (Italy) <p>Member of the Supervisory Board</p> <ul style="list-style-type: none"> > PSA Bank Deutschland (Germany) - until 3 April 2023 > Santander Consumer Holding GmbH (Germany) > Santander Consumer Bank AG (Germany) 		
LAURENT AUBINEAU			Committee
 <p>Born on 29 December 1962</p>	<p>Chief Executive Officer</p> <p>First appointed on 1 September 2020</p> <p>Current term expires in 2024</p>	<p>Director</p> <p>First appointed to the Board on 28 August 2017</p> <p>Current term expires in 2026</p>	<ul style="list-style-type: none"> > Executive
	<p>Other positions held during the 2023 financial year</p> <p>Chief Executive Officer and Director</p> <ul style="list-style-type: none"> > Compagnie Générale de Crédit aux Particuliers – CREDIPAR (France) 		
JEAN-PAUL DUPARC			Committee
 <p>Born on 16 May 1968</p>	<p>Deputy Chief Executive Officer</p> <p>First appointed on 1 September 2020</p> <p>Current term expires in 2024</p>	<p>Director</p> <p>First appointed to the Board on 28 August 2017</p> <p>Current term expires in 2026</p>	<ul style="list-style-type: none"> > Executive
	<p>Other positions held during the 2023 financial year</p> <p>Deputy Chief Executive Officer and Director</p> <ul style="list-style-type: none"> > Compagnie Générale de Crédit aux Particuliers – CREDIPAR (France) <p>Permanent Representative of Compagnie Générale de Crédit aux Particuliers – CREDIPAR (France)</p> <ul style="list-style-type: none"> > Board of Directors of Compagnie pour la Location de Véhicules – CLV (France) 		

RÉMY BAYLE		Committees
 <p>Born on 26 December 1961</p>	<p>Vice-Chairman of the Board of Directors First appointed to the Board on 31 March 2023 Current term expires in 2026</p> <p>Other positions held during the 2023 financial year Chief Executive Officer and Director > Stellantis Financial Services Europe (France) Vice-Chairman of the Board of Directors and Director > Stellantis Bank (France) Vice-Chairman of the Board of Directors and Director > Compagnie pour la Location de Véhicules – CLV (France) Vice-Chairman and member of the Board > Association Française des Sociétés Financières (France) Director > Leasys</p>	<p>Director First appointed to the Board on 23 April 2015 Current term expires in 2026</p> <p>> Audit and Risk > Appointment > Remuneration</p>
MARTIN THOMAS		Committees
 <p>Born on 22 February 1974</p>	<p>Director First appointed to the Board on 2 February 2015 Current term expired on 23 October 2023</p> <p>Other positions held during the 2023 financial year Chairman of the Board of Directors and Director > Compagnie Générale de Crédit aux Particuliers – CREDIPAR (France) - <i>until 23 October 2023</i> Chief Executive Officer of the branch of Santander Consumer Finance in France > Santander Consumer Finance SA (Spain)</p>	<p>> Audit and Risk > Appointment > Remuneration</p>
ABDOU SOW		Committees
 <p>Born on 24 January 1977</p>	<p>Director First appointed to the Board on 14 November 2023 Current term expires in 2026</p> <p>Other positions held during the 2023 financial year Director > Compagnie Générale de Crédit aux Particuliers – CREDIPAR (France) - <i>Since 14 November 2023</i></p>	<p>> Audit and Risk > Appointment > Remuneration</p>

HÉLÈNE BOUTELEAU		Committees
	<p>Director First appointed to the Board on 27 July 2021 Current term expires in 2026</p> <p>Other positions held during the 2023 financial year</p> <p>Deputy Chief Executive Officer > Stellantis Financial Services Europe (France)</p> <p>Vice-Chairman of the Board of Directors and Director > Compagnie Générale de Crédit aux Particuliers – CREDIPAR (France)</p> <p>Director > Opel Bank S.A.(France) > Stellantis Financial Services UK Limited (United-Kingdom) > Stellantis Financial Services España EFC, SA (Spain) > Stellantis Financial Services Italia S.p.A (Italy) > Stellantis España (Spain)</p> <p>Member of the Supervisory Board > PSA Bank Deutschland (Germany) - until 2 November 2023</p> <p>Executive Manager (Gerente) > PSA Services Portugal (Portugal)</p>	<ul style="list-style-type: none">> Audit and Risk> Appointment> Remuneration

Born on 22 July 1975

1.5.4.2 Regulatory and executive committees of the Banque Stellantis France Group

A. Audit and Risk Committee

As at 31 December 2023, the Audit and Risk Committee was composed as follows:

Name	Position within the Banque Stellantis France Group
Rafael MORAL SALARICH, Chairman	Director and Chairman of the Board of Directors of Banque Stellantis France
Rémy BAYLE	Director and Vice-Chairman of the Board of Directors of Banque Stellantis France
Abdou SOW	Director of Banque Stellantis France
Hélène BOUTELEAU	Director of Banque Stellantis France

B. Appointment Committee

As at 31 December 2023, the Appointment Committee was composed as follows:

Name	Position within Banque Stellantis France Group
Abdou SOW, Chairman	Director of Banque Stellantis France
Rafael MORAL SALARICH	Director and Chairman of the Board of Directors of Banque Stellantis France
Rémy BAYLE	Director and Vice-Chairman of the Board of Directors of Banque Stellantis France
Hélène BOUTELEAU	Director of Banque Stellantis France

C. Remuneration Committee

As at 31 December 2023, the Remuneration Committee was composed as follows:

Name	Position within Banque Stellantis France Group
Abdou SOW, Chairman	Director of Banque Stellantis France
Rafael MORAL SALARICH	Director and Chairman of the Board of Directors of Banque Stellantis France
Rémy BAYLE	Director and Vice-Chairman of the Board of Directors of Banque Stellantis France
Hélène BOUTELEAU	Director of Banque Stellantis France

D. Executive Committee

As at 31 December 2023, the Executive Committee was composed as follows:

Name	Position
Laurent AUBINEAU	Chief Executive Officer
Jean-Paul DUPARC	Deputy Chief Executive Officer
Jean-Charles BATTAGLIA	Chief Risk Officer
Grégory BONNIN	Chief Human Resources Officer
Charles DUMAS ALONSO	Chief Audit Officer
Laure DURAND	Chief Operations Officer
Patrice GOBERT	Chief Business Ethics and Compliance Officer
Alban HOUSSAY	Chief Transformation Officer
Alban HOUSSAY (interim)	Chief Marketing and Insurance Officer
Catherine NOGUIER	General Counsel and Chief Permanent Control Officer
Gilles PEREZ	Chief Collection Officer
Stéphane RIEHL	Chief Financial Officer
Amine SAIFEDDINE	Chief Sales Officer
Corinne YONNET	Responsible person for I.T. Systems

1 Management report

Corporate governance – General information concerning Banque Stellantis France

On 1 January 2024, Patrick POULETTY took over the function of Director of Operations.

Nom	Position
Laurent AUBINEAU	Chief Executive Officer
Jean-Paul DUPARC	Deputy Chief Executive Officer
Jean-Charles BATTAGLIA	Chief Risk Officer
Grégory BONNIN	Chief Human Resources Officer
Charles DUMAS ALONSO	Chief Audit Officer
Patrice GOBERT	Chief Business Ethics and Compliance Officer
Alban HOUSSAY	Chief Transformation Officer
Alban HOUSSAY (<i>interim</i>)	Chief Marketing and Insurance Officer
Catherine NOGUIER	General Counsel and Chief Permanent Control Officer
Gilles PEREZ	Chief Collection Officer
Patrick POULETTY	Chief Operations Officer
Stéphane RIEHL	Chief Financial Officer
Amine SAIFEDDINE	Chief Sales Officer
Corinne YONNET	Responsible person for I.T. Systems

1.5.5 Executive officers' remuneration

No compensation or directors' fees were paid by Banque Stellantis France to its directors or its Chairman during the 2023 financial year, the latter holding a remunerated office within the Banque Stellantis France consolidating entity. Information on his compensation in respect of this other office, performed outside France, may be published by the said entity.

The same applies to the compensation paid to the corporate officers of Banque Stellantis France who also hold an office within the entities of the Banco Santander group or the STELLANTIS group, which jointly control it.

Banque Stellantis France does not grant any shares or stock options to its executives.

1.5.6 Diversity policy applicable to the selection of members of the management body

Banque Stellantis France has a diverse management team that is a source of added value and performance for the Company.

Indeed, by building on a diverse representation, at its Board of Directors and at its Executive Committee, in terms of age, sex, social and demographic categories, academic and professional backgrounds, including within the STELLANTIS or Santander groups, Banque Stellantis France turns these differences to its advantage, reflecting the richness generated by the partnership agreement between Stellantis Financial Services Europe and Santander Consumer Finance, which has been in place since February 2015 in France.

By gradually extending these same practices throughout the Company, Banque Stellantis France aims to cultivate the commitment and motivation of every employee.

Banque Stellantis France's Governance Policy and Appointment Policy, updated in 2023 by the Board of Directors, reflect these commitments with regard to the Board of Directors' diversity. In particular, and in accordance with the guidelines issued by the European Banking

Authority, Banque Stellantis France's Appointment Committee assesses the suitability of each candidate for the position of director before his/her appointment with a view to proposing his/her candidacy for the Board of Directors, then reassesses it periodically, and at least once a year. Among the sustainability criteria assessed by the Appointment Committee are:

- the candidate's knowledge, skills and experience;
- the candidate's reputation, good repute and integrity;
- his/her independent thinking, and in particular if the appointment presents a potential risk of conflict of interest;
- the candidate's availability to devote the time required to perform the proposed function or mandate;
- the diversity of the candidacy with regard to the Board's composition, in particular in terms of educational and professional background, age, geographical origin and gender.

On gender diversity, the aforementioned policies refer to the applicable laws and regulations in terms of balanced representation of women and men on the Board of Directors. The Banque Stellantis France Group, fully committed to this, has chosen to appoint a woman as Chairperson of the Board of Directors of CREDIPAR with the appointment of Sophie Perrier on 14 November 2023, while H  l  ne Bouteleau is the Vice-Chairwoman. The Board of Directors of CREDIPAR has three women out of eight directors, and that of Banque Stellantis France one woman out of six directors. At its last Appointment Committee, the Banque Stellantis France Group

committed to making efforts to increase the representation of women on the Board of Directors of Banque Stellantis France.

It is stipulated that Banque Stellantis France is an entity owned equally by two shareholders, Stellantis Financial Services Europe and Santander Consumer Finance, who decide equally on the composition of the six members of the Board of Directors.

Within the Executive Committee, diversity in terms of age, socio-demographic categories, academic and professional background is satisfactory.

1.5.7 Persons responsible for auditing the accounts

PricewaterhouseCoopers Audit

Crystal Park, 63, rue de Villiers,
92200 Neuilly-sur-Seine,

a simplified joint stock company (soci  t   par actions simplifi  e) with a share capital of   2,510,460, registered with the Trade and Companies Register of Nanterre under No. 672 006 483.

Statutory Auditors and member of the Compagnie r  gionale de Versailles.

Term of mandate: six years.

Date of end of mandate: 2028 financial year.

Represented as at 31 December 2023 by Mr Ga  l COLABELLA.

Mazars

61, rue Henri R  gnault,
92400 Courbevoie,

a limited liability company (soci  t   anonyme) with a share capital of   8,320,000, registered with the Trade and Companies Register of Nanterre under No. 784 824 153.

Statutory Auditors and member of the Compagnie regional de Versailles.

Term of mandate: six years.

Date of end of mandate: 2026 financial year.

Represented as at 31 December 2023 by Ms Alexandra KRITCHMAR.

1.5.8 Investments

Principal investments made during the last five years

years	Disposals – dissolutions – mergers	Acquisitions
2023	3 April 2023: transfer to Leasys of the business assets of CREDIPAR (including staff) dedicated to the professional and corporate long-term leasing activity	3 April 2023: transfer of the Opel Bank France business (including staff), excluding the professional and corporate long-term leasing activity 30 May 2023: acquisition of 100% of the shares of Stellantis Financial Services Belux and Stellantis Financial Services Nederland
2016-2022	-	-
2015	1 May 2015: merger by absorption of SOFIRA into CREDIPAR	30 January 2015: acquisition of CREDIPAR and SOFIRA

1.5.9 Intra-group agreements

The Banque Stellantis France Group benefits from support services supplied by Stellantis Financial Services Europe, particularly relating to accountancy and IT services. In addition, Banque Stellantis France Group calls on Santander Consumer Finance as well as other entities of the Santander Group for certain services such as the sub-contracting of internal audit services or the supervision, assessment and monitoring of risks.

In addition to these service agreements and any amendments thereto entered into between Banque Stellantis France and either of its shareholders or one of their affiliated companies, the following intra-group agreements are in force:

- an agreement entered into with each of the STELLANTIS automotive brands concerning the distribution of financing and products and services of the Banque Stellantis France Group in the context of vehicle sales to STELLANTIS employees;
- a framework agreement relating to the financial support provided to each of the STELLANTIS automotive brands specifying the terms and conditions of the financing commitment for the inventories of new vehicles and spare parts of the dealers of said brands and the distribution of financing solutions and insurance products and services to the customers of these dealers.

No agreement has been entered into between the Banque Stellantis France and any of its corporate officers.

1.5.10 Resolutions presented to the Ordinary General Meeting of 28 March 2024, as proposed by the Board of Directors on 13 February 2024, concerning Banque Stellantis France and consolidated financial statements

First resolution

Approval of the management report on the Banque Stellantis France and consolidated financial statements, including the corporate governance report

The General Meeting, having reviewed the management report of the Board of Directors on the Banque Stellantis France and consolidated financial statements, which includes the corporate governance report provided for in Article L. 225-37 of the French Commercial Code, approves the terms of the management report.

Second resolution

Presentation of the Statutory Auditors' reports on the Banque Stellantis France and consolidated financial statements for the financial year ended 31 December 2023, and on corporate governance

The General Meeting, having reviewed the Statutory Auditors' reports on the Banque Stellantis France and consolidated financial statements for the financial year ended 31 December 2023, and on corporate governance, approves the terms of the Statutory Auditors' reports.

Third resolution

Approval of the Banque Stellantis France financial statements for the financial year ended 31 December 2023; discharge of directors

Following the presentation of the Board of Directors' management report and the Statutory Auditors' report on the Banque Stellantis France financial statements, the General Meeting approves the Banque Stellantis France financial statements for the financial year ended 31 December 2023, as presented and which show a profit of €133,266,123.69.

The General Meeting gives full and unreserved discharge to the Board of Directors for the execution of its mandate for the said financial year.

Fourth resolution

Allocation of profit for the financial year

The General Meeting, upon the Board of Directors' proposal, notes that the distributable profit amounts to the sum of €435,967,035.41, consisting of the profit for the 2023 financial year for €133,266,123.69 cumulated with the balance of the "Previous retained earnings" account amounting to the sum of €302,700,911.72.

The General Meeting, in view of the medium-term trajectory of equity, decides to allocate the distributable profit for the financial year as follows:

- to "retained earnings": €325,434,081.23;
- to dividends: €110,532,954.18.

The General Meeting therefore notes that a dividend of €12.21 will be paid in respect of the 2023 financial year, at the latest on 30 June 2024.

In accordance with Article 243 bis of the French General Tax Code, the General Meeting recalls that a dividend of €15.92 per share was paid to shareholders for the 2022 financial year, that no dividend was paid in respect of the 2021 financial year and that a dividend of €13.94 per share was paid in respect of the 2020 financial year.

Fifth resolution

Approval of the consolidated financial statements for the financial year ended 31 December 2023

The General Meeting, having reviewed the Board of Directors' management report and the Statutory Auditors' report on the consolidated financial statements, approves the consolidated financial statements for the financial year ended 31 December 2023, which show net banking revenue of €685 million and a total consolidated profit of €366 million.

Sixth resolution

Approval of non-tax deductible expenses

The General Meeting notes that the financial statements for the past financial year do not include the non-tax-deductible expenses referred to in Article 39-4 of the French General Tax Code.

Seventh resolution

Approval of the report of the Statutory Auditors on regulated agreements

The General Meeting, having taken note of the Statutory Auditors' special report on agreements governed by Article L. 225-38 *et seq.* of the French Commercial Code, approves the conclusions of the said report highlighting the absence of any such agreement.

Eighth resolution

Opinion on the overall envelope of remuneration of all kinds paid to responsible managers and certain categories of staff

In accordance with the provisions of article L. 511-73 of the French Monetary and Financial Code, the overall amount of remuneration paid by the Banque Stellantis France Group during the 2023 financial year, to the 40 people identified as meeting *stricto sensu* the criteria defined in article L. 511-71 of the same Code (only 24 of which are receiving a remuneration borne by the Banque Stellantis France Group), amounts to a total amount (gross tax) of €4,150,000, broken down into fixed remuneration for €3,229,048, variable remuneration for €622,908, benefits in kind for €67,898, exceptional items for €294,739, it being specified that no employee receives an annual remuneration higher than €1 million.

The General Meeting gives a favourable opinion on this overall amount of remuneration.

Concerning the amount of remuneration paid to the people identified as "risk takers" for the 2023 financial year, who are not employees of an entity of the Banque Stellantis France Group and who also exercise a mandate within the entities having control of Banque Stellantis France, this information may be published by them in accordance with their applicable regulations. If the variable remuneration reaches an amount higher than a specific threshold, maintained at €50,000 for the 2023 financial year, it gives rise to a spread over a period of four years which can partly take the form of payment in non-redeemable financial instruments during their first year of detention.

No remuneration or attendance fees have been paid by Banque Stellantis France to its directors or its Chairman. They may also hold a paid mandate within an entity having the joint control of Banque Stellantis France.

Ninth resolution

Ratification of the co-optation of Mr. Abdou SOW as Director of Banque Stellantis France

The General Meeting ratifies the appointment as Director of Mr. Abdou SOW, born on 24 January 1977 in Dakar (Senegal), domiciled at 19 rue Danielle Casanova-91130 Ris-Orangis, made on a provisional basis by the Board of Directors at its meeting of 14 November 2023, to replace Mr. Martin Thomas, who resigned.

Consequently, Mr. Abdou Sow will exercise said functions for the remainder of his predecessor's term of office, i.e. until the end of the Ordinary General Meeting to be held in 2026 to approve the financial statements for the 2025 financial year.

Tenth resolution

Appointment of a new Independent Third-Party Organisation "ITPO" of Banque Stellantis France

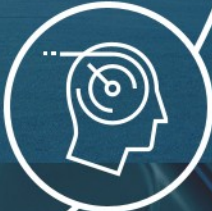
The General Meeting resolves to appoint Mazars, whose registered office is located at 6, rue Régnauld Tour Exaltis-92400 Courbevoie, as an Independent Third-Party Organisation of Banque Stellantis France, with the task of verifying the compliance and accuracy of the non-financial information published in the Statement of Non-Financial Performance, in respect of the 2023 financial year.

The General Meeting notes that an Ordinary General Meeting will be convened during the fiscal year 2024 for the purpose of appointing the Independent Third-Party Organisations of Banque Stellantis France to verify sustainability information starting from the fiscal year 2024, in accordance with the new obligations under the Corporate Sustainability Reporting Directive, known as "CSRD".

Eleventh resolution

Power to carry out the legal formalities

The General Meeting grants full powers to the bearer of a copy or extract of the minutes of this meeting to carry out all legal or administrative formalities, as well as all publicity measures and in particular any filing with the French Trade and Companies Registry, as required by the applicable laws.



1.6 Statement of non-financial performance (SNFP) – Corporate social responsibility (CSR)

Pursuant to the ordinance of 19 July 2017 which transposes European Directive 2014/95/EU on the publication of social and environmental information, the Banque Stellantis France Group has published its Statement of Non-Financial Performance (SNFP) in Section 1.6 of its 2023 Annual Report, including notably the materiality matrix and the business model.

1.6.1 Sustainable development context

Owned on a 50/50 basis by Stellantis Financial Services Europe and Santander Consumer Finance, Banque Stellantis France and its affiliated companies integrate the CSR dimension into both their medium and long-term strategies as well as their daily operations.

The Banque Stellantis France Group operates in the automotive financing market in France and since May 2023, in Belgium, Luxembourg and the Netherlands, which has experienced very strong growth over the last ten years, driven in particular by the development of the leasing offering with a purchase option (now 85% in value of new car financing in France) and an environment of historically low financial rates, before the sector was impacted in 2020 by the consequences of the Covid-19 pandemic and from mid 2022 by rise in interest rates.

It showed a growth of 8.7% compared to 2022 in France, driven by new vehicles. In 2023, automotive financing increased:

- by 12.2% to €10.5 billion for new passenger cars;
- and by 3.0% to €5.9 billion for used vehicles (source: ASF).

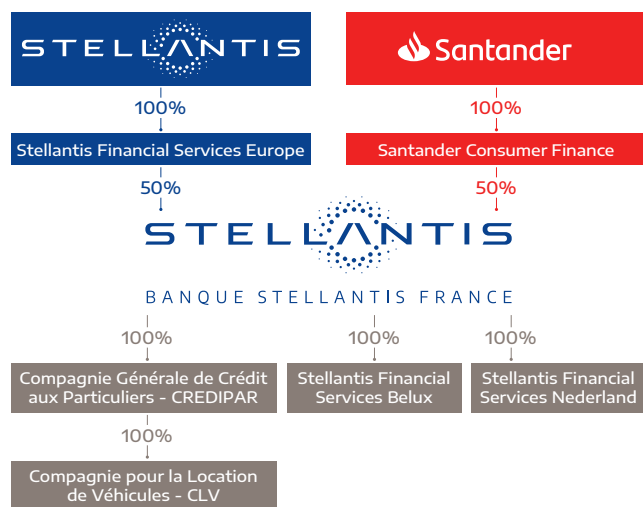
The popularity of greener vehicles among customers was again confirmed in 2023, notably as a result of the government assistance scheme for the purchase of new electric, and early 2024 with the launch of “electric leasing ” in France (share increasing from 1.9% in 2019 to 6.7% in 2020, to

9.8% in 2021, to 13.3% in 2022 and to 16.8% in 2023) or plug-in hybrid vehicles (from 0.8% to 4.5% in 2020, to 8.5% in 2021, to 8.3% in 2022 and to 9.2% in 2023). The share of hybrids (full, mild and plug-in) increased by 3.5 points in 2023 to now reach 33.5% of new vehicles in France (source: CCFA).

The Banque Stellantis France Group offers in France and since May 2023 in Belgium, Luxembourg and the Netherlands:

- financing for individual and corporate customers with a range of solutions including instalment loans for the purchase of new and used vehicles, as well as leasing solutions with or without a purchase option, with the exception of professional and corporate long-term leasing;
- financing the dealer network with solutions to finance stocks of new vehicles, used vehicles and spare parts, as well as working capital requirements or investment needs;
- insurance and services for end users with services including mobility solutions. The entire range of products and services is evolving to support STELLANTIS's desire to expand its range of electrified vehicles, both for individuals and companies;
- retail savings made up of savings accounts and fixed-term accounts, including a green term deposit launched in 2023 to exclusively finance electric vehicles.

STRUCTURE OF THE BANQUE STELLANTIS FRANCE GROUP



With over 900 employees, the Banque Stellantis France Group operates throughout France from its registered office (2-10 boulevard de l'Europe, Poissy - 78300), and its three agencies (Grand Paris, Lyon and Rennes), since May 2023 in Belgium, in Luxembourg and in the Netherlands.

Banque Stellantis France is:

- controlled on a 50/50 basis by Stellantis Financial Services Europe and Santander Consumer Finance;
- a limited liability company (*société anonyme*) with a Board of Directors whose shares are not tradable on a regulated market;
- a credit institution and the company exclusively controlling by 100%:
 - CREDIPAR, which itself controls 100% of the capital of CLV, dedicated to the leasing business of the Citroën and DS brands for public contracts,
 - since May 2023 Stellantis Financial Services Belux and Stellantis Financial Services Nederland.

1 Management report

Statement of non-financial performance (SNFP) – Corporate social responsibility (CSR)

All the financing activities of the Banque Stellantis France Group are thus carried out by the entity Banque Stellantis France and its subsidiaries CREDIPAR, CLV, Stellantis Financial Services Nederland and Stellantis Financial Services Belux.

For the Banque Stellantis France Group, adopting a responsible and transparent behaviour in all its activities is the way to ensure its development and economic performance on a sustainable and long-term basis. It has thus developed a framework for dialogue with its various stakeholders and has set up a governance structure for managing its non-financial risks based on policies and programmes addressing different environmental, social and governance (ESG) issues to:

- identify ESG risks and opportunities related to its activity, as well as new trends, or even obligations that may arise;
- define monitoring indicators with associated targets to be achieved;
- implement and monitor the action plans for the management of identified non-financial risks.

1.6.2 Business model

The Banque Stellantis France Group business model is based on its close relationships with the STELLANTIS brands (all STELLANTIS brands since May 2023) and their dealer networks in France, and since May 2023 also in Belgium, in Luxembourg and in the Netherlands. Its goal is, thanks to innovative financing and service solutions, to facilitate access to its mobility solutions for the greatest number of customers possible. Since early 2015, it has also relied on its partnership with Santander Consumer Finance. The latter provides financial support for its refinancing in addition to its diversified sources of funding.

The Group Banque Stellantis France has demonstrated the resilience of its activities and its business model with:

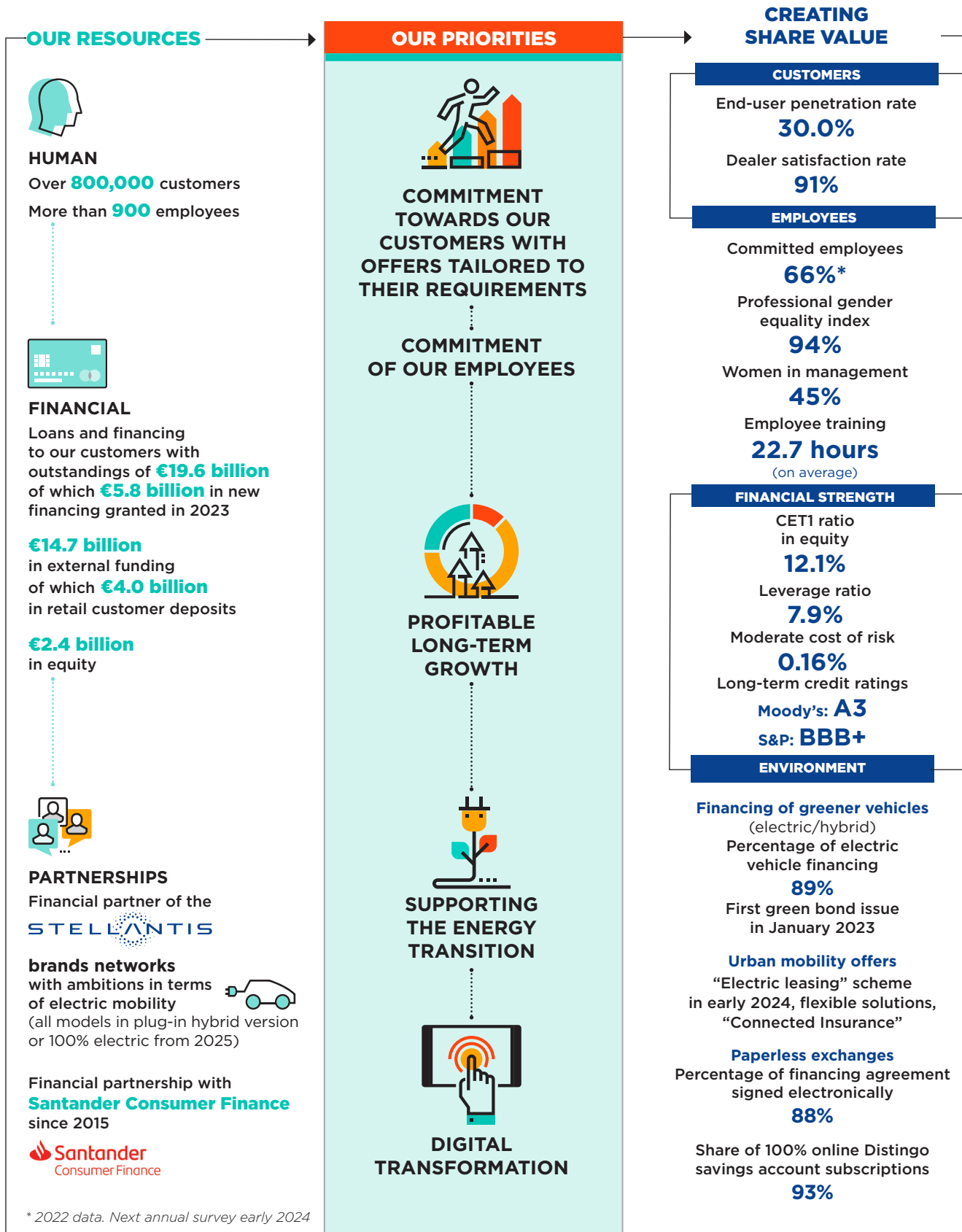
- in 2023, an increase of 26.7% over the year in outstanding loans granted to €19,762 million, i.e. a loans/deposits ratio of 4.9 with retail customer deposits up by 30.6% to €3,995 million thanks to the international launch in 2023 (in Germany, then in Spain and the Netherlands);
- an increase of 1.5% in its operating income to €461 million (i.e. a net interest margin below 3%) as well as its net income of 5.8% to €366 million;
- a Tier 1 capital (CET1) ratio of 12.1%, a leverage ratio of 7.9% and a non-performing loan ratio decreasing to 1.2% end of 2023.

The policies and programmes covering ESG topics as well as the risk management system are integrated into the risk governance structures of the Banque Stellantis France Group.

- > The published quantitative information was chosen to best reflect the performance of the Banque Stellantis France Group in relation to the various issues and to assess the progress of the CSR approach.
- > The concordance tables per Global Reporting Initiative Sustainability Reporting Standards (GRI Standards) and requirements of the SNFP are provided in the appendices.

With an end-user customer penetration rate of 30.0% in 2023, the Banque Stellantis France Group continued to support STELLANTIS brand sales, in particular by supporting the electrification of its range with the implementation of innovative financing solutions and mobility services.

BUSINESS MODEL OF BANQUE STELLANTIS FRANCE GROUP



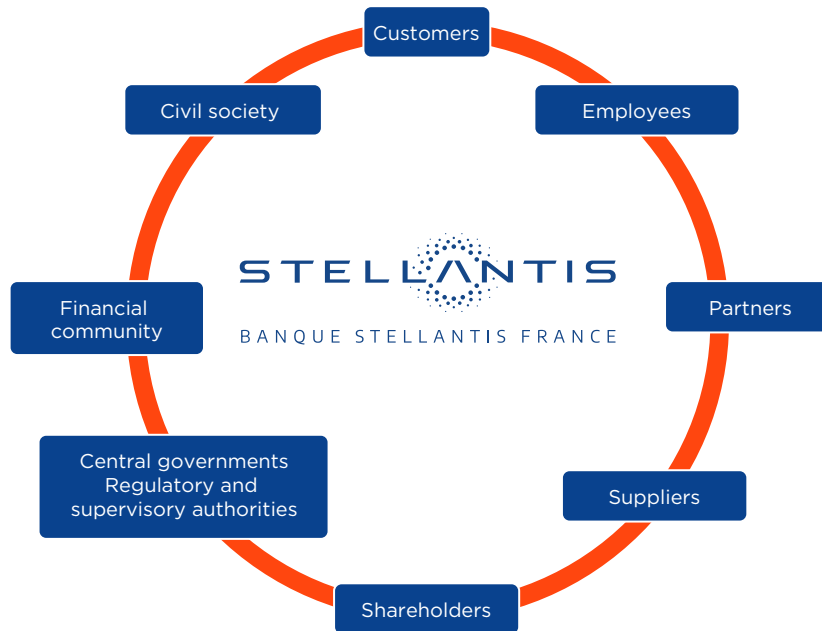
1 Management report

Statement of non-financial performance (SNFP) – Corporate social responsibility (CSR)

1.6.3 Dialogue with stakeholders and materiality matrix

In 2020, the Banque Stellantis France Group updated the mapping of its stakeholders with opportunities for dialogue with each of them in order to better anticipate non-financial risks and also to identify opportunities that could be created.

MAPPING OF BANQUE STELLANTIS FRANCE GROUP STAKEHOLDERS



In 2023, the following stakeholders were the subject of dialogue and/or communication with the Banque Stellantis France Group, according to a dialogue mechanism in place.

STAKEHOLDERS CONCERNED	DIALOGUE SYSTEM
Customers	Monitoring and analysing customer satisfaction (satisfaction surveys) Personal online space with request forms Proactive measures to extend deadlines in the context of the Covid-19 pandemic Over-indebtedness prevention system
Employees	Annual employee commitment survey Individual professional interview and individual performance interview Whistleblowing system
Labour partners	Dialogue with employee representative bodies Social and Economic Committee (<i>Comité Social et Économique</i> , CSE)
Suppliers	Review of contracts between project managers and order givers Generic mailboxes for public tenders and late payments
Civil society	Social networks
Investors	Investor meetings
Rating agencies (Moody's, S&P)	Exchanges and monitoring of financial performance evaluations Monitoring of non-financial performance evaluations
Regulators and supervisors (ECB, ACPR, AMF)	Close relations with: <ul style="list-style-type: none"> • banking and financial supervisory authorities • regulatory bodies Participation in market consultations and events
Shareholders	Boards of Directors and various committees

MATERIALITY MATRIX

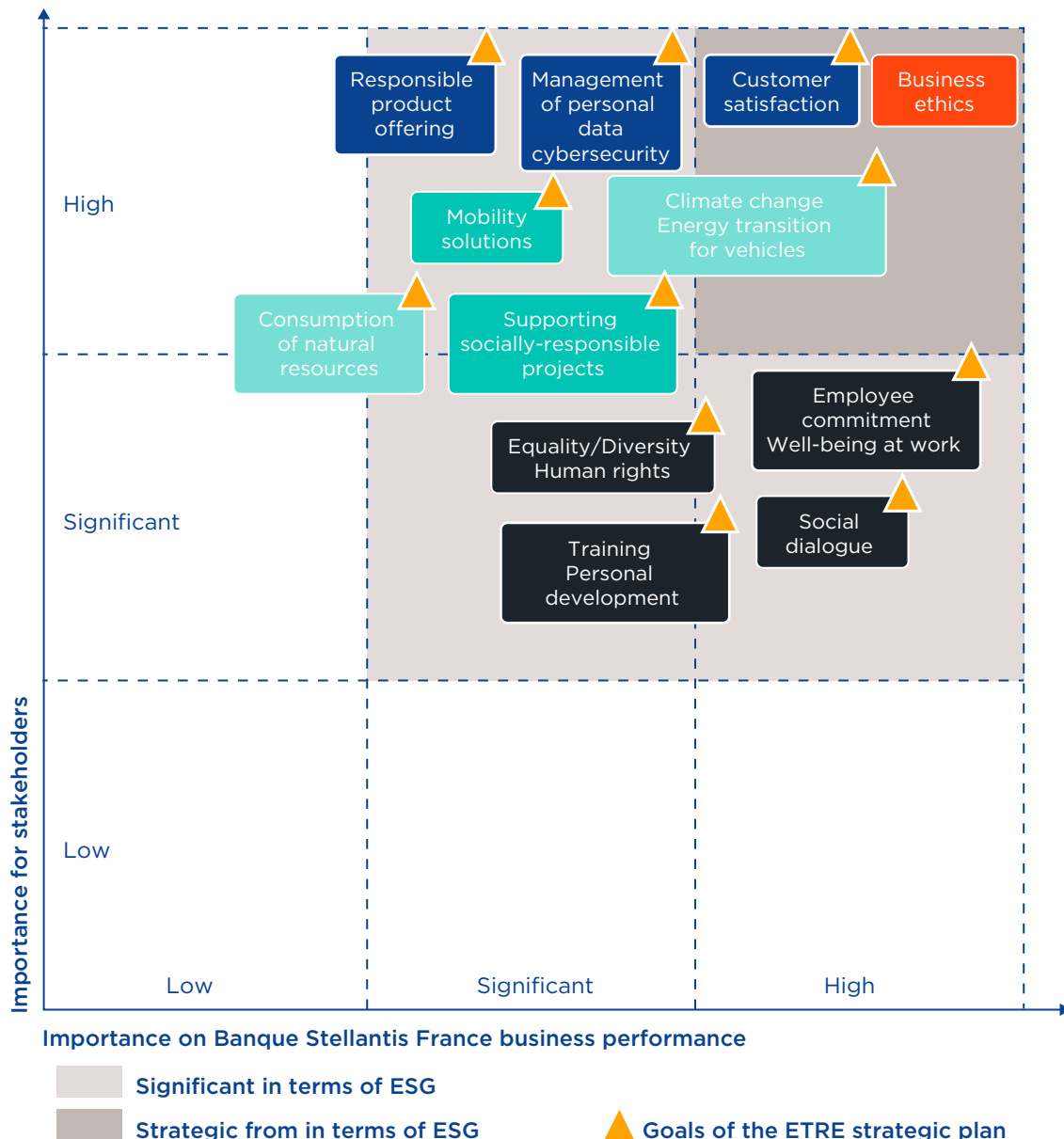
The Banque Stellantis France Group has identified five categories of non-financial risks/challenges as material for itself and its stakeholders. According to the Global Reporting Initiative (GRI), material risks are those that have significant economic, environmental and social impacts or that have a significant influence on the assessment and decision-making of stakeholders. This identification is the first step in risk assessment, which is based on two pillars:

- impact of the risk/challenge on the financial performance of the Banque Stellantis France Group;
- and level of stakeholder expectations.

The materiality matrix of non-financial risks/challenges, shown below, mentions the 12 risks/challenges that are the most strategic for the Group, according to a method described in the appendix.

For each one, the Banque Stellantis France Group adopts measures proportional to its significance in the materiality matrix.

The most recent version of the materiality matrix was approved during the Board of Directors meeting of 23 February 2023.



Five risk/opportunity categories are identified:

- **customer satisfaction and protection;**
- **business ethics and governance;**
- **societal innovations for a responsible future;**
- environmental challenges;
- responsible employer.

1 Management report

Statement of non-financial performance (SNFP) – Corporate social responsibility (CSR)

1.6.4 Banque Stellantis France Group CSR strategy

In early 2024, the Banque Stellantis France Group presented its new ETRE (Together – *Ensemble* in French, **T**ransform, **R**ealise, **E**xperience) strategic plan, which incorporates Corporate Social Responsibility (CSR) goals into all of its activities, fully aware of its responsibility in the exercise of its financing activities in the automotive sector.

TOGETHER

Build a sustainable future

TRANSFORM

Become a "tech" captive

REALISE

Realise the Group's potential while preserving its fundamentals of margins, volumes and risk management

EXPERIENCE

Constantly listen to all customers by offering the best possible experience

Thus, the goals of the Banque Stellantis France Group revolve around three themes that govern its business conduct:

- customer satisfaction and protection;
 - ethics and governance;
 - challenges of a responsible employer;
- and around guidelines on the impact its activities might have:
- societal innovations for a responsible future;
 - environmental challenges.

The entire Banque Stellantis France Group, from its executives to its managers and employees, is aware of the development of behaviours that contribute to its success and its commitments, particularly in terms of customer satisfaction.

Customer satisfaction and protection

For the past 20 years, Banque Stellantis France has been committed to a quality certification process (ISO 9001 and more recently ISO 18295, QUALIOP) for all its activities in financing automotive customers and sales networks of the STELLANTIS brands. The implementation of the Quality approach is reflected in a strong desire to make the bank's processes even more focused on customer satisfaction. The Banque Stellantis France Group also strives to be as attentive as possible to customer expectations, through a responsible product offering approach, by ensuring that new projects are well received.

Customer protection is a key challenge for the Banque Stellantis France Group. With the deployment of new communication tools, the development of the digitisation of contractual relationships and remote sales techniques, the bank is strengthening its vigilance and monitoring of some of its risks, in particular those related to cybercrime and external fraud. Aware of its new challenges, the bank is taking initiatives to improve tools, raise awareness, and train all employees.

This customer protection is also at the heart of Banque Stellantis France Group's Insurance & Services strategy. Thanks to agile and innovative partnerships, the offer is regularly enriched with products providing new protection adapted to the current concerns of customers or new uses of vehicles. With its intermediaries or through digital communications, the Banque Stellantis France Group is also listening to its individual or corporate customers and ensuring that offers are adapted to the risks they may encounter.

Since April 2023, the Banque Stellantis France Group has also reorganised itself by creating a Transformation and Strategic Projects Department whose objective is to accelerate the Group's response and its adaptation to changes in its environment and to the change in, or even anticipation of, customer needs. This department includes a fully-fledged Customer Experience/External Communication and Quality department in order to centralise the various customer satisfaction indices and to carry the customer's voice within the company alongside the protection commitments that are already well established in each department.

Business ethics and governance

The highest standards of integrity are demanded of employees in accordance with an updated Code of Ethics and an Anti-Bribery Code of Conduct.

Every employee of the Banque Stellantis France Group is aware of their responsibilities and has been made aware of the importance of ethics (anti-bribery), compliance (anti-money laundering and financing of terrorism) and the different regulatory requirements, notably in relation to the banking sector.

Societal innovations for a responsible future

The Banque Stellantis France Group, through its wholly-owned subsidiary CREDIPAR actively participates in the Stellantis mobility offer with subscription solutions, insurance products that are increasingly relevant to help customers in the event of difficulty.

In addition, as part of its vehicle financing activities for companies, the Banque Stellantis France Group monitors the financing put in place for companies and associations involved in activities with a social, societal or environmental promotion dimension, with a view to develop this type of financing.

Environmental challenges

In its capacity as the brand's financing entity, the Banque Stellantis France actively supports the electrification strategy of the STELLANTIS brands ranges by designing and marketing specific financing and service offers to their customers, thus taking into account environmental risks. At the end of 2023 and in early 2024, the Banque Stellantis France Group supported the French State on the ecological transition with its strong participation in the electric leasing scheme and, as a central player, in its definition to make a wide range of electric vehicles affordable to lower-income households.

In addition, the Banque Stellantis France Group has undertaken several digitisation projects that aim to dematerialise exchanges with customers and dealer networks, in a paperless approach and as part of its transformation plan.

Lastly, the Banque Stellantis France Group plans to move into the first Stellantis **grEEn-campus** under construction (the double E of the name given to this campus includes E for Environment and E for Employees) with an E+C- label, level E3C1, which will benefit from an eco-responsible architecture to achieve carbon neutrality in operation with photovoltaic panels and with excellent thermal performance.

Responsible employer

The Banque Stellantis France Group fosters stable employment, which promotes the commitment, motivation and skills of the teams in France at the registered office and at the two main regional agencies (Lyon and Rennes).

The Banque Stellantis France Group HR policy aims to foster dynamic management of career paths and give priority to the internal mobility of employees, while also promoting gender equality.

In a similar manner to workplace equality, the parties consider that today the fact of taking into account diversity and equal opportunities represents a fundamental challenge that must be placed at the heart of the Company's social policy. The diversity of teams with regard to age, social or cultural origins ensures both balance and the fact that employees complement each other.

These principles of neutrality and openness have been

reaffirmed within the Company since the signing in France, on 27 June 2018, of a company agreement concerning workplace equality, diversity and quality of life in the workplace (replaced by a new one signed on 31 January 2024) as well through the circulation to all managers of a recruitment guide implementing these principles.

In consequence, the numerous new hires of recent years have led to increasing diversity which the Banque Stellantis France Group encourages and supports.

The deployment of remote working, open to a wide category of employees, allows those who opt for it to optimise their work-life balance, after having generalised it following the Covid-19 pandemic.

Periodic employee surveys provide the Group with a series of indicators with regard to the commitment of the teams to the Banque Stellantis France Group values and enable it to put in place corrective actions if necessary.

The implementation of these combined dimensions makes the Banque Stellantis France Group a responsible player aware of the evolution of new behaviours related to ESG themes for which it has various precisely-defined goals and associated strategies, in order to best respond to the new expectations of the various stakeholders, notably its end-user individual and corporate customers and the distribution networks of STELLANTIS brands.

