

SOCIETE GENERALE LUXEMBOURG S.A.

ANNUAL ACCOUNTS 2025

Societe Generale Luxembourg S.A.

11 Avenue Emile Reuter

L-2420 Luxembourg

**Annual Accounts, Management
Report and Independent auditor's
report as at December 31, 2025**

R.C.S. Luxembourg: B 006.061

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I. GENERAL INFORMATION



BOARD OF DIRECTORS ¹

CHAIRMAN

Francis Donnat

*Societe Generale Group
General Secretary*

MANAGING DIRECTOR

Frédéric Surdon

*Chief Executive Officer, Societe
Generale Luxembourg*

DIRECTORS

Benoîte Armand-Pieyre

*Global Head of Payments
and Cash Management*

Marco Cameroni

Director representing employees

Marie Doucet

*Independent Director
Chairwoman of the
Remuneration Committee*

Gaëlle Duclos

Deputy head of SG Securities Services

Kévin Gehl

Director representing employees

Isabelle Goubin

*Independent Director
Chairwoman of the Risk and
Compliance Committee*

Alvaro Huete

*Group Country Head for Singapore and
Southeast Asia, Societe Generale Group*

Jean-Christophe Lardenois

Director representing employees

Christophe Lattuada

*Chief Operating Officer of Global
Banking & Investor Solutions
(GBIS), Societe Generale Group*

Frédéric Roveda

Director representing employees

Anne-Sophie Steiner

Director representing employees

Jean-Marc Stenger

CEO of Societe Generale – Forge

Sylvie Testa

*Independent Director
Chairwoman of the Audit and
Internal Control Committee*

Mathieu Vedrenne

*Head of Societe Generale
Private Banking*

¹ The composition of the Board of Directors evolved during the financial year 2025 following resignations and expiry of certain terms of office. The directors concerned and the effective dates of these changes are disclosed below:
- Patrick Suet, Emmanuel Gaspard and Didier Mouget: expiration of the term of office on May 30, 2025;
- Bertrand Cozzarolo and Mathilde Guerin resigned on March 11, 2025 and April 02, 2025 respectively.



1. Francis Donnat, **2.** Frédéric Surdon, **3.** Benoîte Armand-Pieyre, **4.** Marco Cameroni, **5.** Marie Doucet, **6.** Gaëlle Duclos, **7.** Kévin Gehl, **8.** Isabelle Goubin, **9.** Jean-Christophe Lardenois, **10.** Christophe Lattuada, **11.** Frédéric Roveda, **12.** Anne-Sophie Steiner, **13.** Jean-Marc Stenger, **14.** Sylvie Testa, **15.** Peggy Veniant-Cottin, **16.** Didier Colin, **17.** Mathieu Vedrenne.

AUTHORIZED MANAGEMENT

Frédéric Surdon

*Chief Executive Officer and
Managing Director*

Didier Colin

*Deputy CEO in charge of the
General Secretary, Risks and
Compliance supervision*

Peggy Veniant-Cottin

Deputy CEO in charge of Resources

REGISTERED OFFICE

Societe Generale Luxembourg S.A.

*11, Avenue Emile Reuter
L-2420 Luxembourg*

AUDITORS

KPMG Audit S. à r.l.

*Société à Responsabilité Limitée
39, Avenue John F. Kennedy
L-1855 Kirchberg Luxembourg*

II. MANAGEMENT REPORT

1. CHIEF EXECUTIVE OFFICER STATEMENT

SOCIETE GENERALE LUXEMBOURG, A LUXEMBOURG BANK IN THE HEART OF EUROPE



Since 1893, Societe Generale Luxembourg (hereinafter the “Bank”) is a reference bank that contributes to the long-term structural dynamism of the financial center and the economy of the Grand Duchy.

Capitalizing on the strengths of Societe Generale Group, we are a bank proposing a diversified range of services and activities in the fields of private banking, securities services, commercial banking, and cash management, but also structured finance, capital markets and structured product issuance services. The European private banking activities are mainly carried out in Luxembourg, through the Bank’s branch in Italy since January

2021, the representative office in Belgium as well as through its main subsidiary in Monaco.

The corporate purpose of Societe Generale drives all our actions and gives meaning to our strategy built to support our clients over the sustainable transformation of the economy.

Societe Generale Corporate Purpose

Building, together with our customers, a better and sustainable future through responsible and innovative financial solutions.

2025: A SOLID PERFORMANCE

In 2025, Societe Generale Luxembourg delivered solid overall results despite a normalisation of revenues following the exceptional dividend inflows recorded in 2024.

Societe Generale Luxembourg remains one of Luxembourg’s largest banks by its financial position (net income of EUR 534 million, assets of EUR 44 billion at the end of 2025 and number of staff above 1 000 employees).

A CLEAR STRATEGY FOR A SUSTAINABLE FUTURE

Societe Generale Group is driven by a clear strategy and roadmap to secure its long term future: to become a rock solid bank that achieves sound and sustainable performance that contributes to the achievement of sustainable development objectives.

Societe Generale Group’s Corporate Social Responsibility (“CSR”) strategy is based on four pillars: supporting clients in the environmental transition, contributing to positive local impact, being a responsible employer and promoting a culture of responsibility within all its activities.

The Bank contributes to the Group's CSR strategy and has also defined complementary strategic priorities to natively embed Environmental, Social and Governance ("ESG") into business units' strategies and the risk management framework, while pursuing its own corporate responsibility initiatives.

Sustainability, which remains at the heart of our priorities, is placed at the core of the strategy of Societe Generale Group. In 2025, Societe Generale Group actively pursued its contribution to the environmental and social transition and is progressing with the decarbonisation of its credit portfolios, ahead of its targets in the most carbon-intensive sectors. At the same time, Societe Generale Group is on track to reach its target of EUR 500 billion to support sustainable finance for the period 2024-2030, with ~30% achieved at end-September 2025.

To prepare for the future and support the players and solutions of tomorrow, Societe Generale Group continued to deploy

its EUR 1 billion investment, supporting actors of the energy transition and emerging leaders in the sector. Societe Generale strengthened its partnerships in 2025, notably with a new agreement signed in the fourth quarter with the European Investment Bank, intended to support innovative, fast-growing companies in the cleantech sector.

The Bank is fully aligned with Societe Generale Group 2026 Strategic Plan which will deliver our ambition to be a rock-solid, top tier European bank, built on our strong foundations: trusted long-standing client relationships, talented and committed teams, innovative and distinctive value-added businesses and pioneering Environmental, social, and governance ("ESG") leadership.

As a responsible bank, we contribute to the strength of Luxembourg's economy and society at large and are determined to be one of the key contributors towards a sustainable future.

2. CORPORATE GOVERNANCE

2.1. CORPORATE GOVERNANCE STRUCTURE AND MAIN BODIES

2.1.1. Board Committees

The Board of Directors is assisted by four Committees:

- the Audit and Internal Control Committee;
- the Risk and Compliance Committee;
- the Remuneration Committee;
- the Nomination and Corporate Governance Committee.

Each Committee comprises at least three members. One Director representing employees sits on the Remuneration Committee. The missions of the Board of Directors' four committees are set out in their respective charters.

As of December 31, 2025, the specialized committees of the Board were:

- **Audit and Internal Control Committee ("CACI"):** The Audit and Internal Control Committee comprised five members (including three Independent Directors): Sylvie TESTA, Isabelle GOUBIN, Marie DOUCET, Francis DONNAT and Benoîte ARMAND-PIEYRE. The Committee is chaired by Sylvie TESTA. The committee's mission is to monitor and control the preparation of accounting and financial information, the independence of the statutory auditors, and the effectiveness of the internal control, risk management and internal audit systems, with regard to the procedures for the preparation and processing of the accounting and financial information. It gives recommendations and advice on such matters to the Board of Directors;
- **Risk and Compliance Committee ("RCC"):** The Risk and Compliance Committee comprised four Directors (including two Independent Directors): Isabelle GOUBIN, Sylvie TESTA, Gaëlle DUCLOS and Marco CAMERONI. The Committee is chaired by Isabelle GOUBIN. This committee advises the Board of Directors on the risk profile of the Bank, the quality and effectiveness of the risk monitoring framework, the appetite regarding all types of risks derived from the Bank's strategy, and the evolution of regulations and its impact on the risk profile and Bank's strategy;
- **Remuneration Committee ("RC"):** The Remuneration Committee comprised four Directors (one Independent Director, two Bank representatives, and one Director representing employees): Marie DOUCET, Christophe LATTUADA, Mathieu VEDRENNE and Frédéric ROVEDA. The Committee is chaired by Marie DOUCET. The committee prepares the recommendations of the Board of Directors concerning compensation, especially those related to Directors, executive officers and others having a significant impact on the Bank's risk profile and risk management;
- **Nomination and Corporate Governance Committee:** The Nomination and Corporate Governance Committee comprised three Directors (including one Independent Director): Francis DONNAT, Christophe LATTUADA and Marie DOUCET. The Committee is chaired by Francis DONNAT. The committee identifies and recommends future company's officers (Directors and executive officers) to the Board of Directors. It periodically examines (1) the Board of Directors' policies regarding selection and appointment of Key Functions Holders (Chief Risk Officer, Chief Compliance Officer, Chief Audit Officer and Chief Finance Officer) and (2) the structure, size and composition of the Board of Directors and its work effectiveness. It proposes a target in respect of the balanced representation of women and men at the Board. Moreover, it aims at implementing and supervising key internal governance principles within the Bank and its subsidiaries.

2.1.2. Executive Committees

The main executive committees are as follows:

- Executive Management Committee:
 - Executive Committee: this committee’s mission is to address matters such as strategic orientations definition and implementation, business development and other transversal topics. It consists of the Authorized Management and the heads of each Business Unit and Support Unit.
- Steering and functional committees:
 - Finance Committees (COFI/ALCO): these committees are responsible for setting out the Bank’s financial strategy and for managing scarce resources (capital, liquidity, statement of financial position) in the context of the allocation and the management of structural risks with focus on asset & liability risks; they can also address tax-related matters.
 - CSR Committee: this committee deals with topics related to the Bank’s commitments and normative framework in CSR matters (including inclusion of the CSR dimension in the businesses’ strategy and in the Bank’s risk management framework, as well as commitments in terms of the Bank’s own footprint), culture and conduct, or other topics that have an impact on the Bank’s liability or reputation and not already covered by an existing Committee;
 - Human Resources Committee (HR Committee): this committee elaborates the human resources policy, addressing attractiveness, internal mobility, compensation, retention and HR regulatory-related subjects;
 - Operations and IT Management Committee: this committee aims to share and discuss key operational information, IT topics and highlights across the Bank. The committee includes all SG Luxembourg Operations and IT teams.
- Enterprise Risk Management Committees:
 - Enterprise Risk Committee (ERC): the mission of this committee is to define the Bank’s key priorities in terms of risk (credit, country, market, structural and operational risks), within the framework of the risk appetite and the financial targets set by the Board of Directors of the Bank, and to monitor compliance in such respect; and to maintain a sound, effective and sustainable risk management framework, taking appropriate measures in case of gaps;
 - Compliance Committee (COMCO): the mission of this committee is to define the Bank’s main guidelines and principles in terms of compliance, to ensure a sound, effective and sustainable adherence to all regulations to be applied by the Bank based on an appropriate framework, and to take appropriate measures in case of gaps;
 - Internal Control Coordination Committee (ICCC): this committee is responsible for the overall architecture of the

Bank’s internal control system, for evaluating its efficiency, consistency and comprehensiveness, for taking corrective actions and for monitoring their implementation.

- Outsourcing Services Review Committee: this committee aims to review the portfolio of the outsourced services of SG Luxembourg and of its Luxembourg affiliates. The topics to be addressed include risk profile and related analysis on outsourced services and providers, monitoring of action plans related to outsourced services, information of significant outsourced services recently validated and to share the control functions opinions.

2.1.3. Diversity in Board of Directors Composition

The composition of the Board of Directors aims at reaching the balance of experience, skills and independence, while respecting gender representation and diversity.

For this purpose, the Board of Directors has the following commitments:

- 40% representation by women;
- Mapping of Board members’ skills.

The Board of Directors ensures that Directors are competent, active, present, and involved through its process of recruitment, as well as through the training provided to Directors and their evaluations.

The Board of Directors endeavours to strictly comply with the recommendations of the European Banking Authority and the European Central Bank regarding the “fit and proper” procedures.

The Board of Directors also ensures the periodic renewal of its members and fulfills the recommendations of Circular CSSF 12/552 as subsequently amended regarding the independence of said members.

2.1.4. Directors Experiences

The criteria of selection regarding the Directors are their skills and their experience in the financial sector and the management of large international corporations. Furthermore, the Board of Directors ensures that its members have experience in digital and technological transformation. Every year, the Board of Directors’ composition is re-examined by the Nomination and Corporate Governance Committee and the Board of Directors. The analysis of the Directors’ skills must show their synergies, most notably regarding Environment Sustainability and Governance matters. Their profiles must cover the entire spectrum of the Bank’s activities and the risks associated to said activities.

2.2. CORPORATE GOVERNANCE

The Board of Directors is committed to maintaining the standards of corporate governance enforced at the level of the European Union and at the level of Societe Generale Group.

2.3. REMUNERATION POLICY

The Bank strictly applies Societe Generale Group remuneration policy, which aims at guaranteeing the sustainable engagement and loyalty of its employees, while ensuring an effective and

sustainable risk management, including from a compliance perspective.

3. MANAGEMENT REPORT

3.1. MAIN ACTIVITIES

The Bank has built over time a solid diversified banking model to serve its corporate, institutional and individual customers. Such model is structured around several complementary businesses enabling the Bank to benefit from strong market positions and a diversified risk profile.

3.1.1. Private Banking

At the heart of Europe, Societe Generale Private Banking in Luxembourg (SGPB Luxembourg) is the European hub for Societe Generale Private Banking activities.

SGPB Luxembourg benefits from a unique position within Societe Generale Luxembourg, a multi-expertise banking group. Furthermore, the Private Banking activity has been present in Italy through a commercial branch since 2021, and in Belgium with a representative office since 2023.

Private Banking activity also operates in Monaco through its subsidiary SGPB Monaco.

SGPB Luxembourg's priority is to serve international clients with an UHNWI profile. They could be entrepreneurs, international families and financial intermediaries. We accompany them and deliver sophisticated, high value-added services, complementary to those offered by their domestic banks. We deliver cross-borders expertise in wealth management and give access to a comprehensive range of expertise: wealth planning, financing, corporate solutions, investment solutions, portfolio management, direct access to our dealing room, art & philanthropy advisory.

The expertise of Societe Generale European Private Banking's teams contributes to the strong recognition of Societe Generale Group in the private banking industry.

Locally, SGPB Luxembourg won the award Luxembourg's Best for Sustainability (Euromoney).

3.1.2. Securities Services

The Securities Services business (SGSS) in Luxembourg offers a comprehensive range of assets and securities services to Asset Managers, Asset Owners, Corporate and Financial Institutions, including:

- custody and depository bank activities, covering all asset classes;
- fund administration services for investment managers on all asset classes including complex financial products;
- private asset services for alternative investment funds covering, in the main, real estate, private equity, debt and infrastructure strategies;
- issuer services, including issuing and paying agency services to large international corporate bond programs;
- transfer agent activities, supporting fund distribution strategies of our clients in catering to investor needs and maintaining the fund's investor register and the multilateral reporting thereof;
- middle office and trade execution services.

SGSS in Luxembourg is one of the largest securities services providers given the size of its global activity and is to be perceived as a strategic entity in view of the continued development ambitions of SGSS globally as a leader in the industry.

3.1.3. Corporate Banking & Cash Management

The Corporate Banking and Cash Management team in Luxembourg is servicing domestic and international clients, and particularly financial institutions and large corporates with international and multinational activities. We offer flow management assistance for the commercial, corporate and investment flows of our clients.

II. MANAGEMENT REPORT (CONTINUED)

The business line offers a full and integrated range of solutions and services, leveraging the expertise of Societe Generale Group's Global Transaction Banking business lines; specifically, it covers five activities:

- cash management;
- short & medium term financing;
- financial & commercial guarantees issuance;
- foreign exchange services and interest rate hedging;
- financial assets custody.

3.1.4. Global Banking & Advisory

The Global Banking & Advisory ("GLBA") platform in Luxembourg is part of Societe Generale Group's worldwide platform composed of expert teams located in Europe, the CEEMEA region, the Americas and in Asia, whose knowledge of clients and expertise on industries and local regulations are key to conducting domestic, international and cross-border activities.

Leveraging this global expertise and sectoral knowledge, the team provides clients with a full range of structured finance solutions in the following areas:

- asset-based finance (export finance, aircraft finance, shipping finance, real estate finance, and structured solutions and leasing);
- natural resources and infrastructure;
- asset-backed products and securitization;
- credit risk insurance.

Our Structured Solutions and Leasing department provides innovative financing & investment solutions for our Wholesale clients. In line with the CSR commitments of Societe Generale, our department seeks to use financial innovation as a tool to facilitate positive transformations and accompany our clients on their journey towards a fairer, responsible and sustainable future.

GLBA main domains of expertise are:

- Battery, Mining and Industries
- Energy Plus Group
- Infrastructure
- Real Estate
- Telecom Media Technology
- Trade and Sustainable Commodities
- Development and Structured Export
- Transportation

3.1.5. Global Markets

Part of Societe Generale Group Global Markets Business Unit, the Issuing activity in Luxembourg is performed by SG Issuer S.A. ("SGIS") as well as through the "SOGEIS" framework based on Luxembourg's fiduciary legal framework: it provides international investors with access to the entire range of capital market-based financial engineering services and structured products. SGIS issues both secured and unsecured notes through private placements or public offerings. SG Luxembourg via SOGEIS only issues secured notes. The securities issued by SG Issuer or by SG Luxembourg via SOGEIS are fully backed by a guarantee from Societe Generale Group.

SG Issuer (SGIS), Societe Generale Group's issuing entity, has the ability to issue both secured and unsecured notes while providing investor's access to Societe Generale's product expertise.

3.1.6. Insurance

Through dedicated subsidiaries, Societe Generale Luxembourg has insurance (life and credit) and re-insurance (re-insurance of certain Societe Generale Group insurance contracts) activities.

3.1.7. Corporate Center

It comprises Treasury and Asset / Liability Management (ALM) functions which are responsible for monitoring, managing and hedging structural risks (liquidity, interest rate and forex) arising from all business units within the Bank, including from the Bank's international affiliate in Monaco.

The Profit & Loss account of the Corporate Center covers the carrying cost of equity shareholdings in subsidiaries and related dividend payments, as well as income and expenses stemming from the Bank's Asset and Liability Management and Treasury center (ALT) function and income from the management of the Bank's assets (industrial and bank equity portfolio and real estate assets). Income or expenses that do not relate directly to the activity of the core businesses are also allocated to the Corporate Center.

3.1.8. Research and Development

The Bank focuses its research and development activities in line with Societe Generale Group strategy to further enhance the sustainability and profitability of its model.

3.2. BANK ACTIVITY AND RESULTS

3.2.1. Bank activity and results – Profit and loss

<i>(in EUR thousand)</i>	2025	2024	Change in %	Change in value
Net interest margin	408 874	384 801	6%	24 073
Dividends on variable income securities	518 389	706 430	-27%	(188 041)
Net fee margin	181 259	176 244	3%	5 015
Net gains and losses on financial transactions	(93 261)	(157 986)	-41%	64 725
Value adjustment from shares in affiliated undertakings	(171 483)	(158 160)	8%	(13 323)
Net income from other activities	(3 870)	1 887	-305%	(5 757)
Net banking income	839 908	953 216	-12%	(113 308)
General administrative expenses	(268 028)	(265 551)	1%	(2 477)
Gross operating income	571 880	687 665	-17%	(115 785)
Cost of risk	(7 349)	(4 028)	82%	(3 321)
Operating income	564 531	683 637	-17%	(119 106)
Income tax	(30 549)	(29 909)	2%	(640)
Net income	533 982	653 728	-18%	(119 746)
Net income / total balance sheet	1,2%	1,3%		

The Net Banking Income amounted to EUR 840 million, marking a 12% decline from last year. This contraction was mainly driven by the absence of the exceptional dividends received in 2024, particularly one from SGPB Switzerland. Nevertheless, the Bank's core commercial drivers showed resilience in net interest margin and fees income.

The 12% decrease in **revenues** in 2025 resulted from a contrasted evolution of the various businesses.

- **Private Banking** delivered a better performance this year, supported by solid commercial activity. Assets under management remain steady (+4%).
- **Securities Services** activities continued to show strong momentum, with revenue growth driven by higher custody (average assets under custody +21%) and fund administration (average assets under administration +16%).
- **Corporate Banking and Cash Management** had a sharp decline in revenues. The business was significantly impacted by the decrease in interest rates in EUR & USD, which strongly reduced Net Interest Margin contributions.

- **Global Markets** activities benefited from lower refinancing costs.
- **Corporate Center** showed a significant drop this year, mainly driven by lower dividend income partially offset by lower liquidity buffer costs in 2025.

General administrative expenses remained stable at EUR 268 million (+1%), reflecting ongoing cost discipline despite continued investment programs and inflation. As a result, Gross Operating Income decreased to EUR 572 million (-17%). The cost of risk increased to EUR 7 million, although it remained low in absolute terms and confirming the quality of the portfolio.

Overall, Net Income amounted to EUR 534 million, representing a 18% decrease compared with 2024. This evolution largely reflects the decline in Net Banking Income and additional cost of risk. The Net Income to Total Balance Sheet ratio reached 1,2%, slightly below the previous year's 1,3%

3.2.2. Bank Activity and Results – Balance Sheet

ASSETS

<i>(in EUR thousand)</i>	12.31.2025	12.31.2024	Change in %	Change in value
Cash due from central banks	11 707 892	12 685 077	-8%	(977 185)
Financial assets at fair value through profit or loss	1 860 659	1 677 140	11%	183 519
Hedging derivatives	103 114	91 255	13%	11 859
Financial assets at fair value through other comprehensive income	2 364 528	1 123 124	111%	1 241 404
Due from banks at amortised cost	22 815 895	28 049 925	-19%	(5 234 030)
Customer loans at amortised cost	4 455 087	4 985 377	-11%	(530 290)
Shares in affiliated undertakings	537 171	1 092 328	-51%	(555 157)
Tax assets	303	331	-8%	(28)
Other assets	265 653	477 357	-44%	(211 704)
Tangible and intangible fixed assets	25 692	29 202	-12%	(3 510)
Total	44 135 994	50 211 116	-12%	(6 075 122)

As at December 31, 2025, the Bank balance sheet amounted to EUR 44 billion with a EUR 6 billion decrease (-12 %) compared to December 31, 2024.

This decrease mainly came from **Due from banks at amortised cost** with a variation of EUR 5 billion (-19 %) compared to December 31, 2024.

Cash and balances due from central banks have decreased by EUR 977 million (- 8 %) compared to December 31, 2024.

Financial assets at fair value through profit or loss increased with a variation of EUR 184 million (+11 %) compared to December 31, 2024.

Financial assets at fair value through other comprehensive income increased by EUR 1 billion (+111 %) compared to December 31, 2024.

Due from banks at amortised cost decreased by EUR 5 billion (-19 %) compared to December 31, 2024.

Shares in affiliated undertakings decreased by EUR 555 million (-51 %) compared to December 31, 2024, due to additional impairments on two participations and SGPB Switzerland sale.

Other Assets decreased by EUR 212 million (-44 %) compared to December 31, 2024.

LIABILITIES

<i>(in EUR thousand)</i>	12.31.2025	12.31.2024	Change in %	Change in value
Financial liabilities at fair value through profit or loss	85 534	60 102	42%	25 432
Hedging derivatives	47 620	19 013	150%	28 607
Revaluation differences on portfolios hedged against interest risk	(14 066)	6 464	-318%	(20 530)
Debt securities issued	-	-	-	-
Due to banks	19 200 176	22 774 311	-16%	(3 574 135)
Customer deposits	20 764 291	23 147 945	-10%	(2 383 654)
Tax liabilities	80 610	65 152	24%	15 458
Other liabilities	517 055	614 731	-16%	(97 676)
Provisions	182 799	181 944	0%	855
Special line items with a reserve share	-	17 255	-100%	(17 255)
Total liabilities	40 864 019	46 886 917	-13%	(6 022 898)
Shareholders' equity	-	-	-	-
Issued capital	1 389 043	1 389 043	0%	-
Share premium, reserves and retained earnings	1 341 489	1 281 848	5%	59 641
Net income	533 982	653 728	-18%	(119 746)
Subtotal	3 264 514	3 324 619	-2%	(60 105)
Unrealised or deferred gains and losses	7 461	(420)	-1876%	7 881
Total equity	3 271 975	3 324 199	-2%	(52 224)
Total liabilities and equity	44 135 994	50 211 116	-12%	(6 075 122)

Amounts due to banks decreased by EUR 4 billion (-16 %) compared to December 31, 2024.

Customer deposits decreased by EUR 2 billion (-10 %) compared to December 31, 2024.

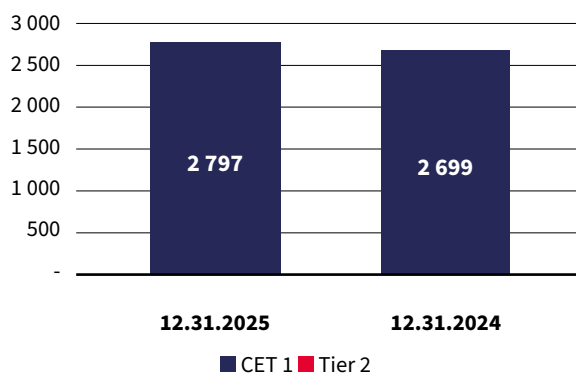
Other Liabilities decreased by EUR 98 million (-16 %) compared to December 31, 2024.

Financial liabilities at fair value through profit or loss have increased with a variation of EUR 25 million (+42 %) compared to December 31, 2024.

Shareholders' equity amounted to EUR 3 billion as at December 31, 2025. Details related to shareholders' equity are disclosed in Note 1 and Note 7 of the Annual accounts.

During the year 2025, the Bank did not acquire any of its own shares.

3.3. OWN FUNDS



The Bank's sole shareholder is Sogeparticipations S.A., a French Company fully owned by Societe Generale Group.

As of December 31, 2025, the Bank's sole shareholder holds 11 024 148 shares representing 100% of the share capital of Societe Generale Luxembourg.

As of December 31, 2025, the Bank capital is made of:

- Core Tier I capital : EUR 2 797 million (2024 : EUR 2 699 million);
- No additional eligible capital at end 2025 and end 2024.

3.4. POST CLOSING EVENTS

During the first semester 2026, the Bank plans to launch a new Branch in Belgium through the transformation of its former representation office. Such Branch will be submitted to the

local regulations in Belgium (please refer to Note 11 of the annual accounts).

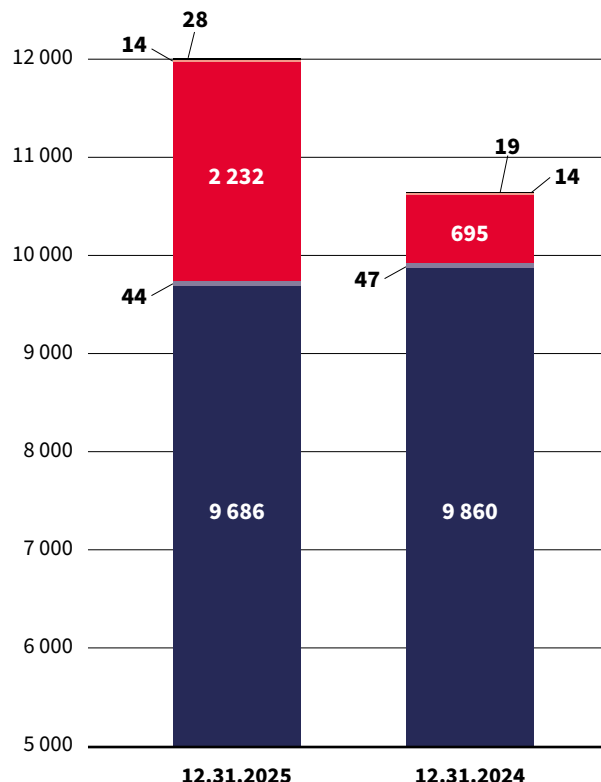
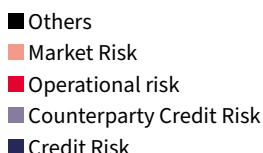
4. RISKS AND CAPITAL ADEQUACY

4.1. KEY FIGURES

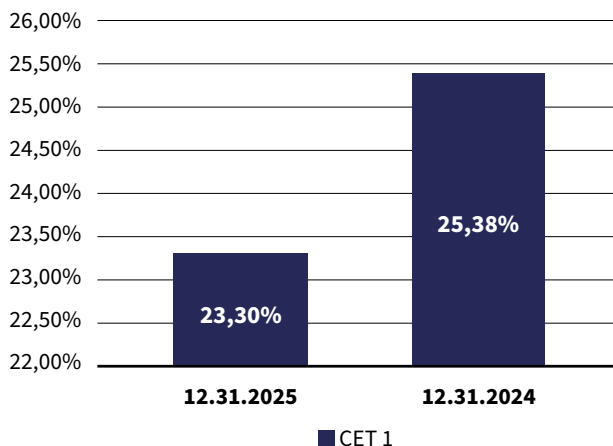
4.1.1. Risk-Weighted Assets

As of December 31, 2025, total Bank Risk-Weighted Assets amounted to EUR 12 004 million (2024: EUR 10 635 million) composed of:

- EUR 9 730 million related to credit risk and counterparty credit risk (2024: EUR 9 907 million);
- EUR 2 232 million related to operational risk (2024: EUR 695 million);
- EUR 14 million related to market risk (2024: EUR 14 million);
- EUR 28 million related mainly to Credit Valuation Adjustment and Settlement risk.



4.1.2. Capital ratios



As of December 31, 2025, the Bank Common Equity Tier 1 ratio stood at 23,30% (2024: 25,38%). As of December 31, 2025, the Bank capital ratios are significantly above the minimum regulatory requirement levels.

4.2. RISK MANAGEMENT

The understanding, identification, mitigation and control of risks are essential elements of the successful management of the Bank. In accordance with circular CSSF 12/552 as amended, the Bank’s internal governance is based on a “three-lines-of-defence” model which relies on distinct internal control functions:

- a “first line of defence” function performed by business lines and some support functions;
- a “second line of defence” function: the credit, market and operational risk management function (RISQ), and the compliance function (CPLE);
- a “third line of defence” function: the internal audit (IGAD).

The main objectives of the Bank’s risk management framework are:

- to accurately identify and measure all the risks the Bank is subject to;
- to maintain an effective oversight framework, and implement enhancement plans when needed;
- to propose to the Board of Directors an adequate risk appetite framework for its validation;
- to ensure that Societe Generale’s and the Bank’s risk policies are consistently and effectively applied throughout the Bank.

4.3. RISKS

The Bank's risk monitoring process identifies seven main risk categories:

Credit Risk: the credit risk is defined as the risk of loss resulting from the inability of the Bank's customers, sovereign issuers or other counterparties to honour their financial commitments. It also includes the counterparty risk related to the market activities.

Market Risk: the market risk is defined as the risk of loss due to unfavourable movements in market factors, such as interest rates, share prices or currency exchange rates, impacting the value of the Bank's market positions.

Interest Rate Risk: the structural interest rate risk is measured on structural activities (i.e. commercial transactions, associated hedging transactions and treasury transactions) for each of the Bank's entities.

Exchange Rate Risk: the structural exchange rate risk is the risk that a loss occurs due to an unfavourable movement of the exchange rate affecting the Bank due to existing open positions in foreign currencies.

Liquidity Risk: the liquidity risk is defined as the risk for the Bank of not being able to meet at all times its current and future cash requirements, whether or not those have been anticipated, at a reasonable cost. Liquidity is a key factor in the viability of the Bank.

Operational Risk: the operational risk is defined as the risk of loss or fraud as a result of defects in or failure of internal systems and procedures, human error or external events, including IT risk and management risk.

Particular attention is paid to **Compliance risk**, i.e. the risk of not being compliant with applicable regulations in areas, among others, of sanctions & embargoes, anti-money laundering and terrorism financing, client protection, market abuse, data protection and conduct.

4.4. RISK APPETITE

Risk Appetite is defined as the level of risk that the Bank is prepared to bear in the course of pursuing its strategic objectives.

The Bank has defined a Risk Appetite Framework which includes:

- A governance over an identified scope;
- A mechanism composed of a set of policies, instructions, procedures, and controls;
- A risk culture favouring risk awareness.

The Risk Appetite Statement describes the principles, policies, and metrics that set the Bank's risk appetite, which includes thresholds, limits and Crisis level.

The main risk appetite principles are summarised below:

4.4.1. Structural interest rate and exchange risks

The Bank assesses and controls structural risks. The mechanism to control interest rate risk, foreign exchange risk is based on

sensitivity or stress limits adapted to each of the various businesses (entities and business lines).

4.4.2. Liquidity and funding risks

The Bank assesses the solidity of its liquidity profile based on the following:

- Controlling liquidity risk, based on internal stress tests with adapted limits;
- Controlling funding risk, with long term funding projections under base case and stressed scenarios;
- Complying with regulatory obligations, in particular Liquidity Coverage Ratio ("LCR") and Net Stable Funding Ratio ("NSFR") requirements at sub-group level. The sub-group for Luxembourg is composed by Societe Generale Luxembourg and its two regulated banking subsidiaries Societe Generale Capital Market Finance and Societe Generale Financing and Distribution.

4.4.3. Credit and counterparty risks

When taking credit risk, the Bank focuses on medium and long-term client relationships, targeting clients with which the Bank has an established relationship of trust and prospects offering the potential for profitable business development over the medium-term. In a credit or market transaction, credit (or counterparty) risk acceptability is based, first and foremost, on the borrower's (or counterparty's) ability to meet its commitments.

4.4.4. Market risks

The business development strategy of the Bank for market activities is focused on addressing client needs, with a full range of products and solutions. The market risk is strictly managed through various limits related to a set of appropriate market risk metrics. Overall, the Bank's appetite for market risk is limited.

4.4.5. Operational risks (including compliance risk)

The Bank (i) has no appetite for operational risk and (ii) monitors and manages its operational loss profile within the limits defined in the Risk Appetite Statement.

4.4.6. Compliance risk

The Bank's policy is to comply strictly with all laws and regulations governing financial and banking activities. It has no tolerance for not complying with such laws and regulations when conducting its activities. It aims at maintaining a strong culture of compliance and adequate conduct among its employees.



5. CORPORATE SOCIAL RESPONSIBILITY (“CSR”)

The Sustainability Statement for Societe Generale Group has been published on March 13, 2026. This Sustainability Statement of Societe Generale Group and the related certification report are available on the website in the Universal Registration Document published by Societe Generale Group.

Reference link: <https://www.societegenerale.com/sites/default/files/documents/2026-03/universal-registration-document-2026.pdf#page=265>

As the oldest foreign bank in Luxembourg, the Bank acknowledges its broader responsibility as both a major financial institution and as a committed corporate entity to promote sustainable development in the country and sustainable finance more

globally. To achieve this goal, SGL Group launched a CSR strategy in 2019 focused on our engagement as a Bank and our engagement as a Corporate.

As a bank, we aim to embed ESG in all our activities, in particular by intensifying our offer of sustainable and positive impact investment products and services, by fostering sustainable and positive impact financing and services, and by enriching our environmental and social risk framework.

As a corporate, we actively pursue our environmental and social initiatives in order to be a responsible employer and to contribute positively to climate and environment preservation.

5.1. OUR COMMITMENT AS A BANK

INTENSIFYING RESPONSIBLE INVESTMENTS

The Bank believes that robust ESG integration is a driver of sustainable long-term financial performance.

In Private Banking, in alignment with our philosophy of developing and transferring wealth to future generations, we systematically integrate ESG factors into our portfolio management and investment advisory decisions. We have progressively transformed the majority of our investment strategies to reflect this commitment.

Across the SG Investment Solutions (“SG IS”) fund range distributed within the Private Bank, 98% of the assets under management are classified as Article 8 under the SFDR regulation, representing EUR 6,1 billion. Additionally, over half of these assets are invested in funds carrying a LuxFLAG label. The majority of our discretionary portfolio management mandates are also classified as Article 8, with one standard strategy labelled by the LuxFLAG ESG label.

In 2025, SG IS renewed its commitment to the Net Zero Asset Managers initiative. SG IS continues to successfully monitor and reduce the carbon intensity of its portfolios, achieving a 63% reduction compared to 2019, in line with its 2030 decarbonisation trajectory.

SG IS has also strengthened its expertise in green bonds, significantly increasing allocations in this segment. Green bond exposures now represent a substantial share of the firm’s fixed-income investments (nearly EUR 2 billion of green, social, sustainable and sustainable-linked bonds, representing over 35% of fixed income assets).

Another major development in 2025 was the acquisition of a carbon credit agreement for SG IS Europe, enabling the launch and development of impact strategies generating verified carbon credits, reinforcing SG IS’s commitment to financing the transition and supporting nature-based solutions.

For institutional clients, SGSS continues to promote an ESG reporting solution, a system for measuring the impact of investment strategies on the environment and society. Its objective is to help investors and asset managers to better integrate ESG criteria into their investment decisions.

FOSTERING SUSTAINABLE AND POSITIVE-IMPACT FINANCING

The Bank contributes to the development of positive-impact finance in Luxembourg and the wider financial ecosystem by actively collaborating with national stakeholders such as Luxembourg for Finance (LFF), the Association des Banques et Banquiers Luxembourg (ABBL) and the Luxembourg Sustainable Finance Initiative (LSFI). Through these partnerships, the Bank promotes the development of sustainable finance frameworks and best market practices.

STRENGTHENING THE ENVIRONMENTAL AND SOCIAL RISK FRAMEWORK

The Bank continues to integrate ESG risk drivers within its risk management framework, consistent with regulatory developments and fully aligned with SG Group’s methodologies. Detailed disclosures on ESG risk integration are provided in the Bank’s Pillar 3 report.

To ensure the effectiveness of this ESG risk management strategy across day-to-day activities, the Bank has initiated dedicated change-management and training programmes. By the end of 2025, 59% of staff had completed the Fresque du Climat, raising awareness of climate change causes and impacts; and five CSR training paths were made available to employees, including one mandatory ESG-focused e-learning module.