However, Banque Stellantis France Group's CSR strategy remains closely associated with that of its two ultimate shareholders, Banco Santander and STELLANTIS, and more generally with their image and reputation. The Banque Stellantis France Group depends, in particular, on the ability of Stellantis to produce electrified vehicles, to share its manufacturer data (for example, in terms of CO₂ emissions per engine) as well as to establish the reputation and attractiveness of the automotive sector serving greater professional diversity. Banque Stellantis France Group's CSR strategy is also impacted by regulatory changes, including those specific to the banking sector, such as new requirements for the publication of information in terms of sustainability, in particular in connection with the European taxonomy.

1 Management report

Statement of non-financial performance (SNFP) – Corporate social responsibility (CSR)

1.6.5 Mapping of the main non-financial risks and challenges

The Banque Stellantis France Group implements its CSR policy, which is currently structured around five categories of identified non-financial risks and challenges. All its actions are managed using policies and programmes, as well as indicators with associated targets, relating to the objectives defined for each of the key challenges.

Support for the Sustainable Development Goals (SDG) defined by the United Nations

The United Nations Sustainable Development Goals (SDG) set out 17 interconnected goals to be achieved by 2030 to meet global challenges such as the fight against poverty, the fight against inequalities, and the fight against climate change and the environmental degradation and with a view to building a better and more sustainable future.

The Banque Stellantis France Group's CSR policy actively contributes to 11 SDG through its activities and the financing it provides.



LIST OF THE MAIN RISKS AND CHALLENGES BY CATEGORY IN RELATION TO THE BANQUE STELLANTIS FRANCE GROUP'S BUSINESS SECTOR, WITH THEIR DEFINITION AND ASSOCIATED OBJECTIVES/OPPORTUNITIES AS WELL AS THE POLICIES AND PROGRAMMES IMPLEMENTED TO MANAGE THEM

RISK CATEGORIES/CHALLENGES	OBJECTIVES/OPPORTUNITIES	POLICIES AND PROGRAMMES
<p>CUSTOMER SATISFACTION AND PROTECTION</p>  <p>RISKS</p> <ul style="list-style-type: none"> Customer dissatisfaction/negative perception, particularly in financially vulnerable situations Insufficient protection of customer data and IT system failures, including cybercrime 	 <ul style="list-style-type: none"> Monitor customer satisfaction  <ul style="list-style-type: none"> Providing a responsible product offering (responsible lending, in particular) Protecting customer data 	<ul style="list-style-type: none"> Customer satisfaction survey Personal online space with request forms Vulnerable customer scoring and support system Personal data protection procedure/cybersecurity management programme Generic DPO email account available to customers to exercise their rights GDPR compliance monitoring and control system GDPR training/cybersecurity awareness of employees
<p>BUSINESS ETHICS AND GOVERNANCE</p>  <p>RISKS</p> <ul style="list-style-type: none"> Non-compliance with business ethics including bribery, money laundering or tax evasion Inappropriate conduct of staff, e.g. due to non-compliance with the code of conduct 	 <ul style="list-style-type: none"> Promoting a code of conduct and ethics among all employees 	<ul style="list-style-type: none"> Code of Ethics The anti-money laundering/financing of terrorism policy (AML-FT procedure, KYC, alert management) Code of Conduct covering acts of bribery System for collecting reports (whistleblowing) Purchasing/supplier relations process and outsourcing procedure
<p>SOCIETAL INNOVATIONS FOR A RESPONSIBLE FUTURE</p>  <p>RISKS</p> <ul style="list-style-type: none"> Unsustainable growth Unsustainable cities Unaccompanied customers, particularly in the transformation of their more sustainable and social business model 	 <ul style="list-style-type: none"> Promoting urban mobility offers  <ul style="list-style-type: none"> Supporting socially-responsible projects 	<p>Societal Innovations:</p> <ul style="list-style-type: none"> New long-term lease “Access to electric” offer for an affordable driving experience Electric leasing scheme: in early 2024, make electric vehicles accessible to lower-income households Flexible solutions with LOCAVIE, “Connected insurance” Vehicles financing for companies operating in socially-responsible activities
<p>ENVIRONMENTAL CHALLENGES</p>  <p>RISKS</p> <ul style="list-style-type: none"> Climate change Inappropriate use of natural resources and weak waste management Failure to support the ecological transition 	 <ul style="list-style-type: none"> Managing the environmental footprint  <ul style="list-style-type: none"> Supporting the energy transition  <ul style="list-style-type: none"> Digital transformation 	<ul style="list-style-type: none"> Financing of greener vehicles (electric/hybrid) with: <ul style="list-style-type: none"> a first green bond issue in January 2023 launch of the first green term deposit in 2023 declaration of information on the financing of eligible activities within the meaning of Article 8 of the European Taxonomy: GAR (Green Asset Ratio) Electric leasing scheme in early 2024 and new long-term lease “Access to electric” offer Publication of the carbon footprint for 2022 Reducing paper consumption through the digitisation of exchanges (electronic signature of financing agreements and opening a Distingo savings account 100% online, personal online space with request forms) GrEEn campus in early 2025 (E+C- label, level E3C1)
<p>RESPONSIBLE EMPLOYER</p>  <p>RISKS</p> <ul style="list-style-type: none"> Weak human resources management Non-compliance with labour regulations and rules, personal health and safety standards or weak working conditions Discriminatory practices and human rights violations Weak management of careers, skills, non-anticipation of changes in business lines or lack of personnel 	 <ul style="list-style-type: none"> Employee commitment  <ul style="list-style-type: none"> Equality, diversity and quality of life in the workplace  <ul style="list-style-type: none"> Actions undertaken to promote human rights  <ul style="list-style-type: none"> Social dialogue  <ul style="list-style-type: none"> Personal development and employability Development of teleworking 	<ul style="list-style-type: none"> Annual survey of employees on their commitment, overall work experience and well-being Recruitment guide (non-discrimination when hiring and diversity) Company agreements signed, including in particular: <ul style="list-style-type: none"> agreement on professional equality, diversity, quality of life in the workplace and the right to disconnect agreement on the forward-looking management of jobs and skills Conferences on health and well-being issues: <ul style="list-style-type: none"> stress and sleep management relaxation posture at the workstation Training programmes Digital skills assessment tool with personal development plan (PDP) Mobility charter Development of teleworking <ul style="list-style-type: none"> teleworking charter in 2021 offering employees the possibility of teleworking up to three days per week training to adapt to remote working Actions taken with associations aiming to: <ul style="list-style-type: none"> demystify disability in the workplace promote physical and sport activities

1 Management report

Statement of non-financial performance (SNFP) – Corporate social responsibility (CSR)

Non-financial risks and existing risk categories

Non-financial risks can be identified as a risk category in their own right or as a factor impacting existing risk categories that may lead to their materialisation, such as credit, liquidity, operational, legal and regulatory, non-compliance and reputation risks.

Relationship between non-financial risks and existing risk factors (horizon: ST < one year, MT one to five years, LT > five years)

Risks/Issues ESG	Materiality	Risks factors	Horizon	
Environment				
Fight against climate change	Physical risk, following extreme weather events, significant material damage: - to customer assets (flooding of a warehouse, hailstorms damaging vehicles at dealers, storms destroying the homes of individual customers) impacting their financial position and their ability to repay their loans; - to Banque Stellantis France Group's physical infrastructure, facilities and equipment (floods, storms, etc.) resulting in operational interruptions impacting its ability to maintain normal operations by providing financing services; - increasing intensity and frequency of severe weather events weakening certain business sectors generating sudden and significant fluctuations in the financial markets, impacting the funding of Banque Stellantis France Group.	Credit risk Operational risk Liquidity risk	ST/MT/LT ST/MT/LT- ST/MT/LT	
Supporting the energy transition	Customer transition risk if they fail to adapt their business models to the new constraints that the energy transition requires and to finance the movement towards a low-carbon business model, leading to a deterioration in their financial position. Risk of non-compliance following the emergence of new environmental standards and regulations in the event that Banque Stellantis France Group cannot adapt to this in a timely manner, which may result in financial sanctions (fines and penalties), also causing an image and reputation risk.	Credit risk Legal and Regulatory Non-compliance Risk Reputation risk	MT/LT MT/LT	
Environmental footprint related to operations: use of natural resources and waste management	Risk of inadequate (non-reasoned and unsustainable) management of natural resources and greenhouse gas emissions by the Banque Stellantis France Group leading to an increase in operating expenses (increase in water consumption and bills, energy, paper) and potentially fines and penalties with an impact on its image and reputation.	Operational risk Legal and Regulatory Non-compliance Risk Reputation risk	ST/MT/LT	
Societal and social				
Customer Satisfaction and Protection	Responsible Product Offering	Risk of the commercial launch of new non-compliant products and insufficient consideration of customer expectations and interests leading to a risk of regulatory and financial sanctions as well as litigation and reputation.	Legal and regulatory risk Reputation risk	ST/MT
	Management and protection of customers' personal data	Risk of alteration or lack of integrity of customers' personal data (destruction, loss, theft, misappropriation) causing damage in terms of image and the risk of regulatory and financial sanctions as well as litigation.	Reputation risk Legal and regulatory risk	ST/MT/LT
	Cybersecurity	Risk of a major cyberattack with prolonged unavailability of the Banque Stellantis France Group's IT systems impacting the normal conduct of its activities and having an adverse effect on its operating income and financial position. Any cyberattack or intrusion resulting in the disclosure or alteration of customers' confidential data or financial assets would be liable to cause them moral and financial damage with a reputational risk for the Banque Stellantis France Group.	Operational risk Reputation risk	ST/MT/LT
Societal Innovations for a Responsible Future	Mobility Solution and Innovation	Risk of not developing mobility solutions and the associated technological innovations necessary for their deployment, including urban mobility for sustainable cities.	Operational risk Reputation risk	ST/MT
	Supporting socially -responsible projects	Risk of not having a system to support the financing of company vehicles operating in a socially responsible field of activity.	Reputation risk	ST/MT/LT

Risks/Issues ESG		Materiality	Risks factors	Horizon
Responsible employer	Employee Engagement Workplace Well-being	Unfavourable change in employee commitment in a work environment impacting their trust in the Banque Stellantis France Group may lead to a decrease in the quality of services provided to customers, thus impacting the Group's operations, its operational efficiency, and its commercial and financial performance.	Operational risk,	ST/MT
	Training and personal development	Risk of a lack of attractiveness by not developing the skills and long-term employability necessary for the exercise of key skills for the activities of the Banque Stellantis France Group.	Operational risk,	ST/MT
	Equality, Diversity, Human Rights	Risk of breach of obligations in terms of gender equality, fight against social exclusion and diversity in employee recruitment.	Operational risk, Reputation risk	ST/MT/LT
	Social dialogue	Importance of maintaining high-quality social dialogue and thus guarding against potential reputational risks, penalties and conflicts.	Operational risk, Reputation risk	ST/MT/LT
Governance				
Business Ethics	Promotion of an ethical culture	Risk of inappropriate behaviour by employees with regard to the values and ethical rules of the Banque Stellantis France Group, which could jeopardise its commitments, damage its image and reputation and expose it to the risk of litigation and financial penalties.	Legal risk Reputation risk	ST/MT/LT
	Fight against corruption, money laundering and terrorism and actions against anti-competitive practices	Breaches in the Banque Stellantis France Group's anti-corruption, money laundering and terrorist financing system could result in financial and regulatory sanctions with fines, or even the withdrawal of authorisations to conduct its activities (banking licence), which would significantly affect its business, operating income and reputation.	Regulatory non-compliance risk Reputation risk	ST/MT/LT

1 Management report

Statement of non-financial performance (SNFP) – Corporate social responsibility (CSR)

1.6.6 Existing governance, programmes and policies

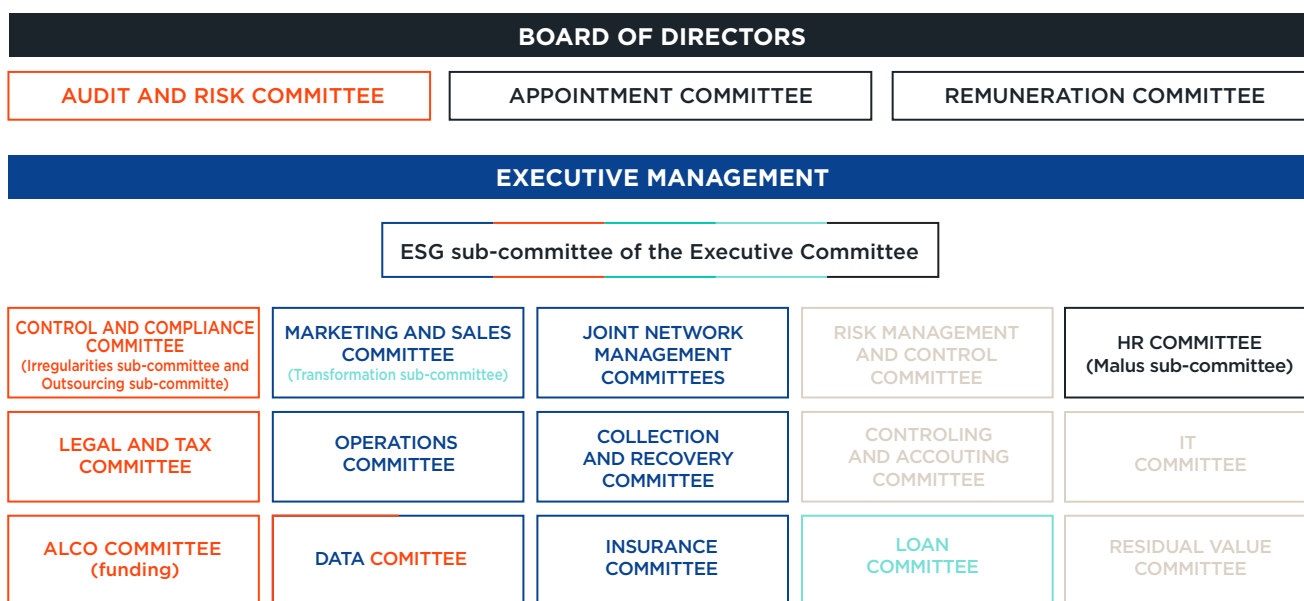
To define its strategy and roll out its CSR policy, the Banque Stellantis France Group relies on its governance structure.

The CSR approach is taken to the highest level of the Company.

Executive bodies of the Banque Stellantis France Group

The Banque Stellantis France Group bases its governance on:

- a Board of Directors and of its regulatory committees that are an offshoot of it;
- the Chairman of the Board of Directors, who does not hold an executive position within Banque Stellantis France Group;
- an Executive Management composed of a Chief Executive Officer and a Deputy Chief Executive Officer;
- various Specialised Decision-Making Committees, presented below. The Board of Directors and the Executive Committee are directly involved in the CSR approach for each of the five categories of risks and challenges identified (colour of each category shown in the committees that address it).



The various Specialised Decision-Making Committees thus participated in the mapping of non-financial risks and challenges to establish the materiality matrix, taking into account their criticality as well as the interests and expectations of the internal or external stakeholders concerned.

The Statement of Non-Financial Performance with the materiality matrix is approved by the Board of Directors.

An **ESG Committee**, a sub-committee of the Executive Committee dedicated to ESG issues, was set up at the end of 2023 and meets twice a year. The first committee meeting was held on 20 November 2023 with, in particular, training on the new sustainability reporting obligations related to the application of the CSRD (Corporate Sustainability Reporting Directive) from the beginning of 2025 for the 2024 financial year, as the first year of ESRS (European Sustainability Reporting Standards) reporting. The directors from Banco Santander are made aware of sustainable finance and those appointed by Stellantis are aware of the issues specific to the energy transition with the manufacturer’s electrification strategy as part of the net zero carbon strategies and the corresponding commitments of both groups.

ESG commitments are present at all levels of the Banque Stellantis France Group’s governance, from the employees of the executive committees and the operational staff to the control functions and through to the Board of Directors. The

management of non-financial risks is integrated into the conduct of the business at the Banque Stellantis France Group, in a rapidly changing environment, to ensure and preserve long-term value creation.

The Compliance and Business Ethics Department, reporting to Executive Management, was created in 2019. Its missions (defined in the Compliance and Business Ethics Charter), in addition to monitoring the risks of non-compliance with the regulations in force, are to supervise the ethics approach in the conduct of business and to ensure the proper application by all employees of the internal rules and systems that have been put in place. In addition, this entity is in charge of monitoring the quality of the processes delivered to customers in terms of automotive financing. Through the processing of complaints and the exercise of rights managed by the department in charge of consumers that reports directly to it, this department has the means to identify malfunctions requiring corrective measures in order to meet customer expectations and prevent any damage to the image and reputation of the Banque Stellantis France Group.

The various topics related to fraud are dealt with on a monthly basis by the Control and Compliance Committee.

For more information on governance and the internal control system, please refer to Sections 1.4 and 1.5 of the 2023 Annual Report.

Non-financial risk management programmes and policies

Banque Stellantis France governance policies and programmes are established to prevent, reduce and avoid as far as possible any significant consequences stemming from the various risks of the five categories identified. These policies and procedures are validated by the Board of Directors, periodically, and each time a policy or procedure is substantially modified, in order to ensure that it remains

relevant to the Banque Stellantis France Group's strategy and activities, but also with regard to changes in its regulatory environment or to ESG issues. An ad hoc review of a policy may also be carried out at the request of the Board of Directors or on the proposal of one of the Specialised Decision-Making Committees.

Policies and programmes supporting the Banque Stellantis France group CSR strategy

Code of Ethics

Updated in 2024

It stems from the goal relating to the collective commitments made to the main counterparties, and notably customers, employees, shareholders and partners. Made official in internal policies and contracts, and through compliance with international standards, these commitments on responsible development frame the actions of the Banque Stellantis France Group, notably in the fields of social and environmental responsibility, quality, financial information and communications. To achieve the objectives set out in these commitments, Banque Stellantis France Group employees must all comply with the rules of ethical conduct presented in this Code of Conduct.

These rules cover:

- > respect for the law:
 - > rule No. 1: compliance with laws and regulations,
 - > rule No. 2: non-communication of inside information,
 - > rule No. 3: accuracy of accounting data, information and indicators;
- > respect for people and the environment:
 - > rule No. 4: respect for fundamental human rights,
 - > rule No. 5: compliance with health and safety rules in the workplace
 - > rule No. 6: respect for the environment,
 - > rule No. 7: prohibition of discrimination, harassment and disrespectful behaviours; respect for privacy,
 - > rule No. 8: reporting system - communications;
- > respect for customers and their needs:
 - > rule No. 9: accuracy of information provided to customers,
 - > rule No. 10: confidentiality of customer data;
- > respect for the Banque Stellantis France and its shareholders/probity:
 - > rule No. 11: transparency of relations with competitors, customers and suppliers,
 - > rule No. 12: upper limit for gifts and invitations,
 - > rule No. 13: use and protection of company assets,
 - > rule No. 14: maintenance of confidentiality,
 - > rule No. 15: company representative,
 - > rule No. 16: clear separation between professional and political activities.

All employees must apply these rules of good conduct when performing their duties. A breach of these rules may result in penalties for labour law violation, in addition to all sanctions set out in administrative law or criminal law which may arise from such a breach.

Compliance and Business Ethics Charter

Updated in 2024

The Compliance and Business Ethics Charter establishes a common policy for the management of non compliance risks (identification, measurement, management and control of non-compliance risks). The Compliance and Business Ethics scope covers regulatory compliance, AML-FT, internal and external fraud, personal data protection, data quality, customer protection, whistleblowing management (whistleblower) and consumer quality monitoring.

1 Management report

Statement of non-financial performance (SNFP) – Corporate social responsibility (CSR)

Code of Conduct covering acts of bribery

Updated in 2024

The Banque Stellantis France Group ensures that its activities are carried out in accordance with the standards defined in its Code of Ethics and comply with all applicable legal provisions.

Bribery, in particular, is illegal and is not suitable with the values and ethical principles that the Banque Stellantis France Group has adopted as a framework for conduct and therefore prohibits its employees from any act of bribery, in all forms or for any purpose whatsoever.

The Code of Conduct covering acts of bribery sets out the ethical principles and rules of conduct that must govern the behaviour of all Banque Stellantis France employees:

- > obligation to know and comply with the code of conduct;
- > monitoring the application of the code of conduct;
- > gifts, commissions, financial advantages or bribes;
- > relations with individual and corporate customers:
 - > conflict of interest risk: this risk arises when an employee's personal interests compromise their ability to fully and objectively assume their responsibilities for the benefit of the Company;
 - > no employee may personally accept, without the prior written authorisation of the Human Resources Department, a fiduciary commitment, mandate or power of attorney from clients to carry out their transactions with the Banque Stellantis France Group. Employees prohibit exclusive relationships with a customer that may give rise to an excessive personal connection or that restrict the customer's access to other employees of the Banque Stellantis France Group. Under no circumstances do employees encourage the carrying out of a transaction aimed at harming one customer for the benefit of another. Employees inform customers of any other economic ties that could lead to conflicts of interest with them,
- > risk of corruption:
 - > it is strictly forbidden for employees to act in such a way as to reduce the free will and informed judgment of individual and corporate customers. In particular, it is prohibited to grant gifts, services or favours to customers that are not part of commercial and marketing plans or an incentive duly validated in advance by the Compliance and Business Ethics Department. The payment, promise or offer of any kind of payment, commission, gift or remuneration to any employees, executives or directors of other companies or entities, whether directly or through related persons or companies, with the aim, unlike its obligations in the sale of products, services or transaction of goods, to favour the Banque Stellantis France Group;
- > relations with suppliers and points of sale;
- > relations with public authorities:
 - > risk of corruption of civil servants:
 - > it is strictly forbidden for employees to give, promise or offer any type of payment (or payment facility), commission, gift or remuneration to any official, authority, employee or manager of a company or public body, either directly or through related persons or companies, and that the beneficiary is that same civil servant or public official or any other person designated by him or her. This prohibition concerns the authorities, civil servants or public employees of any country;
- > donations, political or charitable grants;
- > customary tolerances (gifts received/gifts offered with reporting thresholds);
- > procedure for reporting breaches, infringements and malfunctioning;
- > whistleblowing.

It applies to the members of the Board of Directors, the Executive Committee and all employees (permanent contracts, fixed-term contracts, work-study contracts, internships, temporary workers, service providers). It includes all types of bribery: active bribery, passive bribery, direct or indirect bribery, influence peddling, bribery of public or private officers, facilitation payments, favouritism, extortion, collusion with a supplier, a customer or a partner, money laundering, misappropriation of funds, gifts or excessive benefits granted or received, which undermine impartiality towards a supplier, customer or partner.

Its purpose is to inform employees of the various areas and circumstances in which these prohibitions apply and the behaviour to be adopted to prevent any corruption/influence peddling.

Programme for fighting money laundering and the financing of terrorism including Politically Exposed Persons (PEP)

Updated in 2024

It ensures that the system put in place by the Group is known to each employee in order to fully meet regulatory requirements in this area and to prevent the employee from being involuntarily involved in illicit activities, money laundering or the financing of terrorism.

System for collecting alerts (whistleblowing procedure)

Updated in 2024

It gives each employee an opportunity to report problems that could seriously impact the activities of the Banque Stellantis France Group or seriously engage its liability. This system is used in addition to the other existing whistleblowing mechanisms (notably reporting to the hierarchy, employee representatives).

Recruitment Guide (non-discrimination when hiring and diversity)

Updated in 2023

This guide provides all the information needed to support the recruitment process. It specifies the various stages of candidate selection and recruitment process, the attitudes and behaviours expected of the recruiter, and legal obligations, in particular the rights of the candidates. It highlights all best practices, in particular the importance that Banque Stellantis France attaches to the diversity of talents, to technical and managerial skills, and to the contribution candidates make to the development of Banque Stellantis France while respecting its values.

Employee mobility charter

2017

It sets out 14 best practice principles ranging from preparing for relocation to its implementation, as well as from the processing of applications to their finalisation.

Company agreement concerning workplace equality, diversity, quality of life in the workplace and the right to disconnect

Updated in 01/2024

It involves the entire Company, and in particular managers, who are responsible for ensuring the well-being of employees on a daily basis, as well as ensuring economic performance and customer satisfaction:

- > workplace gender equality;
- > diversity and the principle of non-discrimination;
- > quality of life at work, including teleworking, the right to disconnect and measures to facilitate the reconciliation of personal and professional life.

Personal data protection policy/GDPR

Updated in 2023

It describes the governance, management structures, methods and procedures to ensure compliance with applicable laws and regulations on the protection of personal data and primarily with the General Data Protection Regulation (GDPR).

Procedure for launching new financial products or modifying existing financial products

Updated in 2022

Its purpose is to define the process to validate and launch new financial products or to make substantial changes to existing products.

Policy to approve new products or modify existing insurance products

Updated in 2022

Its purpose is to define the process to validate and launch new insurance products or to make substantial changes to existing products.

Competition policy (antitrust/competition law)

2018

Its purpose is to raise the awareness of all employees of Banque Stellantis France's objectives of acting fairly and in accordance with the rules of competition law in all its commercial transactions on the markets, and of acting in the interests of its customers; it is an essential pillar of the success and reputation of its organisation. This policy aims to promote a proactive awareness-raising and compliance culture within the Banque Stellantis France Group.

Diversity policy applicable to the selection of members of the management body (integrated into the Corporate Policy)

Since 2015, following the partnership with Santander Consumer Finance

The Banque Stellantis France Group has a diverse management team, which is a source of added value and performance for the Company. Indeed, by promoting the representation on its Executive Committee of different socio-demographic categories and different skills, assessed on the basis of objective criteria on results with a view to complementarity, the Banque Stellantis France Group recognises that these differences are an asset. This variety stems from a team sourced from its two shareholders, Stellantis Financial Services Europe and Santander Consumer Finance. The objective of Banque Stellantis France is to achieve balanced gender representation on its Executive Committee, which currently comprises 33% women, excluding employee executives.

Purchasing/supplier relations process in line with the Stellantis responsible purchasing policy and with regulatory requirements for essential service providers. 2023 outsourcing procedure

2023

The Banque Stellantis France Group has set up governance rules and rigorous procedures for contracting and monitoring service providers to which it entrusts, on a long-term and regular basis, the execution of services or activities that fall under functions that it could reasonably exercise, even if it has not exercised them in the past. Insofar as Banque Stellantis France remains fully responsible for compliance with all its legal and regulatory obligations and intends to guarantee the same quality of service to its customers, whether the activities are in-house or outsourced, it has implemented risk identification, assessment, monitoring and management systems for all outsourcing agreements it enters into with third parties. These systems are strengthened when the outsourced service or activity is classified as Critical or Significant Services within the meaning of the regulations, in particular in application of the European Banking Authority's guidelines in this area. An "Outsourcing" Committee comprising the Executive Management and all members of the Executive Committee meets at least twice a year to ensure the overall monitoring of outsourced services, assess the impact of any breaches of compliance with established rules and decide corrective actions, where appropriate.

1 Management report

Statement of non-financial performance (SNFP) – Corporate social responsibility (CSR)

Consideration of CSR principles in remuneration

The Banque Stellantis France Group's CSR challenges are taken into account in the remuneration of employees and members of the Executive Management and the Executive Committee at several levels:

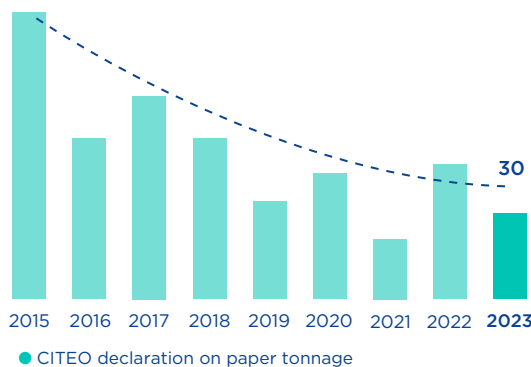
- in the individual and variable compensation of all employees subject to 50% of the overall collective objectives being achieved, including a portion of measured CSR objectives (customer satisfaction, transformation projects or resolution of audit recommendations in terms of governance);
- in the collective compensation of all employees according to the profit-sharing agreement, the amount of which depends on the achievement of a CSR objective in addition to a financial performance objective (since 2021, measurement of the quality of services provided to customers/customer satisfaction by the NPS approach – Net Promoter Score).

1.6.7 Environmental challenges

KPI	2021	2022	2023	Target	Horizon
GHG emissions (in tons of CO ₂ equivalent)	-	1,981,231	-	to support the net zero carbon strategy of STELLANTIS by 2038	
Real estate footprint (m ²)	7,510	7,034	5,915	< 6,000	2025 (grEEn Campus)
CITEO declaration on paper tonnage (t)	41	47	30	< 50	annual
Eligible employees on permanent contracts who have signed a teleworking rider (% of employees)	80%	86%	85%	-	-

For several years now, has been asserting its commitment and undertaking actions within the framework of sustainable development and environment. As a general rule, when making its decisions, the Banque Stellantis France Group integrates the ecological and energy efficiency aspects of its projects to the greatest extent possible:

- as part of the reorganisation of financial services in France, space optimisation was undertaken at the registered office on the Poissy site with the implementation of the flex-office;
- by choosing LED panels for the lighting of its platforms and optimising its printing resources by moving from 26 multi-function devices to 19;
- waste sorting for paper and non-hazardous industrial waste is in place: voluntary transfer to collection points;
- a print management system for shared printers to control paper consumption (double-sided printing, A4 format and black printing as standard settings, secure on-demand printing, access to colour printing limited to a few users);
- the Banque Stellantis France Group ordering parties or issuers of printed documents give priority to paper sourced from sustainably managed forests (with the following labels: PEFC – promoting sustainably managed forests; or FSC – forest stewardship council) and entrust, in the majority of cases, their printing requirements to printers who have "IMPRIM'VERT" (vegetable-based ink users) and/or PEFC and/or FSC certification. Starting in 2006, the Banque Stellantis France Group began informing CITEO each year of the tonnage of printed documents that it issues or has issued by third parties on the market. Since 2014, the Banque Stellantis France Group, as a CITEO member, has been affixing the certification body's logo on some printed documents;
- conducting paperless projects on all processes;



- with the partnership with the "Planète Urgence" association since November 2023, "Distingo Bank" committing to contribute to the financing of all its projects:
 - protect endangered forests and biodiversity,
 - promote the local development of communities, and
 - raise environmental awareness, by donating €2 for all new openings of a "Distingo Bank" passbook savings account (up to the annual limit of €10,000, i.e. for the opening of 5,000 new passbook accounts).



As part of the streamlining of travel, the Banque Stellantis France Group encourages the use of remote meetings (audio-conferences or tele-presence). It introduced teleworking since 2015.

It became widespread in the context of the Covid-19 pandemic and with the teleworking charter (updated in 2022). In order to minimise its environmental impact, the Banque Stellantis France Group plans, in its business travel policy, to favour travel by train rather than by plane when the journey from station to station is less than four hours.

Finally, in order to raise employee awareness of environmental issues, the Company organises events related to recycling and eco-responsibility. In the form of workshops, employees learn how to create natural products or take part in events such as eco-quiz. The Company also educates its employees about food, health and ecology.

Environmental performance: GHG emissions (2022, France scope)

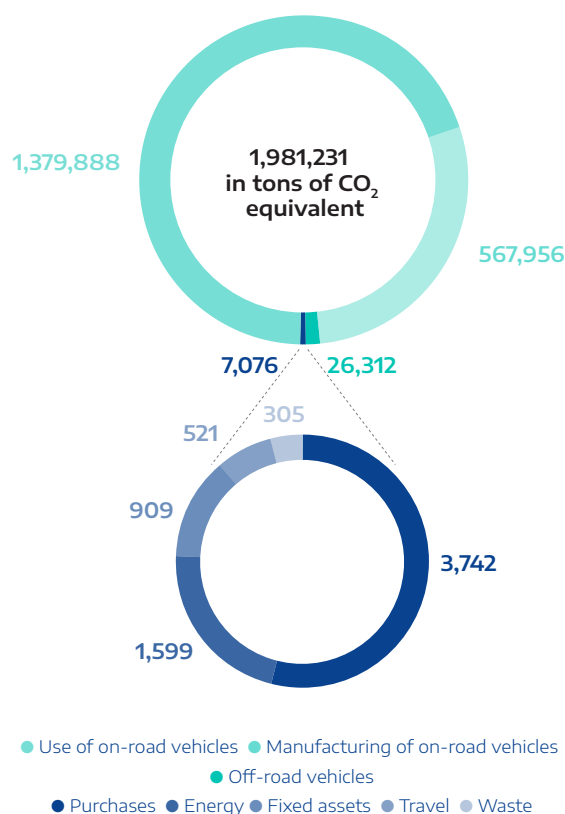
The carbon footprint assesses the environmental footprint of the Group's activities. It aims to quantify all of the Group's greenhouse gas (GHG) emissions, in particular those associated with its financing activity for STELLANTIS brand vehicles (manufacture, use and end-of-life). For 2022, it concerns the consolidation scope of Banque Stellantis France, CREDIPAR and CLV for emissions relating to the Group's activities in France, being subject to French regulation of ADEME.

These emissions are valued in tons of CO₂ equivalent, a simplification index for comparing the impacts that greenhouse gases have on the environment.

Total GHG emissions amount to 1,981,231 tons of CO₂ equivalent in 2022, which represents 2,430 tons of CO₂ equivalent per employee.

GHG emissions by consumption item and Scope of emissions

(in tons of CO ₂ equivalent)	2022	Scope of emissions
Energy	1,599	1+2
Gasoline fuel	1,395	1
Diesel fuel	12	1
Natural gas	160	1
Electricity	32	2
Travel	521	3
Emissions related to home-work travel	375	
Emissions related to business travel	146	
Fixed assets	909	3
Furniture, supplies	461	
Buildings	342	
IT equipment	106	
Purchases	3,742	3
Services	2,498	
Software	661	
Mail	371	
Equipment repair and maintenance	140	
Cleaning	38	
Catering	34	
Waste	305	3
Paper	198	
Non-hazardous industrial waste	107	
Assets financed	1,974,156	1+2+3
On-road vehicles	1,947,844	1+2+3
<i>of which manufacturing</i>	567,956	3
<i>of which use</i>	1,379,888	1+2
Off-road vehicles	26,312	3
TOTAL	1,981,231	
Ratios		
Total GHG emissions per person	2,430	
<i>(full-time equivalent 2022, including work-study students)</i>		



● Use of on-road vehicles ● Manufacturing of on-road vehicles
● Off-road vehicles
● Purchases ● Energy ● Fixed assets ● Travel ● Waste

1 Management report

Statement of non-financial performance (SNFP) – Corporate social responsibility (CSR)

Consumables used during the life of the vehicles (tyres, brake fluid, oil, etc.), spare parts and maintenance are not taken into account, along with the use of IT, servers and data exchange due to a lack of precise information.

The year 2022 was marked by the end of the restrictions put in place during the COVID-19 crisis and the resumption of work on site, the effects of which were partly offset by remote working.

Energy consumption

Banque Stellantis France Group's energy consumption includes the total consumption of energy used for heating, air conditioning, electricity used in daily activities and by its company fleet of vehicles. The energy consumption item is common to Scopes 1 and 2, including direct emissions from stationary combustion sources (natural gas for heating buildings) and mobile (Group company vehicles) as well as indirect emissions related to the electrical energy used for the operation of the buildings. GHG emissions related to the energy consumption of buildings are calculated using the emission factors provided by ADEME. For vehicle emissions, the calculation takes into account the consumption in litres of company vehicles with fuel cards available to the employees concerned. Indirect GHG emissions related to the consumption of electricity are calculated on the basis of consumption in kilowatt-hours (kWh), using the emission factors provided by ADEME (location-based) and in proportion to the surface area occupied by Banque Stellantis France Group employees, when its location is in a STELLANTIS building.

Numerous arrangements are currently in place within the Group's buildings to reduce emissions, such as LED lighting, optimised air conditioning and heating and the implementation of a minimum and maximum authorised temperature.

Travel

Emissions related to travels break down into those:

- related to employee home-work travel with 375 tons of CO₂ equivalent;
- related to business travel (major impact by aircraft) with 146 tons of CO₂ equivalent.

The home-work travels are calculated by gathering employee living areas and workplace and by categorising means of transport used (partial reimbursement of travel pass, SNCF or private vehicle). Collected data related to business travel include travels by aircraft and train as well as expense reports for travels by car.

Fixed assets

GHG emissions relate to fixed assets (buildings amortised over 30 years) with the identified associated emission factor and to arrangement, supplies, IT equipment and furniture where a monetary emission factor is used.

Purchases

GHG emissions relate to purchases of services, software licences, mailing costs, repairs, maintenance and cleaning as well as company catering and the pro-rata of the number of meals served for employees of Banque Stellantis France.

Waste

GHG emissions correspond mainly to paper waste and ordinary industrial waste (approximate number of ordinary waste bins).

Impact of financed vehicles

The impact of the manufacture and use of financed vehicles is taken into account, except for vehicles still in inventory and off-road (vehicles in stock at dealerships before being acquired or leased to a customer), where only the impact of their manufacturing will be considered:

- for the on-road inventory, there is a significant difference between the different powertrains, due to the use of the vehicle, which has much less impact for an electric vehicle. GHG emissions are broken down into those related to the manufacture of vehicles at 567,956 tons of CO₂ equivalent, and those during their use, of 1,379,888 tons of CO₂ equivalent, calculated according to the vehicle's weight, the annual national average number of kilometres travelled and ADEME's emission factors;
- for the off-road inventory, while there is no longer a significant difference between the powertrains, the most significant impact is linked to gasoline and diesel vehicles due to their higher proportion. GHG emissions from the off-road inventory of vehicles represent 26,312 tons of CO₂ equivalent.

It should be noted that there is a double counting for the data on the manufacture and use of vehicles, which are already presented in the carbon footprint of STELLANTIS.

Ambition of STELLANTIS Dare Forward 2030 plan to achieve a net zero carbon footprint by 2038 and actions to reduce GHG emissions

In line with STELLANTIS's ambition to achieve zero net carbon emissions by 2038, all scopes combined, Banque Stellantis France Group supports the strategy of electrification of the Stellantis vehicle range by offering funding solutions for these vehicles with low CO₂ emissions

and the associated mobility, is developing technological innovations for the prevention of environmental risks and also plans to move into the first STELLANTIS grEEn-campus in 2025 with an eco-responsible architecture in order to achieve the carbon neutrality in operations.

Financing of greener vehicles (electric and hybrid)

KPI	2021	2022	2023	Target	Horizon
Percentage of electric vehicle financing granted (% of financing for new electric vehicles delivered to individuals)	84%	86%	89%	> 90%	annual

Since the end of 2019, all new models offer end-user customers the possibility of an electric or hybrid drive system. In 2023, with an 14% increase in sales compared to 2022, the all-electric version of the new 208 (e-208) comprised 22% of all new 208s ordered making it the third best-selling electric car in France. The Fiat 500e came in fourth place. The launch in 2024 of the Citroën eC3 should mark an additional step in the electrification strategy with one of the most ambitious price positions on the market.

The Banque Stellantis France Group supports the electrification of the STELLANTIS range by setting up financing solutions and training its employees in the Electric Quest system. In early 2024, through the "electric leasing" system set up by the French government, Banque Stellantis France Group supported STELLANTIS's strong commitment to democratise access to electric car mobility with affordable rents (from €49 at €149 per month) through a wide range of emblematic models of the Citroën, Fiat, Abarth, Jeep, Opel and Peugeot brands, all produced in Europe.

It will be supplemented in 2024 by a funding offer for the acquisition and installation of home charging stations. This approach makes it possible to deploy clean and affordable mobility to as many people as possible while meeting customer expectations with a diversified and comprehensive offer to support them in their energy transition.



In January 2023, the Banque Stellantis France Group issued its first green bond after having introduced its Green Financing Framework in December 2022. The eligible assets financed are loans and leases on electric vehicles. In April 2023, the Banque Stellantis France Group also launched its first green term account in this context.

Technological innovations of products for the prevention of environmental risks

KPI	2021	2022	2023	Target	Horizon
Connected insurance (thousands of subscriptions since the launch of the programme in 2019)	35.5	43.6	49.7	-	-
Percentage of financing agreements signed electronically by individuals (% of customers eligible for e-signature)	72%	79%	88%	> 60%	annual
100% online subscription to Distingo (% of passbook opening requests)	69%	92%	93%	> 75%	annual

1 Management report

Statement of non-financial performance (SNFP) – Corporate social responsibility (CSR)

In automotive insurance, the connected insurance solutions (pay as you drive) available for all STELLANTIS brands ranges enable individual customers and professionals to reduce their premiums thanks to responsible driving. After CREDIPAR and its partners having received the *Argus d'Or* award in June 2022 for "Best Affinity/Collaborative Insurance" for Drive & Connect, the Banque Stellantis France Group continued to roll out this connected insurance solution for individuals on other models in the range. In addition, when the vehicle is equipped with ADAS (Advanced Driver-Assistance Systems) safety devices, the premium is also optimised. Lastly, these offers have been adapted to STELLANTIS's electrified vehicles.

Furthermore, the Banque Stellantis France Group has launched several digitalisation projects with a view to achieving paperless communication with customers and dealer networks, with a paperless approach:

- electronic signature for financing agreements, at the point of sale, was rolled out in 2018, and was initially reserved for individuals. It was extended at the end of 2019 to small and medium-sized companies with a signatory with a physically identified proxy. The electronic signature solution is designed with a view to reducing in a significant manner the use of paper, with agreements signed no longer being printed but being made available to customers in a personalised and secure digital safe;
- it has been possible, since the end of 2019, to open a Distingo passbook savings account without any paper being used; supporting documents can be uploaded and an electronic signature used. This 100% online process also enables smoother account opening;

First grEEen-campus in 2025

In 2025, Banque Stellantis France Group plans to move into STELLANTIS's first **grEEen-campus** under construction (the double E of the name given to this campus: E for Environment and E for Employees). In particular, the new building will benefit from an eco-responsible architecture in order to achieve carbon neutrality in operations, as soon as it is commissioned. Designed to be extremely efficient from an environmental point of view and resilient to climate change, this building will have an excellent thermal performance thanks to the architectural choices (bioclimatic design of buildings, optimisation of volumes and quantities of materials). In addition to the E°C-label, level E3C1, which characterises very high energy efficiency in operation, and efforts to reduce CO₂ emissions induced by the choice of construction materials, energy consumption will be balanced with the natural energy production on site thanks to photovoltaic panels. This future campus also takes into account the new hybrid and flexible working methods, which have become the benchmark.



- the customer web space sees its number of members continuously increase (nearly 66,000 in 2023 for a total of more than 431,000 customer web spaces at the end of 2023), allowing individual customers to consult their financing contracts as well as their personal data and request management acts, update their personal data, obtain a statement or amortisation schedule in a dematerialised manner on a durable medium. When entering into an agreement, new customers are requested to create their own customer area, a process which is simple and user-friendly.



Declaration of information on the financing of eligible economic activities under the article 8 of the European taxonomy

Reminder of the regulatory framework and disclosure obligation for credit institutions

Regulation (EU) 2020/852 of 18 June 2020 (“Taxonomy Regulation”) establishes a framework to promote sustainable investments applicable from 1 January 2022. Taxonomy is a system for classifying economic activities according to their contribution to the six environmental objectives defined by the European Commission:

- climate change mitigation;
- climate change adaptation;
- sustainable use and protection of water and marine resources;
- transition to a circular economy;
- pollution prevention and control;
- protection and restoration of biodiversity and ecosystems.

Article 8 deals with the transparency of companies in their non-financial declarations and was supplemented by two delegated acts in 2021:

- Delegated Regulation (EU) 2021/2139 of 4 June 2021 (“Climate Delegated Act”), mentioning the technical screening criteria to determine the conditions under which an economic activity can be considered as contributing substantially to the mitigation of climate change or adaptation to it. Another delegated act, relating to the technical screening criteria for the other four environmental objectives will be developed and adopted at a later stage;
- Delegated Regulation (EU) 2021/2178 of 6 July 2021, (“Disclosures Delegated Act”) providing details on the content and presentation of the information to be published by companies on their sustainable economic activities in terms of the environment, as well as the method to be followed to comply with this information obligation. In particular, it defines the ratio of green assets as the main key performance indicator (Green Asset Ratio or GAR) which shows the proportion of exposures related to activities aligned with the taxonomy in the total assets of the credit institution.