5.2. OUR COMMITMENT AS A CORPORATE

BEING A RESPONSIBLE EMPLOYER FOSTERING EQUAL OPPORTUNITIES

The Bank is committed to fostering a safe, inclusive and supportive working environment and implements initiatives focused on employee well-being, diversity and equal opportunities.

- Well-being at work:
 - **Solidarity:** launch of a Leave Donation Programme supporting employees facing severe personal circumstances; renewal of the payroll giving with complementary employer contribution;
 - **Well-being training:** training programme in partnership with ASTF;
 - **Anti-harassment:** updated procedures and training of new internal referents;
 - **Health & prevention:** continued emphasis on physical and mental health through medical check-ups, vaccination campaigns, management training and the ASTF “lighthouse” support programme.
- Fostering diversity:
 - **Pride & Allies community:** renewed and expanded initiatives in partnership with local associations (CIGALE Luxembourg) and SG Group’s role model (Global Head of Internal Inspection and Audit).
 - **Diversity Committee:** organisation of six major awareness events covering gender equality, women’s rights (conference with Caroline Mohr, signature of the Women in Finance and Diversity Charters), and neurodiversity (in cooperation with IMS). The 2025 Women in Finance Charter targets were met for both the Senior Management Team and the Board of Directors (30% of women).

- **Disability inclusion:** creation of the , engagements with three specialised associations, employee training by Info Handicap Luxembourg, and participation in the “Legal à Egal” pilot project with Allen & Overy.

CONTRIBUTING TO CLIMATE AND ENVIRONMENT PRESERVATION

For over a decade, the Bank has pursued a long-term programme to reduce its environmental footprint. Key initiatives include:

- **Responsible purchasing:** use of supplier CSR questionnaires and integration of CSR scoring in tender evaluations;
- **Energy optimisation:** using lower-carbon energy sources to reduce building-related CO2 emissions by 50% in 2030 compared to 2019;
- **Responsible consumption:** commitment to the Zero Plastic Charter (2019), responsible waste policy (SuperDrecksKëscht label), promotion of soft mobility (green vehicles and bicycles), paper-consumption reduction (over 4,2 million sheets saved since 2016, equivalent to more than 500 trees);
- **Partnership with IMS:** participation in initiatives including the 2025 Luxembourg Sustainability Forum together with Sogelife and Ayvens (Societe Generale group in Luxembourg);
- **Awareness events:** hosting of Festival AlimenTerre, dedicated to the challenges of the food transition, with the screening of the Luxembourgish documentary “Vu Buedem, Bauzen a Bio-Bauern” in the Bank’s Auditorium;
- **Sustainable mobility:** organisation of a bike repair and maintenance stand for employees during the “Move for green” challenge.

6. RECENT DEVELOPMENTS AND REGULATORY OUTLOOK

From a regulatory perspective, governments continue to adapt to the new global geopolitical and economic paradigm.

Thus, in a geopolitical context that has deteriorated since the invasion of Ukraine, the European Union has continued to review its strategic autonomy. In January 2025, it published its Competitiveness Compass, designed to meet three challenges for the European economy: closing the innovation gap, decarbonising the economy and reducing dependencies. The same ambition can be seen in the Clean Industrial Deal announced in February 2025, which is aimed at reducing energy prices and accelerating decarbonisation. It also follows other announcements of investments in infrastructure (Next Generation EU), energy (REPowerEU) and defence (European Defence Industrial Strategy). On this last point, the European Commission unveiled its new strategy to bolster the European Union's defence industry by 2030 and ensure the continent's long-term security by publishing its "White Paper for European Defence" on March 19, 2025 (and its corollary, the "Defence Readiness Omnibus", on June 2025), a fortnight after the presentation of the "ReArm EU" investment plan. The policy of unilateral tariffs adopted by the new US administration at the end of the first quarter of 2025 has increased the pressure on the European economy, confirming the urgent need for review of the attractiveness of its markets and the competitiveness of its players.

- The economic environment, still marked by high interest rates, continues to be a concern for regulators in a context of fiscal tightening. In this context, European banks have already faced new measures that weighed on their profitability, such as exceptional taxes in certain member countries and tougher ECB requirements on reserves.
- The CRR3 text, which was completed in 2024 and transposed the Basel Accords, came into force in the EU in January 2025. The application of capital charges under the new Fundamental Review of the Trading Book (FRTB) standards has been deferred twice due to ongoing delays and uncertainties in the US and UK (a deferral that runs until 1 January 2027).
- The broader question of the adequacy of the European prudential framework will be more acute in 2026, as the United States and the United Kingdom pursue an assumed agenda of deregulation. The ECB's Task Force delivered its report on simplification at the end of 2025, which does not recommend any major changes.
- Despite the reticence of many Member States, the question of revitalising the securitisation market in Europe has emerged as one of the main issues on the agenda for the development of European capital markets (or SIU, Savings and Investment Union). In addition, the need to simplify the regulatory framework has become a major objective of Ursula Von der Leyen's new Commission, in terms of sustainable finance.
- A quest for simplification is also underway in the digital field, with the recent publication of omnibus packages on AI and the digital acquis. In addition, the AI omnibus and digital acquis projects published recently aim to

harmonise the many digital regulations in force, to increase the proportionality of measures and to adapt them to the development of AI.

- Other topics related to the digital transformation and innovation around financial services remain a priority for lawmakers:
 - Legislative work on open finance has been completed with the review of the Payment Services Directive (PSD3 – PSR) but is continuing formally with regard to FiDA.
 - Negotiations on the draft text on the digital euro continue in Parliament, following the Council's agreement on a favourable negotiating position in November 2025.

The global economic and financial environment continues to be exposed to significant geopolitical risks and uncertainty. The prospect of lasting trade and political tensions between the major players could lead to the relocation of production and the risk of regulatory and technological gaps.

In the United States, the Trump administration is pursuing a protectionist agenda that prioritises support for the domestic economy. This has resulted in significant budget deficits, higher tariffs and recurring trade tensions with China and most other countries. The United States has withdrawn from climate agreements and reduced its development aid and its support for multilateral institutions. A high level of uncertainty remains over security arrangements and the role of the dollar in the international monetary system.

The slowdown in activity that began in the United States and China could intensify, while in Europe structural factors (ageing population, low productivity, energy transition) are expected to hamper growth. Europe must also increase its defence spending, despite many countries already facing a tight budgetary situation. In France, fiscal adjustment is weakened by the absence of a parliamentary majority and by global uncertainties which are dampening growth. Thus, the debt trajectories of developed countries, including the United States and France, are unlikely to be adjusted soon. This will maintain upward pressure on long-term interest rates. Threats to central bank independence could also impact term premiums.

Company foreclosures are on the rise in the United States and Europe, while solvency issues in the weakest emerging markets remain. Credit spreads could come under pressure from corporate bankruptcies, while sovereign spreads in the euro area and particularly in France could be adversely affected by political uncertainty or the slow pace of fiscal adjustment. Greater market volatility cannot be ruled out.

Geopolitical risks remain high. US foreign policy has become more erratic. Environmental issues, both physical and transitional, could increase market volatility and inflation and growth outlook, and weigh on already stretched public finances.

In this context, Societe Generale Luxembourg will capitalize on its diversified business model and the strength of its client relationship.

III. REPORT OF THE REVISEUR D'ENTREPRISES AGREÉ

To the Board of Directors
Societe Generale Luxembourg S.A.
11 Avenue Emile Reuter
L-2420 Luxembourg
Luxembourg

REPORT ON THE AUDIT OF THE ANNUAL ACCOUNTS

OPINION

We have audited the annual accounts of Societe Generale Luxembourg S.A. (the "Bank"), which comprise the balance sheet as at 31 December 2025, and the profit and loss account for the year then ended, and notes to the annual accounts, including a summary of significant accounting policies.

In our opinion, the accompanying annual accounts give a true and fair view of the financial position of the Bank as at 31 December 2025, and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts.

BASIS FOR OPINION

We conducted our audit in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 on the audit profession (the "Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the Commission de Surveillance du Secteur Financier (the "CSSF"). Our responsibilities under the EU Regulation N° 537/2014, the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the « Responsibilities of "réviseur d'entreprises agréé" for the audit of the annual accounts » section of our report. We are also independent of the Bank in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the annual accounts, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have

obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts of the current period. These matters were addressed in the context of the audit of the annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment of customer loans

WHY THE MATTER WAS CONSIDERED TO BE ONE OF MOST SIGNIFICANCE IN OUR AUDIT

As at 31 December 2025, the Bank reports customer loans accounted for at amortised cost of EUR 4,455 million (31 December 2024: EUR 4,985 million) representing 10% of total assets (31 December 2024: 10%) and recognised individually assessed impairments on such loans amounting to EUR 16.0 million (31 December 2024: EUR 8.7 million).

The impairment amount for loans consists of three different components being:

- Management's estimate of expected credit loss ("ECL") for loans considered credit impaired (Stage 3), amounting to EUR 9.5 million as at 31 December 2025 (31 December 2024: EUR 4.2 million);
- The lifetime expected credit loss determined by model for loans where there has been a significant increase in credit risk since initial recognition (Stage 2); and

- The 12-month expected credit loss determined by model for the remaining population (Stage 1).

These loans are not traded in an active market, therefore significant judgments and estimates are applied by Management in its assessment of their recoverable amount, irrespective of the stage allocation.

Inappropriate judgements made in relation to the methodology and inputs used or the assumptions taken may have a material impact on the impairment amount recorded.

These critical judgments include matters such as the definition of criteria to identify significant increase in credit risk or default, as well as estimation of input parameter for determining ECL, namely probability of default and loss given default which are derived from statistical models and should include forward-looking information. For credit-impaired assets where impairment is based on management's best estimate, the critical judgments include estimation of recoverable cash flow, the effect of guarantees received, as well as valuation of collaterals.

The current environment of enhanced geopolitical uncertainty introduces increased volatility and unpredictability in key economic factors. This uncertainty increased the level of judgement involved in the determination and calculation of expected credit losses on loans accounted for at amortised cost. Such aspects are disclosed in the Note 2.4, for the geopolitical and macroeconomic factors, and in Note 9.1, for the credit risk impacts and breakdowns, to the annual accounts.

The key inputs and assumptions, as well as the accounting principles, used by Management in its assessment of loan impairment and provisions are detailed in Note 3.8 to the annual accounts.

The breakdown of loans, receivables and securities accounted for at amortised cost, as well as the accounting principles, are disclosed in Note 3.5 to the annual accounts.

HOW THE MATTER WAS ADDRESSED IN OUR AUDIT

Our procedures included the testing of key manual and automated controls over the approval, recording and monitoring of customer loans and the measurement of impairment amounts.

We assessed the methodology to determine ECL based on the policies and procedures in place by comparing it against IFRS 9 requirements, as well as the key input data used and model application as at 31 December 2025.

We also assessed the appropriateness of modelling methodologies, giving specific consideration to the current economic uncertainty and whether management judgmental adjustments were needed by obtaining assurance from the Financial Risk Management specialists of the group auditors on the modelling methodologies and inspecting the procedures they performed as well as their conclusions.

For the allocation of customer loans to the different stages in the impairment model as at 31 December 2025, we assessed whether it has been performed in line with criteria defined by reperforming the allocation for a sample of loans.

For ECL determined based on the implemented statistical model (stage 1 and 2), we reperformed the ECL calculations at year-end and agreed, on a sample basis, the relevant data elements to reliable source of information.

For stage 3 customer loans, where provisions are based on management's best estimate, we evaluated the Bank's individual assessment of a sample of loans by specifically challenging the Bank's assumptions used as well as underlying data, including the value of realisable collateral and the estimated recoverability. Based on a retrospective review, we further critically assessed whether the Bank revised its estimates and assumptions for specific impairment established in prior years.

The impact of the difficult market conditions, driven by geopolitical uncertainties, was followed-up by assessing the models over the parameters, the determination of overlays and booking of the related impairments.

We also tested a sample of individually significant exposures for which no specific impairment had been recorded as well as a sample of exposures which had not been identified by the Bank as being potentially impaired in order to challenge their proper staging.

We assessed the disclosures in the annual accounts in relation to impairment of customer loans with reference to the requirements of the prevailing accounting standards.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information stated in the annual report including the management report but does not include the annual accounts and our report of the "réviseur d'entreprises agréé" thereon.

Our opinion on the annual accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the annual accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors for the annual accounts

The Board of Directors is responsible for the preparation and fair presentation of the annual accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts, and for such internal control as the Board of Directors determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

III. INDEPENDENT AUDITOR'S REPORT (CONTINUED)

In preparing the annual accounts, the Board of Directors is responsible for assessing the Bank'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 the Board of Directors either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the “réviseur d'entreprises agréé” for the audit of the annual accounts

The objectives of our audit are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the “réviseur d'entreprises agréé” that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF 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 annual accounts.

As part of an audit in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of 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 Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' 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 Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the “réviseur d'entreprises agréé” to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the “réviseur d'entreprises agréé”. However, future events or

conditions may cause the Bank to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual accounts of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes public disclosure about the matter.

Report on other legal and regulatory requirements

We have been appointed as “réviseur d'entreprises agréé” by the Board of Directors on 24 April 2025 and the duration of our uninterrupted engagement, including previous renewals and reappointments, is 2 years.

The management report is consistent with the annual accounts and has been prepared in accordance with applicable legal requirements.

We confirm that the prohibited non-audit services referred to in the EU Regulation N° 537/2014 were not provided and that we remained independent of the Bank in conducting the audit.

*KPMG Audit S.à r.l.
Cabinet de révision agréé*



Stanislas Chambourdon

Luxembourg, 24 April 2026

IV. ANNUAL ACCOUNTS

BALANCE SHEET - ASSETS

<i>(in EUR thousand)</i>	Notes	12.31.2025	12.31.2024
Cash due from central banks	Note 3.1	11 707 892	12 685 077
Financial assets at fair value through profit or loss	Notes 3.2, 3.3	1 860 659	1 677 140
Hedging derivatives	Note 3.3	103 114	91 255
Financial assets at fair value through other comprehensive income	Notes 3.4, 3.8	2 364 528	1 123 124
Due from banks at amortised cost	Notes 3.5, 3.8, 3.9, 3.11	22 815 895	28 049 925
Customer loans at amortised cost	Notes 3.5, 3.8, 3.9, 3.11	4 455 087	4 985 377
Shares in affiliated undertakings	Notes 3.10, 3.12	537 171	1 092 328
Tax assets	Note 6	303	331
Other assets	Note 4.3	265 653	477 357
Tangible and intangible fixed assets	Note 8.4	25 692	29 202
Total		44 135 994	50 211 116

BALANCE SHEET - LIABILITIES

<i>(in EUR thousand)</i>	Notes	12.31.2025	12.31.2024
Financial liabilities at fair value through profit or loss	Notes 3.2, 3.3	85 534	60 102
Hedging derivatives	Note 3.3	47 620	19 013
Revaluation differences on portfolios hedged against interest risk	Note 3.3	(14 066)	6 464
Debt securities issued	Note 3.6	-	-
Due to banks	Notes 3.6, 3.9	19 200 176	22 774 311
Customer deposits	Notes 3.6, 3.9	20 764 291	23 147 945
Tax liabilities	Note 6	80 610	65 152
Other liabilities	Note 4.3	517 055	614 731
Provisions	Notes 5.2, 8.2	182 799	181 944
Special line items with a reserve share	Note 8.3	-	17 255
Total liabilities		40 864 019	46 886 917
Shareholders' equity	Note 7.1		
Issued capital		1 389 043	1 389 043
Share premium, reserves and retained earnings		1 341 489	1 281 848
Net income		533 982	653 728
Subtotal		3 264 514	3 324 619
Unrealised or deferred gains and losses	Note 7.3	7 461	(420)
Total equity		3 271 975	3 324 199
Total liabilities and equity		44 135 994	50 211 116

The accompanying Notes are an integral part of the annual report.

OFF BALANCE SHEET ITEMS

<i>(in EUR thousand)</i>	Notes	12.31.2025	12.31.2024
Credit lines and financing commitments	Note 3.11	2 875 723	4 569 769
Guarantees and securities commitments	Note 3.11	1 478 240	1 417 535
Assets pledged as securities	Note 3.11	57 789	141 622
Assets under Management – Fiduciary transactions	Note 3.11	2 604 030	4 289 426

PROFIT AND LOSS ACCOUNT

<i>(in EUR thousand)</i>	Notes	2025	2024
Interest and similar income	Note 3.7	1 557 706	2 029 615
Interest and similar expense	Note 3.7	(1 148 832)	(1 644 814)
Dividends on variable income securities	Note 8.7	518 389	706 430
Fee income	Note 4.1	279 163	267 846
Fee expense	Note 4.1	(97 904)	(91 602)
Net gains and losses on financial transactions		(93 261)	(157 986)
<i>o/w net gains and losses on financial instruments at fair value through profit or loss</i>	Note 3.2	(93 261)	(157 986)
<i>o/w net gains and losses on financial instruments at fair value through other comprehensive income</i>	Note 3.4	-	-
Value adjustment from shares in affiliated undertakings	Note 3.10	(171 483)	(158 160)
Income from other activities	Note 4.2	1 009	4 028
Expenses from other activities	Note 4.2	(4 879)	(2 141)
Net banking income		839 908	953 216
Personnel expenses	Note 5.1	(146 198)	(144 658)
General administrative expenses	Note 8.1	(114 096)	(111 568)
Amortisation, depreciation, and impairment of tangible and intangible fixed assets	Note 8.4	(7 734)	(9 325)
Gross operating income		571 880	687 665
Cost of risk	Note 3.8	(7 349)	(4 028)
Operating income		564 531	683 637
Earnings before tax		564 531	683 637
Income tax	Note 6	(30 549)	(29 909)
Net income		533 982	653 728
Net income / total balance sheet		1,2%	1,3%

The accompanying Notes are an integral part of the annual report.

V. NOTES TO THE ANNUAL ACCOUNTS

NOTE 1 – OTHER STATEMENTS

STATEMENT OF NET INCOME AND UNREALISED OR DEFERRED GAINS AND LOSSES

<i>(in EUR thousand)</i>	<i>Notes</i>	2025	2024
Net income		533 982	653 728
Unrealised or deferred gains and losses that will be reclassified subsequently into income		7 223	(19 800)
Revaluation of debt instruments at fair value unrealized or deferred gains and losses	<i>Note 7.3</i>	8 028	(4 464)
Revaluation of hedging derivatives	<i>Note 7.3</i>	(805)	(15 336)
Unrealised or deferred gains and losses that will not be reclassified subsequently into income		1 572	914
Actuarial gains and losses on defined benefits plans	<i>Note 7.3</i>	1 572	914
Total unrealised or deferred gains and losses		8 795	(18 886)
Net income and unrealised or deferred gains and losses		542 777	634 842

All amounts presented are net of taxes.

STATEMENT OF CHANGES IN EQUITY

As at December 31, 2025

(in EUR thousand)	Capital and associated reserves			Net income for the year	Gains and losses recognised directly in unrealized or deferred gains and losses (net of tax)			Total equity
	Subscribed capital	Additional paid-in capital and reserves	Sub-total		that will be reclassified to profit or loss in a subsequent period	that will not be reclassified to profit or loss in a subsequent period	Sub-total	
Shareholders' equity as at December 31, 2024	1 389 043	1 281 848	2 670 891	653 728	(1 334)	914	(420)	3 324 199
Allocation to retained earnings	-	654 641	654 641	(653 728)	-	(914)	(914)	-
Shareholders' equity as January 1, 2025	1 389 043	1 936 489	3 325 532	-	(1 334)	-	(1 334)	3 324 199
Appropriation of income	-	-	-	-	-	-	-	-
2024 dividends paid	-	(595 000)	(595 000)	-	-	-	-	(595 000)
Sub-total of changes linked to relations with shareholders	-	(595 000)	(595 000)	-	-	-	-	(595 000)
Gains and losses recognised directly in unrealized or deferred gains and losses	-	-	-	-	7 223	1 572	8 795	8 795
2025 net income	-	-	-	533 982	-	-	-	533 982
Other changes	-	-	-	-	-	-	-	-
Sub-total	-	-	-	533 982	7 223	1 572	8 795	542 777
Shareholders' equity as at December 31, 2025	1 389 043	1 341 489	2 730 532	533 982	5 889	1 572	7 461	3 271 975

As at December 31, 2024

(in EUR thousand)	Capital and associated reserves			Net income for the year	Gains and losses recognised directly in unrealized or deferred gains and losses (net of tax)			Total equity
	Subscribed capital	Additional paid-in capital and reserves	Sub-total		that will be reclassified to profit or loss in a subsequent period	that will not be reclassified to profit or loss in a subsequent period	Sub-total	
Shareholders' equity as at December 31, 2023	1 389 043	1 503 103	2 892 146	324 345	18 466	(1 600)	16 866	3 233 357
Allocation to retained earnings	-	322 745	322 745	(324 345)	-	1 600	1 600	-
Shareholders' equity as January 1, 2024	1 389 043	1 825 848	3 214 891	-	18 466	-	18 466	3 233 357
Appropriation of income	-	-	-	-	-	-	-	-
2023 dividends paid	-	(544 000)	(544 000)	-	-	-	-	(544 000)
Sub-total of changes linked to relations with shareholders	-	(544 000)	(544 000)	-	-	-	-	(544 000)
Gains and losses recognised directly in unrealized or deferred gains and losses	-	-	-	-	(19 800)	914	(18 886)	(18 886)
2024 net income	-	-	-	653 728	-	-	-	653 728
Other changes	-	-	-	-	-	-	-	-
Sub-total	-	-	-	653 728	(19 800)	914	(18 886)	634 842
Shareholders' equity as at December 31, 2024	1 389 043	1 281 848	2 670 891	653 728	(1 334)	914	(420)	3 324 199

NOTE 2 – CORPORATE INFORMATION AND SIGNIFICANT ACCOUNTING PRINCIPLES

1. INTRODUCTION

CORPORATE INFORMATION

Societe Generale Luxembourg (the “Bank” or “SG Luxembourg”) was formed as Ingéfilux on April 11, 1956. Its name was changed to Luxbanque, Societe Luxembourgeoise de Banque S.A. on May 7, 1981. In 1995, the Extraordinary Shareholders’ Meeting decided to change the Bank’s name to Societe Generale Bank and Trust S.A., with effect as of June 1, 1995. Furthermore, in January 2020 the Bank changed its name to Societe Generale Luxembourg.

The Bank is governed by Luxembourg banking regulations and in particular the Law of April 5, 1993, as amended, on the financial sector. The Bank was incorporated as a limited liability company (“Societe Anonyme”) for an unlimited duration.

The Bank provides asset management, investment advisory, financial engineering and depository services, in particular for collective investment undertakings. It is also active on the financial markets and with institutional clients, with a high volume of proprietary cash management transactions and financing operations carried out on behalf of large corporations.

As at December 31, 2025, the Bank’s capital is wholly owned by Sogéparticipations, a limited liability company incorporated under French law.

In accordance with article 80 of the Law of June 17, 1992, as amended, on the annual and consolidated accounts of credit institutions governed by the laws of Luxembourg, the Bank is exempted from the obligation to draw up consolidated accounts and a consolidated management report.

The Bank and other entities of the Bank are included in Societe Generale Group’s consolidated financial statements. Accordingly, SG Luxembourg’s annual accounts are included in the consolidated financial statements of Societe Generale, whose registered office is located at 29 boulevard Haussmann, 75009 Paris, France. It constitutes the largest as well as the smallest grouping of undertakings to which the Bank belongs as a subsidiary. The consolidated financial statements are available from the registered office indicated above.

Societe Generale is a limited liability company established under French law headquartered in Paris, that prepares and publishes IFRS as adopted by the Europe Union consolidated financial statements since 2005.

The Bank holds a representation office in Belgium since 2024 and a branch in Italy since January 2021 (former representation office opened in 2018 and transformed into a branch as at January 1, 2021).

These annual accounts were prepared by the Board of Directors on April 24, 2026 and approved by the General Shareholders’ meeting.

ANNUAL ACCOUNTS PRESENTATION

The Bank’s accounting policies comply with the legal requirements in force in the Grand Duchy of Luxembourg and, in particular, the Law of June 17, 1992 as amended relating to the annual and consolidated financial statements of credit institutions governed by Luxembourg law.

Since December 31, 2012, the Bank elected to draw up its annual accounts in accordance with the mixed financial reporting framework (“mixed framework” or Generally Accepted Accounting Principles in Luxembourg [“LUX GAAP”] using “IAS options”).

The Luxembourg regulator CSSF allows, with the Circular 08/340 as subsequently amended, credit institutions to publish their annual accounts in accordance with “LUX GAAP” using certain IAS/IFRS standards (“IAS options”). These IAS options relate not only to the presentation of the annual accounts but also to valuation rules. Besides, the Bank has opted in line with article 2(1) of the modified law of June 17, 1992 for the addition of the following other statements (see Note 1):

- inclusion of a statement of changes in equity;
- inclusion of a statement of net income and unrealised or deferred gains and losses.

The Bank ensures compliance with the provisions of Articles 7 and 41 of the amended law of

June 17, 1992 regarding the presentation of annual accounts.

The accounting policies used by the Bank are based on the mixed accounting regime or LUX GAAP, with the IAS options listed below:

IAS 10 – Events after the reporting period;

IAS 12 – Income taxes;

IAS 16 – Property, plant and equipment;

IAS 19R – Employee benefits;

IAS 21 – The effects of changes in foreign exchange rates;

IAS 24 – Related parties disclosures;

IAS 32 – Financial instruments presentation;

IAS 36 – Impairment of assets;

IAS 38 – Intangible assets;

IAS 39 – Financial instruments: recognition and measurement;

IFRS 9 – Financial instruments: recognition and measurement except for shares in affiliated undertakings;

IFRS 15 – Revenue from contracts with customers.

The Bank's financial year starts on January 1, and ends on December 31, of each year.

The main accounting methods applied when preparing the annual accounts are described below. Accounting principles and valuation principles are, besides the rules imposed by the law and by the CSSF, determined by the Board of Directors and implemented by the Management.

The annual accounts have been prepared on an historical cost basis except for derivative financial instruments, financial assets and liabilities at fair value through profit or loss and financial assets at fair value through other comprehensive income that have been measured at fair value.

The carrying values of assets and liabilities that are designated as hedged items (fair value hedges) are adjusted to record changes in the fair values attributable to risks that are being hedged in effective hedge relationships. These assets and liabilities would otherwise be carried at amortised cost. The disclosures provided in the Notes to the annual accounts of the Bank describe its activities and the circumstances in which it conducted its operations over the year.

In accordance with the transitional measures provided by IFRS 9, the Bank has elected to recognise hedging transactions under IAS 39 as adopted by the European Union, including measures related to macro-fair value hedge accounting (IAS 39 "carve-out").

PRESENTATION CURRENCY

The presentation currency of the annual accounts is the euro.

The figures presented in the annual accounts and in the Notes are expressed in EUR thousand, unless otherwise specified. The effect of rounding can generate discrepancies between the figures presented in the annual accounts and those presented in the Notes.

The main spot exchange rates used as at December 31, 2025, and December 31, 2024, are presented in Note 8.5.

2. NEW ACCOUNTING STANDARDS APPLIED BY THE BANK AS OF JANUARY 1, 2025

2.1. ACCOUNTING STANDARDS APPLICABLE SINCE AS AT JANUARY 1, 2024

Amendments to IAS 21 "Impacts to variations in foreign currency rates"

Published on 15 August 2023

These amendments clarify the circumstances in which a currency is considered as convertible, as well as the circumstances for the evaluation of the exchange rate of a non-convertible currency. They also supplement the information to be disclosed in the annexes to the annual accounts in cases where a currency is not convertible.

The provisions of these amendments have been already applied since 2024 to the preparation of the Bank's annual accounts.

3. USE OF ESTIMATES AND JUDGMENTS

The preparation of the annual accounts requires the Board of Directors to make judgments, estimates and assumptions that affect the reported figures recorded in the Profit and loss account, on the valuation of assets and liabilities in the balance sheet, and on information disclosed in the Notes to the annual accounts.

In order to make these assumptions and estimates, the Board of Directors uses information available at the date of preparation of the annual accounts and can exercise its judgment. By nature, valuations based on estimates include risks and uncertainties relating to their occurrence in the future. Consequently, actual future results may differ from these estimates and may then have a significant impact on the annual accounts.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. In the process of applying the Bank's accounting policies, the Board of Directors has made judgments and assumptions on the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Existing circumstances and assumptions about future developments may change due to circumstances beyond the Bank's control and are reflected in the assumptions if and when they occur. Items with the most significant effect on the amounts recognized in the annual accounts with substantial management judgment and/or estimates are listed below with respect to judgments/estimates involved.

In the process of applying the Bank's accounting policies, the Board of Directors has made the following judgements and estimates, which have the most significant effect on the amounts recognized in the annual accounts:

- Fair value in the balance sheet of financial instruments not quoted in an active market which are classified as Financial assets and liabilities at fair value through profit or loss, Hedging derivatives or assets at fair value through other comprehensive income (see respectively Notes 3.2, 3.3 and 3.4);
- Classification of financial instruments, in particular the analysis of the contractual cash flow characteristics of financial assets (see Notes 3.3, 3.4 and 3.5);
- The analysis of the contractual cash flow characteristics of financial assets, assessment of the increase in credit risk observed since the initial recognition of financial assets, and the measurement of the amount of expected credit losses on these same financial assets (See Notes 3.4 and 3.5);
- The amount of impairment and provisions for credit risk related to financial assets measured at amortised cost, or at fair-value through other comprehensive income, shares in affiliated undertakings, loan commitments granted and guarantee commitments granted measured with models or internal assumptions based on historical, current and prospective data (see Notes 3.8, 3.10 and 9.1);
- Provisions in particular, provisions for disputes in a complex legal environment (see Note 8.2);

- The amount of deferred tax assets recognized in the balance sheet (see Note 6);
- The assumptions used for the supplemental defined benefit retirement plan (see Note 5.2).

CLIMATE RISK



In accordance with Societe Generale Group approach, the Bank continues its work to gradually integrate climate risks in the preparation of its annual accounts.

Climate change-related risks are not a new risk category but rather an aggravating factor for categories already covered by Societe Generale Group's risk management system. In this regard, the impact of transitional risk on the credit risk of the corporate customers remains one of the major climate risks for Societe Generale Group and its subsidiaries.

4. GEOPOLITICAL AND MACROECONOMIC CONTEXT

The global economy proves resilient so far, buoyed by rising asset prices, low energy prices, investments in artificial intelligence, as well as by budgetary easing (increased defence spending, especially in the United States, in Europe and in China), regulatory easing (especially in the United States), and simplification measures in Europe (Omnibus initiative).

Meanwhile, labour markets are tightening in Europe and United States. Financial market volatility raises the risk of a faster than expected slowdown, whether in equity risk premiums, real estate or sovereign debt.

Societe Generale Group (the "Group") is anticipating further interest rate cuts by the Federal Reserve, albeit with a more hesitant stance. Questions over its independence also remain a source of uncertainty. In Europe, the Group expects the ECB to cut interest rates and announce an end to quantitative tightening.

In this context, the Bank updated the macroeconomic scenarios chosen for the preparation of the statutory annual accounts on basis of the consolidated financial statements of Societe Generale Group.

These macroeconomic scenarios are taken into account in the credit loss measurement models including forward-looking data (see Note 3.8) and tests assessing the recoverability of deferred tax assets (see Note 6).

Societe Generale Luxembourg's approach relies on Societe Generale Group's modelizations for macroeconomic scenario and analysis of activities.

The details of evolutions to macroeconomic scenarios and their impacts on calculation of Expected Credit Losses (ECL) under IFRS 9 are presented below.

At December 31, 2025, Societe Generale Group selected four scenarios to enhance understanding of the uncertainties associated with the current macroeconomic environment. A new SG Debt Tension scenario has been introduced to capture the risks associated with growing concerns about the sustainability of public finances in major economies, although this is not considered to be a systemic crisis.

The assumptions considered to build these scenarios are described below:

- The central scenario ("SG Central") predicts low growth in the eurozone in a context of more restrictive budgetary policy

than in 2025 and of persistent geopolitical concerns. In the United States, while budgetary stimulus and deregulation may provide a boost to the US economy, this will not be enough to offset the headwinds of immigration, tariffs and general uncertainty. Downside risks, particularly related to financial volatility, remain. Compared with December 31, 2024, this central scenario is, therefore, unchanged in terms of underlying trends and expected developments. Forecasts of the main economic variables changed only marginally when the economic scenarios were updated.

- The favourable scenario ("SG Favourable") describes accelerated economic growth compared with the trajectory envisaged in the central scenario, this growth may result from improved supply conditions owing to a positive shock on productivity or from unexpectedly improved demand conditions. In both cases, stronger growth will have a positive impact on employment and the profitability of companies.
- The stressed scenario ("SG stress") of stagflation has been calibrated on the experience of the 1979 Iranian revolution and the resulting oil shock. This scenario is based on a negative supply shock leading to inflationary pressures, combined with a financial crisis.
- The deflation scenario ("SG Debt tension") is supported by widespread concern about the sustainability of public finances in the major economies. This scenario is based on a negative demand shock related to the increase of the global financing costs, amplified by a loss of credibility of central banks and the absence of unconventional policies. The result is a broad-based rise in long term rates, a depreciation of the dollar, a widening of credit spreads and a downturn in equity markets.

These scenarios are developed by the Economic and Sector Research department of Societe Generale for all Group entities. Forecasts by institutions (IMF, World Bank, ECB, OECD, etc.) and the consensus among market economists serve as a reference to challenge the Group's forecasts.

VARIABLES

The scenarios provided by the Group's economists are incorporated into the expected credit loss provisioning models over a three-year horizon, followed by a two-year period to gradually return by the fifth year to the average probability of default observed during the calibration period. The assumptions made by the Group to develop these macroeconomic scenarios have been updated during the third quarter of 2025.

The growth rate of Gross Domestic Product (GDP), the disposable income of households, the difference in interest rates between France and Germany, US imports, exports from developed countries, unemployment rates, the inflation rate in France and the yield on France 10-year government bonds are the main variables used in the expected credit losses measurement models. The variables which have the stronger impact on the determination of expected credit losses (rate of GDP growth for the major countries in which the Group operates and the disposable income of households in France) for each scenario are listed below.

In 2025, Societe Generale Group revised the parameters used in the models on the basis of the updated macroeconomic scenarios. These take account of the recent economic developments and the macroeconomic impacts related to the current geopolitical environment.

V. NOTES TO THE ANNUAL ACCOUNTS (CONTINUED)

To reckon with the uncertainties related to the macroeconomic and geopolitical environment, the Group updated the model and post-model adjustments in the second half of 2025. The effects of these adjustments in the determination of expected credit losses are described below

The variables with the stronger impact on the determination of expected credit losses (GDP growth percentage for the major countries in which Societe Generale Group operates) for each scenario are detailed hereinafter:

"SG Favourable" scenario	2026	2027	2028	2029	2030
France GDP	1,6	2,9	2,3	2,4	1,4
Eurozone GDP	1,8	3,0	2,3	2,4	1,4

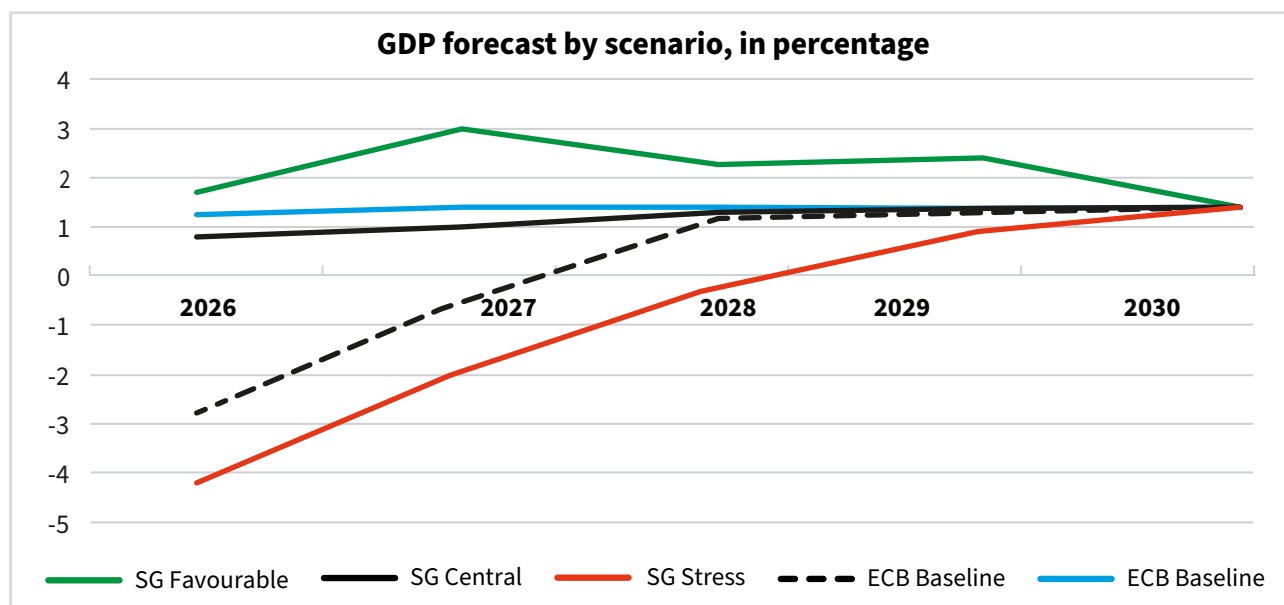
"SG Central" scenario	2026	2027	2028	2029	2030
France GDP	0,6	0,9	1,3	1,4	1,4
Eurozone GDP	0,8	1,0	1,3	1,4	1,4

"SG Stress" scenario	2026	2027	2028	2029	2030
France GDP	(4,4)	(2,1)	(0,2)	0,9	1,4
Eurozone GDP	(4,2)	(2,0)	(0,2)	0,9	1,4

"SG Debt tension" scenario	2026	2027	2028	2029	2030
France GDP	(3,0)	(0,7)	1,3	1,4	1,4
Eurozone GDP	(2,8)	(0,5)	1,2	1,4	1,4

These simulations assume that the historical relationships between the key economic variables and the risk parameters remain unchanged. In reality, these correlations may be impacted by geopolitical or climatic events, or by changes in behaviour, legislative environment or credit granting policy.

The graph below shows the GDP forecasts in the eurozone selected by Societe Generale Group for each scenario and compares them with the scenarios published by the ECB in December 2025.



WEIGHTING OF THE MACROECONOMIC SCENARIOS

The probabilities used are based on the differences observed over the past 25 years between the forecasts made by a consensus of economists regarding the U.S. GDP and the actual scenario that occurred (forecast similar to the actual scenario, significantly optimistic or pessimistic).

To better account for a possible reversal in the cycle, Societe Generale Group applies to its scenarios a weighting methodology

(mainly based on the observed output gaps for the USA and the eurozone) and assigns a higher weight to the SG Central scenario when the economy is depressed. Conversely, the methodology provides for a higher weight to be assigned to the SG Stress scenario when the economy moves towards the peak of the cycle. Accordingly, the weighting applied to the SG Central scenario is set at 56% as at December 31, 2025.

Presentation of the changes in weights:

	12.31.2025	06.30.2025	12.31.2024
SG Central	56%	56%	56%
SG Stress	14%	34%	34%
SG Favourable	10%	10%	10%
SG Debt Tension	20%		

ADJUSTMENTS SUPPLEMENTING THE APPLICATION OF THE MODELS

Sectoral adjustments

Societe Generale Group may supplement the models with sector-specific adjustments relating to the potential revision of expected credit loss estimates for certain sectors. Starting in 2025, the Group Societe Generale's methodology has been refined and the classification of exposures is adjusted consistently where necessary (sectoral adjustments had no impact on exposure classification up to and including 2024).

These adjustments allow for better anticipation of the default/recovery cycle in some sectors that are cyclical and have been subject to peaks of default in the past or are especially vulnerable to the current crises and on which Societe Generale Group's exposure exceeds a threshold that is annually reviewed and set by the Risk Division.

These sectoral adjustments are examined and updated quarterly by Societe Generale Group Risk Division and validated according to materiality thresholds by Societe Generale Group General Management.

The proposals are determined on the basis of an assessment of the sectors by the Economic and Sector Studies Department. This assessment process takes into account the financial characteristics of the enterprises in the sector, its current circumstances and perspectives, and its exposure to climate risk (climate change-induced risks as well as exposure to physical risks).

The same approach for sectoral adjustments was applied at the Bank level.

The main sectors concerned as of December 31, 2025 are commercial real estate, construction, public works and telecoms.

The total sectoral adjustments amount to EUR 0,5 million as at December 31, 2025 (December 31, 2024: EUR 0,21 million).

Specific adjustments

As of the 4th quarter 2025, on Private Banking perimeter, Societe Generale Luxembourg decided to discontinue the specific adjustment on the offshore credit portfolio to Russian clients (out of sanctioned or restricted PEP counterparties), thus amounted to EUR nil (2024: EUR 0,07 million).

On Private Banking portfolio, Societe Generale Luxembourg has maintained in 2025 the specific adjustment on financial market instability in 2025 for EUR 2,0 million (2024: EUR 1,7 million).

The total specific adjustments for the Bank amount to EUR 2,0 million as at December 31, 2025 (December 31, 2024: EUR 1,8 million).

CALCULATION OF EXPECTED CREDIT LOSSES

Based on the scenarios and weightings mentioned above and after considering the methodological adjustments, the calculation of expected credit losses led SG Luxembourg to record a Net Cost of Risk of EUR 7,3 million as at December 31, 2025 (December 31, 2024: EUR 4,0 million).

NOTE 3 – FINANCIAL INSTRUMENTS

MAKING IT SIMPLE

The financial instruments represent the contractual rights or obligations to receive or to pay cash or other financial assets. The Bank's banking activities generally take the form of financial instruments covering a broad spectrum of assets and liabilities, such as loans, investment portfolios (equity, bonds, etc.), deposits, debt securities issued and derivative instruments (swaps, options, forward contracts, credit derivatives, etc.).

In the annual accounts, the classification and valuation of financial assets and liabilities depend on their contractual characteristics and the way the Bank manages those financial instruments.

However, this distinction is not applicable to derivative instruments, which are always measured at fair value in the balance sheet, no matter what their purpose is (market activities or hedging transactions).

ACCOUNTING PRINCIPLES

Accounting principles presented in this Note 3 are applied as from January 1, 2018 according to the IFRS 9 standard except from hedge accounting, which is applied according to IAS 39 (see Note 3.3.).

CASH DUE FROM CENTRALS BANKS

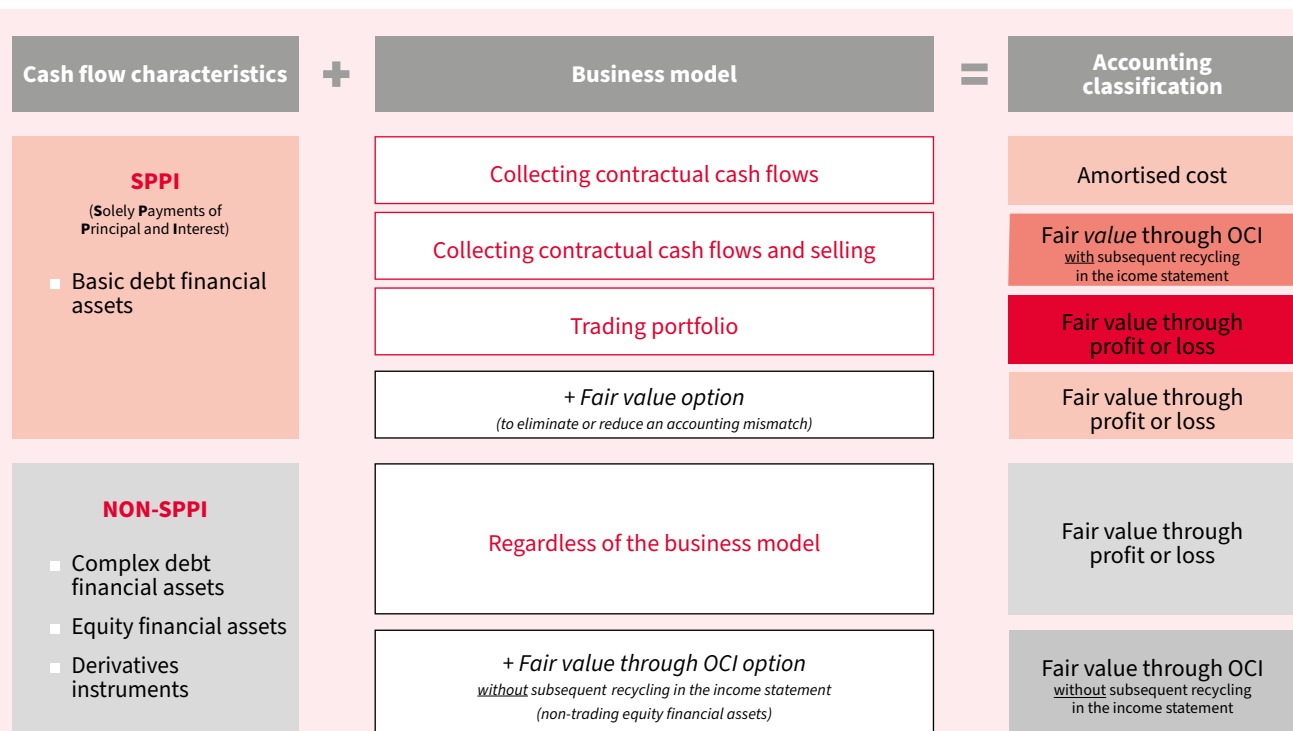
Cash and cash equivalents consist primarily of cash balances, debit balances outstanding from the current account and the mandatory minimum reserve with the Central Bank of Luxembourg.

The funds for the minimum reserves are not available for financing the current operations of the Bank. The reserve base, calculated monthly, is based on balance sheet items in accordance with

accounting principles. The baseline calculation, which determines the reserve requirement, is performed by the Central Bank of Luxembourg.

CLASSIFICATION OF FINANCIAL ASSETS

At initial recognition, financial instruments are classified in the Bank's balance sheet in one of three categories (amortised cost, fair value through profit or loss, and fair value through other comprehensive income) that determine their accounting treatment and subsequent measurement method. Classification is based on their contractual cash flow characteristics and the entity's business model for managing the assets.



The accounting principles for classifying financial assets require the entity to analyse the contractual cash flows generated by the financial instruments and to analyse the business model for managing the financial instruments.

Analysis of contractual cash flow characteristics

The aim of the analysis of contractual cash flow characteristics (“SPPI test”) is to limit exclusively the recognition of revenues from financial assets using the effective interest method to the instruments whose characteristics are similar to those of a basic lending arrangement, meaning their associated cash flows are highly predictable. All other financial instruments that do not share these characteristics are measured at fair value through profit or loss, regardless of the business model used to manage them unless fair value through other comprehensive Income option for equity instruments is applied.

Contractual cash flow that represents solely payments of principal and interest (SPPI) on the principal amount outstanding are consistent with a basic lending arrangement.

In a basic lending arrangement, interest predominantly consists of a consideration for the time value of money and for credit risk. Interest may also include a consideration for liquidity risk, administrative costs, and a commercial profit margin. Negative interest is not inconsistent with this definition.

Derivatives qualifying as hedging instruments for accounting purposes are recorded on a separate line in the balance sheet (see Note 3.3).

The Bank can make the irrevocable decision, on a security-by-security basis, to classify and measure an investment in an equity instrument (shares and other equity securities) that is not held for trading purposes at fair value through other comprehensive income. Subsequently, the profit or loss accumulated in Gains and losses recognised directly in unrealized or deferred gains and losses will never be reclassified into profit or loss (only dividends from those investments will be recognised as income).

Analysis of the business model

The business model represents how the financial instruments are managed in order to generate cash flows and income.

In its different business lines, the Bank uses several business models. Business models are assessed on how groups of financial instruments are managed together to achieve a particular business objective. The business model is not assessed on an instrument-by-instrument basis, but at a portfolio level, considering relevant evidence such as:

- how the performance of the portfolio is evaluated and reported to the Bank’s management;
- how risks related to financial instruments within that business model are managed;
- how managers of the business are compensated;
- value, frequency, purpose of sales of assets realised or expected.

To determine the classification and measurement of financial assets, three different business models shall be distinguished:

- a business model whose objective is to collect contractual cash flows (“Held to collect” business model);
- a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets (“Held to collect and Sell” business model);
- and a separate business model for other financial assets, especially those that are held for trading purposes, where collecting contractual cash flows is only incidental.

Fair value option

SPPI financial assets that are not held for trading purposes can be designated, at initial recognition, at fair value through profit or loss if such designation eliminates or significantly reduces discrepancies in the accounting treatment of related financial assets and liabilities (accounting mismatch).

CLASSIFICATION OF FINANCIAL LIABILITIES

Financial liabilities are classified into one of the following two categories:

- Financial liabilities at fair value through profit or loss: these are financial liabilities held for trading purposes, which by default include derivative financial liabilities not qualifying as hedging instruments and non-derivative financial liabilities designated by the Bank upon initial recognition to be measured at fair value through profit or loss using the fair value option;
- Debts: these include the other non-derivative financial liabilities and are measured at amortised cost.

Derivative financial assets and liabilities qualifying as hedging instruments are presented on separate lines of the balance sheet (see Note 3.3).

RECLASSIFICATION OF FINANCIAL LIABILITIES

Reclassification of financial liabilities are only required in the exceptional event that the Bank changes the business model used to manage these liabilities.

These reclassifications are applied prospectively (no restatement of previously recognised profits, losses or interests).

FAIR VALUE

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

INITIAL RECOGNITION

Purchases and sales of *financial assets recorded under Financial assets at fair value through profit or loss* and *Financial assets at fair value through other comprehensive income* are recognised in the balance sheet at the delivery-settlement date. Changes in fair value between the trade and settlement dates are recorded in the Profit and loss account or booked to statement of net income and unrealized or deferred gains and losses on the accounting category of the relevant financial assets. Loans, receivables and securities at amortised cost are recorded in the balance sheet on the date they are paid or at the maturity date for invoiced services.

For instruments measured at fair value, changes in fair value between the trade date and the settlement-delivery date are recorded in the net Profit and loss account or in statement of net income and unrealized or deferred gains and losses, depending on the accounting classification of the financial assets in question. The trade date is the date on which the contractual commitment becomes binding and irrevocable for the Bank.

When initially recognised, financial assets and liabilities are measured at fair value including transaction costs directly attributable to their acquisition or issuance, except for financial instruments recognised at fair value through profit or loss, for

which these costs are booked directly to the Profit and loss account.

If the initial fair value is based on observable market data, any difference between the fair value and the transaction price, i.e. the sales margin, is immediately recognised in the Profit and loss account. However, if valuation parameters are not observable or the valuation models are not recognised by the market, the fair value of the financial instrument at the time of the transaction is deemed to be the transaction price and the sales margin is then generally recognised in the Profit and loss account over the lifetime of the instrument.

DERECOGNITION OF FINANCIAL ASSETS AND LIABILITIES

The Bank derecognises all or part of a financial asset (or group of similar assets) when the contractual rights to the cash flows on the asset expire or when the Bank has transferred the contractual rights to receive the cash flows and substantially all of the risks and rewards linked to ownership of the asset.

The Bank also derecognises financial assets over which it has retained the contractual rights to the associated cash flows but is contractually obligated to pass these same cash flows through to a third party (“pass-through agreement”) and for which it has transferred substantially all the risks and rewards.

Where the Bank has transferred the cash flows of a financial asset but has neither transferred nor retained substantially all the risks and rewards of its ownership and has effectively not retained control of the financial asset, the Bank derecognises it and, where necessary, recognises a separate asset or liability to cover any rights and obligations created or retained as a result of the asset’s transfer. If the Bank has retained control of the asset, it continues to recognise it in the balance sheet to the extent of its continuing involvement in that asset.

When a financial asset is derecognised in its entirety, a gain or loss on disposal is recorded in the Profit and loss account for an amount equal to the difference between the carrying value of the asset and the payment received for it, adjusted where necessary for any unrealised profit or loss previously recognised directly in equity and for the value of any servicing asset or servicing liability. Indemnities billed to borrowers following the prepayment of their loan are recorded in the Profit and loss account on the prepayment date among *Interest and similar income*.

The Bank derecognises all or part of a financial liability when it is extinguished, i.e. when the obligation specified in the contract is discharged, cancelled or expired.

A financial liability may also be derecognised in the event of a substantial amendment to its contractual conditions or where an exchange is made with the lender for an instrument whose contractual conditions are substantially different.

METHOD OF ANALYSIS OF CONTRACTUAL CASH FLOWS OF FINANCIAL ASSETS

The Bank has established procedures for determining if financial assets pass the SPPI test at initial recognition (loans granting, acquisition of securities, etc.).

All contractual terms shall be analysed, particularly those that could change the timing or amount of contractual cash flows. A contractual term that permits the borrower or the lender to prepay or to return the debt instrument to the issuer before maturity remains consistent with SPPI cash flows, provided

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the prepayment amount primarily represents the principal remaining due and accrued but unpaid contractual interest, which may include a reasonable compensation. The fact that such compensation can be either positive or negative is not inconsistent with the SPPI nature of cash flows.

The prepayment compensation is considered as reasonable especially when:

- the amount is calculated as a percentage of the outstanding amount of the loan and is capped by regulations, or is limited by competitive market practices;
- the amount is equal to the difference between contractual interest that should have been received until the maturity of the loan and the interest that would be obtained by the reinvestment of the prepaid amount at a rate that reflects the relevant benchmark interest rate.

Basic financial assets (SPPI) are debt instruments which mainly include:

- cash and cash equivalents,
- fixed-rate loans,
- variable-rate loans that can include caps or floors,
- fixed or variable-rate debt securities (government or corporate bonds, other negotiable debt securities),
- securities purchased under resale agreements (reverse repos),
- guarantee deposits paid,
- trade receivables.

Contractual terms that would introduce exposure to risks or volatility in the contractual cash flows, unrelated to a basic lending arrangement (such as exposure to changes in equity prices or stock indexes for instance, or leverage features), could not be considered as being SPPI, except if their effect on the contractual cash flows remains minimum.

Non-basic financial assets (non-SPPI) mainly include:

- derivative instruments,
- shares and other equity instruments held by the entity,
- debt financial assets that can be converted or redeemed into a fixed number of shares (convertible bonds, equity-linked securities, etc.).

When the time value component of interest can be modified according to the contractual term of the instrument, it may be necessary to compare the contractual cash flow with the cash flow that would arise from a benchmark instrument. For instance, that is the case when an interest rate is periodically reset, but the frequency of that reset does not match the tenor of the interest rate (such as an interest rate reset every month to a one-year rate), or when the interest rate is periodically reset to an average of short- and long-term interest rates.

If the difference between the undiscounted contractual cash flows and the undiscounted benchmark cash flows is or may become significant, then the instrument is not considered basic.

The Bank has defined “significant” as:

- At each interest period of the asset, a difference higher than the threshold defined as the lower amount between of 10% of undiscounted SPPI compliant cashflows and EUR 1 million;
- Cumulatively over the lifetime of the asset, a difference higher than the threshold defined as the lower amount between 5% of the cumulated SPPI compliant cashflows and EUR 1 million.

Depending on the contractual terms, the comparison with benchmark cash flow may be performed through a qualitative assessment; but in other cases, a quantitative test is required. The difference between contractual and benchmark cash flows has to be considered in each reporting period and cumulatively over the life of the instrument. When performing this benchmark test, the entity considers factors that could affect future undiscounted contractual cash flows: using the yield curve at the date of the initial assessment is not enough, and the entity also has to consider whether the curve could change over the life of the instrument according to reasonably possible scenarios.

Note 3.1. – Cash due from central banks

<i>(in EUR thousand)</i>	12.31.2025	12.31.2024
Cash	2	-
Balances with central banks	11 707 890	12 685 077
Total	11 707 892	12 685 077
<i>Mandatory reserves for Central Bank of Luxembourg</i>	285 733	285 203

Note 3.2. – Financial assets and liabilities at fair value through profit or loss

OVERVIEW OF FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

(in EUR thousand)	12.31.2025		12.31.2024	
	Assets	Liabilities	Assets	Liabilities
Trading portfolio	80 399	85 534	53 129	60 102
Financial instruments mandatorily at fair value through profit or loss	1 780 260	-	1 624 011	-
Financial instruments designed at fair value through profit or loss	-	-	-	-
Total	1 860 659	85 534	1 677 140	60 102

1. TRADING PORTFOLIO

ACCOUNTING PRINCIPLES

The trading book contains financial assets and liabilities held or accrued for the purpose of capital markets activities.

By default, derivative financial instruments are classified into the trading portfolio, unless they qualify as hedging instruments (see Note 3.3).

The financial instruments recorded in the trading portfolio are measured at fair value at the balance sheet date and recognised in balance sheet under *Financial assets or liabilities measured at fair value through profit or loss*. Changes in their fair value and revenues (except interests) are recorded in the Profit and loss account as *Net gains and losses on financial instruments at fair value through profit or loss*.

TRADING ACTIVITIES

Financial assets held for trading are:

- acquired with the intention of selling them in the short term; or
- acquired for the purposes of the specialised management of a trading portfolio, including derivative financial instruments, securities or other financial instruments that are managed together and for which there is evidence of a recent pattern of short-term profit-taking.

Trading portfolio includes all the financial assets held for trading purpose regardless of the characteristics of their contractual cash flows. Only non-SPPI financial assets that are not held for trading are classified amongst Financial assets measured mandatorily at fair value through profit or loss. The trading portfolio of the Bank is strictly composed of financial derivatives. As at December 31, 2025 and 2024, trading portfolio is composed of trading derivatives.

ASSETS

(in EUR thousand)	12.31.2025	12.31.2024
Interest rate instruments	3 844	5 557
Foreign exchange instruments	32 294	34 753
Equity and index instruments	32 773	8 459
Other trading instruments ¹	11 488	4 360
Total	80 399	53 129

LIABILITIES

(in EUR thousand)	12.31.2025	12.31.2024
Interest rate instruments	9 200	13 636
Foreign exchange instruments	32 055	33 617
Equity and index instruments	32 793	8 489
Other trading instruments ¹	11 486	4 360
Total	85 534	60 102

(1) Other trading instruments are mainly composed of structured optional products traded with clients (back-to-back activities).

2. FINANCIAL INSTRUMENTS MANDATORILY AT FAIR VALUE THROUGH PROFIT OR LOSS

ACCOUNTING PRINCIPLES

Financial assets measured mandatorily at fair value through profit or loss include:

- loans, bonds and other debt securities that are not held for trading purposes and do not pass the SPPI test (non-basic or non-SPPI instruments).
- shares and share equivalents that are not classified in any other sub-category: trading book at fair value through profit or loss, instruments designated by the Bank at fair value

through other comprehensive income without subsequent reclassification to profit or loss.

These financial assets are recorded at fair value in the balance sheet under Financial assets measured at fair value through profit or loss and changes in the fair value of these instruments (excluding interest income) are recorded in the Profit and loss account under Net gains and losses on financial instruments at fair value through profit or loss.

BREAKDOWN OF FINANCIAL ASSETS MEASURED MANDATORILY AT FAIR VALUE THROUGH PROFIT OR LOSS

<i>(in EUR thousand)</i>	12.31.2025	12.31.2024
Bonds and other debt securities	1 483 493	1 584 303
Shares and other equity securities	38 231	39 708
Loans and receivables	258 536	-
Total	1 780 260	1 624 011

TRADING STATUS OF ASSETS

The public trading status of assets is as follows:

<i>(in EUR thousand)</i>	12.31.2025	12.31.2024
Publicly traded financial assets mandatorily measured at fair value through profit or loss	-	1
<i>Luxembourg</i>	-	1
<i>Other countries</i>	-	-
Non-publicly traded financial assets mandatorily measured at fair value through profit or loss	1 780 260	1 624 010
Total	1 780 260	1 624 011

3. NET GAINS AND LOSSES ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

<i>(in EUR thousand)</i>	2025	2024
Gain (loss) on derivative instruments held for trading	(4 685)	(19 260)
Net income on equity instruments at fair value through profit or loss	(112 827)	(186 576)
Net income on financial instruments mandatorily measured at fair value through profit or loss	7 031	(1 842)
Net gain/loss on fair value hedging instruments	(7 712)	(42 518)
Revaluation of hedged items attributable to hedged risks	7 081	42 543
Net gain (loss) on foreign exchange transactions	17 851	49 667
Total	(93 261)	(157 986)

4. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS USING FAIR VALUE OPTION

ACCOUNTING PRINCIPLES

In addition to financial assets and liabilities held for trading, and financial assets measured mandatorily at fair value through profit or loss, the same headings in the annual accounts include non-derivative financial assets and liabilities that the Bank has designated at fair value through profit or loss. Changes in the fair value of these instruments (including interest) are recorded in the Profit and loss account under Net gains or losses on financial instruments at fair value through profit or loss. Interest income is recorded in the Profit and loss account as Interest and similar income.

For financial assets, this option may only be used to eliminate or significantly reduce accounting mismatches that would otherwise arise from applying different accounting treatments to certain related financial assets and liabilities.

For financial liabilities, this option may only be used in the following cases:

- to eliminate or reduce discrepancies in the accounting treatment of certain related financial assets and liabilities;
- when it applies to a hybrid financial instrument with one or more embedded derivatives, which should be recognised separately;
- when a group of financial assets and/or liabilities is managed together and its performance is measured at fair value.

Furthermore, in order to simplify their accounting treatment by avoiding the separate recognition of embedded derivatives, the Bank applies the fair value option to convertible bonds that are not held for trading purposes.

ASSETS

As at December 31, 2025, as well as at December 31, 2024, the Bank does not hold any asset recorded under *Assets at fair value through profit and loss using fair value option*.

LIABILITIES

As at December 31, 2025, as well as at December 31, 2024, the Bank does not hold any liabilities under *Liabilities at fair value through profit and loss using fair value option*.

Note 3.3. – Financial derivatives

MAKING IT SIMPLE

Derivative instruments are financial instruments for which the value changes according to that of an underlying item and can be accompanied by a leverage effect. The items underlying these instruments are various in their nature (interest rates, exchange rates, equity, indexes, commodities, credit rating...), as well as in their forms (forward contracts, swaps, calls and puts...).

The Bank may use these derivative instruments for their market activities to provide to its customers solutions to meet their risk management or revenue optimisation needs. In that case, they are accounted for as trading derivatives.

The Bank may also use derivative instruments to manage and hedge its own risks. In this case, they are qualified as hedging derivatives. Hedging transactions can affect individual items or transactions (micro-hedging relationships) or portfolios of financial assets and liabilities that can generate a structural interest-rate risk (macro-hedging relationships).

Contrary to other financial instruments, derivative instruments are always measured at fair value in the balance sheet, regardless their purpose (market activities or hedging transactions). The fair value adjustments of trading derivatives are directly recognised in the Profit and loss account. However, the accounting method used on hedging transactions aims to neutralise in the Profit and loss account the effects of the revaluation of hedging derivatives, as long as the hedge is effective.

ACCOUNTING PRINCIPLES

Derivatives are financial instruments meeting the following three criteria:

- their value changes in response to the change in a specified interest rate, foreign exchange rate, share price, index of prices, commodity price, credit rating, etc.;
- they require little to no initial investment;
- they are settled at a future date.

All financial derivatives are recognised at fair value in the balance sheet as financial assets or financial liabilities. They are considered to be trading derivatives by default, unless they are designated as hedging instruments for accounting purposes.

EMBEDDED DERIVATIVES

An embedded derivative is a component of a hybrid contract that also includes a non-derivative host instrument. Where the host contract is a financial asset, the entire hybrid contract

is measured at fair value through profit or loss because its contractual cash flows do not pass the SPPI test.

Embedded derivatives are mainly options in structured products sold by the Bank.

Where the host contract is a financial liability and is not measured at fair value through profit or loss, the embedded derivative is separated from the host contract if:

- at acquisition, the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host; and
- it would meet the definition of a derivative.

Once separated, the derivative is recognised at fair value in the balance sheet under Financial assets or Financial liabilities at fair value through profit or loss under the aforementioned conditions. The host contract is classified as a financial liability and measured in accordance with its accounting category.

1. TRADING DERIVATIVES

ACCOUNTING PRINCIPLES

Trading derivatives are recorded in the balance sheet under *Financial assets or liabilities at fair value through profit or loss*. Changes in fair value are recorded in the Profit and loss account under *Net gains and losses on financial instruments at fair value through profit or loss*.

Interest revenues linked to trading derivatives are recorded separately under *Interest and similar income / Interest and similar expense*. Trading derivatives are used by the Bank to hedge economically the transactions on structured products sold to clients or the transactions on OTC derivatives bought by clients.

BREAKDOWN OF TRADING DERIVATIVES COMMITMENTS (NOTIONAL DERIVATIVES)

(in EUR thousand)

	12.31.2025		12.31.2024	
	Assets	Liabilities	Assets	Liabilities
Interest rate instruments	359 068	359 068	850 902	850 902
Foreign exchange instruments	6 767 971	6 766 062	7 515 983	7 502 666
Equities & index Instruments	432 086	434 951	48 109	51 124
Commodities Instruments	1 965	1 965	1 372	1 372
Other trading instruments	254 241	254 241	691 245	691 245
Total	7 815 331	7 816 287	9 107 611	9 097 309

2. HEDGING DERIVATIVES

According to the transitional provisions of IFRS 9, the Bank made the choice to maintain the IAS 39 provisions related to hedge accounting. Consequently, equity instruments held (equities and similar securities) are not eligible for hedge accounting regardless of their accounting classification.

In the context of the sharp increase of interest rates, the Bank has not observed any ineffectiveness outside the IAS 39 boundaries of 80-125% or disappearance of hedged items that could lead to the termination of its hedging relationships.

ACCOUNTING PRINCIPLES

In order to be hedged against certain market risks, the Bank sets up Hedging derivatives. From an accounting standpoint, the Bank designates the hedging transaction as a fair value hedge, a cash flow hedge, or a hedge of a net investment in a foreign operation, depending on the risk and on the instruments that are hedged.

To designate an instrument as a hedging derivative, the Bank must document the hedging relationship in detail, from the inception of the hedge. This documentation specifies the asset, liability, or future transaction hedged, the risk to be hedged and the associated risk management strategy, the type of financial derivative used and the valuation method that will be used to measure its effectiveness.

A derivative designated as a hedging instrument must be highly effective in offsetting the change in fair value or cash flows arising from the hedged risk. This effectiveness is verified when changes in the fair value or cash flows of the hedged instrument are almost entirely offset by changes in the fair value or cash flows of the hedging instrument, with the expected ratio between the two changes ranging from 80% to 125%.

Effectiveness shall be assessed both when the hedge is first set up and throughout its life. Effectiveness is measured each month retrospectively (effectiveness measured on past periods). Where the effectiveness falls outside the range specified above hedge accounting is discontinued.

Hedging derivatives are recognised in the statement of financial position under *Hedging derivatives*. The purpose of these hedges is to protect the Bank against an adverse fluctuation in the fair value of an instrument which could affect profit or loss if the instrument were derecognised from the statement of financial position.

FAIR VALUE HEDGES

The purpose of these hedges is to protect the Bank against an adverse fluctuation in the fair value of an instrument which could affect profit or loss if the instrument were derecognised from the statement of financial position.

Changes in the fair value of the hedging derivative are recorded in the Profit and loss account under *Net gains and losses on financial instruments at fair value through profit or loss*; for interest rate derivatives, however, accrued interest income and expenses on the derivative are recorded in the Profit and loss account under *Interest and similar income / Interest and similar expense* – Hedging derivatives symmetrically to the accrued interest income and expenses related to the hedged item.

In the balance sheet, the carrying value of the hedged item is adjusted for gains and losses attributable to the hedged risk, which are reported in the Profit and loss account under *Net gains and losses on financial instruments at fair value through profit or loss*. To the extent that the hedge is highly effective, changes in the

fair value of the hedged item and changes in the fair value of the hedging derivative are accurately offset through profit or loss, the difference corresponding to an ineffectiveness gain or loss.

Prospective effectiveness is assessed via a sensitivity analysis based on probable market trends or via a regression analysis of the statistical relationship (correlation) between the hedged risk component and the hedging instrument. Retrospective effectiveness is assessed by comparing any changes in the fair value of the hedging instrument with any changes in the fair value of the hedged item.

If it becomes apparent that the derivative has ceased to meet the effectiveness criteria for hedge accounting or if it is terminated or sold, hedge accounting is discontinued prospectively. Thereafter, the carrying amount of the hedged asset or liability ceases to be adjusted for changes in fair value attributable to the hedged risk and the cumulative adjustments previously recognised under hedge accounting are amortised over its remaining life. Hedge accounting is also discontinued if the hedged item is sold prior to maturity or early-redeemed, the valuation adjustments are then immediately recognised in the Profit and loss account.

CASH FLOW HEDGES

The purpose of interest rate cash flow hedges is to protect against changes in future cash flows associated with a financial instrument on the balance sheet. The purpose of these hedges is to protect the Bank against adverse fluctuations in the future cash-flows of an instrument or transaction that could affect profit or loss.

The prospective effectiveness of the hedge is assessed via a sensitivity analysis based on probable market input trends or via a regression analysis of the statistical relationship (correlation) between the hedged risk component and the hedging instrument. The effectiveness of the hedge is assessed using the hypothetical derivative method, which consists in i) creating a hypothetical derivative which bears exactly the same characteristics as the instrument being hedged (in terms of notional amounts, date on which the rates are reset, interest rate, exchange rate, etc.), but moves in the opposite direction and whose fair value is nil when the hedge is set up, then ii) comparing the expected changes in the fair value of the hypothetical derivative with those of the hedging instrument (sensitivity analysis) or performing a regression analysis on the prospective effectiveness of the hedge.

The changes in fair value of the hedging financial instruments are recorded directly as *Unrealised or deferred gains and losses* for their effective portion, while the ineffective portion is recognised under *Net gains and losses on financial instruments at fair value through profit or loss*. With regard to interest rate derivatives, the portion corresponding to the rediscount of the derivative financial instrument is recorded in the Profit and loss account under *Interest and similar income / Interest and similar expense* symmetrically to the interest income or expense related to the hedged item.

The gains or losses, realised or unrealised, accumulated directly in equity for the effective portion of these changes in value, are carried in equity to be recycled in the Profit and loss account when the expected hedged cash flows impact the Profit and loss account. With regard to the hedging flows related to a variable-rate financial instrument recorded on the balance sheet, recycling is done as and when the hedged interest income or

expenses are recognised in the Profit and loss account. In the case of hedging of future transactions, if it is the future sale of a financial instrument, recycling takes place on the date when the sold instrument is derecognised; if the transaction is settled through the recognition on the balance sheet of a financial instrument, the gains or losses accumulated in equity are carried in it, before being recycled in the Profit and loss account at the same pace as the hedged cash flows generated by the instrument then recognised on the balance sheet.

Whenever the hedging derivative ceases to meet the effectiveness criteria for hedge accounting or is terminated or sold, hedge accounting is discontinued prospectively. Amounts previously recognised directly in equity are reclassified under *Interest similar income / interest and similar expense* in the Profit and loss account over the periods during which interest income is affected by cash flows arising from the hedged item. If the hedged item is sold or redeemed earlier than expected, unrealised gains and losses recognised in equity are immediately reclassified in the Profit and loss account.

PORTFOLIO HEDGES (MACRO-HEDGE)

In this type of hedge, interest rate derivatives are used to globally hedge the structural interest rate risk resulting mainly from clients' deposits.

The Bank documents a macro fair value hedge of fixed rate assets and liabilities portfolios and applies the IAS 39 "carve-out" standard as adopted by the European Union, which facilitates:

- the application of fair value hedge accounting to the macro-hedges used for asset-liability management, including customer demand deposits in the fixed-rate positions being hedged;
- the performance of the effectiveness tests.

The accounting treatment of the financial derivatives designated as macro fair value hedges is similar to that of other fair value hedging instruments. Changes in the fair value of the portfolio of macro-hedged instruments measured based on the modelled synthetic instrument are reported on a separate line in the balance sheet under *Revaluation differences on portfolios hedged against interest rate risk through profit or loss*.

The Bank documents a macro cash flow hedge and applies the same accounting principles as those presented above for cash flow hedge. Thus, macro-hedged assets or liabilities portfolios are not measured at fair value for the hedged risk.

In the case of macro cash flow hedge, hedged portfolios include assets or liabilities at variable rate.

Finally, regardless of the documentation used for these macro-hedges, they require the implementation of three tests to measure the effectiveness of the relationship:

- a non-over-coverage test to ensure, prospectively and retrospectively, that the nominal amount of the portfolios covered is higher than the notional amount of the hedging instruments for each future maturity band and each rate generation;
- a test of non-disappearance of the hedged item, which consists in prospectively and retrospectively ensuring that the historically covered maximum position is less than the notional amount of the hedging instruments on the closing date considered for each maturity band and each generation of rates;

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- a quantitative test to retrospectively ensure that the fair value changes in the modelled synthetic instrument offset the changes in fair value of the hedging instruments.

The sources of ineffectiveness of the macro-hedges implemented in the Bank result from the latest fixing of the variable leg of the

hedging swaps, the two-curve valuation of the collateralised hedging instruments, the possible mismatches of interests between the hedged item and the hedging instrument and the consideration of counterparty risk on the hedging instruments.

BREAKDOWN OF HEDGING DERIVATIVES

(in EUR thousand)	12.31.2025		12.31.2024	
	Assets	Liabilities	Assets	Liabilities
Fair value hedge	95 861	47 620	73 037	18 957
Interest rate instruments*	95 861	47 620	73 037	18 957
Cash flow hedge	7 253	-	18 218	56
Interest rate instruments	3 685	-	18 025	-
Other forward financial instruments	3 568	-	193	56
Total	103 114	47 620	91 255	19 013

*o/w macro fair value hedging assets as at 12.31.2025: EUR 21 630 thousand (12.31.2024: 20 093 thousand).

The Bank sets up hedging relationships recognised for accounting purposes as fair value and cashflows hedges in order to protect its fixed-rate financial assets and liabilities (primarily loans/borrowings, securities issued, fixed-rate securities and fixed-rate customers deposits) against changes in long-term interest rates. The hedging instruments used mainly consist of interest rate swaps.

Through some of its operations, the Bank is exposed to future cash flow changes in its short and medium-term funding requirements and sets up hedging relationships recognised for accounting purposes as cash flow hedges. Highly probable funding requirements are determined using historic data established for each activity and representative of balance sheet outstanding. These data may be increased or decreased by changes in management methods.

BREAKDOWN OF HEDGING DERIVATIVES (NOTIONAL AMOUNTS)

DERIVATIVE ASSETS (NOTIONAL AMOUNT)

(in EUR thousand)	12.31.2025	12.31.2024
Interest rate instruments	4 717 978	3 601 866
Other forward financial instruments	3 910	3 275
Total	4 721 888	3 605 141

DERIVATIVE LIABILITIES (NOTIONAL AMOUNT)

(in EUR thousand)	12.31.2025	12.31.2024
Interest rate instruments	4 717 978	3 601 866
Other forward financial instruments	-	-
Total	4 717 978	3 601 866

BREAKDOWN OF NET GAINS/LOSSES ON HEDGING TRANSACTIONS

(in EUR thousand)	2025	2024
Net gain/loss on hedging transactions		
<i>Net gain/loss on fair value hedging derivatives</i>	(7 712)	(42 518)
<i>Revaluation of hedged items attributable to hedged risks</i>	7 081	42 543
<i>Ineffective portion of cash flow hedge</i>	(3 362)	(15 924)
Total of net gains and losses on financial instruments at fair value through profit or loss from hedging transactions	(3 993)	(15 899)

MATURITIES OF HEDGING FINANCIAL DERIVATIVES (NOTIONAL AMOUNTS)

These items are presented according to the contractual maturity of the financial instruments.