The taxonomy is thus based on concepts associated with the economic activities of companies subject to European Directive 2014/95/EU of 22 October 2014 on non-financial reporting (Non-Financial Reporting Directive or NFRD):

- **eligibility** as a first step. An economic activity is considered “eligible” if it is included in the evolving list of activities in the delegated acts of the Taxonomy Regulation. These are the activities selected at this stage by the European Commission, which are likely to make a substantial contribution to at least one of the environmental objectives. An eligible economic activity does not necessarily meet the technical criteria to be considered aligned with the European taxonomy;

- **alignment** from 2023 for non-financial companies then from 2024 for financial companies (including credit institutions). An economic activity is considered “aligned” with one of the six environmental objectives if:
 - it makes a substantial contribution to achieving this objective (compliance with specific technical criteria),
 - it does not harm any of the other five objectives (“Do No Significant Harm” criterion),
 - minimum guarantees are also respected.

Article 10 of the Delegated Act of 6 July 2021, together with Annex V, specifies the list of information with the content of the key performance indicators (KPIs) relating to the eligibility and alignment of the activities financed that credit institutions must publish from 1 January 2024.

Scope of financial assets - eligibility and alignment

Appendix V of the Delegated Act of 6 July 2021 defines the scope of the various financial assets on the balance sheet to be analysed for eligibility and alignment (notion of total covered assets) and those that are excluded for the calculation of the numerator or denominator of the various proportions in the total assets:

- outstanding financial assets are expressed at gross carrying amount (before taking into account provisions included in the balance sheet), according to the data from the FINREP prudential consolidation reporting;
- the loans and advances of the Banque Stellantis France Group relate exclusively to the financing of vehicles, which makes it possible to consider them as 100% eligible assets because:
 - they correspond to the economic activity classified No.6.5 “Transport by motorbikes, passenger cars and light commercial vehicles” of the list published by the European Commission (EU Taxonomy Compass) and whose description is the “purchase, **financing, renting, leasing** and operation of vehicles designated as category M₁⁽¹⁾, N₁⁽²⁾⁽²⁾, both falling under the scope of Regulation (EC) No.715/2007 of the European Parliament and of the Council, or L (2- and 3-wheel vehicles and quadricycles)”,
 - therefore, they have a **known use of proceeds**, which makes it possible to dispense with the key performance indicators (KPIs) for turnover published by non-financial companies subject to the declaration obligations of the NFRD. The KPIs reflect the proportion of eligible economic activities and are used to weight the gross carrying amount of all loans and advances whose use of the proceeds is not known (loans with no determined allocation);
- numerator:
 - **assets covered and in the scope of eligibility/alignment analysis**, of which :
 - > vehicle financing of financial companies, non-financial companies subject to the declaration obligations of the NFRD (with more than 500 employees and having issued securities on a regulated market) or local governments. To determine the non-financial companies subject to the declaration obligations of the NFRD, the analysis focused on companies with a material threshold of total financing of more than €200 thousand,
 - > households – of which motor vehicle loans. Section 1.2.1.3 ii) entitled “Retail - Credits consumptions loans for cars” of Annex V to the Delegated Act of

6 July 2021 specifies that credit institutions must take into account car loans granted that meet the technical screening criteria of Annex I, Section 6.5 of the Climate Delegated Act (electric or hybrid vehicles emitting less than 50 g/km of CO₂) from the date of application of the disclosure obligations, i.e. 1 January 2022. In Annex VI, it is also re-specified in the template “1. Assets for the calculation of GAR” in footnote 4 that for motor vehicle loans, institutions shall only include exposures generated after the date of application of the disclosure,

- > financing of local governments. They relate to the category of “specialised project financing” for which automotive financing are not eligible,

• assets covered and excluded from the scope of eligibility/alignment analysis:

- > exposure to companies not subject to the declaration obligations of the NFRD (mainly SMEs with dealers in the dealer network and large companies that have not issued securities on a regulated market),
- > derivatives,
- > on demand interbank loans,
- > cash and cash equivalents,
- > other assets;

• assets not covered:

- > exposures to central governments, central banks or national issuers,
- > trading book;

• denominator:

- for assets not covered: prudential assets on the FINREP balance sheet,
- for assets covered: prudential assets from the FINREP balance sheet excluding:
 - > exposures to central governments, central banks or national issuers,
 - > the trading book.

As identified in its non-financial risk materiality matrix, the fight against climate change is a priority area of the Banque Stellantis France Group’s CSR ambition. It supports its customers in their energy transition by offering them adapted solutions for financing vehicles with low CO₂ emissions (electric and hybrid).

1) Motor vehicles with no more than eight seats in addition to the driver’s seat and no space for standing passengers, whether or not the number of seats is limited to that of the driver.
 2) Motor vehicles with a maximum weight not exceeding 3.5 tonnes.

Summary of KPIs to be disclosed by credit institutions under Article 8 Taxonomy Regulation

		Total environmentally sustainable assets In M EUR	KPI****	KPI*****	% coverage (over total assets)***	% of assets excluded from the numerator of the GAR (Article 7(2) and (3) and Section 1.1.2. of Annex V)	% of assets excluded from the denominator of the GAR (Article 7(1) and Section 1.2.4 of Annex V)
Main KPI	Green asset ratio (GAR) stock	1,775	8.2%	8.2%	92.1%	52.8%	7.9%
		Total environmentally sustainable assets In M EUR	KPI	KPI	% coverage (over total assets)	% of assets excluded from the numerator of the GAR (Article 7(2) and (3) and Section 1.1.2. of Annex V)	% of assets excluded from the denominator of the GAR (Article 7(1) and Section 1.2.4 of Annex V)
Additional KPIs	GAR (flow)	1,642	17.3%	17.3%	83.8%	33.5%	16.2%
	Trading book*	NA	NA	NA			
	Financial guarantees	-	-	-			
	Assets under management	NA	NA	NA			
	Fees and commissions income**	NA	NA	NA			

* For credit institutions that do not meet the conditions of Article 94 (1) of the CRR or the conditions set out in Article 325a(1) of the CRR.

** Fees and commissions income from services other than lending and AuM.

Institutions shall disclose forward-looking information for this KPIs, including information in terms of targets, together with relevant explanations on the methodology applied.

*** % of assets covered by the KPI over banks total assets.

**** based on the Turnover KPI of the counterparty.

***** based on the CapEx KPI of the counterparty, except for lending activities where for general lending Turnover KPI is used.

1 Management report

Statement of non-financial performance (SNFP) – Corporate social responsibility (CSR)

Assets for the calculation of GAR 2023

	Total [gross] carrying amount	Disclosure reference date 2023						
		Climate Change Mitigation (CCM)			Climate Change Adaptation (CCA)		Water and marine resources (WTR)	
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)		Of which towards taxonomy relevant sectors (Taxonomy-eligible)	
		Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)		Of which environmentally sustainable (Taxonomy-aligned)	
		Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which enabling	Of which Use of Proceeds	Of which enabling
(in million euros)								
GAR - Covered assets in both numerator and denominator								
1 Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	9,194	6,292	1,775	1,775	-	-		
2 Financial undertakings	2	2	1	1	-	-		
3 Credit institutions								
4 Loans and advances	2	2	1	1	-	-		
5 Debt securities, including UoP								
6 Equity instruments								
7 Other financial corporations								
8 of which investment firms								
9 Loans and advances								
10 Debt securities, including UoP								
11 Equity instruments								
12 of which management companies								
13 Loans and advances								
14 Debt securities, including UoP								
15 Equity instruments								
16 of which insurance undertakings								
17 Loans and advances								
18 Debt securities, including UoP								
19 Equity instruments								
20 Non-financial undertakings	755	755	123	123	-	-		
21 Loans and advances	755	755	123	123	-	-		
22 Debt securities, including UoP								
23 Equity instruments								
24 Households	8,350	5,534⁽⁴⁾	1,652	1,652	-	-		
25 of which loans collateralised by residential immovable property								
26 of which building renovation loans								
27 of which motor vehicle loans	8,350	5,534	1,652	1,652	-	-		
28 Local governments financing	87	-⁽⁵⁾	-	-	-	-		
29 Housing financing								
30 Other local government financing	87	-	-	-	-	-		
31 Collateral obtained by taking possession: residential and commercial immovable properties								
32 Assets excluded from the numerator for GAR calculation (covered in the denominator)	12,342							
33 Financial and Non-financial undertakings	10,774							
34 SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	10,774							
35 Loans and advances								
36 of which loans collateralised by commercial immovable property	22							
37 of which building renovation loans								
38 Debt securities								
39 Equity instruments								
40 Non-EU country counterparties not subject to NFRD disclosure obligations	-							
41 Loans and advances								
42 Debt securities								
43 Equity instruments								
44 Derivatives	5							
45 On demand interbank loans	801							
46 Cash and cash-related assets								
47 Other categories of assets (e.g. Goodwill, commodities etc.)	762							
48 TOTAL GAR ASSETS	21,536	6,292	1,775	1,775	-	-		
49 Assets not covered for GAR calculation	1,838							
50 Central governments and Supranational issuers	-							
51 Central banks exposure	1,838							
52 Trading book	-							
53 TOTAL ASSETS	23,374							
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations								
54 Financial guarantees	-							
55 Assets under management								
56 Of which debt securities								
57 Of which equity instruments								

- This template shall include information for loans and advances, debt securities and equity instruments in the banking book, towards financial corporates, non-financial corporates (NFC), including SMEs, households (including residential real estate, house renovation loans and motor vehicle loans only) and local governments/municipalities (house financing).
- The following accounting categories of financial assets should be considered: Financial assets at amortised cost, financial assets at fair value through other comprehensive income, investments in subsidiaries, joint ventures and associates, financial assets designated at fair value through profit or loss and non-trading financial assets mandatorily at fair value through profit or loss, and real estate collaterals obtained by credit institutions by taking possession in exchange in of cancellation of debts.
- Banks with non-EU subsidiary should provide this information separately for exposures towards non-EU counterparties. For non-EU exposures, while there are additional challenges in terms of absence of common disclosure requirements and methodology, as the EU taxonomy and the NFRD apply only at EU level, given the relevance of these exposures for those credit institutions with non-EU subsidiaries, these institutions should disclose a separate GAR for non-EU exposures, on a best effort basis, in the form of estimates and ranges, using proxies, and explaining the assumptions, caveats and limitations.
- For motor vehicle loans, institutions shall only include those exposures generated after the date of application of the disclosure.
- Specialised projects financing only.

Circular economy (CE)		Pollution (PPC)		Biodiversity and Ecosystems (BIO)		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
Of which towards taxonomy relevant sectors (Taxonomy-eligible)		Of which towards taxonomy relevant sectors (Taxonomy-eligible)		Of which towards taxonomy relevant sectors (Taxonomy-eligible)		Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
Of which environmentally sustainable (Taxonomy-aligned)		Of which environmentally sustainable (Taxonomy-aligned)		Of which environmentally sustainable (Taxonomy-aligned)		Of which environmentally sustainable (Taxonomy-aligned)				
Of which Use of Proceeds	Of which enabling	Of which Use of Proceeds	Of which enabling	Of which Use of Proceeds	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling		
						6,292	1,775	1,775	-	-
						2	1	1	-	-
						2	1	1	-	-
						755	123	123	-	-
						755	123	123	-	-
						5,534	1,652	1,652	-	-
						5,534	1,652	1,652	-	-
						0	0	0	-	-
						0	0	0	-	-
						6,292	1,775	1,775	-	-

1 Management report

Statement of non-financial performance (SNFP) – Corporate social responsibility (CSR)

Assets for the calculation of GAR 2022

	Total [gross] carrying amount	Disclosure reference date 2022						
		Climate Change Mitigation (CCM)			Climate Change Adaptation (CCA)		Water and marine resources (WTR)	
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)		Of which towards taxonomy relevant sectors (Taxonomy-eligible)	
		Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)		Of which environmentally sustainable (Taxonomy-aligned)	
(in million euros)		Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which enabling	Of which Use of Proceeds	Of which enabling
GAR - Covered assets in both numerator and denominator								
1 Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	7,213	2,911	684	684	-	-		
2 Financial undertakings	2	2	0.6	0.6	-	-		
3 Credit institutions								
4 Loans and advances	2	2	0.6	0.6	-	-		
5 Debt securities, including UoP								
6 Equity instruments								
7 Other financial corporations								
8 of which investment firms								
9 Loans and advances								
10 Debt securities, including UoP								
11 Equity instruments								
12 of which management companies								
13 Loans and advances								
14 Debt securities, including UoP								
15 Equity instruments								
16 of which insurance undertakings								
17 Loans and advances								
18 Debt securities, including UoP								
19 Equity instruments								
20 Non-financial undertakings	543	543	32	32	-	-		
21 Loans and advances	543	543	32	32	-	-		
22 Debt securities, including UoP								
23 Equity instruments								
24 Households	6,588	2,367⁽⁴⁾	652	652	-	-		
25 of which loans collateralised by residential immovable property								
26 of which building renovation loans								
27 of which motor vehicle loans	6,588	2,367	652	652	-	-		
28 Local governments financing	80	-⁽⁵⁾	-	-	-	-		
29 Housing financing								
30 Other local government financing	80	-	-	-	-	-		
31 Collateral obtained by taking possession: residential and commercial immovable properties								
32 Assets excluded from the numerator for GAR calculation (covered in the denominator)	7,213							
33 Financial and Non-financial undertakings	8,577							
34 SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations								
35 Loans and advances								
36 of which loans collateralised by commercial immovable property								
37 of which building renovation loans								
38 Debt securities								
39 Equity instruments								
40 Non-EU country counterparties not subject to NFRD disclosure obligations								
41 Loans and advances								
42 Debt securities								
43 Equity instruments								
44 Derivatives	0							
45 On demand interbank loans	622							
46 Cash and cash-related assets	-							
47 Other categories of assets (e.g. Goodwill, commodities etc.)	263							
48 TOTAL GAR ASSETS	16,675	2,911	684	684	-	-		
49 Assets not covered for GAR calculation	1,096							
50 Central governments and Supranational issuers	248							
51 Central banks exposure	848							
52 Trading book	-							
53 TOTAL ASSETS	17,771							
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations								
54 Financial guarantees	-							
55 Assets under management								
56 Of which debt securities								
57 Of which equity instruments								

- This template shall include information for loans and advances, debt securities and equity instruments in the banking book, towards financial corporates, non-financial corporates (NFC), including SMEs, households (including residential real estate, house renovation loans and motor vehicle loans only) and local governments/municipalities (house financing).
- The following accounting categories of financial assets should be considered: Financial assets at amortised cost, financial assets at fair value through other comprehensive income, investments in subsidiaries, joint ventures and associates, financial assets designated at fair value through profit or loss and non-trading financial assets mandatorily at fair value through profit or loss, and real estate collateralised obtained by credit institutions by taking possession in exchange in of cancellation of debts.
- Banks with non-EU subsidiary should provide this information separately for exposures towards non-EU counterparties. For non-EU exposures, while there are additional challenges in terms of absence of common disclosure requirements and methodology, as the EU taxonomy and the NFRD apply only at EU level, given the relevance of these exposures for those credit institutions with non-EU subsidiaries, these institutions should disclose a separate GAR for non-EU exposures, on a best effort basis, in the form of estimates and ranges, using proxies, and explaining the assumptions, caveats and limitations.
- For motor vehicle loans, institutions shall only include those exposures generated after the date of application of the disclosure.
- Specialised projects financing only.

Circular economy (CE)		Pollution (PPC)		Biodiversity and Ecosystems (BIO)		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)			
Of which towards taxonomy relevant sectors (Taxonomy-eligible)		Of which towards taxonomy relevant sectors (Taxonomy-eligible)		Of which towards taxonomy relevant sectors (Taxonomy-eligible)		Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
Of which environmentally sustainable (Taxonomy-aligned)		Of which environmentally sustainable (Taxonomy-aligned)		Of which environmentally sustainable (Taxonomy-aligned)		Of which environmentally sustainable (Taxonomy-aligned)			
Of which Use of Proceeds	Of which enabling	Of which Use of Proceeds	Of which enabling	Of which Use of Proceeds	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	
						2,911	684	684	
						2	0.6	0.6	-
						2	0.6	0.6	-
						543	32	32	-
						543	32	32	-
						2,367	652	652	-
						2,367	652	652	-
						-	-	-	-
						-	-	-	-
						2,911	684	684	
						2,911	684	684	

GAR sector information

Breakdown by sector - NACE 4 digits level (code and label)	Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)		Water and marine resources (WTR)	
	Non-Financial corporates (Subject to NFRD)	SMEs and other NFC not subject to NFRD	Non-Financial corporates (Subject to NFRD)	SMEs and other NFC not subject to NFRD	Non-Financial corporates (Subject to NFRD)	SMEs and other NFC not subject to NFRD
	(Gross) carrying amount	(Gross) carrying amount	(Gross) carrying amount	(Gross) carrying amount	(Gross) carrying amount	(Gross) carrying amount
	Mn EUR	Mn EUR	Mn EUR	Mn EUR	Mn EUR	Mn EUR
	Of which environmentally sustainable – (CCM)	Of which environmentally sustainable – (CCM)	Of which environmentally sustainable – (CCA)	Of which environmentally sustainable – (CCA)	Of which environmentally sustainable – (WTR)	Of which environmentally sustainable – (WTR)
1	4321A - Installation works of electrical wiring and fittings in all kind of buildings	82.7	24.1			
2	7732Z - Renting and leasing of construction and civil engineering machinery and equipment	46.8	11.1			
3	4511Z - Sale of cars and light motor vehicles	28.6	10.8			
4	4222Z - Construction of utility projects for electricity and telecommunications	20.1	7.9			
5	4322B - Installation works of thermic and air conditioning equipment	18.0	5.3			
6	7010Z - Activities of head offices	10.7	4.5			
7	8211Z - Combined office administrative service activities	22.9	4.3			
8	7711A - Short term renting of cars and light motor vehicles	14.4	4.0			
9	4211Z - Construction of roads and motorways	35.0	4.0			
10	4399D - Other construction works involving special trades	16.7	3.8			
11	7112B - Engineering, technical studies	17.2	3.1			
12	7711B - Long term renting of cars and light motor vehicles	17.3	3.0			
13	7022Z - Business and other management consultancy activities	9.9	2.2			
14	6202A - Hardware and software consultancy	8.6	2.0			
15	4931Z - Urban and suburban passenger land transport	7.2	1.9			
16	4939B - Other land passenger transport	2.4	1.6			
17	8110Z - Combined facilities support activities	4.9	1.5			
18	4321B - Installation works of electrical wiring and fittings on public thoroughfare	2.5	1.2			
19	5221Z - Service activities incidental to land transportation	114.4	1.2			
20	8299Z - Other business support service activities n.e.c.	5.8	1.1			
21	0812Z - Operation of gravel and sand pits; mining of clays and kaolin	5.3	1.1			
22	3320D - Installation of electrical equipment, electronic and optical equipment or other equipment	2.6	1.1			
23	4221Z - Construction of utility projects for fluids	9.7	1.1			
24	4939A - Road scheduled passengers land transport	10.4	1.1			
25	4291Z - Construction of water projects	3.7	1.1			
26	4120B - Construction of other buildings	6.4	1.0			
27	4213B - Construction and maintenance of tunnels	3.8	0.8			
28	3320B - Installation of machinery and mechanical equipment	3.7	0.8			
29	4322A - Water and gas installation works in all kind of premises	6.0	0.8			
30	4329B - Other building installation works n.e.c.	3.0	0.7			
31	7820Z - Temporary employment agency activities	21.7	0.6			
32	3511Z - Production of electricity	0.6	0.6			
33	4621Z - Wholesale (intercompany trade) of grain, unmanufactured tobacco, seeds and animal feeds	15.1	0.5			
34	4910Z - Passenger rail transport, interurban	12.0	0.5			
35	7490B - Sundry professional, scientific and technical activities	1.1	0.5			
36	6420Z - Activities of holding companies	1.9	0.5			
37	5223Z - Service activities incidental to air transportation	0.9	0.5			
38	4110A - Development and selling of dwellings	5.3	0.5			
39	4941B - Proximity freight transport by road	9.2	0.4			
40	6311Z - Data processing, hosting and related activities	3.1	0.4			
41	6832A - Management of residential building and other real estate on a fee or contract basis	1.5	0.4			
42	4212Z - Construction of railways and underground railways	6.4	0.4			
43	4669B - Wholesale (intercompany trade) of sundry industrial supplies and equipment	1.1	0.3			
44	4774Z - Retail sale of medical and orthopaedic goods in specialised stores	2.4	0.3			
45	4213A - Construction of civil engineering structures	0.8	0.3			
46	8730A - Residential care activities for the elderly	0.5	0.3			
47	1013A - Industrial production of meat products	2.6	0.3			
48	5229A - Freight services organization	5.1	0.3			
49	4312B - Specialized earth moving or in great mass	7.7	0.3			
50	1051C - Manufacture of cheese	0.8	0.2			
51	2399Z - Manufacture of other non-metallic mineral products n.e.c.	0.7	0.2			
	OTHERS	113.7	6.1			

- Credit institutions shall disclose in this template information on exposures in the banking book towards those sectors covered by the Taxonomy (NACE sectors 4 levels of detail), using the relevant NACE Codes on the basis of the principal activity of the counterparty.
- The counterparty NACE sector allocation shall be based exclusively on the nature of the immediate counterparty. The classification of the exposures incurred jointly by more than one obligor shall be done on the basis of the characteristics of the obligor that was the more relevant, or determinant, for the institution to grant the exposure. The distribution of jointly incurred exposures by NACE codes shall be driven by the characteristics of the more relevant or determinant obligor. Institutions shall disclose information by NACE codes with the level of disaggregation required in the template.
- Categories "Others" sectors stand for less than 5% of total aligned amounts.

Circular economy (CE)		Pollution (PPC)		Biodiversity and Ecosystems (BIO)		Total (CCM + CCA + WTR + CE + PPC + BIO)	
Non-Financial corporates (Subject to NFRD)	SMEs and other NFC not subject to NFRD	Non-Financial corporates (Subject to NFRD)	SMEs and other NFC not subject to NFRD	Non-Financial corporates (Subject to NFRD)	SMEs and other NFC not subject to NFRD	Non-Financial corporates (Subject to NFRD)	SMEs and other NFC not subject to NFRD
(Gross) carrying amount	(Gross) carrying amount	(Gross) carrying amount	(Gross) carrying amount	(Gross) carrying amount	(Gross) carrying amount	(Gross) carrying amount	(Gross) carrying amount
Mn EUR	Mn EUR	Mn EUR	Mn EUR	Mn EUR	Mn EUR	Mn EUR	Mn EUR
Of which environmentally sustainable – (CE)	Of which environmentally sustainable – (CE)	Of which environmentally sustainable – (PPC)	Of which environmentally sustainable – (PPC)	Of which environmentally sustainable – (BIO)	Of which environmentally sustainable – (BIO)	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)
						82.7	24.1
						46.8	11.1
						28.6	10.8
						20.1	7.9
						18.0	5.3
						10.7	4.5
						22.9	4.3
						14.4	4.0
						35.0	4.0
						16.7	3.8
						17.2	3.1
						17.3	3.0
						9.9	2.2
						8.6	2.0
						7.2	1.9
						2.4	1.6
						4.9	1.5
						2.5	1.2
						114.4	1.2
						5.8	1.1
						5.3	1.1
						2.6	1.1
						9.7	1.1
						10.4	1.1
						3.7	1.1
						6.4	1.0
						3.8	0.8
						3.7	0.8
						6.0	0.8
						3.0	0.7
						21.7	0.6
						0.6	0.6
						15.1	0.5
						12.0	0.5
						1.1	0.5
						1.9	0.5
						0.9	0.5
						5.3	0.5
						9.2	0.4
						3.1	0.4
						1.5	0.4
						6.4	0.4
						1.1	0.3
						2.4	0.3
						0.8	0.3
						0.5	0.3
						2.6	0.3
						5.1	0.3
						7.7	0.3
						0.8	0.2
						0.7	0.2
						113.7	6.1

1 Management report

Statement of non-financial performance (SNFP) – Corporate social responsibility (CSR)

GAR KPI stock 2023

		Disclosure reference date 2023								
		Climate Change Mitigation (CCM)			Climate Change Adaptation (CCA)			Water and marine resources (WTR)		
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)		
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
		Of which Use of Proceeds Of which transitional Of which enabling			Of which Use of Proceeds Of which enabling			Of which Use of Proceeds Of which enabling		
% (compared to total covered assets in the denominator)										
GAR - Covered assets in both numerator and denominator										
1	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	29.2%	8.2%	8.2%	-	-				
2	Financial undertakings	0.01%	0.01%	0.01%	-	-				
3	Credit institutions									
4	Loans and advances	0.01%	0.01%	0.01%	-	-				
5	Debt securities, including UoP									
6	Equity instruments									
7	Other financial corporations									
8	of which investment firms									
9	Loans and advances									
10	Debt securities, including UoP									
11	Equity instruments									
12	of which management companies									
13	Loans and advances									
14	Debt securities, including UoP									
15	Equity instruments									
16	of which insurance undertakings									
17	Loans and advances									
18	Debt securities, including UoP									
19	Equity instruments									
20	Non-financial undertakings	3.5%	0.6%	0.6%	-	-				
21	Loans and advances	3.5%	0.6%	0.6%	-	-				
22	Debt securities, including UoP									
23	Equity instruments									
24	Households	25.7%	7.7%	7.7%	-	-				
25	of which loans collateralised by residential immovable property									
26	of which building renovation loans									
27	of which motor vehicle loans	25.7%	7.7%	7.7%	-	-				
28	Local governments financing	-	-	-	-	-				
29	Housing financing									
30	Other local government financing	-	-	-	-	-				
31	Collateral obtained by taking possession: residential and commercial immovable properties									
32	TOTAL GAR ASSETS	29.2%	8.2%	8.2%	-	-				

- (1) Institution shall disclose in this template the GAR KPIs on stock of loans calculated based on the data disclosed in template 1, on covered assets, and by applying the formulas proposed in this template.
- (2) Information on the GAR (green asset ratio of "eligible" activities) shall be accompanied with information on the proportion of total assets covered by the GAR.
- (3) Credit institutions can, in addition to the information included in this template, show the proportion of assets funding taxonomy relevant sectors that are environmentally sustainable (Taxonomy-aligned). This information would enrich the information on the KPI on environmentally sustainable assets compared to total covered assets.
- (4) Credit institutions shall duplicate this template for revenue based and CapEx based disclosures.

Circular economy (CE)		Pollution (PPC)		Biodiversity and Ecosystems (BIO)		Total (CCM + CCA + WTR + CE + PPC + BIO)			Proportion of total assets covered
Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
Of which Use of Proceeds	Of which enabling	Of which Use of Proceeds	Of which enabling	Of which Use of Proceeds	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	
						29.2%	8.2%	8.2%	42.7%
						0.01%	0.01%	0.01%	0.01%
						0.01%	0.01%	0.01%	0.01%
						3.5%	0.6%	0.6%	3.5%
						3.5%	0.6%	0.6%	3.5%
						25.7%	7.7%	7.7%	38.8%
						25.7%	7.7%	7.7%	38.8%
						-	-	-	0.4%
						-	-	-	0.4%
						29.2%	8.2%	8.2%	100%

1 Management report

Statement of non-financial performance (SNFP) – Corporate social responsibility (CSR)

GAR KPI stock 2022

		Disclosure reference date 2022									
		Climate Change Mitigation (CCM)			Climate Change Adaptation (CCA)			Water and marine resources (WTR)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
% (compared to total covered assets in the denominator)		Of which Proceeds	Use of	Of which transitional	Of which enabling	Of which Proceeds	Use of	Of which enabling	Of which Proceeds	Use of	Of which enabling
GAR - Covered assets in both numerator and denominator											
1	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	17.5%	4.1%	4.1%	-	-					
2	Financial undertakings	0.01%	0.003%	0.003%	-	-					
3	Credit institutions										
4	Loans and advances	0.01%	0.003%	0.003%	-	-					
5	Debt securities, including UoP										
6	Equity instruments										
7	Other financial corporations										
8	of which investment firms										
9	Loans and advances										
10	Debt securities, including UoP										
11	Equity instruments										
12	of which management companies										
13	Loans and advances										
14	Debt securities, including UoP										
15	Equity instruments										
16	of which insurance undertakings										
17	Loans and advances										
18	Debt securities, including UoP										
19	Equity instruments										
20	Non-financial undertakings	3.3%	0.2%	0.2%	-	-					
21	Loans and advances	3.3%	0.2%	0.2%	-	-					
22	Debt securities, including UoP										
23	Equity instruments										
24	Households	14.2%	3.9%	3.9%	-	-					
25	of which loans collateralised by residential immovable property										
26	of which building renovation loans										
27	of which motor vehicle loans	14.2%	3.9%	3.9%	-	-					
28	Local governments financing	-	-	-	-	-					
29	Housing financing										
30	Other local government financing	-	-	-	-	-					
31	Collateral obtained by taking possession: residential and commercial immovable properties										
32	TOTAL GAR ASSETS	17.5%	4.1%	4.1%	-	-					

- (1) Institution shall disclose in this template the GAR KPIs on stock of loans calculated based on the data disclosed in template 1, on covered assets, and by applying the formulas proposed in this template.
- (2) Information on the GAR (green asset ratio of "eligible" activities) shall be accompanied with information on the proportion of total assets covered by the GAR.
- (3) Credit institutions can, in addition to the information included in this template, show the proportion of assets funding taxonomy relevant sectors that are environmentally sustainable (Taxonomy-aligned). This information would enrich the information on the KPI on environmentally sustainable assets compared to total covered assets.
- (4) Credit institutions shall duplicate this template for revenue based and CapEx based disclosures.

Circular economy (CE)		Pollution (PPC)		Biodiversity and Ecosystems (BIO)		Total (CCM + CCA + WTR + CE + PPC + BIO)				Proportion of total assets covered	
Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					
Of which Use of Proceeds	Of which enabling	Of which Use of Proceeds	Of which enabling	Of which Use of Proceeds	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling			
						17.5%	4.1%	4.1%	-	-	43.3%
						0.01%	0.003%	0.003%	-	-	0.01%
						0.01%	0.003%	0.003%	-	-	0.01%
											-
						3.3%	0.2%	0.2%	-	-	3.3%
						3.3%	0.2%	0.2%	-	-	3.3%
						14.2%	3.9%	3.9%	-	-	39.5%
						14.2%	3.9%	3.9%	-	-	39.5%
						-	-	-	-	-	0.5%
						-	-	-	-	-	0.5%
						17.5%	4.1%	4.1%			100%

1 Management report

Statement of non-financial performance (SNFP) – Corporate social responsibility (CSR)

GAR KPI flow 2023

		Disclosure reference date 2023								
		Climate Change Mitigation (CCM)			Climate Change Adaptation (CCA)			Water and marine resources (WTR)		
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)		
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
		Of which Use of Proceeds Of which transitional Of which enabling			Of which Use of Proceeds Of which enabling			Of which Use of Proceeds Of which enabling		
% (compared to flow of total eligible assets)										
GAR - Covered assets in both numerator and denominator										
1	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	60.0%	17.3%	17.3%						
2	Financial undertakings	0.3%	0.1%	0.1%						
3	Credit institutions									
4	Loans and advances	0.3%	0.1%	0.1%						
5	Debt securities, including UoP									
6	Equity instruments									
7	Other financial corporations									
8	of which investment firms									
9	Loans and advances									
10	Debt securities, including UoP									
11	Equity instruments									
12	of which management companies									
13	Loans and advances									
14	Debt securities, including UoP									
15	Equity instruments									
16	of which insurance undertakings									
17	Loans and advances									
18	Debt securities, including UoP									
19	Equity instruments									
20	Non-financial undertakings	4.3%	1.3%	1.3%						
21	Loans and advances	4.3%	1.3%	1.3%						
22	Debt securities, including UoP									
23	Equity instruments									
24	Households	55.4%	15.9%	15.9%						
25	of which loans collateralised by residential immovable property									
26	of which building renovation loans									
27	of which motor vehicle loans	55.4%	15.9%	15.9%						
28	Local governments financing	-	-	-						
29	Housing financing									
30	Other local government financing	-	-	-						
31	Collateral obtained by taking possession: residential and commercial immovable properties									
32	TOTAL GAR ASSETS	60.0%	17.3%	17.3%						

(1) Institution shall disclose in this template the GAR KPIs on flow of loans calculated (new loans on a net basis) based on the data disclosed in template 1, on covered assets, and by applying the formulas proposed in this template.

(2) Credit institutions shall duplicate this template for revenue based and CapEx based disclosures.

Circular economy (CE)		Pollution (PPC)		Biodiversity and Ecosystems (BIO)		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				Proportion of total assets covered
Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
Of which Use of Proceeds	Of which enabling	Of which Use of Proceeds	Of which enabling	Of which Use of Proceeds	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling		
						60.0%	17.3%	17.3%		60.1%
						0.3%	0.1%	0.1%		0.29%
						0.3%	0.1%	0.1%		0.29%
						4.3%	1.3%	1.3%		4.3%
						4.3%	1.3%	1.3%		4.3%
						55.4%	15.9%	15.9%		55.4%
						55.4%	15.9%	15.9%		55.4%
						-	-	-	-	0.03%
						-	-	-	-	0.03%
						60.0%	17.3%	17.3%		100%

1 Management report

Statement of non-financial performance (SNFP) – Corporate social responsibility (CSR)

Specific information on exposures to energy production from fossil gas and nuclear energy

Under the amending Delegated Regulation (EU) 2022/1214 of 9 March 2022 published in the EU Official Journal on 15 July 2022, gas and nuclear activities will be included in the environmentally sustainable economic activities listed in Annexes I and II of Delegated Regulation (EU) 2021/2139 of 4 June 2021. The regulation prescribes several disclosure obligations in respect of exposures to energy production from fossil gas and nuclear energy.

As stated above, all the loans and advances made by the Banque Stellantis France Group relate to vehicle financing and therefore qualify as 100% eligible assets under the European Taxonomy's economic activity No. 6.5 "Transport by motorbikes, passenger cars and light commercial vehicles", defined as "the purchase, **financing, renting, leasing** and operation of vehicles".

As such, they do not constitute exposures (zero amounts and proportions) to energy production from fossil gas and nuclear energy as defined in the amending Delegated Regulation (EU) 2022/1214 in the following sections, which should be reported under templates 4 and 5 presented in Annex III (Annex XII of the Delegated Act of 6 July 2021):

- Section 4.26: "Pre-commercial stages of advanced technologies to produce energy from nuclear processes with minimal waste from the fuel cycle";
- Section 4.27: "Construction and safe operation of new nuclear power plants, for the generation of electricity or heat, including for hydrogen production, using best-available technologies";
- Section 4.28: "Electricity generation from nuclear energy in existing installations";
- Section 4.29: "Electricity generation from fossil gaseous fuels";
- Section 4.30: "High-efficiency co-generation of heat/cool and power from fossil gaseous fuels".

NUCLEAR ENERGY RELATED ACTIVITIES

The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using the best available technologies.	No
The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No

FOSSIL GAS RELATED ACTIVITIES

The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

1.6.8 Societal challenges

Customer satisfaction and protection

Responsible product offering

The products and services designed and distributed by the Banque Stellantis France Group are subject to monitoring and evaluation through various systems, including audits (internal, periodic, quality) or activity-specific indicators, and through claims analysis. Controls are integrated into each process and carried out either by the operational staff themselves or by the bank’s internal control system. Increased vigilance is exercised when new contracts are recognised as revenue, as this step triggers customer invoicing. Systematic controls are carried out to ensure that the financing contracts communicated by the banking intermediaries comply with different requirements (internal, contractual, regulatory, legal). The marketing of a new product (financing, insurance, service) intended for

customers follows a structured approach that begins systematically with an opportunity study which notably takes into account customer expectations. The product file prepared by the teams in charge of its implementation follows a rigorous validation and approval process aimed at ensuring the project’s reliability and its compliance with regulations. The decision to launch the development of a product in design follows validation by various ad hoc committees (Marketing and Sales Committee, Control and Compliance Committee). The decision to market the new product, after all checks and tests have been carried out, is taken by the Executive Management of the Banque Stellantis France Group (after approval by the Board of Directors).

Measures taken to promote customer health and safety as well as to protect their interests

KPI	2021	2022	2023	Target	Horizon
Customer recovery disputes/complaints (% linked to the management of the Banque Stellantis France Group)	16%	20%	24%	min.	annual
Management of over-indebtedness cases (processing time in months)	0	0	0	< 1 month	annual
Rate of awareness of subscription to an insurance product (% of customers having taken out death insurance)	84%	84%	75%	> 90%	2025

Moreover, within the framework of the regulations regarding consumer protection, training is delivered to new employees in order to make them fully aware of their duty to inform and advise customers.

The granting of consumer credit, which represents almost 70% of the total credit granted, is the subject of specific regulations, protecting consumer rights.

The Banque Stellantis France Group has a process of identifying its individual customers who are financially vulnerable in application of the Charter on banking inclusion and prevention of over-indebtedness (*Charte d’inclusion bancaire et de prévention du surendettement*) adopted by the *Association Française des Établissements de Crédit et des Companies d’Investissement* (AFECEI). This mechanism implemented in after-sales service and in Collection and Recovery Department makes it possible, based on predefined criteria, to identify the customers at risk at an early stage, support and guide them, and find internal solutions to prevent their financial situation from worsening. The employees concerned by this system attend a specific training course on an annual basis.

More broadly, with a view to ensuring quality and improving its customer processes, the Banque Stellantis France Group has set up in place a system for handling the customer complaints aimed in particular at ensuring the quality of their processing (commitment concerning response times, requirement for written replies on a permanent medium). This system requires the appointment of a person to manage the processing of complaints, to handle the complaints received in accordance with its provisions, to track these

complaints (in terms of quantity and type), to analyse them and, if the analysis is revealing dysfunctions, to apply the appropriate corrective measures.

The Banque Stellantis France Group adheres to the mediation system of the French Banking Federation (*Fédération Bancaire Française*). CREDIPAR, its wholly-owned subsidiary, adheres to the mediation system implemented by the *Association Française des Sociétés Financières – ASF – (Association of French Financial Companies)* and specifies, in its financing agreements, the contact details of this independent mediator, as well as those of its Consumer Department in charge of processing complaints. All negative answers from the Consumer Department to complaints made by individuals give rise to communication of the contact details of the independent mediator.

The Banque Stellantis France Group, through its CREDIPAR subsidiary, adheres to the “Agreement on amicable consumer credit debt recovery” signed by the ASF and different consumer organisations, and which aims to guarantee customers the application of a certain number of rules of good conduct (gradual nature of the debt recovery process, respect of confidentiality and privacy, transparency of relations with customers) and favours, in consequence, amicable debt rescheduling in the event of unpaid overdue amounts in order to proactively prevent over-indebtedness.

The Banque Stellantis France Group, through its CREDIPAR subsidiary, also participates within ASF in working groups concerning consumer protection (borrowers) and the fight against over-indebtedness.

1 Management report

Statement of non-financial performance (SNFP) – Corporate social responsibility (CSR)

Customer satisfaction

KPI	2021	2022	2023	Target	Horizon
Customer satisfaction surveys (thousands of customer responses received)	94	105	100	-	-
Dealer satisfaction survey on new vehicle financing (% satisfied and very satisfied)	82%	87%	91%	> 90%	annual
NPS – Net Promoter Score (difference between the percentage of positive opinions – “promoters” who provide ratings of 9 to 10/10 and negative opinions – “detractors” who provide ratings of 6/10 or lower. Ratings of 7 and 8/10 are not added)	17	23	36	> 0	annual

The extension of the offer to new mobility services and the digitisation of tools reinforce the requirements that the Banque Stellantis France Group must have vis-à-vis its customers.

To guarantee the reliability of its offers and services at the highest level, Executive Management regularly communicates to its employees on the importance of placing the customer at the heart of their concerns and ensures the setting and monitoring of Quality objectives. The Banque Stellantis France Group has a Quality certification (ISO 9001 standard). Since October 2020, the customer contact centre (*Plateforme Relation Client, PRC*) has held ISO 18295-1 “customer contact centre” certification, which guarantees the level of requirements and quality of contact in the exchanges with customers for the management of their financing (fluidity of communication, employee involvement, handling of complaints, etc.).

All of Banque Stellantis France’s operational processes are focused on customers and are regularly updated with indicators measuring the level of quality delivered to them:

- satisfaction surveys are conducted to measure the level of quality as perceived by all its customers (individuals, companies, dealers). For example, the Banque Stellantis France Group conducts online surveys among its customers to improve the effectiveness of its after-sales teams. Over 100,000 customers responded in 2023 in France. Dissatisfied customers are called back to clarify their situation in order to provide the best possible response whenever possible;
- the establishment of a Net Promoter Score (to measure recommendations by customers) was generalised in 2021 among all end-user customers, whether individuals or companies.

Actions undertaken to protect customer data/cybersecurity

KPI	2021	2022	2023	Target	Horizon
Monitoring of employee training on personal data protection and the GDPR regulation (% of workforce)	98%	95%	98%	> 90%	annual
Monitoring of cybersecurity awareness training (% of workforce)	69%	71%	68%	-	-

Protection of customer data

For the Banque Stellantis France Group, the protection of personal data is a fundamental right, a factor of trust for its customers, prospects and employees. The established policy applies to all personal data collected and processed by the Company, its partners and subcontractors. The Banque Stellantis France Group constantly ensures compliance with the rules governing the processing of personal data (lawfulness and limitation of processing, transparency towards the customer, adequacy of the data collected for the strict purpose of the processing that will be carried out, and concerning the accuracy, integrity, confidentiality and retention of the data).

Thus, when collecting personal data from its prospects and customers by means of dedicated questionnaires, the Banque Stellantis France Group informs these persons in a clear and concise manner of all the characteristics of the data processing, namely all of the regulatory and contractual purposes of the data processing, the various recipients, retention periods, international flows, the various rights that they may exercise as well as specific rights in terms of commercial prospecting, opposition or acceptance, that they may express before finalisation of this data collection. All of these provisions are included in the terms and conditions of the various products of the Banque Stellantis France Group. Prospects and customers have the choice to implement all their rights by contacting the Consumer Department of the Banque Stellantis France Group entities by post, or by

emailing the Banque Stellantis France Group’s Data Protection Officer.

In addition, customers can request certain changes and updates to their personal data directly online in their “personal customer area”. Each year, the Banque Stellantis France Group updates a register of all its processing operations involving personal data and is particularly vigilant about the transfer of personal data from its customers to its subcontractors. Thus, all of the service providers are contractually governed by the strict implementation of the provisions of the GDPR on subcontracting. And concerning the security of processing, the service providers are required to provide an operational “security assurance plan” which is reviewed and validated by the Banque Stellantis France Group’s Information Systems Security Manager. More specific instructions, such as the data protection control procedure for outsourced services define the progressive levels of controls implemented. A Data Processing Agreement (DPA) in addition to the supplier contract is established to ensure compliance with the GDPR regulations. Audits are also carried out on suppliers.

The Banque Stellantis France Group has a general procedure and specific procedures for the protection of personal data. Thus, it implements a personal data protection policy describing the governance, management structures, methods and procedures to ensure compliance with the standards in

force. This policy describes the measures to be adopted in the event of a personal data breach, as well as the implementation of the GDPR principles of “data protection by design and data protection by default”. It also specifies the process for conducting data protection impact assessments.

A data protection division, reporting to Compliance and Business Ethics, ensures that files, IT systems and contracts containing personal data (customers, prospects, suppliers, employees) comply at all times with legal provisions and more specifically the French data protection act (*loi Informatique et Libertés*), the GDPR and the banking regulations relating to the Banque de France (BDF)/National Register of Household Credit Repayment Incidents (*Fichier des incidents de remboursement des crédits aux particuliers*, FICP) file. The monthly Control and Compliance Committee meeting makes it possible to postpone, review and make the most important decisions necessary in the area of data protection. In 2023, the Banque Stellantis France Group did not receive any complaints concerning breaches of customer confidentiality from external stakeholders or regulatory authorities.

Cybersecurity

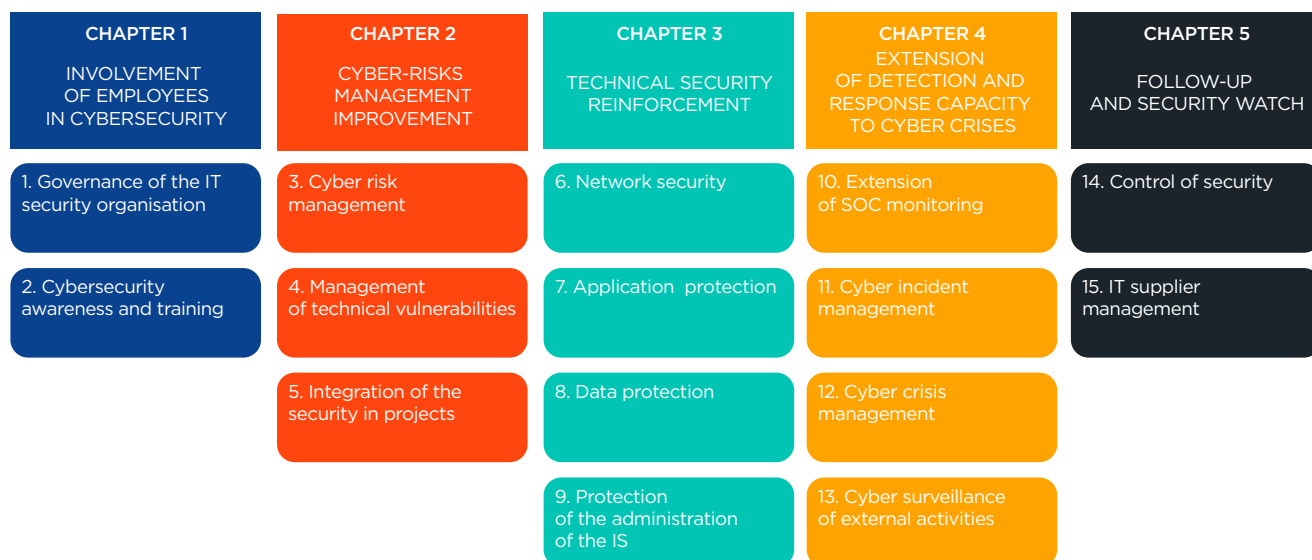
The Banque Stellantis France Group relies on the information systems security policy and the crisis and information security incident management policy of its shareholder, Stellantis Financial Services Europe. It has a programme for managing cybersecurity issues in terms of IT systems security strategy, behavioural and application security, and infrastructure. It is structured around 15 areas organised into five categories:

- employee involvement;
- improved risk management;

A centre of expertise relating to the Data Office makes it possible to define and coordinate the governance of data within the Banque Stellantis France Group in order to improve and guarantee data quality. In this respect, the Data Office supports the data protection division to ensure that complete, accurate and up-to-date data is recorded. The work undertaken and implemented is now monitored on a monthly basis by a Data subcommittee.

Each new IT project or major upgrade to an existing system must apply the Quality Gate procedure (GDPR). This procedure consists of assessing the risk, updating the processing register and performing a Data Protection Impact Assessment (DPIA) if necessary. These elements make it possible to assess the Availability, Integrity, Confidentiality, and Traceability criteria (in French, *Disponibilité, Intégrité, Confidentialité, Traçabilité*, DICT) and the non-functional requirements to be implemented in the application. The DICT for each application is assessed annually. An audit and a review of the level of GDPR risk were carried out in 2021 on all applications. As such, several awareness-raising operations on privacy by design were carried out with the IT teams. A new review was launched in early 2023.

- enhanced technical security;
- extension of detection and response capacity to cybersecurity crises;
- security monitoring and keeping knowledge of security issues up-to-date.



1 Management report

Statement of non-financial performance (SNFP) – Corporate social responsibility (CSR)

Phishing test campaigns are conducted every three months among employees to measure and strengthen their vigilance. A comprehensive cybersecurity awareness programme for all employees was also put in place in 2023, as has been the case since 2020.

All IT applications are subject to a review of user rights by the hierarchical structures every six months as well as a review of the rights of administrative and privileged accounts. Several computer applications have been subject to intrusion tests (or pentests) in 2023.

Promoting mobility offers

The Banque Stellantis France Group has adopted a start-up mindset intended to facilitate mobility for individuals and companies. Specific offers are developed and supplement the product offering to support the changing needs of customers while remaining within a framework controlled by the dealer networks.

The Banque Stellantis France Group supports the electrification of the STELLANTIS range by putting in place innovative financing and mobility service solutions:

- in 2023, the Group strengthened its “Access to Electricity” offer launched in 2022 with the “Customised Rent”, which offers customers wanting to migrate towards electric vehicles an affordable and adapted driving experience, with competitively priced financing for up to 500 kilometres a month. Any additional kilometres are billed as extra.

IT audits were carried out in 2023, on DSP2, on IRB, on IT risks related to means of payment and on continuity of activation. A new assessment according to the National Institute of Standards and Technology – Cybersecurity Framework (NIST CSF) was also launched at the end of 2023 by an external firm. An analysis of the differences with the new European DORA regulation (Digital Operational Resilience Act) was carried out in 2023 and a project to hedge these differences was launched in early 2024 in view of the entry into application of DORA in January 2025.

- the participation of the Banque Stellantis France Group has also been central in the design of the “electric leasing” scheme promoted by the French Government and launched in early 2024, to make electric vehicles affordable to the lowest-income households, and the forecasts of volume are very promising.

The Banque Stellantis France Group is also pursuing the implementation of flexible solutions, with the extension of LOCAVIE to all leasing with purchase option (LOA) offers marketed by STELLANTIS brands, an option that allows (for the price of traditional death and disability insurance) to terminate the funding contract after three months under certain conditions related to life events (marriage, divorce, PACS, dissolution of PACS, birth, professional change). Finally, tests on no-commitment offers were carried out in 2023 and will continue in 2024.

Financing of socially responsible activities

KPI	2021	2022	2023	Target	Horizon
Percentage of vehicle financing for companies operating in socially responsible sectors (% of company vehicle fleet outstandings)	11%	11%	11%	> 10%	annual

As part of its financing activities for companies and professionals, the Banque Stellantis France Group monitors the financing put in place for companies and associations involved in activities with a social, societal or environmental dimension.

Monthly monitoring of the proportion of outstandings financed for the benefit of these companies and associations, in relation to the total outstandings on vehicle fleets, is carried out with a view to developing this type of financing.



1.6.9 Social challenges

Responsible employer

KPI	2021	2022	2023	Target	Horizon
Share of committed employees (% of workforce in relation to the Company according to the annual survey)	64%	66%	postponed to 2024	> 60%	annual
Commitment to values (% of workforce in relation to the Company according to the annual survey)	62%	64%	postponed to 2024	> 60%	annual
Percentage of employees trained (% of workforce)	96%	99.6%	99.7%	100%	annual
Number of training hours per employee per year (hours)	20.6	19.7	22.7	> 1 day	annual
Turnover (% of workforce, including retirements and excluding the restructuring of financial services)	3.5%	7.3%	6.3%	< 15%	annual
Paid sick leave absenteeism rate (excluding maternity leave and sick leave for workplace accidents)	2.7%	2.7%	1.9%	< 4%	annual
Employees who benefited from teleworking (% of employees)	80%	86%	85%	-	-

The first pillar is the management and development throughout professional life:

- anticipate changes in jobs and skills;
- promote the professional development of all employees to help maintain their employability throughout their professional lives;
- support employees in the transformations relating to competitive, technological or regulatory changes.

The second pillar is labour relations and well-being at work:

- promote the principles of equality, diversity and quality of life at work;
- develop an ongoing labour dialogue that contributes to the Company's operational efficiency and employee commitment, thereby strengthening internal workforce cohesion;
- promote active labour communication and life based on a collaborative management contributing to quality working conditions;
- guarantee the health and safety of employees.

The Banque Stellantis France Group applies a policy of close relations between managers and employees. These close relationships enable the Company to tackle, in an agile and responsive manner, issues related to health and safety, well-being at the workplace, social dialogue, the promotion of diversity, employment management and skills development.

The Banque Stellantis France Group uses some of the STELLANTIS's HRMS tools that are made available to all employees, with a view to improving HR interfaces and skills management: managing absenteeism and teleworking days, appraisal interviews, personal development interviews with the personal development plan and self-study modules.

In January 2024, a new agreement concerning the management planning for jobs and skills (*Gestion des Emplois et des Parcours Professionnels - GEPP*) was signed by the Management and labour partners. This agreement aims to anticipate and better understand the profound changes impacting the banking profession in particular those related to new customer behaviours resulting from the

increased use of new technologies and the changing nature of the prudential rules that guide, in forced manner, business activity. In order to do so, the Banque Stellantis France Group undertakes, firstly, to identify future changes and the related challenges in order to inform employees about their personal development prospects and career opportunities and, secondly, to put in place the means enabling employees to develop their skills throughout their careers.

In 2021, the flex-office approach within the premises and a new teleworking charter (updated in 2022) for those who could benefit for up to three days a week were implemented, with reaffirmation of the right to disconnect.



The Banque Stellantis France Group also signed an agreement to change the variable working hours system for technicians to modernise the monitoring tool and change the entry and exit times for employees in order to improve their work/life balance and contribute to the collective performance of the Company.

The Banque Stellantis France Group takes the necessary measures to ensure the safety and health of its employees:

- actions to prevent occupational risks, notably through:
 - the identification and assessment of occupational risks,
 - a safety & prevention onboarding booklet,
 - the provision of a psychological support service (24/7 telephone number),
 - annual survey to assess stress, well-being and motivation;
- information and training initiatives, notably on safety guidelines or to raise awareness among managers, events with the *Sécurité Routière* (road safety) organisation;

1 Management report

Statement of non-financial performance (SNFP) – Corporate social responsibility (CSR)

- the provision of an appropriate organisation and adapted resources;
- a complementary collective health insurance (providence) plan for all employees set up by the Banque Stellantis France Group.

It ensures that these measures are adapted to take into account any changes that might occur and with a view to improving existing conditions. Thus, in the context of the Covid-19 pandemic, the Banque Stellantis France Group strictly applied all the measures suggested by the World

Health Organisation (WHO) and the French authorities, while ensuring the continuity of its operations through the generalisation of remote working by introducing systematic teleworking as soon as possible and establishing a reinforced safety protocol to manage health risks. Training was organised to adapt to remote working in order to allow employees to optimise their way of working away from their colleagues or their manager, maintain their motivation communicate effectively and manage their working time in this new context.

Employment

KPI	2021	2022	2023	Target
Number of new hires on permanent contracts (during the year in question and excluding the restructuring of financial services in 2023)	17	59	68	-
Professional integration of young people (number of work-study contracts at the end of the year)	50	58	50	-

The Banque Stellantis France Group is a responsible employer:

- it has committed to retaining talent. The average seniority observed is 12 years, and is proof of the specific attention paid to each employee with a view to their development within the Company or its two parent companies. Employees are also guaranteed equal opportunities;
- in terms of the professional integration of young people, there were 50 work-study contracts at the end of 2023. The Banque Stellantis France Group also offers students internships and seasonal jobs during the summer months;
- a mobility charter and a recruitment guide explain the social and ethical principles advocated by Banque Stellantis France Group.

Labour dialogue/relations

KPI	2021	2022	2023	Target
Number of agreements signed during the year	6	7	6	-

The Bank's national collective agreement applies to the Banque Stellantis France Group as a company authorised in France as a bank pursuant to Article L. 511-9 of the French Monetary and Financial Code.

As part of the labour dialogue and consultation, the Social and Economic Committee (*Comité Social et Économique*, CSE) must be informed of any project affecting the Company, its economic and financial position, its labour policy, and working and employment conditions at the Banque Stellantis France Group. It meets at least once a month, with the exception of August per an agreement.

Collective agreements concern all employees of the Banque Stellantis France Group.

The financial services reorganisation project was finalised in April 2023 with the creation of two structures to manage mobility products and services for all STELLANTIS brands in France.

Six agreements were signed in 2023:

- rider no.5 to the agreement on the additional reimbursements of medical expenses of 20/12/2023;
- rider no. 27 to the agreement on the implementation of the reduction in working time of 13/12/2023;
- rider no. 1 to the agreement on the implementation of the new employee representative bodies (IRP) and the exercise of trade union rights of 20/07/2023;
- CREDIPAR incentive agreement for financial years 2023, 2024 and 2025 of 29/06/2023;

- CREDIPAR profit-sharing agreement for financial years 2023, 2024 and 2025 of 29/06/2023;
- Transition agreement in the context of the transfer of the leasing activity from CREDIPAR to Leasys France of 30/03/2023.

A list of existing agreements is presented below:

- rider No. 26 to the agreement on the implementation of the reduction in working time of 19/12/2022;
- agreement on the method for holding collective negotiations about the upcoming transfer of the leasing business to Leasys France on 10/11/2022;
- pre-election memoranda of understanding signed on 13/10/2022;
- collective agreement allowing exceptional release of profit-sharing and incentive assets invested in STELLANTIS's FCPE (employee savings fund) of 12/10/2022;
- agreement on workplace equality and quality of life in the workplace of 07/10/2022;
- 2022 profit-sharing and incentive agreement of 29/06/2022;
- rider No. 25 to the agreement on the implementation of the reduction in working time of 24/02/2022;
- agreement on the occupational insurance scheme of 24/12/2021;
- agreements on profit-sharing and incentive schemes of 28/06/2021;
- teleworking charter of 08/06/2021;

- agreement on the 2021 salary policy of 01/06/2021;
- amendment No. 24 to the agreement on the implementation of the reduction in working time of 05/05/2021;
- agreement on the mandatory pension plan of 29/04/2021;
- rider No. 23 to the agreement on the implementation of the reduction in working time signed on 22/12/2020;
- agreement on variable working hours of 01/09/2020;
- agreement on the allocation of an exceptional purchasing power bonus at CREDIPAR of 07/05/2020;
- labour agreement on the management of the Covid-19 health crisis of 14/04/2020;
- collective performance agreement on measures to support the transfer of CREDIPAR Gennevilliers activities to the CEMR of Poissy, signed on 03/02/2020;
- rider No. 22 to the agreement on the implementation of the reduction in working time of 27/02/2020;
- rider to the agreement on the additional reimbursements of medical expenses of 20/12/2019;
- agreement on the forward-looking management of jobs and skills of 30/10/2019;
- agreement on the introduction of a fixed number of working days for itinerant technicians of 10/10/2019;
- agreement on 2019 salaries of 18/03/2019;
- agreement on the payment of the one-time bonus to boost purchasing power of 15/03/2019;
- rider No. 21 to the agreement on the implementation of a reduction in working time signed on 11/02/2019;
- agreement on the establishment of new employee representative bodies and the exercise of trade union rights of 20/09/2018;
- company agreement on workplace equality, diversity, quality of life in the workplace and the right to disconnect of 28/06/2018;
- agreement on profit-sharing and incentive schemes signed on 22/06/2018;
- agreement on the implementation of a new defined-contribution supplementary pension plan of 13/05/2002;
- agreement on the retirement bonus of 24/02/2000;
- agreement on home childcare of 24/02/2000;
- agreement on the additional reimbursement of medical expenses of 30/12/1993;
- agreement on the occupational insurance scheme of 30/06/1993.

Actions undertaken to promote human rights and support people with disabilities

KPI	2021	2022	2023	Target	Horizon
Workplace gender equality index (points)	93	94	94	> 85	annual
Percentage women in management (% of workforce)	43%	44%	45%	50%	2030

The Banque Stellantis France Group strives to combat social exclusion and promote respect for human rights by fostering gender equality and diversity in the recruitment of its employees.

In this area, Banque Stellantis France Group maintains a gender equality index of 94 points out of 100 for 2023 in France. This rating confirms that the HR policies applied for several years, notably concerning salaries, have had a positive impact on the position of women in the Company.

	Points obtained	Maximum number of calculable indicator points
1) Pay gap (%)	39	40
2) Differences in individual salary increases (% points)	20	20
3) Differences in promotions (% points)	15	15
4) Percentage of employees who received a salary increase on return from maternity leave (%)	15	15
5) Number of employees of the under-represented gender among the ten highest paid employees	5	10
Workplace gender equality index (out of 100 points)	94	100

In a similar manner to workplace equality, the parties consider that today the fact of taking into account diversity and equal opportunities represents a fundamental challenge that must be placed at the heart of the Company's social policy. The diversity of teams with regard to age, social, ethnic or cultural origins ensures both balance and the fact that employees complement each other.

The principles of neutrality and openness have been reaffirmed within the Company since the signing, on 27 June 2018, of a company agreement concerning workplace equality, diversity and quality of life in the workplace,

(replaced by a new one signed on 31 January 2024) as well through the circulation to all managers of a recruitment guide implementing these principles.

In 2023, the Banque Stellantis France Group did not identify any cases of non-compliance with social and economic laws and/or regulations.

Every year, the Banque Stellantis France Group mobilises against exclusion and precariousness. In 2023, it organised a food drive for the Poissy Secours Populaire and then, in December, a toy drive for the Mantes-la-Jolie Restos du cœur.

1 Management report

Statement of non-financial performance (SNFP) – Corporate social responsibility (CSR)

As part of the European Week for the Employment of People with Disabilities, the Banque Stellantis France Group organises:

- training to demystify disability in the workplace;
- annual massage activities for its employees with young visually impaired people supported by the Valentin HAÛY Association training as physiotherapists. The Valentin HAÛY Association aims to help blind and visually impaired people to break free from isolation and to provide them with the means to lead a normal life;
- and events during the Telethon.



Actions to promote physical and sporting activities

Under its policy on quality of working life and health and safety, the Banque Stellantis France Group encourages its employees to take part in various sporting events each year:

- in March, the Grand Paris Express race, a ten-kilometre run from the Place de la République to the Stade de France, expanded since 2023 to include a half-marathon. Employees entry fees are paid for by the Banque Stellantis France;
- in September, La Parisienne race, with the funds collected donated to the *Fondation pour la Recherche Médicale* for the fight against breast cancer;
- in October, the Odyssea “together against breast cancer” sponsored run, with funds donated to the Gustave Roussy Institute, the leading European centre for the fight against cancer. The Banque Stellantis France Group pays registration fees and provides a pink T-shirt with race bib and a private booth for participants;
- in October, Rennes employees took part in the Green Marathon, whose environmental ambition is reflected in the link between the race and tree planting, with 1 kilometre travelled = 1 tree planted (with the Yves Rocher Foundation under the aegis of the Institut de France). In 2023, 180,735 trees were planted in this way. The Banque Stellantis France Group pays the registration fees.

Information on actions to promote the nation-army bond and support for engagement in the reserves

Due to its activities and business model, Banque Stellantis France considers that it has no material impact in respect of the following issues: “promotion of the nation-army bond and support for engagement in the reserves”.

The Banque Stellantis France Group applies the new articles of the French Labour Code:

- Article L. 3142-89, which provides that salaried reservists are entitled to an annual leave of absence of at least ten working days per calendar year in respect of their employment or training activities in the operational military reserve or the operational reserve of the national police force (paragraph 1). In addition to the annual leave of absence, the salaried reservist may obtain the agreement of his/her employer to carry out a period of employment or training as part of the military operational reserve or the national police operational reserve during working hours (paragraph 2);
- Article L. 3142-90, which describes the formalism and procedure applicable in the event of a request for annual leave of absence for a period exceeding the legal period of 10 days.

1.6.10 Business ethics and governance

Fair practice

In order to promote the concepts of corporate responsible development, the main principles that must govern employee activity were defined in a Code of Ethics in 2016, updated in 2022. This ambition takes the form of collective commitments made with regard to the main counterparties and, in particular, customers, employees, shareholders and partners.

Made official in internal policies, these commitments on responsible development, formalised in the rules of ethical conduct, frame the actions of the Banque Stellantis France Group, notably in the fields of social and environmental responsibility, quality, financial information and communications.

These rules cover:

- respect for the law;
- respect for people and the environment;

- respect for customers and their needs;
- protecting personal data and, in particular, customer data;
- respect for the information system security risk control system with a view to an ever-stricter fight against cybercrime;
- respect for the Banque Stellantis France Group and its shareholders.

All employees must apply these rules of good conduct when performing their duties. Breaching these rules may result in disciplinary action for failure to respect labour law in addition to all sanctions set out in administrative law or criminal law which may arise from such a breach.

Actions undertaken to prevent bribery and to fight against money laundering and terrorism financing

KPI	2021	2022	2023	Target	Horizon
Regulatory non-compliance (number of cases identified/reported)	0	0	0	0	annual
Employee training (% of workforce)					
- on anti-money laundering/fight against the financing of terrorism	93%	93%	98%	> 90%	annual
- on anti-bribery/the report-collection system	99%	97%	97%	> 90%	annual

In accordance with Act No. 2016-1691, referred to as the “Sapin II Act”, regarding transparency, the fight against bribery and the modernisation of business practice, the Banque Stellantis France Group decided to reinforce its system designed to prevent and detect acts of bribery or influence peddling in France or abroad. Procedures have been approved by the Board of Directors and applied throughout the Company, such as the crime prevention procedure and its accompanying manual, a procedure to fight bribery (**anti-bribery code** updated in 2022 with a system to report gifts received, accepted or refused with a threshold set at €50 and a threshold of €150 for those proposed) and an internal control model covering the prevention of risks and crimes. An assessment of the exposure of the Banque Stellantis France Group to all of these risks has been conducted and has not revealed any major flaws.

The anti-money laundering/financing of terrorism (AML-FT) system was further reinforced as the AML-FT procedure was updated in 2022 with accompanying instruction notes (beneficial owner and INPI verification, strengthening of the threshold for unusual operations). Furthermore, a training programme for all employees and salesmen at the points of sale of the dealer network is in place. All the staff has had to complete a quiz to ensure they have fully acquired the necessary knowledge. Lastly, a set of controls (with three levels) is in place, concerning the risks identified for each operational process. In this respect, the Banque Stellantis France Group has, in particular, tools for detecting individuals who are the subject of an assets freeze measure (lists of sanctions from the UNO, the EU and France). The qualification of politically exposed person is also systematically checked. The required due diligence, in particular in terms of identification, verification and the source of funds are undertaken in order to ensure good knowledge of customers and transactions.

The Banque Stellantis France Group has a system of collection of whistleblower reports for all its employees regardless of the nature of their contractual relationship, which allows any Group employee to inform the Compliance Officer of any situation of non-compliance related to activities or any malfunctions of which they would have knowledge. This tool, placed within a context of strict respect of rules set by internal procedures (describing the expectations regarding each employee in particular in terms of the reliability of information provided, respecting the law, respecting customers, respecting the Company and respecting people), and obligations of confidentiality, is part of the system designed for the fight against internal fraud and conflicts of interest. Employees and third parties can send an email to the generic mailbox, managed by the Business Ethics Department:

jvfralerte-conformite@stellantis-finance.com
or via the BKMS platform (at STELLANTIS)
<https://secure.ethicspoint.eu/>
with a 24/7 integrity helpline for France:
0800-90-4871.

A reminder of the rules governing the collection of alerts was carried out in 2022, the alert must relate to:

- a crime or an offence;
- a serious and manifest violation of the law or regulation;
- a threat or serious harm to the public interest of which the whistleblower was personally aware;
- proven or intended behaviour or action that could compromise the company’s image with third parties and the public in general;

1 Management report

Statement of non-financial performance (SNFP) – Corporate social responsibility (CSR)

- the obligations defined by European regulations and by the French Monetary and Financial Code or the general regulation of the *Autorité des Marchés Financiers*, which are supervised by the *Autorité des Marchés Financiers* or the French Prudential Supervisory Authority (*Autorité de Contrôle Prudentiel et de Résolution*, ACPR);
- the existence of conduct or situations contrary to the Banque Stellantis France Group's Code of Ethics and Code of Conduct concerning acts of corruption or influence peddling.

The Banque Stellantis France Group Irregularities Committee, which analyses the reports collected, has the following objectives:

- to assess the impact of non-compliance with internal rules or external regulations, in addition to irregularities

committed by employees, detected or reported, in accordance with the partnership's Compliance internal control model and the code of ethics;

- to decide on the measures to be taken, notably: further inquiries, reporting to the authorities, legal action, termination of the contractual relationship with a third party, request made to HR to start disciplinary proceedings against the employee(s) involved in the breach of the governance of the internal control levels;
- to examine the activities of whistleblowers;
- to examine lobbying activities;
- to uphold and reinforce the Company's code of ethics and internal control model, as well as the associated reference documents.

This committee met twice in 2023.

Actions undertaken against anti-competitive practices

KPI	2021	2022	2023	Target	Horizon
Monitoring of employee training on competition law (% of workforce)	98%	95%	99%	> 90%	annual

In order to guarantee its employees follow best practices in terms of competition law, the Banque Stellantis France Group has set itself the goal of training all its employees without distinction every year since 2019. The purpose of this training is to raise their awareness of the fundamentals of competition law, namely the proper functioning of the market, free pricing and consumer protection.

In 2023, 99% of Banque Stellantis France employees were trained on the practices authorised, and the practices prohibited by competition law, such as abuse of a dominant position; or agreements whose purpose or effect is to prevent, restrict or distort competition in a given product or

service market; or concerted practices that may result in meetings that will address current prices, future prices, profitability, rates charged, or even the identity of customers. This training is intended to teach employees that the exchange of information between competitors, whether directly or via a professional association, constitutes an infringement of competition law. Said practices are prohibited by the Banque Stellantis France Group, which expects all its employees to be vigilant and behave in an exemplary manner when they participate, in particular on behalf of the Company, in meetings with competitors, in lobbying initiatives within professional federations, or in benchmarking actions.

Actions undertaken to prevent tax evasion

The tax policy of the Banque Stellantis France Group is compliant with the rules of transparency and responsibility. The Legal and Tax Committee, which meets at least quarterly, is responsible for monitoring and managing tax changes and risks, as well as ensuring that the tax strategy complies with regulations. The Committee advises and proposes guidelines on tax policy for the Banque Stellantis France Group to Executive Management, and where applicable to the Board of Directors.

It is based on the following principles:

- tax policy complies at all times with the applicable laws and regulations. It is guided by the national laws and regulations to which the Group is subject in France, in addition to the international reference standards (including the OECD guidelines), in their spirit and letter. Tax declarations, payments of income tax and duties as well as keeping accounts or taxation reporting are undertaken in accordance with all of these rules;
- the Banque Stellantis France Group handles all tax matters with integrity and transparency. It aims to maintain

constructive partnerships with the tax authorities in order to optimize the time taken to process cases. However, taxation laws and procedures are complex fields and, in the event of different interpretations of legislation impossible to be quickly and satisfactorily resolved with the tax authorities, the Group uses all the possibilities of review available in order to ensure its rightful position prevails;

- the Banque Stellantis France Group manages tax matters proactively:
 - it does not use artificial structures or arrangements that would not meet the intention of the legislator and would be used for tax avoidance purposes,
 - it seeks to meet two objectives: to optimise the creation of value for its shareholders and to be fully compliant with all relevant statutory and regulatory obligations, in line with the expectations of different stakeholders;
- the tax policy implemented by the Banque Stellantis France Group also demonstrate its responsible behaviour. It pays the amounts of duties and income tax legally owed within the framework of the usual performance of its business.

1.6.11 Appendices

Reporting practice and methodology

Reporting scope

The CSR scope of consolidation includes the three entities of the Banque Stellantis France Group's historical financial scope of consolidation: Banque Stellantis France, CREDIPAR, CLV because the entities Stellantis Financial Services Belux and Stellantis Financial Services Nederland were integrated in May 2023. Only the GAR (Green Asset Ratio) reporting tables are based on the consolidated basis of all five entities.

Reporting period

The information and indicators relate to 2023. Figures are calculated for the period from 1 January 2023 to 31 December 2023 (12 months), with data as at 31 December 2023. Most indicators are presented over a three-year period.

Reporting cycle

The Statement of Non-Financial Performance is published annually.

Date of publication

This Statement of Non-Financial Performance for 2023 is published in May 2024, the previous one, in respect of 2022, was published in May 2023.

Contact

For further information, you can write to the Banque Stellantis France Group Communications Department, 2-10, boulevard de l'Europe, Poissy (78300)

or contact them by email:

communication-credipar@stellantis-finance.com.

Reporting principles

The four reporting principles that underpin the content of the Statement of Non-Financial Performance are:

- the sustainable development context;
- to take into account stakeholders;
- materiality; and
- comprehensiveness;

in order to present transparent information of the highest quality possible, in compliance with regulations, and to assess the progress of the CSR approach.

Thus, it complies with the requirements of the ordinance 19 July 2017 which transposes European Directive 2014/95/EU on the publication of social and environmental information (SNFP) and relies wherever possible on the Global Reporting Initiative Sustainability Reporting Standards (GRI Standards) which are the benchmark international reporting standard.

Method used to develop and update the materiality matrix

The Banque Stellantis France Group identified its various non-financial risks using a materiality matrix. The latest version of this matrix, which prioritises 12 risks according to five categories, was approved by the members of the Board of Directors at their meeting of 24 February 2022. To identify these risks, the Banque Stellantis France Group conducted a review of the risks reported by its industry peers as well as by its shareholders, including the Banco Santander and STELLANTIS groups, with an analysis of existing reference frameworks and standards in terms of ESG reporting (including Global Reporting Initiative Standards and the requirements of the SNFP).

A structured approach enables the Group to draw up a list of all risk factors of a material nature. Non-financial risks are plotted on a two-dimensional chart, with a mention of those covered by the goals of the ETRÉ strategic plan:

- on the x-axis, according to their importance for the performance of the Banque Stellantis France Group's business according to three criteria:
 - likelihood that the threat will materialise, as well as the opportunities created by the problem,
 - the severity of the impact for the Group, in terms of its business and reputation,
 - the impact on its long-term performance;
- on the y-axis, according to their importance in terms of stakeholders' expectations, taking into account the ability and legitimacy of each one to express an opinion on each problem.

Concordance tables

GRI Standards – Concordance table

GRI	Disclosure	Section numbers	Pages numbers
102	General disclosures		
	Organisational profile		
	102-1 Name of the organisation	1. Sustainable development context	127
	102-2 Activities, brands, products, and services	1. Sustainable development context	127
	102-3 Location of headquarters	1. Sustainable development context	127
	102-4 Location of operations	1. Sustainable development context	127
	102-5 Ownership and legal form	1. Sustainable development context	127
	102-6 Markets served	1. Sustainable development context 2. Business model	127, 128
	102-7 Scale of the organisation	1. Sustainable development context 2. Business model	127, 128
	102-9 Supply chain	1. Sustainable development context 2. Business model	127, 128
	102-11 Precautionary principle or approach	1. Sustainable development context Structure of the Banque Stellantis France Group; 3. Dialogue with stakeholders and materiality matrix: Materiality Matrix 5. Mapping of the main non-financial risks and challenges; 6. Existing governance, programmes and policies	128 131, 128 136 139
	Strategy		
	102-15 Key impacts, risks, and opportunities	5. Mapping of the main non-financial risks and challenges; Targets and performance against targets specified in each section; 7. Environmental challenges; 8. Societal challenges; 9. Social challenges; 10. Business ethics and governance	136 135 135
	Ethics and integrity		
	102-16 Key impacts, risks, and opportunities	4. Banque Stellantis France Group CSR strategy; 6. Existing governance, programmes and policies: Policies and programmes supporting the Banque Stellantis France Group CSR strategy 9. Social challenges; 10. Business ethics and governance	139 139 170 134
	102-17 Mechanisms for advice and concerns about ethics	10. Business ethics and governance	132
	Governance		
	102-18 Governance structure	6. Existing governance, programmes and policies	138
	102-21 Consulting stakeholders on economic, environmental, and social topics	3. Dialogue with stakeholders and materiality matrix	130
	102-22 Composition of the highest governance body and its committees	6. Existing governance, programmes and policies	138
	102-23 Chair of the highest governance body	6. Existing governance, programmes and policies	138
	102-25 Conflicts of interest	10. Business ethics and governance: Actions undertaken to prevent bribery and to fight against money laundering and terrorism financing	132
	102-26 Role of highest governance body in setting purpose, values, and strategy	6. Existing governance, programmes and policies	138
	102-29 Identifying and managing economic, environmental, and social impacts	4. Banque Stellantis France Group CSR strategy; 5. Mapping of the main non-financial risks and challenges; 6. Existing governance, programmes and policies	132, 134, 138

GRI	Disclosure	Section numbers	Pages numbers
	102-31 Review of economic, environmental, and social topics	5. Mapping of the main non-financial risks and challenges; 6. Existing governance, programmes and policies	134, 138
	102-32 Highest governance body's role in sustainability reporting	5. Mapping of the main non-financial risks and challenges; 6. Existing governance, programmes and policies	134, 138
Stakeholder engagement			
	102-40 List of stakeholder groups	3. Dialogue with stakeholders and materiality matrix: Mapping of Banque Stellantis France Group stakeholders	130
	102-41 Collective bargaining agreements	9. Social challenges: Labour dialogue/relations	167
	102-42 Identifying and selecting stakeholders	3. Dialogue with stakeholders and materiality matrix: Mapping of Banque Stellantis France Group stakeholders	130
	102-43 Approach to stakeholder engagement	3. Dialogue with stakeholders and materiality matrix	130
Reporting practice			
	102-45 Entities included in the consolidated financial statements	1. Sustainable development context: Structure of the Banque Stellantis France Group; 11. Appendices: Reporting practice and methodology	127, 173
	102-46 Defining report content and topic boundaries	3. Dialogue with stakeholders and materiality matrix; 11. Appendices: Reporting practice and methodology	130, 173
	102-47 List of material topics	3. Dialogue with stakeholders and materiality matrix:	130
	102-50 Reporting period	11. Appendices: Reporting practice and methodology	173
	102-51 Date of most recent report	11. Appendices: Reporting practice and methodology	173
	102-52 Reporting cycle	11. Appendices: Reporting practice and methodology	173
	102-53 Contact point for questions regarding the report	11. Appendices: Reporting practice and methodology	173
	102-55 GRI content index	11. Appendices: GRI Standards - Concordance Table	174
	102-56 External assurance	12. Report by the independent third-party body on the consolidated Non-Financial Statement included in the Group Management Report	178
200 Economic topics			
	103.1 Explanation of the material topic and its boundary	5. Mapping of the main non-financial risks and challenges; 10. Business ethics and governance	134 - 137, 171
	103.2 The management approach and its components	5. Mapping of the main non-financial risks and challenges; 6. Existing governance, programmes and policies: Policies and programmes supporting the Banque Stellantis France Group CSR strategy 10. Business ethics and governance	134 - 137, 138
	103.3 Evaluation of the management approach	10. Business ethics and governance	132
Anti-corruption			
	205-1 Operations assessed for risks related to corruption	6. Existing governance, programmes and policies: Policies and programmes supporting the Banque Stellantis France Group CSR strategy; 10. Business ethics and governance: Actions undertaken to prevent bribery and to fight against money laundering and terrorism financing	138, 132
	205-2 Communication and training about anti-corruption policies and procedures	10. Business ethics and governance: Actions undertaken to prevent bribery and to fight against money laundering and terrorism financing	132
Tax			
	207-1 Approach to tax	10. Business ethics and governance: Actions undertaken to prevent tax evasion	132
	207-2 Tax governance, control, and risk management	10. Business ethics and governance : Actions undertaken to prevent tax evasion	132
300 Environmental challenges			
	103-1 Explanation of the material topic and its boundary	5. Mapping of the main non-financial risks and challenges ; 7. Environmental challenges	134 - 137, 142

1 Management report

Statement of non-financial performance (SNFP) – Corporate social responsibility (CSR)

GRI	Disclosure	Section numbers	Pages numbers
	103-2 The management approach and its components	5. Mapping of the main non-financial risks and challenges ; 6. Existing governance, programmes and policies : Policies and programmes supporting the Banque Stellantis France Group CSR strategy; 7. Environmental challenges	134 - 137, 138, 139
	103-3 Evaluation of the management approach	7. Environmental challenges	142 - 149
	301-1 Materials used by weight or volume	7. Environmental challenges: CITEO declaration on paper tonnage	142 - 149
	305-1 GHG direct emissions (scope 1)	7. Environmental challenges: GHG assessment	143
	305-2 GHG indirect emissions (scope 2)	7. Environmental challenges: GHG assessment	143
	305-3 GHG indirect emissions (scope 3)	7. Environmental challenges: GHG assessment	143
	305-4 Intensity of GHG emissions	7. Environmental challenges: GHG assessment	143
	305-5 Reduction of GHG emissions	7. Environmental challenges: grEEn campus of greener vehicles (electric and hybrid)	146
400	Social challenges		
	103-1 Explanation of the material topic and its boundary	5. Mapping of the main non-financial risks and challenges ; 8. Societal challenges; 9. Social challenges	134, 162, 167
	103-2 The management approach and its components	5. Mapping of the main non-financial risks and challenges ; 6. Existing governance, programmes and policies : Policies and programmes supporting the Banque Stellantis France Group CSR strategy; 8. Societal challenges; 9. Social challenges	134, 138, 162, 167
	103-3 Evaluation of the management approach	8. Societal challenges; 9. Social challenges	162, 167
	Employment		
	401-1 New employee hires and employee turnover	4. Banque Stellantis France Group CSR strategy: Responsible employer; 6. Existing governance, programmes and policies : Policies and programmes supporting the Banque Stellantis France Group CSR strategy; 9. Social challenges: Responsible employer; 9. Social challenges: Employment	132 - 133, 138, 167 - 170
	Occupational Health and Safety		
	403-1 Occupational health and safety management system	9. Social challenges: Responsible employer	167 - 170
	403-2 Hazard identification, risk assessment, and incident investigation	9. Social challenges: Responsible employer	167 - 170
	403-4 Worker participation, consultation, and communication on occupational health and safety	9. Social challenges: Responsible employer	167 - 170
	403-5 Worker training on occupational health and safety	9. Social challenges: Responsible employer	167 - 170
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	9. Social challenges: Responsible employer	167 - 170
	Training and education		
	404-1 Average hours of training per year per employee	9. Social challenges: Responsible employer	167
	Diversity and equal opportunity		
	405-1 Diversity of governance bodies and employees	9. Social challenges: Actions undertaken to promote human rights and support people with disabilities	169
	Customer privacy		
	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	8. Societal challenges: Actions undertaken to protect customer data/cybersecurity	164
	Socioeconomic compliance		
	419-1 Non-compliance with laws and regulations in the social and economic area	9. Social challenges	167 - 170

Statement of Non-Financial Performance (SNFP) – Concordance table

Disclosure	Reference text	Section number	Page numbers
Business model	Articles L. 225-102-1 and R. 225-105, I of the French Commercial Code	2. Business model	128 - 129
Description of principal risks related to the Group's business	Articles L. 225-102-1 and R. 225-105, I. 1° of the French Commercial Code	3. Dialogue with stakeholders and materiality matrix: Materiality matrix; 5. Mapping of the main non-financial risks and challenges ; 6. Existing governance, programmes and policies	131 134 - 137 138 - 142
Information on the effects of this business activity in relation to respect for human rights, the fight against corruption and tax evasion and on the manner in which the Group takes into account the social and environmental consequences of its business activity (description of the policies implemented and reasonable diligence procedures implemented to prevent, identify and mitigate the main risks related to the business activity of the Group)	Articles L. 225-102-1, III, L. 22-10-36, R. 22-10-29, R. 225-104 and R. 225-105, I, 2° of the French Commercial Code	3. Dialogue with stakeholders and materiality matrix: Materiality matrix; 4. Banque Stellantis France Group CSR strategy ; 5. Mapping of the main non-financial risks and challenges ; 6. Existing governance, programmes and policies ; 10. Business ethics and governance	131 132 - 133 134 - 137 138 - 142 171 - 172
Outcomes of Group policies implemented, including Key Performance Indicators	Articles L. 225-102-1 and R. 225-105, I. 3° of the French Commercial Code	Indicator figures presented in the following sections: 7. Environmental challenges; 8. Societal challenges; 9. Social challenges; 10. Business ethics and governance	142 - 149 163 - 166 167 - 170 171 - 172
Environmental information (general environmental policy, climate change)	Articles L. 225-102-1 and R. 225-105, II. A. 2° of the French Commercial Code	7. Environmental challenges	142 - 149
Social information (employment, labour organisation, health and safety, labour relations, training, equality of treatment)	Articles L. 225-102-1 and R. 225-105, II. A. 1° of the French Commercial Code	9. Social challenges	167 - 170
Societal information (societal commitments in favour of Sustainable Development, fair practice)	Articles L. 225-102-1 and R. 225-105, II. A. 3° of the French Commercial Code	8. Societal challenges; 10. Business ethics and governance	163 - 166 171 - 172
Information on the fight against bribery and tax evasion	Articles L. 225-102-1, L. 22-10-36, R. 22-10-29 and R. 225-105, II. B. 1° of the French Commercial Code	10. Business ethics and governance: Actions undertaken to prevent bribery and to fight against money laundering and terrorism financing; Actions undertaken to prevent tax evasion	171 172
Collective agreements signed by the Company and their impact on the Company's economic performance as well as on the working conditions of employees	Articles L. 225-102-1, III and R. 225-105, II. A. 1° of the French Commercial Code	9. Social challenges: Labour dialogue/relations	168 - 169
Information on the actions in favour of human rights	Articles L. 225-102-1 and R. 225-105, II. B. 2° of the French Commercial Code	9. Social challenges: Actions undertaken to promote human rights and support people with disabilities	169
Information on actions to promote physical activity and sports and measures taken in favour of people with disabilities	Article L. 225-102-1 of the French Commercial Code	9. Social challenges: Actions undertaken to promote human rights and support people with disabilities; Actions to promote physical and sporting activities	169 - 170 170
Information on actions to promote the nation-army bond and support for engagement in the reserves	Article L. 225-102-1 of the French Commercial Code	9. Social challenges: Information on actions to promote the nation-army bond and support for engagement in the reserves	170
Certification by the independent third-party body of disclosure in the Statement of Non-Financial Performance (SNFP)	Articles L. 225-102-1, III and R. 225-105-2 of the French Commercial Code	12. Report by the independent third-party on the consolidated Non-Financial Statement included in the Management Report	178 - 180

1 Management report

Statement of non-financial performance (SNFP) – Corporate social responsibility (CSR)

1.6.12 Report by the Independent Third-Party Organisation on the consolidated Non-Financial Statement included in the Management Report

Banque Stellantis France

For the year ended 31 December 2023

This is a free translation into English of the report on the consolidated non-financial statement issued in French by the independent third-party body and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders,

In our capacity as independent third party, member of Mazars Group statutory auditor of Banque Stellantis France (hereinafter the “Entity”), and accredited by COFRAC Inspection under number 3-1058 (scope of accreditation available on www.cofrac.fr), we have performed work to provide a reasoned opinion that expresses a limited level of assurance on the historical information (observed and extrapolated, hereinafter the “Information”) of the consolidated non-financial statement (hereinafter the “Statement”), prepared in accordance with the Entity’s procedures (hereinafter the “Guidelines”), for the financial year ended 31 December 2023, presented in the management report of the Entity, in application of the provisions of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code.

Conclusion

Based on the procedures we performed, as described in the “Nature and scope of our work” and the evidence we collected, nothing has come to our attention that causes us to believe that the Statement is not presented in accordance with the applicable regulatory requirements and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines.

Preparation of the Statement

The lack of a commonly used framework or established practice on which to base the assessment and evaluation of information allows for the use of alternative accepted methodologies that may affect comparability between entities and over time.

The Information has been prepared in accordance with the Guidelines, the main elements of which are presented in the Statement.

Restrictions due to the preparation of the Information

The Information may contain inherent uncertainty about the state of scientific or economic knowledge and the quality of external data used. Some of the information is dependent on the methodological choices, assumptions and/or estimates made in preparing the Information and presented in the Statement.

The Entity’s responsibility

The board of directors is responsible for:

- selecting or setting appropriate criteria for the preparation of the Information;
- preparing the Statement with reference to legal and regulatory requirements, including a presentation of the business model, a description of the principal non-financial risks, a presentation of the policies implemented considering those risks and the outcomes of said policies, including key performance indicators where applicable: and also, the Information required by Article 8 of Regulation (EU) 2020/852 (EU Taxonomy);
- and implementing internal control procedures deemed necessary to the preparation of information, free from material misstatements, whether due to fraud or error.

Responsibility of the independent third party

Based on our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- the compliance of the Statement with the requirements of article R 225-105 of the French Commercial Code;
- the fairness of Information provided in accordance with article R. 225-105 I, 3 and II of the French Commercial Code, i.e., the outcomes, including key performance indicators, and the measures implemented considering the principal risks.

As it is our responsibility to express an independent conclusion on the Information prepared by management, we are not authorized to be involved in the preparation of such Information, as this could compromise our independence.

This is not our responsibility to express an opinion on:

- the Entity’s compliance with other applicable legal and regulatory requirements (in particular with regard to the information required by Article 8 of Regulation (EU) 2020/852, the French duty of care law and anti-corruption and tax evasion legislation);
- the fairness of the information required by Article 8 of Regulation (EU) 2020/852;

- the compliance of products and services with applicable regulation.