<i>(in EUR thousand)</i>	Up to 3 months	From 3 months to 1 year	From 1 year to 5 years	Over 5 years	12.31.2025
Interest rate instruments	36 900	728 564	2 625 845	1 326 669	4 717 978
Foreign exchange instruments	-	-	-	-	-
Equity and index instruments	-	-	-	-	-
Other forward financial instruments	-	-	3 910	-	3 910
Total	36 900	728 564	2 629 755	1 326 669	4 721 888

<i>(in EUR thousand)</i>	Up to 3 months	From 3 months to 1 year	From 1 year to 5 years	Over 5 years	12.31.2024
Interest rate instruments	337 000	379 678	1 700 774	1 184 414	3 601 866
Foreign exchange instruments	-	-	-	-	-
Equity and index instruments	-	-	-	-	-
Other forward financial instruments	-	-	3 275	-	3 275
Total	337 000	379 678	1 704 049	1 184 414	3 605 141

FAIR VALUE HEDGE: BREAKDOWN OF HEDGED ITEMS

<i>(in EUR thousand)</i>	12.31.2025		
	Carrying amount	Cumulative change in the fair value	Change in the fair value booked during the year
Hedge of interest rate risk	4 459 424	(43 907)	17 293
Hedged assets	2 387 057	(57 973)	(3 237)
<i>Due from banks, at amortised cost</i>	-	-	-
<i>Customer loans, at amortised cost</i>	43 919	(8 981)	(1 318)
<i>Securities at amortised cost</i>	-	-	-
<i>Financial assets at fair value through other comprehensive income</i>	2 343 138	(48 992)	(1 919)
Hedged liabilities	2 072 367	14 066	20 530
<i>Debt securities issued</i>	-	-	-
<i>Due to banks</i>	-	-	-
<i>Customer deposits (macro hedged)</i>	2 072 367	14 066	20 530
<i>Subordinated debts</i>	-	-	-
Hedge of currency risk	-	-	-
Hedged assets	-	-	-
<i>Customer loans, at amortised cost</i>	-	-	-
Hedged liabilities	-	-	-
<i>Debt securities issued</i>	-	-	-
<i>Due to banks</i>	-	-	-
<i>Customer deposits</i>	-	-	-
Hedge of equity risk	-	-	-
Hedged liabilities	-	-	-
<i>Other liabilities</i>	-	-	-
Total	4 459 424	(43 907)	17 293

V. NOTES TO THE ANNUAL ACCOUNTS (CONTINUED)

<i>(in EUR thousand)</i>	12.31.2024		
	Carrying amount	Cumulative change in the fair value	Change in the fair value booked during the year
Hedge of interest rate risk	3 097 711	(61 200)	36 630
Hedged assets	1 068 633	(54 736)	20 465
<i>Due from banks, at amortised cost</i>	-	-	-
<i>Customer loans, at amortised cost</i>	45 937	(7 663)	1 446
<i>Securities at amortised cost</i>	-	-	-
<i>Financial assets at fair value through other comprehensive income</i>	1 022 696	(47 073)	19 019
Hedged liabilities	2 029 078	(6 464)	16 165
<i>Debt securities issued</i>	-	-	-
<i>Due to banks</i>	-	-	-
<i>Customer deposits</i>	2 029 078	(6 464)	16 165
<i>Subordinated debts</i>	-	-	-
Hedge of currency risk	-	-	-
Hedged assets	-	-	-
<i>Customer loans, at amortised cost</i>	-	-	-
Hedged liabilities	-	-	-
<i>Debt securities issued</i>	-	-	-
<i>Due to banks</i>	-	-	-
<i>Customer deposits</i>	-	-	-
Hedge of equity risk	-	-	-
Hedged liabilities	-	-	-
<i>Other liabilities</i>	-	-	-
Total	3 097 711	(61 200)	36 630

FAIR VALUE HEDGE: BREAKDOWN OF HEDGING INSTRUMENTS

<i>(in EUR thousand)</i>	12.31.2025				
	Commitments (notional amounts)	Fair value ⁽¹⁾		Change in fair value booked during the year	Ineffectiveness recognised during the year
		Assets	Liabilities		
Hedge of interest rate risk	4 537 978	95 861	47 620	(7 712)	(631)
Firm instruments – Swaps	4 537 978	95 861	47 620	(7 712)	(631)
<i>For hedged assets</i>	2 451 546	74 225	18 172	13 242	(633)
<i>For hedged liabilities</i>	2 086 432	21 636	29 448	(20 954)	2
Options	-	-	-	-	-
Hedge of currency risk	-	-	-	-	-
Firm instruments	-	-	-	-	-
<i>For hedged liabilities</i>	-	-	-	-	-
Non-derivative financial instruments	-	-	-	-	-
<i>For hedged assets</i>	-	-	-	-	-
Hedge of equity risk	-	-	-	-	-
Options	-	-	-	-	-
<i>For hedged liabilities</i>	-	-	-	-	-
Total	4 537 978	95 861	47 620	(7 712)	(631)

(1) The fair value of interest rate hedging derivatives includes accrued interests.

12.31.2024

(in EUR thousand)	Commitments (notional amounts)	Fair value ⁽¹⁾		Change in fair value booked during the year	Ineffectiveness recognised during the year
		Assets	Liabilities		
Hedge of interest rate risk	3 141 866	73 037	18 957	(42 518)	25
Firm instruments – Swaps	3 141 866	73 037	18 957	(42 518)	25
<i>For hedged assets</i>	1 119 252	52 937	3 518	(26 224)	211
<i>For hedged liabilities</i>	2 022 614	20 100	15 439	(16 294)	(186)
Options	-	-	-	-	-
Hedge of currency risk	-	-	-	-	-
Firm instruments	-	-	-	-	-
<i>For hedged liabilities</i>	-	-	-	-	-
Non-derivative financial instruments	-	-	-	-	-
<i>For hedged assets</i>	-	-	-	-	-
Hedge of equity risk	-	-	-	-	-
Options	-	-	-	-	-
<i>For hedged liabilities</i>	-	-	-	-	-
Total	3 141 866	73 037	18 957	(42 518)	25

(1) The fair value of interest rate hedging derivatives includes accrued interests.

CASH FLOW HEDGE: BREAKDOWN OF HEDGED ITEMS

The following table describes the change of fair value of hedged items used to book the ineffective portion of the hedge during the current period. As at December 31, 2025 and 2024, hedged items are composed of customers deposits (Note 3.6.2.) with

floating interest rates mainly in EUR and USD. Regarding the cash flow hedges, the change in fair value of hedged items is assessed using the hypothetical derivative method described in the accounting principles above.

(in EUR thousand)	12.31.2025	12.31.2024
	Change in the fair value	Change in the fair value
Hedge of interest rate risk	2 051	20 562
Hedged assets	-	-
<i>Due from banks, at amortised cost</i>	-	-
<i>Customer loans, at amortised cost</i>	-	-
<i>Securities at amortised cost</i>	-	-
<i>Financial assets at fair value through other comprehensive income</i>	-	-
<i>Customer loans (macro hedged)</i>	-	-
Hedged liabilities	2 051	20 562
<i>Debt securities issued</i>	-	-
<i>Due to banks</i>	-	-
<i>Customer deposits</i>	-	-
<i>Subordinated debts</i>	-	-
<i>Customer deposits (macro hedged)</i>	2 051	20 562
Forecast transactions	-	-
Total	2 051	20 562

CASH FLOW HEDGE: BREAKDOWN OF HEDGING ITEMS

12.31.2025						
(in EUR thousand)	Commitments (notional amounts)	Fair value		Changes in fair value recorded during the year		Cumulative change in fair value recorded in unrealised or deferred gains and losses
		Assets	Liability	Portion booked in unrealised or deferred gains and losses	Ineffectiveness recorded in the profit or loss	
Hedge of interest rate risk	180 000	3 685	-	(2 050)	(3 362)	265
Firm instruments – Swaps	180 000	3 685	-	(2 050)	(3 362)	265
<i>For hedged assets</i>	180 000	3 685	-	(2 050)	(3 362)	265
<i>For hedged liabilities</i>	-	-	-	-	-	-
Firm instruments – FRAs	-	-	-	-	-	-
<i>For hedged liabilities</i>	-	-	-	-	-	-
Hedge of currency risk	-	-	-	-	-	-
Firm instruments	-	-	-	-	-	-
<i>For hedged assets</i>	-	-	-	-	-	-
<i>For hedged liabilities</i>	-	-	-	-	-	-
<i>For hedged future transactions</i>	-	-	-	-	-	-
Non-derivative financial instruments	-	-	-	-	-	-
<i>For hedged future transactions</i>	-	-	-	-	-	-
Hedge of equity risk	3 910	3 568	-	956	-	973
Other forward financial instruments	3 910	3 568	-	956	-	973
<i>For hedged future transactions</i>	3 910	3 568	-	956	-	973
Total	183 910	7 253	-	(1 094)	(3 362)	1 238

12.31.2024						
(in EUR thousand)	Commitments (notional amounts)	Fair value		Changes in fair value recorded during the year		Cumulative change in fair value recorded in unrealised or deferred gains and losses
		Assets	Liability	Portion booked in unrealised or deferred gains and losses	Ineffectiveness recorded in the profit or loss	
Hedge of interest rate risk	460 000	18 025	-	(20 559)	(15 924)	2 315
Firm instruments – Swaps	460 000	18 025	-	(20 559)	(15 924)	2 315
<i>For hedged assets</i>	460 000	18 025	-	(20 559)	(15 924)	2 315
<i>For hedged liabilities</i>	-	-	-	-	-	-
Firm instruments – FRAs	-	-	-	-	-	-
<i>For hedged liabilities</i>	-	-	-	-	-	-
Hedge of currency risk	-	-	-	-	-	-
Firm instruments	-	-	-	-	-	-
<i>For hedged assets</i>	-	-	-	-	-	-
<i>For hedged liabilities</i>	-	-	-	-	-	-
<i>For hedged future transactions</i>	-	-	-	-	-	-
Non-derivative financial instruments	-	-	-	-	-	-
<i>For hedged future transactions</i>	-	-	-	-	-	-
Hedge of equity risk	3 275	193	56	97	-	17
Other forward financial instruments	3 275	193	56	97	-	17
<i>For hedged future transactions</i>	3 275	193	56	97	-	17
Total	463 275	18 218	56	(20 462)	(15 924)	2 332

Note 3.4. – Financial assets at fair value through other comprehensive income

OVERVIEW OF FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

a. Analysis by type

<i>(in EUR thousand)</i>	12.31.2025	12.31.2024
Debt instruments	2 364 528	1 123 124
<i>Bonds and other debt securities</i>	2 364 528	1 123 124
<i>Loans, receivables, and repurchase agreements</i>	-	-
Equities and other variable-income instruments	-	-
Total	2 364 528	1 123 124
<i>o/w securities deposited as collateral</i>	10 715	25 986
<i>o/w allowances for impairment losses</i>	15	1

b. Public trading status of assets

<i>(in EUR thousand)</i>	12.31.2025	12.31.2024
Publicly traded debt instruments	2 364 528	1 123 124
<i>Luxembourg</i>	246 612	-
<i>Other countries</i>	2 117 916	1 123 124
Non-publicly traded debt instruments	-	-

1. DEBT INSTRUMENTS

ACCOUNTING PRINCIPLES

Debt instruments (loans and receivables, bonds and bond equivalents) are classified as *Financial assets at fair value through other comprehensive income* where their contractual cash flows are consistent with basic lending arrangements (SPPI) and they are managed under a “Held to collect and Sell business model”.

Accrued or earned income on debt instruments is recorded in profit or loss based on the effective interest rate, under *Interest and similar income*.

At the reporting date, these instruments are measured at fair value, and changes in fair value, excluding income, are recorded under *Unrealised or deferred gains and losses*. Furthermore, as these financial assets are subject to impairment for credit risk, changes in expected credit losses are recorded in profit or loss under *Cost of risk* with a corresponding entry to *Unrealised or deferred gains and losses*. The applicable impairment rules are described in Note 3.8.

BUSINESS MODEL “HELD TO COLLECT AND SELL”

The objective of this business model is to realise cash flows by both collecting contractual payments and selling financial assets. In this type of business model, the sales of financial assets are not incidental or exceptional, but they are integral to achieving the business’ objectives.

Assets and Liabilities management

Within the Bank, the “held to collect and sell” business model is mainly applied by cash management activities for managing HQLA securities (High Quality Liquid Assets) included in the liquidity reserve.

BREAKDOWN OF CUMULATED UNREALISED GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY AND THAT WILL BE RECLASSIFIED SUBSEQUENTLY INTO INCOME

For the year ended December 31, 2025, as well as December 31, 2024, there was no realized gain or loss recycled in Profit

or Loss from the financial assets at fair value through other comprehensive income.

(in EUR thousand)	12.31.2025		
	Cumulated unrealized gains and losses	o/w without adjustments for credit risk	o/w adjustments for credit risk»
Unrealised gains	8 063	8 048	15
Unrealised losses	(1 528)	(1 528)	-
Total	6 535	6 520	15

(in EUR thousand)	12.31.2024		
	Cumulated unrealized gains and losses	o/w without adjustments for credit risk	o/w adjustments for credit risk»
Unrealised gains	927	926	1
Unrealised losses	(5 045)	(5 045)	-
Total	(4 118)	(4 119)	1

Note 3.5. – Loans, receivables and securities at amortised cost

(in EUR thousand)	12.31.2025		12.31.2024	
	Carrying amount	o/w impairment	Carrying amount	o/w impairment
Due from banks	22 815 895	(977)	28 049 925	(584)
Customer loans	4 455 087	(16 009)	4 985 377	(8 657)
Securities	-	-	-	-
Total	27 270 982	(16 986)	33 035 302	(9 241)

ACCOUNTING PRINCIPLES

Loans, receivables and debt securities are measured at amortised cost where their contractual cash flows are consistent with basic lending arrangements (SPPI) and they are managed under a “Held to Collect” business model.

Subsequent to initial recognition, they are measured at amortised cost using the effective interest method, and their accrued or earned income is recorded in the Profit and loss account under Interest and similar income. Furthermore, as these financial assets are subject to impairment for credit risk, changes in expected credit losses are recorded in profit or loss under *Cost of risk* with a corresponding impairment of amortised cost under the balance sheet assets. The applicable impairment rules are described in Note 3.8.

Loans issued by the Bank may be subject to renegotiations for commercial reasons, where the borrowing customer is not experiencing financial difficulties or insolvency.

Such efforts are undertaken for customers for which the Bank agrees to renegotiate their debt in the interest of preserving or developing a business relationship, in accordance with the credit approval procedures in force and without relinquishing any principal or accrued interest. Renegotiated loans are derecognised at the renegotiation date, and the new loans contractualised under the renegotiated terms and conditions replace the previous loans in the balance sheet at this same date. The derecognition of the original loan can generate a gain or loss for the Bank, which is recognised in the Profit and loss account.

The new loans are subject to the SPPI test to determine how they are classified in the balance sheet. If a loan qualifies as SPPI, renegotiation fees received are included in the effective interest rate of the new instrument. The applicable renegotiation rules on loans are described in Note 3.8.

BUSINESS MODEL “HELD TO COLLECT”

Under this model, financial assets are managed to realise cash flows by collecting contractual payments over the life of the instrument.

To achieve the objective of this business model, it is not necessary for the entity to hold all the instruments until maturity. Selling assets remains consistent with a business model whose objective is to collect contractual cash flows in the following cases:

- the financial asset is sold following an increase in the asset’s credit risk; or
- the sale of the financial asset occurs close to its maturity and the proceeds from the sale are similar to the amount to be collected from the remaining contractual cash flows.

Other sales can be consistent with the objective of collecting contractual cash flows, as well, provided they are infrequent (even if significant in value) or insignificant in value, both individually and in aggregate terms (even if frequent). Such other sales include sales made to manage credit concentration risk (without an increase in the asset’s credit risk). The Bank has set up procedures for reporting and analysing all significant projected sales of financial assets held for collecting contractual cash flows, as well as a periodic review of sales that have occurred.

1. DUE FROM BANKS

<i>(in EUR thousand)</i>	12.31.2025	12.31.2024
Current accounts	4 387 222	5 321 940
Deposits and loans	18 259 728	22 562 427
Securities and notes sold under repurchase agreements	-	-
Related receivables	169 922	166 142
Due from banks before impairment	22 816 872	28 050 509
Impairment	(977)	(584)
Total	22 815 895	28 049 925

2. CUSTOMER LOANS

<i>(in EUR thousand)</i>	12.31.2025	12.31.2024
Unsecured loans ⁽¹⁾	1 141 473	1 666 957
Other collateralized loans	1 494 926	1 603 071
Housing loans	802 757	801 798
Overdrafts	968 676	854 281
Doubtful loans	57 220	29 439
Lease Financing agreements	-	-
Subordinated loans	-	30 000
Related receivables	15 025	16 151
Customer loans before impairment⁽²⁾	4 480 077	5 001 697
Impairment	(16 009)	(8 657)
Revaluation of hedged items	(8 981)	(7 663)
Net customer loans	4 455 087	4 985 377

(1) Unsecured loans include exposures with related parties, which are guaranteed by Societe Generale Group, amounting EUR 675 million as at December 31, 2025 (December 31, 2024: EUR 691 million).

(2) As at December 31, 2025, the amount due from customers classified as Stage 3 impairment (credit impaired) is EUR 9 492 thousand compared to EUR 4 229 thousand as at December 31, 2024. The accrued interests included in this amount are limited to interests recognised in net income by applying the effective interest rate to the net carrying amount of the financial asset (see Note 3.8).

Note 3.6. – Debts

ACCOUNTING PRINCIPLES

Debts include non-derivative financial liabilities that are not measured at fair value through profit or loss.

They are recognised in the balance sheet according to the type of instrument and counterparty, under *Due to banks*, *Customer deposits*, *Debt securities issued*.

Debts are initially recognised at cost, measured as the fair value of the amount borrowed net of transaction fees. These liabilities are measured at period-end at amortised cost using the effective interest rate method. As a result, issue or redemption premiums on bonds are amortised over the lifetime of the instruments involved. Accrued or paid expenses are recorded in profit or loss under *Interest and similar expense*.

1. DUE TO BANKS

<i>(in EUR thousand)</i>	12.31.2025	12.31.2024
Term deposits	18 618 272	21 551 542
Demand deposits and current accounts	404 379	892 278
Securities sold under repurchase agreements	-	100 225
Related payables	177 525	230 266
Total	19 200 176	22 774 311

2. CUSTOMER DEPOSITS

<i>(in EUR thousand)</i>	12.31.2025	12.31.2024
Demand deposits	13 923 858	14 811 325
Term deposits	6 830 120	8 320 194
Related payables	10 313	16 426
Total	20 764 291	23 147 945

3. BREAKDOWN OF DEMAND DEPOSITS BY CUSTOMER TYPE

<i>(in EUR thousand)</i>	12.31.2025	12.31.2024
Non financial corporations	1 470 388	1 669 192
Individual customers	309 002	289 390
Financial customers	12 144 468	12 852 743
Total	13 923 858	14 811 325

4. DEBT SECURITIES ISSUED

<i>(in EUR thousand)</i>	12.31.2025	12.31.2024
Interbank certificates and negotiable debt instruments	-	-
Related payables	-	-
Total	-	-

Note 3.7. – Interest income and expense

MAKING IT SIMPLE

Interest is compensation for a financial service, consisting in a lender making a certain amount of cash available to a borrower for an agreed period of time. Such compensated financing arrangements can be loans, deposits or securities (bonds, negotiable debt securities...).

This compensation is a consideration for the time value of money, and additionally for credit risk, liquidity risk and administrative costs, all supported by the lender for the duration of the financing agreement. The interest can also include a margin used by the lending bank to remunerate equity instruments (such as ordinary shares) that are required by prudential regulation to be issued in relation to the amount of financing granted, so as to guarantee its own solvency.

ACCOUNTING PRINCIPLES

Interest is recognized as expense or income over the life of the financing service granted or received, proportionally to the principal amount outstanding.

Interest income and expense are recorded in the Profit and loss account under *Interest and similar income* and *Interest and similar expense* for:

- all financial instruments measured using the effective interest rate method (instruments at amortised cost and debt instruments at fair value through other comprehensive income);
- all financial derivatives;
- all financial instruments mandatorily measured at fair value through profit and loss and;
- interest rate risk hedging derivatives for the portion of income or expenses representative of the effective interest rate.

Negative interest cashflows on assets are recorded under *Interest and similar expense*; positive interest cashflows on liabilities are recorded under *Interest and similar income*.

The effective interest rate discounts the future cash inflows and outflows over the expected life of the instrument in order to establish the net book value of the financial asset or liability. The calculation of this rate considers the future cash flows estimated on the basis of the contractual provisions of the financial instrument without taking account of possible future credit losses and also includes commissions paid or received between the parties where these may be assimilated to interest, directly linked transaction costs, and all types of premiums and discounts.

Where a financial asset is classified in Stage 3 for impairment, subsequent interest income is recognized in profit or loss by applying the effective interest rate to the net amount calculated by deducting the credit risk impairment applicable from the net carrying amount of the financial asset.

(in EUR thousand)	2025			2024		
	Income	Expense	Net	Income	Expense	Net
Financial instruments at amortised cost	1 318 885	(1 036 834)	282 051	1 813 112	(1 585 386)	227 726
Central banks	285 733	(132)	285 601	445 348	(66)	445 282
Bonds and other debt securities	-	-	-	-	(517)	(517)
Due from/to banks	881 706	(656 511)	225 195	1 184 158	(1 021 572)	162 586
Customer loans and deposits	150 791	(380 036)	(229 245)	181 261	(556 222)	(374 961)
Subordinated debt	655	-	655	2 345	-	2 345
Securities lending/borrowing	-	-	-	-	-	-
Securities purchased/sold under resale/purchase agreements and borrowings secured by notes and securities	-	(155)	(155)	-	(7 009)	(7 009)
Hedging derivatives	123 500	(111 998)	11 502	131 450	(59 428)	72 022
Financial instruments at fair value through other comprehensive income	51 404	-	51 404	12 383	-	12 383
Subtotal interest income/expense on financial instruments using the effective interest method	1 493 789	(1 148 832)	344 957	1 956 945	(1 644 814)	312 131
Financial instruments at fair value through profit or loss	63 917	-	63 917	72 670	-	72 670
Total interest income and expense	1 557 706	(1 148 832)	408 874	2 029 615	(1 644 814)	384 801
<i>o/w interest income from impaired financial assets</i>	<i>1 706</i>	<i>-</i>	<i>1 706</i>	<i>1 009</i>	<i>-</i>	<i>1 009</i>

The interest expenses include the refinancing cost of financial instruments at fair value through profit or loss, of which results are classified in Net gains or losses on financial transactions.

Note 3.8. – Impairment and provisions

MAKING IT SIMPLE

Some financial assets (loans, debt securities) involve credit risk which exposes the Bank to a potential loss if the counterparty or the securities issuer were to be unable to respect their financial commitments. To bear this risk, a portion of the contractual interest received by the Bank on those assets, called credit margin, compensates it.

This potential loss, or expected credit loss (“ECL”), is recognised in profit or loss without waiting the occurrence of a default event on a specific counterparty.

For loans, receivables and debt securities measured at amortised cost or fair value through other comprehensive income, the expected credit loss, as assessed by the Bank, is recognised in profit or loss under Cost of risk. On the balance

sheet, this potential loss is recognised as an impairment that reduces the carrying amount of assets measured at amortised cost. Impairments are written-back in case of a subsequent decrease of credit risk.

Potential losses recognised in profit or loss represent initially the credit losses expected by the Bank over the year to come. Subsequently, the amount is increased by the expected loss at maturity of the instrument in case of significant increase of risk. The losses are then reassessed if the counterparty or issuer of the security is in default.

For financial assets measured at fair value through profit or loss (including instruments held by global markets activities), their fair value includes already the expected credit loss, as assessed by the market participant, on the residual lifetime of the instrument.

ACCOUNTING PRINCIPLES

RECOGNITION OF EXPECTED CREDIT LOSSES

Debt instruments classified as financial assets at amortised cost or as financial assets at fair value through other comprehensive income and income to be received, as well as loan commitments granted and guarantee commitments issued, are systematically subject to impairment or provisions for expected credit losses. These impairments and provisions are recognised as the loans are granted, the commitments undertaken, or the debt securities

purchased, without waiting for the occurrence of an objective evidence of impairment.

To determine the amount of impairment or provision to be recorded at each reporting date, these exposures are split among three categories based on the increase in credit risk observed since initial recognition. An impairment or provision shall be recognised for the exposures in each category as presented in the next page.

CREDIT RISK CATEGORY	OBSERVED DETERIORATION IN CREDIT RISK SINCE INITIAL RECOGNITION OF THE FINANCIAL ASSET		
	STAGE 1 PERFORMING ASSETS	STAGE 2 UNDER-PERFORMING OR DOWNGRATED ASSETS	STAGE 3 CREDIT-IMPAIRED OR DEFAULTED ASSETS
Transfer criteria	Initial recognition of the instrument in stage 1 ▶ <i>Maintained if the credit risk has not increased significantly</i>	Credit risk on the instrument has increased significantly since initial recognition / 30 days past due	Evidence that the instrument has become credit-impaired / 90 days past due
Measurement of credit risk	12-months expected credit losses	Lifetime expected credit losses	Lifetime expected credit losses
Interest income recognition basis	Gross carrying amount of the asset before impairment	Gross carrying amount of the asset before impairment	Net carrying amount of the asset after impairment

EXPOSURES CLASSIFIED IN STAGE 1

At the initial recognition date, the exposures are systematically classified in Stage 1, unless they are purchased or originated credit-impaired instruments.

EXPOSURES CLASSIFIED IN STAGE 2

To identify Stage 2 exposures, the significant increase in credit risk is assessed by the Bank using all available past and forward-looking data (behavioral scores, loan to value indicators, macroeconomic forecast scenarios, etc.). This assessment of changes in credit risk takes into account the following three criterias:

- The counterparty's credit rating

The Bank analyses changes in the counterparty's credit rating, as well as any changes in its operating sector, in macroeconomic conditions and in the behaviors of the counterparty that may, above and beyond the review of the credit rating, be a sign of deteriorating credit risk.

If, after a review, a counterparty is deemed "sensitive" (related to credit indicators alert), all contracts between the Bank and this counterparty are transferred into Stage 2 and the related impairment and provisions are increased up to the lifetime expected credit losses. Once a counterparty has been placed on a watch list, all new transactions originated with that counterparty are recorded in Stage 2.

- The magnitude of the change in a counterparty's credit rating

This magnitude is assessed on a contract-by-contract basis, from the date of their initial recognition to the balance sheet date. To determine whether a deterioration or improvement in the credit rating between the date of initial recognition and the balance sheet date is significant enough to prompt a change in the impairment Stage, thresholds are set once a year by the Risk Division. These transfer thresholds between Stage 1 and Stage 2 are determined for each homogenous portfolio of contracts (notion of risk segment) and are calculated based on the probability-of-default curves for each (thus, the threshold is different depending on whether it is a Sovereign portfolio or a Large Corporates portfolio, for instance). The thresholds are therefore differentiated based on the one-year probability of default curves; this assumes there is no distortion with respect to any comparison made with the lifetime probability-of-default curves.

- The existence of payments more than 30 days past due

There is a rebuttable presumption of a significant deterioration in credit risk when a payment on an asset is more than 30 days past due.

Once any one of these three criteria is met, the instrument is transferred from Stage 1 to Stage 2, and the related impairments or provisions are adjusted accordingly.

The first two criteria are symmetrical: a sufficient improvement in the credit rating, or removal from the watch list of sensitive counterparties, results in a return to Stage 1.

EXPOSURES CLASSIFIED IN STAGE 3

To identify Stage 3 exposures (default or credit-impaired exposures), the Bank determines whether there is an objective evidence of impairment (default event):

- a significant deterioration in the counterparty's financial situation creates a strong probability that it will not be able to meet all of its commitments and thus represents a risk of loss for the Bank;
- concessions are granted to the clauses of the loan agreement, in light of the borrower's financial difficulties that would not have been granted in other circumstances;
- payments more than 90 days past due (with the exception of restructured loans during the probation period, which are deemed subject to impairment as of the first missed payment), whether or not a collection procedure is instigated;
- or, even in the absence of missed payments, the existence of probable credit risk or litigious proceedings (bankruptcy, court-ordered settlement or compulsory liquidation).

The Bank applies the impairment contagion principle to all of the defaulting counterparty's exposures. When a debtor belongs to a group, the impairment contagion principle may also be applied to all of the Bank's exposures with the said debtor.

In case an exposure returns to Stage 2, the exposures are kept in Stage 2 during a probation period before assessing whether they could be transferred in Stage 1. This probation period in Stage 2 is from six months to two years according to the nature of the risk portfolio to which the exposures belong.

MEASUREMENT OF DEPRECIATION AND PROVISION

Stage 1 exposures are impaired for the amount of credit losses that the Bank expects to incur within 12 months (12-months expected credit losses), based on past data and the current data information available on the counterparty and the exposure. Accordingly, the amount of impairment is the difference between the gross carrying amount of the asset and the present value of future cash flows deemed to be recoverable, taking into account the impact of collateral called up or liable to be called up and the probability of a default event occurring within the next 12 months.

Stage 2 and 3 exposures are impaired for the amount of credit losses that the Bank expects to incur over the life of the exposures (lifetime expected credit losses), taking into consideration past data, the present situation and reasonable forecast changes in economic conditions, and relevant macroeconomic factors to maturity. Accordingly, the amount of impairment is the difference between the gross carrying amount of the asset and the present value of future cash flows deemed to be recoverable, taking into account the impact of collateral called up or liable to be called up and the probability of a default event occurring through to the instrument's maturity.

Irrespective of the Stage in which the exposures are classified, cash flows are discounted using the initial effective interest rate of the financial asset. The amount of impairment is included in the net carrying amount of the credit impaired financial asset. Impairment allocations/reversals are recorded in profit or loss under *Cost of risk*.

ESTIMATION OF EXPECTED CREDIT LOSSES

The methodology for calculating Stage 1 and 2 expected credit losses is based on the Basel framework, which served as the basis for determining the methods for setting calculation inputs (probability of default and loss given default for exposures under the A-IRB and F-IRB approaches, and the provisioning rate for exposures under the standardised method).

Bank portfolios have been segmented to ensure that they are consistent in terms of risk characteristics and to ensure better correlation with global and local macroeconomic variables.

This segmentation factors in all specific characteristics associated with the Bank's activities. This new segmentation is consistent or equivalent to the segmentation defined in the Basel framework in order to ensure the uniqueness of past data on defaults and losses.

The forward-looking expected credit loss approach (12-months/lifetime) is based first and foremost on the incorporation of economic forecasts in probability of default.

The main macroeconomic variable used for SG Luxembourg is the economic growth of Luxembourg.

V. NOTES TO THE ANNUAL ACCOUNTS (CONTINUED)

IFRS 9 expected credit losses are calculated using the probabilised average of 3 macroeconomic scenarios, established by SG Group economists for all entities of the Group (base scenarios and current stress scenarios, plus an optimistic scenario).

The probabilities used are based on past observations, spanning a 25-year period, of differences in outcome between the base scenario and the actual scenario (positive and negative differences).

The method is not based on expert opinion; rather it is intended to be replicated over time and updated each quarter.

The method is supplemented with a sector adjustment that increases or decreases expected credit loss in an effort to better anticipate defaults or recoveries in certain cyclical sectors.

On Private Banking perimeter, a simplified approach of expected credit losses calculation is deployed. This methodology is based on segmentation by homogeneous portfolio specification for which a provisioning rate is applied. These rates are reviewed by the business line on a quarterly basis.

Lastly, on an ancillary basis, loss allowances based on expert opinions that increase or decrease expected credit loss have been retained to factor in future risks which cannot be modelled (mainly legislative or regulatory changes). These inputs are updated at each reporting date.

RESTRUCTURED LOANS

Loans issued or acquired by the Bank may be restructured due to financial difficulties. This takes the shape of a contractual modification of the initial terms of the loan (e.g. lower interest rates, rescheduled loan payments, partial debt forgiveness, or additional collateral).

This adjustment of the contractual terms is strictly linked to the borrower's financial difficulties and/or insolvency (whether they

have already become insolvent or are certain to do so if the loan is not restructured).

Where they still pass the SPPI test, restructured loans are still recognized in the balance sheet and their amortised cost before credit risk allowance is adjusted for a discount representing the restructuring loss. This discount is equal to the negative difference between the present value of the new contractual cash flows resulting from the restructuring of the loan and the amortised cost before credit risk allowance less any partial debt forgiveness; it is booked to in the Profit and loss account. As a result, the amount of interest income subsequently recognised into income is still computed using the initial effective interest rate of the loan.

Post-restructuring, these financial assets are systematically classified in Stage 3 for impairment (credit-impaired exposures), as the borrowers are deemed to be in default. Stage 3 classification is maintained for at least one year, or longer if the Bank is uncertain that the borrowers will be able to meet their commitments. Once the loan is no longer classified in Stage 3, the assessment of the significant increase of credit risk will be performed by comparing the credit risk level at the closing date and the level at the initial recognition date of the loan before restructuring.

Where they no longer pass the SPPI test, restructured loans are derecognised and replaced by new loans recognized according to the restructured terms and conditions. These new loans are then classified as financial assets measured mandatorily at fair value through profit or loss.

Restructured loans do not include loans and receivables subject to commercial renegotiations that are loans to customers for which the Bank has agreed to renegotiate the debt with the aim of maintaining or developing a commercial relationship, in accordance with the credit approval procedures in force and without relinquishing any principal or accrued interest.

OVERVIEW OF IMPAIRMENT AND PROVISIONS

<i>(in EUR thousand)</i>	12.31.2025	12.31.2024
Impairment of financial assets at fair value through other comprehensive income	15	1
Impairment of financial assets at amortised cost	17 494	9 634
<i>Loans and receivables at amortised cost</i>	16 986	9 241
<i>Other assets at amortised cost</i>	508	393
Total impairment of financial assets	17 509	9 635
Provisions on Financing commitments	742	672
Provisions on Guarantee commitments	565	1 184
Lump-sum provision ⁽¹⁾	132 000	132 000
Total credit risk provisions	150 816	143 491

(1) Please refer to Note 8.2 for more details regarding the Lump-sum provision.

1. IMPAIRMENT OF FINANCIAL ASSETS

BREAKDOWN OF FINANCIAL ASSETS IMPAIRMENT

<i>(in EUR thousand)</i>	12.31.2024 (A)	Allocations (B)	Reversals available (C)	Net allocations (D)=(B)+(C)	Reversals used (E)	Currency and scope effects (F)	12.31.2025 (A)+(D)+ (E)+(F)
Financial assets at fair value through other comprehensive income	1	14	-	14	-	-	15
Impairment on performing outstandings (Stage 1)	1	14	-	14	-	-	15
Impairment on under-performing outstandings (Stage 2)	-	-	-	-	-	-	-
Impairment on doubtful outstandings (Stage 3)	-	-	-	-	-	-	-
Financial assets at amortised cost	9 634	11 657	(3 834)	7 823	-	37	17 494
Impairment on performing outstandings (Stage 1)	4 802	3 041	(2 008)	1 033	-	37	5 872
Impairment on under-performing outstandings (Stage 2)	604	1 840	(313)	1 527	-	-	2 131
Impairment on doubtful outstandings (Stage 3)	4 228	6 776	(1 513)	5 263	-	-	9 491
TOTAL	9 635	11 671	(3 834)	7 837	-	37	17 509

<i>(in EUR thousand)</i>	12.31.2023 (A)	Allocations (B)	Reversals available (C)	Net allocations (D)=(B)+(C)	Reversals used (E)	Currency and scope effects (F)	12.31.2024 (A)+(D)+ (E)+(F)
Financial assets at fair value through other comprehensive income	1	20	(21)	(1)	-	1	1
Impairment on performing outstandings (Stage 1)	1	20	(21)	(1)	-	1	1
Impairment on under-performing outstandings (Stage 2)	-	-	-	-	-	-	-
Impairment on doubtful outstandings (Stage 3)	-	-	-	-	-	-	-
Financial assets at amortised cost	17 376	24 911	(22 203)	2 708	(10 448)	(2)	9 634
Impairment on performing outstandings (Stage 1)	5 212	19 637	(20 043)	(406)	-	(4)	4 802
Impairment on under-performing outstandings (Stage 2)	101	1 291	(789)	502	-	1	604
Impairment on doubtful outstandings (Stage 3)	12 063	3 983	(1 371)	2 612	(10 448)	1	4 228
TOTAL	17 377	24 931	(22 224)	2 707	(10 448)	(1)	9 635

VARIATION OF IMPAIRMENT ACCORDING TO CHANGES IN THE CARRYING AMOUNT OF FINANCIAL ASSETS

<i>(in EUR thousand)</i>	12.31.2024	Origination and Acquisition	Derecognition (among which write-offs) and repayments	Transfer between stages of impairment	Other variations	12.31.2025
Financial assets at fair value through other comprehensive income	1	14	-	-	-	15
Impairment on performing outstandings (Stage 1)	1	14	-	-	-	15
Impairment on under-performing outstandings (Stage 2)	-	-	-	-	-	-
Impairment on doubtful outstandings (Stage 3)	-	-	-	-	-	-
Financial assets at amortised cost	9 634	1 352	(843)	7 058	293	17 494
Impairment on performing outstandings (Stage 1)	4 802	1 237	(520)	57	296	5 872
Impairment of under-performing outstandings (Stage 2)	604	115	(9)	1 424	(3)	2 131
Impairment on doubtful outstandings (Stage 3)	4 228	-	(314)	5 577	-	9 491
TOTAL	9 635	1 366	(843)	7 058	293	17 509

<i>(in EUR thousand)</i>	12.31.2023	Origination and Acquisition	Derecognition (among which write-offs) and repayments	Transfer between stages of impairment	Other variations	12.31.2024
Financial assets at fair value through other comprehensive income	1	20	(21)	-	1	1
Impairment on performing outstandings (Stage 1)	1	20	(21)	-	1	1
Impairment on under-performing outstandings (Stage 2)	-	-	-	-	-	-
Impairment on doubtful outstandings (Stage 3)	-	-	-	-	-	-
Financial assets at amortised cost	17 376	1 011	(11 487)	2 512	222	9 634
Impairment on performing outstandings (Stage 1)	5 212	618	(796)	(429)	197	4 802
Impairment of under-performing outstandings (Stage 2)	101	393	(4)	114	-	604
Impairment on doubtful outstandings (Stage 3)	12 063	-	(10 687)	2 827	25	4 228
TOTAL	17 377	1 031	(11 508)	2 512	223	9 635

2. PROVISIONS

BREAKDOWN OF PROVISIONS

<i>(in EUR thousand)</i>	12.31.2024 (A)	Allocations (B)	Reversals available (C)	Net allocations (D)=(B)+(C)	Currency and scope effects (E)	12.31.2025 (A)+(D)+ (E)
Financing commitments	672	777	(720)	57	13	742
Provisions on performing outstandings (Stage 1)	672	762	(706)	56	13	741
Provisions on under-performing outstandings (Stage 2)	-	14	(14)	-	-	-
Provisions on doubtful outstandings (Stage 3)	-	1	-	1	-	1
Guarantee commitments	1 184	419	(1 030)	(611)	(8)	565
Provisions on performing outstandings (Stage 1)	780	335	(650)	(315)	(7)	458
Provisions on under-performing outstandings (Stage 2)	404	84	(380)	(296)	(1)	107
Provisions on doubtful outstandings (Stage 3)	-	-	-	-	-	-
TOTAL	1 856	1 196	(1 750)	(554)	5	1 307

<i>(in EUR thousand)</i>	12.31.2023 (A)	Allocations (B)	Reversals available (C)	Net allocations (D)=(B)+(C)	Currency and scope effects (E)	12.31.2024 (A)+(D)+ (E)
Financing commitments	700	1 066	(1 094)	(28)	-	672
Provisions on performing outstandings (Stage 1)	700	1 060	(1 088)	(28)	-	672
Provisions on under-performing outstandings (Stage 2)	-	6	(6)	-	-	-
Provisions on doubtful outstandings (Stage 3)	-	-	-	-	-	-
Guarantee commitments	149	4 116	(3 081)	1 035	-	1 184
Provisions on performing outstandings (Stage 1)	128	3 490	(2 838)	652	-	780
Provisions on under-performing outstandings (Stage 2)	21	626	(243)	383	-	404
Provisions on doubtful outstandings (Stage 3)	-	-	-	-	-	-
TOTAL	849	5 182	(4 175)	1 007	-	1 856

VARIATIONS OF PROVISIONS ACCORDING TO CHANGES IN THE AMOUNT OF FINANCING AND GUARANTEE COMMITMENTS

<i>(in EUR thousand)</i>	12.31.2024	Origination	Derecognition	Transfer between stages of impairment	Other variations	12.31.2025
Financing and Guarantee commitments						
Provisions on performing outstandings (Stage 1)	1 452	451	(828)	124	-	1 199
Provisions on under-performing outstandings (Stage 2)	404	13	(117)	(180)	(13)	107
Provisions on doubtful outstandings (Stage 3)	-	-	-	-	1	1
TOTAL	1 856	464	(945)	(56)	(12)	1 307

V. NOTES TO THE ANNUAL ACCOUNTS (CONTINUED)

	12.31.2023	Origination	Derecognition	Transfer between stages of impairment	Other variations	12.31.2024
<i>(in EUR thousand)</i>						
Financing and Guarantee commitments						
Provisions on performing outstandings (Stage 1)	828	615	(101)	111	(1)	1 452
Provisions on under-performing outstandings (Stage 2)	21	118	-	265	-	404
Provisions on doubtful outstandings (Stage 3)	-	-	-	-	-	-
TOTAL	849	733	(101)	376	(1)	1 856

3. COST OF RISK

ACCOUNTING PRINCIPLES

Cost of risk only includes net allocations to impairments losses allowances for credit risk, losses on irrecoverable loans and amounts recovered on amortised receivables.