Regulatory provisions and applicable professional standards

The work described below was performed with reference to the provisions of articles A. 225-1 *et seq.* of the French Commercial Code, as well as with the professional guidance of the French Institute of Statutory Auditors (“CNCC”) applicable to such engagements and with ISAE 3000 (revised).

Independence and quality control

Our independence is defined by the requirements of article L. 822-11-3 of the French Commercial Code and the French Code of Ethics (*Code de déontologie*) of our profession. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with applicable legal and regulatory requirements, the ethical requirements and the professional doctrine of the French National Association of Auditors.

Means and resources

Our work was carried out by a team of four people between January and March 2024. We conducted around ten interviews with the people responsible for preparing the Declaration.

Nature and scope of our work

We planned and performed our work considering the risks of significant misstatement of the Information.

We estimate that the procedures we have carried out in the exercise of our professional judgment enable us to provide a limited assurance conclusion:

- we obtained an understanding of all the consolidated entities’ activities and the description of the principal risks associated;
- we assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, with due consideration of industry best practices, when appropriate;
- we verified that the Statement includes each category of social and environmental information set out in article L. 225 102 1 III, as well as information regarding compliance with human rights and anti-corruption and tax avoidance legislation;
- we verified that the Statement provides the information required under article R. 225-105 II of the French Commercial Code, where relevant with respect to the principal risks;
- we verified that the Statement presents the business model and a description of principal risks associated with all the consolidated entities’ activities, including when relevant and proportionate, the risks associated with its business relationships, its products or services, as well as its policies, measures and the outcomes thereof, including key performance indicators associated to the principal risks;
- we referred to documentary sources and conducted interviews to:
 - assess the process used to identify and confirm the principal risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the principal risks and the policies presented, and,
 - corroborate the qualitative information (measures and outcomes) that we considered to be the most important; concerning certain risks related to social dialogue, business ethics, sustainable supply chain, product quality and safety and climate transition, our work was carried out at consolidation level, for the others risks, our work was carried out at consolidation level and entity level;
- we verified that the Statement covers the scope of consolidation, i.e., all the consolidated entities in accordance with article L. 233-16 of the French Commercial Code within the limitations set out in the Statement;
- we obtained an understanding of internal control and risk management procedures implemented by the Entity and assessed the data collection process to ensure the completeness and fairness of the Information;
- for the key performance indicators and other quantitative outcomes that we considered to be the most important presented in Appendix 1, we implemented:
 - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data,
 - tests of details, using sampling techniques, in order to verify the proper application of the definitions and procedures and reconcile the data with the supporting documents. This work was carried out at consolidation level and covers between 100% of the consolidated data relating to the key performance indicators and outcomes selected for these tests;
- we assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities.

We are convinced that the work carried out, based on our professional judgement, is sufficient to provide a basis for our limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures.

Paris-La Défense, 13 March 2024

French original signed by:

Independent Verifier

Mazars SAS

Tristan Mourre

Partner, CSR & Sustainable Development

1 Management report

Statement of non-financial performance (SNFP) – Corporate social responsibility (CSR)

Appendix 1: Information considered most important

Key performance indicators and other quantitative results

CO₂ emissions (Scope 1, 2 and 3)

CITEO declaration of paper tonnage

Share of financing of electric vehicles (% of financing for new electric vehicles delivered to individuals)

Customer recovery disputes/complaints

Net Promoter Score

Percentage of financing of vehicle fleets of companies operating in social responsibility fields

Number of training hours per employee per year

Turnover

Paid sick leave absenteeism rate

Number of new hires on permanent contracts

Number of agreements signed during the year

Percentage women in management

Monitoring of employee training on personal data protection and the GDPR regulation

Monitoring of employee training on anti-money laundering/fight against the financing of terrorism and on anti-bribery/the report-collection system

2

Consolidated financial statements as at 31 December 2023

2.1	Consolidated balance sheet	182	2.5	Consolidated statement of cash flows	186
2.2	Consolidated income statement	183	2.6	Notes to the consolidated financial statements	187
2.3	Net income and gains and losses recognized directly in equity	184	2.7	Report of the statutory auditors on the consolidated financial statements	229
2.4	Consolidated statement of changes in equity	185			

2.1 Consolidated balance sheet

(in million euros)	Notes	31/12/2023	31/12/2022
ASSETS			
Cash, central banks	3	1,838	848
Financial assets at fair value through profit or loss	4	25	35
Hedging instruments	5	5	0
Financial assets at fair value through other comprehensive income	6	-	248
Loans and advances to credit institutions at amortised cost	7	801	622
Customer loans and receivables at amortised cost	8 and 29	19,762	15,602
Fair value adjustments to finance receivables portfolios hedged against interest rate risk	9 and 26.1	11	(185)
Current tax assets	30.1	21	33
Deferred tax assets	30.1	4	10
Accruals and other assets	10	567	356
Property and equipment	11	97	15
Intangible assets	11	37	-
TOTAL ASSETS		23,168	17,584

(in million euros)	Notes	31/12/2023	31/12/2022
EQUITY AND LIABILITIES			
Central banks		-	-
Financial liabilities at fair value through profit or loss	12	22	4
Hedging instruments	13	6	0
Deposits from credit institutions	14	7,022	5,509
Due to customers	15	4,401	3,372
Debt securities	16	7,309	5,022
Current tax liabilities	30.1	7	1
Deferred tax liabilities	30.1	696	581
Accruals and other liabilities	17	1,030	782
Provisions	18	20	24
Subordinated debt	19	301	155
Equity		2,354	2,134
Equity attributable to equity holders of the parent		2,354	2,134
Share capital and other reserves		757	757
Consolidated reserves		1,600	1,375
<i>of which Net income - equity holders of the parent</i>		366	346
Gains and losses recognised directly in equity		(3)	2
TOTAL EQUITY AND LIABILITIES		23,168	17,584

2.2 Consolidated income statement

(in million euros)	Notes	31/12/2023	31/12/2022
Interest and similar income	23	1,013	562
Interest and similar expenses	24	(553)	(112)
Fees and commissions income	25	161	149
Fees and commissions expenses	25	(8)	(5)
Net gains or losses on financial instruments at fair value through profit or loss	26	54	49
Net gains or losses on financial instruments at fair value through other comprehensive income		4	(1)
Income on other activities	27	50	52
Expenses on other activities	27	(36)	(51)
Net banking revenue		685	643
General operating expenses	28	(190)	(161)
Personnel costs		(81)	(68)
Other general operating expenses		(109)	(93)
Depreciation and amortisation of intangible and tangible assets		(5)	(5)
Gross operating income		490	477
Cost of risk	29	(29)	(23)
Operating income		461	454
Pension obligation - expenses			0
Pension obligation - income		0	-
Other non-operating items		40	(3)
Pre-tax income		501	451
Income taxes	30.2 and 30.3	(135)	(105)
Net income		366	346
<i>of which attributable to equity holders of the parent</i>		366	346
Earnings per share (in euros)		€40.46	€38.25

2.3 Net income and gains and losses recognized directly in equity

(in million euros)	31/12/2023			31/12/2022		
	Before tax	Tax	After tax	Before tax	Tax	After tax
Net income	501	(135)	366	451	(105)	346
<i>of which minority interest</i>						-
Recyclable in profit and loss elements	(2)	1	(1)	2	(1)	1
Fair value adjustments to financial assets	1	(0)	1	(1)	(0)	(1)
<i>of which revaluation reversed in net income</i>	-	-	-	-	-	-
<i>of which revaluation directly in equity</i>	1	(0)	1	(1)	(0)	(1)
Fair value adjustments to hedging instruments	(3)	1	(2)	3	(1)	2
<i>of which revaluation reversed in net income</i>	-	-	-	-	-	-
<i>of which revaluation directly in equity</i>	(3)	1	(2)	3	(1)	2
Not recyclable in profit and loss elements	(5)	1	(4)	4	(1)	3
Actuarial gains and losses on pension obligations	(5)	1	(4)	4	(1)	3
Others	-	-	-	-	-	-
Total gains and losses recognised directly in Equity	(7)	2	(5)	6	(2)	4
<i>of which minority interest</i>			-			-
Total net income and gains and losses recognised directly in Equity	494	(133)	361	457	(107)	350
<i>of which minority interest</i>			-			-
<i>of which attributable to equity holders of the parent</i>			361			350

2.4 Consolidated statement of changes in equity

(in million euros)	Share capital and other reserves			Fair value adjustments - Equity holders of the parent						
	Share capital	Issue, share and merger premiums	Legal reserve and other reserves	Consolidated reserves	Actuarial gains and losses on pension obligations	Fair value through other comprehensive income: revaluation		Equity attributable to equity holders of the parent	Minority interests	Total equity
						Financial assets	Hedging instruments			
As at 1 January 2022	145	593	19	1,029	(2)	-	-	1,784	-	1,784
Appropriation of profit from the previous financial year	-	-	-	-	-	-	-	-	-	-
Net income and gains and losses recognised directly in equity	-	-	-	346	3	(1)	2	350	-	350
Dividend paid to Santander Consumer Finance	-	-	-	-	-	-	-	-	-	-
Dividend paid to Stellantis Financial Services Europe	-	-	-	-	-	-	-	-	-	-
As at 31 December 2022	145	593	19	1,375	1	(1)	2	2,134	-	2,134
Appropriation of profit from the previous financial year	-	-	-	-	-	-	-	-	-	-
Net income and gains and losses recognised directly in equity	-	-	-	366	(4)	1	(2)	361	-	361
Actuarial gains and losses of Stellantis Financial Services Nederland	-	-	-	3	-	-	-	3	-	3
Dividend paid to Santander Consumer Finance	-	-	-	(72)	-	-	-	(72)	-	(72)
Dividend paid to Stellantis Financial Services Europe	-	-	-	(72)	-	-	-	(72)	-	(72)
As at 31 December 2023	145	593	19	1,600	(3)	-	-	2,354	-	2,354

From a legal perspective:

On 31 December 2014, Banque Stellantis France's share capital was €9,600,000, fully paid-up; it was divided into 600,000 shares.

On 31 December 2015, Banque Stellantis France's share capital was €144,842,528 fully paid-up; it was divided into 9,052,658 shares.

As a reminder, on 30 January 2015, the following operations were recognised at Banque Stellantis France:

- > a capital increase for an amount of €131,627,216, through the issue of 8,226,701 new ordinary shares with a value of €16 each in payment for contributions in kind (contribution of SOFIRA and CREDIPAR shares by Stellantis Financial Services Europe);
- > a share premium of an amount of €722,082,615.23 corresponding to the difference between the value of the contributions, representing €853,709,831.23, and the nominal value of the shares issued in payment for the contributions, representing €131,627,216;
- > a cash capital increase of a nominal amount of €3,615,312 through the issue, with maintaining of preferential right to subscribe, of 225,957 shares of €16 nominal value each associated with a total premium of €19,832,904.52.

Since 31 December 2016, Banque Stellantis France's share capital is €144,842,528 fully paid-up; it is divided into 9,052,658 shares.

In accordance with the Amendment to IAS 1 - *Presentation of Financial Statements - Capital Disclosures*, the necessary information is given in the "Regulatory capital and regulatory capital requirements" section of the Management Report.

2.5 Consolidated statement of cash flows

(in million euros)	31/12/2023	31/12/2022
Pre-tax income	501	451
Non-cash items		
Net depreciation and impairment of property and equipment and intangible assets	11	5
Net depreciation and provisions	46	42
Net gain/loss of investing activities	(0)	(0)
Income/expenses of financing activities	13	3
Other movements	(6)	155
Total of non-monetary items included in the pre-tax income and other adjustments	64	205
Change in credit institutions items	(315)	1,731
Change in customer items	(1,353)	(1,578)
Change in financial assets and liabilities	2,501	(596)
Change in non-financial assets and liabilities	(66)	3
Tax paid	8	(28)
Net decrease/increase of assets and liabilities provided by operating activities	775	(468)
Net cash provided by operating activities (A)	1,340	188
Change in equity investments	(166)	(0)
Inflows from disposals of shares in subsidiaries, net of cash transferred	-	(0)
Outflows linked to acquisitions of shares in subsidiaries, net of cash transferred	(166)	(0)
Change in property and equipment and intangible assets	(33)	(2)
Outflows from acquisitions of property and equipment and intangible assets	(34)	(3)
Inflows from disposals of property and equipment and intangible assets	1	1
Effect of changes in scope of consolidation	-	-
Net cash used by investing activities (B)	(199)	(2)
Cash flows from or to shareholders	(144)	-
Outflows for the dividends paid to:		
> Santander Consumer Finance	-	-
> Stellantis Financial Services Europe	(144)	-
Inflows from issuance of equity instruments	-	-
Other net cash from financing activities		
Inflow/(outflow) linked to subordinated debt/lease liability	130	(5)
Net cash used by financing activities (C)	(14)	(5)
Effect of changes in exchange rates (D)	-	-
Net increase/(decrease) of cash and cash equivalents (A + B + C + D)	1,127	181
Cash and cash equivalents at the beginning of the period	1,469	1,288
Cash, central banks (assets and liabilities)	848	818
Demand accounts (assets and liabilities) and loans/borrowing with credit institutions	621	470
Cash and cash equivalents at the end of the period	2,596	1,469
Cash, central banks (assets and liabilities)	1,837	848
Demand accounts (assets and liabilities) and loans/borrowing with credit institutions	759	621

2.6 Notes to the consolidated financial statements

SUMMARY OF NOTES

Note 1	Main events of the financial year and Group structure	188	Note 15	Due to customers	208
Note 2	Accounting policies	190	Note 16	Debt securities	208
Note 3	Cash, central banks	196	Note 17	Accruals and other liabilities	210
Note 4	Financial assets at fair value through profit or loss	196	Note 18	Provisions	210
Note 5	Hedging Instruments – Assets	197	Note 19	Subordinated debts	211
Note 6	Financial assets at fair value through other comprehensive income	199	Note 20	Analysis by maturity and liquidity risks	212
Note 7	Loans and advances to credit institutions at amortised cost	199	Note 21	Fair value of financial assets and liabilities	214
Note 8	Customer loans and receivables at amortised cost	200	Note 22	Other commitments	215
Note 9	Fair value adjustments to finance receivables portfolios hedged against interest rate risk	203	Note 23	Interest and similar income	216
Note 10	Accruals and other assets	203	Note 24	Interest and similar expenses	217
Note 11	Property and equipment and intangible assets	204	Note 25	Fees and commissions	218
Note 12	Financial liabilities at fair value through profit or loss	205	Note 26	Net gains or losses on financial instruments at fair value through profit or loss	218
Note 13	Hedging instruments – Liabilities	206	Note 27	Net income or expense of other activities	220
Note 14	Deposits from credit institutions	207	Note 28	General operating expenses	220
			Note 29	Cost of risk	220
			Note 30	Income taxes	224
			Note 31	Segment information	226
			Note 32	Auditors' fees	228
			Note 33	Subsequent events	228

Note 1 Main events of the financial year and Group structure

A. Main events of the financial year

Macroeconomic context

During the first half of 2023, the European Central Bank continued to raise its interest rates, but by slowing the pace of increases, before maintaining them stable since mid-September 2023, taking into account both the decline in inflation and weak economic growth in the eurozone.

Restructuring of STELLANTIS's financing activities in Europe

On 17 December 2021, STELLANTIS had announced the entry into exclusive negotiations with its European financial partners, aimed at restructuring its financing activities in Europe, in order to provide coherent and attractive financing offers to all customers, dealers and distributors of STELLANTIS brands.

The "framework agreements" were signed on 31 March 2022 and Santander Consumer Finance was expected to carry out

the financing activities (with the exception of professional and corporate long-term leasing) through joint ventures co-owned with STELLANTIS, in France, Italy, Spain, Belgium, Poland, the Netherlands and, through a commercial agreement, in Portugal.

From 3 April 2023, Santander Consumer Finance thus became the exclusive partner of STELLANTIS in this business and in these countries for all Group brands.

Launch of international deposit collection

For its tenth anniversary, the "Distingo par PSA Banque" brand became "Distingo Bank" and took on an international dimension with the launch of its offering in Germany in June 2023 as well as in Spain and the Netherlands at the end of 2023.

B. Changes in group structure

As part of the partnership between Stellantis Financial Services Europe and Santander Consumer Finance, on 30 May 2023, Banque Stellantis France acquired from Stellantis Financial Services España (the 50/50 joint-venture in Spain between Stellantis Financial Services Europe and Santander Consumer Finance), the shares of Stellantis Financial Services Belux and Stellantis Financial Services Nederland companies. The Banque Stellantis France Group now consolidates these two automotive financing companies operating in Belgium, Luxembourg and the Netherlands with no impact on their business.

In October 2023, CREDIPAR sold receivables corresponding to the future rents of leasing with a purchase option (LOA) to the FCT Auto ABS French LT Leases 2023. CREDIPAR retains most of the operating income related to the receivables sold to the fund. As a result, the latter has been fully consolidated since October 2023.

C. List of consolidated companies

Companies	Country ISO code	Banque Stellantis France interest			31/12/2023		31/12/2022	
		% Direct	Indirect		Consolidation method	% interest	Consolidation method	% interest
			%	Held by				
Subsidiaries								
<i>Sales financing</i>								
CREDIPAR	FR	100	-	-	FC	100	IG	100
CLV	FR	-	100	CREDIPAR	FC	100	IG	100
Stellantis Financial Services Belux*	BE	100	-	-	FC	100	-	-
Stellantis Financial Services Nederland*	NL	100	-	-	FC	100	-	-
Special purpose entities								
FCT Auto ABS French Loans Master	FR	-	-	-	FC	100	IG	100
FCT Auto ABS DFP Master – Compartment France 2013	FR	-	-	-	FC	100	IG	100
FCT Auto ABS French Leases Master – Compartment 2016	FR	-	-	-	FC	100	IG	100
FCT Auto ABS French LT Leases Master	FR	-	-	-	FC	100	IG	100
FCT Auto ABS Belgium Loans 2019*	BE	-	-	-	FC	100	-	-
FCT Auto ABS French Leases 2021	FR	-	-	-	FC	100	IG	100
FCT Auto ABS French Leases 2023	FR	-	-	-	FC	100	-	-

* Following the acquisition of Stellantis Financial Services Belux and Stellantis Financial Services Nederland on 30 May 2023.

Note 2 Accounting policies

In accordance with European Council Regulation 1606/2002/EC dated 19 July 2002 on the application of international accounting standards from 1 January 2005, Banque Stellantis France Group's consolidated financial statements for the financial year ended 31 December 2023 have been prepared in accordance with the International Financial Reporting Standards (IFRS) applicable and adopted by the European Union as of that date. There is currently no material difference within Banque Stellantis France between IFRS as published by the IASB and as adopted in the European Union, including in terms of mandatory application date.

On 8 April 2022, the Board of the ANC (French accounting authority) adopted recommendation No.2022-01 on the format of the consolidated financial statements of institutions in the banking sector, in accordance with international accounting standards, to meet the presentation requirements under IFRS 17 – *Insurance Contracts*. This recommendation replaces ANC recommendation No. 2017-02 of 2 June 2017. It applies as from the initial application date of IFRS 17, i.e. 1 January 2023. The changes in presentation apply exclusively to the insurance business and therefore have no impact on Banque Stellantis France.

International Financial Reporting Standards (IFRS) also include International Accounting Standards (IAS) and related interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) and the Standing Interpretations Committee (SIC).

The standards and interpretations were unchanged compared to 31 December 2022, except for the adoption of standards and interpretations whose application was compulsory for the first time in 2023.

New IFRS and IFRIC Interpretations compulsorily applicable to the financial year commencing on 1 January 2023

There are no new compulsory texts on 1 January 2023, to be applied by the Banque Stellantis France Group.

Format of the financial statements

As no template is provided in IFRS, the financial reports of the Banque Stellantis France Group are presented largely in accordance with the French Accounting Standards Authority (*Autorité des Normes Comptables, ANC*) Recommendation No.2022-01 on the format of the consolidated financial statements of institutions in the banking sector, in accordance with international accounting standards. This Recommendation, adopted on 8 April 2022 by the ANC Board, replaces the 2017-02 recommendation of 2 June 2017. It has been applicable since the initial application date of IFRS 17 – *Insurance contracts*, i.e. 1 January 2023.

The consolidated financial statements include the financial statements of Banque Stellantis France and its subsidiaries, in accordance with the consolidation principles set out in "Consolidation methods" in Section A.1 below.

The financial statements of Banque Stellantis France and its subsidiaries are prepared in accordance with the accounting principles in force in France and, for reasons of consistency, are adjusted before being consolidated.

The accounting principles used are described in Sections B to G below.

Related parties correspond to entities which have exclusive

control or joint control of the reporting entity or significant influence over the reporting entity according to the definition indicated by IAS 24R.

The annual consolidated financial statements and notes for the Banque Stellantis France Group were approved by the Board of Directors on 13 February 2024.

A. Consolidation principles

A.1 Consolidation methods

Companies over which Banque Stellantis France directly or indirectly has exclusive control are fully consolidated.

All intra-group transactions and balances between the entities of the Group are eliminated in consolidation.

A.2 Foreign currency transactions

Transactions in foreign currencies are measured and recognised in accordance with IAS 21 – *The Effects of Changes in Foreign Exchange Rates*. Pursuant to this standard on the one hand, and to the regulations applicable to French banks on the other, transactions denominated in foreign currencies are recognised in their original currency. At each closing date, balance sheet items in foreign currencies are revalued at fair value at the ECB closing exchange rate. The corresponding fair value adjustments are recorded in the income statement under "Foreign currency transactions". As at 31 December 2023, there was no fair value adjustment related to foreign currency transactions in the financial statements of Banque Stellantis France.

A.3 Use of estimates and assumptions

The preparation of financial statements in accordance with IAS/IFRS accounting principles requires Management to take into account estimates and assumptions to determine the amounts recognised for certain assets, liabilities, income and expenses, as well as certain information given in the notes on contingent assets and liabilities. The estimates and assumptions used are those that Management considers to be the most appropriate and reasonable, considering the Group's environment.

Due to the inherent uncertainty of these valuation methods, the actual final amounts may differ from those previously estimated.

To limit these uncertainties, estimates and assumptions are reviewed periodically; the changes made are immediately recognised, in accordance with IAS 8 – *Accounting Policies, Changes in Accounting Estimates and Errors*.

The use of estimates and assumptions is of particular importance in the following areas:

- fair value of assets and liabilities at fair value through profit or loss;
- recoverable amount of customer loans and receivables;
- fair value adjustments to portfolios hedged against interest rate risk;
- deferred tax assets;
- value in use of property and equipment and their useful lives;
- provisions ;
- long-term refinancing debt (TLTRO-III);
- pension obligations.

A.4 Main adjustments in the consolidated financial statements

Measurement and accounting of derivatives, hedge accounting IAS 39

In the Banque Stellantis France financial statements prepared according to French standards, the fair value principle under IAS 39 – *Financial Instruments: Recognition and Measurement* is not applied. Recognition at fair value of derivative instruments, financial assets or certain financial liabilities at fair value through profit or loss as well as application of hedge accounting in accordance with IAS 39, require adjustments in the consolidated financial statements, and whose principles are detailed in Section C “Financial assets and liabilities” below. The fair value measurement principles are applied in accordance with IFRS 13.

Deferred taxes

Certain adjustments to the Banque Stellantis France financial statements to align them with the accounting principles used for consolidation, as well as certain tax deferrals that exist in the Banque Stellantis France financial statements or arising from consolidation adjustments, can generate temporary differences between the tax base and the adjusted income. In accordance with IAS 12 – *Income Taxes*, *deferred taxes* are recognised in the consolidated financial statements for these differences using the liability method, where they can reasonably be expected to be recovered. Deferred tax assets, subject to the same qualification, are recognised for tax loss carryforwards when recoverability is probable.

B. Fixed assets

B.1 Property, plant and equipment

According to IAS 16 – *Property, Plant and Equipment*, property and equipment are recognised at acquisition cost. Property and equipment other than land are depreciated on a straight-line basis over their estimated useful lives, the main ones being as follows:

- buildings: 20 to 30 years ;
- transport equipment: 4 years ;
- other property, plant and equipment: 4 to 10 years.

Depreciation is calculated after deducting the asset residual value, if any. Except in special cases, residual values are null.

The useful life of these assets is reviewed at each closing date and adjusted where necessary.

Following the entry into force of IFRS 16 – *Leases* from 1 January 2019, all leases are treated by the lessee as the acquisition of a right to use an asset, during the term of the contract, in return for the obligation to pay the lease payments.

As a result, from the outset, Banque Stellantis France, as a lessee, recognises this right of use, which is amortised over the term of the contract. In return, a lease liability is recognised in other financial liabilities. Lease payments are made in the form of repayment instalments, including a capital and an interest portion in the income statement. As a result, the annual lease expense (depreciation and interest for the period) decreases over the term of the contract.

B.2 Impairment of fixed assets

In accordance with IAS 36 – *Impairment of Assets*, the value in use of property, equipment and intangible assets is tested if any indication of impairment, reviewed at each closing date. Assets with indefinite useful lives must be tested for impairment at least annually, a category limited in the case of the Group to goodwill, and only in cases where the asset in question is significant.

For this test, fixed assets are grouped into Cash Generating Units (CGUs) and goodwill is allocated to the CGU concerned. CGUs are homogeneous groups of assets whose continuing use generates cash inflows that are largely independent of the cash inflows generated by other groups of assets. The value in use of these units is measured as the present value of future net cash flows. When this value is lower than the carrying amount of the CGU, an impairment loss is recognised for the difference and is first recorded as an adjustment to the carrying amount of any goodwill.

The Banque Stellantis France Group as a whole corresponds to a unique CGU.

C. Financial assets and liabilities

Financial assets and liabilities are measured and recognised in accordance with IFRS 9 adopted by the European Commission in November 2016 (Regulation (EU) 2016/2067).

As allowed under IFRS 9, the Banque Stellantis France Group has elected to apply transaction date accounting to financial assets and liabilities. Consequently, when the transaction date (corresponding to the date when the commitment is entered into) is different from the settlement date, the purchase or sale of securities is recognised in the balance sheet on the transaction date (see Section C.5.2 below).

The Banque Stellantis France Group recognises passbook savings accounts under “Due to customers”.

C.1 Derivatives – hedging method

C.1.1 Principles of recognition of derivatives and hedges

All derivatives are recognised in the balance sheet at fair value. Except in the case of hedging, detailed below, the change in the fair value of derivative instruments is recognised in profit or loss.

Derivatives may be designated as hedging instruments in a fair value or cash flow relationship:

- a fair value hedge is used to hedge the risk of changes in the value of any asset or liability due to changes in interest rates or exchange rates;
- cash flow hedge is used to hedge changes in the value of future cash flows from existing or future assets or liabilities.

Derivatives qualify for hedge accounting if the following conditions are met:

- at the inception of the hedge there is formal designation and documentation of the hedging relationship;
- the effectiveness of the hedging relationship is demonstrated at its inception;
- the effectiveness of the hedging relationship is also demonstrated in subsequent periods, at each closing date.

The application of hedge accounting results in:

- as part of fair value hedging strategy, the hedged portion of the asset or liability is recognised in the balance sheet and measured at fair value. Gains and losses arising from remeasurement at fair value are recognised in profit or loss, and are offset by the effective portion of the loss or gain arising from remeasurement at fair value of the hedging instrument. In the financial statements, fair value adjustments to hedged financial assets and liabilities are respectively reported under "Fair value adjustments to finance receivable portfolios hedged against interest rate risks" in assets for hedged finance receivables and "Fair value adjustments to debt portfolios hedged against interest rate risks" in liabilities for hedged debt. In accordance with IAS 39.92, the Group has opted to amortise the adjustments made for the change in fair value attributable to the portfolio of trade receivables hedged against interest rate risk in the income statement. This amortisation, which starts as soon as an adjustment (discount or premium) appears, is recognised on a straight-line basis over the average residual term of the hedged portfolio. This fair value adjustment is fully amortised at maturity.
- for cash flow hedges, the effective portion of the gain or loss arising from remeasurement at fair value of the hedging instrument is recognised in equity. The gains and losses recognised in equity are symmetrically reclassified to profit or loss with the gain or loss on the hedged items.

The ineffective portion of the gain or loss arising from remeasurement at fair value, regardless of the hedging strategy, is systematically recognised in profit or loss.

C.1.2 Presentation of derivatives in the financial statements

On the balance sheet:

- derivatives are stated in the balance sheet at fair value net of accrued interest not yet due;
- fair values of derivatives used as hedges are recognised under "Hedging instruments", in assets when the fair value is positive and in liabilities when it is negative;
- derivatives that do not qualify for hedge accounting are included in "Financial assets at fair value through profit or loss" when the fair value is positive, and in "Financial liabilities at fair value through profit or loss" when it is negative.

In the income statement:

- the impact on profit or loss of changes in the value of hedging derivatives used in fair value hedging strategies is presented in the same line as that of the hedged items, i.e. under "Net gains or losses on financial assets at fair value through profit or loss";
- the ineffective portion of changes in the fair value of cash flow hedges is also recorded under "Net gains or losses on

financial assets at fair value through profit or loss";

- the impact on profit or loss of changes in the value of derivatives not used for hedging purposes is recognised in trading, with the exception of:
 - derivatives used for economic hedging of cash investments, the change in value of which is recorded under "Net gains or losses on financial assets at fair value through profit or loss";
 - derivatives used for economic hedging of certain debts recognised at fair value through profit or loss, the change in value of which is also recognised under "Net gains or losses on financial assets at fair value through profit or loss".

IFRS 13 requires to present valuation techniques for financial assets and financial liabilities at fair value, as well as their hierarchy (level 1, 2 or 3).

Valuation techniques must maximise the use of observable market data. These techniques are classified according to a three-level hierarchy (in descending order of priority), similar to IFRS 7 hierarchy for financial instruments:

- **level 1:** quoted price (without adjustment) on an active market for an identical instrument.
An active market is a market in which transactions in the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis;
- **level 2:** valuation using only observable data on an active market for a similar instrument;
- **level 3:** valuation significantly using at least one element of non-observable data.

The valuations in the balance sheet are level 1, 2 or 3, reported in Note 21 – Fair value of financial assets and liabilities.

C.2 Financial assets at fair value through profit or loss

Are recognised under "Financial assets at fair value through profit or loss":

- the positive fair values of other derivative instruments that do not qualify for hedge accounting under IFRS 9;
- securities to be received, as from the transaction date.

C.3 Financial liabilities at fair value through profit or loss

This item includes financial liabilities designated under the fair value through profit or loss option. This option makes it possible to measure financial instruments at fair value through profit or loss provided that this designation is irrevocable and is made at the time of initial recognition. The purpose of this option is to improve the presentation of the financial statements by recognising fair value adjustments to the liabilities symmetrically with the fair value adjustments made to the derivatives used to hedge the interest rate risk on those liabilities. Accordingly, the fair value adjustments include any changes in Banque Stellantis France Group's issuer spread.

Financial liabilities at fair value through profit or loss also include the negative fair value of others derivatives that do not qualify for hedge accounting under IFRS 9, including interest rate swaps intended to economically hedge financial assets or liabilities at fair value through profit or loss.

C.4 Customer loans and receivables

The different categories of customers are presented in Section E “Segment information” below.

Outstanding customer loans are analysed by type of financing:

- **financing in the following categories**, as defined by French banking regulation:
 - loans,
 - leasing with a purchase option,
 - long-term leases.

As specified in Section C.4.2 below, leasing with a purchase option and long-term leases are both presented as a loan.

The aforementioned financing are mainly intended for the following customer segments:

- **Retail** (individuals, small companies or larger companies not meeting the criteria for classification as Corporate, Sovereign, Bank and Local Government),
- **Corporate and equivalent** (including the Corporate other than Dealers, Sovereigns, Banks and Local Governments),
- and in certain cases for the **Corporate dealers** ;
- **trade receivables**, as defined by French banking regulations. They finance the dealer network’s vehicles and spare parts.

The aforementioned financing are mainly intended for the Corporate dealer segment (mainly dealers of the STELLANTIS brands, importers of STELLANTIS new vehicles, certain used vehicle dealers);

- other receivables (equipment loans, revolving credit, etc.) and ordinary customer accounts.

C.4.1 Valuation of outstanding loans and receivables at amortised cost

A financial asset is measured at amortised cost if both of the following conditions are met:

- the financial asset is part of a business model whose objective is to hold financial assets in order to collect contractual cash flows from them;
- the contractual terms of the financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The outstanding loans recognised in the balance sheet correspond to Banque Stellantis France Group’s net commitment. Therefore, as well as the principal amount outstanding and accrued interest, the carrying amount of customer receivables excluding the application of the hedge accounting (see Section C.4.3 herein below) also includes:

- commissions paid to referral agents as well as external direct administrative expenses incurred to set up these loans, which are added to the principal amount outstanding;
- the subsidies received from the brands as well as the application fees to be spread out, which are deducted from the principal amount outstanding;
- guarantee deposits received at the inception of finance leases, which are deducted from principal amount outstanding.

Measurement at amortised cost reflects the best estimate of the maximum credit risk exposure on loans and receivables.

Interest income is allocated by the effective interest method, with the effective interest rate (EIR) being the rate that exactly discounts estimated future cash receipts through the expected life of the loan.

C.4.2 Finance leases and long-term leases

In accordance with IFRS 16 – *Leases* and IFRS 9 – *Financial instruments*, with the exception of demonstration vehicles leased under the “New Retailer Model” distribution model, vehicles leased to customers are essentially recognised as loans, because the Banque Stellantis France Group does not bear the risks and rewards of ownership of the vehicle (see Note 8.1 – Analysis by type of financing).

Consequently, lease payments and amortisation are adjusted in order to present all of these transactions as outstanding loans.

Demonstration vehicles leased under the “New Retailer Model” distribution model are classified as operating leases due to the fact that the risks and rewards of ownership of the vehicles are not transferred. This classification also takes into account the duration of the contracts, which is significantly shorter than the economic life of the vehicles.

In accordance with IAS 16 – *Property, plant and equipment*, vehicles subject to operating leases are recognised as property and equipment, on the assets side of the balance sheet at their gross value, net of accumulated depreciation, amortisation and impairment. Depreciation is calculated on a depreciable basis corresponding to the gross value less the residual value at the end of the contract and is recognised in profit or loss on a straight-line basis over the remaining term of the contract. The residual value is estimated at the acquisition date and is reviewed at least every quarter. Impairment is determined and recognised in accordance with IAS 36 – *Impairment of Assets*.

In the income statement, rental income is recognised in income on a straight-line basis over the term of the lease.

C.4.3 Hedges of interest rate risk on outstanding loans and receivables

Outstanding loans can be hedged against interest rate risk. Using fair value hedges that qualify for hedge accounting, gains and losses arising from remeasurement at fair value of the hedged portion of the loans are recognised in profit or loss (see Section C.1.1 “Principles of recognition of derivatives and hedges” above).

C.4.4 Impairment losses of outstanding loans and receivables

Impairment losses are identified separately under specific items.

The different categories of customers are presented in Section E “Segment information” below. In accordance with IFRS 9, outstanding Retail and Corporate loans are concerned by impairments for expected credit losses since their initial recognition.

The financial instruments concerned are classified into three stages depending on the evolution of the credit risk since their initial recognition. An impairment loss is recognised on outstanding amount of each of these stages according to the following principles:

Stage 1

Performing loans without significant increase in credit risk since initial recognition. The impairment or provision for credit risk is recognised in the amount of 12-month expected credit losses. Interest income is recognised through profit or loss using the effective interest method applied to the gross carrying amount of the asset before impairment.

Stage 2

Performing loans, in the event of a significant increase in credit risk since initial recognition, are transferred to stage 2. The impairment or provision for credit risk is determined on the basis of the expected losses over the remaining life of the instrument (lifetime expected losses). Interest income is recognised in profit or loss using the effective interest method applied to the gross carrying amount of the asset before impairment.

Stage 3

The outstanding loans called “impaired” under IFRS 9 are classified in stage 3. These are outstanding loans for which there is objective evidence of impairment due to an event that characterises a counterparty risk and that occurs after the initial recognition of the instrument concerned. Stage 3 includes receivables for which a default event has been identified as defined in Article 178 of the European Regulation of 26 June 2013 on prudential requirements for credit institutions. The impairment or the provision for credit risk is calculated as the expected losses over the remaining life of the instrument (lifetime expected losses) on the basis of the recoverable amount of the receivable, i.e. the present value of the estimated future cash flows taking into account the effect of guarantees. Interest income is recognised in profit or loss using the effective interest method applied to the net carrying amount of the asset after impairment.

Classification in loss/write off

The Banque Stellantis France Group’s procedures provide for the classification in loss/write off of Retail receivables with past-due instalments of more than 48 months, 36 months or 24 months, depending on the type of financing, as well as Corporate receivables when a loan is considered irrecoverable. The loss is recognised through the Banque Stellantis France financial statements. The previously recognised impairment loss is also reversed in profit or loss and any subsequent recoveries are credited to the income statement under “Cost of risk”.

C.5 Financial liabilities

Liabilities are initially recognised at their fair value. Their carrying amount therefore comprises the principal amount outstanding and accrued interest, plus:

- debt issuance, brokerage or set-up costs;
- issue or redemption premiums.

Interest expense is allocated by the effective interest method, with the effective interest rate (EIR) being the rate that exactly discounts estimated future cash outflows through the expected life of the debt.

C.5.1 Hedges of interest rate risk on financial liabilities

Financial liabilities hedged by interest rate swaps are remeasured at fair value in accordance with hedge accounting principles applicable to fair value hedges. Gains and losses arising from remeasurement at fair value of the hedged portion of the liability are recognised in profit or loss and are offset by the effective portion of changes in the fair value of the swaps (see Section C.1.1 “Principles of recognition of derivatives and hedges”, above).

C.5.2 Debt securities

Debt securities include certificates of deposit, bonds, interbank instruments and negotiable debt securities, excluding subordinated securities classified as subordinated debt.

Securities to be delivered as from the transaction date are also recognised under “Debt securities”.

D. Provisions

In accordance with IAS 37 – *Provisions, Contingent Liabilities and Contingent Assets*, a provision is recognised when the Group has a present obligation towards a third party as a result of a past event, and it is probable or certain that an outflow of resources embodying economic benefits to this third party, and no equivalent inflow is expected. In the case of a restructuring, an obligation arises when the restructuring has been announced with a detailed formal plan or the Group has started to implement a restructuring plan.

Provisions are discounted only when the effect is material.

E. Segment information

In accordance with IFRS 8, the Banque Stellantis France Group has identified the following three segments, in convergence with the prudential framework (“Basel II” portfolios):

- Retail: mainly corresponding to individual customers and small and medium-sized companies;
- Corporate dealers: corresponding to the own or independent dealer networks of the STELLANTIS brands, importers of new STELLANTIS vehicles, as well as certain used vehicle dealers;
- Corporate and equivalent: referring to any:
 - companies belonging to a multinational group or whose total outstandings exceed a set threshold (Corporate other than dealers),
 - customers coming directly from a State or government structure (Sovereigns),
 - banking companies or investment firms supervised and regulated by the banking authorities (Banks),
 - regional government or local authorities (local governments).

A breakdown by segment of the balance sheet and income statement is provided in Note 31 – Segment information.

F. Pension obligations

In addition to standard pensions payable under local legislation, Banque Stellantis France Group employees receive supplementary pension and retirement benefits (see Note 18 – Provisions). These benefits are paid either under defined contribution or defined benefit plans.

Under defined-contribution plans, the Group has no other obligation than the payment of contributions; the expense corresponding to these contributions paid is recognised in profit or loss for the financial year.

In accordance with IAS 19 – *Employee Benefits*, obligations under defined benefit plans are measured by independent actuaries using the projected unit credit method. This method sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. This final obligation is then discounted to present value. The calculations mainly take into account:

- an assumed retirement date;
- a discount rate;
- an inflation rate;
- assumptions concerning rates of salary increase and of employee turnover.

Actuarial valuations are performed twice a year at each half year and annual closing for the main plans, and once every three years for the other plans, with more frequent valuations conducted if necessary to take account of changes in actuarial assumptions or significant changes in demographic data.

Changes in actuarial assumptions and experience adjustments - corresponding to the effects of differences between the previous actuarial assumptions and what has actually occurred - give rise to actuarial gains and losses on the benefit obligation or on the plan assets. These differences are recognised in the “Net income and gains and losses recognised directly in equity” statement (OCI), and will not be reclassified in the income statement.

In the event of modification of the benefits defined in a plan, the impact of changes to pension plans after 1 January 2012 is fully recognised under “Operating income” in the income statement for the period in which they occurred.

As a result, for each defined benefit plan, the Group recognises a provision in an amount equal to the projected benefit obligation net of the fair value of the plan assets.

In the case of plans that are subject to a minimum funding requirement under the law or the plan rules, if the Group does not have an unconditional right to a refund of a surplus under IFRIC 14, this affects the asset ceiling. Regardless of whether the plan has a deficit or a surplus, a liability is recognised for the portion of the present value of the minimum funding in respect of services already received that, once paid and after covering the shortfall resulting from applying IAS 19, would generate a surplus in excess of the asset ceiling determined in accordance with IAS 19.

The net cost of defined benefit pension plans for the financial year therefore corresponds to the sum of the

following:

- the rendered and past service cost (in “Operating income”, under “General operating expenses – personnel costs”);
- the finance cost less the expected yield on plan assets (recognised in “Non-operating income” in “Pension obligation – expense” or “Pension obligation – income”). These two items (finance cost and expected yield on assets) are measured based on the rate used to discount the obligations;
- any adjustment to the IFRIC 14 minimum funding requirement liability (recognised in Non-operating income, in “Pension obligation – expense” or “Pension obligation – income”).

Other employee benefits covered by provisions concern mainly long-service awards payable by the subsidiaries.

When the plan provides for the payment of a retirement benefit to employees, if they are present at the date of their retirement and amount of which depends on length of service and is capped at a certain number of years of service, the obligation is spread over the years of service preceding retirement in respect of which employees generate a right to benefits, in accordance with the IFRIC decision of April 2021 on attributing benefits to periods of service (IAS 19). As at 31 December 2023, provisions for pension obligations included on the liabilities side of the Banque Stellantis France balance sheet amounted to €10 million.

There is no longer any obligation in respect of the residual debt contracted in France at the Banking Industry Pension Fund (*Caisse de Retraite du Personnel Bancaire, CRPB*), the payments received to this date cover the entirety of the benefit plans according to the latest estimations of the experts.

G. Signature commitments

In accordance with the requirements of IFRS 9, irrevocable commitments given or received by Group companies are recognised in the balance sheet at their fair value (irrevocable financing commitments given to customers, corresponding to the period between the loan offer made to the customer and the date when the funds are released, other commitments received or given, etc.). As the terms of these commitments are close to market conditions, their fair value is zero.

Provisions are taken for impairment of financing or guarantee commitments in accordance with IAS 37 and presented under “Cost of credit risk” in accordance with recommendation No. 2022-01 of 8 April 2022. These signature commitments are reported at their nominal amount in Note 22 – Other commitments.

Derivative financial instrument commitments (forward rate agreements or currency instruments) are described in Section C.1 above and are reported at their nominal value in Note 26 – Net gains or losses on financial assets at fair value through profit or loss.

Note 3 Cash, central banks

(in million euros)	31/12/2023	31/12/2022
Cash and post office banks		
Central bank*	1,838	848
<i>of which compulsory reserves deposited with the Banque de France</i>	52	38
<i>of which interest to be received</i>	1	
TOTAL	1,838	848

* Apart from compulsory reserves, the supplementary deposits on the Banque de France account correspond to a high-quality liquidity asset type investment in order to comply with the Liquidity Coverage Ratio (LCR).

Note 4 Financial assets at fair value through profit or loss

4.1 Analysis by nature

(in million euros)	31/12/2023	31/12/2022
Fair value of trading derivatives ⁽¹⁾	21	30
<i>of which related companies with Santander Consumer Finance Group</i>	21	30
Offsetting positive fair value and received margin calls	(2)	-
Accrued interest on trading derivatives	0	0
<i>of which related companies with Santander Consumer Finance Group</i>	0	0
Contributions to the guarantee of deposits ⁽²⁾	6	5
<i>of which "certificat d'associés" (FGDR)</i>	5	4
<i>of which "certificat d'association" (FGDR)</i>	1	1
TOTAL	25	35

(1) The swaps classified as held for trading are related to securitisation activities. With the exception of intermediation fees, changes in the fair value of these swaps are offset by changes in the fair value of swaps in the opposite direction before offsetting margin calls at CREDIPAR. In fact, the rate of the swap set up in the securitising entity (CREDIPAR) since 2018 includes intermediation costs, whereas this is not the case for the swap set up in the opposite direction in the securitisation vehicle (FCT) (See Notes 12.1 and 24.1).

(2) Reclassification of "certificat d'associés" and "certificat d'association" from other assets to financial assets at fair value through profit or loss.

4.2 Offsetting swaps with margin call designated as trading - assets

For 2023

Positive valued swaps (in million euros)	Asset gross amount		Asset net amount before offsetting	Offsetting with received margin calls	Balance sheet amount after offsetting
	Swap's winning leg	Swap's losing leg			
Positive fair value	21.2	(0.1)	21.1	-	21.1
<i>Swaps with margin call</i>	11.7	-	11.7	-	11.7
<i>Swaps without margin call*</i>	9.5	(0.1)	9.4	-	9.4
Offsetting	-	-	-	(2.1)	(2.1)
Accrued income	0.4	(0.2)	0.2	-	0.2
<i>Swaps with margin call</i>	-	-	-	-	-
<i>Swaps without margin call</i>	0.4	(0.2)	0.2	-	0.2
TOTAL ASSETS	21.6	(0.3)	21.3	(2.1)	19.2
Margin calls received on swaps designated as trading (deferred income - see Note 17)	-	-	3.3	(2.1)	1.2
TOTAL LIABILITIES	-	-	3.3	(2.1)	1.2

* The front swap of the Auto ABS French Leases 2021 securitisation fund is not subject to a margin call.

For 2022

Positive valued swaps (in million euros)	Asset gross amount		Asset net amount before offsetting	Offsetting with received margin calls	Balance sheet amount after offsetting
	Swap's winning leg	Swap's losing leg			
Positive fair value	29.8	(0.1)	29.7	-	29.7
Swaps with margin call	-	-	-	-	-
Swaps without margin call*	29.8	(0.1)	29.7	-	29.7
Offsetting	-	-	-	-	-
Accrued income	0.1	(0.0)	0.1	-	0.1
Swaps with margin call	-	-	-	-	-
Swaps without margin call	0.1	(0.0)	0.1	-	0.1
TOTAL ASSETS	29.9	(0.1)	29.8	-	29.8
Margin calls received on swaps designated as trading (deferred income - see Note 17)	-	-	-	-	-
TOTAL LIABILITIES	-	-	-	-	-

* The front swap of the Auto ABS French Leases 2021 securitisation fund is not subject to a margin call.

Note 5 Hedging Instruments – Assets

5.1 Analysis by nature

(in million euros)	31/12/2023	31/12/2022
Positive fair value of instruments designated as hedges of:	105	238
Bonds	-	-
of which related companies with STELLANTIS	-	-
Borrowings	-	-
EMTN/NEU MTN*	2	3
Customer loans (instalment contracts, leasing with a purchase option and long-term leases)	105	235
of which related companies with STELLANTIS	-	-
Offsetting positive fair value and received margin calls (see Note 5.2)	(115)	(245)
Accrued income on swaps designated as hedges	15	7
TOTAL	5	0

* Fair value of cash flow hedges.

Fair value is determined by applying valuation techniques based on observable market data (level 2).

Fair Value Hedge effectiveness is analysed in Note 26.2.

5.2 Offsetting swaps with margin call designated as hedges - assets

For 2023

<i>Positive valued swaps</i> (in million euros)	Asset gross amount		Asset net amount before offsetting	Offsetting with received margin calls	Balance sheet amount after offsetting
	Swap's winning leg	Swap's losing leg			
Positive fair value	127.3	(22.1)	105.2	-	105.2
<i>Swaps with margin call</i>	127.3	(22.1)	105.2	-	105.2
<i>Swaps without margin call</i>	-	-	-	-	-
Offsetting	-	-	-	(114.9)	(114.9)
Accrued income	18.3	(3.7)	14.6	-	14.6
<i>Swaps with margin call</i>	18.3	(3.7)	14.6	-	14.6
<i>Swaps without margin call</i>	-	-	-	-	-
TOTAL ASSETS	145.6	(25.8)	119.8	(114.9)	4.9
Margin calls received on swaps designated as trading (deferred income - see Note 17)	-	-	116.3	(114.9)	1.4
TOTAL LIABILITIES	-	-	116.3	(114.9)	1.4

For 2022

<i>Positive valued swaps</i> (in million euros)	Asset gross amount		Asset net amount before offsetting	Offsetting with received margin calls	Balance sheet amount after offsetting
	Swap's winning leg	Swap's losing leg			
Positive fair value	278.6	(40.9)	237.7	-	237.7
<i>Swaps with margin call</i>	278.6	(40.9)	237.7	-	237.7
<i>Swaps without margin call</i>	-	-	-	-	-
Offsetting	-	-	-	(244.7)	(244.7)
Accrued income	8.5	(1.2)	7.3	-	7.3
<i>Swaps with margin call</i>	8.5	(1.2)	7.3	-	7.3
<i>Swaps without margin call</i>	-	-	-	-	-
TOTAL ASSETS	287.1	(42.1)	245.0	(244.7)	0.3
Margin calls received on swaps designated as trading (deferred income - see Note 17)	-	-	245.6	(244.7)	0.9
TOTAL LIABILITIES	-	-	245.6	(244.7)	0.9

Note 6 Financial assets at fair value through other comprehensive income

(in million euros)	31/12/2023		31/12/2022	
	Market value	of which change in value directly recognised in equity	Market value	of which change in value directly recognised in equity
Debt instruments	-	-	248	(1)
<i>of which bonds and other debt securities</i>	-	-	248	(1)
TOTAL	-	-	248	(1)

Note 7 Loans and advances to credit institutions at amortised cost

Analysis of demand and time accounts

(in million euros)	31/12/2023	31/12/2022
Demand accounts	799	622
Ordinary accounts in debit	749	618
<i>of which held by securitisation funds</i>	191	169
<i>of which pledged for the SRT transaction ⁽¹⁾</i>	31	36
<i>of which specific dedicated accounts (SDA) ⁽²⁾</i>	224	187
Amounts to receive on bank accounts	-	-
Current accounts and overnight loans	50	4
<i>of which related companies with Santander Consumer Finance Group</i>	50	4
Time accounts	-	-
Accrued interest	2	0
TOTAL	801	622

(1) For the benefit of Auto ABS Synthetic French Loans 2019 and 2022.

(2) Accounts opened by CREDIPAR in favour of securitisation funds.

Note 8 Customer loans and receivables at amortised cost

8.1 Analysis by type of financing

(in million euros)	31/12/2023	31/12/2022
Loans	2,478	2,049
<i>of which securitised</i> ⁽¹⁾	2,116	1,701
Leasing with a purchase option ⁽²⁾	6,469	5,041
Principal and interest	7,385	5,685
<i>of which securitised</i> ⁽¹⁾	4,323	2,687
Unaccrued interest on leasing with a purchase option	(916)	(644)
<i>of which securitised</i> ⁽¹⁾	(559)	(288)
Long-term leases ⁽²⁾	4,645	4,054
Principal and interest	5,070	4,400
<i>of which securitised</i> ⁽¹⁾	945	1,001
Unaccrued interest on long-term leases	(423)	(346)
<i>of which securitised</i> ⁽¹⁾	(94)	(103)
Leasing deposits	(2)	-
<i>of which securitised</i> ⁽¹⁾	-	-
Trade receivables	4,966	3,533
Related companies with STELLANTIS	22	20
Non-group companies	4,944	3,513
<i>of which securitised</i> ⁽¹⁾	1,189	773
Other finance receivables (including equipment loans, revolving credit)	692	521
Ordinary accounts in debit	223	90
Related companies with STELLANTIS	-	13
Non-group companies	223	77
Deferred items included in amortised cost - Customers loans and receivables	289	314
Deferred acquisition costs	452	389
Deferred loan set-up costs	(1)	(2)
Deferred manufacturer and dealer contributions	(162)	(73)
Total Loans and Receivables at Amortised Cost ⁽³⁾	19,762	15,602
<i>of which securitised</i> ⁽¹⁾	7,920	5,771

(1) The Banque Stellantis France Group has set up several securitisation programmes (See Note 8.4).

(2) The Banque Stellantis France Group purchases vehicles from STELLANTIS dealers and leases them to end-user customers. Leases are mainly offered for one to five years. The Banque Stellantis France Group remains owner of the vehicle throughout the rental period. At the end of a lease with a purchase option, the customer has the choice of returning the vehicle or exercising his purchase option. For long-term lease contracts, the dealer or, in certain cases, the manufacturer himself undertakes to buy the vehicle from the Banque Stellantis France Group when it is returned by the lessee at the end of the contract at a price determined at the time of the establishment of the lease. This repurchase price of the vehicle corresponds to the estimated residual value of the vehicle at the end of the rental period. This commitment to take back the vehicle allows the Banque Stellantis France Group to avoid being exposed to the risk associated with the vehicle's recovery and any change in its value at the end of the lease. The amount that the dealer or manufacturer pays to the Banque Stellantis France Group is not affected by any fees the customer may incur if the vehicle is not in a satisfactory condition or has exceeded its agreed mileage. On the other hand, Banque Stellantis France Group will generally bear the risk on the resale value of the vehicle if during the rental period of the vehicle, the customer interrupts the payment of his rents. In fact, the predetermined amount of recovery of the vehicle by the dealer or manufacturer may not be sufficient to compensate for the loss of rents not paid by the customer in the event of an early termination, which the Banque Stellantis France Group analyses as an integral part of the credit risk on the customer. The long-term lease contracts therefore include a clause to compensate for the damage caused by the early termination of the contract.

Consequently, given the commitments received from the dealers or the manufacturer, on the recovery and the residual values of the vehicles at the end of the contract, and these commitments being considered enforceable, although the manufacturer is a related party in the sense of IAS 24, Banque Stellantis France Group considers that it does not bear the risks and advantages related to the value and the ownership of the vehicle. For this reason, lease transactions (lease with a purchase option and long-term lease) are considered and accounted for as finance leases and are presented in the accounts as outstanding loans.

(3) All of the Customer Loans and Receivables are denominated in euros.

8.2 Customer loans and receivables by segment

IFRS 8 Segment	End user							
	Corporate Dealers		Retail		Corporate and equivalent		Total	
	(A - see B Note 29.1)		(B - see A Note 29.1)		(C - see C Note 29.1)			
Type of financing	31/12/2023	31/12/2022	31/12/2023	31/12/2022	31/12/2023	31/12/2022	31/12/2023	31/12/2022
(in million euros)								
Loans	18	13	2,458	2,035	2	1	2,478	2,049
Leasing with a purchase option	14	6	6,340	4,982	115	53	6,469	5,041
Long-term leases	379	305	2,586	2,307	1,680	1,442	4,645	4,054
Trade Receivables	4,966	3,533	-	-	-	-	4,966	3,533
Other finance receivables	688	516	1	1	3	4	692	521
Ordinary accounts in debit	223	90	-	-	-	0	223	90
Deferred items included in amortised cost	11	10	225	253	53	51	289	314
TOTAL CUSTOMER LOANS BY SEGMENT (BASED ON IFRS 8)	6,299	4,473	11,610	9,578	1,853	1,551	19,762	15,602

8.3 Analysis by maturity

For 2023

(in million euros)	Not broken down	0 month to 3 months	3 months to 6 months	6 months to 1 year	1 year to 5 years	Over 5 years	Total as at 31/12/2023
Loans	16	202	189	367	1,682	21	2,478
Gross	84	202	189	367	1,682	21	2,546
Total impairment	(68)	-	-	-	-	-	(68)
Leasing with a purchase option	34	325	322	795	4,982	11	6,469
Gross	89	325	322	795	4,982	11	6,524
Total impairment	(55)	-	-	-	-	-	(55)
Long-term leases	56	834	427	835	2,436	57	4,645
Gross	112	834	427	835	2,436	57	4,701
Guarantee deposits	(2)	-	-	-	-	-	(2)
Total impairment	(54)	-	-	-	-	-	(54)
Trade receivables	(9)	3,659	744	569	3	-	4,966
Gross	1	3,659	744	569	3	-	4,976
Guarantee deposits	-	-	-	-	-	-	-
Total impairment	(10)	-	-	-	-	-	(10)
Other finance receivables	66	212	40	299	64	11	692
Gross	83	212	40	299	64	11	709
Total impairment	(17)	-	-	-	-	-	(17)
Ordinary accounts in debit	223	-	-	-	-	-	223
Gross	225	-	-	-	-	-	225
Total impairment	(2)	-	-	-	-	-	(2)
Deferred items included in amortised cost	289	-	-	-	-	-	289
TOTAL NET LOANS AND RECEIVABLES	675	5,232	1,722	2,865	9,168	100	19,762
Gross	594	5,232	1,722	2,865	9,168	100	19,681
Guarantee deposits	(2)	-	-	-	-	-	(2)
Total impairment	(206)	-	-	-	-	-	(206)
Deferred items included in amortised cost	289	-	-	-	-	-	289

For 2022

(in million euros)	Not broken down	0 month to 3 months	3 months to 6 months	6 months to 1 year	1 year to 5 years	Over 5 years	Total as at 31/12/2022
Loans	12	166	162	316	1,380	13	2,049
Gross	69	166	162	316	1,380	13	2,106
Total impairment	(57)	-	-	-	-	-	(57)
Leasing with a purchase option	21	263	258	609	3,886	4	5,041
Gross	66	263	258	609	3,886	4	5,086
Total impairment	(45)	-	-	-	-	-	(45)
Long-term leases	38	706	369	746	2,195	0	4,054
Gross	79	706	369	746	2,195	0	4,095
Guarantee deposits	0	-	-	-	-	-	0
Total impairment	(41)	-	-	-	-	-	(41)
Trade receivables	9	2,836	384	302	2	-	3,533
Gross	25	2,836	384	302	2	-	3,549
Guarantee deposits	-	-	-	-	-	-	-
Total impairment	(16)	-	-	-	-	-	(16)
Other finance receivables	61	178	16	206	53	7	521
Gross	87	178	16	206	53	7	547
Total impairment	(26)	-	-	-	-	-	(26)
Ordinary accounts in debit	90	-	-	-	-	-	90
Gross	92	-	-	-	-	-	92
Total impairment	(2)	-	-	-	-	-	(2)
Deferred items included in amortised cost	314	-	-	-	-	-	314
TOTAL NET LOANS AND RECEIVABLES	545	4,149	1,189	2,179	7,516	24	15,602
Gross	418	4,149	1,189	2,179	7,516	24	15,475
Guarantee deposits	0	-	-	-	-	-	0
Total impairment	(187)	-	-	-	-	-	(187)
Deferred items included in amortised cost	314	-	-	-	-	-	314

8.4 Refinancing programmes by securitisation

Fund	Sold net receivables			
	Closing, i.e. first date of sale	Type of financing	As at 31/12/2023	As at 31/12/2022
FCT Auto ABS French Loans Master	13/12/2012 ⁽²⁾	Loans	1,692	1,701
FCT Auto ABS DFP Master – Compartment France 2013	03/05/2013 ⁽²⁾	Trade receivables	1,189	773
FCT Auto ABS French Leases Master – Compartment 2016	28/07/2016 ⁽²⁾	Leasing with a purchase option ⁽¹⁾	2,669	1,562
FCT Auto ABS French LT Leases Master	27/07/2017 ⁽²⁾	Long-term leases ⁽³⁾	851	898
FCT Auto ABS French Leases 2021	28/06/2021	Leasing with a purchase option ⁽¹⁾	529	837
FCT Auto ABS Belgium Loans 2019	19/09/2019	Loans	424	-
FCT Auto ABS French Leases 2023	26/10/2023	Leasing with a purchase option ⁽¹⁾	566	-
TOTAL			7,920	5,771

- (1) Sold receivables correspond to future lease payments and receivables of the vehicle sale or purchase option (leases with a purchase option or finance leases).
(2) The monthly issuances of these funds enable the adjustment of the liabilities of the fund towards the portfolio to be refinanced (portfolio that can increase or decrease) up to the maximum programme size.
(3) Sold receivables correspond to future long-term lease revenues and residual value.

When CREDIPAR is refinanced through securitisation, CREDIPAR uses Special Purpose Vehicles (SPV) to which it assigns its receivables. The funds are special purpose entities that are fully consolidated by the Banque Stellantis France Group as its CREDIPAR subsidiary retains the majority of the risks (mainly credit risk) and rewards (net banking revenue) generated by the special entities.

The credit enhancement techniques used by the Banque Stellantis France Group as part of its securitisation transactions allow keeping on its books the financial risks inherent in these transactions. The Group also finances all liquidity reserves which enable it to manage specific risks (general reserve, commingling reserve and performance reserve). Lastly, the Group remains the exclusive beneficiary of the benefits which derive from these transactions, particularly of the funding obtained from the placing of the senior tranches on the majority of the transactions.

Note 9 Fair value adjustments to finance receivables portfolios hedged against interest rate risk

(in million euros)	31/12/2023	31/12/2022
Fair value adjustments to*		
Loans	-	(39)
Leasing with a purchase option	6	(84)
Long-term leases	5	(62)
Trade receivables	-	-
TOTAL	11	(185)

* Hedging effectiveness is analysed in Note 26.2.

Note 10 Accruals and other assets

(in million euros)	31/12/2023	31/12/2022
Other receivables	311	142
<i>of which related companies with STELLANTIS</i>	202	84
Prepaid and recoverable taxes	88	50
Accrued income	11	9
<i>of which related companies with STELLANTIS</i>	9	8
Prepaid expenses	16	8
<i>of which margin calls paid on swaps ⁽¹⁾</i>	-	-
<i>of which related companies with Santander Consumer Finance Group</i>	-	-
<i>of which non-group companies</i>	-	-
Other ⁽²⁾	141	147
<i>of which related companies with Santander Consumer Finance Group</i>	19	42
TOTAL	567	356

(1) Margin calls paid on swaps were not offset against the negative fair value as at 31 December 2023, compared with €26.1 million as at 31 December 2022 (See. Notes 12.2 and 13.2).

(2) Of which €7.5 million for the SRF contribution (€1.8 million for the 2023 SRF contribution). In 2023, Banque Stellantis France Group's contribution to the SRF amounted to €8 million. Article 8 (3) of the Implementing Regulation of the Council of the European Union provides that during the initial period, under normal conditions, the SRB shall authorise the use of irrevocable payment commitments at the request of an institution. For the 2023 contribution period, the SRB decided to authorise institutions to subscribe to irrevocable payment commitments for 22.5% (€1.8 million) of the total payment obligations. This article was applied to Banque Stellantis France.

Note 11 Property and equipment and intangible assets

(in million euros)	31/12/2023			31/12/2022		
	Cost	Depreciation/ amortisation	Net	Cost	Depreciation/ amortisation	Net
Property and equipment	116	(19)	97	27	(12)	15
Land and buildings - Right of Use ⁽¹⁾	15	(10)	5	14	(7)	7
Vehicles	8	(3)	5	6	(2)	4
Leased vehicles ⁽²⁾	86	(3)	83			
Other	7	(3)	4	7	(3)	4
Intangible assets ⁽³⁾	41	(4)	37	-	-	-
TOTAL	157	(23)	134	27	(12)	15

(1) In accordance with IFRS 16, property and equipment include rights of use (leases) with a gross value of €15.1 million and a corresponding depreciation/amortisation of -€9.6 million as at 31 December 2023.

(2) Following the adoption in Belgium, Luxembourg and the Netherlands of the "New Retailer Model" distribution model from September 2023, demonstration vehicles are then classified as operating leases due to the fact that the risks and rewards of vehicle ownership are not transferred.

(3) Intangible assets include business goodwill acquired in April 2023 from OPEL Bank and FCA Bank.

Changes in gross value

(in million euros)	31/12/2022	Acquisitions	Disposals	Other movements	31/12/2023
Property and equipment	27	91	(5)	3	116
Land and buildings - Right of Use	14	1	(1)	1	15
Transport equipment	6	4	(4)	2	8
Leased vehicles	-	86	-	-	86
Other	7	-	-	-	7
Intangible assets	-	30	-	9	41
TOTAL	27	121	(3)	12	157

Changes in amortisation

(in million euros)	31/12/2022	Acquisitions	Disposals	Other movements	31/12/2023
Property and equipment	(12)	(7)	1	(1)	(19)
Land and buildings - Right of Use	(7)	(2)	-	(1)	(10)
Transport equipment	(2)	(1)	-	-	(3)
Leased vehicles	-	(3)	-	-	(3)
Other	(3)	(3)	1	-	(3)
Intangible assets	-	(1)	-	-	(4)
TOTAL	(12)	(11)	1	(1)	(23)

Note 12 Financial liabilities at fair value through profit or loss

12.1 Analysis by nature

(in million euros)	31/12/2023	31/12/2022
Fair value of trading derivatives	22	30
<i>of which related companies with Santander Consumer Finance Group</i>	22	30
Offsetting negative fair value and paid margin calls	-	(26)
Accrued expense on trading derivatives	0	0
<i>of which related companies with Santander Consumer Finance Group</i>	0	0
TOTAL	22	4

The swaps classified as held for trading are related to securitisation activities. With the exception of intermediation fees, changes in the fair value of these swaps are offset by changes in the fair value of swaps in the opposite direction before offsetting margin calls at CREDIPAR.

The rate of the swap set up in the securitising entity (CREDIPAR) since 2018 indeed includes intermediation costs of the swap counterparty, whereas this is not the case for the swap set up in the opposite direction in the securitisation vehicle (FCT) (see Notes 4.1 and 26.1).

12.2 Offsetting swaps with margin call designated as trading - liabilities

For 2023

<i>Negative valued swaps</i> (in million euros)	Liability gross amount		Liability net amount before offsetting	Offsetting with received margin calls	Balance sheet amount after offsetting
	Swap's winning leg	Swap's losing leg			
Negative fair value	(0.1)	21.5	21.4	-	21.4
<i>Swaps with margin call</i>	(0.1)	9.5	9.4	-	9.4
<i>Swaps without margin call</i>	-	12.1	12.0	-	12.0
Offsetting	-	-	-	-	-
Accrued expense	(0.2)	0.3	0.1	-	0.1
<i>Swaps with margin call</i>	(0.2)	0.3	0.1	-	0.1
<i>Swaps without margin call</i>	-	-	-	-	-
TOTAL LIABILITIES	(0.3)	21.8	21.5	-	21.5
Margin calls paid on swaps designated as trading (prepaid expenses – See Note 10)	-	-	-	-	-
TOTAL ASSETS	-	-	-	-	-

For 2022

<i>Negative valued swaps</i> (in million euros)	Liability gross amount		Liability net amount before offsetting	Offsetting with received margin calls	Balance sheet amount after offsetting
	Swap's winning leg	Swap's losing leg			
Negative fair value	(0.1)	29.9	29.8	-	29.8
<i>Swaps with margin call</i>	(0.1)	29.9	29.8	-	29.8
<i>Swaps without margin call</i>	-	-	-	-	-
Offsetting	-	-	-	(26.1)	(26.1)
Accrued expense	(0.0)	0.1	0.1	-	0.1
<i>Swaps with margin call</i>	(0.0)	0.1	0.1	-	0.1
<i>Swaps without margin call</i>	-	-	-	-	-
TOTAL LIABILITIES	(0.1)	30.0	29.9	(26.1)	3.8
Margin calls paid on swaps designated as trading (prepaid expenses – See Note 10)	-	-	26.1	(26.1)	-
TOTAL ASSETS	-	-	26.1	(26.1)	-

Note 13 Hedging instruments – Liabilities

13.1 Analysis by nature

(in million euros)	31/12/2023	31/12/2022
Negative fair value of instruments designated as hedges of:	6	-
Borrowings	-	-
EMTN/NEU MTN	-	-
Bonds	-	-
NEU CP - Other debts securities	-	-
Customer loans (loans, leasing with a purchase option and long-term leases)	6	-
<i>of which related companies with Santander Consumer Finance Group</i>	-	-
Offsetting negative fair value and paid margin calls (See Note 13.2)	-	-
Accrued expenses on swaps designated as hedges	0	0
<i>of which related companies with Santander Consumer Finance Group</i>	-	-
TOTAL	6	0

Fair value is determined by applying valuation techniques based on observable market data (level 2). Fair Value Hedge effectiveness is analysed in Note 26.2.

13.2 Offsetting swaps with margin call designated as hedges - liabilities

FOR 2023

<i>Negative valued swaps</i> (in million euros)	Liability gross amount		Liability net amount before offsetting	Offsetting with received margin calls	Balance sheet amount after offsetting
	Swap's winning leg	Swap's losing leg			
Negative fair value	(31.2)	36.8	5.6		5.6
<i>Swaps with margin call</i>	<i>(31.2)</i>	<i>36.8</i>	<i>5.6</i>		<i>5.6</i>
<i>Swaps without margin call</i>					
Offsetting					
Accrued expense					
<i>Swaps with margin call</i>					
<i>Swaps without margin call</i>					
TOTAL LIABILITIES	(31.2)	36.8	5.6		5.6

Margin calls paid on swaps designated as trading (prepaid expenses – See Note 10)

TOTAL ASSETS

FOR 2022

<i>Negative valued swaps</i> (in million euros)	Liability gross amount		Liability net amount before offsetting	Offsetting with received margin calls	Balance sheet amount after offsetting
	Swap's winning leg	Swap's losing leg			
Negative fair value	-	-	-	-	-
<i>Swaps with margin call</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Swaps without margin call</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
Offsetting	-	-	-	-	-
Accrued expense	(0.3)	0.4	0.1	-	0.1
<i>Swaps with margin call</i>	<i>(0.3)</i>	<i>0.4</i>	<i>0.1</i>	<i>-</i>	<i>0.1</i>
<i>Swaps without margin call</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
TOTAL LIABILITIES	(0.3)	0.4	0.1	-	0.1

Margin calls paid on swaps designated as trading (prepaid expenses – See Note 10)

TOTAL ASSETS

Note 14 Deposits from credit institutions

14.1 Analysis of demand and time accounts

(in million euros)	31/12/2023	31/12/2022
Demand deposits	40	1
Ordinary accounts in credit	9	0
<i>of which related companies with STELLANTIS</i>	0	0
Accounts and deposits at overnight rates	30	-
<i>of which related companies with Santander Consumer Finance Group</i>	30	-
Other amounts due to credit institutions	1	1
Accrued interest	0	(0)
Time deposits (non-group institutions)	6,906	5,541
Conventional bank deposits	4,870	2,716
<i>of which related companies with Santander Consumer Finance Group</i>	3,987	2,301
Receivable securitisation of Stellantis Financial Services Belux	311	-
Deposits from the ECB (See Note 22)	1,725	2,825
Deferred items included in amortised cost of deposits from credit institutions	(1)	(5)
Debt issuing costs (deferred charges)	(1)	(5)
Accrued interest	77	(28)
<i>of which related companies with Santander Consumer Finance Group</i>	31	7
TOTAL DEPOSITS FROM CREDIT INSTITUTIONS AT AMORTISED COST*	7,022	5,509

* Total debt is denominated in euros.

14.2 Loans issued by securitisation funds

(in million euros)	Fund	Tranche	Loans issued		
			As at 31/12/2023	As at 31/12/2022	At the origin
	FCT Auto ABS Belgium Loans 2019				
		Senior loan	311	-	400
		Junior loan	142	-	153
	Elimination of intra-group transactions		(142)	-	
	TOTAL		311	-	

Note 15 Due to customers

(in million euros)	31/12/2023	31/12/2022
Demand accounts	3,851	3,032
Ordinary accounts in credit	335	240
Related companies with STELLANTIS	59	125
Non-group companies	276	115
Passbook savings accounts	3,453	2,728
Other amounts due to customers	63	64
Related companies with STELLANTIS	-	-
Non-group companies	63	64
Accrued interest	-	-
<i>of which passbook savings accounts</i>	-	-
Time deposits	542	336
Term deposit accounts	533	327
Other	9	9
Related companies	-	-
Non-group companies	9	9
Accrued interest	8	4
<i>of which time deposits</i>	8	4
TOTAL*	4,401	3,372

* Total debt is denominated in euros.

In the segment information, "Customer ordinary accounts in credit", "Passbook savings accounts" and "Term deposit accounts" are classified in "Refinancing" (see Note 31.1).

Note 16 Debt securities

16.1 Analysis by nature

(in million euros)	31/12/2023	31/12/2022
Interbank instruments and money-market securities (non-group institutions)	4,183	2,860
EMTNs and NEU MTNs ⁽¹⁾	2,210	1,880
<i>of which paper in the process of being delivered</i>	-	-
NEU CP	1,973	980
<i>of which paper in the process of being delivered</i>	-	-
Securities issued by securitisation funds (See Note 16.3)	3,084	2,154
Accrued interest	56	7
Securitisation	2	1
Deferred items included in amortised cost of debt securities	(14)	1
Debt issuing costs and premiums (deferred charges)	(14)	1
TOTAL DEBT SECURITIES AT AMORTISED COST ⁽²⁾	7,309	5,022

(1) Issue in January 2023 of the first EMTN Green Bond with a three-year maturity in the amount of €500 million with a coupon of 3.875%, redemption of the third EMTN in April 2023. Increase of the NEU CP programme ceiling to €3 billion in June 2023. New three-and-a-half-year bond issue in July 2023 for an amount of €500 million with a coupon of 4%.

(2) Total debt is denominated in euros.

16.2 Analysis by maturity of debt securities excluding accrued interest

(in million euros)	31/12/2023			31/12/2022		
	Securitisations	Money-market securities	Other	Securitisations	Money-market securities	Other
Not broken down	-	-	(14)	-	-	1
0 to 3 months	281	325	-	80	372	-
3 to 6 months	148	1,265	-	52	992	-
6 months to 1 year	331	948	-	177	431	-
1 to 5 years	2,324	1,645	-	1,845	1,065	-
Over 5 years	-	-	-	-	-	-
TOTAL	3,084	4,183		2,154	2,860	1

16.3 Securitisation programmes

Securities issued by securitisation funds

(in million euros)	Funds	Bonds	Rating ⁽¹⁾	Issued bonds		
				As at 31/12/2023	As at 31/12/2022	At the origin
	FCT Auto ABS French Loans Master		<i>Fitch/Moody's</i>			
		Class A	AA/Aa2	1,636	1,628	N/A
		Class B	-	131	150	N/A
	FCT Auto ABS DFP Master – Compartment France 2013		<i>S&P/Moody's</i>			
		Class S	AA/Aa2	993	658	N/A
		Class B	-	202	119	N/A
	FCT Auto ABS French Leases Master – Compartment 2016		<i>Not Rated</i>			
		Class A	-	1,675	947	N/A
		Class B	-	1,058	667	N/A
	FCT Auto ABS French LT Leases Master		<i>Not Rated</i>			
		Class A	-	535	600	N/A
		Class B	-	348	323	N/A
	FCT Auto ABS French Leases 2021		<i>S&P/DBRS</i>			
		Class A	AAA/AAA	348	654	
		Class B	AA+/AAH	65	65	
		Class C	-	141	141	
	FCT Auto ABS French Leases 2023		<i>S&P/DBRS</i>			
		Class A	AAA/AAA	450	-	
		Class B	AA/AAH	38	-	
		Class C	-	85	-	
	Elimination of intra-group transactions ⁽²⁾			(4,621)	(3,798)	
	TOTAL			3,084	2,154	

(1) Rating obtained at closing or at last restructuring date of the transaction.

(2) CREDIPAR purchases subordinated securities and can also purchase senior securities, in order to use them as collateral at the European Central Bank.

Note 17 Accruals and other liabilities

(in million euros)	31/12/2023	31/12/2022
Trade payables	311	215
Related companies	28	161
<i>of which related companies with STELLANTIS</i>	222	161
<i>of which related companies with Santander Consumer Finance Group</i>	6	0
Non-group companies	83	54
Financial debt	6	7
Non-group companies	6	7
Accrued payroll and other taxes	73	48
Accrued charges	382	317
Related companies	30	27
<i>of which related companies with STELLANTIS</i>	24	22
<i>of which related companies with Santander Consumer Finance Group</i>	6	5
Non-group companies	352	290
Other payables	118	115
Related companies	18	17
<i>of which related companies with STELLANTIS</i>	18	17
Non-group companies	100	98
Deferred income	27	26
<i>of which margin calls received on swaps*</i>	3	1
Related companies	128	265
<i>of which related companies with STELLANTIS</i>	17	19
<i>of which related companies with Santander Consumer Finance Group</i>	111	246
Non-group companies	(101)	(239)
Other	113	54
Non-group companies	113	54
TOTAL	1,030	782

* As at 31 December 2023, margin calls received on swaps were offset by the positive fair value for an amount of €117 million as at 31 December 2023, compared to €244.7 million as at 31 December 2022 (See Notes 4.2 and 5.2).

Note 18 Provisions

(in million euros)	31/12/2022	Charges	Reversals utilised	Reversals unutilised	Equity	Reclassifications and other	31/12/2023
Provisions for pensions and other post-retirement benefits	10	0	0	-	1	(1)	10
Provisions for doubtful commitments	5	3	(5)	-	-	0	3
<i>Corporate dealers</i>	3	0	(2)	-	-	-	1
<i>Corporate and equivalent</i>	2	3	(3)	-	-	0	2
Provisions for commercial and tax disputes	-	0	(0)	-	-	1	1
Other provisions	9	1	(4)	-	-	-	6
TOTAL	24	4	(9)	-	1	0	20

18.1 Pension obligations

Residual commitments of the Banking Industry Pension Fund plan

The provision for the residual commitments of the Banking Industry Pension Fund plan (*Caisse de Retraite du Personnel Bancaire*) is constituted, if necessary, based on the probable current value of annual payments intended to supplement

the resources necessary to the payment of pensions by AGIRC and ARRCO. There is no longer any provision for this commitment as payments made to date cover all acquired rights.

Commitments for retirement benefits and supplementary pensions specific to the Group

As well as the pensions that comply with current legislation, employees of the Banque Stellantis France Group receive supplementary pensions and retirement benefits when they retire. These benefits are paid either under defined contribution or defined benefit plans.

Under the defined contribution plan, the Group has no obligation other than the payment of contributions; the expense that corresponds to contributions paid is included in profit or loss for the financial year.

Concerning the supplementary pensions paid to personnel who have left the Group, the insurance company has received the necessary funds and is responsible for paying the annuities. The supplementary pension rights acquired for personnel in employment are fully covered by the funds paid to the insurance company.

For the defined benefits plans, the pension and equivalent commitments are evaluated by independent actuaries, according to the projected credit unit method. This method sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. This final obligation is then discounted to present value. The calculations mainly take into account:

- an assumed retirement date;
- a discount rate;

- an inflation rate;
- assumptions concerning rates of salary increase and of employee turnover.

It concerns retirement benefits, for which the acquired rights are fully covered.

Actuarial valuations are performed twice a year at each half year and annual closing for the main plans, and once every three years for the other plans, with more frequent valuations conducted if necessary to take account of changes in actuarial assumptions or significant changes in demographic data. Changes in actuarial assumptions and experience adjustments - corresponding to the effects of differences between the previous actuarial assumptions and what has actually occurred - give rise to actuarial gains and losses on the benefit obligation or on the plan assets. These differences are shown in the "Net income and gains and losses recognised directly in equity" (OCI) item on the year of their recognition.

External funds are called on to cover all pension commitments. Hence, in the event that financial assets exceed recorded commitments, a prepaid expense is recorded as an asset in the balance sheet.

18.2 Long-service awards

Long-service award commitments

The latent debt covering future charges for long service awards is fully covered by a provision.

Note 19 Subordinated debts

(in million euros)	31/12/2023	31/12/2022
Subordinated debts*	300	155
of which related companies with STELLANTIS	150	77,5
of which related companies with Santander Consumer Finance Group	150	77,5
Accrued interest	1	0
of which related companies with STELLANTIS	1	0
of which related companies with Santander Consumer Finance Group	0	0
TOTAL	301	155

* Subordinated loans had been arranged for two of them in December 2017 for a total of €155 million. They were repaid at the end of February 2023 with two new loans for an amount each of €105 million, subscribed in equal shares by Santander Consumer Finance and by Stellantis Financial Services Europe. In December 2023, two other loans, each for an amount of €45 million, were also arranged, bringing the total amount of subordinated loans to €300 million.

19.1 Changes in subordinated debts

(in million euros)	Opening	Cash flows		Through profit or loss	31/12/2023
		Inflows	Outflows		
Subordinated debts	155	300	(155)	-	300
Accrued interest	-	-	(11)	12	1
TOTAL	155	300	(166)	12	301

(in million euros)	Opening	Cash flows		Through profit or loss	31/12/2022
		Inflows	Outflows		
Subordinated debts	155	-	-	-	155
Accrued interest	-	-	(3)	3	0
TOTAL	155	-	(3)	3	155

Note 20 Analysis by maturity and liquidity risks

Liquidity risk management is described in the “Liquidity and funding risk” section of the Management Report.

The following liquidity risk presentation is based on a detailed breakdown of assets and liabilities analysed by maturity. As a consequence, future interest cash flows are not included in instalments.

Derivative instruments designated as hedges of future contractual interest payments are not analysed by maturity.

Items are broken down according to maturity dates. The following principles were adopted:

- non-performing loans and accrued interest are reported in the “not broken down” column;
- overnight loans and borrowings are reported in the “0 month to 3 months” column.

Equity, as it has an undetermined maturity date, is deemed repayable after five years, with the exception of dividends which must be paid within the maximum legal period of nine months after the closing date of the financial year. The fourth resolution submitted for adoption to the General Meeting of 28 March 2024 provides for a dividend distribution of €111 million.

For 2023

(in million euros)	Not broken down	0 month to 3 months	3 months to 6 months	6 months to 1 year	1 year to 5 years	Over 5 years	31/12/2023
ASSETS							
Cash, central banks, post office banks	-	1,838	-	-	-	-	1,838
Financial assets at fair value through profit or loss	25	-	-	-	-	-	25
Hedging instruments	5	-	-	-	-	-	5
Financial assets at fair value through other comprehensive income	-	-	-	-	-	-	-
Loans and advances to credit institutions	-	801	-	-	-	-	801
Customer loans and receivables	675	5,232	1,722	2,865	9,168	100	19,762
Fair value adjustments to finance receivables portfolios hedged against interest rate risk	11	-	-	-	-	-	11
Other assets	726	-	-	-	-	-	726
TOTAL ASSETS	1,442	7,871	1,722	2,865	9,168	100	23,168
EQUITY AND LIABILITIES							
Central banks, post office banks	-	-	-	-	-	-	-
Financial liabilities at fair value through profit or loss	22	-	-	-	-	-	22
Hedging instruments	6	-	-	-	-	-	6
Deposits from credit institutions	77	1,194	650	2,153	2,948	-	7,022
Due to customers	9	3,986	107	156	143	-	4,401
Debt securities	42	606	1,413	1,279	3,969	-	7,309
Fair value adjustments to debt portfolios hedged against interest rate risk	-	-	-	-	-	-	-
Subordinated debt	1	-	-	-	-	300	301
Other liabilities	1,753	-	-	-	-	-	1,753
Equity	-	-	-	(111)	-	2,465	2,354
TOTAL LIABILITIES	1,910	5,786	2,170	3,477	7,060	2,765	23,168

For 2022

(in million euros)	Not broken down	0 month to 3 months	3 months to 6 months	6 months to 1 year	1 year to 5 years	Over 5 years	31/12/2022
ASSETS							
Cash, central banks, post office banks	-	848	-	-	-	-	848
Financial assets at fair value through profit or loss	35	-	-	-	-	-	35
Hedging instruments	0	-	-	-	-	-	0
Financial assets at fair value through other comprehensive income	(1)	79	120	50	-	-	248
Loans and advances to credit institutions	-	622	-	-	-	-	622
Customer loans and receivables	545	4,149	1,189	2,179	7,516	24	15,602
Fair value adjustments to finance receivables portfolios hedged against interest rate risk	(185)	-	-	-	-	-	(185)
Other assets	414	-	-	-	-	-	414
TOTAL ASSETS	808	5,698	1,309	2,229	7,516	24	17,584
EQUITY AND LIABILITIES							
Central banks, post office banks	-	-	-	-	-	-	-
Financial liabilities at fair value through profit or loss	4	-	-	-	-	-	4
Hedging instruments	0	-	-	-	-	-	0
Deposits from credit institutions	(32)	410	50	1,645	3,436	-	5,509
Due to customers	4	3,092	50	39	184	3	3,372
Debt securities	8	452	1,044	608	2,910	-	5,022
Fair value adjustments to debt portfolios hedged against interest rate risk	-	-	-	-	-	-	-
Subordinated debt	0	-	-	-	-	155	155
Other liabilities	1,388	-	-	-	-	-	1,388
Equity	-	-	-	-	-	2,134	2,134
TOTAL LIABILITIES	1,372	3,954	1,144	2,292	6,530	2,292	17,584

Covenants

The loan agreements signed by the Banque Stellantis France Group, including in some cases issues of debt securities, contain the customary acceleration clauses requiring the Group to give certain covenants to lenders. They include:

- negative pledge clauses whereby the borrower undertakes not to grant collateral to any third parties. These clauses nevertheless comprise exceptions allowing the Group to carry out securitisation programmes or to give assets as collateral;
- material adverse change clauses in the case of a significant negative change in the economic and financial conditions;
- pari passu clauses which ensure that lenders enjoy at least the same treatment as the borrower's other creditors;
- cross default clauses whereby if one loan goes into default, all other loans from the same lender automatically become repayable immediately;
- periodic reporting requirements;
- clauses whereby the borrower undertakes to comply with the applicable legislation.

Furthermore, agreements include three specific acceleration clauses requiring:

- a change of shareholding meaning that Stellantis Financial Services Europe and Santander Consumer Finance no longer each hold 50% of the shares of Banque Stellantis France, directly or indirectly;
- the loss by the Banque Stellantis France Group of its status as a bank;
- non-compliance with the regulatory level for the Common Equity Tier One ratio.

Note 21 Fair value of financial assets and liabilities

(in million euros)	Carrying amount	Fair value	Fair value hierarchy		
	31/12/2023	31/12/2023	Level 1	Level 2	Level 3
ASSETS					
Financial assets at fair value through profit or loss ⁽¹⁾	25	25	-	20	5
Hedging instruments ⁽¹⁾	5	5	-	5	-
Financial assets at fair value through other comprehensive income ⁽²⁾	-	-	-	-	-
Loans and advances to credit institutions at amortised cost ⁽³⁾	801	801	-	-	801
Customer loans and receivables at amortised cost ⁽⁴⁾	19,773	19,594	-	-	19,594
EQUITY AND LIABILITIES					
Financial liabilities at fair value through profit or loss ⁽¹⁾	22	22	-	22	-
Hedging instruments ⁽¹⁾	6	6	-	6	-
Deposits from credit institutions ⁽⁵⁾	7,022	7,058	-	7,058	-
Debt securities ⁽⁵⁾	7,309	7,296	2,334	4,962	-
Due to customers ⁽³⁾	4,401	4,401	-	-	4,401
Subordinated debt ⁽⁵⁾	301	308	-	308	-

In accordance with IFRS 13, the calculation of the fair value is presented below:

(1) Financial assets at fair value through profit or loss and hedging instruments are measured based on Euribor or other interbank market rates and on the daily exchange rates set by the European Central Bank. Their fair value is determined based on valuation techniques using observable market data (level 2).

(2) Financial assets at fair value through other comprehensive income are measured based on available market quotations (level 1).

(3) The fair value of loans and advances to credit institutions and of debts due to customers, mainly short-term operations at adjustable rate, are accordingly close to their amortised cost. Their fair value is determined by applying a valuation that uses, significantly, at least one non-observable item of data (level 3).

(4) Customer loans and receivables are stated at amortised cost. If necessary, they are hedged against interest rate risk (fair value hedge) in order to frame interest rate risk positions within the sensitivity limits defined by the Banque Stellantis France Group. They are therefore measured at the hedging rate (swap rate), in accordance with hedge accounting principles. Cumulative gains and losses arising from remeasurement are added to or deducted from their amortised cost.

The fair value presented above has been estimated by discounting future cash flows at the average customer rate of the three last months. In this case, the fair value is determined by applying valuation making significant use of at least one non-observable item of data (level 3).

(5) Financing liabilities are stated at amortised cost. Hedge accounting is applied to liabilities hedged by interest rate swaps (fair value hedge), leading to their remeasurement at the discounted financing cost. Cumulative gains and losses arising from remeasurement are added to or deducted from their amortised cost.