The Bank proceeds to a write-off of irrecoverable loans and a reversal of impairment in Cost of risk when a debt is waived or when there are no longer any hopes of future recovery. The lack of future hopes of recovery is documented when a relevant authority issues a certificate as proof that the debt is uncollectible or when strong circumstantial evidence are identified (years in

default, provisions at 100%, lack of recent recoveries, specificities of the case, etc...). According to this policy, the Bank doesn't proceed to partial write-off of its bad loans.

However, a write-off in accounting terms does not imply debt forgiveness in the legal sense as recovery actions on cash due by the counterparty are pursued particularly if the latter's fortune improves. In case of recoveries on an exposure previously written-off, such recoveries are recognised as Amounts recovered on bad loans in the year of collection.

<i>(in EUR thousand)</i>	2025	2024
Cost of risk		
Net allocation to impairment losses	(7 837)	(2 707)
<i>On financial assets at fair value through other comprehensive income</i>	(14)	1
<i>On financial assets at amortised cost</i>	(7 823)	(2 708)
Net allocations to provisions	554	(1 007)
<i>On financing commitments</i>	(57)	28
<i>On guarantee commitments</i>	611	(1 035)
Net allocation to lump-sum provision ⁽¹⁾	-	-
Losses not covered on irrecoverable loans	(66)	(314)
Amounts recovered on irrecoverable loans	-	-
Other risks	-	-
Total	(4 028)	(45 722)

(1) Please refer to Note 8.2 for more details regarding the Lump-sum provision.

Note 3.9. – Fair value of financial instruments measured at amortised cost

ACCOUNTING PRINCIPLES

DEFINITION OF FAIR VALUE

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

In the absence of observable prices for identical assets or liabilities, the fair value of financial instruments is determined using another measurement technique that maximises the use of observable market inputs based on assumptions that market operators would use to set the price of the instrument in question.

FAIR VALUE HIERARCHY

The fair values of financial instruments include accrued interest as applicable

For information purposes, in the notes to the annual report, the fair value of financial instruments is classified using a fair value hierarchy that reflects the observability level of the inputs used. The fair value hierarchy is composed of the following levels:

Level 1 (L1): instruments valued on the basis of quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 1 instruments carried at fair value on the statement of financial position include in particular shares listed in an active market, government or corporate bonds priced directly by external brokers/dealers, derivatives traded on organised markets (futures, options), and units of funds whose net asset value is available on the statement of financial position date.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and if they reflect actual and regular market transactions on an arm's length basis.

Level 2 (L2): instruments valued using inputs other than the quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

These are instruments measured using a financial model based on observable market inputs. The inputs used shall be observable in active markets ; using some unobservable inputs is possible only if those last have a less decisive influence on the fair value of the instrument. Prices published by an external source derived from the valuation of similar instruments are considered as data derived from prices.

The Bank analyzed the main variations in fair value of financial instruments measured at amortised cost and assessed the following:

Interest rate risk impacts mainly loans and deposits with fixed rates with maturities above 1 year. Regarding the other financial instruments at amortised cost such as debt securities and loans

Level 2 instruments include in particular non derivative financial instruments carried at fair value on the statement of financial position that are not directly quoted or do not have a quoted price on a sufficiently active market (e.g. corporate bonds, repos transactions, mortgage-backed securities, units of funds), and firm derivatives and options traded over-the-counter: interest rate swaps, caps, floors, swaptions, equity options, index options, foreign exchange options, commodity options and credit derivatives. The maturities of these instruments are linked to ranges of terms commonly traded in the market, and the instruments themselves can be simple or offer a more complex remuneration profile (e.g. barrier options, products with multiple underlying instruments), with said complexity remaining limited however. The valuation techniques used in this category are based on common methods shared by the main market participants.

Level 3 (L3): instruments valued using significant part of inputs that are not based on observable market data (referred to as unobservable inputs).

Level 3 instruments carried at fair value on the balance sheet are valued using financial models based on market inputs among which those which are unobservable or observable on insufficiently active markets, have a significant impact on the fair value of the financial instrument as a whole.

Accordingly, Level 3 financial instruments include derivatives and repo transactions with longer maturities than those usually traded and/or with specifically-tailored return profiles, structured debts including embedded derivatives valued based on a method using unobservable inputs or long-term equity investments valued based on a corporate valuation method, which is the case for unlisted companies or companies listed on an insufficiently liquid market.

and deposits with variable rates or fixed rates with maturities below 1 year, the Bank considers the interest rate risk impact as non material.

With the above described approach, the fair value assessment of financial instruments measured at amortised cost is reported below as at December 31, 2025.

ASSETS

(in EUR thousand)	12.31.2025				
	Carrying amount	Fair value	Level 1	Level 2	Level 3
Due from banks	22 815 895	22 950 876	-	22 950 876	-
Customer loans	4 455 087	4 489 135	-	4 489 135	-
Debt securities	-	-	-	-	-
Total	27 270 982	27 440 011	-	27 440 011	-

ASSETS

(in EUR thousand)	12.31.2024				
	Carrying amount	Fair value	Level 1	Level 2	Level 3
Due from banks	28 049 925	28 221 757	-	28 221 757	-
Customer loans	4 985 377	5 046 970	-	5 046 970	-
Debt securities	-	-	-	-	-
Total	33 035 302	33 268 727	-	33 268 727	-

LIABILITIES

<i>(in EUR thousand)</i>	12.31.2025				
	Carrying amount	Fair value	Level 1	Level 2	Level 3
Due to banks	19 200 176	19 254 000	-	19 254 000	-
Customer deposits	20 764 291	20 766 885	-	20 766 885	-
Debt securities issued	-	-	-	-	-
Total	39 964 467	40 020 885	-	40 020 885	-

LIABILITIES

<i>(in EUR thousand)</i>	12.31.2024				
	Carrying amount	Fair value	Level 1	Level 2	Level 3
Due to banks	22 774 311	22 836 967	-	22 836 967	-
Customer deposits	23 147 945	23 153 150	-	23 153 150	-
Debt securities issued	-	-	-	-	-
Total	45 922 256	45 990 117	-	45 990 117	-

Note 3.10. – Shares in affiliated undertakings

ACCOUNTING PRINCIPLES

These are equity investments and shares held in associates whose long-term holding is deemed useful to the Bank's business activity and, notably, those meeting the following criteria:

- shares in companies that share directors or senior managers with SG Luxembourg under conditions which enable the exercise of significant influence over the company in which the shares are held;
- shares in companies that belong to the same group controlled by individuals or legal entities, where the said persons or entities exercise control over the group and ensure that decisions are taken in unison.

Each year, the Bank conducts an impairment test on all of its significant subsidiaries, and a value adjustment is booked whenever a permanent impairment is observed.

In the case of permanent impairment of an equity interest, a value adjustment equal to the difference between the acquisition cost and the estimated recoverable amount is recognised. The Bank regularly reviews this asset class at the end of each period and assesses whether there is any evidence that an equity interest has been impaired or recovered its value. In case of recovery of value, the impairments that were formerly recorded can be written off if the value appraisal is sustainable.

Depreciation charges or value adjustments are reported in the Profit and loss account under the heading *Value adjustment from shares in affiliated undertakings*.

Dividend income earned on these investments is booked in the Profit and loss account under *Dividends on variable income securities*.

1. AMOUNT OF AFFILIATED UNDERTAKINGS

<i>(in EUR thousand)</i>	12.31.2025	12.31.2024
Consolidated ownership interests	537 171	1 092 328
Total	537 171	1 092 328

2. DETAILS OF AFFILIATED UNDERTAKINGS TRANSACTIONS

<i>(in EUR thousand)</i>	Share in affiliated undertakings
Acquisition value as at 01.01.2025	1 727 762
Acquisitions	-
Sales/liquidations	(889 628)
Reclassifications	-
Foreign exchange effect	(2 730)
Acquisition value as at 12.31.2025	835 404
Value adjustment as at 01.01.2025	(635 434)
Value adjustment allowances during the year	(171 483)
Value adjustment reversals during the year	-
Sales/liquidations	507 210
Effect of reclassifications	-
Foreign exchange effect	1 474
Value correction as at 12.31.2025	(298 233)
Net value at close of year	537 171

Value correction as at December 31, 2025, comes from:

- the impairment of IVEFI recorded up to December 31, 2025 (EUR 194,9 million);
- the impairment of Societe Generale Financing and Distribution S.A. that was recorded in 2022 (EUR 72,6 million).
- the impairment of SGBTCI S.A. recorded up to December 31, 2025 (EUR 30,8 million);
- the sale of Societe Generale Private Banking Switzerland S.A. during 2025, which was an impaired participation as of December 31, 2024 (please also refer to Note 3.12);

New additional impairments recorded in 2025:

- SGBTCI S.A. impairment for EUR 30,8 million ;
- IVEFI impairment for EUR 140,7 million.

As at December 31, 2025, participating interests before value adjustment in financial institutions amounted to EUR 640,2 million (December 31, 2024: EUR 1 527,0 million).

V. NOTES TO THE ANNUAL ACCOUNTS (CONTINUED)

As at December 31, 2025, the main share in affiliated undertakings are as follows:

(in EUR thousand)

Company	Registered office	Currencies (*)	Percentage owned directly 12.31.2025	2025 acquisition cost	Capital + reserves excluding net result for 2025 12.31.2025	Net result for 2025	Currency effect on acquisition cost for 2025	Value adjustment 12.31.2025
Societe Generale Private Banking Suisse S.A. ⁽¹⁾	Switzerland	CHF	0,00%	-	-	N/A	(2 730)	-
Societe Generale Private Banking (Monaco) S.A.	Monaco	EUR	100,00%	7 980	127 585	21 233	-	-
SGBTCI S.A. ⁽³⁾	Luxembourg	EUR	100,00%	72 688	42 582	(1 144)	-	(30 806)
SG Issuer S.A.	Luxembourg	EUR	99,80%	2 636	2 200	25	-	-
SGBT Finance Ireland Limited	Ireland	EUR	100,00%	100	66	124	-	-
Montalis Investment B.V. ⁽²⁾	The Netherlands	EUR	95,00%	1 900	1 985	146	-	-
Societe Generale Investment Solutions (Europe) S.A. ⁽⁴⁾	Luxembourg	EUR	100,00%	3 999	7 965	16 248	-	-
Societe Generale Life Insurance Broker S.A.	Luxembourg	EUR	100,00%	500	551	955	-	-
Sogelife S.A.	Luxembourg	EUR	39,86%	75 585	250 121	46 729	-	-
Societe Generale Capital Market Finance S.A.	Luxembourg	EUR	100,00%	9 002	158 318	1 053	-	-
Societe Generale Financing and Distribution S.A.	Luxembourg	EUR	100,00%	123 400	51 596	355	-	(72 553)
Societe immobilière de l'Arsenal	Luxembourg	EUR	100,00%	4 612	83	6 665	-	-
IVEFI S.A. ⁽³⁾	Luxembourg	EUR	100,00%	417 201	213 309	8 482	-	(194 874)
Societe Generale Luxembourg Leasing	Luxembourg	EUR	100,00%	801	1 151	9 883	-	-
SGL Ré S.A.	Luxembourg	EUR	100,00%	70 000	99 023	13 430	-	-
Societe Generale Luxembourg Credit Insurance	Luxembourg	EUR	100,00%	45 000	50 974	13 138	-	-

(1) The affiliated undertaking has been sold on 30th of January 2025, please refer to Note 3.12.

(2) In the opinion of the Bank's Board of Directors, the valuation of the participating interest at December 31, 2025, does not justify the recognition of a permanent impairment.

(3) In the opinion of the Bank's Board of Directors, the valuation of the participating interest at December 31, 2025, does not justify an additional recognition nor a reversal of the permanent impairment

(4) The entity has changed its name from Societe Generale Private Wealth Management S.A into Societe Generale Investment Solutions (Europe) S.A.

(*) Functional currencies of the affiliated entities

As at December 31, 2024, the main share in affiliated undertakings are as follows:

(in EUR thousand)

Company	Registered office	Currencies (*)	Percentage owned directly 12.31.2024	2024 acquisition cost	Capital + reserves excluding net income for 2024 12.31.2024	Net income for 2024	Currency effect on acquisition cost for 2024	Value adjustment 12.31.2024
Societe Generale Private Banking Suisse S.A. ⁽¹⁾	Switzerland	CHF	100,00%	886 777	251 506	4 376	(14 552)	(508 684)
Societe Generale Private Banking (Monaco) S.A.	Monaco	EUR	100,00%	7 980	123 862	24 659	-	-
SGBTCI S.A.	Luxembourg	EUR	100,00%	72 688	64 843	7 927	-	-
SG Issuer S.A.	Luxembourg	EUR	99,80%	2 636	2 200	234	-	-
SGBT Finance Ireland Limited(2)	Ireland	EUR	100,00%	100	(1 748)	2 140	-	-
Montalis Investment B.V. ⁽²⁾	The Netherlands	EUR	95,00%	1 900	1 981	204	-	-
Societe Generale Private Wealth Management S.A.	Luxembourg	EUR	100,00%	3 999	7 015	12 572	-	-
Societe Generale Life Insurance Broker S.A.	Luxembourg	EUR	100,00%	500	551	811	-	-
Sogelife S.A.	Luxembourg	EUR	39,86%	81 166	325 433	35 049	-	-
Societe Generale Ré S.A. ⁽⁴⁾	Luxembourg	EUR	0,00%	-	-	-	-	-
Societe Generale Capital Market Finance S.A.	Luxembourg	EUR	100,00%	9 002	158 284	673	-	-
Societe Generale Financing and Distribution S.A.	Luxembourg	EUR	100,00%	123 400	50 936	11 660	-	(72 553)
Societe immobilière de l'Arsenal ⁽²⁾	Luxembourg	EUR	100,00%	4 612	83	2 867	-	-
IVEFI S.A. ⁽³⁾	Luxembourg	EUR	100,00%	417 201	345 278	17 381	-	(54 197)
Societe Generale Luxembourg Leasing	Luxembourg	EUR	100,00%	801	2 241	3 614	-	-
SGL Ré S.A	Luxembourg	EUR	100,00%	70 000	80 677	18 346	-	-
Societe Generale Luxembourg Credit Insurance	Luxembourg	EUR	100,00%	45 000	48 409	8 565	-	-

1) The affiliated undertaking has been sold has been sold on 30th of January 2025, please refer to Note 3.12.

(2) In the opinion of the Bank's Board of Directors, the valuation of the participating interest at December 31, 2024, does not justify the recognition of a permanent impairment.

(3) In the opinion of the Bank's Board of Directors, the valuation of the participating interest at December 31, 2024, does not justify an additional recognition nor a reversal of the permanent impairment

(4) Liquidation of Societe Generale Ré S.A. in June 2024

(*) Functional currencies of the affiliated entities.

Note 3.11. – Commitments and assets pledged and received as securities

ACCOUNTING PRINCIPLES

LOAN COMMITMENTS

Loan commitments that are not considered as financial derivatives or that are not measured at fair value through profit and loss for trading purpose are initially recognised at fair value. Thereafter, they are provisioned as necessary in accordance with the accounting principles for impairment and provisions (see Note 3.8).

GUARANTEE COMMITMENTS

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because of the failure of a specified debtor to make a payment at maturity at the initial or modified terms in the debt instrument.

When considered as non-derivative financial instruments, financial guarantees issued by the Bank are initially recognised in the balance sheet at fair value. Thereafter, they are measured at either the amount of the obligation or the amount initially recognised (whichever is higher) less, when appropriate, the cumulative amortisation of a guarantee commission. Where there is objective evidence of impairment, a provision for guarantee commitments

given is recognised on the liabilities side of the balance sheet (see Note 8.2).

SECURITIES COMMITMENTS

Securities bought and sold, which are booked under *Financial assets at fair value through profit or loss*, *Financial assets at fair value through other comprehensive income* and *Financial assets at amortised cost* are recognised on the off-balance sheet at the settlement-delivery date. Between the trade date and the settlement-delivery date, securities receivable or deliverable are not recognized on the off-balance sheet. Changes in the fair value of securities measured at fair value through profit or loss and securities measured at fair value through other comprehensive income between the trade date and the settlement-delivery date are booked to profit or loss or equity, depending on the accounting classification of the securities.

FIDUCIARY ASSETS

The Bank provides trust and other fiduciary services that result in the holding or investing of assets on behalf of its clients. Assets held in a fiduciary capacity, unless recognition criteria are met, are not reported in the balance sheet, as they are not assets of the Bank.

1. COMMITMENTS GRANTED

To meet the financial needs of customers, the Bank enters into various irrevocable commitments and contingent liabilities. These consist of financial guarantees, letters of credit and other undrawn commitments to lend.

Letters of credit and guarantees (including standby letters of credit) commit the Bank to make payments on behalf of customers in the event of a specific act. Guarantees and standby letters of credit carry a similar credit risk to loans.

CREDIT LINES AND FINANCING COMMITMENTS

<i>(in EUR thousand)</i>	12.31.2025	12.31.2024
Loan commitments	2 875 723	4 569 769
To banks	1 348 462	2 990 002
To customers	1 527 261	1 579 767

GUARANTEES AND SECURITIES COMMITMENTS

<i>(in EUR thousand)</i>	12.31.2025	12.31.2024
Guarantee commitments	799 756	984 080
On behalf of banks	118 602	384 910
On behalf of customers	681 154	599 170
Securities commitments	678 484	433 455

2. ASSETS PLEDGED AS SECURITIES

<i>(in EUR thousand)</i>	12.31.2025	12.31.2024
Book value of assets pledged as security for transactions in financial instruments	57 789	141 622
Total	57 789	141 622

3. ASSETS UNDER MANAGEMENT

<i>(in EUR thousand)</i>	12.31.2025	12.31.2024
Fiduciary transactions	2 604 030	4 289 426
Total	2 604 030	4 289 426

The Bank provides management and representation services to third parties, particularly wealth management services, custody and administration of securities, fiduciary representation and agent functions. A fiduciary issuance program has been launched by Societe Generale Luxembourg in 2017, according to the Luxembourg Law of the March 27, 2003 on fiduciary operations.

During 2025, the Bank issued 2 fiduciary notes in EUR for a nominal amount of EUR 1,01 billion.

As at December 31, 2025, the Bank had 18 outstanding notes (December 31, 2024: 29), not listed on stock exchanges, amounting to EUR 2,3 billion (December 31, 2024: 4,0 billion).

- 6 notes in EUR for a nominal amount of EUR 1,05 billion and an outstanding amount of EUR 1,03 billion (December 31, 2024: 9 notes in EUR for a nominal amount of EUR 2,3 billion and an outstanding amount of EUR 2,2 billion);

- 11 notes in JPY for a nominal amount of JPY 72,8 billion and an outstanding amount of JPY 80,4 billion (December 31, 2024: 17 notes in JPY for a nominal amount of JPY 139,4 billion and an outstanding amount of JPY 142,6 billion);
- 1 note in USD for a nominal amount of USD 730 million and an outstanding amount of USD 986,5 million (December 31, 2024: 2 notes in USD for a nominal amount of USD 702,7 million and an outstanding amount of USD 869,6 million);
- 0 note in CHF (December 31, 2024: 1 note in CHF for a nominal amount of CHF 2,5 million and an outstanding amount of CHF 2,8 million).

The Group fiduciary issuance with the Parent Company Societe Generale represents EUR 76,1 million as at December 31, 2025 (December 31, 2024: EUR 104,1 million). The total amount of fiduciary transactions also includes other single fiduciary operations with some corporate clients.

Note 3.12. – Companies with shareholdings in the process of being sold

ACCOUNTING PRINCIPLES

Shares in affiliated undertakings which are in the process of being sold are measured at their carrying value, which corresponds to the value to be recovered through a sale of the participation.

Accounting principles applicable to the shares in affiliated undertakings which are in the process of being sold are the same as in Note 3.10.

There is no amount to disclose in this caption for the year ended December 31, 2025, further to the sale of SGPB Switzerland in January 2025.

(in EUR thousand)

Company	Registered office	Currencies	Percentage owned directly 12.31.2025	2025 acquisition cost	Capital + reserves excluding net result for 2025 12.31.2025*	Net result for 2025*	Currency effect on acquisition cost for 2025	Value adjustment 12.31.2025
Societe Generale Private Banking Suisse S.A. ⁽¹⁾	Switzerland	CHF	0,00%	-	-	N/A	(2 730)	-

(in EUR thousand)

Company	Registered office	Currencies	Percentage owned directly 12.31.2024	2024 acquisition cost	Capital + reserves excluding net result for 2024 12.31.2024*	Net result for 2024*	Currency effect on acquisition cost for 2024	Value adjustment 12.31.2024
Societe Generale Private Banking Suisse S.A.	Switzerland	CHF	100.00%	886 777	251 506	4 376	(14 552)	(508 684)

* Figures based on annual report in Swiss GAAP published by the subsidiary on March 11, 2025.

NOTE 4 – OTHER ACTIVITIES

Note 4.1. – Fee income and expense

ACCOUNTING PRINCIPLES

Fee income and Fee expense combine fees on services rendered and received, as well as fees on commitments that cannot be assimilated to interest. Fees that can be assimilated to interest are integrated into the effective interest rate on the associated financial instrument and are recorded under *Interest and similar income and Interest and similar expense* (see Note 3.7).

Sundry services provided include the fees from customers from the other activities (in particular interchange fees funds management fees or fees on insurance products sold within the network).

The Bank recognises fee income or expense for an amount equivalent to the remuneration for the service provided and depending on the progress transferring control of these services:

- fees for ongoing services, such as some payment services custody fees or digital service subscriptions are recognised as income over the life of the service;
- fees for one-off services, such as fund activity finder's fees, received arbitrage fees, or penalties on payment incidents are recognised as income when the service is provided.

The amount equivalent to the remuneration for the service provided is composed of fixed and variable contractual compensation whether they are paid in kind or in cash, less any payments due to customers (for example, in case of promotional offers). The variable compensation (for example, discounts based on the provided services volume over a period of time or fees payable subject to the achievement of a performance target, etc.) are included in the amount equivalent to the remuneration for the service provided if and only if this compensation is highly probable not to be subsequently reduced significantly.

The possible mismatch between the payment date of the service provided and the date of execution of the service gives assets and liabilities depending on the type of contract and mismatch which are recognized under Other Assets and Other Liabilities (see Note 4.3):

- customer contracts generate trade receivables, accrued income or prepaid income;
- supplier contracts generate trade payables, accrued expenses or prepaid expenses.

(in EUR thousand)	2025			2024		
	Income	Expense	Net	Income	Expense	Net
Transactions with banks	444	(1 025)	(581)	442	(1 113)	(671)
Transactions with customers	37 991	-	37 991	35 340	-	35 340
Financial instruments operations	93 182	(68 409)	24 773	91 730	(68 668)	23 062
Securities transactions	46 933	(68 296)	(21 363)	44 243	(68 315)	(24 072)
Primary market transactions	44 940	-	44 940	44 145	-	44 145
Foreign exchange transactions and financial derivatives	1 309	(113)	1 196	3 342	(353)	2 989
Loan and guarantee commitments	4 128	(1 183)	2 945	2 338	(78)	2 260
Sundry services	118 710	-	118 710	111 602	-	111 602
<i>Asset management fees</i>	49 634	-	49 634	46 345	-	46 345
<i>Means of payment fees</i>	4 576	-	4 576	4 456	-	4 456
<i>Fund administration fees and custody fees</i>	64 500	-	64 500	60 801	-	60 801
Others⁽¹⁾	24 708	(27 287)	(2 579)	26 394	(21 743)	4 651
Total	279 163	(97 904)	181 259	267 846	(91 602)	176 244

(1) Mainly relates to fund distribution activities indemnity fees and management fees.

Note 4.2. – Income and expenses from other activities

ACCOUNTING PRINCIPLES

Other activities gather all services that are not directly in scope of banking activities. The income and expenses from other activities mainly relate to:

- Sundry activities that are not the main banking activities but are considered as an extension to banking services;
- Non-financing services.

<i>(in EUR thousand)</i>	2025	2024
Income from other activities		
Other income from banking activities	529	2 322
Tax re-invoicing	7	348
Other miscellaneous income (non-banking activities)	-	258
Reversal of provisions for risks associated with the banking activity	473	1 100
Total of income	1 009	4 028
Expenses from other activities		
Other expenses from banking operations	(3 598)	(1 607)
Other miscellaneous expenses (non-banking activities)	-	-
Allocation to provisions for risks associated with the banking activity	(1 281)	(534)
Total of expenses	(4 879)	(2 141)

Note 4.3. – Other assets and liabilities

1. OTHER ASSETS

<i>(in EUR thousand)</i>	12.31.2025	12.31.2024
Guarantee deposits paid ⁽¹⁾	75 280	59 002
Settlement accounts on securities transactions	65 986	182 941
Prepaid expenses	4 565	3 970
Miscellaneous receivables	119 822	231 444
Amounts receivable and prepayments ⁽²⁾	91 028	121 509
Others ⁽³⁾	28 794	109 935
Net amount	265 653	477 357

(1) Mainly relates to guarantee deposits paid on financial instruments, the fair value of which is taken to be the same as their book value net of impairment for credit risk.

(2) Amounts receivable and prepayments include securities services business for EUR 7 163 thousand (2024: EUR 12 116 thousand).

(3) Other miscellaneous receivables primarily include transaction settlement, pay-off and other amounts under regularisation.

2. OTHER LIABILITIES

<i>(in EUR thousand)</i>	12.31.2025	12.31.2024
Guarantee deposits received ⁽¹⁾	108 108	75 796
Settlement accounts on securities transactions	65 802	245 948
Expenses payable on employee benefits	33 878	32 145
Deferred income	962	1 331
Miscellaneous payables ⁽²⁾	308 305	259 511
Total	517 055	614 731

(1) Mainly relates to guarantee deposits received on financial instruments, their fair value of which is taken to be the same as their book value.

(2) Miscellaneous payables mainly include fee expenses to be paid and trade payables.

NOTE 5 – PERSONNEL EXPENSES AND EMPLOYEE BENEFITS

MAKING IT SIMPLE

Employee benefits correspond to the compensation granted by the Bank to its employees in exchange for work carried out during the annual reporting period.

All forms of compensation for work rendered are recorded in the expenses:

- whether it will be paid to employees or to outside social security agencies;
- whether it will be paid during the annual reporting period or to be paid by the Bank in the future as entitlements to employees (pension plans, retirement benefits...);
- whether it will be paid in cash or in Societe Generale shares (free share plans, stock options).

ACCOUNTING PRINCIPLES

Employee benefits are divided into four categories:

- Short-term employee benefits which are employee benefits expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service, such as fixed and variable compensation, annual leave, taxes and social security contributions, mandatory employer contributions and profit-sharing;
- Post-employment benefits, including defined contributions plans and defined benefit plans such as pension plans and retirement benefits;
- Long-term employee benefits which are employee benefits not expected to be settled wholly before twelve months, such as defined variable compensation paid in cash and not indexed to Societe Generale share, long service awards and time saving accounts;
- Termination benefits.

Note 5.1. – Personnel expenses

ACCOUNTING PRINCIPLES

Personnel expenses include all expenses related to personnel, including employee benefits and expenses related to payments based on Societe Generale shares.

Short-term employee benefits are recorded under Personnel expenses during the period according to the services provided by the employee.

The accounting principles relating to post-employment benefits and long-term benefits are described in Note 5.2.

<i>(in EUR thousand)</i>	2025	2024
Employee compensation	(122 355)	(122 319)
Social security, social insurance and supplemental insurance	(13 782)	(13 115)
Pension expenses	(6 786)	(6 445)
Temporary employee expenses	(1 176)	(742)
Employee benefits linked to the profit-sharing plan	(1 428)	(1 405)
Other expenses	(671)	(632)
Total	(146 198)	(144 658)

For the financial year 2025, the Bank has an average headcount of 1 013 (for the financial year 2024: 1 082), including four persons at the branch in Italy and two at the representation office in Belgium.

Staff may be broken down as follows:

<i>For the year ended</i>	12.31.2025	12.31.2024
General Management	3	3
Other corporate officers	12	11
Senior managers	185	200
Other employees	813	868
Total	1 013	1 082

As at December 31, 2025, and December 31, 2024, no retirement commitments were made to former members of General Management, no guarantees were given and no advances or loans were issued to members of General Management

or the bank's governance bodies. As at December 31, 2025, and December 31, 2024, no compensation was paid to Societe Generale employees in connection with their mandates as members of the Board of Directors.

EMPLOYEE BENEFITS FOR KEY MANAGEMENT PERSONNEL

Key management personnel include the authorized management of the Bank, their respective spouses and any children residing in the family home.

The remuneration allocated to SG Luxembourg's General Management amounts to EUR 1 805 thousand (2024: EUR 1 401 thousand). The main items details are as follows:

<i>(in EUR thousand)</i>	2025	2024
Short-term benefits	1 247	1 223
Long-term benefits	240	105
Post-employment benefits	-	-
Share-based payments	318	73
Total	1 805	1 401

Note 5.2. – Employee benefits

The Bank awards its employees:

- post-employment benefits, such as pension plans or retirement benefits.
- termination benefits.

DETAIL OF PROVISIONS FOR EMPLOYEE BENEFITS

<i>(in EUR thousand)</i>	Provisions at 01.01.2025	Allocations	Reversals available	Net allocation	Reversals used	Actuarial gains and losses	Other flows	Provisions at 12.31.2025
Provisions for employee benefits	42 968	7 850	(3 475)	4 375	(2 413)	(2 075)	709	43 564

<i>(in EUR thousand)</i>	Provisions at 01.01.2024	Allocations	Reversals available	Net allocation	Reversals used	Actuarial gains and losses	Other flows	Provisions at 12.31.2024
Provisions for employee benefits	43 454	5 105	(5 437)	(332)	(2 537)	(1 223)	3 606	42 968

1. POST-EMPLOYMENT BENEFITS

ACCOUNTING PRINCIPLES

Post-employment benefits can be broken down into two categories: defined contribution pension plans and defined benefit pension plans.

DEFINED CONTRIBUTION PLANS

Defined contribution plans limit the Bank's liability to the subscriptions paid into the plan but do not commit the Bank to a specific level of future benefits. Contributions paid are recorded as an expense for the current year.

DEFINED BENEFIT PLANS

Defined benefit plans commit the Bank, either formally or tacitly, to pay a certain amount or level of future benefits and therefore bear the associated medium or long-term risk.

Provisions are recognised on the liabilities side of the balance sheet under *Provisions*, to cover the whole of these retirement obligations. These provisions are assessed regularly by independent actuaries using the projected unit credit method. This valuation technique incorporates assumptions about demographics, early retirement, salary rises and discount and inflation rates.

The Bank previously chose to finance defined benefit plans through assets held by a long-term employee benefit fund or by qualifying insurance policies. Since then, the Bank transferred employees to a defined contributions plan on voluntary basis.

Funding assets, made by funds are classified as plan assets if they are held by an entity (a fund) that is legally separated from the reporting entity and are available to be used only to pay employee benefits.

V. NOTES TO THE ANNUAL ACCOUNTS (CONTINUED)

When these plans are financed from external funds classified as plan assets, the fair value of these funds is subtracted from the provision to cover the obligations.

When these plans are financed from funds not classified as plan assets, these funds, classified as separate assets are displayed separately in the assets of the balance sheet under financial assets at fair value through profit or loss.

Differences arising from changes in calculation assumptions (early retirements, discount rates, etc.) and differences between actuarial assumptions and real performance are recognised as actuarial gains and losses. Actuarial gains and losses, as well as the return on plan assets excluding amounts expensed as net interest on the net defined benefit liability (or asset) and any change in the effect of the asset ceiling are components used to re-measure the net defined benefit liability (or asset). These components are immediately and fully recognised in statement of changes in equity under *Unrealised or deferred gains and losses* and they cannot be subsequently reclassified as income.

In the Bank's annual accounts, these items, that cannot be subsequently reclassified as income, are displayed separately in the statement of net income and Unrealised or deferred gain and losses, but are transferred immediately to retained earnings in the statement of changes in equity so that they are presented directly under Retained earnings on the liabilities side of the balance sheet.

Where a new or amended plan comes into force, past service cost is immediately recognised in profit or loss.

An annual charge is recorded under *Personnel expenses* for defined benefit plans consisting of:

- the additional entitlements vested by each employee (current service cost);
- past service cost resulting from a plan amendment or a curtailment;
- the financial expense resulting from the discount rate and the interest income on plan assets (net interest on the net defined benefit liability or asset);
- plan settlements.

POST-EMPLOYMENT DEFINED BENEFIT PLANS

The Bank offers a supplemental defined benefit retirement plan to all eligible employees at its headquarters in Luxembourg.

Under the defined benefit retirement plan, payment of a supplementary pension to the Luxembourg government pension starting from age 65 is planned. The goal of the business pension plan is to grant, for 35 years of service benefits equal to approximately 60% of salary at retirement, including Luxembourg Social Security.

More specifically, for 35 years of service in the Bank, the retirement benefit will be equal to 8,33% of the portion of

the final pensionable salary, limited to the pension ceiling plus 62,5% of the final pensionable salary that surpasses this ceiling. The salary used for calculation purposes is the annual base salary. The pension benefit is a planned joint and survivor annuity of 60% to the survivor after retirement.

The plan allows for payment of capital instead of the planned supplemental retirement annuity. By its nature, this defined benefit retirement plan exposes SG Luxembourg to certain associated actuarial risks, such as investment risk, interest rate risk, longevity, inflation and the effect of an increase in payroll.

Investment risk	The present value of the defined benefit commitment is calculated using a discount rate determined by reference to the interest rates of high-quality corporate bonds. If the return on plan assets is below this rate, this will create a plan deficit. The plan assets are limited to those of a reduced insurance group that benefits from a guaranteed return from an insurer.
Interest rate risk	A decline in interest rates for bonds will increase the plan's commitments.
Longevity risk	The present value of the pension commitment is calculated taking into account the estimated mortality tables. The objective being to best reflect the mortality of the pension plan's participants. However, an increase in the life expectancy of participants will increase the plan's commitments.
Risk of payroll growth	The present value of the pension commitment is calculated under the assumption that the pension plan's participants' salaries will increase. Any future increase that is greater than the estimate will increase the plan's commitments.
Inflation risk	The inflation rate directly affects the changes in payrolls and the pension ceiling. An increase in the inflation rate will cause an increase in the current value of the pension commitments.

Risks related to benefits paid to beneficiaries in the event of the death of a plan participant before retirement age is insured by an insurance company.

The main assumptions used for measuring pension fund obligations are summarized below:

	12.31.2025		12.31.2024	
Discount rate	3,69%		3,23%	
Inflation rate	1,90%		1,93%	
Expected rate of return on assets	N/A		N/A	
Compensation increase rate	Age	Rate	Age	Rate
	<35 years	1,9% - 2%	<35 years	1,9% - 2%
	35 years <= age < 45 years	1% - 1,3%	35 years <= age < 45 years	1% - 1,3%
	45 years <= age < 55 years	0,3% - 0,65%	45 years <= age < 55 years	0,3% - 0,65%
	55 years <= age < 65 years	0% - 0,7%	55 years <= age < 65 years	0% - 0,7%

The discount rate used as at December 31 of the year in question is based on the yield curve for corporate bonds rated AA.

This curve is observed in October of each year based on the Merrill Lynch Index.

IAS 19R requires using the same rate for the expected return. The inflation rates used are in line with the long-term objectives of the central banks of the Euro zone.

The cost of services rendered and the net interest on net liabilities (assets) are reported under Staff expenses in profit or loss.