The fair value presented above corresponds mainly to the change in the spread (premium over the risk-free rate) paid by the Banque Stellantis France Group on its financial market borrowings. It is determined according to three following cases:

- > for debt securities, by applying valuation based on available market quotations (level 1) and by applying a valuation based on information collected from our financial partners, in which case the fair value is determined based on valuation techniques using observable market data (level 2);
- > for debt to credit institutions by applying an assessment based on information collected from our financial partners. In this case, the fair value is determined based on valuation techniques using observable market data (level 2) when they are available, and by applying a valuation using at least one non-observable item of data (level 3);
- > for subordinated debt, through a valuation based on information collected from our financial partners. In this case, the fair value is determined based on valuation techniques using observable market data (level 2).

Note 22 Other commitments

(in million euros)

	31/12/2023	31/12/2022
Financing commitments		
Commitments received from credit institutions	1	-
Commitments given to credit institutions	-	-
Commitments given to customers ⁽¹⁾	874	857
Guarantee commitments		
Commitments received from credit institutions ⁽²⁾	1,118	506
Guarantees received in respect of customer loans	988	476
Guarantees received in respect of securities held	-	-
Other guarantees received from credit institutions	130	30
Guarantees given to credit institutions	0	0
Commitments given to customers	2	3
<i>of which related companies with STELLANTIS</i>	-	-
Other commitments received		
Securities received as collateral	-	-
Others ⁽³⁾	128	73
Other commitments given		
Assets given as collateral for own account, remains available ⁽⁴⁾	1,070	157
<i>of which to the European Central Bank</i>	1,070	157

(1) Commitments on preliminary credit offers made to customers are taken into account. Approved wholesale lines of credit that can be cancelled at any time are not taken into account, except for specific contracts.

(2) In France, the guarantees amounted:

- > as at 31 December 2023, CHUBB guarantees amounted to €298 million compared to €221 million as at 31 December 2022.
 - > as at 31 December 2023, COFACE guarantees amounted to €216 million compared to €137 million as at 31 December 2022.
 - > as at 31 December 2023, CARTAN TRADE guarantees amounted to €310 million compared to €118 million as at 31 December 2022.
 - > as at 31 December 2023, for Stellantis Financial Services Europe and Santander Consumer Finance to €130 million compared to €30 million as at 31 December 2022.
 - > as at 31 December 2023, ALLIANZ new guarantees amounted to €118 million.
 - > as at 31 December 2023, LIBERTY new guarantees amounted to €38 million.
- In Belgium, the guarantees amounted to €8 million as at 31 December 2023.

(3) Financial guarantees received in respect of the SRT transactions

(4) This is the remaining amount of collateral available at the ECB. CREDIPAR has remitted €2,236 million as ABS securities, €824 million as credit claims on its collateral account, that Banque de France has evaluated for a total amount of €2,709 million.

The Banque Stellantis France Group has drawn €1,725 million (see Note 14), valued at €1,767 million by the Banque de France. Therefore €1.070 million remain available, given a non-used authorised financing of €942 million financing, of which €-43 million in accrued interest on TLTRO III.

The Banque Stellantis France Group does not record the guarantees received from customers and does not include them in the calculation of credit risk exposure.

Note 23 Interest and similar income

(in million euros)	2023	2022
On financial assets at amortised cost	860	544
Customer transactions	808	526
Loans	124	115
<i>of which related companies with STELLANTIS</i>	3	0
<i>of which securitised</i>	98	93
Leasing with a purchase option	411	339
<i>of which related companies with STELLANTIS</i>	45	41
<i>of which securitised</i>	166	155
Long-term leases	285	238
<i>of which related companies with STELLANTIS</i>	(2)	(2)
<i>of which securitised</i>	58	57
Trade receivables	242	69
<i>of which related companies with STELLANTIS</i>	160	55
Other finance receivables (including equipment loans, revolving credit)	26	8
<i>of which related companies with STELLANTIS</i>	0	0
Ordinary accounts	1	-
Guarantee commitments	0	0
Commissions paid to referral agents	(235)	(224)
Loans	(21)	(92)
Leasing with a purchase option/long-term leases	(84)	(132)
Other financings	-	-
<i>of which related companies with STELLANTIS</i>	(32)	(33)
Other business acquisition costs	(46)	(19)
Interbank transactions*	52	18
Debt securities	-	-
On financial assets recognised at fair value through other comprehensive income	-	-
Accrued interest receivable on hedging instruments	153	18
Other interest income	0	0
TOTAL	1,013	562

* Corresponds to interest income on TLTRO operations.
Eight TLTRO-III drawdowns have been carried out since September 2019 as well as an early repayment of €1.1 billion in September 2021 and a term repayment of €650 million in June 2023, of €350 million in September 2023 and of €100 million in December 2023. The rate applied takes into account the subsidised rates over the different periods on the basis of the new loan production (deposit facility rate reduced by -0.50% until 23 June 2022).
The Banque Stellantis France Group thus considers that the TLTRO drawdowns are at market conditions; IFRS 9 applies de facto.

Note 24 Interest and similar expenses

24.1 Analysis by nature

(in million euros)	Notes	2023	2022
On financial liabilities at amortised cost		(542)	(90)
Customer transactions		(101)	(34)
Loans		-	-
Leasing with a purchase option		-	-
Long-term leases		-	-
Trade receivables		(15)	(6)
Other finance receivables (including equipment loans, revolving credit)		-	-
Ordinary accounts		0	0
Savings accounts	24.2	(76)	(24)
Expenses related to financing commitments received		(10)	(4)
Interbank transactions	24.3	(236)	(19)
Debt securities	24.4	(205)	(37)
Accrued interest receivable on hedging instruments	24.5	-	(10)
Other interest expenses		(11)	(12)
TOTAL		(553)	(112)

24.2 Interest on saving accounts

(in million euros)	2023	2022
Interest on savings accounts	(76)	(24)
On passbook savings accounts	(67)	(20)
On term deposits	(9)	(4)
TOTAL	(76)	(24)

24.3 Interest on deposits from credit institutions

(in million euros)	2023	2022
Interest on treasury and interbank transactions	(154)	(14)
of which related companies with STELLANTIS	-	0
of which related companies with Santander Consumer Finance Group	(123)	(12)
Interest expenses of assets	(78)	(2)
Interest expenses comparable to debt issuing costs	(4)	(3)
TOTAL	(236)	(19)

24.4 Interest on debt securities

(in million euros)	2023	2022
Interest expenses on debt securities	(180)	(24)
of which securitisation: placed bonds	(79)	(10)
Interest on subordinated debts	(12)	(3)
Interest expenses comparable to debt issuing costs	(13)	(10)
TOTAL	(205)	(37)

24.5 Interest on hedging instruments

(in million euros)	2023	2022
Swaps hedging (Fair Value Hedge)	-	(10)
of which related companies with STELLANTIS	-	-
of which related companies with Santander Consumer Finance Group	-	-
TOTAL	-	(10)

Note 25 Fees and commissions

(in million euros)	2023	2022
Income	161	149
Incidental commissions from finance contracts	20	18
Commissions on sales of service activities	141	131
Other	0	0
Expenses	(8)	(5)
Commissions on sales of service activities	(8)	(5)
Other	-	0
TOTAL	153	144

Note 26 Net gains or losses on financial instruments at fair value through profit or loss

26.1 Analysis by nature

(in million euros)	Notes	2023	2022
Dividends and net income on equity investments		-	-
Interest and dividends on marketable securities designated at fair value through profit or loss		(1)	-
Gains/losses on sales of marketable securities		(0)	-
Gains/losses on derivatives classified in trading securities*		(0)	0
Gains/losses from hedge accounting	26.2	55	49
Fair value hedges: change in value of hedging instruments of customer loans		(154)	222
Fair value hedges: change in value of hedged customer loans		209	(173)
Fair value hedges: change in value of hedging instruments of debt		(0)	0
Fair value hedges: change in value of hedged debt		-	-
TOTAL		54	49

* The swaps classified as held for trading are related to securitisation activities. With the exception of intermediation fees, changes in the fair value of these swaps are offset by changes in the fair value of swaps in the opposite direction before offsetting margin calls at CREDIPAR. In fact, the rate of the swap set up in the securitising entity (CREDIPAR) since 2018 includes intermediation costs, whereas this is not the case for the swap set up in the opposite direction in the securitisation vehicle (FCT) (See Notes 4.1 and 12.1).

26.2 Gains and losses from hedge accounting

Banque Stellantis France Group interest rate management policy

(See the "Credit risk" and "Currency and Interest rate risk" sections of the Management Report).

Interest rate risk

The policy in terms of interest rate risk tends to be conservative and avoids any speculation. Its purpose is to control and supervise interest rate risk positions within sensitivity limits in accordance with the defined risk appetite. The management of interest rate risk consists of compliance with this policy and subjecting it to regular controls and hedging measures.

As at 31 December 2023, the nominal amount of interest rate hedging swaps on outstanding customer loans was €4,834 million.

Currency risk

The Banque Stellantis France Group does not take currency positions. The currency risk is non-existent.

Counterparty risk

The Banque Stellantis France Group's exposure to counterparty risk is limited to its use of derivatives governed by standard FBF or ISDA agreements and very short-term cash investments with leading counterparties. Following EMIR regulation, new CDEA framework agreements (Cleared Derivatives Execution Agreement) have been set up. Customer credit risk is discussed in Note 29.

The Banque Stellantis France Group limits the exposure at the minimum from the implementation of its investment policy. Available cash other than interbank accounts and reserves deposited with central banks is invested solely in HQLA type investments.

ANALYSIS OF INTEREST RATE RISK HEDGING EFFECTIVENESS (FAIR VALUE HEDGE)

(in million euros)	2023	2022	Effect of changes in scope of consolidation	Fair value adjustments	Ineffective portion recognised in profit or loss*	Of which "real" ineffective portion recognised in profit or loss	Of which SLI amortisation
Fair value adjustments to customer loans (loans, leasing with a purchase option and long-term leases)							
Loans	(0.2)	(39.2)	(5.3)		-		
Leasing with a purchase option	5.9	(84.4)	(1.7)		-		
Long-term leases	5.3	(61.7)	(6.2)		-		
Total valuation, net	11.0	(185.3)	(13.1)	209.4	-		
Derivatives designated as hedges of customer loans							
Assets	105.1	234.8	19.1		-		
Liabilities (see Note 13)	(5.6)	0.0	0.0		-		
Total valuation, net	99.5	234.8	19.1	(154.4)	55.0	1.0	54.0
INEFFECTIVE PORTION OF GAIN AND LOSSES ON OUTSTANDING HEDGING TRANSACTIONS	110.5	49.5	6.0		55.0	1.0	54.0
<i>Of which "real" ineffective portion recognised in profit or loss</i>	<i>0.3</i>	<i>(3.2)</i>	<i>2.4</i>		<i>1.0</i>		
<i>Of which SLI amortisation</i>	<i>110.2</i>	<i>52.7</i>	<i>3.5</i>		<i>54.0</i>		
Fair value adjustments to hedged debt							
Valuation, net	-	-			-		
Total valuation, net	-	-			-		
Derivatives designated as hedges of debt							
Assets	-	-			-		
Liabilities (see Note 13)	-	-			-		
Total valuation, net	-	-			-		
INEFFECTIVE PORTION OF GAIN AND LOSSES ON OUTSTANDING HEDGING TRANSACTIONS	-	-			-		
Fair value adjustments to hedged bonds							
Valuation, net	-	-			-		
Total valuation, net	-	-			-		
Derivatives designated as hedges of bonds							
Assets	-	-			-		
Liabilities (see Note 13)	-	-			-		
Total valuation, net	-	-			-		
INEFFECTIVE PORTION OF GAIN AND LOSSES ON OUTSTANDING HEDGING TRANSACTIONS	-	-			-		

* The Fair Value macro-hedging relationship presents a net result €55 million as at 31 December 2023, including €1 million of income from the ineffectiveness of the hedging relationship, and €54 million from the amortisation of the fair value adjustment of hedged portfolio via SLI (Separate Line Items), the method of which is described in Note C.1.1 Principles for recording derivatives, with reference to IAS 39.92. For the 2022 financial year, the amount indicated as inefficiency in the result of €48.9 million is split as follows:

- > "Real" inefficiency : €2.8 million;
- > SLI amortisation : €46.1 million).

Note 27 Net income or expense of other activities

(in million euros)	2023			2022		
	Income	Expenses	Net	Income	Expenses	Net
Gains/losses on sales of used vehicles	39	-	39	41	-	41
Share of joint venture operations	-	(16)	(16)	-	(19)	(19)
Other banking operating income/expenses	-	(6)	(6)	0	(9)	(9)
Other operating income/expenses	11	(14)	(3)	11	(23)	(12)
TOTAL	50	(36)	14	52	(51)	1

Note 28 General operating expenses

(in million euros)	2023	2022
Personnel costs	(81)	(68)
Remunerations	(51)	(41)
Payroll taxes	(23)	(20)
Employee profit sharing and profit-related bonuses	(7)	(7)
Other general operating expenses	(109)	(93)
<i>of which related companies with STELLANTIS</i>	(54)	(40)
<i>of which related companies with Santander Consumer Finance Group</i>	(2)	(2)
TOTAL	(190)	(161)

In the 2023 financial year, the average headcount (permanent and temporary contracts) of the Banque Stellantis France Group was 935.2 employees. It comprised 451.8 technicians and 501.4 executives.

Note 29 Cost of risk

The tables below present the cost of risk by customer category, as no significant loss has been incurred on other financial assets.

29.1 Changes in loans

(in million euros)	Balance as at 31/12/2022	Net new loans	Cost of risk				Recoveries on loans written off in prior periods	Cost of risk In 2023	Balance as at 31/12/2023
			Charges	Reversals	Credit losses				
Retail									
Stage 1 loans	8,973	1,974	-	-	-	-	-	10,947	
Stage 2 loans	342	75	-	-	-	-	-	417	
Guarantee deposits	0	(2)	-	-	-	-	-	2	
Stage 3 loans	137	85	-	-	(38)	-	(38)	184	
Total	9,452	2,132	-	-	(38)	-	(38)	11,546	
Impairment of stage 1 loans	(21)	(2)	(6)	3	-	-	(3)	(26)	
Impairment of stage 2 loans	(19)	(3)	(7)	3	-	-	(4)	(26)	
Impairment of stage 3 loans	(86)	(14)	(41)	32	-	-	(9)	(109)	
Total impairment	(126)	(18)	(54)	39	-	-	(15)	(161)	
Deferred items included in amortised cost	253	(27)	-	-	-	-	-	226	
Carrying amount (A – see B Note 8.2)	9,578	2,086	(54)	39	(38)	-	(53)	11,610	
Impairment on commitments			(1)	1	-	-	-		
Recoveries on loans written off in prior periods			-	-	-	9	9		
Impairment of other customer transactions			(1)	0	-	-	(1)		
Retail cost of risk			(56)	39	(38)	9	(45)		

(in million euros)	Balance as at 31/12/2022	Net new loans	Cost of risk				Recoveries on loans written off in prior periods	Cost of risk In 2023	Balance as at 31/12/2023
			Charges	Reversals	Credit losses				
Corporate dealers									
Stage 1 loans	3,805	1,627	-	-	-	-	-	-	5,432
Stage 2 loans	666	212	-	-	-	-	-	-	878
Guarantee deposits	-	-	-	-	-	-	-	-	-
Stage 3 loans*	39	(29)	-	-	(1)	-	(1)	(1)	9
Total	4,510	1,810	-	-	(1)	-	(1)	(1)	6,319
Impairment of stage 1 loans	(13)	(1)	(11)	23	-	-	12	(2)	(2)
Impairment of stage 2 loans	(20)	(0)	(10)	10	-	-	-	(20)	(20)
Impairment of stage 3 loans	(15)	(0)	(11)	18	-	-	7	(7)	(7)
Total impairment	(48)	(1)	(32)	51	-	-	19	(30)	(30)
Deferred items included in amortised cost	10	0	-	-	-	-	-	-	10
Carrying amount (B – see A Note 8.2)	4,473	1,809	(32)	51	(1)	-	18	18	6,299
Impairment on commitments			(1)	2	-	-	1		
Recoveries on loans written off in prior periods			-	-	-	-	-		
Impairment of other customer transactions			(1)	0	-	-	(1)		
Corporate dealers cost of risk			(34)	53	(1)	-	18	18	
Corporate and equivalent									
Stage 1 loans	1,383	282	-	-	-	-	-	-	1,665
Stage 2 loans	115	18	-	-	-	-	-	-	134
Guarantee deposits	-	0	-	-	-	-	-	-	0
Stage 3 loans	15	2	-	-	(1)	-	(1)	(1)	16
Total	1,513	302	-	-	(1)	-	(1)	(1)	1,815
Impairment of stage 1 loans	(3)	(0)	(1)	0	-	-	(1)	(4)	(4)
Impairment of stage 2 loans	(2)	(0)	(1)	1	-	-	-	(3)	(3)
Impairment of stage 3 loans	(8)	(0)	(2)	1	-	-	(1)	(9)	(9)
Total impairment	(13)	(0)	(4)	2	-	-	(2)	(15)	(15)
Deferred items included in amortised cost	51	2	-	-	-	-	-	-	53
Carrying amount (C – see C Note 8.2)	1,551	304	(4)	2	(1)	-	(3)	(3)	1,853
Impairment on commitments			(0)	1	-	-	1		
Recoveries on loans written off in prior periods			-	-	-	-	-		
Impairment of other customer transactions			(0)	(0)	-	-	(0)		
Corporate and equivalent cost of risk			(4)	3	(1)	-	(2)	(2)	
TOTAL LOANS									
Stage 1 loans	14,161	3,883	-	-	-	-	-	-	18,044
Stage 2 loans	1,124	305	-	-	-	-	-	-	1,429
Guarantee deposits	0	(2)	-	-	-	-	-	-	(2)
Stage 3 loans	190	58	-	-	(40)	-	(40)	(40)	208
Total	15,475	4,244	-	-	(40)	-	(40)	(40)	19,679
Impairment of stage 1 loans	(37)	(3)	(18)	26	-	-	8	(32)	(32)
Impairment of stage 2 loans	(42)	(3)	(18)	14	-	-	(4)	(49)	(49)
Impairment of stage 3 loans	(108)	(14)	(54)	51	-	-	(2)	(125)	(125)
Total impairment	(187)	(20)	(90)	92	-	-	2	(206)	(206)
Deferred items included in amortised cost	314	(25)	-	-	-	-	-	-	289
Carrying amount (A+B+C)	15,602	4,199	(90)	92	(40)	-	(38)	(38)	19,762
Impairment on commitments			(2)	4	-	-	2		
Recoveries on loans written off in prior periods			-	-	-	9	9		
Impairment of other customer transactions			(2)	0	-	-	(2)		
TOTAL COST OF RISK			(94)	96	(40)	9	(29)	(29)	

* In certain cases, the Banque Stellantis France Group can finance vehicles bought by dealers in stage 3 so that they are not forced to stop their activities. Under IFRS 9, these receivables are considered as Purchased or Originated Credit Impaired (POCI) for €11 million as at the end of December 2023 (€50 million as at the end of December 2022). It has to be noted that while a financing line had been originally granted, these dealers were not in default. Furthermore, these financing are provided under a dedicated limit depending on the risk associated to each dealer and under a close monitoring of Risk Department. Risk exposure is not increasing for these dealers as a new financing can only be granted within the credit limit (thus after the repayment of another financing).

29.2 Change in cost of risk

(in million euros)	Retail	Corporate dealers	Corporate and equivalent	2023	2022
Stage 1 loans					
Allowances	(6)	(11)	(1)	(18)	(6)
Reversals	3	23	0	26	9
Stage 2 loans					
Allowances	(7)	(10)	(1)	(18)	(18)
Reversals	3	10	1	14	5
Stage 3 loans					
Allowances	(41)	(11)	(2)	(54)	(17)
Reversals	32	18	1	51	25
Impairment on commitments					
Allowances	(1)	(1)	(0)	(2)	(1)
Reversals	1	2	1	4	1
Stage 3 other customer transactions					
Allowances	(1)	(1)	(0)	(2)	(1)
Reversals	0	0	(0)	0	2
Credit losses	(38)	(1)	(1)	(40)	(30)
Recoveries on loans written off in prior periods	9	-	-	9	8
COST OF RISK	(45)	18	(2)	(29)	(23)

The Bank's credit management policy is described in the "Credit Risk" section of the Management Report.

29.3 IFRS 9 methodology

The current impairment model is based on an estimate of "expected credit losses". This model is based on the risk parameters such as probability of default (PD) or loss given default (LGD). In accordance with accounting principles, the calculation of risk parameters used to estimate the expected loss takes into account both historical data on a short-term average at a given moment ("Point in Time" approach) and forward-looking data through an assessment of the risk of future deterioration of the receivables (forward looking models). The latter calculation is based on statistical models which allow current and future economic conditions to be included in the estimated expected loss (five macro economic scenarios taken into account, from the most favourable to the most unfavourable).

The results are put to a number of control bodies and committees. Regular monitoring is carried out to confirm the relevance of the Banque Stellantis France Group impairment model and to ensure the best possible estimate of the loss at the closing date.

Since the application of the new default definition on 1 January 2021, the Banque Stellantis France Group has pursued a project to align this prudential approach and IFRS 9, for implementation on 1 January 2022.

Depreciations are classified into three "stages" in accordance with the principles of the IFRS 9 standard:

- "stage 1" contains assets without risk deterioration or with an insignificant risk deterioration since origination. Impairment of receivables in stage 1 is the amount of one-year expected losses;
- "stage 2" contains assets with a significant risk deterioration since origination. Therefore, the amount of allocated provisions will be the amount of expected losses over the remaining term of the assets;

- "stage 3" contains assets with an objective evidence of loss as for example non-performing loans. Impairment of these assets will aim at covering expected losses over the remaining term.

The classification by stage is based on quantitative criteria (for example the age of past due items) and qualitative criteria (for example the application of conditional default).

The main criteria showing a significant risk of credit deterioration (stage 2) are:

- the presence of past due instalments over a short period (not exceeding the default threshold);
- the deterioration of the risk class since contract origination;
- bringing under supervision certain contracts that no longer show any objective indication of loss (such as, for example, settling a long-term outstanding amount or a period of observation after implementing certain measures to restructure receivables following financial difficulties faced by customers (application of forbearance). As part of its financing activities, the Banque Stellantis France Group may, in certain cases, implement measures to restructure receivables following financial difficulties faced by its customers ("forbearance"). These transactions are subject to strict rules, regularly controlled and monitored and, in all cases, considered at least as an indicator of a significant increase in credit risk. In accordance with regulations, monitoring periods are implemented for all "forbearance" type restructuring to be able to accurately monitor the level of risk of these receivables.

Contracts in default are exclusively classified as "stage 3". Default is based on:

- quantitative criteria relating to the age of past-dues;

- qualitative criteria such as bankruptcies or receiverships.

The main sensitivity factors in calculating expected credit losses (ECL) are:

- update of forward-looking scenarios;
- changes associated with the significant deterioration of credit risk, particularly in relation to changes between risk classes;

(in million euros)

	Stage 1	Stage 2	Stage 3	Total
Impairment stock as at 31/12/2022	37	42	108	187
Transfers				
Transfer from stage 1 to stage 2	(1)	12	-	11
Transfer from stage 1 to stage 3	(0)	-	19	18
Transfer from stage 2 to stage 3	-	(4)	20	16
Transfer from stage 2 to stage 1	0	(6)	-	(6)
Transfer from stage 3 to stage 2	-	1	(5)	(4)
Transfer from stage 3 to stage 1	0	-	(0)	(0)
Changes in PDs/LGDs for assets remaining in same stage	3	2	0	5
Methodology changes	-	-	-	-
Financial assets derecognised that are not written off*	(13)	(23)	1	(35)
New financial assets originated	18	28	21	67
Write-offs: top-up provisions in the month before write-off	-	-	5	5
Write-offs: provisions on written-off assets	-	-	(40)	(40)
Post-model adjustment provision	(12)	(2)	(4)	(18)
Impairment stock as at 31/12/2023	32	49	125	206

* These are amounts related to the amortisation of the asset and do not take into account amounts in loss (for example: end of contract, monthly amortisation of the contract).

The main movements between stages are:

- the transitions from stage 1 to stage 2 (impact of €11 million, of which 92% from Retail portfolio) and from stage 2 to stage 3 (impact of €16 million, of which 96% from Retail portfolio) are linked to the daily activity of the Banque Stellantis France Group. The transfers from stage 1 to 2 come mainly from a significant deterioration of the risk classes since the origination of the contracts as well as entries in past due instalment between 1 and 90 days. Transfers from stage 2 to 3 come mainly from defaults due to payments past due for over 90 days;
- the transitions from stage 1 to stage 3 had an impact on provisions of €18 million, of which 96% related to Retail activities. The majority of the contracts concerned went through stage 2 in 2023 before being in stage 3 on 31 December 2023, including also part of the direct transition from stage 1 to stage 3 in the case of insolvency proceedings;
- the net provision on assets written off in financial year 2023 was marked by €35 million in provisions related to the current activity of the Banque Stellantis France (including Belgium, Luxembourg and Netherlands) and with a level similar to the previous financial year. The average coverage rate of provisions over assets written off during 2023 is 86%;
- the changes to the PD/LGD on the remaining assets in the same stage reflect two updates to IFRS 9 rate parameters, at the end of May and the end of October 2023. These recalibrations of the parameters showed an increase in the PD for an impact of €4 million after discounting of forward-looking factors based on macroeconomic scenarios and an increase in the LGD for an impact of €1 million. Forward-looking factors are weighted according to five forecast scenarios (baseline, favourable and very favourable,

- entries and exits from non-performing status

The breakdown of Banque Stellantis France Group's outstanding loans per stage is relatively stable over time. In addition, the gradual transitions between stages allow a progressive evaluation of the risk and a confirmation of the correct identification by the Banque Stellantis France Group of factors indicating a significant increase in risk. Transfers between stages in 2023 are presented in the table below:

unfavourable and very unfavourable) that take into account discounting factors, relevant information on past events and current conditions, as well as projections of macroeconomic factors (such as GDP, real estate prices, unemployment rates, consumer loans, etc.). These forecasting scenarios are provided by the Methodology Department of Banco Santander with a regional analysis by country;

- in May 2023, then in October 2023, recalibrations of the IFRS 9 models, generating a total additional provision of €5 million. These recalibrations are based on a forward-looking approach, including projections of macro-economic indicators. These were updated in the third quarter of 2023;
- derecognised financial assets that are not written off are composed of the amortisation of contracts. New financial assets consist of new production;
- the movement of post-adjustment model provisions is marked by the following events:
 - the post-adjustment provision model was reassessed in 2023 in the context of inflation, following the recalibration of the PD increase, a post-adjustment provision of €3.5 million model was reversed in 2023. At the end of 2023, a provision of €1.5 million remained compared to €5.5 million previously recognised at the end of 2022,
 - following the decision to terminate the network with two years' notice initiated by STELLANTIS in May 2021, a generic provision of €13.5 million was recorded at the end of 2021 for the possible negative impacts of this restructuring. This provision of €13.5 million was fully freed up in October 2023 following the end of the notice period and the signature of fixed-term contracts expiring in 2024 with the dealers who have not completed the sale of their business.

Note 30 Income taxes

30.1 Evolution of balance sheet items

(in million euros)	Balance sheet as at 31/12/2022	Income	Equity	Payments	Balance sheet as at 31/12/2023
Current tax					
Assets	33				21
Liabilities	(1)				(7)
TOTAL	32	(10)	-	(8)	14
Deferred tax					
Assets	10				4
Liabilities	(581)				(696)
TOTAL	(571)	(125)	1	3	(692)

30.2 Income taxes of fully consolidated companies

Deferred income taxes relate to differences between income for consolidated financial reporting and entity tax purposes. These differences relate principally to the accounting treatment of leasing and long-term lease transactions.

Deferred taxes are determined as described in the last paragraph of Note 2.A dedicated to deferred taxes.

In France, the standard corporate income tax rate is 25%.

The Social Security Financing Act (No. 99-1140) dated 29 December 1999, introduced a surtax equal to 3.3% of the corporate income tax liability of French companies raising the theoretical legal rate to 25.8%.

As at 31 December 2023, deferred taxes are evaluated based on the rates of the 2024 French Finance Act published on 31 December 2023.

The OECD "Pillar 2" agreement aims to ensure that multinational companies pay a minimum effective tax rate of 15% in each jurisdiction where they operate, and many countries have launched national legislative procedures to enact these rules establishing a worldwide minimum tax. In December 2023, France adopted the "Pillar 2" legislation

which comes into force on 1 January 2024. As France is the jurisdiction of the Group's parent company formed around Banque Stellantis France, the "Pillar 2" rules established under French law will apply to it for financial years beginning on or after 1 January 2024. The other jurisdictions in which Banque Stellantis France Group operates have also adopted local legislation relating to "Pillar 2" as of 1 January 2024. As none of this legislation – French or foreign – was in force at the closing date, no additional tax, liable to be made payable at the minimum tax rate of 15%, has been recognised in the financial statements for the financial year ended 31 December 2023.

The Group is currently assessing the impact of the French "Pillar 2" legislation and other national legislation on its operations. This assessment consists, in particular, of analysing whether the jurisdictions in which the Group operates have an effective tax rate of less than 15% and whether this circumstance is likely to require additional tax, in France or abroad. Due to the complexity of the "Pillar 2" rules and the uncertainty regarding their application, the quantitative impact of the rules cannot be reasonably estimated at this time.

(in million euros)	2023	2022
Current tax		
Income taxes	(10)	(2)
Deferred tax		
Deferred taxes arising in the year	(125)	(103)
Unrecognised deferred tax assets and impairment losses		-
TOTAL	(135)	(105)

30.3 Banque Stellantis France Group tax proof

(in million euros)	2023	2022
Pre-tax income	501	451
Permanent differences	14	9
Taxable Income	515	460
Theoretical tax	(133)	(119)
<i>Theoretical rate</i>	25.83%	25.83%
Deferred Taxes evaluation without exceptional contribution of 15%	-	15
<i>of which effect of revaluation of deferred taxes assets and liabilities</i>	-	15
Special tax contribution on dividend distributed	-	-
Reclassification of the contribution on added value of incomes taxes (CVAE) as current tax (IAS 12)	-	(2)
Other	(2)	1
Income taxes	(135)	(105)
<i>Group effective tax rate</i>	26.2%	22.8%

30.4 Deferred tax assets on tax losses carryforwards

(in million euros)	31/12/2022	New tax losses	Tax losses used	Allowances/ Reversals	Deferred tax assets derecognised	Exchange difference and other	31/12/2023
Deferred tax assets on tax loss carryforwards	7		(7)				0
Impairment	-						
TOTAL	7		(7)				0

Note 31 Segment information

31.1 Key Balance sheet items

For 2023

(in million euros)	Financing activities					Total as at 31/12/2023
	End user			Unallocated	Insurance and services	
	Corporate dealers	Retail	Corporate and equivalent			
Assets						
Customer loans and receivables	6,299	11,610	1,853	-	-	19,762
Cash, central banks	569	1,049	220	-	-	1,838
Financial assets at fair value through profit or loss	-	-	25	-	-	25
Loans and advances to credit institutions	23	144	634	-	-	801
Other assets				742	-	742
TOTAL ASSETS						23,168
Liabilities						
Refinancing*	4,619	12,133	1,917	-	-	18,669
Due to customers*	5	52	6	-	-	63
Other liabilities				2,078	4	2,082
Equity				2,354	-	2,354
TOTAL LIABILITIES						23,168

* In the segment information, "Customer ordinary accounts in credit", "Passbook savings accounts" and "Term deposit accounts" are classified in "Refinancing".

For 2022

(in million euros)	Financing activities					Total as at 31/12/2022
	End user			Unallocated		
	Corporate dealers	Retail	Corporate and equivalent			
Assets						
Customer loans and receivables	4,473	9,578	1,551	-	-	15,602
Cash, central banks	232	497	119	-	-	848
Financial assets at fair value through profit or loss	-	-	35	-	-	35
Loans and advances to credit institutions	12	135	475	-	-	622
Other assets					477	477
TOTAL ASSETS						17,584
Liabilities						
Refinancing*	2,709	9,591	1,539	-	-	13,839
Due to customers*	9	48	7	-	-	64
Other liabilities					1,547	1,547
Equity					2,134	2,134
TOTAL LIABILITIES						17,584

* In the segment information, "Customer ordinary accounts in credit", "Passbook savings accounts" and "Term deposit accounts" are classified in "Refinancing".

31.2 Key income statement items

For 2023

(in million euros)	Financing activities					2023
	End user				Insurance and services	
	Corporate dealers	Retail	Corporate and equivalent	Unallocated		
Interest and similar income	279	466	58	210		1 013
Interest and similar expenses	(207)	(147)	(22)	(177)		(553)
Fees and commissions income	4	8	8	0	141	161
Fees and commissions expenses	-	-	-	(0)	(8)	(8)
Net gains or losses on financial instruments at fair value through profit or loss*	-	-	-	54		54
Net gains or losses on financial instruments at fair value through other comprehensive income	-	-	-	4		4
Income on other activities	-	38	1	5	6	50
Expenses on other activities	-	(0)	-	(36)		(36)
Net banking revenue	76	365	45	60	139	685
Credit Cost of risk	18	(45)	(2)			(29)
Net income after cost of risk	94	320	43	60	139	656
General operating expenses and equivalent				(195)		(195)
Operating Income	94	320	43	(135)	139	461

* The items not allocated to this heading partly relate to changes in the fair value of hedging instruments and hedged items (ineffectiveness of the hedge according to IAS 39) for €55 million as at 31 December 2023, of which €1 million in income generated by the ineffectiveness of the hedging relationship, and €54 million resulting from the amortisation of the fair value adjustment of the hedged portfolio via the SLI (Separate Line Items) (See Note 26, compared to €48.9 million as at 31 December 2022, which broke down as follows:

> Real ineffectiveness: €2.8 million;

> Amortisation of SLI: €46.1 million).

The other part corresponds to other revenue and expenses.

For 2022

(in million euros)	Financing activities					2022
	End user				Insurance and services	
	Corporate dealers	Retail	Corporate and equivalent	Unallocated		
Interest and similar income	87	381	58	36		562
Interest and similar expenses	(46)	(26)	(6)	(34)		(112)
Fees and commissions income	3	9	5	0	132	149
Fees and commissions expenses	-	(0)	-	(0)	(5)	(5)
Net gains or losses on financial instruments at fair value through profit or loss*	-	-	-	49		49
Net gains or losses on financial instruments at fair value through other comprehensive income	-	-	-	(1)		(1)
Income on other activities	0	32	8	12		52
Expenses on other activities	0	-	-	(51)		(51)
Net banking revenue	44	396	65	11	127	643
Credit Cost of risk	(7)	(12)	(4)			(23)
Net income after cost of risk	37	384	61	11	127	620
General operating expenses and equivalent				(166)		(166)
Operating Income	37	384	61	(155)	127	454

Note 32 Auditors' fees

For 2023 financial year

Pre-tax values (in million euros)	Mazars		PricewaterhouseCoopers Audit	
	Amount	%	Amount	%
Statutory audit services	0.86	97%	1.30	96%
<i>France</i>	0.86		1.14	
<i>Belgium</i>	-		0.11	
<i>Netherlands</i>	-		0.05	
Services except statutory audit services*	0.03	3%	0.05	4%
<i>France</i>	0.03		0.04	
<i>Belgium</i>	-		0.01	
TOTAL	0.89		1.35	

* In 2023, these costs correspond to:

- > the comfort letters issued as part of the Banque Stellantis France bond programme (EMTN);
- > declarations on the procedures agreed relating to the Single Resolution Fund (SRF);
- > the annual certificate issued under EMIR regulations for Stellantis Financial Services Belux.

For 2022 financial year

Pre-tax values (in million euros)	Mazars		PricewaterhouseCoopers Audit	
	Amount	%	Amount	%
Statutory audit services	0.82	97%	1.11	96%
Services except statutory audit services	0.03	3%	0.04	4%
TOTAL	0.85		1.16	

Note 33 Subsequent events

Between 31 December 2023 and 13 February 2024, the date of review of the financial statements by the Board of Directors, no events have occurred that could have a material impact on the economic decisions made on the basis of these financial statements.

2.7 Report of the statutory auditors on the consolidated financial statements

For the year ended 31 December 2023

This is a translation into English of the Statutory Auditors' report on the consolidated financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users. This Statutory Auditors' report includes information required by European regulation and French law, such as information about the appointment of the Statutory Auditors or verification of the information concerning the Group presented in the management report and other documents provided to shareholders. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

Opinion

In compliance with the engagement entrusted to us by your annual General Meeting, we have audited the accompanying consolidated financial statements of Banque Stellantis France ("the Group") for the year ended 31 December 2023.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at 31 December 2023 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory Auditors' "Responsibilities for the Audit of the Consolidated Financial Statements" section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (*Code de commerce*) and the French Code of Ethics (*Code de déontologie*) for statutory auditors, for the period from 1 January 2023 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No. 537/2014.

Justification of Assessments - Key Audit Matters

In accordance with the requirements of Articles L. 821-53 and R. 821-180 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Credit risk - impairment of customer loans

Description of risk

As part of its operations, Banque Stellantis France Group provides financing for the network of STELLANTIS dealer network in France, Belgium, Luxembourg and the Netherlands and provides car loan financing solutions to its end customers, who are both individuals and professionals.

Assessing the existence of a risk of non-recovery and the amount of the impairment set aside to cover this risk requires the Bank's management to exercise judgment. This primarily takes into account risk indicators such as payments that are contractually past-due, the financial condition of borrowers affecting their ability to pay, business sectors experiencing economic stress and the viability of the customer's business model.

As indicated in notes 2, 8 and 29 to the consolidated financial statements, your Group recognises impairment for Expected Credit Losses (ECL) at the time of initial recognition of a financial instrument (loan, debt security, guarantee, etc.), over a twelve-month period for outstandings classified in Stage 1, or at maturity if the credit quality deteriorates significantly for a given transaction or portfolio (Stage 2). Finally, for outstandings proven defaults, the impairment for credit risk is calculated as the expected losses on the remaining life of the instrument (expected losses at maturity), based on the recoverable amount of the receivable, i.e. the present value of the estimated recoverable future cash flows taking into account the effect of the guarantees.

Given the materiality of the outstanding amounts on the Group's balance sheet, the importance of management's judgement in determining the assumptions underlying to the credit risk impairment calculations, in a macro-economic environment with inflation, rising interest rates and tensions caused by the war in Ukraine, as well as the new distribution strategy of STELLANTIS Group leading to the termination of some distribution contracts within STELLANTIS dealers network, we deemed the assessment of the adequacy of credit risk coverage and the associated cost of risk constitute a key audit matter for 2023.

The group's customer loans and receivables amount to €19,8 billion, including €206 million of impairment as at 31 December 2023.

Audit procedures implemented in response to risks identified

With the support of our experts, our work mainly consisted of:

- getting knowledge and assessing:
 - the methodological principles followed for the construction of the models,
 - the staging and parameters processes used in the models (probability of default "PD", loss given default or "LGD"), taking into account, in particular, macro-economic expectations related to inflation over the year 2023,
 - model governance and parameter changes, including analysis of projected economic scenarios and projected economic parameters,
 - the Group's controls over data quality in the source systems, the flow and transformation of this data between the source systems, the engine for calculating the expected loss and the general accounting system,
 - controls over the monitoring of Corporate and Retail loans, the credit files review process, the approval of individual impairment assessed on an expert basis, and their appropriateness in relation to the estimated level of risk.
- conduct procedures to :
 - verify the compliance of models for determining expected loss calculations with the requirements of IFRS 9,
 - verify the quality of the data used for the expected losses calculation,
 - verify the automatic processes for classifying receivables in the various stages including the effects of applying the new definition of default,
 - recalculate the various risk parameters used and the resulting impairments,
 - assess the reasonableness of the different scenarios and macroeconomic variables as at 31 December 2023,
 - assess the assumptions used for the estimation of post-model impairment, including the impairment losses for risks arising from the new distribution strategy of STELLANTIS Group.

We also assessed the information on credit risk presented in the consolidated financial statements for the year ended 31 December 2023.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verification required by laws and regulations of the Group's information given in the management report of the Board of Directors.

We have no matters to report as to their fair presentation and their consistency with the consolidated financial statements.

We attest that the consolidated non-financial statement required by Article L.225-102-1 of the French Commercial Code (*Code de commerce*) is included in the Group's management report (or in the Group's information given in the management report, it being specified that, in accordance with L.823-10 of this Code, we have verified neither the fair presentation nor the consistency with the consolidated financial statements of the information contained therein. This information should be reported on by an independent third party.

Report on Other Legal and Regulatory Requirements

Format of presentation of the consolidated financial statements intended to be included⁷ in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the consolidated financial statements intended to be included in the annual financial report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code (*code monétaire et financier*), prepared under the responsibility of General Manager, complies with the single electronic format defined in the European Delegated Regulation No. 2019/815 of 17 December 2018. As it relates to consolidated financial statements, our work includes verifying that the tagging of these consolidated financial statements complies with the format defined in the above delegated regulation.

Based on the work we have performed, we conclude that the presentation of the consolidated financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

Due to the technical limitations inherent to the block-tagging of the consolidated financial statements according to the European single electronic format, the content of certain tags of the notes may not be rendered identically to the accompanying consolidated financial statements.

Besides, we have no responsibility to verify that the consolidated financial statements that will ultimately be included by your group in the annual financial.

Appointment of the Statutory Auditors

We were appointed as statutory auditors of Banque Stellantis France by the annual General Meeting held on 15 March 2017 for PricewaterhouseCoopers Audit and 10 May 2005 for Mazars.

As at 31 December 2023, PricewaterhouseCoopers Audit and Mazars were in the seventh year and nineteen year of total uninterrupted engagement respectively.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

Statutory auditors' responsibilities for the audit of the consolidated financial statements

Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L. 821-55 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements;
- assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L. 821-27 to L. 821-34 of the French Commercial Code (*Code de commerce*) and in the French Code of Ethics (*Code de déontologie*) for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Neuilly-sur-Seine and Paris-La Défense, 13 March 2024

The Statutory Auditors

PricewaterhouseCoopers Audit
Gaël Colabella

Mazars
Alexandra Kritchmar

3

Banque Stellantis France financial statements as at 31 December 2023

3.1 Management report and 2023 results of operations	234	3.2 Balance sheet and off-balance sheet	237
3.1.1 Comments on the financial statements of the entity Banque Stellantis France	234	3.3 Income statement	239
3.1.2 Payment deadlines	235	3.4 Notes to the financial statements	240
3.1.3 Services provided by the statutory auditors other than audit services	236	3.5 Report of the statutory auditors on the financial statements	253
3.1.4 Financial results for the last five financial years	236		
3.1.5 Outlook	236		

3.1 Management report and 2023 results of operations

3.1.1 Comments on the financial statements of the entity Banque Stellantis France

3.1.1.1 Income statement

Net banking revenue

The net banking revenue of Banque Stellantis France increased by €71,097 thousand from €60,885 thousand at the end of 2022 to €131,982 thousand at the end of 2023 mainly due to higher dividends received from CREDIPAR, which were €64,410 thousand in 2022 and €118,086 thousand in 2023. To this amount were added dividends paid by the subsidiary acquired in May 2023, Stellantis Financial Services Nederland, for an amount of €9,000 thousand.

Interest income received from credit institutions increased by €166,690 thousand mainly due to the increase in interest rates recorded in 2023 compared to the previous financial year. Income from customer transactions increased by €7,455 thousand. This change is mainly due to the increase in interest received on cash loans and overdrafts on current accounts.

Interest expenses paid on term loans increased by €21,705 thousand and by €8,860 thousand for subordinated loans, due to both a volume effect with the doubling of the amount of bank loans and subordinated loans and an interest rate effect linked to the fact that the loans are taken out at variable rates. Interest expenses related to Distingo savings accounts increased by €44,069 thousand, also due to a mixed effect related to an increase in the amount of savings collected as well as an increase in interest rates served to savers. Lastly, interest expenses on bonds and other fixed income securities increased by €87,243 thousand, also due to the combined effect of the rise in rates and a volume effect given the two new bond issues carried out in 2023 and the increase in the ceiling of the NEU CP programme.