Following the adoption of IAS 19R, the “corridor” method is no longer used: net actuarial gains are now reported at their total amount on the liability side of the balance sheet.

Revaluations of net liabilities (assets) are reported in the other items of comprehensive income.

PENSION PLAN LIABILITIES

The pension plan’s liabilities according to IAS 19R break down as follows:

(in EUR thousand)	12.31.2025	12.31.2024
Defined benefit obligation	33 154	34 958
Fair value of plan assets	(152)	(159)
Net defined benefit (asset)/liability	33 002	34 799

BREAKDOWN OF FAIR VALUE OF PLAN ASSETS

(in EUR thousand)	12.31.2025	12.31.2024
Insurance contract	152	159
Equity	-	-
Bonds	-	-
Real Estate	-	-
Others	-	-
Total	152	159

CHANGE IN THE PRESENT VALUE OF THE DEFINED BENEFIT OBLIGATIONS

The reconciliation of opening and closing obligation balances related to defined benefits for the current year is as follows:

(in EUR thousand)	12.31.2025	12.31.2024
Obligation in relation to defined benefits - Opening	34 958	35 997
Total (expense)/ revenue recognized in the Profit and loss account	2 604	2 739
Paid benefits	(2 428)	(2 569)
Transfer between group entities	-	(5)
Actuarial gains and losses	(1 980)	(1 204)
Obligation in relation to defined benefits - Closing	33 154	34 958

CHANGES IN THE FAIR VALUE OF PLAN ASSETS AND SEPARATE ASSETS

<i>(in EUR thousand)</i>	12.31.2025	12.31.2024
Balance as at January 1	159	182
Interest income	5	5
Expected return on plan assets	-	-
Expected return on separate assets	-	-
Actuarial gains and losses due to assets	-	-
Employee contributions	-	-
Employer contributions to plan assets	-	-
Paid Benefits	(15)	(32)
Return on assets excluding amounts included in interest income	3	4
Transfers and others	-	-
Balance as at December 31	152	159

For SG Luxembourg, the fair value of plan assets is comprised of mathematical reserves of past insurance contracts of the Group to which no contributions have been made since 1997. These

reduced insurance contracts benefit from a guaranteed return by the insurer. These assets are not quoted on an active market.

SENSITIVITY ANALYSIS

Actuarial assumptions which are significant in determining pension commitments are: discount rates, inflation and future payroll growth.

The impact of each individual assumption is not representative of the potential impact of a sensitivity analysis based on combined variations of assumptions.

The calculation's sensitivity to these individual key assumptions was analyzed on the date of the calculation, i.e. December 31, 2025, using the same projection method (projected unit credit method).

DBO sensitivity to a change of assumptions by -0,5%, +0,5% would have the following effect as at December 31, 2025:

12.31.2025

Sensitivity	Defined benefit obligation	Service cost	Expected expenses N+1
Discount rate (0,5%):	4,83%	4,32%	-2,01%
Discount rate +0,5%:	-4,50%	-4,02%	1,79%
Inflation rate (0,5%):	-3,00%	-3,72%	-3,12%
Inflation rate +0,5%:	3,15%	3,87%	3,30%
Salary increase +0,5%:	5,99%	7,59%	6,35%

12.31.2024

Sensitivity	Defined benefit obligation	Service cost	Expected expenses N+1
Discount rate (0,5%):	5,08%	4,52%	-2,27%
Discount rate +0,5%:	-4,72%	-4,18%	2,00%
Inflation rate (0,5%):	-3,18%	-3,91%	-3,66%
Inflation rate +0,5%:	3,35%	4,11%	3,85%
Salary increase +0,5%:	5,43%	6,85%	6,35%

PLAN FINANCING

Luxembourg law does not require companies to outsource pension obligations to a pension fund or an insurance group.

sheet liabilities. The retirement plan can be considered as an internally-funded retirement plan. Pension plan liabilities are recognized in the balance sheet of the Bank while pension plan assets are included in the assets used in the Bank's business activities. Should the Bank become insolvent, a mechanism to

The Bank's retirement plan is funded directly by the payment of benefits when they become due. In order to provide the benefits expected, the Bank recognizes accounting reserves in balance

protect pension rights is provided through insolvency insurance with the German pension security fund ("Pensionssicherungsverein" - PSV). Finally, for staff hired before 1997, a small part of the

retirement obligation is funded in a former insurance group that no longer receives additional inflows of contributions. There is also a reduced hedging insurance reserve.

Plan duration:

<i>In years</i>	12.31.2025	12.31.2024
Plan duration	9,6	10,0

Expected future benefit payments are as follows:

Years	12.31.2025	Years	12.31.2024
	<i>(in EUR thousand)</i>		<i>(in EUR thousand)</i>
2027	1 155	2026	1 507
2028	1 891	2027	1 188
2029	1 798	2028	1 807
2030-2035	24 168	2029-2034	23 093

TREATMENT OF ENTITIES THAT PARTICIPATE IN THE PLAN BUT ARE NOT PART OF SG LUXEMBOURG'S GROUP

For entities that participate in the plan but are not part of SG Luxembourg Group, the plan is treated as a multiemployer plan.

There are two possible scenarios, depending on whether the entity does or does not have sufficient data to categorise the plan in its books as a defined benefit or defined contribution plan.

The number of employees (active or retired) benefiting from the plan in each entity must be considered as a major feature. In fact, the use of projection techniques (IAS 19R's projected unit credit method) and all demographic parameters based on a small number of people cannot give truly pertinent results and generates significant statistical volatility each time there is a change in personnel. In such cases the results could be considered insufficiently reliable.

Furthermore, some of these entities have an employee policy based on the use of employees that stay with the entity for a short period (four to five years) and come from/return to SG Luxembourg, effectively resulting in high employee turnover. Similarly, in this context, projecting these employees' compensation over the long term does not make much sense as, by design, they do not remain with the Bank although they stay with the Group.

Within this framework, and in order to prevent administrative work that does not take into account financial challenges at the SG Luxembourg's Group level, we propose that these entities treat this plan as a defined benefit plan and pay SG Luxembourg's their share of the total annual cost of financing the plan, proportional to the percentage of total eligible employees represented by the entities' employees, through a contractual agreement.

The materiality threshold has been set at 20 people (i.e. 3% of the total number of employees benefiting from the plan) as defined with the actuary in charge of the work.

TREATMENT OF ENTITIES THAT PARTICIPATE IN THE PLAN AND ARE PART OF SG LUXEMBOURG'S GROUP

Each of the entities in question (of which a list current at the time this instruction was published is provided in the Notes to

the Annual Accounts) have a small number of employee plan members (less than five full-time equivalent employees).

Furthermore, the various entities related to SG Luxembourg are part of the general agreements covering the re-invoicing of services that they receive (not only with respect to human resources) and also signed an agreement involving the employee and SG Luxembourg that confirms their financial contribution to the supplementary pension plan.

In light of these factors, SG Luxembourg, as the employer, may justifiably be considered to keep the total liability for these employees on its books and invoice the entities in question for their share of the financing of this plan in the form of a contribution to the plan's net expenses.

For simplicity's sake, these expenses are determined annually and invoiced on a monthly basis. The amount of these expenses is a share of the plan's total cost proportional to the percentage of total eligible employees.

This payment transaction is a related party transaction. If the entities publish notes to their annual accounts in accordance with IFRS, they declare this transaction.

TREATMENT OF ENTITIES THAT DO NOT PARTICIPATE IN THE PENSION PLAN AND EMPLOY STAFF FROM AN AFFILIATED ENTITY

This occurs when Societe Generale assigns its personnel to other Societe Generale Group entities. From the employees' perspectives, they expressly benefit from the maintenance of their entitlements in the supplementary pension plan under their assignment contracts.

From the perspective of the unaffiliated entity to which an employee is assigned, it has no obligation, not even an implicit one, to the defined benefit plan. These obligations continue to be borne by the original affiliated company.

The rules of corporate law prevent a company from bearing employee-related expenses without compensation in the form of services. The original entity therefore invoices the expense of maintaining the employee's entitlements under the supplementary pension plan to the entity to which the employee

V. NOTES TO THE ANNUAL ACCOUNTS (CONTINUED)

is assigned, as it does for other employee benefits. Societe Generale has implemented a standard invoicing contract that the assigning entity must use, filling out the appendices with the various benefits due to the employee in question.

Accordingly, the accounting treatment used is the one used for intra-Group billing of payroll expenses in the entity to which an employee is assigned and for defined benefits in the original entity. Income received from each entity contributes to the financing of the plan at the original entity.

For simplicity's sake, the invoicing principles will be based on a fixed amount, defined annually in proportion to the length of time that employees are assigned to an entity and based on the annual cost of the plan and the percentage represented by assigned employees in the total number of eligible employees in the plan.

As a result, a company that is assigned two full-time employees out of a total of 800 eligible people must pay 2/800 of the net annual expense of the plan.

DEFINED CONTRIBUTION PLAN

Starting in 2015, all new incoming SG Luxembourg employees enroll in a defined contribution pension plan.

RETIREMENT CAPITAL

Retirement capital, or Early Retirement capital, is paid to Plan Members when they retire at normal retirement age or when they take early retirement, respectively.

Plan Members have the option of taking all the benefit as a pension payable monthly or taking part or all the benefit as a lump sum.

DEATH BENEFIT

If a Plan Member dies before retirement age, the retirement savings at the time of death are paid in the form of capital to the Beneficiaries designated in the event of death.

EMPLOYER CONTRIBUTIONS

Employer contributions are calculated as follows: 2,5% S1 + 9% S2

PLAN INCOME

Amounts comprising comprehensive income related to the pension plan are as follows:

<i>(in EUR thousand)</i>	2025	2024
Cost of services rendered	1 506	1 624
- Cost of services rendered during the reporting period	1 506	1 624
- Cost of past services and profit or loss resulting from liquidation	-	-
Net interest on the net liabilities (assets)	1 093	1 110
Amounts recognised in net income	2 599	2 734
Revaluations of net liabilities (assets) to be recognised directly in equity	(2 075)	(1 223)
- Impact of changes to demographic assumptions	-	-
- Impact of changes to financial assumptions	(1 625)	(804)
- Impact of adjustments due to experience	(447)	(415)
- Return on plan assets excluding amounts included in interest income	(3)	(4)
- Return on hedging assets excluding amounts included in interest income	-	-
Amount to be recognised directly in equity	(2 075)	(1 223)

Where:

- S1 represents the portion of semester below the annual cap on contributions to Social Security in force as at the calculation date;
- S2 represents the portion of S which exceeds this cap;
- •S represents January's monthly salary x 13.

The employer contribution is multiplied by the percentage of employee time as at the calculation date.

The employer contribution for the year of enrolment in the plan may be paid, in accordance with the plan's administrative provisions, in the year of enrolment or in the following year.

SG Luxembourg allocated EUR 2,7 million as employer contribution in 2025 (2024: EUR 2,4 million) for defined benefits and defined contributions.

PERSONAL CONTRIBUTIONS

The Plan Member may elect to contribute to the Plan and can choose the monthly or annual contribution amount at the time of enrolment.

FUNDING VEHICLE

The Plan Member may choose from among three financial management and investment formulas for investing the investment of employer contributions, and for the transfer of any entitlements resulting from employer contributions.

However, according to current legal provisions, personal contributions may only be invested in a fund with a guaranteed rate of return at least equal to the rate set by the Commissariat aux Assurances (Luxembourg Insurance Commission).

FINANCE

The Bank guarantees the payment of benefits and contributions provided by the supplementary pension plan.

To accomplish this, The Bank signed a group insurance contract with the AXA insurance company.

CHANGE IN REDEMPTION RIGHTS

The reconciliation of opening and closing obligation balances of the fair value of redemption rights for the current year is as follows:

<i>(in EUR thousand)</i>	2025	2024
Redemption entitlements at fair value - Opening	416	454
Interest income	13	14
Employer contributions	-	-
Repaid benefits	(26)	(67)
Transfers between group entities	-	-
Return on redemption entitlements excluding amounts included in interest income	(92)	15
Redemption entitlements at fair value - Closing	311	416

2. LONG-TERM BENEFITS**ACCOUNTING PRINCIPLES**

Long-term employee benefits are benefits other than post-employment and termination benefits that are paid to employees more than twelve months after the end of the annual period in which they provided the related services.

Long-term benefits are measured and recognised in the same way as post-employment benefits, to the exception of actuarial gains and losses, which are immediately recognised in the statement of net income and unrealized or deferred gains and losses.

EMPLOYEE BENEFITS - JUBILEE AWARDS**PLANS' PROVISIONS AND ASSUMPTIONS**

SG Luxembourg employees are entitled to a plan that provides for a jubilee award which is a function of their seniority in the Bank.

The defined benefit obligation corresponding to this plan was estimated according to the standard IAS 19R. For this plan, the actuarial gains and losses are immediately recognized in the Profit and loss account.

The principal assumptions used for measuring the jubilee plan obligations are summarized below:

	12.31.2025		12.31.2024	
Discount rate	3,30%		3,13%	
Inflation rate	N/A		N/A	
Expected rate of return on assets	N/A		N/A	
Compensation increase rate	Age	Rate	Age	Rate
	<35 years	1,90% - 2,00%	<35 years	1,90% - 2,00%
	35 years <= age < 45 years	1,00% - 1,30%	35 years <= age < 45 years	1,00% - 1,30%
	45 years <= age < 55 years	0,30% - 0,65%	45 years <= age < 55 years	0,30% - 0,65%
	55 years <= age < 65 years	0,00% - 0,70%	55 years <= age < 65 years	0,00% - 0,70%

PLAN RESULTS

The cost associated with jubilee awards is reported under Staff expenses in Profit and loss account and breaks down as follows:

<i>(in EUR thousand)</i>	12.31.2025	12.31.2024
Service cost	189	169
Financial cost	60	72
Actuarial gains and losses	(160)	136
Past service cost/curtailments	-	-
Total	89	377

CHANGES IN THE PLAN'S LIABILITIES

Change in liabilities for long-services estimated according to IAS19R can be broken down as follows:

<i>(in EUR thousand)</i>	2025	2024
Liability position at January 1	2 035	1 848
Net expenses recognised in profit or loss	249	241
Reassessment – residual differences	(160)	136
Paid benefits	(227)	(190)
Transfer between group entities	-	-
Liability position at December 31	1 897	2 035

NOTE 6 – INCOME TAX

MAKING IT SIMPLE

Income tax expenses are presented separately from other taxes which are classified under General administrative expenses. They are calculated according to the rates and tax regulations applicable in Luxembourg.

Income tax presented in the Profit and loss account includes current taxes and deferred taxes:

- current taxes correspond to the amount of taxes due (or refundable) as calculated according to the taxable profit base for the reporting period.
- deferred taxes correspond to the amount of taxes resulting from past transactions and that will be payable (or refundable) in a future reporting period.

ACCOUNTING PRINCIPLES

CURRENT TAXES

Current tax is based on the taxable profits of each taxable entity and determined in accordance with the rules established by the taxation authority, upon which income taxes are payable. This tax expense also includes net allowances for tax adjustments pertaining to income tax.

Tax credits arising in respect of interest from loans and income from securities are recorded in the relevant interest account as they are applied in settlement of income taxes for the year. The related tax charge is included under Income tax in the Profit and loss account.

DEFERRED TAXES

Deferred taxes are recognised whenever the Bank identifies a temporary difference between the book value and tax value of balance sheet assets and liabilities that will affect future tax payments. Deferred tax assets and liabilities are measured in each taxable entity considering rules established by the local taxation authorities.

The amount is based on the tax rate enacted or substantively enacted which is expected to apply when the asset is realised or the liability settled. These deferred taxes are adjusted in the event of changes to tax rates. This amount is not discounted to present value.

Deferred tax assets can result from deductible temporary differences or from tax loss carry forwards. These deferred tax assets are recorded only if the entity affected is likely to recover these assets within a set of time.

Temporary differences or tax loss carry forwards can also be used against future taxable profit. Tax loss carry forward review taking into account the tax system applicable to each relevant tax entity and a realistic projection of their tax income or expense, based on their business development outlook: any previously unrecognized deferred tax assets are recorded in the balance sheet to the extent it has become probable that future taxable profit will allow the deferred tax asset to be recovered; however, the carrying value of deferred tax assets already recognized in the balance sheet is reduced where a risk of total or partial non-recovery occurs.

Current and deferred taxes are recognized in the Profit and loss account under *Income tax*. However, deferred taxes related to gains and losses recorded under *Unrealized or deferred gains and losses* are also recognized under the same heading in the statement of net income and unrealized or deferred gains and losses.

TAX INTEGRATION

Since financial year 2005, SG Luxembourg has elected to be considered as an integrated group for tax purposes (“intégration fiscale” or tax integration).

As at December 31, 2025, 16 subsidiaries were included in the tax Group filing a consolidated return (2024: 16 subsidiaries). In accordance with a tax integration agreement entered into with SG Luxembourg, some affiliates recognize in their annual accounts the tax which they would have paid had they not been included in SG Luxembourg’s Group tax scope.

1. INCOME TAX

<i>(in EUR thousand)</i>	2025	2024
Current taxes	(30 649)	(29 904)
Deferred taxes	100	(5)
Total taxes	(30 549)	(29 909)

This statutory rate combines “Impôt sur le Revenu des Collectivités” (IRC) and “Impôt Commercial Communal” (ICC).

The increase of tax expense in 2025 compared to 2024 represents EUR 0,6 million.

As at December 31, 2025, the rate applied to calculate deferred taxes is 24,29 % (2024: 25,26 %).

The table below provides the explanation for the difference between the standard tax rate in Luxembourg and the effective tax rate of the Bank as at December 31, 2025, and December 31, 2024:

<i>(in EUR thousand)</i>	2025	2024
Income before tax	564 531	683 637
Tax rate applicable at the end of the year	24,29%	25,26%
Theoretical income tax	(137 125)	(172 687)
Tax implications:		
<i>Tax implication of dividends and other tax-exempt income</i>	120 599	164 617
<i>Tax implication of non-deductible expenses</i>	(43 550)	(50 031)
<i>Tax credits and other chargeable credits</i>	33 717	25 053
<i>Tax credits transferred to net banking income</i>	(4 709)	(3 252)
<i>Reinvoicing of fiscally integrated subsidiaries</i>	519	6 391
Total tax expense excluding adjustments for past periods	(30 549)	(29 909)
Adjustments for the year	-	-
Total income tax	(30 549)	(29 909)

Tax credits on income from receivables and the securities portfolio - when used to settle income tax for the year - are recognised under the same heading as the related income.

The corresponding tax charge is maintained under the heading Income tax which explains the transfer to net banking income.

The tax implications of non-taxable income stem mainly from the receipt of income from participations held by the Bank in resident and non-resident fully taxable entities eligible to the parent-subsidiary regime, enabling to avoid the economic double-taxation of said income.

2. PROVISIONS FOR TAX ADJUSTMENTS

ACCOUNTING PRINCIPLES

Provisions for tax adjustments represent liabilities whose timing or amount cannot be precisely determined. The expected outflows are then discounted to present value to determine the amount of the provision where this discounting has a significant impact. Allocations to and reversals of provisions for tax adjustments are booked to the Profit and loss account under *Income tax*.

Provisions may be recorded:

- where by virtue of a commitment to a third-party the Bank will probably or certainly incur an outflow of resources to this third-party without receiving at least the equivalent value in exchange;

- and when the amount of probable outflow of resources can be reliably estimated.

The expected outflows are then discounted to present value to determine the amount of the provision where this discounting has a significant impact. Allocations to and reversals of provisions for tax adjustments are booked to Current taxes in the Profit and loss account under *Income tax*.

Information on the nature and the amount of the associated risks is not disclosed when the Bank considers that such disclosure could seriously undermine its position in a dispute with other parties on the object of the provision.

As at December 31, 2025 and December 31, 2024, no provision for tax adjustment has been recorded by the Bank.

3. TAX ASSETS AND LIABILITIES

TAX ASSETS

<i>(in EUR thousand)</i>	12.31.2025	12.31.2024
Current tax assets	225	289
Deferred tax assets	78	42
Total Tax Assets	303	331

TAX LIABILITIES

<i>(in EUR thousand)</i>	12.31.2025	12.31.2024
Current tax liabilities	76 883	64 201
Deferred tax liabilities	3 727	951
Total Tax Liabilities	80 610	65 152

The change in deferred taxes is analysed as follows:

<i>(in EUR thousand)</i>	12.31.2025	12.31.2024
Balance at year opening	(909)	(7 224)
Items recognized directly in profit and loss	100	(5)
Items recognized directly in equity	(2 840)	6 320
Balance at year end	(3 649)	(909)

PILLAR 2: TAX REFORM – GLOBAL MINIMUM CORPORATE TAX RATE

In October 2021, 137 of the 140 jurisdictions of the OECD Inclusive Framework on Base Erosion and Profit Shifting (BEPS) committed to the principle of establishing a global minimum corporate income tax rate of 15% on the profits by country of multinational groups with annual revenues exceeding EUR 750 million. A model of rules referred to as “Pillar 2”, published by the OECD on 20 December 2021 specifies the mechanism which applies in particular in Europe and in France since the adoption of European council directive (EU) 2022/2523 and its transposition into French law by article 4 of the French Finance act for 2024. From January 1, 2024, on, the minimum level of tax will take the form of an additional “top-up” tax determined according to rules compliant with the directive. Transitional

Safe Harbour set out by the OECD for the first three fiscal years also included in the law. The Luxembourg law of December 22, 2023 (as amended) incorporates the directive into Luxembourg law. The minimum level of tax will take the form of Qualifying Domestic Minimum Top-up Tax “top-up tax” determined according to rules compliant with the directive. The temporary simplification rules as provided for by the OECD for the first three financial years are also included in the Luxembourg law.

Based on 2025 data, the Pillar 2 effective tax rate estimated exceeds 15% in the Luxembourgish jurisdiction. As at December 31, 2025 and December 31, 2024, no top-up tax is due by the Luxembourg entities.

4. BREAKDOWN OF DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES

The following table shows deferred tax recorded in the statement of financial position and changes recorded in the income tax expense:

<i>(in EUR thousand)</i>	December 31, 2025			
	Deferred Tax Asset	Deferred Tax Liability	Profit and loss account	OCI
Provisions	-	1 843	64	(504)
Impairment allowance for loans and advances to customers	-	-	-	-
Fair value of financial instruments through profit or loss	-	-	-	-
Revaluation of hedging derivatives	-	301	-	289
Revaluation of debt instruments at fair value through other comprehensive income	-	1 583	-	(2 625)
Foreign currency translation reserve	-	-	-	-
Derivative financial instruments	-	-	-	-
Net gain on hedge of net investment	-	-	-	-
Other temporary differences	78	-	36	-
Total	78	3 727	100	(2 840)

December 31, 2024

<i>(in EUR thousand)</i>	Deferred Tax Asset	Deferred Tax Liability	Profit and loss account	OCI
Provisions	-	1 403	(16)	(309)
Impairment allowance for loans and advances to customers	-	-	-	-
Fair value of financial instruments through profit or loss	-	-	-	-
Revaluation of hedging derivatives	-	590	21	5 126
Revaluation of debt instruments at fair value through other comprehensive income	-	(1 042)	-	1 506
Foreign currency translation reserve	-	-	-	-
Derivative financial instruments	-	-	-	-
Net gain on hedge of net investment	-	-	-	-
Other temporary differences	42	-	(10)	(3)
Total	42	951	(5)	6 320

5. DEFERRED TAX ON UNREALIZED OR DEFERRED GAINS AND LOSSES

Deferred tax on unrealized or deferred gains and loss are broken down as follows:

<i>(in EUR thousand)</i>	12.31.2025	12.31.2024
Tax impact on items that will be subsequently reclassified into income	(1 884)	452
Revaluation of debt instruments at fair value through other comprehensive income	(1 583)	1 042
Hedging derivatives	(301)	(590)
On items that will not be subsequently reclassified into income	(1 765)	(1 361)
Actuarial gain / (loss) on post-employment benefits	(1 765)	(1 361)
Total	(3 649)	(909)

NOTE 7 – EQUITY

MAKING IT SIMPLE

Equity are the resources contributed to the Bank by external shareholders as capital, as well as the cumulative and undistributed results (retained earnings). It also includes resources received when financial instruments are issued and for which the issuer has no contractual obligation to deliver cash to the holders of these instruments (such as certain perpetual subordinated notes).

Equity has no contractual maturity, and when compensation is awarded to shareholders or holders of other equity instruments, it does not affect the Profit and loss account but directly reduces the retained earnings in the shareholders' equity.

The “Statement of changes in equity” presents the various changes that affect the components of equity over the reporting period.

Note 7.1. – Shareholders' equity

SHARE CAPITAL

SHAREHOLDERS' EQUITY

<i>(in EUR thousand)</i>	12.31.2025	12.31.2024
Subscribed capital (A)	1 389 043	1 389 043
Share premium account	2 817	2 817
Legal reserve (B) *	138 905	138 905
Special reserves for net wealth tax (C) *	219 949	229 056
Profits carried forward from previous years and other effects on reserves	979 818	911 070
Gains and losses recognised directly in equity *	7 461	(420)
Net income for the year *	533 982	653 728
Total	3 271 975	3 324 199

* Legal reserve (B) and special reserves for net wealth tax (C) are considered unavailable reserves. Part of gains and losses recognised directly in equity and of net income for the year are considered unavailable reserves under CSSF regulation 14-02, the amounts are presented in Note 7.2. below.

(A) SUBSCRIBED CAPITAL

As at December 31, 2025, and December 31, 2024, the fully paid-up subscribed share capital amounted to EUR 1 389 043 thousand and was made up of 11 024 148 registered shares with a nominal value of EUR 126 each.

(B) LEGAL RESERVE

In accordance with legal requirements, 5% of the net income for the period must be allocated to a legal reserve. This allocation is no longer required once this reserve reaches 10% of the subscribed and paid-up share capital. The legal reserve cannot be used for dividend payments. As at December 31, 2025, the legal reserve reached 10% of the capital and amounted to EUR 138 905 thousand (2024: EUR 138 905 thousand).

(C) SPECIAL RESERVE FOR NET WEALTH TAX

For the reporting periods ended December 31, 2018 until December 31, 2025, the Bank reduced its net wealth tax liability in accordance with tax legislation; i.e. by setting up an unavailable reserve (under “Additional paid-in capital and capital reserves”) in an amount equal to five times the amount of the payable wealth tax. The balance of the special reserve for wealth tax amounted to EUR 219 949 as at December 31, 2025, (December 31, 2024: EUR 229 056 thousand). This reserve is unavailable for a period of five years starting from January 1, of the year following the year that the wealth tax was charged against corporate income tax.

<i>(in EUR thousand)</i>	12.31.2025	12.31.2024
2019	-	41 283
2020	40 139	40 139
2021	42 738	42 738
2022	41 924	41 924
2023	29 272	29 272
2024	33 700	33 700
2025	32 176	-
Total	219 949	229 056

Note 7.2. – Dividends paid and proposed

	12.31.2025	12.31.2024
Declared and paid during the year		
Dividends on ordinary shares <i>(In KEUR)</i>	595 000	544 000
Dividends per share <i>(In EUR)</i>	54	49
Proposed for approval at Annual General Meeting (not recognized as a liability as at December 31)		
Dividends on ordinary shares <i>(In KEUR)</i>	657 000	595 000
Dividends per share <i>(In EUR)</i>	60	54

In accordance with ECB and CSSF circulars requirements, a EUR 595 million dividend was paid by SG Luxembourg during the year 2025. For the year 2025, a EUR 657 million dividend will be proposed for approval at Annual General Meeting on May 29, 2026.

Under CSSF regulation 14-02, amounts unavailable for distribution from gains and losses recognised directly in equity and of net income for the year represent EUR 83,0 million (2024: EUR 151,7 million). The distribution of dividends on distributable amounts available is compliant with CSSF regulation 14-02.

Note 7.3. – Gains and losses recognised in unrealized or deferred gains and losses income

BREAKDOWN OF CHANGES OF UNREALISED OR DEFERRED GAINS AND LOSSES

<i>(in EUR thousand)</i>	01.01.2025			Variation			12.31.2025		
	Gross value	Tax	Net value	Gross value	Tax	Net value	Gross value	Tax	Net value
Revaluation of debt instruments at fair value through other comprehensive income	(4 118)	1 042	(3 076)	10 653	(2 625)	8 028	6 535	(1 583)	4 952
Revaluation of hedging derivatives	2 332	(590)	1 742	(1 094)	289	(805)	1 238	(301)	937
Subtotal of unrealised gains and losses with subsequent recycling in the Profit and loss account	(1 786)	452	(1 334)	9 559	(2 336)	7 223	7 773	(1 884)	5 889
Actuarial gains and losses on defined benefit plans ⁽¹⁾	1 223	(309)	914	852	(194)	658	2 075	(503)	1 572
Revaluation of equity instruments at fair value through other comprehensive income ⁽¹⁾	-	-	-	-	-	-	-	-	-
Subtotal of unrealised gains and losses without subsequent recycling in the Profit and loss account	1 223	(309)	914	852	(194)	658	2 075	(503)	1 572
Total of unrealised gains and losses	(563)	143	(420)	10 411	(2 530)	7 881	9 848	(2 387)	7 461

(1) Gains and losses presented in these items are transferred into Retained earnings at the opening of the next financial year.

V. NOTES TO THE ANNUAL ACCOUNTS (CONTINUED)

	01.01.2024			Variation			12.31.2024		
	Gross value	Tax	Net value	Gross value	Tax	Net value	Gross value	Tax	Net value
<i>(in EUR thousand)</i>									
Revaluation of debt instruments at fair value through other comprehensive income	1 852	(464)	1 388	(5 970)	1 506	(4 464)	(4 118)	1 042	(3 076)
Revaluation of hedging derivatives	22 794	(5 716)	17 078	(20 462)	5 126	(15 336)	2 332	(590)	1 742
Subtotal of unrealised gains and losses with subsequent recycling in the income statement	24 646	(6 180)	18 466	(26 432)	6 632	(19 800)	(1 786)	452	(1 334)
Actuarial gains and losses on defined benefit plans ⁽¹⁾	(2 135)	535	(1 600)	3 358	(844)	2 514	1 223	(309)	914
Revaluation of equity instruments at fair value through other comprehensive income ⁽¹⁾	-	-	-	-	-	-	-	-	-
Subtotal of unrealised gains and losses without subsequent recycling in the income statement	(2 135)	535	(1 600)	3 358	(844)	2 514	1 223	(309)	914
Total of unrealised gains and losses	22 511	(5 645)	16 866	(23 074)	5 788	(17 286)	(563)	143	(420)

(1) Gains and losses presented in these items are transferred into Retained earnings at the opening of the next financial year.

NOTE 8 – ADDITIONAL DISCLOSURES

Note 8.1. – General administrative expenses

ACCOUNTING PRINCIPLES

The Bank records general administrative expenses, according to the type of services to which they refer and the rate of use of said services.

General administrative expenses mainly includes building maintenance and other costs, travel and business expenses and advertising expenses.

<i>(in EUR thousand)</i>	2025	2024
IT expenses	(24 788)	(23 511)
Telecommunications expenses	(2 815)	(2 576)
Marketing, advertising and public relations	(1 373)	(1 299)
Professional fees	(13 791)	(10 573)
Equipment leases and premises	(11 782)	(8 895)
Service and maintenance	(6 527)	(7 481)
Other general and administrative expenses	(53 020)	(57 233)
Total	(114 096)	(111 568)

CONTRIBUTION TO BANK RESOLUTION MECHANISMS

The Bank records the expenses due from its contribution to bank resolution mechanisms under *General administrative expenses*.

The European regulatory framework designed to enhance financial stability was updated by the Directive 2014/59/UE of May 15, 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms (Bank Recovery and Resolution Directive).

The European Regulation UE n°806/2014 of July 15, 2014 then determined the financing means of resolution mechanisms within the European Banking Union through the establishment of a Single Resolution Fund (SRF) represented in Luxembourg by the “Fonds de Résolution Luxembourgeois” (Luxembourg Resolution Fund). In addition to this instrument, the “Fonds Nationaux de Résolution” (National Resolution Funds) exists for institutions subject to this resolution mechanisms, but that have no SRF.

The Single Resolution Fund, established in January 2016, shall receive annual contributions from the participating European financial institutions. By the end of 2023, the available financial means of the Fund reached 1% of the amount of covered deposits of all these participating financial institutions. A share of the annual contributions was provided through irrevocable payment commitments (IPC).

By a judgment delivered on 13 November 2025, the Court of Justice of the European Union dismissed the appeal lodged

by a French credit institution in proceedings brought against the Single Resolution Board (SRB) following the latter’s refusal to return the cash security deposit covering the irrevocable payment commitment made for the 2015 contribution period. The return of the deposit, requested by the institution after the withdrawal of its banking licence obtained from the European Central Bank, had been refused by the Single Resolution Board, which required, in order to honour it, the prior payment of the amount of the irrevocable payment commitment secured by that deposit.

As at December 31, 2025, Societe Generale Group considers that there is no prospect of a voluntary liquidation of any of its consolidated credit institutions subject to the resolution mechanism that would lead to the withdrawal of the relevant entity’s banking licence. Similarly, Societe Generale Group does not envisage the occurrence in the near future of any voluntary request for a banking licence withdrawal by one of its consolidated credit institutions and its resulting exit from the Single Resolution Mechanism.

Finally, Societe Generale Group does not expect the occurrence of a resolution action within the Euro area that would require a contribution call.

Consequently, as at December 31, 2025, in line with Societe Generale Group approach, no provision has been recognised within Societe Generale Luxembourg’s liabilities in respect of any future payment of amounts related to irrevocable payment commitments.

Note 8.2. – Provisions

ACCOUNTING PRINCIPLES

Under the liabilities in balance sheet, Provisions are comprised of provisions for financial instruments, disputes, employee benefits and income tax adjustments.

Provisions, other than those for credit risk or employee benefits, are recognized when the Bank has a present obligation (legal, contractual or implicit) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Provisions are determined based on the best estimate of the expenditure required to settle the obligation, in application of certain assumptions. Provisions are discounted when the effect of the time value of money is material using a discount rate that reflects current market assessments of the time value of money.

Provisions include provisions for credit risk related to guarantee commitments granted to third parties by the Bank and to contingent liabilities whose timing or amount cannot be precisely determined (primarily legal disputes and restructuring).

Probable losses incurred by the Bank in identifying objective evidence of credit risk related to loan and guarantee commitments are recorded in the Profit and loss account of under *Cost of risk* against a liability booked under *Provisions* in the balance sheet.

Provisions and impairments for credit risk are disclosed in Note 3.8.

Information relating to the nature and the amount of the relevant risks is not disclosed if the Bank considers that it could cause the Bank serious harm in a dispute with third parties on the matter covered by the provision.

1. BREAKDOWN OF PROVISIONS

(In EUR thousand)	Total as at 01.01.2025	Allocations	Reversals	Net allocation	Utilisation	Actuarial gains and losses	Currency and others	Total as at 12.31.2025
Provisions for employee benefits ⁽¹⁾	42 968	7 850	(3 475)	4 375	(2 413)	(2 075)	709	43 564
Provisions for litigations	2 869	1 281	(473)	808	-	-	-	3 677
Lump-sum provision	132 000	-	-	-	-	-	-	132 000
Fund for general banking risks	2 251	-	-	-	-	-	-	2 251
Provisions for financing commitments	672	777	(720)	57	-	-	13	742
Provisions for guarantee commitments	1 184	419	(1 030)	(611)	-	-	(8)	565
Other provisions	-	-	-	-	-	-	-	-
Total	181 944	10 327	(5 698)	4 629	(2 413)	(2 075)	714	182 799

(1) The item "Provisions for employee benefits" primarily relates to obligations for services defined for the pension plan and jubilee awards.

(In EUR thousand)	Total as at 01.01.2024	Allocations	Reversals	Net allocation	Utilisation	Actuarial gains and losses	Currency and others	Total as at 12.31.2024
Provisions for employee benefits	43 454	5 105	(5 437)	(332)	(2 537)	(1 223)	3 606	42 968
Provisions for litigation	3 177	534	(1 100)	(566)	-	-	258	2 869
Lump-sum provision	132 000	-	-	-	-	-	-	132 000
Fund for general banking risks	2 251	-	-	-	-	-	-	2 251
Provisions for financing commitments	700	1 066	(1 094)	(28)	-	-	-	672
Provisions for guarantee commitments	149	4 116	(3 081)	1 035	-	-	-	1 184
Other provisions (2)	7 195	-	(6 937)	(6 937)	-	-	(258)	-
Total	188 926	10 821	(17 649)	(6 828)	(2 537)	(1 223)	3 606	181 944

2. PROVISIONS FOR LITIGATIONS AND OTHER PROVISIONS

Other provisions include provisions for restructuring, provisions for commercial litigation and provisions for future repayment of funds in connection with customer financing transactions.

Societe Generale, including Societe Generale Luxembourg (together referred as "Societe Generale"), are defendants in an action pending in the US Bankruptcy Court in Manhattan

brought by the Trustee appointed for the liquidation of Bernard L. Madoff Investment Securities LLC ("BLMIS"). The action is similar to those brought by the BLMIS Trustee against numerous institutions and seeks recovery of amounts allegedly received by Societe Generale entities indirectly from BLMIS through so-called "feeder funds" that were invested in BLMIS and from which Societe Generale entities received redemptions. The suit alleges that the

amounts that Societe Generale entities received are avoidable and recoverable under the US Bankruptcy Code and New York state law. The BLMIS Trustee seeks to recover, in the aggregate, approximately USD 150 million from Societe Generale entities. The latter have now resolved this matter through a settlement with the Trustee. The SG Defendants were dismissed from the action by order dated 20 June 2025. This matter is now concluded.

t denied Defendant-Appellees' petition for a writ of certiorari. The case is now before the Bankruptcy Court for further proceedings. The Societe Generale defendants filed a motion to dismiss on April 29, 2022. The motion was denied by order dated October 7, 2022. Proceeding is still pending. The risk incurred by Societe Generale Luxembourg are covered by a provision in the accounts of Societe Generale S.A. following a financial guarantee provided by Societe Generale S.A. to Societe Generale Luxembourg.

3. SUPERVISORY PROVISIONS

Other than provisions for pensions and similar obligations and provisions for taxes, the provisions recorded on the liabilities side of the balance sheet include, among others, the supervisory provisions allowed by Luxembourg banking regulations.

Supervisory provisions include:

- **the lump-sum provision:** the policy of the Bank is to recognise, in line with the requirements of Luxembourg tax legislation, a lump-sum provision for risky assets as defined by prudential banking rules. This provision is intended to cover probable but as yet unidentified risks at the time the annual accounts were drawn up.
 - In accordance with the directives issued by the Director of the Tax Administration on December 16, 1997, the maximum percentage of the provision, which is tax-exempt, stands at 1,25% of risky and off-balance sheet assets.
 - The Bank opted not to break down the lump-sum provision in relation to the risky asset items in question but to show it in full in the item "Provisions" on the liability side of the balance sheet.
- **the fund for general bank risks:** the Bank has established a fund for general banking risks in order to cover the particular risks inherent in banking transactions in accordance with Article 63 of the Law on Bank Accounts. Appropriations to the

fund are made from after-tax profits but before determination of net income and are not deductible for tax purposes.

- **AGDL/FGDL/FRL provisions:** the previous system for guaranteeing deposits and compensating investors, in force since 1989, was replaced in 2016 by a contributory scheme for guaranteeing deposits and compensating investors. Therefore, the Association pour la Garantie des Dépôts Luxembourg (Luxembourg Association for Guaranteeing Deposits, "AGDL") has been replaced by the Fonds de garantie des dépôts Luxembourg (Luxembourg Deposit Guarantee Fund, "FGDL").

These changes result from the law of December 17, 2015, enacting into Luxembourg law European Directive 2014/59/EU on the recovery and resolution of financial institutions and Directive 2014/49/EU on deposit guarantee and investor compensation schemes.

The scheme guarantees:

- i) all eligible deposits from the same depositor up to EUR 100 000 and;
- ii) investments up to EUR 20 000. The law also provides that deposits resulting from specific transactions or fulfilling a social objective or even linked to specific life events are protected over and above EUR 100 000 for a period of 12 months.

Note 8.3. – Special line items with a reserve share

The amount shown under *Special line items with a reserve share* consisted entirely of capital gains from investments in the amount of EUR 17 255 thousand as at December 31,

2024, resulting from the application of Article 54 of the Law on Income Tax. This item was fully written off through recovery in net result during 2025.

Note 8.4. – Tangible and intangible fixed assets

ACCOUNTING PRINCIPLES

Tangible and intangible fixed assets include operating and investment fixed assets. Equipment assets held for operating leases purpose are included in operating tangible assets.

Tangible and intangible fixed assets are carried at their purchase price on the asset side of the balance sheet less depreciation, amortisation and impairment.

Software developed internally is recorded on the asset side of the balance sheet in the amount of the direct cost of development.

As soon as they are fit for use, fixed assets are depreciated or amortised using a linear approach with depreciation periods for fixed assets other than buildings depending on their useful life, which is usually estimated between 3 and 20 years.

Any residual value of the asset is deducted from its depreciable amount. If there is a subsequent decrease or increase in this initial residual value, the depreciable amount of the asset is adjusted, leading to a prospective modification of the depreciation schedule.

Depreciation and amortisation are recorded in the Profit and loss account under Amortisation, depreciation and impairment of tangible and intangible fixed assets.

Realised capital gains and losses on operating fixed assets are recognised under Income/Expense from other activities (Note 4.2).

CHANGES IN TANGIBLE AND INTANGIBLE FIXED ASSETS

12.31.2025

<i>(in EUR thousand)</i>	Gross book value as at January 1, 2025	Acquisitions	Disposals	Reclassifications	Other movements in the period	Gross value as at December 31, 2025	Accumulated depreciation and amortisation of assets at January 1, 2025	Allocations to amortisation and depreciation in the period	Impairment of assets in the period	Reversals from amortisation and depreciation in the period	Reclassifications	Net book value as at December 31, 2025
Intangible assets												
Software, EDP development costs	24 542	-	-	-	3	24 545	(24 491)	(21)	-	-	-	33
Internally generated assets	66 277	-	-	2 879	(1)	69 155	(55 597)	(5 188)	-	-	-	8 370
Assets under development	1 747	3 743	-	(2 879)	1	2 612	-	-	-	-	-	2 612
Sub-total	92 566	3 743	-	-	3	96 312	(80 088)	(5 209)	-	-	-	11 015
Property and Equipment												
IT Equipment	5 380	3	-	-	-	5 383	(3 626)	(544)	(5)	-	-	1 208
Furnitures and refurbishments	55 814	186	(21)	658	(1)	56 636	(41 530)	(1 981)	1	-	-	13 126
Assets under development	686	624	(309)	(658)	-	343	-	-	-	-	-	343
Sub-total	61 880	813	(330)	-	(1)	62 362	(45 156)	(2 525)	(4)	-	-	14 677
Property and equipment and other intangible assets	154 446	4 556	(330)	-	2	158 674	(125 244)	(7 734)	(4)	-	-	25 692

12.31.2024

<i>(in EUR thousand)</i>	Gross book value as at January 1, 2024	Acquisitions	Disposals	Reclassifications	Other movements in the period	Gross value as at December 31, 2024	Accumulated depreciation and amortisation of assets at 01 January	Allocations to amortisation and depreciation in the period	Impairment of assets in the period	Reversals from amortisation and depreciation in the period	Reclassifications	Net book value as at December 31, 2024
Intangible assets												
Software, EDP development costs	24 505	37	-	-	-	24 542	(23 998)	(493)	-	-	-	51
Internally generated assets	59 146	-	-	7 130	1	66 277	(49 204)	(6 392)	-	-	(1)	10 680
Assets under development	5 561	3 316	-	(7 130)	-	1 747	-	-	-	-	-	1 747
Sub-total	89 212	3 353	-	-	1	92 566	(73 202)	(6 885)	-	-	(1)	12 478
Property and Equipment												
IT Equipment	5 147	233	-	-	-	5 380	(3 100)	(527)	-	-	1	1 754
Furnitures and refurbishments	51 582	97	-	4 135	-	55 814	(39 617)	(1 913)	-	-	-	14 284
Assets under development	2 675	3 517	(1 370)	(4 135)	(1)	686	-	-	-	-	-	686
Sub-total	59 404	3 847	(1 370)	-	(1)	61 880	(42 717)	(2 440)	-	-	1	16 724
Property and equipment and other intangible assets	148 616	7 200	(1 370)	-	-	154 446	(115 919)	(9 325)	-	-	-	29 202

Note 8.5. – Foreign exchange transactions

ACCOUNTING PRINCIPLES

At the date of the balance sheet, monetary assets and liabilities denominated in foreign currencies are translated into Euro at the prevailing spot exchange rate. Realized or unrealized foreign exchange losses or gains are recognized in the Profit and loss account.

Forward foreign exchange transactions are recognized at fair value based on the forward exchange rate for the remaining maturity. Spot foreign exchange positions are valued using the official spot rates prevailing at the end of the period. Unrealized gains and losses are recognized in the Profit and loss account under *Net gains and losses on financial instruments at fair value through profit or loss* (see Note 3.2), except when hedge

accounting is applied to a cash-flow hedge transaction (see Note 3.3).

Non-monetary financial assets measured at Fair value through profit or loss and denominated in foreign currencies, including shares and other variable income securities that are not part of the trading portfolio, are converted into the entity's functional currency at the spot exchange rate prevailing at the end of the period. Foreign exchanges losses or gains are recognised either in the Profit and loss account under *Net gains and losses on financial instruments at fair value through profit or loss*, or under *Unrealised and deferred gains and losses* depending on the accounting of the gains or losses relative to these assets/liabilities.

The main spot exchange rates used as at December 31, 2025, and December 31, 2024, are as follows:

<i>(in EUR thousand)</i>	12.31.2025	12.31.2024	
EUR 1 =	1,1750	1,0389	USD
EUR 1 =	0,8726	0,8292	GBP
EUR 1 =	0,9314	0,9412	CHF
EUR 1 =	10,8215	11,4590	SEK
EUR 1 =	7,4689	7,4578	DKK
EUR 1 =	11,8430	11,7950	NOK

Note 8.6. – Fees paid to statutory auditors

Further to the publication of the European regulation on audit reform, a new approval policy of the non-audit services of statutory auditors and their network was set up in 2016 to verify the compliance of these missions in relation to the new regulation before the validation by the Audit committee.

The fees paid to the Bank's independent auditors, KPMG Audit S.à r.l., during 2025 and 2024 in relation with Societe Generale Luxembourg S.A., were as follows:

<i>(in EUR thousand)</i>	12.31.2025	12.31.2024
Statutory audit of the annual accounts	(1 204)	(1 055)
Other assurance services*	(608)	(472)
Tax consulting services	-	-
Other services	(77)	(75)
Total	(1 889)	(1 602)

* 2024 including first quarter 2024 limited review by EY for EUR 42 thousand

Note 8.7. – Transactions with related parties

The Bank enters into transactions with Societe Generale Group entities. Transactions with related parties are conducted at arm's length.

The following tables display the outstanding balance at year end:

1. OUTSTANDING ASSETS WITH RELATED PARTIES

	112.31.2025			
<i>(in EUR thousand)</i>	Parent	Subsidiaries	Other related parties	Total related parties
Financial assets at fair value through profit or loss	37 465	1 749 615	38 103	1 825 183
Hedging derivatives	103 114	-	-	103 114
Financial assets at fair value through other comprehensive income	-	-	-	-
Securities at amortised cost	-	-	-	-
Due from banks at amortised cost	19 054 659	2 967 622	2 976	22 025 257
Customers loans at amortised cost	75	935 552	286 206	1 221 833
Share in affiliated undertakings	-	537 171	-	537 171
Other assets	28 617	35 253	1 164	65 034
Total assets	19 223 930	6 225 213	328 449	25 777 592

	12.31.2024			
<i>(in EUR thousand)</i>	Parent	Subsidiaries	Other related parties	Total related parties
Financial assets at fair value through profit or loss	9 677	1 592 434	16 445	1 618 556
Hedging derivatives	91 255	-	-	91 255
Financial assets at fair value through other comprehensive income	-	-	-	-
Securities at amortised cost	-	-	-	-
Due from banks at amortised cost	21 008 662	5 868 505	2 712	26 879 879
Customers loans at amortised cost	91	995 529	954 648	1 950 268
Share in affiliated undertakings	-	1 092 328	-	1 092 328
Other assets	47 650	65 486	1 565	114 701
Total assets	21 157 335	9 614 282	975 370	31 746 987

2. OUTSTANDING LIABILITIES WITH RELATED PARTIES

	12.31.2025			
<i>(in EUR thousand)</i>	Parent	Subsidiaries	Other related parties	Total related parties
Financial liabilities at fair value through profit or loss	9 607	486	-	10 093
Hedging derivatives	47 620	-	-	47 620
Debt securities issued	-	-	-	-
Due to banks	15 750 989	3 203 297	81 204	19 035 490
Customers deposits	2 088	1 716 958	577 420	2 296 466
Tax liabilities	-	-	-	-
Other liabilities	165 293	10 302	8 580	184 175
Total liabilities	15 975 597	4 931 043	667 204	21 573 844

	12.31.2024			
<i>(in EUR thousand)</i>	Parent	Subsidiaries	Other related parties	Total related parties
Financial liabilities at fair value through profit or loss	20 784	669	45	21 498
Hedging derivatives	19 013	-	-	19 013
Debt securities issued	-	-	-	-
Due to banks	16 159 044	6 226 837	69 936	22 455 817
Customers deposits	2 194	1 494 284	1 316 306	2 812 784
Tax liabilities	-	-	-	-
Other liabilities	160 504	15 556	11 768	187 828
Total liabilities	16 361 539	7 737 346	1 398 055	25 496 940

3. OFF-BALANCE SHEET ITEMS WITH RELATED PARTIES

	12.31.2025			
<i>(in EUR thousand)</i>	Parent ⁽¹⁾	Subsidiaries	Other related parties	Total related parties
Financing commitments given	1 000 000	532 127	-	1 532 127
Financing commitments received	286 678	26 246	3 182	316 106
Financial guarantees given	-	105 000	305	105 305
Financial guarantees received	11 500 000	-	-	11 500 000
Other commitments given	6 257 693	356 482	2 797	6 616 972
Other commitments received	6 555 904	402 704	-	6 958 608
Fiduciary transactions	-	194 875	-	194 875
Off-balance sheet total	25 600 275	1 617 434	6 284	27 223 993

(1) The commitments towards Parent Company do not include the fiduciary notes issued by the Bank and disclosed in Note 3.11.

	12.31.2024			
<i>(in EUR thousand)</i>	Parent ⁽¹⁾	Subsidiaries	Other related parties	Total related parties
Financing commitments given	2 523 796	761 966	3 500	3 289 262
Financing commitments received	2 393 506	12 855	4 127	2 410 488
Financial guarantees given	4 068	105 000	305	109 373
Financial guarantees received	11 500 191	-	-	11 500 191
Other commitments given	5 369 870	650 479	2 768	6 023 117
Other commitments received	5 775 827	626 749	605	6 403 181
Fiduciary transactions	-	107 076	-	107 076
Off-balance sheet total	27 567 258	2 264 125	11 305	29 842 688

(1) The commitments towards Parent Company do not include the fiduciary notes issued by the Bank and disclosed in Note 3.11.

4. NET BANKING INCOME WITH RELATED PARTIES

	2025			
<i>(in EUR thousand)</i>	Parent	Subsidiaries	Other related parties	Total related parties
Interest and similar income	873 028	177 484	10 825	1 061 337
Interest and similar expenses	(636 872)	(116 899)	(43 606)	(797 377)
Dividends on variable income securities	-	401 328	117 061	518 389
Fee income	11 892	13 912	3 322	29 126
Fee expense	(39 087)	(21 832)	(23 258)	(84 177)
Net gains and losses on financial instruments at fair value through profit or loss	7 738	9 606	96	17 440
Value adjustment from shares in affiliated undertakings	-	(171 483)	-	(171 483)
Income from other activities	11	-	-	11
Expenses from other activities	(348)	(14)	(87)	(449)
Personnel expenses	(884)	195	-	(689)
Income from re-invoicing of general expenses	8 077	14 273	921	23 271
General administrative expenses	(67 475)	(5 716)	(11 874)	(85 065)
Total	156 080	300 854	53 400	510 334

	2024			
<i>(in EUR thousand)</i>	Parent	Subsidiaries	Other related parties	Total related parties
Interest and similar income	1 106 574	304 468	23 084	1 434 126
Interest and similar expenses	(790 157)	(304 663)	(67 199)	(1 162 019)
Dividends on variable income securities	-	515 033	191 397	706 430
Fee income	8 592	12 519	2 480	23 591
Fee expense	(32 433)	(22 420)	(18 688)	(73 541)
Value adjustment from shares in affiliated undertakings	(50 134)	(10 403)	39	(60 498)
Net gains and losses on financial assets at amortized cost	-	(158 160)	-	(158 160)
Income from other activities	87	340	6	433
Expenses from other activities	(280)	(1)	(30)	(311)
Personnel expenses	(880)	256	-	(624)
Income from re-invoicing of general expenses	7 367	17 149	1 561	26 077
General administrative expenses	(57 915)	(6 363)	(12 125)	(76 403)
Total	190 821	347 755	120 525	659 101

NOTE 9 – NOTE ON RISK EXPOSURES

The understanding, identification, mitigation and management of risk are essential elements for the successful management of the Bank. The Bank deployed a strategy to ensure the implementation of robust and efficient risk management and monitoring organization where the main objectives are:

- to contribute to the development of the Bank's business lines by optimizing the overall profitability in consideration of assumed risks;
- to ensure the Bank's sustainability by rolling out a high-performance organization for the analysis, valuation and monitoring of risks: global risk policies and procedures define the framework for controlling all types of risks by describing the methods used, defining limits, as well as setting escalation procedures;
- to provide the Board of Directors with a comprehensive, objective and relevant overview of the risks;
- to design dedicated risk monitoring reports sent and presented to the Chief Risk Officer (CRO) on a regular basis;
- to ensure that the risk limits are compatible with the Bank's strategy, business model and structure through an effective risk appetite framework, which defines the level of risk the Bank is willing to take in order to achieve its strategic and financial goals;
- to ensure compliance with banking regulation requirements by submitting regular reports to the regulators (Commission de Surveillance du Secteur Financier, European Central Bank, European Banking Activity and Banque centrale du Luxembourg), taking part in regulatory discussions and analyzing all new requirements related to risk management that could affect the regulatory monitoring of the Bank's activities.

The governance of risk management relies on an active involvement from all the Bank's managers, a clear and well-defined structure of internal rules, procedures and monitoring actions, performed by independent operational management teams, to structure the underwriting of new risks.

The Bank's Enterprise Risk Committee, chaired by the Chief Executive Officer, meets quarterly to review risk management and, if necessary, to determine whether to accept or manage risks.

It aims to:

- inform Executive Management about the nature and magnitude of the risks to which the Bank is exposed and, accordingly, to provide analyses of the credit portfolio on a periodic basis;
- identify possible remedial measures for identified risks;
- examine provisions from a prudential perspective;
- report on the progresses of each Risk Department initiatives finalized to manage each counterparty, market, credit and operational risk.

To reflect a sound management of risk and develop an integrated risk culture, the Bank has set up an effective Risk Management organisation, encompassing the relevant risks resulting from the activities.

The overall Risk Management framework remains under the CRO's responsibility, who is responsible for providing any relevant information on risks to the Management Board.

The CRO delegates the day-to-day supervision of the risk department to the Head of the Bank's Risk Management.

Note 9.1. – Credit risk

1. GENERAL APPROACH

Credit risk is defined by the Bank as the risk of loss resulting from the inability of the Bank's customers, sovereign issuers or other counterparties to honor their financial commitments. This risk may be further amplified by individual, country and sector concentration risk. It includes:

- the risk linked to securitisation activities;
- the underwriting risk which is the risk of loss arising from debt syndication activities where the Bank fails to meet its final take target due to market conditions, inaccurate reading of investor demand, miscalculated credit profile of the borrower or credit deterioration of the borrower during the syndication phase of the loan/the bond.

It also includes the counterparty risk relating to the market activities conducted by the subsidiaries.

The Bank has established a Global credit risk policy covering all of its activities that specified the risk tolerance of the various business lines and established a number of common principles relating to the acceptance and monitoring of risk. This policy has been validated by the Bank's Board of Directors.

The approval of risks complies with rules common to all business lines:

- all transactions resulting in a counterparty risk are subject to a prior analysis by a unit monitoring credit risk and to an authorization process;
- the Bank's internal organization makes appropriate arrangements to monitor clients' creditworthiness. This approach primarily relates large exposures to "corporations" or financial institutions and limits concentration risk;
- with support from their associated risk departments, the business lines are responsible for analyzing and approving risk insofar as their delegations of authority permit;
- the comparison of the commercial interest, driven by a profitability/risk pairing on the one hand, and the independent opinion of the risk departments on the other hand, supports the decision-making. In the event of a disagreement between the parties, an arbitration process for the decision exists, with limits on the amount;
- all decisions in respect of the granting of credit must automatically take into account the risk ratings attributed internally to the counterparties, such as were communicated by the business lines and approved by the SG Luxembourg's risk management team;

V. NOTES TO THE ANNUAL ACCOUNTS (CONTINUED)

- Private Banking division are predominantly granted to Ultra High Networth clients who hold assets with this department, or prospects who have a significant potential development for Private Banking Division target. The credit approach relies primarily on the assessment of the ability of the debtor to repay on time (and more generally meet its obligations under the credit documentation) and the economical rationale of the proposed transaction, then on the appraisal of the collateral and on the Bank's operational capacity to track changes in each loan's collateral. Loan to Value is determined by applying haircuts to the value of the collateral based on its quality, liquidity, volatility, and the diversity of its assets. The Bank implements a daily monitoring mechanism for detecting deterioration in collateral and defining, with its clients, measures for regularizing shortfalls.

For corporate and institutional clients, the acceptance of any credit commitment is based on a credit application including a detailed analysis of financial performance and evidencing in-depth client knowledge and a thorough understanding of the purpose, the structure and the sources of debt repayment.

In a credit transaction, risk acceptability is based, first, on the borrower's ability to meet its commitments, in particular through the cash flows which will allow the repayment of the debt. For medium and long-term operations, the funding duration must remain compatible with the economic life of the financed asset and the visibility horizon of the borrower's cash flow.

The Bank has specific credit policies and/or limits for sectors or types of credit transactions which have a specific or intrinsically higher concentration risk or risk profile. In addition, certain types of specific transactions benefit from the expertise from specialized business line teams within Societe Generale Group, with the required expertise (in particular: LBOs, financing of real estate professionals, securitization, hedge fund transactions, commodities trade financing, aircraft and shipping, and project financing).

GTPS credit approach is in line with a comprehensive banking relationship that disallows the approval of credit in the absence of a business relationship with Societe Generale Group.

GLBA (within SG Luxembourg S.A.) is structuring and providing specialized financing and debt fund-raising, in order to propose integrated solutions to corporate and institutional clients.

A Credit Committee, chaired by an approved member from SG Luxembourg's General Management, approves the Bank's main exposures within the limits of the Committee's delegated responsibilities. The Risk Department is responsible for monitoring exposure, compiling reports and issuing alerts accordingly as well as for the regular updating of analyses.

2. CREDIT RISK CONSIDERATIONS UNDER IFRS 9

ESTIMATING EXPECTED CREDIT LOSSES

The Bank is exposed to counterparty and concentration risks, which may have a material adverse effect on the Bank's business, results of operations and financial position. The Bank is exposed to credit risk with respect to numerous counterparties in the

ordinary course of its trading, lending, issuing and deposit-taking, clearing settlement and other activities. These counterparties include, among others, institutional clients, brokers and dealers, commercial and investment banks, corporates, clearing houses, hedge funds, and sovereign states. The Bank may realise losses if a counterparty defaults on its obligations, if the Bank encounters legal or other difficulties in enforcing its collateral or/and if the value of the collateral is not sufficient to fully recover the exposure.

Many of the Bank's hedging and other risk management strategies also involve transactions with financial services counterparties. Any default or insolvency from them may impair the effectiveness of the Bank's hedging and other risk management strategies.

Following the financial crisis, regulators have encouraged or imposed the mandatory netting of certain financial instruments formerly traded over-the-counter which has increased the exposure of the Bank and other financial market participants to the clearing houses: the default of any one of them or of one of their members could affect the financial markets and could have negative consequences for the Bank.

Consequently, the default of one or more significant counterparties of the Bank could have a material adverse effect on the Bank.

This risk is increased if exposures are concentrated on a particular counterparty, borrower or issuer (including sovereign issuers), or on a particular country or industry. The devices and methods the Bank uses to ensure the diversification of its credit and counterparty risks may prove insufficient or defective in preventing the concentration of credit risk. Such a concentration of risk could result in losses for the Bank, even when economic and market conditions are generally favourable for its competitors and may have a material adverse impact on the Bank's business, results of operations and financial position.

The Bank's results of operations and financial position could also be adversely affected by a late or insufficient provisioning of credit exposures.

The Bank regularly records provisions for loan losses in connection with its lending activities in order to anticipate the occurrence of losses and moderate the volatility of its results. The amount of loan loss provisions is based on the most accurate assessment to date of the recoverability of the debts in question. This assessment relies on an analysis of the current and prospective situation of the borrower as well as an analysis of the value and recoverability of the debt, taking into account any security interests. In some cases (loans to individual customers) the provisioning method may call for the use of statistical models based on the analysis of loss and recovery historical data.

The Bank could be required to substantially increase its provisions for loan losses, following an increase in defaults or a re-evaluation of recovery prospects. A significant increase in loan loss provisions, or the occurrence of loan losses in excess of its provisions, could have a material adverse effect on Bank's cost of risk, results of operations and financial position.

Since January 1, 2018, the Bank has been recording provisions on performing loans under the IFRS 9 accounting standard. This assessment is based on statistical models for assessing probabilities of default and potential losses in the event of

default, which take into account a prospective analysis based on macroeconomic scenarios. The Bank's cost of risk could be negatively impacted by a proven or anticipated deterioration in the quality of the outstanding loan portfolios or macroeconomic prospects. In addition, IFRS 9 accounting standard principles and provisioning models could be pro-cyclical in the event of a sharp and sudden deterioration in the environment or result in enhanced volatility in the event of fluctuations in the economic prospects. This could lead to a significant and/or not fully anticipated change in the cost of risk and therefore in the Bank's results.

Accounting policies having to do with determining the outstandings to be provisioned as well as the principles for classification in stages of provisioning are described in Note 3.8.

3. RISK MEASUREMENT AND INTERNAL RATINGS

To calculate its capital requirements under the IRB method, SG Luxembourg estimates its Risk-Weighted Assets (RWA) and the Expected Loss (EL) that may be incurred in light of the nature of the transaction, the quality of the counterparty and all measures taken to mitigate risk.

To calculate its RWA, SG Luxembourg uses its own Basel parameters, which are estimated using its internal risk measurement system:

- the Exposure at Default (EAD) value is defined as the Bank's exposure in the event that the counterparty should default. The EAD includes exposures recorded on the balance sheet (loans, receivables, accrued income, market transactions, etc.), and a proportion of off-balance sheet exposures calculated using internal or regulatory Credit Conversion Factors (CCF);

The rating determines the level of probability of default of the counterparty and is directly influenced by the level of risk weight. There's a correspondence between internal and external ratings:

Counterparty internal rating	Indicative equivalent FitchRatings	Indicative equivalent Moody's	Indicative equivalent S&P	Probability of Default (one year)
1	AAA	Aaa	AAA	0,01%
2	AA+ à AA-	Aa1 à Aa3	AA+ à AA-	0.05%
3	A+ à A-	A1 à A3	A+ à A-	[0,05%,-0,24%]
4	BBB+ à BBB-	Baa1 à Baa3	BBB+ à BBB-	[0,49%,-0,98%]
5	BB+ à BB-	Ba1 à Ba3	BB+ à BB-	[1,66%,4,70%]
6	B+ à B-	B1 à B3	B+ à B-	[6,21%,-12,94%]
7	CCC+ à CCC-	Caa1 à Caa3	CCC+ à CCC-	[20,09%,-31,25%]
8 9 and 10	CC and below	Ca and below	D and below	100%

- the Probability of Default (PD): the probability that a counterparty of the Bank will default within one year;
- the Loss Given Default (LGD): the ratio between the loss incurred on an exposure in the event a counterparty defaults and the amount of the exposure at the time of the default.

The Bank, in accordance with SG Group's principles, also takes into account:

- the impact of guarantees and credit derivatives, by substituting the PD, the LGD and the risk-weighting calculation of the guarantor for that of the obligor (the exposure is considered to be a direct exposure to the guarantor) in the event that the guarantor's risk weighting is more favourable than that of the obligor;
- collateral used as guarantees (physical or financial). This impact is factored in either at the level of the LGD models for the pools affected or on a line-by-line basis.

The Bank manages the credit quality of financial assets using internal risk ratings. It is the Bank's policy to maintain accurate and consistent risk ratings across the credit portfolio. This facilitates focused management of the applicable risks and the comparison of credit exposures across all lines of business, geographic regions and products. The rating system is supported by a variety of financial analytics, combined with processed market information to provide the main inputs for the measurement of counterparty risk.

All internal risk ratings are tailored to the various categories and are derived in accordance with the Bank's rating policy. Internal rating is based on a detailed analysis of qualitative and financial information of the counterparty, the economic, sector or juridical background, etc.

The internal ratings are regularly assessed and reviewed by the Risk Division, at least once a year.

4. ANALYSIS OF GROSS OUTSTANDINGS AND PROVISIONS FOR CREDIT RISK

The following tables detail the outstandings provisioned (balance sheet and off-balance sheet) subject to impairment in accordance with IFRS 9 provisions by stage.

- securities (excluding securities received under repurchase agreements), customer loans and due from banks measured at amortised cost;
- financing and guarantee commitments.

The scope of these tables includes:

TABLE 1: BASEL PORTFOLIO BREAKDOWN OF PROVISIONED OUTSTANDINGS

(in EUR thousand)	12.31.2025				12.31.2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Sovereign	-	-	-	-	-	-	-	-
Financial Institutions	24 267 632	-	-	24 267 632	31 158 120	-	-	31 158 120
Corporates	5 398 500	90 872	39 298	5 528 670	6 195 624	35 829	11 039	6 242 492
Retail	1 094 148	52 359	20 638	1 167 145	1 166 869	12 512	18 399	1 197 780
Total	30 760 280	143 231	59 936	30 963 447	38 520 613	48 341	29 438	38 598 392

Institutions are credit institutions (such as banks) or investment firms (professional entities of the financial sector).

Sovereign relate to nations and governments as well as agencies and entities owned by governments or central banks.

Corporates are companies and entities with legal personality and a defined purpose among various activity sectors, and different from institutions.

Retail are single persons, group of persons or small or medium size companies acting for their own.

TABLE 2: GEOGRAPHICAL BREAKDOWN OF PROVISIONED OUTSTANDINGS

(in EUR thousand)	12.31.2025				12.31.2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Luxembourg	3 025 649	67 071	6 628	3 099 348	3 837 072	24 041	13 093	3 874 206
Africa and Middle East	88 434	-	-	88 434	79 114	-	16	79 130
Asia Pacific	42 236	8 127	-	50 363	70 689	-	3 720	74 409
Eastern Europe (excluding EU)	1 500	-	-	1 500	1 500	-	-	1 500
Eastern Europe EU	6 078	-	-	6 078	6 325	-	-	6 325
Latin America and Caribbean	808 602	-	-	808 602	906 647	-	-	906 647
North America	425	-	-	425	57 957	-	-	57 957
Western Europe (excluding Luxembourg)	26 787 356	68 033	53 308	26 908 697	33 561 309	24 300	12 609	33 598 218
Total	30 760 280	143 231	59 936	30 963 447	38 520 613	48 341	29 438	38 598 392

TABLE 3: BASEL PORTFOLIO BREAKDOWN OF PROVISIONS AND IMPAIRMENT FOR CREDIT RISK

(in EUR thousand)	12.31.2025				12.31.2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Sovereign	-	-	-	-	-	-	-	-
Financial Institutions	1 084	-	-	1 084	705	-	-	705
Corporates	5 423	1 487	3 052	9 962	5 051	499	1 290	6 840
Retail	564	242	6 441	7 247	498	115	2 939	3 552
Total	7 071	1 729	9 493	18 293	6 254	614	4 229	11 097

TABLE 4: GEOGRAPHICAL BREAKDOWN OF PROVISIONS AND IMPAIRMENT FOR CREDIT RISK

<i>(in EUR thousand)</i>	12.31.2025				12.31.2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Luxembourg	2 157	1 022	886	4 065	2 166	356	1 368	3 890
Africa and Middle East	32	-	-	32	80	-	15	95
Asia Pacific	14	1	-	15	50	-	185	235
Eastern Europe (excluding EU)	-	-	-	-	-	-	-	-
Eastern Europe EU	3	-	-	3	2	-	-	2
Latin America and Caribbean	15	-	-	15	226	-	-	226
North America	-	-	-	-	-	-	-	-
Western Europe (excluding Luxembourg)	4 850	706	8 607	14 163	3 730	258	2 661	6 649
Total	7 071	1 729	9 493	18 293	6 254	614	4 229	11 097

TABLE 5: PROVISIONED OUTSTANDINGS, PROVISIONS AND IMPAIRMENT FOR CREDIT RISK BY RATING OF COUNTERPARTY

<i>(in EUR thousand)</i>	12.31.2025							
	Provisioned outstandings				Impairment and Provisions			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
1	-	-	-	-	-	-	-	-
2	231 173	-	-	231 173	-	-	-	-
3	25 074 368	-	-	25 074 368	1 260	-	-	1 260
4	1 337 779	2 341	-	1 340 120	374	63	-	437
5	985 012	3 535	-	988 547	880	18	-	898
6	4 487	12 867	-	17 354	5	877	-	882
7	457	4	-	461	-	-	-	-
Default (8 9 10)	-	-	59 936	59 936	-	-	9 493	9 493
Other method	3 127 004	124 484	-	3 251 488	4 552	771	-	5 323
TOTAL	30 760 280	143 231	59 936	30 963 447	7 071	1 729	9 493	18 293

<i>(in EUR thousand)</i>	12.31.2024							
	Provisioned outstandings				Impairment and Provisions			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
1	-	-	-	-	-	-	-	-
2	417 498	-	-	417 498	-	-	-	-
3	32 211 099	-	-	32 211 099	682	-	-	682
4	874 538	-	-	874 538	244	-	-	244
5	1 439 447	22 757	-	1 462 204	3 150	358	-	3 508
6	18 081	1 350	-	19 431	42	45	-	87
7	2 394	9	-	2 403	72	13	-	85
Default (8 9 10)	-	-	29 438	29 438	-	-	4 229	4 229
Other method	3 557 556	24 225	-	3 581 781	2 064	198	-	2 262
TOTAL	38 520 613	48 341	29 438	38 598 392	6 254	614	4 229	11 097

TABLE 6: PROVISIONED OUTSTANDINGS, PROVISIONS AND IMPAIRMENT FOR CREDIT RISK BY SECTOR

12.31.2025								
<i>(in EUR thousand)</i>	Provisioned outstandings				Impairment and Provisions			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Central administrations	-	-	-	-	-	-	-	-
Credit institutions	24 267 632	-	-	24 267 632	1 084	-	-	1 084
Other financial corporations	3 633 068	40 671	4 603	3 678 342	2 202	389	101	2 692
Non-financial corporations ⁽¹⁾	1 765 432	50 201	34 695	1 850 328	3 221	1 098	2 951	7 270
Retail customers	1 094 148	52 359	20 638	1 167 145	564	242	6 441	7 247
TOTAL	38 520 613	48 341	29 438	38 598 392	6 254	614	4 229	11 097

(1) Detail of non-financial corporations:

<i>(in EUR thousand)</i>	12.31.2025
Mining and quarrying	913
Manufacturing	316 905
Electricity, gas, steam and air conditioning supply	112 266
Water supply	-
Construction	123 117
Wholesale and retail trade	24 264
Transport and storage	144 385
Accommodation and food service activities	30 705
Information and communication	872
Real estate activities	382 536
Professional, scientific and technical activities	169 777
Administrative and support service activities	295 816
Other services	248 772
Total	1 850 328

12.31.2024								
<i>(in EUR thousand)</i>	Provisioned outstandings				Impairment and Provisions			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Central administrations	-	-	-	-	-	-	-	-
Credit institutions	31 158 120	-	-	31 158 120	705	-	-	705
Other financial corporations	4 357 709	21 491	5 226	4 384 426	2 030	132	1 006	3 168
Non-financial corporations ⁽¹⁾	1 837 915	14 338	5 813	1 858 066	3 021	367	284	3 672
Retail customers	1 166 869	12 512	18 399	1 197 780	498	115	2 939	3 552
TOTAL	38 520 613	48 341	29 438	38 598 392	6 254	614	4 229	11 097

(1) Detail of non-financial corporations:

<i>(in EUR thousand)</i>	12.31.2024
Mining and quarrying	-
Manufacturing	308 056
Electricity, gas, steam and air conditioning supply	360
Water supply	-
Construction	52 254
Wholesale and retail trade	25 943
Transport and storage	66 404
Accommodation and food service activities	30 637
Information and communication	875
Real estate activities	384 215
Professional, scientific and technical activities	176 580
Administrative and support service activities	704 502
Other services	108 240
Total	1 858 066

TABLE 7: PROVISIONING OF DOUBTFUL LOANS

<i>(in EUR thousand)</i>	12.31.2025	12.31.2024
Gross book outstandings	30 963 447	38 598 392
Doubtful loans	59 936	29 438
GROSS DOUBTFUL LOANS RATIO	0,20%	0,08%
Stage 1 provisions	7 071	6 254
Stage 2 provisions	1 729	614
Stage 3 provisions	9 493	4 229
GROSS DOUBTFUL LOANS COVERAGE RATIO (STAGE 3 PROVISIONS / DOUBTFUL LOANS)	16%	14%

Scope: customer loans, amounts due from banks, operating leases, lease financing and similar agreements.

5. ANALYSIS OF MAXIMUM CREDIT RISK EXPOSURE

The following table shows the maximum exposure to credit risk by class of financial asset and commitment. It also shows the total fair value of collateral.

Any collateral surplus (the extent to which the fair value of collateral held is greater than the exposure to which it relates) is not presented.

<i>(in EUR thousand)</i>	12.31.2025		12.31.2024	
	Credit risk exposures	Collateral	Credit risk exposures	Collateral
Financial assets at fair value through profit or loss	-	-	-	-
Hedging derivatives	103 114	-	91 255	-
Financial assets at fair value through other comprehensive income	2 364 528	33 840	1 123 124	-
Securities at amortised cost	-	-	-	-
Due from banks at amortised cost ⁽¹⁾	22 815 895	705 596	28 049 925	956 090
Customers loans at amortised cost ⁽²⁾	4 455 087	2 750 544	4 985 377	3 545 870
Other assets	117 391	-	147 571	-
Total	29 856 015	3 489 980	34 397 252	4 501 960
Loan commitments	2 875 723	802 342	4 569 769	128 538
Financial guarantees	799 756	198 830	984 080	149 668
Other commitments	678 484	-	433 455	-
Total	4 353 963	1 001 172	5 987 304	278 206

(1) Below is detailed as of December 31 the financial effect of the collateral related to due from banks at amortised cost:

(2) Below are detailed as at December 31 the financial effect of the collateral related to customers loans at amortised cost:

DUE FROM BANKS AT AMORTISED COST

<i>(in EUR thousand)</i>	12.31.2025	12.31.2024
Other collateralized loans	705 596	956 090
Cash	-	-
Other	705 596	956 090
Financial guarantees received	-	-

CUSTOMERS LOANS AT AMORTISED COST

<i>(in EUR thousand)</i>	12.31.2025	12.31.2024
Mortgage loans	703 128	675 128
Residential	583 740	539 321
Commercial	119 388	135 807
Other collateralized loans	1 451 992	1 590 083
Cash	199 552	92 947
Others	1 252 440	1 497 136
Financial guarantees received	595 424	1 280 659

COLLATERAL AND OTHER CREDIT ENHANCEMENTS

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty.

Guidelines are in place covering the acceptability and valuation of each type of collateral.

The main types of collateral obtained are as follows:

- for securities lending and reverse repurchase transactions: cash or securities;
- for commercial lending: charges over real estate properties, inventory and trade receivables;
- for retail lending: mortgages over residential properties.

The Bank also obtains guarantees from parent companies for loans to their subsidiaries.