3.1.1.2 Balance sheet

The balance sheet total as at 31 December 2023 amounted to €10,314 million compared to €8,020 million in 2022. On the assets side of the balance sheet, this rise is mainly due to the increase in loans granted to its subsidiary CREDIPAR and on

3.1.1.3 Appropriation of profit

The General Meeting, on the proposal of the Board of Directors, notes that the distributable profit amounts to €435,967,035.41, comprising the profit for the 2023 financial year in the amount of €133,266,123.69, along with the balance of "Prior retained earnings" amounting to €302,700,911.72.

The General Meeting, in view of the medium-term trajectory of equity, resolves to allocate the distributable profit for the financial year as follows:

- to "retained earnings": €325,434,081.23;
- to shares: €110,532,954.18.

Cost of risk

The cost of risk stood at €2,725 thousand compared to €5,068 thousand in 2022. This cost of risk's reduction of risk is mainly due to the improvement in the situation of certain automotive dealers that benefited from funding from Banque Stellantis France. This improvement made it possible to reverse the provisions for counterparty risk set up in previous years.

Operating expenses

The Bank's general operating expenses were stable and increased only by €77 thousand in 2023 to reach a total amount of €4,052 thousand as at 31 December 2023.

Net income before tax

The net income before tax amounted to €130,655 thousand in 2023 compared to €61,978 thousand in 2022. This significant increase in the Bank's corporate income is mainly due to the increase in net banking revenue and, in particular, to the increase in the dividends paid by the Bank's subsidiaries.

Net income

Net profit totalised €133,266 thousand in 2023 compared to €62,055 thousand in 2022. The Bank's net income was €2,611 thousand higher than the current income before tax, corresponding to the allocation of tax loss carryforwards to the amount of the 2023 taxable profit of the Banque Stellantis France consolidated group impacting the parent company.

the liabilities side of the balance sheet by the increase in bank borrowings and in outstanding customer deposits.

In accordance with the law, the General Meeting therefore notes that a dividend of €12.21 per share will be paid in respect of the 2023 financial year.

The General Meeting recalls that a dividend of €15.92 per share was paid in respect of the 2022 financial year, no dividend was paid in respect of the 2021 financial year and a dividend of €13.94 per share was paid in respect of the 2020 financial year.

3.1.2 Payment deadlines

The tables below show the delay of payment to suppliers and from clients pursuant to Article D. 441-6 of the French Commercial Code. Figures are shown in thousand euros.

(in thousand euros)	Invoices received on which payment was delayed during the fiscal year					
	0 day (indicative)	1-30 days	31-60 days	61-90 days	91 days or more	Total (1 day or more)
(A) Payment delay tranches						
Total number of invoices affected	8					4
Total incl. VAT amount of invoices affected	2,040	-	-	-	0.2	5.9
Percentage of incl. VAT amount of invoices received during the year	5.69%	0.01%	-	-	0.01%	0.02%
Percentage of incl. VAT amount of invoices issued during the year						
(B) Invoices excluded from (A) relating to disputed or unrecognised debts and receivables						
Number of excluded invoices						
Total amount of excluded invoices						
(C) Standard payment deadlines used (contractual or legal deadline - Articles L. 441-10 to L. 441-16 of the French Commercial Code)						
Payment deadlines used for calculating payment delays	Per contractual deadlines: per vendors and within a maximum period of 45 days end of month from the invoice date, pursuant to the Law on the Modernisation of the Economy (Articles L. 441-10 to L. 441-16 of the French Commercial Code)					

(in thousand euros)	Invoices issued on which payment was delayed during the fiscal year					
	0 day (indicative)	1-30 days	31-60 days	61-90 days	91 days or more	Total (1 day or more)
(A) Payment delay tranches						
Total number of invoices affected	-					-
Total incl. VAT amount of invoices affected	-	-	-	-	-	-
Percentage of incl. VAT amount of invoices received during the year						
Percentage of incl. VAT amount of invoices issued during the year	-	-	-	-	-	-
(B) Invoices excluded from (A) relating to disputed or unrecognised debts and receivables						
Number of excluded invoices						
Total amount of excluded invoices						
(C) Standard payment deadlines used (contractual or legal deadline - Articles L. 441-10 to L. 441-16 of the French Commercial Code)						
Payment deadlines used for calculating payment delays	Per contractual deadlines: per customers					

With regard to invoices issued and not paid at the closing date of the financial year, banking operations are excluded from the scope of information relating to payment terms.

3.1.3 Services provided by the statutory auditors other than audit services

For Banque Stellantis France, the services provided by the statutory auditors other than audit services correspond on the one hand to comfort letters issued as part of the Banque Stellantis France (EMTN) programme totalling €22.5 thousand each for PricewaterhouseCoopers Audit and

Mazars, respectively, and on the other hand to declarations about contributions to the Single Resolution Fund (SRF) totalling €3.9 thousand for PricewaterhouseCoopers Audit and €9.8 thousand for Mazars.

3.1.4 Financial results for the last five financial years

Pursuant to the provisions of Article R. 225-102 of the French Commercial Code, the following table presents the Company's results for the last five financial years.

(Articles D. 133, D. 135, D. 148 of the decree of 23 March 1967)

(in thousand euros, unless otherwise specified)	Financial year 2023	Financial year 2022	Financial year 2021	Financial year 2020	Financial year 2019
Share capital at the end of the year					
Share capital	144,843	144,843	144,843	144,843	144,843
Number of shares issued	9,052,658	9,052,658	9,052,658	9,052,658	9,052,658
Result of operations of the past fiscal year					
Revenue before tax	5,766	5,329	5,993	6,172	6,627
Income before tax, depreciation, amortisation and provisions	127,930	56,910	72,249	82,443	139,307
Income taxes	2,611	77	1,823	(640)	(755)
Income after tax, depreciation, amortisation and provisions	133,266	62,055	73,556	81,737	139,944
Dividends	110,533	144,118	-	126,194	120,310
Result of operations per share (in euros)					
After tax income, but before depreciation, amortisation and provisions	14.42	6.30	8.18	9.04	15.31
After-tax Income after depreciation, amortisation and provisions	14.72	6.85	8.13	9.03	15.46
Net dividend for each share					
Distributed dividend	12.21	15.92	-	13.94	13.29
No tax credit (tax integration)	-	-	-	-	-
Equity (Note 15)	1,193,026	1,203,878	1,141,823	1,194,461	1,233,034
Total payroll for the period	-	-	-	-	-
Amounts paid for social benefits	-	-	-	-	-

Banque Stellantis France does not have direct employees. It is invoiced for expenses relating to external employees.

3.1.5 Outlook

After reorganising STELLANTIS's financing activities in early April 2023, Banque Stellantis France will continue to support the development of the historic Peugeot, Citroën and DS brands in 2024 and deliver the same commitment, expertise and products for the benefit of the brands newly financed by the Bank, namely Opel, Fiat, Abarth, Alfa Romeo, Jeep, Maserati and Ram, as well as their dealer networks.

Banque Stellantis France will also continue to provide its full support to the development of its subsidiaries, and in particular to CREDIPAR, by providing it with the funding necessary to increase its activity both with its end-user customers and with the dealer networks of the STELLANTIS brands.

3.2 Balance sheet and off-balance sheet

Balance sheet

(in thousand euros)	31/12/2023	31/12/2022
Assets		
Loans and receivables to credit institutions (Note 3)	8,756,429	6,795,324
Loans and advances to credit institutions	8,756,429	6,795,324
Customer loans and receivables (Note 4)	461,743	314,011
Other customer loans	246,494	223,600
Ordinary accounts in debit	215,249	90,411
Equity-type investments and other securities held for long-term investment (Note 5)	1,051,281	860,874
Other assets (Note 6)	29,169	42,383
Accruals (Note 7)	15,009	7,544
TOTAL ASSETS	10,313,631	8,020,136
(in thousand euros)	31/12/2023	31/12/2022
Equity and liabilities		
Deposits from credit institutions (Note 8)	807,848	423,636
Due to credit institutions	807,848	423,636
Due to customers (Note 9)	3,679,461	3,313,269
Debt securities (Note 10)	4,237,437	2,866,033
Other liabilities (Note 11)	69,067	40,374
Accruals (Note 12)	24,419	17,062
Provisions (Note 13)	877	594
Subordinated debt (Note 14)	301,496	155,290
Equity (Note 15)	1,193,026	1,203,878
Share premiums	593,347	593,347
Share capital	144,843	144,843
Reserves	18,869	18,869
Retained earnings	302,701	384,764
Net income	133,266	62,055
TOTAL EQUITY AND LIABILITIES	10,313,631	8,020,136

Off-balance sheet

(in thousand euros)	31/12/2023	31/12/2022
Commitments given		
Financing commitments	307,015	155,172
Financing commitments given to customers	87,015	125,172
Financing commitments given to credit institutions ⁽¹⁾	220,000	30,000
Guarantees commitments	681	681
Guarantees given to customers ⁽²⁾	301	301
Guarantees given to credit institutions ⁽³⁾	380	380
Commitments received		
Financing commitments	-	-
Financing commitments received from credit institutions	-	-
Guarantees commitments	(92,028)	(85,280)
Guarantees received from credit institutions	-	-
Other guarantees received from customers	(92,028)	(85,280)

(1) Loans granted to CREDIPAR with a value date not reached, for €220,000 thousand at the end of December 2023.

(2) Reversal of customer guarantees by Stellantis Financial Services Europe since 2015 concerning new contracts.

(3) Guarantees given to CREDIPAR for €150 thousand, CLV for €115 thousand and Stellantis Financial Services Europe for €115 thousand.

3.3 Income statement

(in thousand euros)	31/12/2023	31/12/2022
Interest and similar income	222,971	48,826
Transactions with credit institutions (Note 16)	211,823	45,133
Customer transactions (Note 17)	11,148	3,693
Interest and similar expenses	(219,515)	(53,026)
Transactions with credit institutions (Note 16)	(46,149)	(15,448)
Customer transactions (Note 17)	(71,826)	(23,281)
Bonds and fixed income securities (Note 18)	(101,540)	(14,297)
Variable income securities (Note 19)	127,086	64,410
Fees and commissions – income (Note 20)	3,201	2,702
Fees and commissions – expenses (Note 20)	(871)	(430)
Other banking operating income (Note 21)	87	70
Other banking operating expenses (Note 21)	(976)	(1,667)
Net banking revenue	131,982	60,885
General operating expenses (Note 22)	(4,052)	(3,975)
Gross operating income	127,930	56,910
Cost of risk (Note 23)	2,725	5,068
Operating income	130,655	61,978
Gains or losses on fixed assets	-	-
Pre-tax income	130,655	61,978
Extraordinary result	-	-
Income taxes (Note 24)	2,611	77
Net income	133,266	62,055
Earnings per share (in euros)	14.72 €	6.85 €

3.4 Notes to the financial statements

SUMMARY OF NOTES

Note 1	Main events of the financial year	241	Note 15	Change in equity	248
Note 2	Accounting policies	241	Note 16	Interest and similar income and expenses on transactions with credit institutions	249
Note 3	Loans and receivables to credit institutions	244	Note 17	Interest and similar income and expenses on customer transactions	250
Note 4	Customer loans and receivables	244	Note 18	Interest and similar expenses on bonds and fixed income securities	250
Note 5	Equity-type investments and other securities held for long-term investment	245	Note 19	Interest and similar income on variable income securities	250
Note 6	Other assets	245	Note 20	Fees and commissions	251
Note 7	Accruals – Assets	245	Note 21	Other banking operating income and expenses	251
Note 8	Deposits from credit institutions	246	Note 22	Other operating income and expenses	251
Note 9	Due to customers	246	Note 23	Cost of risk	252
Note 10	Debts securities	247	Note 24	Income taxes	252
Note 11	Other liabilities	247	Note 25	Subsidiaries and equity interests	252
Note 12	Accruals – Liabilities	247	Note 26	Subsequent events	252
Note 13	Provisions for contingencies and losses	248			
Note 14	Subordinated debts	248			

Note 1 Main events of the financial year

A. Macroeconomic context

During the first half of 2023, the European Central Bank continued to raise its interest rates, but by slowing the pace of increases, before maintaining them stable since mid-September 2023, taking into account both the decline in inflation and weak economic growth in the eurozone.

B. Restructuring of STELLANTIS's financing activities in Europe

Following the negotiations carried out since 2021 between Stellantis Financial Services Europe and its main banking partners, BNP Paribas Personal Finance, Crédit Agricole Consumer Finance and Santander Consumer Finance, from 3 April 2023, the latter became the exclusive partner of Stellantis Financial Services Europe and of all STELLANTIS brands and their dealer networks in France, Belgium and Luxembourg, the Netherlands, Italy, Spain, Portugal and Poland.

This new agreement covers both the funding of end-user vehicles (financing for end-users vehicles) and the funding (financing) allocated to the dealer networks of all STELLANTIS brands in the countries concerned. However, the Banque Stellantis France Group has stopped offering long-term lease (rental) financing to corporate customers. The right to offer this type of funding (financing) to this category of customer has been sold to Leasys, a 50%-owned subsidiary of STELLANTIS, specialising in this activity for the whole of Europe.

Note 2 Accounting policies

The financial statements of Banque Stellantis France are prepared and presented according to the principles applicable to credit institutions in France, notably Regulation No. 2014-07 of 26 November 2014 on the financial statements of companies in the banking sector, which came into force on 1 January 2015 and was then amended by Regulation No. 2020-10 of 22 December 2020.

Significant accounting policies applied by the Group are described in Sections A to G below.

The term "related companies" denotes all the companies in the scope of consolidation of STELLANTIS and Santander Consumer Finance groups, to which Banque Stellantis France belongs

A. Fixed assets

As at 31 December 2023, Banque Stellantis France holds no tangible nor intangible fixed assets.

B. Securities

In accordance with the provisions of Regulation ANC No. 2014-07 Book II – Heading 3, of 26 November 2014, securities are classified according to the intention behind their ownership.

Investment securities

Investment securities include securities acquired with a view

On 3 April 2023, as part of this new organisation of STELLANTIS's financing activities, PSA Banque France changed its corporate name to Banque Stellantis France.

C. Change of brand for the savings collection activity

At the time of its tenth anniversary and the change in the corporate name of PSA Banque France, the brand name "Distingo by PSA Banque" becomes "Distingo Bank". This brand is now also used by the Banque Stellantis France subsidiary, CREDIPAR, for the launch of a savings offer in Germany since June 2023 as well as in Spain and the Netherlands in November 2023.

D. Acquisition of two new subsidiaries

In May 2023, Banque Stellantis France acquired 100% of the share capital of Stellantis Financial Services Belux and Stellantis Financial Services Nederland from their sole shareholder, Stellantis Financial Services España. The aim of this internal reorganisation is to maintain the same efficiency in terms of capital for the shareholder groups and, in particular, for the Santander Group.

to being held but not until maturity. The shares are registered for their purchase price excluding acquisition fees. For fixed income securities, any differential between the acquisition price and the redemption price is amortised on a straight-line basis over their residual life. The carrying amount of the securities is thus gradually adjusted to the redemption value.

When the market price of the securities at the closing date is lower than the carrying amount on the balance sheet, an impairment loss is recognised.

Latent capital gains are not recognised. Interest is entered on the income statement under the heading "Other interest income", with accrued interest not yet due being accounted for prorata temporis.

Equity securities and shares in related companies

If the long-term possession of the securities is considered to be useful to the bank's activity, they are classed as equity investments. These securities are stated at cost, excluding incidental acquisition expenses.

On the balance sheet, these securities are kept at their historical cost, except in the event of a long-term fall in their value in use, in which case impairments are recognised. Their value in use is ascertained by looking at several parameters, namely the amount of the net asset and the prospects of future profits and future cash-flows (dividend forecasts for years to come). Latent capital gains are not recognised.

As at 31 December 2023, Banque Stellantis France held 100% of the shares in CREDIPAR, itself holding 100% of the shares in CLV as well as 100% of the shares of the two companies acquired in May 2023, Stellantis Financial Services Belux and Stellantis Financial Services Nederland. This group of companies constitutes a scope of consolidation for the

C. Loans and advances to customers

The gross value of financing granted to customers includes the principal amount lent and the accrued interest, recognised under financial income on a monthly basis. Loans granted are recognised on the balance sheet at their nominal value.

In accordance with Regulation ANC No. 2014-07 of 26 November 2014, commitments with maturities unpaid for over 90 days, or with proven risks of non-collection ("D grading" in the internal rating) are classed as doubtful loans.

Doubtful loans include outstandings for which legal proceedings affect the counterparty, in particular proceedings for over-indebtedness, receivership, judicial settlement, judicial liquidation, personal bankruptcy, liquidation of property, as well as summons before an international court.

The classification of a given counterparty as doubtful loan results by "contagion" in an identical classification of all outstandings and commitments relating to this counterparty, notwithstanding the existence of any guarantee or surety. This rule does not apply to outstanding affected by one-off disputes not related to the insolvency of the counterparty, nor to credit risk depending on the solvency of a third party and not that of the counterparty itself (in the case of commercial discounting).

When the counterparty belongs to a group segmented Corporate, the consequences of this default are examined at group level and the need to classify as doubtful loans all the outstandings relating to the legal entities forming this Corporate group is assessed.

In accordance with Regulation ANC No. 2014-07 of 26 November 2014, commitments deemed irrecoverable or which have maturities unpaid for over 149 days are classified as compromised doubtful loans. From this moment onwards, the acceleration is quickly pronounced and the accounting of the corresponding financial revenues is then suspended.

In the two cases above (doubtful and compromised doubtful), impairments are calculated individually, taking account of any guarantees.

Following the assets quality review (AQR) carried out in 2014 by the European Central Bank, various additional indicators (country risks, sectors, risky zones, etc.) have been taken into account in order to determine impairments on a collective basis.

At the request of the regulator, an impairment model was developed. The Company has recognised a collective impairment on sound Corporate loans since the end of 2014.

A doubtful loan may be restructured, due to the financial situation of the debtor. Depending on the restructuring methods chosen, the Company may record a discount.

The discount corresponds to the difference between the discounting of initially expected contractual flows and the discounting of future capital flows and of interest from the restructuring.

financing activity of STELLANTIS brands in France, Belgium, Luxembourg and in the Netherlands jointly held by Santander Consumer Finance and Stellantis Financial Services Europe (formerly Banque PSA Finance).

Independently of the aspects linked to the additional guarantees which may be requested, the following restructuring methods may be used, alone or combined:

- write-off: The waiver of principle or interest (due or accrued) is entered under losses; the write-off is no longer on the asset side;
- free payment deferral: Repayment extensions (or "free" grace period) may be imposed by an over-indebtedness commission, which can decide a moratorium. In this case, the discount corresponds to the discounting (at the loan rate) during the moratorium;
- reduction in interest rate: Interest rate decreases automatically lead to the creation of a discount. The discount corresponds to the difference between flows discounted at the new loan rate and flows discounted at the initial loan rate;
- extension of the loan term: Taken in isolation (without repayment postponement or reduction in rate), the extension of the loan term does not produce a discount, with the effective interest rate of the loan remaining unchanged. In this particular case, the loan is not considered to be restructured, just re-scheduled.

For its restructured loans, the Company has chosen to return to sound loans, in a specific sub-category (Restructured sound loans), until the final maturity.

This possibility is specifically provided for by ANC Regulation No. 2014-07 of 26 November 2014, subject to the following conditions being met:

- immediate return to doubtful loans as of first past-due instalment;
- communication in the appendix of the treatment applied to Restructured Loans (principles and method, amount);
- maintaining an impairment which is at least equal to any discounted value.

The entry under restructured sound loans is made as soon as the details of the new relationship between the Company and the client are known (free payment deferral, reduction in rate, etc.).

Since the existence of previous restructuring is an effective indicator of a loss event, it was decided to maintain an impairment on restructured loans, equal to that on outstanding sound loans with past-due instalments.

Considering the Company maintains impairment of restructured loans above the amount of the discount, no discount is booked, in accordance with the provision in Article 2221-5 of Regulation ANC No. 2014-07 of 26 November 2014.

If after a return to the status of sound loan for restructuring, the debtor does not respect the due dates, it is immediately transferred to doubtful loans, from the first missed instalment. After 149 days of non-payment, it is downgraded to compromised doubtful loan, following the classic procedure.

D. Derivatives

Nature of the transactions

Income and expenses linked to interest rate swap operations are entered according to Regulation ANC No. 2014-07 of 26 November 2014, depending on whether the contract's purpose is to:

- maintain open positions;
- hedge the rates risk affecting one specific item or a homogeneous set of items;
- hedge and manage the overall rates risk;
- enable specialised management of a trading portfolio.

The impact of interest rate variations on the economic value of the balance sheet and the net interest margin is managed respecting the threshold set when contracting derivatives with banking counterparties. These derivatives are classified as macro-hedging.

Accounting principles

Derivatives active on the closing date come under off-balance sheet commitments. Interest rates derivatives are recognised according to Regulation ANC No. 2014-07 of 26 November 2014.

Amounts recognised in off-balance sheet accounts correspond to nominal commitments and represent the volume of operations and not the risks associated with them.

Macro-hedging transactions

Operations hedging fixed rate customer loans of Banque Stellantis France are classified as macro hedges: income and expenses are recognised prorata temporis in the income statement.

When swap options are bought, the premium paid is spread over the term of the swap from its settlement date. If the option is not exercised, the premium is entirely placed under expenses. Options are not sold.

Micro-hedging transactions

For the Banque Stellantis France operations classified as micro-hedging operations, income and expenses relating to the derivatives used, originally allocated to an item or a homogenous group of items, are offset in earnings against the gains and losses relating to the hedged item.

Cash payment treatment

Fees recorded when contracts are terminated or assigned, or when they are replaced by another contract, are recognised immediately in income.

Advance on expected derivative result treatment - margin calls

For swaps with advance paid or received on future result:

- the advance paid is entered under "prepaid expenses";
- the advance received is entered under "deferred income".

E. Foreign currency transactions

As at 31 December 2023, Banque Stellantis France had not registered any currency operations.

F. Fees

This was mainly commission received by Banque Stellantis France on cash flows registered on current account movements.

G. Income tax

In 2016, the Banque Stellantis France tax consolidation group was created, grouping its 100% subsidiary, CREDIPAR, as well as CLV, 100% subsidiary of CREDIPAR.

Note 3 Loans and receivables to credit institutions

Analysis on demand and time accounts

(in thousand euros)	31/12/2023	31/12/2022
Ordinary accounts in debit	97,269	110,575
<i>of which related companies</i>	-	-
<i>of which accrued interest</i>	844	-
Overnight loans	230,416	296
<i>of which related companies⁽¹⁾</i>	230,416	296
Term loans	8,362,500	6,675,000
<i>of which related companies⁽²⁾</i>	8,362,500	6,675,000
Accrued interest	66,244	9,453
<i>of which related companies</i>	66,244	9,453
TOTAL	8,756,429	6,795,324

(1) Banco Santander: €416 thousand of margin calls received from the LCH Clearnet clearing house via the clearing member Banco Santander.
CREDIPAR: overnight loans of €230,000 thousand.

(2) CREDIPAR : term loans of €8,362,500 thousand.

Schedule of term loans as at 31 December 2023

(in thousand euros)	Less than 3 months	From 3 months to 1 year	From 1 year to 5 years	More than 5 years	Total
Term loans	625,000	3,432,500	4,005,000	300,000	8,362,500

Note 4 Customer loans and receivables

(in thousand euros)	31/12/2023	31/12/2022
Customer loans and receivables	245,907	221,840
Short-term credit facilities	215,932	183,978
Equipment loans	6,971	9,225
Property loans	21,873	28,637
Other customer loans	1,132	-
Ordinary accounts in debit	215,249	90,411
Accrued interest	153	199
Cash credit facilities	89	79
Equipment loans	6	9
Property loans	58	111
Other customer loans	-	-
Net compromised doubtful loans	434	1,561
Gross amount	4,872	9,475
Impairments*	(4,438)	(7,914)
TOTAL	461,743	314,011

* Changes in the cost of risk are presented in Note 23.

Schedule of customer loans and receivables excluding accrued interest as at 31 December 2023

(in thousand euros)	Less than 3 months	From 3 months to 1 year	From 1 year to 5 years	More than 5 years	Total
Other customer loans (excluding non allocated values and impairments on sound loans)	161,317	20,262	55,141	9,187	245,907

Note 5 Equity-type investments and other securities held for long-term investment

(in thousand euros)	31/12/2023	31/12/2022
Shares in credit institutions	1,045,549	855,425
Shares in CREDIPAR*	855,425	855,425
Shares in Belgium, Luxembourg*	113,022	-
Shares in the Netherlands*	77,102	-
Certificate for the deposit guarantee fund	5,732	5,449
TOTAL	1,051,281	860,874

* See Note 25 "Subsidiaries and equity interests".
There is no provision for securities impairment.

Note 6 Other assets

(in thousand euros)	31/12/2023	31/12/2022
Government and social agencies*	20,382	37,632
Taxes receivable from subsidiaries	-	-
<i>of which related companies</i>	-	-
Guarantee deposits	4,716	4,303
Other assets	4,018	87
Margin calls	53	361
<i>of which related companies</i>	53	361
TOTAL	29,169	42,383

* This item includes the 2023 tax advance on investment income paid on behalf of customers as part of the Distingo business (€5,382 thousand) and the social tax paid in respect of the tax consolidation (€15,000 thousand).

Note 7 Accruals – Assets

(in thousand euros)	31/12/2023	31/12/2022
Share premium of fixed income securities*	2,537	1,140
Other deferred charges on term borrowings	1,626	873
Deferred charges	9,916	5,120
Deferred income	10	167
Other	920	244
TOTAL	15,009	7,544

* Issue premiums on EMTN and NEU MTN.

Note 8 Deposits from credit institutions

Analysis of demand and time accounts

(in thousand euros)	31/12/2023	31/12/2022
Ordinary accounts in credit	5,172	8,156
<i>of which related companies⁽¹⁾</i>	5,163	8,155
Accounts and time deposits ⁽²⁾	800,000	415,000
<i>of which related companies</i>	-	15,000
Accrued interest	2,676	480
On ordinary accounts and deposits at overnight rates	-	-
<i>of which related companies</i>	-	-
On time deposits	2,676	480
<i>of which related companies</i>	-	-
TOTAL	807,848	423,636

(1) Accounts payable of CLV, CREDIPAR, Stellantis Financial Services Europe.

(2) Bank credit lines.

Schedule of demand and time deposits as at 31 December 2023

(in thousand euros)	Less than 3 months	From 3 months to 1 year	From 1 year to 5 years	More than 5 years	Total
Accounts and time deposits					
Related companies	-	-	-	-	-
Other credit institutions	-	300,000	500,000	-	800,000

Note 9 Due to customers

Analysis of demand and time deposits

(in thousand euros)	31/12/2023	31/12/2022
Demand deposits	3,129,973	2,972,825
Ordinary accounts payable - dealers	278,348	238,580
<i>of which related companies</i>	-	-
Passbook savings accounts - retail customers ⁽¹⁾	2,851,112	2,728,189
<i>of which payables related to passbook accounts</i>	-	-
Other amounts due	512	6,056
Time deposits	549,488	340,444
Time deposit accounts - retail customers ⁽²⁾	533,316	326,683
Time deposit accounts - dealers	7,872	9,364
Guarantee deposits	40	40
Accrued interest	8,260	4,357
TOTAL	3,679,461	3,313,269

(1) Sight deposit accounts of retail customers paid to Banque Stellantis France as part of the Distingo business.

(2) Term deposit accounts of retail customers paid to Banque Stellantis France as part of the Distingo business.

Schedule of term deposit accounts as at 31 December 2023

(in thousand euros)	Less than 3 months	From 3 months to 1 year	From 1 year to 5 years	More than 5 years	Total
Time deposit accounts - retail customers					
Non-group companies	132,573	258,394	142,349	-	533,316
Time deposit accounts (dealers)					
Non-group companies	-	4,720	508	2,644	7,872

Note 10 Debts securities

(in thousand euros)	31/12/2023	31/12/2022
Interbank instruments and money-market securities	4,182,500	2,860,000
Issue of NEU MTN/EMTN ⁽¹⁾	2,210,000	1,880,000
Issue of NEU CP ⁽²⁾	1,972,500	980,000
Accrued interest	54,937	6,033
Accrued interest	54,937	6,033
TOTAL	4,237,437	2,866,033

(1) Following the implementation in 2016 of NEU MTN and bonds (EMTN) issuance programmes, as at 31 December 2023, the value of securities issued amounted to €2,210,000 thousand.

(2) Following the introduction in 2016 of an NEU CP issuance programme, as at 31 December 2023, the value of securities issued amounted to €1,972,500 thousand.

Schedule of debt securities as at 31 December 2023

(in thousand euros)	Less than 3 months	From 3 months to 1 year	From 1 year to 5 years	More than 5 years	Total
Debt securities					
Related companies			13,800	-	13,800
Non-group companies	325,000	2,212,500	1,631,200	-	4,168,700

Note 11 Other liabilities

(in thousand euros)	31/12/2023	31/12/2022
Government and social agencies*	63,077	40,364
Other liabilities	13	10
Trade payables	5,977	0
TOTAL	69,067	40,374

* This item includes tax and social security contributions relating to the Distingo activity to be paid to the French Treasury (€18,656 thousand). This item also includes corporation tax amounts due to subsidiaries which are members of the tax consolidation group incorporated around Banque Stellantis France applying consolidation rules (€44,323 thousand).

Note 12 Accruals – Liabilities

(in thousand euros)	31/12/2023	31/12/2022
Other differed income ⁽¹⁾	15,133	10,589
Other deferred expenses ⁽²⁾	6,973	4,664
<i>of which related companies</i>	6,219	4,224
Other	2,313	1,806
Accrued expenses on derivatives	-	3
<i>of which related companies with Santander</i>	-	-
TOTAL	24,419	17,062

(1) All of the expenses on the various types of funding raised by Banque Stellantis France and which are transferred to CREDIPAR.

(2) Notably expenses for provision of services provided by the two shareholders and CREDIPAR.

Note 13 Provisions for contingencies and losses

(in thousand euros)	31/12/2022	Allowance	Reversal resulting from utilisation	Reversal of provision now considered unnecessary	31/12/2023
Provisions for risk of execution of network commitments	-		-		
Provisions for contingencies and losses	594	337	-	(54)	877
Provisions on sound loans					
Ordinary accounts in debit	172	271	-	(33)	410
Other customer loans*	404	66	-	(17)	453
Equipment loans	18	-	-	(4)	14
TOTAL	594	337	-	(54)	877

* Including €410 thousand in provisions on cash loans and €42 thousand on home loans.

Note 14 Subordinated debts

(in thousand euros)	31/12/2023	31/12/2022
Other term subordinated loans*	300,000	155,000
<i>of which related companies with Santander Consumer Finance</i>	<i>150,000</i>	<i>77,500</i>
<i>of which related companies with Stellantis Financial Services Europe</i>	<i>150,000</i>	<i>77,500</i>
Accrued	1,496	290
<i>of which related companies with Santander Consumer Finance</i>	<i>748</i>	<i>145</i>
<i>of which related companies with Stellantis Financial Services Europe</i>	<i>748</i>	<i>145</i>
TOTAL	301,496	155,290

* Subordinated loans had been arranged for two of them in December 2017 for a total of €155,000 thousand. They were repaid at the end of February 2023 with two new loans for an amount each of €105,000 thousand, subscribed in equal shares by Santander Consumer Finance and by Stellantis Financial Services Europe. In December 2023, two other loans, each for an amount of €45,000 thousand, were also arranged, bringing the total amount of subordinated loans to €300,000 thousand.

Note 15 Change in equity

(in thousand euros)	31/12/2022	2022 Income appropriation	Change in capital	2023 net income	31/12/2023
Share capital ⁽¹⁾	144,843	-	-	-	144,843
Issue, share and merger premiums	593,347	-	-	-	593,347
Legal reserve	14,484	-	-	-	14,484
Other reserves	4,385	-	-	-	4,385
Retained earnings	384,764	(82,064)	-	-	302,701
Net income ⁽²⁾	62,055	(62,055)	-	133,266	133,266
TOTAL	1,203,878	(144,118)	-	133,266	1,193,026

(1) As at 31 December 2023, the capital was made up of 9,052,658 shares with a par value of €16.

Banque Stellantis France is consolidated by the equity method in the consolidated accounts of Stellantis Financial Services Europe and fully consolidated in the accounts of Santander Consumer Finance.

Banque Stellantis France is 50% held by Stellantis Financial Services Europe and 50% by Santander Consumer Finance.

(2) The General Meeting, on the proposal of the Board of Directors, notes that the distributable profit amounts to €435,967,035.41, comprising the profit for the 2023 financial year in the amount of €133,266,123.69 long with the balance of "Prior retained earnings" amounting to €302,700,911.72.

The General Meeting, in view of the medium-term trajectory of equity, resolves to allocate the distributable profit for the financial year as follows:

- > to "retained earnings": €325,434,081.23;
- > to shares: €110,532,954.18.

The General Meeting therefore notes that a dividend of €12.21 will be paid in respect of the 2023 financial year.

In accordance with the law, the General Meeting recalls that a dividend of €15.92 per share was paid in respect of the 2022 financial year, no dividend was paid in respect of the 2021 financial year and a dividend of €13.94 per share was paid in respect of the 2020 financial year.

Note 16 Interest and similar income and expenses on transactions with credit institutions

(in thousand euros)	2023	2022
Income		
Interest on ordinary accounts in debit	2,192	6
Interest on overnight loans	-	-
<i>of which related companies (CREDIPAR)</i>	-	-
Interest on time deposits	204,441	40,259
<i>of which related companies (CREDIPAR)</i>	204,441	40,259
Net impact of the borrowings micro-hedge	-	-
Income from guarantee commitment	-	-
Other interest income	2,719	2,318
Income on issuing costs	2,472	2,550
<i>of which related companies (CREDIPAR)</i>	2,472	2,550
TOTAL	211,823	45,133
Expenses	2023	2022
Interest on ordinary accounts in credit	(39)	(32)
Interest on time deposits	(22,233)	(528)
<i>of which related companies (Santander Consumer Finance)</i>	-	-
Interest on subordinated debt*	(11,904)	(3,044)
<i>of which related companies (Stellantis Financial Services Europe)</i>	(5,952)	(1,522)
<i>of which related companies (Santander Consumer Finance)</i>	(5,952)	(1,522)
Other interest expenses	(11,611)	(11,710)
<i>of which related companies (CREDIPAR)</i>	(26)	(1,296)
<i>of which related companies (Santander Consumer Finance)</i>	(9,350)	(7,236)
Expenses on guarantee commitment	(1)	(1)
<i>of which related companies (Santander Consumer Finance)</i>	-	-
Expenses on issuing costs	(361)	(133)
<i>of which related companies (Santander Consumer Finance)</i>	(105)	(106)
TOTAL	(46,149)	(15,448)

* Subordinated loans had been arranged for two of them in December 2017 for a total of €155,000 thousand. They were repaid at the end of February 2023 with two new loans for an amount each of €105,000 thousand, subscribed in equal shares by Santander Consumer Finance and by Stellantis Financial Services Europe. In December 2023, two other loans, each for an amount of €45,000 thousand, were also arranged, bringing the total amount of subordinated loans to €300,000 thousand.

Note 17 Interest and similar income and expenses on customer transactions

(in thousand euros)	2023	2022
Income		
Interest income from customer transactions	11,141	3,687
Trade receivables	-	-
Short-term credit facilities	7,152	1,942
Equipment loans	112	135
Property loans	725	926
Other customer loans	71	-
Ordinary accounts in debit	3,082	684
Income from guarantee commitments	6	6
TOTAL	11,148	3,693
Expenses		
Interest on ordinary accounts	-	-
<i>of which related companies</i>	-	-
Interest expenses on savings accounts – retail customers ⁽¹⁾	(63,794)	(19,725)
Interest expenses on time accounts	(8,032)	(3,556)
<i>of which related companies</i>	-	-
<i>of which non-group companies</i>	(8,032)	(3,556)
TOTAL	(71,826)	(23,281)

(1) This item records interest on Distingo savings accounts.

Note 18 Interest and similar expenses on bonds and fixed income securities

(in thousand euros)	2023	2022
Interest expenses		
Interest expenses on debt securities ⁽¹⁾	(101,522)	(14,189)
Interest expenses on securities ⁽²⁾	(18)	(108)
TOTAL	(101,540)	(14,297)

(1) These are expenses related to NEU MTN and EMTN issues.

(2) These are expenses related to NEU MTN hedging swaps.

Note 19 Interest and similar income on variable income securities

(in thousand euros)	2023	2022
Income on shares in related companies		
Dividends received*	127,086	64,410
Other similar income	-	-
TOTAL	127,086	64,410

* Dividends received from CREDIPAR following the General Meeting held on 3 April 2023 for €118,086 thousand and from Stellantis Financial Services Netherland for €9,000 thousand following the Ordinary General Meetings held on 30 June 2023 and on 30 October 2023.

Note 20 Fees and commissions

(in thousand euros)	2023	2022
Income		
From transactions with credit institutions	-	-
From customer transactions*	2,826	2,453
From securities transactions	-	-
From foreign exchange transactions	-	-
From securities under management or in deposit	-	-
From securities transactions on behalf of customers	-	-
From fees on securities transactions	194	82
From means of payment	172	156
From other delivery of financial services	10	11
TOTAL	3,201	2,702
Expenses		
From transactions with credit institutions	(363)	(106)
From means of payment	(120)	(101)
From other delivery of financial services	(164)	(111)
<i>of which related companies (Santander)</i>	(8)	-
From fees on securities transactions	(225)	(112)
TOTAL	(871)	(430)

* Mainly €1,988 thousand relating to commissions received on current account movements in 2023 compared to €1,864 thousand in 2022.

Note 21 Other banking operating income and expenses

(in thousand euros)	2023	2022
Other banking operating income	87	70
Other banking operating expenses*	(976)	(1,667)
TOTAL	(889)	(1,597)

* Calls on guarantee deposits, cash and securities (FGDR scheme).

Note 22 Other operating income and expenses

(in thousand euros)	2023	2022
Other structure costs	(4,052)	(3,975)
Taxes	(396)	(406)
External services provided by the Group entities	(1,160)	(1,057)
Other external services	(2,496)	(2,512)
Transport, travel	-	-
Other operating expenses	-	-
Transfer of expenses	-	-
TOTAL	(4,052)	(3,975)

Note 23 Cost of risk

(in thousand euros)	2023	2022
Corporate dealers		
Impairment of doubtful loans	-	-
Impairment of compromised doubtful loans	-	(77)
Reversal of provisions for doubtful loans	-	-
Reversal of provisions for compromised doubtful loans	3,477	5,198
Irrecoverable loans with provisions	(469)	(98)
Recoveries on written-off loans	-	-
Impairment of sound loans	(337)	-
Reversal of provisions for sound loans	54	40
Provisions for contingencies and losses	-	(91)
Reversal of provisions for contingencies and losses	-	96
TOTAL	2,725	5,068

Note 24 Income taxes

(in thousand euros)	2023	2022
Income taxes		
Current income tax for the financial year	2,611	77
TOTAL	2,611	77

Note 25 Subsidiaries and equity interests

Nature (in euros)	31/12/2023		31/12/2022	
	Number of shares	Net asset value	Number of shares	Net asset value
Shares in credit institutions				
Contribution of CREDIPAR shares	6,706,251	662,641,581	6,706,251	662,641,581
Contribution of SOFIRA shares merged in CREDIPAR on 1 May 2015	7,867,090	192,783,605	7,867,090	192,783,605
Total	8,657,313*	855,425,186	8,657,313*	855,425,186
Purchase of shares of Stellantis Financial Services Belux on 30 May 2023	2,860,002	113,021,652	-	-
Purchase of shares of Stellantis Financial Services Netherland on 30 May 2023	2	77,101,808	-	-
TOTAL	11,517,317*	1,045,548,646	8,657,313*	855,425,186

* After a fixed exchange ratio of around 4.03 SOFIRA shares for each CREDIPAR share.

Note 26 Subsequent events

Between 31 December 2023 and 13 February 2024, the date of review of the financial statements by the Board of Directors, no events have occurred that could have a material impact on the economic decisions made on the basis of these financial statements.

3.5 Report of the statutory auditors on the financial statements

For the year ended 31 December 2023

This is a translation into English of the Statutory Auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.

This Statutory Auditors' report includes information required by European regulation and French law, such as information about the appointment of the Statutory Auditors or verification of the management report and other documents provided to shareholders. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

Opinion

In compliance with the engagement entrusted to us by your General Meeting, we have audited the accompanying financial statements of Banque Stellantis France for the year ended 31 December 2023.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at 31 December 2023 and of the results of its operations for the year then ended in accordance with French accounting.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory Auditors' "Responsibilities for the Audit of the Financial Statements" section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (*Code de commerce*) and the French Code of Ethics (*Code de déontologie*) for statutory auditors, for the period from 1 January 2023 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No. 537/2014.

Justification of Assessments - Key Audit Matters

In accordance with the requirements of Articles L. 821-53 and R. 821-180 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

We determined that there were no key audit matters to discuss in our report.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

Information given in the management report and in the other documents with respect to the financial position and the financial statements provided to the Shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the Board of Director's management report and in the other documents with respect to the financial position and the financial statements provided to the Shareholders, with the exception of the following item.

Concerning the fair presentation and the consistency with the financial statements of the information about payment terms referred to in Article D. 441-6 of the French Commercial Code, we have the following matter to report:

As indicated in the management report, this information does not include banking and related transaction, as the Company has decided that such transactions do not fall within the scope of the required information.

Information relating to corporate governance

We attest that the section of the management report devoted to corporate governance sets out the information required by Articles L. 225-37-4 and L. 22-10-10 of the French Commercial Code (*Code de commerce*), with the exception of the following item.

Banque Stellantis France does not describe its diversity policy, applied to the members of the Board of Directors as required by article L. 22-10-10 2° of the French Commercial Code, in terms of criteria such as age, sex or qualifications and professional experience. Neither does Banque Stellantis France describe how this policy is implemented, nor how the Company seeks a gender balance on the committee set up by General Management to provide regular assistance in carrying out its general duties or its results in terms of gender balance in the 10% most senior positions.

Report on Other Legal and Regulatory Requirements

Format of presentation of the consolidated financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the consolidated financial statements intended to be included in the annual financial report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code (*code monétaire et financier*), prepared under the responsibility of General Manager, complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of 17 December 2018.

Based on the work we have performed, we conclude that the presentation of the annual financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

Besides, we have no responsibility to verify that the annual financial statements that will ultimately be included by your group in the annual financial.

Appointment of the Statutory Auditors

We were appointed as statutory auditors of Banque Stellantis France by the annual general meeting held on 15 March 2017 for PricewaterhouseCoopers Audit and 10 May 2005 for Mazars.

As at 31 December 2023, PricewaterhouseCoopers Audit and Mazars were in the seventh year and the nineteen year of total uninterrupted engagement respectively.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Financial Statements

Objectives and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L. 821-55 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements;
- assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit Committee

We submit a report to the Audit Committee, which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L. 821-27 to L. 821-34 of the French Commercial Code (*Code de commerce*) and in the French Code of Ethics (*Code de déontologie*) for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Neuilly-sur-Seine and Paris-La Défense, 13 March 2024,

The Statutory Auditors

PricewaterhouseCoopers Audit
Gaël Colabella

Mazars
Alexandra Kritchmar

Statement by the person responsible for the 2023 Annual Report

Person responsible for the Annual Report

Laurent AUBINEAU

Chief Executive Officer of Banque Stellantis France

Statement by the person responsible for the Annual Report

I hereby certify that, to my knowledge, the financial statements have been prepared in accordance with the applicable accounting standards and give a fair view of the assets, financial situation and results of Banque Stellantis France and all companies included in the consolidation and that the management report of this document also presents a fair review of the business development, results and financial situation of the Company and all the entities included in the consolidation as well as a description of the main risks and uncertainties they are exposed to.

Poissy, 13 March 2024



Laurent AUBINEAU

Chief Executive Officer of Banque Stellantis France



BANQUE STELLANTIS FRANCE

Société anonyme (limited company). Share capital: €144,842,528
Registered office: 2-10, boulevard de l'Europe - 78300 POISSY
R.C.S. (Trade and Companies Register number): Versailles 652 034 638
Siret 652 034 638 00047

APE business identifier code: 6419Z

Interbank code: 14749

LEI: 969500JK10192KI3E882

www.banque-stellantis-france.com

tel.: + 33 (0) 1 46 39 65 55