For securities collateral, a loan to value is determined by applying discounts to the value of the surety based on its quality, liquidity, volatility, and the diversity of its assets.

The Risk department monitors the market value and the loanable value of collateral and will request additional collateral in accordance with the underlying agreement.

For real estate, the Bank obtains a detailed real estate expert appraisal, including market analysis by an independent company for all financing of more than 3 M€ for residential real estate and 1 M€ for commercial real estate. A loan to value is also determined, generally between 30 and 85% depending on the type of credit and the location.

6. RESTRUCTURED DEBT

Bank “restructured” debt refers to loans whose amount, term or financial conditions have been contractually modified due to the borrower’s insolvency (whether insolvency has already

occurred or will occur unless the debt is restructured). The Bank aligned its definition of restructured loans with the EBA definition.

In its normal course of business, the Bank does not physically repossess properties or other assets in its retail portfolio but engages external agents to recover funds generally at auctions to settle outstanding debt. Any surplus funds are returned to the customers/obligors. As a result of this practice, the residential properties under legal repossession processes are not recorded on the balance sheet and treated as non-current held for sale.

The Bank also makes use of master netting agreements and other arrangements not eligible for netting under IAS 32 with its counterparties. Such arrangements provide for single net settlement of all financial instruments covered by the agreements in the event of default on any one contract. Although, these master netting arrangements do not normally result in an offset of balance sheet assets and liabilities (as the conditions for offsetting under IAS 32 may not apply), they nevertheless reduce the Bank’s exposure to credit risk.

CREDIT QUALITY OF FINANCIAL ASSETS THAT ARE NEITHER PAST DUE NOR INDIVIDUALLY IMPAIRED

Although master netting arrangements may significantly reduce credit risk, it should be noted that the credit risk is eliminated only to the extent of amounts due to the same counterparty.

In the context of the application of IFRS 9 standard, the Bank records Expected Credit Losses on financial assets, financial guarantees and other financial commitments on basis of Bank calculation rules defined in Note 3.8. The Bank determines that “individually impaired” financial assets refer mainly to financial assets classified in Stage 3 under IFRS 9.

	12.31.2025	12.31.2024
Non-performing restructured debt	12 220	7 100
Performing restructured debt	64 809	11 425
Total	77 029	18 525

The main reason of the increase is the Bank review of the rules for the determination of restructured debts regarding criterias of forbearance and renegotiation.

Note 9.2. – Market risk

1. GENERAL

Market risk is defined as the risk of loss due to unfavorable movements in market factors, such as interest rates, share prices or currency exchange rates, impacting the value of the Bank’s proprietary positions.

Although the primary responsibility of the monitoring of risks lies down with the managers of the trading rooms (Front Office), the organization of the supervision relies on the independent structures which, in particular, are in charge of:

- the calculation, on a daily basis, of market risks based on a formal and secure procedure;

- the daily monitoring of compliance with the limits notified for each activity;
- the preparation of a daily report on the use of the limits, sent to the general management of the entities referred to the front office and to the SG Luxembourg’s market risk department.

The Bank’s market risk assessment is based on daily indicators, which are used to define exposure limits:

- 99% Value at Risk (VaR) and Stressed Value-at-Risk (SVaR) in accordance with the internal regulatory model used to calculate capital: synthetic indicator for day-to-day monitoring of market risks incurred by SG Luxembourg as part of its trading activities. The “historical simulation” method is used,

V. NOTES TO THE ANNUAL ACCOUNTS (CONTINUED)

which takes into account shocks and correlations between various markets using a one-day horizon calculated on a rolling one-year basis (for the VaR) and on a stresses annual window chosen a long-term period (for the SVaR);

- the stress testing, based on ten-year risk indicators. Stress testing makes it possible to limit exposure to systemic risks and to cases of exceptional market shock. A stress test estimates the loss resulting from an extreme shift in market prices over a period corresponding to the time required to unwind or hedge the positions affected (5 to 20 days for most trading positions). This estimate uses historical scenarios as well as theoretical scenarios that are regularly reviewed and updated by the SG Luxembourg Risk Division. At the end of the most recent review, the stress test used 12 scenarios (3 historical and 9 theoretical);
- additional indicators (in sensitivity, nominal, holding or modify duration, etc.) enable to ensure consistency between the overall risk limits and the operational thresholds used by the Front Office. These limits also allow mitigating the risks which would only partially be caught by the “VaR” or stress testing.

2. MEASUREMENT OF MARKET RISK AND DEFINITION OF LIMITS

Market risk is managed through procedures that explain how and when to activate and monitor limits for SG Luxembourg independently and for its subsidiaries.

Although primary responsibility for risk monitoring naturally falls into front office managers, the oversight mechanism also relies on independent structures.

From an organizational viewpoint, responsibility for managing market risk within SG Luxembourg is distributed as follows:

- Societe Generale’s Market Risk Department establishes the risk measurement methods and control procedures, centrally handles Societe Generale Group’s market risk reporting, examines and validates the limits requests from the various activities;
- SG Luxembourg has a dedicated risk team, independent from the business lines, in charge of managing risks resulting from market activities. The daily market risk calculation and monitoring and the limits and methodologies validation are under the accountability of the Risk department.

Market risk management is based on a combination of several types of indicators:

- The internal VaR model was introduced at the end of 1996 and has been approved by the French supervisor within the scope of the regulatory capital requirements. This approval was renewed in 2020 at the Target Review of Internal Models (TRIM). The Value at Risk (VaR) assesses the potential losses on positions over a defined time horizon and for a given confidence interval (99% for Societe Generale). The method used is the “historical simulation” method, which implicitly takes into account the correlation between the various markets as well as general and specific risk. It is based on the following principles:
 - storage in a database of the risk factors that are representative of the Bank’s positions (i.e. interest rates share prices. Controls

are regularly performed in order to check that all major risk factors for the trading portfolio of the Group are taken into account by the internal VaR model;

- definition of 260 scenarios corresponding to one-day variations in these market parameters over a rolling one-year period: these scenarios are updated daily with the inclusion of a new scenario and the removal of the oldest scenario. There are three coexisting methods for modeling scenarios (relative shocks, absolute shocks and hybrid shocks), the choice between these methods for a given risk factor is determined by its nature and its historical trend;
- the application of these 260 scenarios to the market parameters of the day;
- revaluation of daily positions on the basis of the 260 sets of adjusted market parameters: in most cases, this calculation involves a full re-pricing. Nonetheless, for certain risk factors, a sensitivity-based approach may be used.

Within the framework described above, the one-day 99% VaR, calculated according to the 260 scenarios corresponds to the weighted average of the second and third largest losses computed (39% of the second highest risk and 61% of the third highest risk), without applying any weighting to the other scenarios.

- The Stressed VaR (SVaR) model was introduced at the end of 2021 and has been approved by the Regulator within the scope of the regulatory capital requirements on the same scope as the VaR. As with the VaR model this approval was renewed in 2020 at the Target Review of Internal Models (TRIM). The calculation method used for the 99% one-day SVaR is the same as the one for VaR. It consists in carrying out an historical simulation with one-day shocks and a 99% confidence interval. SVaR uses a fixed one-year historical window of scenarios corresponding to a period of significant financial tension;
- The Market Stress Test focuses on market risk and estimates the loss resulting from shocks on the set of risk factors. This stress test is based on 12 scenarios (3 historical and 9 hypothetical). The main principles are as follows:
 - The scenario considered in the market stress test is the worst of the different scenarios defined;
 - The shocks applied are calibrated on time horizons specific to each risk factor (the time horizon can range from five days for the most liquid risk factors to three months for the least liquid);
 - Risks are calculated every day for each of the Bank’s market activities (all products together) using each of the historical and hypothetical scenarios.
 - **Historical scenarios:** this method consists of an analysis of the major economic crises that have affected the financial markets: changes in the prices of financial assets (equities, interest rates exchange rates, credit spreads, etc.) during each of these crises have been analysed in order to define scenarios for potential variations in these main risk factors which, when applied to the Bank’s trading positions, could generate significant losses. Accordingly, this approach makes it possible to determine the historical scenarios used for the calculation of the stress

test. This set of scenarios is also the subject of regular reviews. In 2020, 2 new historical scenarios related to the Covid-19 crisis were integrated: a crisis scenario (marked by a decline in equity indices and an increase in credit spreads) as well as a rebound scenario (marked by an increase in equity indices and a decrease in credit spreads). In 2024, the historical rebound scenario in financial markets observed in 2020 was replaced by two hypothetical scenarios based on the same market context. Societe Generale Group is currently using 3 historical scenarios in the calculation of the stress test, which cover the monthly periods of October 2008, December 2008 and March 2020;

- **Hypothetical scenarios:** the hypothetical scenarios are defined with the Group's economists and are designed to identify possible sequences of events that could lead to a major crisis in the financial markets (e.g. European crisis, a drop in assets, etc.). The Group's aim is to select extreme but plausible events which would have major repercussions on all international markets. Accordingly, Societe Generale has defined 9 hypothetical scenarios. In 2024, an obsolete scenario corresponding to the Russian crisis of 1998 was replaced by a new theoretical scenario centered on an inflationary crisis and 2 new hypothetical

scenarios corresponding to bull markets were added.

- Risks are calculated daily for each market activity of Societe Generale Group all products included. A limit in "stress-test" is set for the global activity of Societe Generale Group;
- Different Stress test scenarios are subject to regular review and improvements from teams of economists of Societe Generale Group;
- These scenarios are supplemented by a set of adverse stress tests calculated by activity or risk factor to take extreme risks on a specific market into account (dislocation, liquidity, concentration, etc.):
 - An "Emerging Countries" stress test combining shocks calibrated to the history of fluctuations observed in the past. The calibration is created from the 99% quantile of the shock distribution by risk factor for each country. An aggregation by country, region, and worldwide is used to quantify the risk by geographical area. The Stress Test limit relates to the most sensitive area.
 - "Sensitivity" and "nominal" indicators control position size: sensitivities are calculated using the major valuation risk factors (e.g. sensitivity of an option to changes in underlying asset prices); nominal values are used for significant positions in terms of risk.

2025 METRICS

SG Luxembourg	Limit (€k)	Average use (€k)	Number of overruns observed	Maximum use (€k)	Maximum period of overrun
VaR	250	5,43	-	31,74	N/A
SVaR	400	14,76	-	44,53	N/A
Stress Test	500	34,15	-	81,07	N/A
Emerging Stress Test	500	0,30	-	6,26	N/A
10bp sensitivity	15	0,15	-	1,53	N/A
Nominal FX Postion	2 000	97,24	-	784,62	N/A

2024 METRICS

SG Luxembourg	Limit (€k)	Average use (€k)	Number of overruns observed	Maximum use (€k)	Maximum period of overrun
VaR	250	4,30	-	44,80	N/A
SVaR	400	12,26	-	68,11	N/A
Stress Test	500	37,19	-	323,43	N/A
Emerging Stress Test	500	3,16	-	7,85	N/A
10bp sensitivity	15	0,13	-	0,44	N/A
Nominal FX Postion	2 000	201,39	-	1 003,34	N/A

Over 2025, the principal metrics levels, VaR, SVaR and Stress Test, remained low overall, way under the limits validated by the head office. These indicators never reached their limit over 2025.

3. MEASUREMENT AND MONITORING OF STRUCTURAL INTEREST RATE RISKS

The Bank uses several indicators to measure its overall interest rate risk. The two most important indicators are:

■ Value sensitivity

- NPV sensitivity – Net Present Value sensitivity of fixed rate

residual positions to interest rate changes according to several interest rate scenarios;

- EVE sensitivity – Economic Value of Equity sensitivity represents the NPV after exclusion of own funds, investments in subsidiaries and intangible assets;
- macro hedging is set up mainly through the use of interest rate swap in order to maintain net present value within the limits;
- as at December 31, 2025, the sensitivity of SG Luxembourg for a +10bps parallel increase in the yield curve was -0,37 MEUR (2024: -0,31 MEUR);

V. NOTES TO THE ANNUAL ACCOUNTS (CONTINUED)

- structured finance (GLBA) activities within SG Luxembourg's balance sheet are micro hedged and present limited interest rate risk.

■ Revenue sensitivity

- NIM sensitivity – Based on a dynamic budget related to business units' assumptions, the NIM includes forward interest rates, a split of the Net Interest Income into different components and a revamp of the client rate considering optionality on the client remuneration. Since June 2024, to comply with EBA/GL/2022/14 on IRRBB, a SOT NII is calculated.

NPV sensitivities resulting from these gaps are as follows:

		12.31.2025					12.31.2024				
Currency	Scenario	ST	MT	LT	Global	Limit	ST	MT	LT	Global	Limit
GLOBAL	+10bps_F	(3.17)	0	(0.12)	(0.37)	(10.94)	(2,77)	0	(0,41)	(0,31)	(8,13)
GLOBAL	-10bps_F	(0.04)	(1.98)	(1.53)	(0.65)	(10.94)	(0,38)	(1,34)	(2,7)	(1,55)	(13,13)
GLOBAL	+100bps PILO0102	(31.55)	0	(2.18)	(4.03)	(109.38)	(27,24)	0	(4,52)	(3,06)	(81,25)
GLOBAL	-100bps PILO0202	(0.39)	(19.53)	(15.62)	(7.81)	(109.38)	(3,87)	(13,04)	(28,48)	(16,11)	(131,25)

4. CREDIT SPREAD RISK IN THE BANKING BOOK (CSRBB)

Credit Spread Risk in Banking Book (CSRBB) refers to the current or prospective risk to the bank's capital and earnings arising from adverse movements in market credit spreads that affect the banking book positions. When credit spreads related to asset or liabilities items of the balance sheet change, the present value of future cash flows changes. This in turn changes the fair value of the bank's assets, liabilities and off-balance sheet items and hence its overall economic book value. In a dynamic balance sheet perspective incorporating assumptions regarding new production of assets or liabilities, changes in credit spreads also affect a bank's earnings by altering credit spread sensitive income and expenses, affecting its net interest income (NII). Excessive CSRBB can pose a significant threat to a bank's current capital base and/or future earnings if not managed appropriately.

Sound CSRBB management should address risk from two perspectives:

- Earnings perspective: the projected effect on the bank's accrual earnings.
- Economic perspective: the projected effect on the bank's economic value of assets, liabilities, and off-balance sheet positions.

CSRBB management falls in the broader scope of market risk management in the banking book.

The perimeter consists in all tradable debt instruments and credit protection instruments recorded in the prudential banking book and booked at fair value of the following potential eligible perimeter:

- Entities (within the meaning of ALM).
- BUS/Sus (within the meaning of ALM).

INTEREST RATE RISK ANALYSIS

To quantify its exposure to structural interest rate risks, the Bank analyses all fixed-rate assets and liabilities in the future. These positions come from transactions remunerated or charged at fixed rates and from interest rate refixing date.

Assets and liabilities are analyzed separately, without any *a priori* matching. The maturities of outstanding assets and liabilities are determined based on the contractual terms of transactions, on models or conventional assumptions (particularly for sight deposits, early loan repayments, and shareholders' equity).

- The Group (SGL results are consolidated and reported to the Group Finance Committee (GFC)).

The metric used to compute CSRBB is a value sensitivity for an immediate and parallel credit spread shock of +10bps. The calculation follows the operational procedure related to calculation and reporting Net Present Value Sensitivity of Credit Spread Risk ("NPVSCSR").

The risk levels and their variations are monitored and compared to framework monthly and presented during the ALM committees and quarterly Compliance and Risk Committees.

5. CURRENCY RISK

Structural exchange risk is the risk that a loss occurs due to an unfavourable movement of the exchange rate that would affect the Bank due to existing opened positions in foreign currencies.

Structural exchange rate risk is mainly caused by:

- foreign currency denominated capital contributions and equity investments financed through the purchase of foreign currencies;
- investments made by certain foreign subsidiaries in a currency other than the one used for their equity funding, for regulatory reasons.

OBJECTIVE OF THE BANK

The Bank's policy consists in calibrating the hedging of its net investments in foreign entities in such a way as to reduce the sensitivity of its Common Equity Tier 1 ratio to fluctuations in exchange rates as much as possible. To this end, it enters into hedging transactions to maintain a currency exposure reducing such sensitivity to within limits. The Bank quantifies its exposure to structural foreign exchange rate risks by analyzing all assets and liabilities denominated in foreign currencies.

6. MEASUREMENT AND MONITORING OF STRUCTURAL FOREIGN EXCHANGE RATE RISKS

The Bank settles forward foreign exchange transactions that are systematically backed by spot transactions. The residual position on those operations corresponds to interests of the currency in which the forward operation has been concluded and therefore represents an interest rate position monitored by the treasury desk.

The structural currency risk is monitored through monitoring process of the market currency risk. Those monitoring processes cover both natures of currency risks.

BREAKDOWN OF BANK ASSET AND LIABILITIES IN CURRENCY

As at December 31, 2025, and December 31, 2024, the breakdown of total asset and liabilities in currencies is as follows:

(in EUR thousand)	12.31.2025		12.31.2024	
	Assets	Liabilities and equity	Assets	Liabilities and equity
EUR	35 349 057	34 047 286	36 049 057	34 881 831
USD	6 034 825	7 256 708	9 247 119	10 168 994
GBP	1 393 767	1 390 711	1 637 279	1 925 115
CHF	307 113	307 427	1 923 147	1 835 205
SEK	209 409	212 321	94 350	108 353
DKK	76 319	75 099	87 037	87 091
NOK	18 887	101 946	67 910	67 995
Other currencies	746 617	744 496	1 105 217	1 136 532
Total	44 135 994	44 135 994	50 211 116	50 211 116

MONITORING OF FOREIGN CURRENCY RISK EXPOSURE

The Bank sets an overnight global limit to EUR 2 million that breaks down as follows:

Currency	Limit	Currency	Limit	Currency	Limit	Currency	Limit
AUD		BRL		COP		AED	
CHF		CNY		EGP		BGN	
GBP	+/-1 MEUR	CZK		HUF		BHD	+/-0.2 MEUR
JPY		HKD		IDR		ISK	
USD		KRW		ILS		QAR	
CAD		MXN	+/-0.5 MEUR	INR		SAR	
DKK		PLN		MYR		ARS	+/-0.1 MEUR
NOK	+/-0.5 MEUR	RMB		OMR	+/-0.2 MEUR		
NZD		RUB		PEN			
SEK		TRY		PHP			
SGD				RON			
				RSD			
				THB			
				TWD			
				ZAR			

As at December 31, 2025 the opened positions are as follows:

V. NOTES TO THE ANNUAL ACCOUNTS (CONTINUED)

Currency	Position (in EUR)
CHF	(63 112)
USD	(4 013)
GBP	51 609
AUD	(95)
JPY	(1 324)
CAD	(348)
NOK	268
CZK	(1)
SEK	(31)
SGD	21
MXN	-
HKD	(733)
THB	-
TRY	-
PLN	-
ZAR	-
RON	-

As at December 31, 2024 the opened positions were as follows:

Currency	Position (in EUR)
CHF	(6 218)
USD	(45 591)
GBP	218 409
AUD	(1 481)
JPY	(1 787)
CAD	(1 630)
NOK	(258)
CZK	(458)
SEK	81
SGD	(178)
MXN	15
HKD	(1 423)
THB	3
TRY	20
PLN	12
ZAR	-
RON	-

Note 9.3. – Liquidity Risk

Liquidity risk is defined as the SG Luxembourg's inability to meet its financial obligations at a reasonable cost: debt repayments, collateral supply. SG Luxembourg assesses this risk over various time horizons, including intraday, considering market access restriction risk (generalized or specific to SG Luxembourg).

SG Luxembourg assesses the solidity of its liquidity profile based on three complementary focuses:

- controlling liquidity risk;
- controlling funding risk;
- complying with regulatory obligations (Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR)).

SG Luxembourg also assesses and specifically monitors their liquidity profile in conjunction with their "mother company". Controlling and setting targets for liquidity and funding risks is part of the SG Luxembourg's ILAAP process.

Liquidity risk calibration and control is based on:

- **Four complementary metrics**, the Business as Usual (BAU) static gap, the Combined (CMB) stressed dynamic gap, and since end of 2024, Idiosyncratic (IDIO) and Systemic (SYST):
 - BAU static gap measures the price risk, meaning the economic risk, without taking into account new productions in a non-stressed environment, (no impact on assets prices, for instance). This price risk is symmetrical (both a long and a short funding position can generate P&L losses) and therefore managed using an indicator based on average and with low and high limits. Threshold and/or limit breaches are monitored on a monthly basis during SG Luxembourg ALCO (Asset and Liability Committee). Liquidity thresholds/Limits are also part of SG Luxembourg Risk Appetite Statement (RAS) framed liquidity metrics. The limit framework is validated and notified by the second line of defense (LoD2) and defined

for all currencies together, main currencies (EUR, USD, CHF, GBP) aggregate (other currencies), and for each currency (every currency not framed otherwise) on the different time buckets (from O/N to 10Y), allowing to capture the whole risk on a currency by currency basis;

- the CMB stressed dynamic gap is used to measure the lethal risk. That risk is asymmetrical - i.e. the risk that SG Luxembourg could not meet all its liquidity commitments in a stressed environment due to a short liquidity position. It is calibrated using stress scenarios (some systemic and some idiosyncratic) and calibrated on quantiles representing the probability of occurrence of these scenarios. The resulting CMB stressed dynamic gap is used to calibrate the liquidity buffers in order to ensure a survival horizon of 6 months, in line with the current Risk Appetite Statement. CMB is part of the SG Group liquidity under stress scenario set (LST);
- the IDIO dynamic gap aims at capturing a risk specific to SG Group. Similarly to CMB, it is part of the LST;
- the SYST dynamic gap would capture a shock on global markets. This scenario too is part of LST.
- **maintaining sufficient liquidity reserve** in an amount and quality to cover short-term financial obligations in stress scenarios. The calibration of the liquidity reserve includes an assessment of its quality and diversification; in particular, it takes into consideration compliance with local regulatory requirements that may restrict the transferability of liquid amounts within the consolidated perimeter;
- **controlling "liquidity gaps"** to control the risk of inconsistent maturities between cash inflows and outflows. SG Luxembourg's policy is to comply with limits provided by Societe Generale Group ALM team. These limits are managed by SG Luxembourg ALT function and monitored via the ALCO.

1. BREAKDOWN OF FINANCIAL ASSETS BY RESIDUAL MATURITY

(in EUR thousand)	12.31.2025					Total
	Less than 3 months	3 months to 1 year	1 to 5 years	More than 5 years	Undetermined	
Cash due from central banks	11 707 892	-	-	-	-	11 707 892
Financial assets at fair value through profit or loss	1 095 589	35 845	299 283	429 942	-	1 860 659
Hedging derivatives	-	-	-	103 114	-	103 114
Financial assets at fair value through other comprehensive income	-	335 996	932 900	1 095 632	-	2 364 528
Securities at amortised cost	-	-	-	-	-	-
Due from banks at amortised cost	8 284 757	3 792 806	4 886 154	5 852 178	-	22 815 895
Customer loans at amortised cost	512 199	487 627	1 782 336	1 672 925	-	4 455 087
Shares in affiliated undertakings	-	-	-	-	537 171	537 171
Total	21 600 437	4 652 274	7 900 673	9 153 791	537 171	43 844 346

V. NOTES TO THE ANNUAL ACCOUNTS (CONTINUED)

	12.31.2024					
<i>(in EUR thousand)</i>	Less than 3 months	3 months to 1 year	1 to 5 years	More than 5 years	Undetermined	Total
Cash and balances with central banks	12 685 077	-	-	-	-	12 685 077
Financial assets at fair value through profit or loss	981 190	202 768	364 823	128 359	-	1 677 140
Hedging derivatives	-	-	-	91 255	-	91 255
Financial assets at fair value through other comprehensive income	187 303	106 566	752 876	76 379	-	1 123 124
Securities at amortised cost	-	-	-	-	-	-
Due from banks at amortised cost	12 559 535	3 168 399	5 798 404	6 523 587	-	28 049 925
Customer loans at amortised cost	734 226	1 040 552	1 899 877	1 310 722	-	4 985 377
Shares in affiliated undertakings	-	-	-	-	1 092 328	1 092 328
Total	27 147 331	4 518 285	8 815 980	8 130 302	1 092 328	49 704 226

2. BREAKDOWN OF FINANCIAL LIABILITIES BY RESIDUAL MATURITY

	12.31.2025					
<i>(in EUR thousand)</i>	Less than 3 months	3 months to 1 year	1 to 5 years	More than 5 years	Undetermined	Total
Financial liabilities at fair value through profit or loss	19	-	-	85 515	-	85 534
Hedging derivatives	-	-	-	47 620	-	47 620
Due to Banks	3 940 339	3 906 161	10 009 229	1 344 447	-	19 200 176
Customers deposits	20 416 425	15 920	31 616	300 330	-	20 764 291
Debt securities issued	-	-	-	-	-	-
Total	24 356 783	3 922 081	10 040 845	1 777 912	-	40 097 621

	12.31.2024					
<i>(in EUR thousand)</i>	Less than 3 months	3 months to 1 year	1 to 5 years	More than 5 years	Undetermined	Total
Financial liabilities at fair value through profit or loss	5	-	-	60 097	-	60 102
Hedging derivatives	-	-	-	19 013	-	19 013
Due to Banks	5 185 425	3 002 097	13 807 114	779 675	-	22 774 311
Customers deposits	22 699 664	95 608	269 496	83 177	-	23 147 945
Debt securities issued	-	-	-	-	-	-
Total	27 885 094	3 097 705	14 076 610	941 962	-	46 001 371

3. BREAKDOWN OF COMMITMENTS AND FIDUCIARY OPERATIONS BY RESIDUAL MATURITY
COMMITMENTS GRANTED

	12.31.2025				
<i>(in EUR thousand)</i>	Less than 3 months	3 months to 1 year	1 to 5 years	More than 5 years	Total
Financing commitments	2 437 974	159 014	103 905	174 830	2 875 723
Guarantee commitments	799 756	-	-	-	799 756
Securities commitments	508 240	-	-	170 244	678 484
Total	3 745 970	159 014	103 905	345 074	4 353 963

	12.31.2024				
<i>(in EUR thousand)</i>	Less than 3 months	3 months to 1 year	1 to 5 years	More than 5 years	Total
Financing commitments	1 649 345	154 852	2 140 390	625 182	4 569 769
Guarantee commitments	984 080	-	-	-	984 080
Securities commitments	417 748	-	-	15 707	433 455
Total	3 051 173	154 852	2 140 390	640 889	5 987 304

FIDUCIARY

	12.31.2025				
<i>(in EUR thousand)</i>	Less than 3 months	3 months to 1 year	1 to 5 years	More than 5 years	Total
Fiduciary	93 810	1 082 779	1 224 451	202 990	2 604 030
Total	93 810	1 082 779	1 224 451	202 990	2 604 030

	12.31.2024				
<i>(in EUR thousand)</i>	Less than 3 months	3 months to 1 year	1 to 5 years	More than 5 years	Total
Fiduciary	25 246	2 491 656	1 320 464	452 060	4 289 426
Total	25 246	2 491 656	1 320 464	452 060	4 289 426

COMMITMENTS RECEIVED

	12.31.2025				
<i>(in EUR thousand)</i>	Less than 3 months	3 months to 1 year	1 to 5 years	More than 5 years	Total
Financing commitments	520 911	-	12 532	188 209	721 652
Guarantee commitments	22 000	11 500 389	-	2 370	11 524 759
Securities commitments	508 231	-	-	168 973	677 204
Other commitments	-	-	-	911 777	911 777
Total	1 051 142	11 500 389	12 532	1 271 329	13 835 392

	12.31.2024				
<i>(in EUR thousand)</i>	Less than 3 months	3 months to 1 year	1 to 5 years	More than 5 years	Total
Financing commitments	340 080	14 000	2 131 578	67 140	2 552 798
Guarantee commitments	2 000	20 000	11 500 520	2 370	11 524 890
Securities commitments	417 741	-	-	15 381	433 122
Other commitments	-	-	-	1 153 824	1 153 824
Total	759 821	34 000	13 632 098	1 238 715	15 664 634

4. BREAKDOWN OF DERIVATIVES BY RESIDUAL MATURITY

DERIVATIVES ASSETS

<i>(in EUR thousand)</i>	12.31.2025				Total notional amounts
	Notional amounts less than 3 months	Notional amounts between 3 months and 1 year	Notional amounts between 1 year and 5 years	Notional amounts more than 5 years old	
Trading transactions					
Interest rate instruments	283 742	-	73 034	2 292	359 068
Foreign exchange instruments	6 307 137	389 156	71 678	-	6 767 971
Equity and index instruments	432 086	-	-	-	432 086
Commodity instruments	1 965	-	-	-	1 965
Other forward financial instruments	254 241	-	-	-	254 241
Fair value hedging transactions					
Interest rate instruments	4 537 978	-	-	-	4 537 978
Cash flow hedging transactions					
Interest rate instruments	180 000	-	-	-	180 000
Other forward financial instruments	-	-	-	3 910	3 910
Total notional amounts of derivative assets	11 997 149	389 156	144 712	6 202	12 537 219

<i>(in EUR thousand)</i>	12.31.2024				Total notional amounts
	Notional amounts less than 3 months	Notional amounts between 3 months and 1 year	Notional amounts between 1 year and 5 years	Notional amounts more than 5 years old	
Trading transactions					
Interest rate instruments	799 512	-	48 375	3 015	850 902
Foreign exchange instruments	7 283 440	226 935	5 608	-	7 515 983
Equity and index instruments	48 109	-	-	-	48 109
Commodity instruments	1 372	-	-	-	1 372
Other forward financial instruments	691 245	-	-	-	691 245
Fair value hedging transactions					
Interest rate instruments	3 141 866	-	-	-	3 141 866
Cash flow hedging transactions					
Interest rate instruments	460 000	-	-	-	460 000
Other forward financial instruments	-	-	-	3 275	3 275
Total notional amounts of derivative assets	12 425 544	226 935	53 983	6 290	12 712 752

DERIVATIVES LIABILITIES

(in EUR thousand)	12.31.2025				
	Notional amounts less than 3 months	Notional amounts between 3 months and 1 year	Notional amounts between 1 year and 5 years	Notional amounts more than 5 years old	Total notional amounts
Trading transactions					
Interest rate instruments	283 742	-	73 034	2 292	359 068
Foreign exchange instruments	6 293 165	398 214	74 683	-	6 766 062
Equity and index instruments	434 951	-	-	-	434 951
Commodity instruments	1 965	-	-	-	1 965
Other forward financial instruments	254 241	-	-	-	254 241
Fair value hedging transactions	-	-	-	-	-
Interest rate instruments	4 537 978	-	-	-	4 537 978
Cash flow hedging transactions	-	-	-	-	-
Interest rate instruments	180 000	-	-	-	180 000
Total notional amounts of derivative liabilities	11 986 042	398 214	147 717	2 292	12 534 265

(in EUR thousand)	12.31.2024				
	Notional amounts less than 3 months	Notional amounts between 3 months and 1 year	Notional amounts between 1 year and 5 years	Notional amounts more than 5 years old	Total notional amounts
Trading transactions					
Interest rate instruments	799 512	-	48 375	3 015	850 902
Foreign exchange instruments	7 270 926	226 132	5 608	-	7 502 666
Equity and index instruments	51 124	-	-	-	51 124
Commodity instruments	1 372	-	-	-	1 372
Other forward financial instruments	691 245	-	-	-	691 245
Fair value hedging transactions					
Interest rate instruments	3 141 866	-	-	-	3 141 866
Cash flow hedging transactions					
Interest rate instruments	460 000	-	-	-	460 000
Total notional amounts of derivative liabilities	12 416 045	226 132	53 983	3 015	12 699 175

Note 9.4. – Operational risk

Operational risk is defined as the risk of loss or fraud as a result of defects in or failure of internal systems and procedures, human error or external events including legal, IT risk and management risk.

The Bank is continuing to deploy the strengthened framework for the control and oversight of operational risks implemented by SG Luxembourg. This programme is overseen by the Operational Risk Department of SG Luxembourg.

Since the first quarter of 2025, the assessment of internal capital allocation for operational risk has evolved to align with the new CRR3 regulation. To simplify the framework and improve comparability, the two approaches permitted under CRR2 (AMA and the Standardised Approach) were replaced in 2025 by a single 'Standardized Approach' applicable to all SGL Group entities.

The primary responsibility for risk management falls to department heads within the business lines and to support functions, who are expected to promote the culture of operational risk awareness among their employees daily.

The second-level permanent control activity is carried out by a shared team performing controls for the second lines of defence of the Compliance and Risk functions. Its role is to ensure that first level controls are properly executed and are effective in mitigating risks.

The follow-up organization relies mainly on four processes supervised by the operational risk departments and within SG Luxembourg:

- i. the periodic self-assessment of the risks and controls (*Risk and Control Self-Assessment- RCSA*) which aims to:
 - identify and measure the operational risks inherent in each activity and department of the Bank;

V. NOTES TO THE ANNUAL ACCOUNTS (CONTINUED)

- assess the quality of prevention and control systems in place to reduce these risks and thereby measure exposure to the latent risks with which each activities/department must contend;
 - implement corrective action plans.
- ii. the gathering of internal data relating to losses associated with operational risks with a comprehensive declaration and on a specific tool, providing all the information necessary for analysis and monitoring this data being relayed to the senior management. The approach closely follows the formulation and follow-up of corrective actions that have to be subject to a degree of criticality a deadline and the appointment of a manager;
- iii. the continuous monitoring mechanism, including the organization and coordination of a set of first-level controls and the production of summary reporting intended for the Bank's General Management and Societe Generale Group's central operational risk teams;
- iv. analyses of scenarios targeting particularly sensitive functions and processes within the Bank. These are assessments of severe operational risks which the Bank may face under certain

conditions. These analyses aim to assess rarely occurring but extremely severe potential losses.

Furthermore, the Bank has defined an information security policy and ensures its enforcement. This policy covers the management of computer access and rights, the prevention of information leaks, anonymisation rules, the conducting of intrusion tests, and the monitoring of the bank's websites. Prevention and employee awareness-raising campaigns are conducted regularly in conjunction with the implementation of a Clean Desk policy.

These processes are supplemented by a crisis management mechanism and a business continuity plan, the purpose of which is to develop the inherent capacity of the Bank's activities to withstand crises. This is done by combining the organisations' own capacities (robust systems) and special resources (business continuity plans).

Furthermore, the Bank's constant innovations in terms of the products and services proposed to its clients must be approved by a New Products Committee, which determines the necessary conditions, in terms of both operations and acceptable risks, including an analysis of compliance risks.

NOTE 10 – CAPITAL

The Bank maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the local banking supervisor. The adequacy of the Bank's capital is monitored using, among other measures, the rules and ratios established by the Basel Committee on Banking Supervision (BIS rules/ratios).

SG Luxembourg has fully complied with all its externally imposed capital requirements over the reported period.

Note 10.1. – Capital management

As part of managing its capital, the Bank (under the supervision of the Finance Division) ensures that its solvency level is always compatible with the following objectives:

- meeting its regulatory requirement;
- maintaining its financial solidity and respecting the Risk Appetite targets;
- preserving its financial flexibility to finance organic growth, within SG Group risk weighted assets allocation;
- maintaining the Bank's resilience in the event of stress scenarios.

The Bank approves its internal solvency targets in accordance with these objectives and regulatory requirements.

The Bank has an internal process (Internal Adequacy Assessment Process "ICAAP") for assessing the adequacy of its capital that measures the adequacy of the Bank's capital ratios in light of regulatory constraints and future regulatory changes. The assessment of this adequacy is based on a selection of key metrics that are relevant to the Bank in terms of risk and capital measurement, such as solvency ratios (CET1, Tier 1 and Total Capital), leverage ratio and MREL ratios.

The capital regulatory indicators are supplemented by an assessment of the internal capital needs by available CET1 capital, thus confirming the relevance of the targets set in the risk appetite.

As at December 31, 2025, the Bank's Common Equity Tier 1 ratio stood at 23,30% (2024: 25,38%) and the total capital ratio at 23,30% (2024: 25,38%).

LARGE EXPOSURES

The CRR (European Capital Requirements Regulation) incorporates the provisions regulating large exposures. As such the SG Luxembourg Group must not have any exposure where the total amount of net risks incurred on a single beneficiary exceeds 25% of the Group's Tier 1 capital.

The eligible capital used to calculate the large exposure ratio is the total regulatory capital with a limit on the amount of Tier 2 capital. Tier 2 capital cannot exceed one-third of Tier 1 capital.

On December 31, 2025 and on December 31, 2024, SG Luxembourg Group had no additional RWA requirements due to the large exposures framework.

Note 10.2. – Regulatory capital

TIER 1 CAPITAL

According to CRR 2/CRD5 regulations Common Equity Tier 1 capital is made up primarily of the following:

- ordinary shares (net of repurchased shares and treasury shares) and related share premium accounts;
- retained earnings;

- components of the statement of net income and unrealized or deferred gains and losses;
- other reserves.

Deductions from Common Equity Tier 1 capital essentially involve the following:

- estimated dividend payment;
- goodwill and intangible assets, net of associated deferred tax liabilities;
- unrealized capital gains and losses on cash flow hedging;
- any positive difference between expected losses on customer loans and receivables risk-weighted using the Internal Ratings Based (IRB) approach, and the sum of related value adjustments and collective impairment losses;
- value adjustments resulting from the requirements of prudent valuation;
- excess of deduction from T2 items in CET1 capital;
- insufficient coverage for non-performing exposures.

ADDITIONAL TIER 1 CAPITAL

SG Luxembourg has no Additional Tier 1 capital.

TIER 2 CAPITAL

According to CRR2/CRD5 regulations, Tier 2 capital is made up primarily of the following:

- IRB Excess of provisions over expected losses eligible;
- Deduction of T2 instruments of financial sector entities where the institution has a significant investment.

SG Luxembourg is benefiting from a favorable assessment by the rating agency Standard & Poor's with regard to the Bank's financial stability: A-1 in the short-term, A in the long term.

The Bank has not issued any hybrid securities or subordinated borrowings not eligible for prudential capital.

NOTE 11 – EVENTS AFTER THE DATE OF BALANCE SHEET

During the first semester 2026, the Bank plans to launch a new Branch in Belgium through the transformation of its former representation office. Such Branch will be submitted to the local regulations in Belgium.

Since the end of December 2025, no other subsequent significant event occurred.

Societe Generale Luxembourg

Societe Anonyme

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**SOCIETE
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